



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, January 20, 2026 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

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

IV. ROLL CALL

V. RECOGNITIONS AND PRESENTATIONS

- [1.](#) Human Trafficking Prevention Month - Mayor Montgomery

VI. COMMENT

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

VII. APPOINTMENTS

VIII. APPROVAL OF MINUTES

- [1.](#) December 15, 2025 - Work Session
- [2.](#) December 16, 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 the Zoning Ordinance as it Pertains to Residential Foundation Requirements (AF-17-2026) (Ken Weems)
- [2.](#) Conduct a Public Hearing and Consideration of an Ordinance to Amend the Zoning Ordinance as it Pertains to Data Center and Cryptocurrency Mining Land Uses (AF-16-2026) (Ken Weems)
- [3.](#) Consideration of a Budget Adjustment Ordinance for the General Fund in FY26 (AF-23-2026) (Chris McCartt)

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

- [1.](#) Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026 (AF-343-2025) (Chris McCartt)
- [2.](#) Consideration of an Ordinance to Amend the FY 2026 General Purpose School Fund Budget and the General Project Fund Budget (AF-333-2025) (David Frye)

XI. OTHER BUSINESS

- [1.](#) Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with Thompson & Litton for Phase 2 of the Architectural Services for the New Elementary School and Associated Work at the Lynn View Community Center Site (AF-01-2026) (David Frye)
- [2.](#) Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with Thompson & Litton for Renovations at Dobyns-Bennett High School (AF-02-2026) (David Frye)

- [3.](#) Consideration of a Resolution Authorizing the City Manager to Execute a Purchase Order to Dell Marketing LP for Laptops for Kingsport City Schools (AF-12-2026) (David Frye)
- [4.](#) Consideration of a Resolution Renewing the Award for Generator Services (AF-08-2026) (Ryan McReynolds)
- [5.](#) Consideration of a Resolution to Enter into a Lease Extension Agreement with the Upper East Tennessee Human Development Agency, Inc. (AF-11-2026) (Michael T. Borders)
- [6.](#) Consideration of a Resolution to Amend a Lease Agreement with the United Way of Greater Kingsport (AF-15-2026) (Michael T. Borders)
- [7.](#) Consideration of a Resolution to Purchase Three (3) 2026 Chevrolet 1500 4WD Crew Cab with Police Package Utilizing TN State Contract (AF-22-2026) (Ryan McReynolds)
- [8.](#) Consideration of a Resolution Approving Change Order One to the Boone Street Demolition Project and Ratifying the Mayor's Execution of the Same (AF-03-2026) (Jessica Harmon)
- [9.](#) Consideration of a Resolution to Purchase a Drone from Skydio for use by the Kingsport Police Department, Utilizing a Sourcewell Cooperative Agreement (AF-04-2026) (Chief Bellamy)
- [10.](#) Consideration of a Resolution to Refund Series 2013B General Obligation Bonds and Issue General Obligation Refunding Bonds, Series 2026B, Not to Exceed \$12,500,000 (AF-18-2026) (Travis Bishop)
- [11.](#) Consideration of an Initial Resolution Authorizing the Issuance of Not-to-Exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A (AF-19-2026) (Travis Bishop)
- [12.](#) Consideration of a Resolution Authorizing the Execution, Sale, and Issuance of Not-to-Exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A (AF-20-2026) (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 to Approve the Permanent Installation of two Public Art Pieces (AF-06-2026) (Michael T. Borders)

- [2.](#) Consideration of a Resolution of Formal Acceptance of Deeds and Deeds of Easement (AF-21-2026) (Rowlett)

XIII. COMMUNICATIONS

1. City Manager
2. Mayor and Board Members

XIV. ADJOURN

City of Kingsport Proclamation

Whereas, human trafficking occurs when a person is recruited, enticed, harbored, transported, provided, purchased, or obtained through force, fraud, or coercion for the purpose performing labor or providing services (labor trafficking) or engaging in commercial sex acts (sex trafficking); and,

Whereas, it is estimated that approximately 27.6 million people are trafficked around the world and as many as 2,100 in East Tennessee alone; and,

Whereas, human trafficking erodes personal safety, dignity, and liberty as well as the health and safety of communities at large; and,

Whereas, human trafficking does not discriminate based on age, sex, race, color, or national origin, but is, however, grounded in the inequitable conditions of relationships and society and disproportionately affects vulnerable individuals and marginalized communities; and,

Whereas, the need is great to remove the veil of secrecy that allows human trafficking to thrive, disrupt the systems it depends upon to flourish, and mobilize community support around survivors of human trafficking and help them as they seek to recover and rebuild their lives; and,

Whereas, a unified response by allied professionals, law enforcement, prosecutors, judges, victims service providers, healthcare professionals, volunteers, and others is needed to provide safety, justice, and healing to survivors, hold offenders accountable, and promote the welfare of the community; and,

Whereas, the Tennessee Counter-Trafficking Alliance, through the Community Coalition Against Human Trafficking in East Tennessee, exists to educate Tennesseans about the realities and pervasiveness of human trafficking, foster collaborative intervention and prevention efforts, provide comprehensive, trauma-informed aftercare services to survivors, and advocate for more proactive legislation; and,

Whereas, during Human Trafficking Prevention Month and throughout the year, the City of Kingsport is provided an opportunity to celebrate the collaboration and work that has been done while rededicating ourselves to all that is still left to do, to reflect upon and honor the resilience, perseverance, and courage of survivors, and to urge everyone to recognize that we all have an active part to play in protecting the most vulnerable in our communities and ensuring survivors receive the care, support, and services they need.

Now, Therefore, I, Paul W. Montgomery, Mayor of the City of Kingsport, and on behalf of the Board of Mayor and Aldermen of the City of Kingsport, do hereby proclaim January 2026 as

Human Trafficking Prevention Month

in the City of Kingsport and encourage all citizens to remember victims and survivors of human trafficking and reaffirm our commitment to end their exploitation in communities across the City of Kingsport.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the City of Kingsport, Tennessee, to be affixed this the 20th day of January, in the year of our Lord two thousand and twenty-six.

Paul W. Montgomery, Mayor



BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, December 15, 2025 at 4:30 PM

City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding

Vice Mayor Darrell Duncan

Alderman Morris Baker

Alderman Betsy Cooper

Alderman Colette George

Alderman Gary Mayes

Alderman James Phillips

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

II. ROLL CALL by City Recorder Travis Bishop.

III. DISCUSSION ITEMS

1. AEP Update - Jake Holmes

Mr. Holmes introduced Brian Clemons and Evan Hearl in attendance with him today. He gave a presentation providing facts and figures detailing the structure and history of AEP, noting they have been serving Kingsport for 115 years. He stated AEP was an investor-owned utility and discussed the benefits of being a private entity. Mr. Holmes provided a rate comparison to the rest of the state as well as the national average. There was some discussion throughout as he answered questions from the board.

IV. REVIEW OF BUSINESS MEETING AGENDA

City staff gave a summary for each item on the December 16, 2025 proposed agenda. No items were discussed at greater length or received specific questions or concerns.

V. ITEMS OF INTEREST

1. Sales Tax Report

2. Projects Status Report

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, December 15, 2025, at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

VI. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 5:35 p.m.

ANGELA MARSHALL

Deputy City Recorder

PAUL W. MONTGOMERY

Mayor



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, December 16, 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 John Morris.

III. INVOCATION led by Pastor Jeremy Damesworth, Christian Life Center

IV. ROLL CALL by City Recorder Travis Bishop.

V. RECOGNITIONS AND PRESENTATIONS

1. **Christmas in Kingsport** - Alderman Cooper & Alderman Phillips

VI. COMMENT

Mayor Montgomery invited citizens in attendance to speak. Tim Sanders spoke and the mayor closed the public comment section.

VII. APPOINTMENTS

1. **Consideration of Appointment of Municipal Judge for the City of Kingsport (AF-334-2025)**
(Mayor Montgomery)

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

REAPPOINT JUDGE RUSSELL W. ADKINS TO A SECOND TWO-YEAR TERM AS THE MUNICIPAL JUDGE EFFECTIVE JANUARY 1, 2026 AND EXPIRING DECEMBER 31, 2027.

Passed: All present voting "aye."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, December 16, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

- 2. Consideration of Appointment to the Board of Zoning Appeals (AF-335-2025) (Mayor Montgomery)**

Motion made by Alderman Baker, Seconded by Alderman Phillips.

APPOINT LORA BARNETT TO FULFILL AN UNEXPIRED TERM EFFECTIVE IMMEDIATELY AND EXPIRING APRIL 30, 2026.

Passed: All present voting "aye."

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

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

Passed: All present voting "aye."

- 1. December 1, 2025 - Work Session**
- 2. December 2, 2025 - Business Meeting**

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

- 1. Hold a Public Hearing and Conduct the Annual Plan of Services Update for the Fieldcrest and Cherry Knoll Annexations (AF-339-2025) (Ken Weems)**

PUBLIC HEARING: None.

- 2. Consideration of a Budget Adjustment Ordinance for Various Funds in FY26 (AF-343-2025) (Chris McCartt)**

Motion made by Alderman George, Seconded by Alderman Phillips.

AN ORDINANCE TO AMEND THE VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2026; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

- 3. Consideration of an Ordinance to Amend the FY 2026 General Purpose School Fund Budget and the General Project Fund Budget (AF-333-2025) (David Frye)**

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

AN ORDINANCE TO AMEND THE GENERAL PURPOSE SCHOOL FUND BUDGET AND THE GENERAL PROJECTS FUND BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2026; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, December 16, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

- 1. Consideration of an Ordinance to Amend Zoning of Tax Map 032, a Portion of Parcel 112.20, Located Along E. Stone Drive from the A-1, Agricultural District to B-3, Highway-Oriented Business District (AF-327-2025) (Jessica McMurray)**

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

ORDINANCE NO. 7236 AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG EAST STONE DRIVE FROM THE A-1, AGRICULTURAL DISTRICT TO B-3, HIGHWAY-ORIENTED BUSINESS DISTRICT IN THE 10TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

XI. OTHER BUSINESS

- 1. Consideration of a Resolution Authorizing Kingsport City Schools to Change Phone Providers to United Data Technologies (UDT) and Authorizing the Mayor to Sign All Necessary Documents (AF-330-2025) (David Frye)**

Motion made by Alderman Cooper, Seconded by Alderman Mayes.

RESOLUTION NO. 2026-129 A RESOLUTION AUTHORIZING KINGSFORT CITY SCHOOLS TO CHANGE THE PHONE SERVICE PROVIDER TO UNITED DATA TECHNOLOGIES INC. (UDT) AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT FOR THE SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENTS

Passed: All present voting "aye."

- 2. Consideration of a Resolution for Amendment Number 1 with the Tennessee Department of Transportation for North Eastman Road and Clinchfield Street Project Pin 132587.00 and Authorizing the Mayor to Sign All Applicable Documents (AF-271-2025) (Ryan McReynolds)**

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

RESOLUTION NO. 2026-130 A RESOLUTION APPROVING AMENDMENT 1 TO THE AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE NORTH EASTMAN ROAD AND CLINCHFIELD STREET ROAD RESURFACING PROJECT; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

Passed: All present voting "aye."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, December 16, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

3. Consideration of a Resolution Requesting a Private Act from the Tennessee General Assembly Amending Various Sections of the City Charter (AF-340-2025) (Bart Rowlett)

Motion made by Alderman Phillips, Seconded by Alderman Baker.

RESOLUTION NO. 2026-131 A RESOLUTION REQUESTING THE GENERAL ASSEMBLY TO PASS A PRIVATE ACT PERTAINING TO THE CHARTER OF THE CITY OF KINGSFORT THAT WILL AMEND ARTICLE III, SECTION 11 REGARDING THE SELECTION OF THE VICEMAYOR; ARTICLE XI, SECTION 5 REGARDING DELINQUENT TAXES; ARTICLE XIX, SECTION 2 REGARDING SELECTION OF THE PRESIDENT OF THE BOARD OF EDUCATION; AND ARTICLE XV, SECTION 2 REGARDING ADOPTION OF THE APPROPRIATION ORDINANCES; AUTHORIZING THE CITY MANAGER TO SEND THIS RESOLUTION TO MEMBERS OF THE GENERAL ASSEMBLY; AND TO FIX THE EFFECTIVE DATE OF THIS RESOLUTION

Passed: All present voting "aye."

4. Consideration of a Resolution to Enter into an Agreement for the Lease and Transfer of Properties in the Academic Village with the Tennessee Board of Regents (AF-290-2025) (Chris McCartt)

Motion made by Alderman Baker, Seconded by Alderman George.

RESOLUTION NO. 2026-132 A RESOLUTION APPROVING THE TENNESSEE BOARD OF REGENTS FOR ITS NORTHEAST STATE COMMUNITY COLLEGE CONTINUED LEASE AND ULTIMATELY ITS ACQUISITION OF BLAZIER-WILSON HALL, THE REGIONAL CENTER FOR HEALTH PROFESSIONS, THE KINGSFORT CENTER FOR HIGHER EDUCATION, AND SURROUNDING PROPERTIES; AUTHORIZING THE CITY MANAGER TO NEGOTIATE SUCH TERMS AS DEEMED IN THE BEST INTEREST OF THE CITY RELATIVE TO THE CONVEYANCE OF SAID PROPERTIES; AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

5. Consideration of a Resolution to Create a MeadowView Task Force and Approve Task Force Appointments (AF-292-2025) (Michael T. Borders)

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

RESOLUTION NO. 2026-133 A RESOLUTION APPROVING THE CREATION OF A MEADOWVIEW TASK FORCE AND APPROVING APPOINTMENTS FOR THE SAME

Passed: All present voting "aye."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, December 16, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

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

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

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

- 1. Consideration of a Resolution Authorizing the Mayor's Signature on the Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan (AF-332-2025) (Michael Price)**

RESOLUTION NO. 2026-134 A RESOLUTION TO AUTHORIZE THE MAYOR'S SIGNATURE ON THE CERTIFICATION BY STATE OR LOCAL OFFICIAL OF THE PUBLIC HOUSING AUTHORITY PLANS CONSISTENCY WITH THE CONSOLIDATED PLAN DOCUMENT AND ANY AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

- 2. Consideration of a Resolution to Apply for and Receive the Tennessee Arts Commission Partnership Grant for FY27 (AF-341-2025) (Michael T. Borders)**

RESOLUTION NO. 2026-135 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A TENNESSEE ARTS COMMISSION PARTNERSHIP GRANT FOR FISCAL YEAR 2027

- 3. Consideration of a Resolution to Apply for and Receive the Tennessee Arts Commission Education Community Learning Grant for FY27 (AF-342-2025) (Michael T. Borders)**

RESOLUTION NO. 2026-136 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A TENNESSEE ARTS COMMISSION EDUCATION SUPPORT GRANT FOR FISCAL YEAR 2027

- 4. Consideration of a Resolution to Submit a Letter of Support and Commitment to the Office of Outdoor Recreation for a Crosswalk at Warriors' Path State Park and Authorizing the Mayor to Sign All Applicable Documents Associated with this Project (AF-344-2025) (Ryan McReynolds)**

RESOLUTION NO. 2026-137 A RESOLUTION APPROVING A LETTER OF SUPPORT AND COMMITMENT TO THE OFFICE OF OUTDOOR RECREATION FOR A CROSSWALK AT WARRIOR'S PATH STATE PARK AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, December 16, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

5. **Consideration of a Resolution Approving Renewal of Property Insurance for City Owned Buildings to Travelers Indemnity Company** (AF-337-2025) (Bart Rowlett)

RESOLUTION NO. 2026-138 A RESOLUTION AUTHORIZING THE RENEWAL OF THE AGREEMENT WITH TRAVELERS INDEMNITY COMPANY FOR CITY OF KINGSPORT PROPERTY INSURANCE AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

XIII. COMMUNICATIONS

1. **City Manager**

Mr. McCartt wished the board a Merry Christmas and Happy New Year, noting it will be mid-January before the next meeting. He thanked them for their time, their support for staff as well as their love for Kingsport. He recognized Alderman Cooper and Alderman Phillips for making Christmas in Kingsport a success. He stated 2025 has been an outstanding year in local government stating what Kingsport has accomplished other cities don't accomplish in a decade.

2. **Mayor and Board Members**

Vice-Mayor Duncan listed the projects and accomplishments made in 2025. Alderman Phillips mentioned the remaining Christmas in Kingsport events, including free nighttime carousel rides on Thursday. He stated there will also be an announcement Thursday concerning the airport. He commented on the AEP presentation at the work session, pointing out we have the lowest rates in the region. He wished everyone a Merry Christmas and Happy New Year. Alderman Baker thanked the City Manager for the AEP presentation yesterday, noting it was good information. He thanked those who worked on the Christmas lights downtown and wished a Merry Christmas to the BMA, staff, volunteers and citizens. Alderman George commented on Christmas in downtown, stating she has seen lots of pictures. She also mentioned the new flights at the airport and wished everyone a Merry Christmas. Alderman Cooper remarked Bill Dudney passed away today and to remember the family. She noted this is the last weekend for Candymaker's Dream at Lamplight Theater and talked about other Christmas events and activities, wishing a Merry Christmas and Happy New Year to all. Alderman Mayes thanked the City Manager for his comments. He wished the board a Merry Christmas and expressed appreciation for all they do. He recognized Alderman Baker for receiving his PhD and commented on the Fire Department recognition dinner. Vice Mayor Duncan thanked Jessica Harmon for compiling the list he read earlier. He stated Santa will be at the carousel on Friday and wished everyone a Merry Christmas and Happy New Year. Mayor Montgomery emphasized the board is always available before and after meetings and wished everyone a safe a Merry Christmas.

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, December 16, 2025 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

XIV.ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 8:07 p.m.

ANGELA MARSHALL

Deputy City Recorder

PAUL W. MONTGOMERY

Mayor



AGENDA ACTION FORM

Conduct a Public Hearing and Consideration of an Ordinance to Amend the Zoning Ordinance as it Pertains to Residential Foundation Requirements

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-17-2026

Work Session: January 20, 2026

First Reading: January 20, 2026

Final Adoption: February 3, 2026

Staff Work By: K. Weems

Presentation By: Ken Weems

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:

- Hold Public Hearing
- Approve Ordinance

Executive Summary:

If approved, this zoning text amendment will update Section 114-131(7) and change the minimum residential foundation perimeter enclosure material from four-inch-thick solid underpinning to six inch-width masonry.

This section of the zoning text deals with foundation requirements for residential dwellings, including manufactured homes. The City's Building Department has requested to amend the zoning text to align with best practices in the building industry. The amendment would ensure that the perimeter enclosures are constructed to provide long-term durability for homeowners.

During their December regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a positive recommendation to the Board of Mayor and Aldermen in support of approving this text amendment. The notice of public hearing was published on December 29, 2025.

Attachments:

1. Notice of Public Hearing
2. 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, January 20, 2026 to consider amending the Code of Ordinances as it pertains to zoning. The proposed ordinance will implement new standards for residential foundation requirements. 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: 12/29/2025

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 114-131 OF THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, PERTAINING TO FOUNDATION REQUIREMENTS FOR RESIDENTIAL DWELLINGS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

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

SECTION I. That Sec 114-131(7) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and substituting in its place the following:

Sec. 114-131. – Uniform regulations

(7) Foundation *requirements for residential dwellings*. All residential dwellings, including manufactured homes, shall be located in appropriately zoned districts and shall meet minimum setback and landscaping requirements of the district in which the property is located. All residential dwellings, including manufactured homes, shall have a minimum of six inch-width masonry, to include footings capable of carrying the applicable loads for a permanent perimeter enclosure of the foundation system. All manufactured homes shall have the chassis tongue and hitch permanently removed.

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 _____

Residential Foundation Requirements Text Amendment

Property Information	City residential dwellings		
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 residential foundation requirements.	
Planning Department Recommendation			
(Approve, Deny, or Defer) The Kingsport Planning Division recommends APPROVAL			
Planner:	Ken Weems	Date:	12/1/2025
Planning Commission Action		Meeting Date:	12/18/2025
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

INTENT

To amend Chapter 114, Zoning, as it pertains to residential foundation requirements.

Introduction:

Staff, working together with our City's Building Official, seeks to update the City's zoning code to align residential dwelling foundation requirements with the City Building Department's best practices and historic approvals. Specifically, the change is proposed to City Code Sec 114-131. – Uniform Regulations, Part 7.

Presentation:

This text amendment replaces “four-inch thick solid underpinning/screening” with “six-inch width masonry, to include footings capable of carrying the applicable loads for a permanent perimeter enclosure” as it applies to residential dwellings in the city. This proposed change will clarify the requirements for a permanent masonry perimeter enclosure that will provide the same foundation appearance as that of a site built home.

Text Amendment:

Existing version (with part proposed to be changed highlighted):

(7)

Foundation requirements for residential dwellings. All residential dwellings, including manufactured homes, shall be located in appropriately zoned districts and shall meet minimum setback and landscaping requirements of the district in which the property is located. All residential dwellings, including manufactured homes, shall have a minimum of **four-inch-thick solid underpinning/screening** of the foundation system. All manufactured homes shall have the chassis tongue and hitch permanently removed.

Proposed version (with proposed new replacement language highlighted):

(7)

Foundation requirements for residential dwellings. All residential dwellings, including manufactured homes, shall be located in appropriately zoned districts and shall meet minimum setback and landscaping requirements of the district in which the property is located. All residential dwellings, including manufactured homes, shall have a minimum of **six inch-width masonry, to include footings capable of carrying the applicable loads for a permanent perimeter enclosure** of the foundation system. All manufactured homes shall have the chassis tongue and hitch permanently removed.

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

(7)

Foundation *requirements for residential dwellings*. All residential dwellings, including manufactured homes, shall be located in appropriately zoned districts and shall meet minimum setback and landscaping requirements of the district in which the property is located. All residential dwellings, including manufactured homes, shall have a minimum of ~~four-inch-thick solid underpinning/screenings~~ six-inch-width masonry, to include footings capable of carrying the applicable loads for a permanent perimeter enclosure of the foundation system. All manufactured homes shall have the chassis tongue and hitch permanently removed.



AGENDA ACTION FORM

Conduct a Public Hearing and Consideration of an Ordinance to Amend the Zoning Ordinance as it Pertains to Data Center and Cryptocurrency Mining Land Uses

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-16-2026

Work Session: January 20, 2026

First Reading: January 20, 2026

Final Adoption: February 3, 2026

Staff Work By: K. Weems

Presentation By: Ken Weems

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:

- Hold Public Hearing
- Approve Ordinance

Executive Summary:

If approved, this zoning text amendment would amend multiple sections of Section 114 of the City Code and will create definitions, development standards, and location standards for proper siting of data center and cryptocurrency mining land uses.

Data center and associated cryptocurrency mining uses are emerging land uses in East Tennessee and are not currently addressed specifically in the City's zoning code. The City's existing code was created without anticipation of mass digitization. Subsequently, an amendment to the City's code is needed to best protect existing land uses and provide an appropriate framework for siting data centers, to include data centers that function as cryptocurrency mines. A clear distinction should be made between standard data centers and data centers used as cryptocurrency mining facilities, as the latter constitute a high-intensity land use with notable sound impacts that warrant careful consideration when sited adjacent to lower-intensity uses.

Staff proposes requiring a special exception to be granted by the Kingsport Board of Zoning Appeals for any data center siting proposal. Through the special exception process, data centers could locate as a principal use only in the City's M-2 (General Manufacturing) zone. The amendment also contains a provision for data centers as accessory uses for the City's existing commercial zones. It is important to note that if a data center is proposed as an accessory use, cryptocurrency mining must not be an element of the proposal.

No calls or comments have been received on this item. During their December regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a positive recommendation to the Board of Mayor and Aldermen in support of approving this text amendment. The notice of public hearing was published on December 29, 2025.

Attachments:

1. Notice of Public Hearing
2. Ordinance
3. Supplemental Information

Item IX2.

	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, January 20, 2026 to consider amending the Code of Ordinances as it pertains to zoning. The proposed ordinance will add data centers as a special exception in the M-2, General Manufacturing 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.

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: 12/29/2025

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 114 OF THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, PERTAINING TO DATA CENTERS AND CRYPTOCURRENCY MINING; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

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

SECTION I. That Sec 114-1 Code of Ordinances, City of Kingsport, Tennessee is amended by adding the existing text:

Sec. 114-1. – Definitions:

Cryptocurrency Mining means the process by which cryptocurrency transactions are verified and added to the public ledger, known as the block chain, and also the means through which new units of crypto are released, through the use of data centers. This definition does not include use of not more than five computers from which cryptocurrency is mined in an enclosed structure, provided the cryptocurrency is not mined for commercial purposes.

Data Center means a facility consisting of buildings or structures specifically designed or modified for storage, management, processing, and/or transmission of digital data. This includes *Cryptocurrency Mining*. Such facilities may include high-density computer and/or network equipment, systems, servers, appliances, air handlers, power generators, water cooling and storage facilities, utility substations, and other associated utility infrastructure to support sustained operations. Administrative areas and offices for the purpose of supporting the primary activity may be located within the buildings.

SECTION II. That Sec 114-191(a)(2) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and replacing with:

(2) Credit agencies, brokers, travel agencies, real estate offices, finance, photography studios, law offices.

SECTION III. That Sec 114-353(1) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and replacing with:

(1) Offices for brokers, businesses, credit agencies, finance, government, law, medical, photography, real estate and travel agencies.

SECTION IV. That Sec 114-199(d)(2) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and replacing with:

(2) Cryptocurrency Mining and Data Centers, provided that upon findings of fact that all of the following criteria are met:

a. A perimeter minimum yard of 100 feet;

b. All digital data operations use shall be conducted in a completely enclosed building;

c. All facilities shall not be located within 500 feet of any residential use or district. This includes any zoning district that permits single-family residences or dwellings. The measurement shall be made from the nearest property line or zoning line of the residential use or district, whichever is closer, to the nearest property line of the property that contains the data center use;

d. The applicant shall demonstrate through a sound study conducted by a professional acoustical expert that the sound generated by a data center shall be limited to a maximum decibel level of 60 (dBA) as measured from the property line of the use. Such sound study shall be conducted using generally accepted methodology. A sound study shall be conducted at the following phases:

1. A preliminary study shall be conducted and supplied as part of the special exception application process. The preliminary sound study shall include recommended sound reducing materials or systems as needed to meet the required sound limit.

2. An interim sound study shall be conducted during the building permit approval process based upon the proposed user or users of the data center uses depicted on the building plans. Any sound reducing materials or systems recommended by interim sound study shall be incorporated into the construction plans for the use.

3. An as-built sound study shall be conducted six months after issuance of the certificate of occupancy. If it is determined by the as-built sound study that there is a violation of the aforesaid noise limits, it shall be considered a violation of this ordinance.

e. The applicant shall provide a vibration study prepared by a qualified professional that demonstrates that no vibration from the data center or associated equipment will be perceptible to the human sense of feeling beyond the property line.

SECTION V. That Sec 114-564(5) Code of Ordinances, City of Kingsport, Tennessee is amended by adding the following text as a new subparagraph e.:

e. Data Center: one parking space per 8,000 square feet of floor area designed and intended to be accessible regularly by employees, or one parking space for every one employee, based upon the maximum number of employees on site during the largest shift, whichever is lesser.

SECTION VI. That Sec 114-194(c) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and replacing with:

(c)Special Exceptions. Special exceptions. Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the B-2 district as follows:

(1) Communication facilities and facilities with drive-throughs with a weekday peak hour volume of 30 vehicles or greater per 1000 square feet (per the 8th edition ITE Traffic Generation Manual), as measured for the entire site;

(2) Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property; when data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION VII. That Sec 114-203(c) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and replacing with:

(c)Special Exceptions. Special exceptions. Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the B-2E district as follows:

(1) Communication facilities and facilities with drive-throughs with a weekday peak hour volume of 30 vehicles or greater per 1000 square feet (per the 8th edition ITE Traffic Generation Manual), as measured for the entire site;

(2) Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property; when data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION VIII. That Sec 114-195(c) Code of Ordinances, City of Kingsport, Tennessee is amended by adding as a new subsection (3) the following text:

(3). Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION IX. That Sec 114-227 Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and replacing with:

Sec. 114-227. – Special exceptions

Permitted only with approval of board of zoning appeals: Helistops; institution for human care; open-air businesses such as plant sales, lawn furniture, playground equipment, and garden supplies; minor automobile repair centers; and parking lots and structures; data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION X. That Sec 114-382 Code of Ordinances, City of Kingsport, Tennessee is amended by adding as a new subsection (8) the following text:

(8) data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are

considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION XI. That Sec 114-191 Code of Ordinances, City of Kingsport, Tennessee is amended by adding as a new subsection (8) the following text:

(8) data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION XII. That Sec 114-192(d) Code of Ordinances, City of Kingsport, Tennessee is amended by adding as a new subsection (2) the following text:

(2) Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property; When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION XIII. That Sec 114-355 Code of Ordinances, City of Kingsport, Tennessee is amended by adding the following new text:

Sec. 114-355. – Special Exceptions

Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

SECTION XIV. 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 _____

Sec. 114-1. - Definitions.

Craft brewery, winery and distillery means a type of brewery, winery or distillery wherein the area of the establishment devoted to the production of malts and liquors may not exceed 10,000 square feet in commercial zone districts or 20,000 square feet in industrial zone districts. The establishment may include a tasting room and may also include office, retail, eating and drinking establishment or event facility components in addition to the area devoted to the production of malts and liquors.

Cryptocurrency Mining means the process by which cryptocurrency transactions are verified and added to the public ledger, known as the block chain, and also the means through which new units of crypto are released, through the use of data centers. This definition does not include use of not more than five computers from which cryptocurrency is mined in an enclosed structure, provided the cryptocurrency is not mined for commercial purposes.

Data Center means a facility consisting of buildings or structures specifically designed or modified for storage, management, processing, and/or transmission of digital data. This includes *Cryptocurrency Mining*. Such facilities may include high-density computer and/or network equipment, systems, servers, appliances, air handlers, power generators, water cooling and storage facilities, utility substations, and other associated utility infrastructure to support sustained operations. Administrative areas and offices for the purpose of supporting the primary activity may be located within the buildings.

Decorative lighting means any lighting that is intended t...

Sec. 114-191. - P-1, Professional Offices District.

(a)Principal uses. Principal uses permitted in the P-1, Professional Offices District are as follows:(1)Offices for business, professional, governmental, civic, insurance or other groups.(2)Credit agencies, brokers, travel agencies, ~~computer or data processing centers~~, real estate offices, finance, photography studios, law offices.

Sec. 114-353. - Permitted uses.

Uses permitted in the MX, Mixed-Use District are as follows:

(1)Offices for brokers, businesses, ~~computers, data processing~~, credit agencies, finance, government, law, medical, photography, real estate and travel agencies.

Sec. 114-199. - M-2, General Manufacturing District.

(d)Special exceptions. Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the M-2 district as follows:(1)Any use, except as set forth in subsection (c) of this section, in the opinion of the board of zoning appeals.

(2)Cryptocurrency Mining and Data Centers, provided that upon findings of fact that all of the following criteria are met:

- a. A perimeter minimum yard of 100 feet;
- b. All digital data operations use shall be conducted in a completely enclosed building;
- c. All facilities shall not be located within 500 feet of any residential use or district. This includes any zoning district that permits single-family residences or dwellings. The measurement shall be made from the nearest property line or zoning line of the residential use or district, whichever is closer, to the nearest property line of the property that contains the data center use;
- d. The applicant shall demonstrate through a sound study conducted by a professional acoustical expert that the sound generated by a data center shall be limited to a maximum decibel level of 60 (dBA) as measured from the property line of the use. Such sound study shall be conducted using generally accepted methodology. A sound study shall be conducted at the following phases:
1. A preliminary study shall be conducted and supplied as part of the special exception application process. The preliminary sound study shall include recommended sound reducing materials or systems as needed to meet the required sound limit.
 2. An interim sound study shall be conducted during the building permit approval process based upon the proposed user or users of the data center uses depicted on the building plans. Any sound reducing materials or systems recommended by interim sound study shall be incorporated into the construction plans for the use.
 3. An as-built sound study shall be conducted six months after issuance of the certificate of occupancy. If it is determined by the as-built sound study that there is a violation of the aforesaid noise limits, it shall be considered a violation of this ordinance.
- e. The applicant shall provide a vibration study prepared by a qualified professional that demonstrates that no vibration from the data center or associated equipment will be perceptible to the human sense of feeling beyond the property line.

~~The same as for subsection (a)(2) of this section.~~

(5) d. Manufacturing, industry, and related uses: Within these districts the board of zoning appeals may waive the requirements for on-site or contiguous parking and loading providing it finds that sufficient space is provided in the immediate area, under public or private ownership, or other compelling reasons exist.

e. Data Center: one parking space per 8,000 square feet of floor area designed and intended to be accessible regularly by employees, or one parking space for every one employee, based upon the maximum number of employees on site during the largest shift, whichever is lesser.

**** Below starts the accessory use text additions beginning with the B-2 zone****

Sec. 114-194. - B-2, Central Business District

(c) *Special exceptions.* Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the B-2 district as follows: communication facilities and facilities with drive-throughs with a weekday peak hour volume of 30 vehicles or greater per 1000 square feet (per the 8th edition ITE Traffic Generation Manual), as measured for the entire site; data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Sec. 114-203. - B-2E, Central Business Edge District.

(c)*Special exceptions.* Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the B-2E district as follows: communication facilities and facilities with drive-throughs with a weekday peak hour volume of 30 vehicles or greater per 1000 square feet (per the 8th edition ITE Traffic Generation Manual), as measured for the entire site; data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Sec. 114-195. - B-3, Highway Oriented Business District

(c)Special exceptions. Special exceptions are permitted only with approval of board of zoning appeals and are as follows:(1)Automobile storage; automobile impoundment yards.(2)Lumberyards. (3) Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

DIVISION 3. - PLANNED BUSINESS DISTRICT (B-4P)

Sec. 114-227. - Special exceptions.

Permitted only with approval of board of zoning appeals: Helistops; institution for human care; open-air businesses such as plant sales, lawn furniture, playground equipment, and garden supplies; minor automobile repair centers; and parking lots and structures; data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

DIVISION 9. - BUSINESS CONFERENCE CENTER DISTRICT (BC)

Sec. 114-382. - Special exceptions.

Certain uses may be permitted in the Business Conference Center District upon the granting of a special exception by the board of zoning appeals:

- (1) Elderly and child day care, nursery schools and kindergartens, elderly day care.
- (2) Helistops and pay parking lots, when not objectionable due to noise, odor, dust, smoke, vibration or other reasons.
- (3) Recreational facilities, health clubs, golf courses, golf driving ranges, stadiums and civic fairs.
- (4) Telecommunication facilities such as cell towers.
- (5) Outside storage yards; storage yards for vehicles exceeding a gross vehicle weight rating of 15,000 pounds and construction equipment are prohibited.
- (6) Hospital and health care centers.
- (7) Parking structures.

(8) data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Sec. 114-192. - TA/C Tourist Accommodation/Commerce District.

(d) Special Exceptions. Special exceptions are permitted only with the approval of the board of zoning appeals and are as follows:

- (1) Franchised Auto dealership.

(2) data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Sec. 114-191. - P-1, Professional Offices District.

(c) Special exceptions. Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the P-1 district as follows:

- (1) Offices of veterinarians, animal hospitals.
- (2) Hospitals, rest or convalescent homes.
- (3) Group homes.

(4)Communication facilities.

(5)Golf courses.

(6)Medical or dental offices, clinics provided that upon findings of fact that all of the following criteria are met:

a.The use will not be located within 1,000 feet of a public or private school, day care facility, park, any area devoted to public recreation activity or a residential dwelling. Measurements shall be made in a straight line on the city zoning map from the nearest property line of the lot on which the facility is situated to the nearest property line of any of the uses set forth in this subsection;

b.The use will be designed, located, and proposed to be operated so that the health, safety and welfare will be protected;

c.The use will not be detrimental to and will not injure, damage or adversely affect the use, value or enjoyment of the properties in the surrounding neighborhood;

d.The use will not have an adverse impact on land use compatibility;

e.The use will not materially or adversely affect adjacent land uses and the physical character of uses in the immediate vicinity of the proposed use;

f.Adequate public facilities are available to accommodate the use;

g.The traffic generated by the use will be safely accommodated along major streets without traversing minor streets;

h.he use will maintain appropriate traffic patterns and parking as to not strain existing facilities with substantial increases in traffic and projected trip generations;

i.The use will conform to all applicable provisions of the district and will not require any variances.

(7) data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

DIVISION 8. - MIXED-USE DISTRICT (MX)

Sec. 114-355. – Special Exceptions

Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Property Information		City M-2, General Manufacturing Districts	
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 cryptocurrency mining and data centers.	
Planning Department Recommendation			
(Approve, Deny, or Defer) The Kingsport Planning Division recommends APPROVAL			
Planner:	Ken Weems	Date:	11/1/2025
Planning Commission Action		Meeting Date:	12/18/2025
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

To amend Chapter 114, Zoning, as it pertains to cryptocurrency mining and data centers.

Introduction:

Staff seeks to update the City's zoning code to properly address the possibility of future cryptocurrency mining and data center development within the City. The City's industrial district zoning code text was created without the anticipation of mass digitization. Staff expects to see new digital data-based industries looking for locations to develop. This text amendment allows for the City to appropriately locate and permit these uses.

Presentation:

To accommodate possible development of cryptocurrency mining and data center development, staff proposes to define *Data Center* and *Cryptocurrency Mining* within Chapter 114- Zoning. Additionally, staff proposed an update Sec. 114-199(d), M-2 General Manufacturing District, to add *Data Centers* as a special exception to only be allowed with approval of the Kingsport Board of Zoning Appeals, if additional criteria are met. These criteria include specific requirements for setbacks, vibration, and sound mitigation. Permitting these operations as special exceptions in the City's M-2, General Manufacturing District will allow for facilities housing digital data operations to develop, while minimizing the possible adverse impacts on surrounding land uses. To prevent confusion with code interpretation, the existing zoning uses of *computer or data processing centers* in the P-1, Professional Offices District, and *computers, data processing* in the MX, Mixed-Use District are proposed to be omitted from the code. Last, data centers without a cryptocurrency mining element as accessory uses are addressed for the City's commercial zones.

Text Amendment:**1. Added definitions to Sec 114-1. - Definitions:**

Data Center means a facility consisting of buildings or structures specifically designed or modified for storage, management, processing, and/or transmission of digital data. This includes *Cryptocurrency Mining*. Such facilities may include high-density computer and/or network equipment, systems, servers, appliances, air handlers, power generators, water cooling and storage facilities, utility substations, and other associated utility infrastructure to support sustained operations. Administrative areas and offices for the purpose of supporting the primary activity may be located within the buildings.

Cryptocurrency Mining means the process by which cryptocurrency transactions are verified and added to the public ledger, known as the block chain, and also the means through which new units of crypto are released, through the use of data centers. This definition does not include use of not more than five computers from which cryptocurrency is mined in an enclosed structure, provided the cryptocurrency is not mined for commercial purposes.

2. Omission of existing data processing related uses in the P-1, Professional Offices and MX, Mixed Use Zoning districts:

Sec. 114-191. - P-1, Professional Offices District.

(a)*Principal uses.* Principal uses permitted in the P-1, Professional Offices District are as follows:

- (1) Offices for business, professional, governmental, civic, insurance or other groups.
- (2) Credit agencies, brokers, travel agencies, ~~computer or data processing centers~~, real estate offices, finance, photography studios, law offices.

DIVISION 8. - MIXED-USE DISTRICT (MX)

Sec. 114-352. - Intent.

The intent of the MX, Mixed-Use District is to allow flexibility in the development of compatible mixed-use areas of light manufacturing, professional office and limited commercial uses and to do so by developing a self-contained, campus-like atmosphere which protects the adjacent land uses.

(Code 1981, app. A, art. X, § 1; Code 1998, § 114-426)

Sec. 114-353. - Permitted uses.

Uses permitted in the MX, Mixed-Use District are as follows:

- (1) Offices for brokers, businesses, ~~computers, data processing~~, credit agencies, finance, government, law, medical, photography, real estate and travel agencies.

3. Deletion of an outdated section #2 item and replacement with special exception and related criteria for cryptocurrency mining and data center operations:

Sec. 114-199. - M-2, General Manufacturing District.

(d)*Special exceptions.* Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the M-2 district as follows:

(1) Any use, except as set forth in subsection (c) of this section, in the opinion of the board of zoning appeals.

~~(2) The same as for subsection (a)(2) of this section.~~

(2) Cryptocurrency Mining and Data Centers, provided that upon findings of fact that all of the following criteria are met:

a. A perimeter minimum yard of 100 feet;

b. All digital data operations use shall be conducted in a completely enclosed building;

c. All facilities shall not be located within 500 feet of any residential use or district. This includes any zoning district that permits single-family residences or dwellings. The measurement shall be made from the nearest property line or zoning line of the residential use or district, whichever is closer, to the nearest property line of the property that contains the data center use;

d. The applicant shall demonstrate through a sound study conducted by a professional acoustical expert that the sound generated by a data center shall be limited to a maximum decibel level of 60 (dBA) as measured from the property line of the use. Such sound study shall be conducted using generally accepted methodology. A sound study shall be conducted at the following phases:

1. A preliminary study shall be conducted and supplied as part of the special exception application process. The preliminary sound study shall include recommended sound reducing materials or systems as needed to meet the required sound limit.

2. An interim sound study shall be conducted during the building permit approval process based upon the proposed user or users of the data center uses depicted on the building plans. Any sound reducing materials or systems recommended by interim sound study shall be incorporated into the construction plans for the use.

3. An as-built sound study shall be conducted six months after issuance of the certificate of occupancy. If it is determined by the as-built sound study that there is a violation of the aforesaid noise limits, it shall be considered a violation of this ordinance.

e. The applicant shall provide a vibration study prepared by a qualified professional that demonstrates that no vibration from the data center or associated equipment will be perceptible to the human sense of feeling beyond the property line.

4. Addition of a minimum parking requirement for data centers

Sec. 114-564. – Minimum required parking spaces

(5) *Manufacturing, industry and related uses.* Manufacturing, industry and related uses shall be as follows:

a. Manufacturing establishment or establishment for production, processing, assembly, compounding, preparation, cleaning, servicing, testing, repair or storage of materials, goods or products, and business offices accessory thereto: one space per 1.5 employees on major shift, plus one space per company vehicle and piece of mobile equipment.

b. Scientific research and development establishment: one space per 500 square feet of gross floor area.

c. Warehousing, heavy equipment storage yard, lumberyard and building material yard, motor freight terminal or junkyard: one space per 1.5 employees on major shift plus one per company vehicle, plus sufficient space to accommodate the largest number of visitors that may be expected at any one time, but with a minimum of one space per 1,000 square feet of gross floor area.

d. Manufacturing, industry, and related uses: Within these districts the board of zoning appeals may waive the requirements for on-site or contiguous parking and loading providing it finds that sufficient space is provided in the immediate area, under public or private ownership, or other compelling reasons exist.

e. Data Center: one parking space per 8,000 square feet of floor area designed and intended to be accessible regularly by employees, or one parking space for every one employee, based upon the maximum number of employees on site during the largest shift, whichever is lesser.

5. Addition via special exception of accessory data center use in commercial zones of B-2, B-2E, B-3, B-4P, BC, TA/C, P-1, and MX.

Sec. 114-194. - B-2, Central Business District

(c) *Special exceptions.* Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the B-2 district as follows: communication facilities and facilities with drive-throughs with a weekday peak hour volume of 30 vehicles or greater per 1000 square feet (per the 8th edition ITE Traffic Generation Manual), as measured for the entire site; data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

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Sec. 114-203. - B-2E, Central Business Edge District.

(c) *Special exceptions.* Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the B-2E district as follows: communication facilities and facilities with drive-throughs with a weekday peak hour volume of 30 vehicles or greater per 1000 square feet (per the 8th edition ITE Traffic Generation Manual), as measured for the entire site; data centers no larger than a

total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Sec. 114-195. - B-3, Highway Oriented Business District.

(c)Special exceptions. Special exceptions are permitted only with approval of board of zoning appeals and are as follows:

(1)Automobile storage; automobile impoundment yards.

(2)Lumberyards.

(3). Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

DIVISION 3. - PLANNED BUSINESS DISTRICT (B-4P)

Sec. 114-227. - Special exceptions.

Permitted only with approval of board of zoning appeals: Helistops; institution for human care; open-air businesses such as plant sales, lawn furniture, playground equipment, and garden supplies; minor automobile repair centers; and parking lots and structures; data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

DIVISION 9. - BUSINESS CONFERENCE CENTER DISTRICT (BC)

Sec. 114-382. - Special exceptions.

Certain uses may be permitted in the Business Conference Center District upon the granting of a special exception by the board of zoning appeals:

(1)Elderly and child day care, nursery schools and kindergartens, elderly day care.

(2)Helistops and pay parking lots, when not objectionable due to noise, odor, dust, smoke, vibration or other reasons.

(3)Recreational facilities, health clubs, golf courses, golf driving ranges, stadiums and civic fairs.

- (4)Telecommunication facilities such as cell towers.
- (5)Outside storage yards; storage yards for vehicles exceeding a gross vehicle weight rating of 15,000 pounds and construction equipment are prohibited.
- (6)Hospital and health care centers.
- (7)Parking structures.
- (8) data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Sec. 114-192. - TA/C Tourist Accommodation/Commerce District.

(d)*Special Exceptions.* Special exceptions are permitted only with the approval of the board of zoning appeals and are as follows:

- (1) Franchised Auto dealership.
- (2) data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

Sec. 114-191. - P-1, Professional Offices District.

(c)*Special exceptions.* Special exceptions are permitted only with the approval of the board of zoning appeals and are allowed in the P-1 district as follows:

- (1)Offices of veterinarians, animal hospitals.
- (2)Hospitals, rest or convalescent homes.
- (3)Group homes.
- (4)Communication facilities.
- (5)Golf courses.
- (6)Medical or dental offices, clinics provided that upon findings of fact that all of the following criteria are met:
 - a.The use will not be located within 1,000 feet of a public or private school, day care facility, park, any area devoted to public recreation activity or a residential dwelling. Measurements shall be made in a

straight line on the city zoning map from the nearest property line of the lot on which the facility is situated to the nearest property line of any of the uses set forth in this subsection;

b.The use will be designed, located, and proposed to be operated so that the health, safety and welfare will be protected;

c.The use will not be detrimental to and will not injure, damage or adversely affect the use, value or enjoyment of the properties in the surrounding neighborhood;

d.The use will not have an adverse impact on land use compatibility;

e.The use will not materially or adversely affect adjacent land uses and the physical character of uses in the immediate vicinity of the proposed use;

f.Adequate public facilities are available to accommodate the use;

g.The traffic generated by the use will be safely accommodated along major streets without traversing minor streets;

h.he use will maintain appropriate traffic patterns and parking as to not strain existing facilities with substantial increases in traffic and projected trip generations;

i.The use will conform to all applicable provisions of the district and will not require any variances.

7. data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

DIVISION 8. - MIXED-USE DISTRICT (MX)

Sec. 114-355. – Special Exceptions

Data centers no larger than a total accumulative allotment of 2,000 sq. ft. net floor area in size as an accessory use strictly operated in support of the primary business on the same property. When data centers as accessory uses are considered, cryptocurrency mining must not be an element of the accessory data center proposal.

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



AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-23-2026

Work Session: January 20, 2026

First Reading: January 20, 2026

Final Adoption: February 3, 2026

Staff Work By: Morris

Presentation By: McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:

Approve the Budget Ordinance

Executive Summary:

If approved, \$25,000 will be transferred in the General Fund, \$25,000 will be appropriated from the Criminal Forfeiture Fund's Fund Balance, and \$25,000 will be appropriated from the Drug Fund's Fund Balance for a total of \$75,000 to be used for the purchase of a drone for the Kingsport Police Department.

Another \$30,000 will be transferred in the General Fund to cover the purchase of Self-Contained Breathing Apparatus (SCBA) equipment for the Kingsport Fire Department.

The Fire Department will be purchasing three staff vehicles through the Fleet Fund. Funds were already set up in project to cover the expense of these vehicles. The General Projects Fund will be reduced by \$201,795 and the funds will be transferred to the Fleet fund to cover the purchase.

Attachments:

1. Budget Ordinance
2. Ordinance Summary

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

ORDINANCE NO.

AN ORDINANCE TO AMEND THE VARIOUS FUND BUDGETS
FOR THE YEAR ENDING JUNE 30, 2026; AND, TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Fund be amended by transferring \$25,000 from the Telephone line (110-3001-441.20-34) to the Purchases \$5,000 & Over line (110-3001-441.90-06) for the partial purchase of a drone by the Kingsport Police Department, by transferring \$30,000 from the Reserve for Future Appropriation line (110-4890-901.60-01) to the Purchases \$5,000 & Over line (110-3501-451.90-06) for the purchase of Self-Contained Breathing Apparatus equipment for the Kingsport Fire Department, and by excepting \$201,795 in Border Regions Sales Tax from the Fire Emergency Vehicles project (GP2600) to the Border Regions Allocation line (110-0000.332.10-15) to be allocated to the To Fleet Maintenance Line (110-4804-481.70-51).

SECTION II. That the Criminal Forfeiture Fund be amended by increasing the Fund Balance Appropriations line (126-0000-392.01-00) by \$25,000 and increasing the Purchases \$5,000 & Over line (126-3021-442.90-06) by \$25,000 for the partial purchase of a drone by the Kingsport Police Department.

SECTION III. That the Drug Fund be amended by increasing the Fund Balance Appropriations line (127-0000-392.01-00) by \$25,000 and increasing the Purchases \$5,000 & Over line (127-3020-442.90-06) by \$25,000 for the partial purchase of a drone by the Kingsport Police Department.

SECTION IV. That the General Project Fund be amended by reducing the Fire Emergency Vehicles project (GP2600) by \$201,795 and reallocating the \$201,795 to the Fleet Fund for the purchase of three staff vehicles for the Kingsport Fire Department.

SECTION V. That the Fleet Fund be amended by accepting \$201,795 to the From General Fund line (511-0000-391.01-00) and allocating the \$201,795 to the Replacement Vehicles line (511-5008-501.90-10) for the purchase of three staff vehicles for the Kingsport Fire Department.

Fund 110: General Fund

Account Number/Description:

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
110-0000-332.10-15 Border Regions Allocation	0	201,795	201,795
	0	201,795	201,795

Expenditures:

	\$	\$	\$
110-3001-441.20-34 Telephone	142,171	(25,000)	117,171
110-3001-441.90-06 Purchases \$5,000 & Over	0	25,000	25,000
110-3501-451.90-06 Purchases \$5,000 & Over	0	30,000	30,000
110-4804-481.70-51 To Fleet Maintenance	0	201,795	201,795
110-4890-901.60-01 Future Appropriations	132,841	(30,000)	102,841
Total:	275,012	201,795	1,095,940

Fund 126: Criminal Forfeiture Fund**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
126-0000-392.01-00 Fund Bal Appropriations	0	25,000	25,000
Total:	0	25,000	25,000

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
126-3021-442. 90-06 Purchases \$5,000 & Over	0	25,000	25,000
Total:	0	25,000	25,000

Fund 127: Drug Fund**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
127-0000-392.01-00 Fund Bal Appropriations	0	25,000	25,000
Total:	0	25,000	25,000

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
127-3020-442. 90-06 Purchases \$5,000 & Over	50,000	25,000	75,000
Total:	50,000	25,000	75,000

General Project Fund: 311**Fire Emergency Vehicles (GP2600)****Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-332.10-15 Border Regions Allocation	240,000	(201,795)	38,205
Total:	240,000	(201,795)	38,205

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-601.90-04 Equipment	240,000	(201,795)	38,205
Total:	240,000	(201,795)	38,205

Fleet Maintenance Fund: 511**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
511-0000-332.10-15 Border Regions Allocation	0	201,795	201,795
Total:	0	201,795	201,795

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
311-0000-601.90-04 Equipment	7,397,579	201,795	7,599,374
Total:	7,397,579	201,795	7,599,374

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

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:

CITY OF KINGSPORT
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER 8

ITEM ONE: Sets up funds to Purchase a Drone for the Kingsport Police Department

Transfers \$25,000 from the Kingsport Police Department's telephone line to the Purchase of Equipment line, appropriates \$25,000 in Fund Balance from the Criminal Forfeiture Fund, and appropriates \$25,000 from the Drug Fund for the purchase of Drone for the Kingsport Police Department.

ITEM TWO: Sets up funds for the Purchase of SCBA equipment for the Kingsport Fire Department

Transfers \$30,000 from the Reserve for Future Appropriations for the purchase of self-contained breathing apparatus (SCBA) equipment for the Fire Department.

ITEM THREE: Reallocates Border Regions Sales Tax for Three Staff Vehicles for the Kingsport Fire Department

Reallocates \$201,795 from a previously set up project to the Fleet Fund for Three Staff Vehicles for the Kingsport Fire Department.



AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-343-2025

Work Session: December 15, 2025

First Reading: December 16, 2025

Final Adoption: January 20, 2026

Staff Work By: Morris

Presentation By: McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:

Approve the Budget Ordinance

Executive Summary:

If approved, the General Fund will be increased by accepts \$23,195 from the Community Development Fund and returns the unused matching funds back to the Police Admin..

The General Projects-Special Revenue Fund is being amended by transferring \$250,000 from the AEP – Paving and Landscaping project to the MPO Fund to provide matching dollars for future MPO paving projects.

The General Projects Fund is being amended by accepting \$980,167 into the Border Regions Sales Tax project and transferring \$184,197 to the Water Fund, \$536,811 to the Sewer Fund, and the Customer Service System project is being reduced by \$2,000,000.

The Water Fund is being amended by accepting \$184,197 in Border Region Sales Tax funds.

The Sewer Fund is being amended by accepting \$536,811 in Border Region Sales Tax funds.

The Water Project Fund is being amended by accepting \$2,000,000 in capital outlay funds for the Customer Service System project, transferring \$61,379 from the Water Valve Replacement project to the AMI Meter Purchase project, and by transferring \$125,000 from the Plant & Distribution System project to create the Huntington Hills Pump Station Replacement project.

Attachments:

1. Budget Ordinance
2. Ordinance Summary

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

ORDINANCE NO.

AN ORDINANCE TO AMEND THE VARIOUS FUND BUDGETS
FOR THE YEAR ENDING JUNE 30, 2026; AND, TO FIX THE
EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Fund be amended by returning \$23,195 in matching dollars sent to the Community Development Block Grant Fund by reducing the To Community Development Fund line (110-4804-481.70-55) by \$23,195 and increasing the Police Admin Salaries & Wages line by \$23,195 and by reducing the To Gen Proj-Spec Rev Fund line (110-4804-481.70-35) by \$250,000 and increasing the To MPO fund line (110-4804-481.70-52) by \$250,000.

SECTION II. That the General Projects-Special Revenue Fund be amended by reducing the AEP – Streets & Landscaping project (NC2600) by \$250,000 and returning the \$250,000 to the General Fund to be transferred to the MPO fund for future matching dollars.

SECTION III. That the Metropolitan Planning Organization (MPO) Fund budget be amended by transferring \$250,000 from the General Fund to the Street Resurfacing project (MPO23A).

SECTION IV. That the Community Development Block Grant Fund be amended by increasing the Community Development line (124-0000-331.10-00) in the Emergency Solution Grant project (CD2517) by \$3,283 and by reducing the Community Development line (124-0000-331.10-00) in the Emergency Solutions Grant project (CD2617) by \$26,478.

SECTION V. That the Visitor's Enhancement Fund be amended by transferring \$139,529 from the Improvements line (135-1015-405.90-03) to the To Aquatic Center Fund line (135-4804-481.70-39) to be transferred to the Aquatic Center Project Fund to fund the design work for the Pool Replastering project

SECTION VI. That the General Projects Fund be amended by accepting \$980,167 in Border Regions Sales Tax to the Border Regions Rd Improvements project (GP1228) and transferring \$184,196 to the Border Regions Sales Tax line (411-0000-332.10-15) in the Water Fund and \$536,810 and to the Border Regions Sales Tax line (412-0000-332.10-15) in the Sewer Fund, and by reducing the Customer Service System project (GP2502) by \$2,000,000 to be reappropriated in the Customer Service System (WA2607) in the Water Project Fund.

SECTION VII. That the Water Fund be amended by accepting \$184,196 to the Border Regions Sales Tax line (411-0000-332.10-15) and allocating the \$184,196 to the Professional/Consultant line (411-5001-501.20-20).

SECTION VIII. That Sewer Fund be amended by accepting \$536,810 to the Border Regions Sales Tax line (412-0000-332.10-15) and allocating the \$536,810 to the Professional/Consultant line (412-5001-501.20-20).

SECTION IX. That the Water Project Fund be amended by accepting \$2,000,000 to the Customer Service System project (WA2607), by transferring \$61,379 from the Water Valve Replacement project (WA2307) to the AMI Meter Purchase project (WA2306), and by transferring

\$125,000 from the Plant & Distrib System project (WA2409) to the Hunt Hill Pump Rep project (WA2608).

Fund 110: General Fund

Account Number/Description:

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
110-3001-441.10-10 Salaries & Wages	1,205,329	23,195	1,228,524
110-4804-481.70-35 To Gen Proj-Special Rev	6,075,911	(250,000)	5,825,911
110-4804-481.70-52 To MPO Fund	68,000	250,000	318,000
110-4804-481.70-55 Community Development Fun	105,975	(23,195)	82,780
Total:	7,455,215	0	7,455,215

Fund 111: Gen Project-Special Revenue Fund

AEP-Streets & Landscape (NC2600)

Account Number/Description:

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
111-0000-391.01-00 From General Fund	5,076,855	(250,000)	4,826,855
Total:	5,076,855	(250,000)	4,826,855

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
111-0000-601.20-22 Construction Contracts	4,580,855	(250,000)	4,330,855
111-0000-601.20-23 Arch/Eng/Landscaping Serv	496,000	0	496,000
Total:	5,076,855	(250,000)	4,826,855

Fund 122: MPO Fund

Resrf Eastman/Clinchfield (MPO23A)

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
122-0000-337.90-10 TN Section 5303 80%	1,400,000	0	1,400,000
122-0000-391.01-00 From General Fund	60,000	250,000	310,000
Total:	1,460,000	250,000	1,710,000

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
122-0000-609.20-22 Construction Contracts	1,383,100	250,000	1,633,100
122-0000-609.20-23 Arch/Eng/Landscaping	76,900	0	76,900
Total:	1,460,000	250,000	1,710,000

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

	Budget	Incr/(Decr)	New Budget
	\$	\$	\$
124-0000-337.49-00 Housing & Urban Dev	126,613	0	126,613
124-0000-391.01-00 From General Fund	92,780	3,283	96,063
Total:	219,393	3,283	222,676

Expenditures:

	\$	\$	\$
124-0000-603.10-10 Salaries & Wages	145,658	6,186	151,844
124-0000-603.10-11 Overtime	600	(277)	323
124-0000-603.10-20 Social Security	12,000	(1,209)	10,791
124-0000-603.10-30 Group Health Insurance	40,000	(1,235)	38,765
124-0000-603.10-42 TCRS Hybrid Retirement	4,000	46	4,046
124-0000-603.10-43 ICMA Retirement	8,500	(692)	7,808
124-0000-603.10-44 TCRS Stabilization Rate	1,500	(294)	1,206
124-0000-603.10-50 Life Insurance	300	(47)	253
124-0000-603.10-52 Long Term Disability Ins	5	(2)	3
124-0000-603.10-60 Workers Compensation	2,500	(232)	2,268
124-0000-603.10-61 Unemployment Insurance	200	(80)	120
124-0000-603.20-34 Telephone	700	(85)	615
124-0000-603.20-40 Travel	400	703	1,103
124-0000-603.40-23 Grants	3,030	501	3,531
Total:	219,393	3,283	222,676

Emergency Solutions Grant (CD2617)**Account Number/Description:****Revenues:**

	\$	\$	\$
124-0000-337.49-00 Housing & Urban Dev	126,613	0	126,613
124-0000-391.01-00 From General Fund	92,780	(26,478)	66,302
Total:	219,393	(26,478)	192,915

Expenditures:

	\$	\$	\$
124-0000-603.10-10 Salaries & Wages	142,150	(11,478)	130,672
124-0000-603.10-11 Overtime	20,000	(10,000)	10,000
124-0000-603.10-20 Social Security	10,875	0	10,875
124-0000-603.10-30 Group Health Insurance	17,354	(5,000)	12,354
124-0000-603.10-42 TCRS Hybrid Retirement	3,526	0	3,526
124-0000-603.10-43 ICMA Retirement	7,108	0	7,108
124-0000-603.10-44 TCRS Stabilization Rate	2,161	0	2,161
124-0000-603.10-50 Life Insurance	285	0	285
124-0000-603.10-60 Workers Compensation	2,118	0	2,118
124-0000-603.10-61 Unemployment Insurance	80	0	80
124-0000-603.20-34 Telephone	1,000	0	1,000
124-0000-603.20-40 Travel	2,000	0	2,000
124-0000-603.20-99 Miscellaneous	4,736	0	4,736
124-0000-603.30-10 Office Supplies	3,000	0	3,000
124-0000-603.40-23 Grants	3,000	0	3,000
Total:	219,393	(26,478)	192,915

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	1,472,569	259,160	1,731,729
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:	1,764,370	259,160	2,023,530

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	1,326,341	259,160	1,585,501
Total:	1,764,370	259,160	2,023,530

Customer Service System (GP2502)**Account Number/Description:**

	Budget	Incr/(Decr)	New Budget
Revenues:	\$	\$	\$
311-0000-368.09-48 Capital Outlay Note 2024	2,000,000	(2,000,000)	0
Total:	2,000,000	(2,000,000)	0

Expenditures:

	\$	\$	\$
311-0000-601.90-03 Improvements	2,000,000	(2,000,000)	0
Total:	2,000,000	(2,000,000)	0

Fund 411: Water Fund**Account Number/Description:**

	Budget	Incr/(Decr)	New Budget
Revenues:	\$	\$	\$
411-0000-332.10-15 Border Regions Allocation	0	184,196	184,196
Total:	0	184,196	184,196

Expenditures:

	\$	\$	\$
411-5001-501.20-20 Professional/Consultant	65,682	184,196	249,878
Total:	65,682	184,196	249,878

Fund 412: Sewer Fund**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
412-0000-332.10-15 Border Regions Allocation	0	536,810	536,810
Total:	0	536,810	536,810

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
412-5001-501.20-20 Professional/Consultant	850,712	536,810	1,387,522
Total:	850,712	536,810	1,387,522

Fund 451: Water Project Fund**Customer Service System (WA2607)****Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-368.09-48 Capital Outlay Note 2024	0	2,000,000	2,000,000
Total:	0	2,000,000	2,000,000

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-605.90-03 Improvements	0	2,000,000	2,000,000
Total:	0	2,000,000	2,000,000

Wa Valve Loc & Assessment (WA2307)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-337.16-23 American Rescue Plan	719,992	0	719,992
451-0000-391.05-56 Series 2019 GO Improve	53,741	0	53,741
451-0000-391.05-72 GO Bonds Series 2023	100,000	(61,379)	38,621
Total:	873,733	(61,379)	812,354

Expenditures:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-605.90-03 Improvements	873,733	(61,379)	812,354
Total:	873,733	(61,379)	812,354

AMI Meter Purchase (WA2306)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-337.16-23 American Rescue Plan	2,491,007	0	2,491,007
451-0000-391.05-56 Series 2019 GO Improve	300,000	0	300,000
451-0000-391.05-72 GO Bonds Series 2023	0	61,379	61,379
Total:	2,791,007	61,379	2,852,386

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	2,116,007	61,379	2,177,386
Total:	2,791,007	61,379	2,852,386

Plant & Distribution Sys Master Plan (WA2409)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-391.05-72 GO Bonds Series 2023	501,860	(125,000)	376,860
Total:	501,860	(125,000)	376,860

Expenditures:

	\$	\$	\$
451-0000-605.20-23 Arch/Eng/Landscaping Serv	300,000	0	300,000
451-0000-601.90-03 Improvements	201,860	(125,000)	76,860
Total:	501,860	(125,000)	376,860

Hunt Hill Pump Replace (WA2608)**Account Number/Description:****Revenues:**

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
451-0000-391.05-72 GO Bonds Series 2023	0	125,000	125,000
Total:	0	125,000	125,000

Expenditures:

	\$	\$	\$
451-0000-601.90-03 Improvements	0	125,000	125,000
Total:	0	125,000	125,000

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

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:

CITY OF KINGSPORT
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER 8

ITEM ONE: Receives \$23,195 from reducing Community Development project matching dollars

The General Fund is being increased by increasing the FY2025 Emergency Solution project by \$3,283 to close the project and returning unused matching funds from the FY2026 Emergency Solutions project in the amount of \$26,478, increasing the General Fund by a total of \$23,195. The Emergency Solutions project helps pay for the salaries of the Homelessness liaisons.

ITEM TWO: Transfers \$250,000 to MPO Fund to provide matching dollars for future MPO projects

This Item transfers \$250,000 from the FY26 AEP-Streets & Landscaping project to an MPO project to reserve matching dollars for future MPO projects.

ITEM THREE: Accepts \$980,167 in Border Regions Sales Tax dollars and distributes them to the appropriate funds

Accepts a \$980,167 in Border Regions Sales Tax dollars to the Border Regions Sales Tax project and transfers \$184,197 to the Water Fund, \$536,810 to the Sewer Fund and leaves the remainder of \$259,159 in the project to be paid to Meade.

ITEM FOUR: Reduces the Customer Service System project by \$2,000,000 and moves the \$2,000,000 Capital Outlay note to the Water Project fund for better tracking.

In FY25 the city took out a capital outlay note in the amount of \$2,000,000 for the new Customer Information System. It has been tracked in the General Projects Fund. This ordinance transfers the project to the Water Project Fund.

ITEM FIVE: Transfers \$61,379 for Water Meter Purchases

Transfers \$61,379 from the Water Valve Replacement project to the AMI Meter Purchase project for the purchase of Water Meters.

ITEM SIX: Creates the Huntington Hills Pump Station Replacement project

This ordinance transfers \$125,000 from the Plant & Distribution System Project to create the Huntington Hills Pump Station Replacement project.



AGENDA ACTION FORM

Consideration of an Ordinance to Amend the FY 2026 General Purpose School Fund Budget and the General Project Fund Budget

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-333-2025

Work Session: December 15, 2025

First Reading: December 16, 2025

Final Adoption: January 20, 2026

Staff Work By: David Frye

Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:

Approve the Ordinance

Executive Summary:

If approved, \$350,000 will be appropriated from the School Fund Unreserved Fund Balance to fund phase II architectural services for the Lynn Garden Elementary School (\$300,000) and engineering services for the replacement of the Robinson fire alarm system (\$50,000). The General Purpose School fund budget will be increased by \$350,000.

The Board of Education has approved the second phase of the architect agreement for the Lynn Garden Elementary School in the amount of \$268,700 and an engineering agreement for the design and replacement of the Robinson fire alarm system in the amount of \$37,500. This ordinance will fund both of these agreements and other costs that may be associated.

Kingsport City Schools is contracting with Thompson & Litton Architects for the Lynn Garden Elementary School project and with Holston Engineering for the Robinson fire alarm project.

The General Project Fund budget for the Lynn Garden Elementary School project will be increased from \$650,000 to \$950,000 and a project will be established for the replacement of the Robinson Fire Alarm System in the amount of \$50,000.

The Board of Education approved this budget amendment at their meeting on December 9, 2025.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Three

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

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PURPOSE
SCHOOL FUND BUDGET AND THE GENERAL PROJECTS
FUND BUDGET FOR THE FISCAL YEAR ENDING JUNE 30,
2026; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. The General Purpose School Fund will be amended by increasing the estimated revenue for Fund Balance Appropriations by \$350,000. The expenditure budget will be amended by increasing the appropriations for Fund transfers by \$350,000. The General Project Fund budget will be amended by increasing estimated revenue for Transfers from the School Fund and by increasing the appropriations for the Lynn Garden Elementary School project by \$300,000 and by increasing the appropriations for the Robinson Fire alarm Replacement project by \$50,000.

Fund 141: General Purpose School Fund

<u>Revenues:</u>	\$	\$	\$
141-0000-392-0100 Fund Balance Appropriations	6,810,526	350,000	7,160,526
<i>Totals</i>	6,810,526	350,000	7,160,526

<u>Expenditures:</u>	\$	\$	\$
141-7950-881-0590 Fund Transfers	2,880,000	350,000	3,230,000
<i>Totals</i>	2,880,000	350,000	3,230,000

Lynn Garden Elementary School (GP2507)

<u>Revenues:</u>	\$	\$	\$
311-0000-391-2100 Transfer from School Fund	650,000	300,000	950,000
<i>Total:</i>	650,000	300,000	950,000

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2023 Architect/Engineering Serv	650,000	300,000	950,000
<i>Total:</i>	650,000	300,000	950,000

Robinson Fire Alarm Replacement (GP2602)

<u>Revenues:</u>	\$	\$	\$
311-0000-391-2100 Transfer from School Fund	0	50,000	50,000
<i>Total:</i>	0	50,000	50,000

<u>Expenditures:</u>	\$	\$	\$
311-0000-601-2023 Architect/Engineering Serv	0	50,000	50,000
<i>Total:</i>	0	50,000	50,000

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

ATTEST:

PAUL W. MONTGOMERY, Mayor

APPROVED AS TO FORM:

ANGELA MARSHAL, Deputy City Recorder

RODNEY B. ROWLETT, III, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with Thompson & Litton for Phase 2 of the Architectural Services for the New Elementary School and Associated Work at the Lynn View Community Center Site

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-01-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Committee

Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:

Approve the Resolution

Executive Summary:

If approved, the City will enter into an Agreement for a lump sum fee of \$268,700 with Thompson & Litton, Inc., for professional Architectural and Engineering design, documentation, and constructional administration for Phase 2 of the New Elementary School and Associated Work at the Lynn View Community Center Site.

On January 21, 2025 the Board of Mayor and Aldermen approved an agreement with Thompson & Litton, Inc., for Phase 1 of the project which consisted of programming, schematic design, site survey, traffic impact study, geotechnical, and existing building environmental review.

The Phase 2 Site Demolition and Site Preparation Package will include the following work.

1. Existing Lynn View Community Center asbestos abatement, demolition, and disposal
2. Existing baseball field and football field/track/outbuilding demolition and disposal
3. Rough site grading – including the internal roads, parking lots, and building pad
4. Existing subsurface utility relocation and new subsurface utility placement
5. Installation of the retainage pond and associated subsurface piping

The total estimated construction cost for this Phase II work is \$4,000,000. Specifics can be found in Thompson & Litton's proposed Scope of Services dated November 19, 2025. Funding for Phase 2 is identified in the Lynn Garden Elementary School project GP2507.

Attachments:

1. Resolution
2. Thompson & Litton Proposed Scope of Services

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH THOMPSON & LITTON, INC., FOR ARCHITECTURAL AND ENGINEERING SERVICES FOR PHASE 2 OF THE NEW ELEMENTARY SCHOOL AND ASSOCIATED WORK AT THE LYNN VIEW COMMUNITY CENTER SITE AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, Thompson & Litton, Inc., was awarded the contract for Phase 1 of the Architectural/Engineering portion of the New Elementary School and Associated Work at the Lynn View Community Center by the board on January 21, 2025 (Res. No. 2025-130); and

WHEREAS, in furtherance of the project it is recommended to enter into an agreement with Thompson & Litton, Inc., for professional architectural and engineering design, documentation, and construction administration for Phase 2 of the Architectural/Engineering portion of the New Elementary School and Associated Work at the Lynn View Community Center for an amount not to exceed \$268,700.00; and

WHEREAS, the Board of Education approved this action December 9, 2025; and

WHEREAS, funding is identified in the Lynn Garden Elementary School Project (GP2507).

Now therefore,

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

SECTION I. That an agreement with Thompson & Litton, Inc., for professional services related to Phase 2 of the New Elementary School and associated work at the Lynn View Community Center in an amount not to exceed \$268,700.00 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an agreement with Thompson & Litton, Inc., to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution.

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 20th day of January 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



EXHIBIT A

Kingsport City Schools New Elementary School Phase 2

SCOPE OF SERVICES November 19, 2025

Thompson & Litton began professional design phase services on Phase I for the new Lynn View Elementary School in early 2025. The project is being presented to the City of Kingsport Board of Mayor and Alderman and the Kingsport City Schools on November 3, 2025. Following that meeting, community review sessions will occur so that the Phase 2 work can begin in early 2026. It is anticipated that Phase 3, construction of the new school buildings and supporting site features will commence in July 2027.

The Phase 2 Site Demolition and Site Preparation Package for the New City of Kingsport Elementary School will include the following work.

1. Existing Lynn View Community Center asbestos abatement, demolition, and disposal.
2. Existing baseball field and football field/track/outbuilding demolition and disposal.
3. Rough site grading – including the internal roads, parking lots, and building pad.
4. Existing subsurface utility relocation and new subsurface utility placement.
5. Installation of the retainage pond and associated subsurface piping.

The estimated costs to demolish and dispose of the existing Lynn View Community Center (to include the asbestos abatement) is approximately \$700,000.00 based on an estimate from Taff and Frye.

The estimated costs to demolish and dispose of the other buildings, fences, bleachers, concrete, and asphalt located between Walker Street, Akers Avenue, Goal Street, and Nelms Lane is approximately \$88,400.00 based on an estimate from Taff and Frye.

The estimated costs to address the rough grading, removal and relocation of the existing subsurface utilities, and the installation of the retainage pond and associated piping is approximately \$3,000,000.00.

The total estimated construction cost for this work is \$4,000,000.00.

Scope of Services

The Architect's design development and construction documents phase scope of services will include the following:

1. Field verification of the items on the site.
2. Field measuring of the existing Lynn View Community Center with the creation of floor plans which identify the existing building materials and the locations of the asbestos in the facility. The asbestos report has previously been provided to the Architect for use as part of these documents.
3. Provide building and site demolition drawings of the items detailed above as part of this Phase 2 project.



4. Provide site drawings which will include rough grading plans based on the approved Schematic Design Phase 1 drawings.
5. Provide subsurface utility and retainage pond documents.
6. The Architect's geotechnical subconsultant will provide eight additional soil test borings due to the relocation of the school from the original location.
7. The Architect's environmental subconsultant will provide asbestos roof sampling and on-site consultation to confirm the locations where asbestos was identified in the original report.

The Architect's procurement phase services will include the items referenced in the AIA B101 Owner/Architect agreement for a competitive bidding process.

The Architect's construction contract administration phase services will include the items referenced in the AIA B101 Owner/Architect agreement for construction phase services.

Project Schedule

The schedule for this work will be the following:

Begin the design development phase	January 2026
Begin the construction documents phase	April 2026
Complete the construction documents phase	July 2026
Receive bids	August 2026
Begin construction	September 2026
Complete construction	July 2027

Assumptions and Exclusions

1. Project close-out documentation (record documents) are excluded.
2. Value Engineering (VE) of design during bidding or construction is excluded.
3. LEED or green design is excluded.
4. No cost of newspaper advertising is included.
5. Reimbursable expenses do not include the Fire Marshal's review fee. This will be billed separately.
6. No new building design drawings are included in these documents.
7. No final grading design drawings including new roadways and parking lots are included.
8. No work to the existing roads around the site.
9. No new playgrounds or other site items are included in this phase.
10. No new landscaping drawings are included in this phase.
11. New subsurface utility work will end at the approximate location of the final connections based on the current plans.
12. No additional cost estimates in this phase.
13. No construction phase testing or inspection services for the work completed in this phase.

Attachments

1. Existing Site Map
2. Proposed Site Plan
3. Proposed Grading Plan



Zane Lynn View Community Center



[illegible]

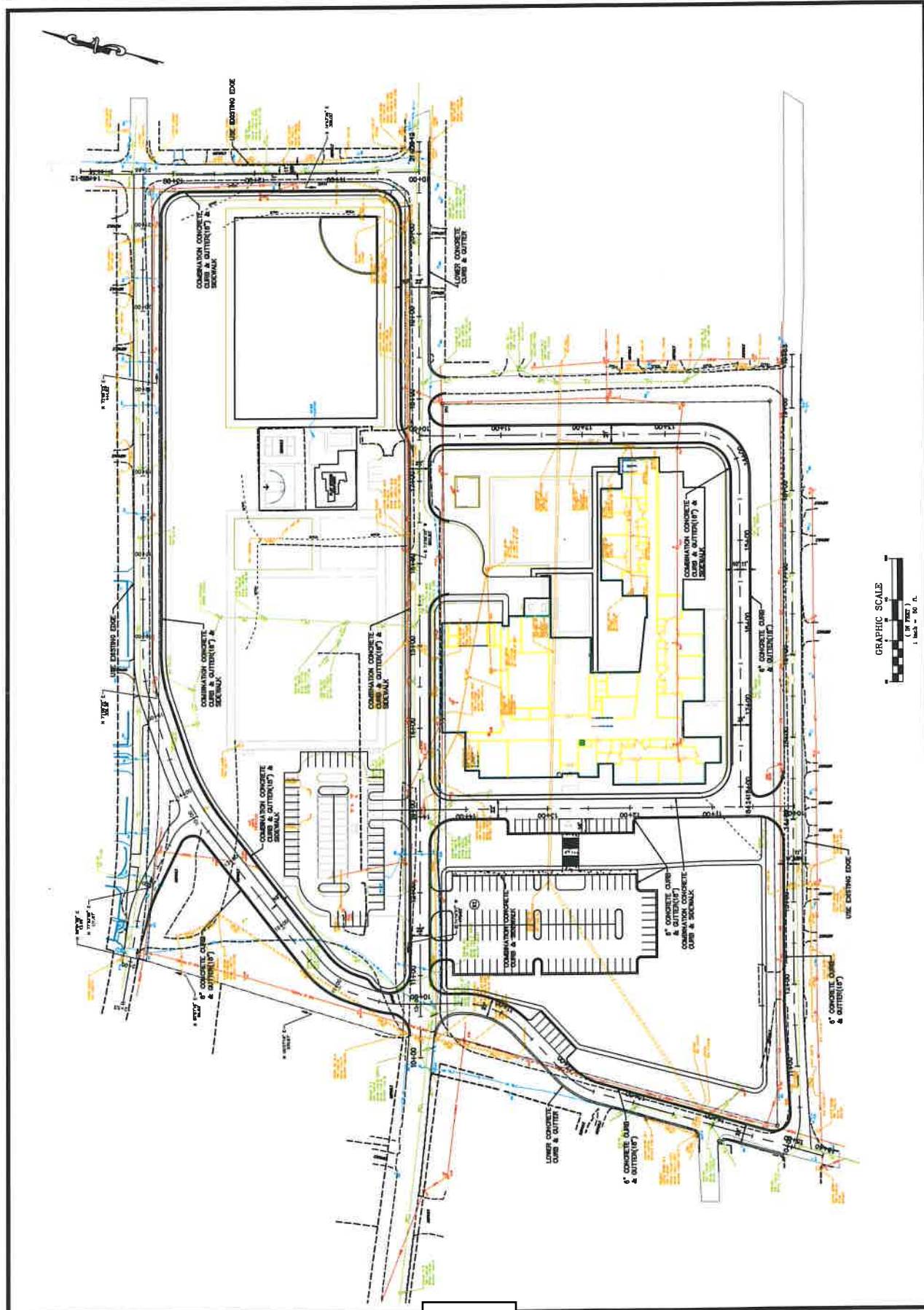
Designed	109
Drawn	109
Checked	NV
Date	8/29/23

Project No. 18291

THOMPSON
& LITTON

Paul Pan

EXH-1



Item XI1.

[illegible]

Original	12/8
File #	302
Quoted	Nil
Date	9/2/75

Project No. 18291

THOMPSON
& LITTON

Second Man:

EXH-1



GRAPHIC SCALE
(IN FEET)
1 inch = 50 ft

Item XI1.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with Thompson & Litton for Renovations at Dobyys-Bennett High School

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-02-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Committee

Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:

Approve the Resolution

Executive Summary:

If approved, the City will execute an agreement for a lump sum fee of \$193,475.00 and \$14,000.00 reimbursable expenses with Thompson & Litton for architectural and engineering design services, bidding assistance, and construction contract administration services for the following renovations at Dobyys-Bennett High School.

- a. fire shutter removal and replacement, and
- b. second and third floor finish upgrades, and
- c. renovations of the old office lobby and adjoining interior reception space, and
- d. new Classrooms and meeting areas in each of the existing pods, and
- e. rear stair replacement and work to the cafeteria exterior walkway.

The estimated construction cost is \$2,850,000.00.

The Bid Opening is tentatively set for early May 2026 with board approval in May 2026 as well. June 1, 2026, is the tentative construction start date and project completion will be in May 2027. A portion of the work will occur during the summer of 2026. The remainder will occur during the school year, weekends, and holidays.

The Board of Education approved the agreement at the January 13, 2026 meeting. The agreement will be funded from the Dobyys-Bennett Renovation Project GP2111.

Attachments:

1. Resolution
2. Scope of Services

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AN AGREEMENT WITH THOMPSON & LITTON FOR RENOVATIONS AT DOBYNS-BENNETT HIGH SCHOOL AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, Kingsport City Schools desire certain renovations to be made at Dobyns-Bennett High School; and

WHEREAS, Thompson & Litton has been the architect on prior projects at Dobyns-Bennett and propose a lump sum fee of \$193,475.00 and \$14,000.00 in reimbursable expenses for this project ; and

WHEREAS, the Board of Education approved this action January 13, 2026; and

WHEREAS, funding is identified in the Dobyns-Bennett Renovation Project (GP2111).

Now therefore,

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

SECTION I. That an agreement with Thompson & Litton, Inc., for professional services related to Dobyns-Bennett High School Select Renovations in a lump sum fee of \$193,475.00 and \$14,000.00 for reimbursable expenses 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 agreement with Thompson & Litton, Inc., to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution.

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 20th day of January 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



EXHIBIT A

Kingsport City Schools Dobyns-Bennett High School Select Renovations Phase 1

SCOPE OF SERVICES January 13, 2026

Thompson & Litton, Inc. will provide professional architectural and engineering design services, bidding assistance, and construction contract administration services relating to select renovations to Dobyns-Bennett High School located at 1 Tribe Way in Kingsport, Tennessee, for the Kingsport City Schools. Thompson & Litton will utilize the services of Spoden & Wilson to provide structural engineering services and Inspire Business Interiors to provide interior design services, as a subconsultant. The project will be advertised for competitive bids according to the City of Kingsport purchasing requirements. The construction documents include a base bid and one alternate. The estimated cost of construction is \$2,850,000.00, including Alternate #1.

Scope of Services

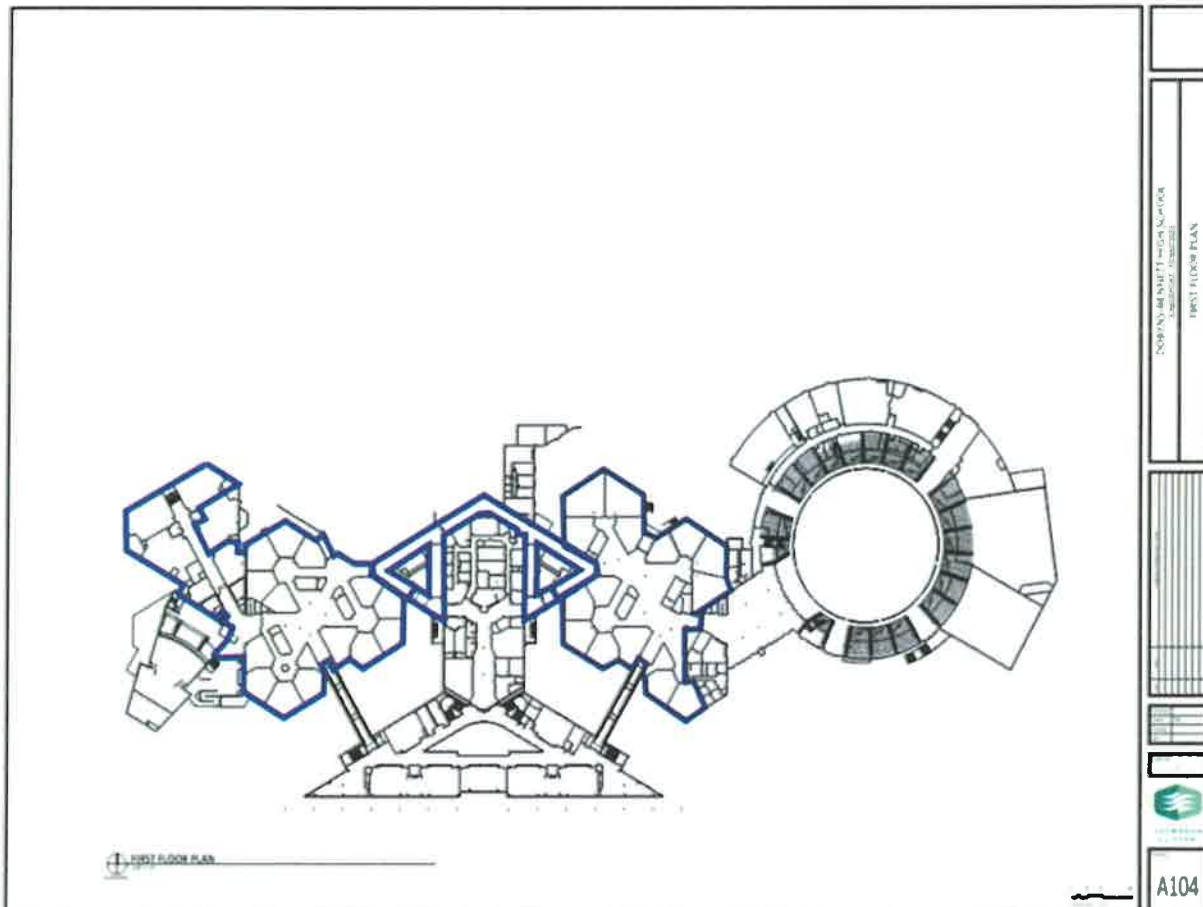
- a. Fire Shutter Removal and Replacement (Base Bid):
 - i. Remove the existing fire shutters between the original building and the Science and Technology Addition – second and third floors. Install new glazed walls and doors (fire-rated hollow metal frames and doors) on electromagnetic hold-opens to meet code compliance. This will address two locations, each on the second and third floors. The work will include the removal of six existing fire shutters, sheetrock, and metal stud infill where the fire shutters are removed, sprinkler head installed, and connections to the existing fire alarm. The estimated cost of construction for this portion of the work is \$200,000.00. One example shown in photos below.





b. Second and Third Floor Finish Upgrades (Base Bid):

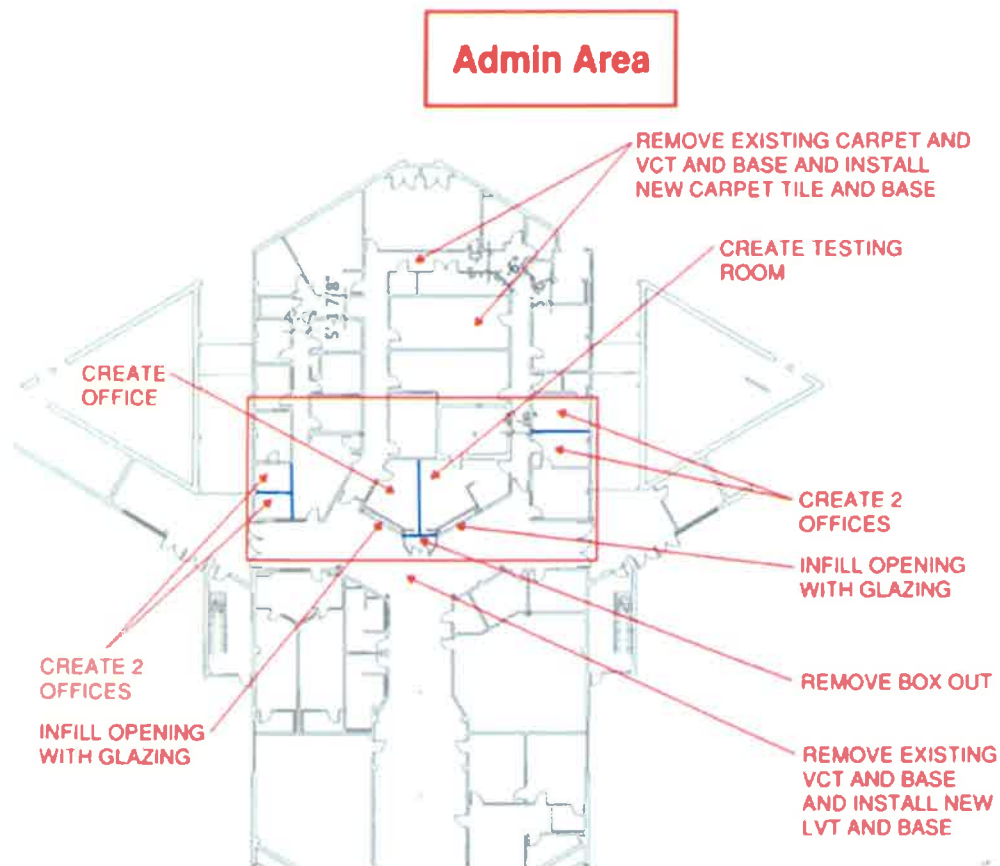
- i. Existing flooring removal and replacement, including ramps. (LVT in corridors, sheet vinyl on ramps, and LVT in the classrooms)
- ii. Removal of the existing lockers with the installation of select casework in the corridors.
- iii. Wall painting.
- iv. Repainting of metal doors and frames.
- v. Replace the original building corridor porcelain drinking fountains. Provide new high/low drinking fountains with a bottle filler.
- vi. Address three special education classrooms in the old science pod. Remove the existing science casework and provide a new changing area and toilet containing a shower, toilet, and sink in each classroom. The estimated cost of construction for this portion of the work is \$1,600,000.00 and is outlined (blue) in the drawing below.





c. Renovations to the Old Office Lobby and Adjoining Interior Reception Space (Base Bid):

- i. Renovations to the old office area to include demolition of a portion of the existing space with new construction based on the information identified in the diagram below - Admin Area. This work will include new walls, ceilings, finishes, and select mechanical, plumbing, fire protection, and electrical work.
- ii. Mechanical, Plumbing and Fire Protection in this area is outlined as follows: First floor (front middle area – estimated 1,500 sf) adjust HVAC diffusers/duct for added rooms/offices. One could be a conference room and may need new unit – if this change occurs, an amendment will be necessary. No plumbing this area. Update sprinkler head layout in revised rooms.
- iii. The estimated cost of construction for this portion of the work is \$400,000.00.

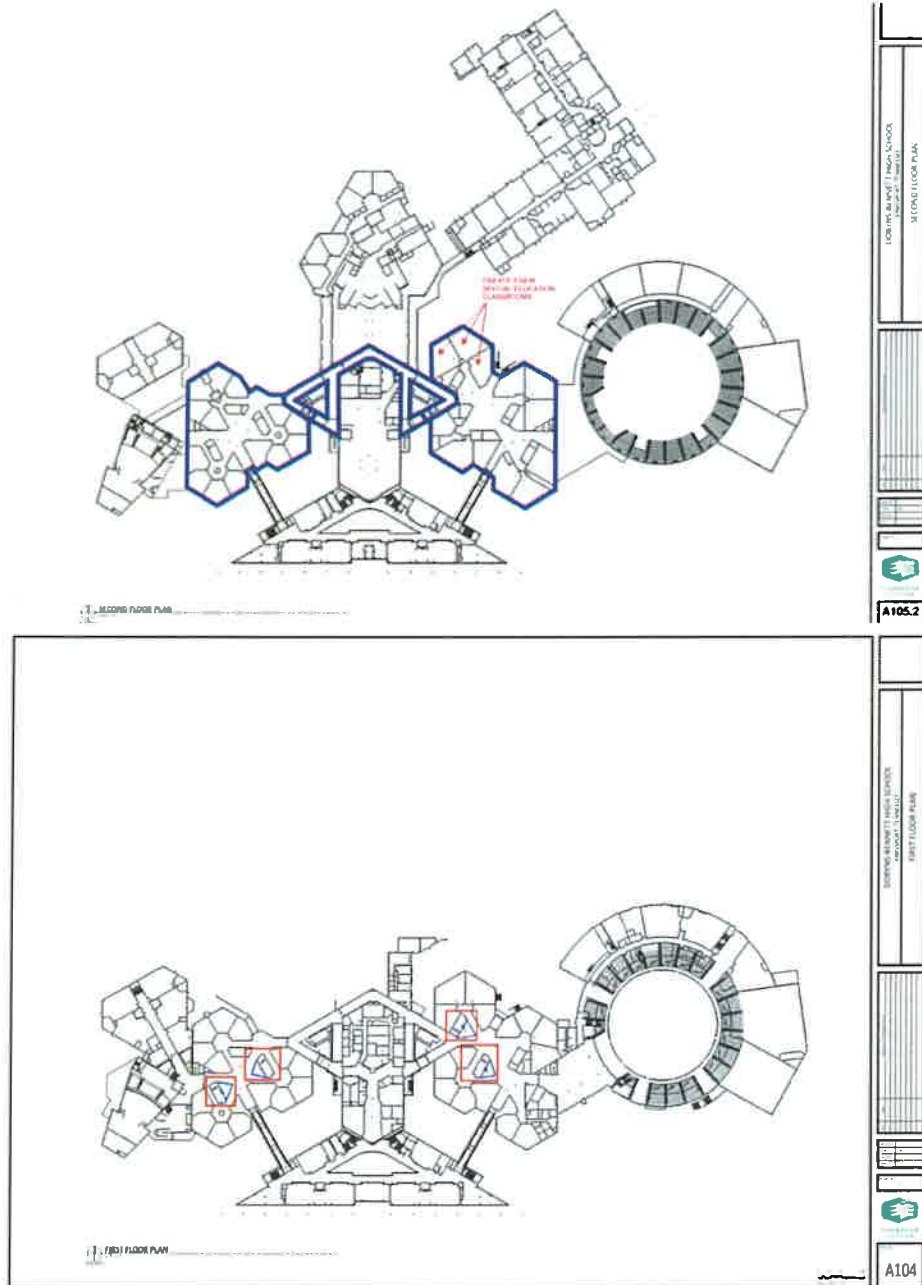


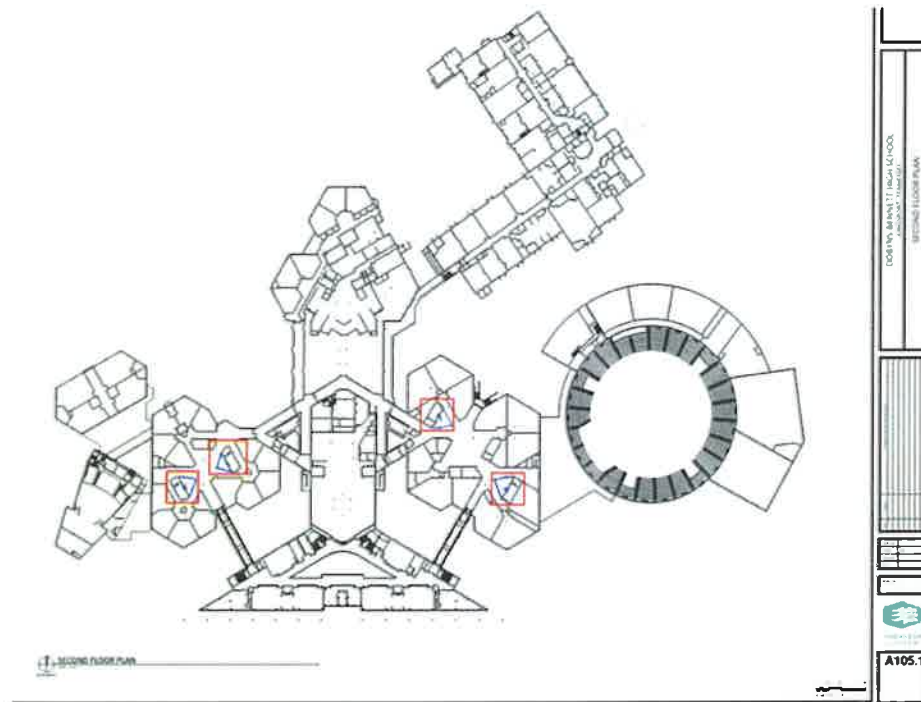
d. New Classrooms and Meeting Areas in each of the Existing Pods (Base Bid):

- i. Select renovations in each classroom pod to provide a new classroom or meeting room in eight of the existing pods to possibly replace the existing workroom in those pods. This work will include new walls, ceilings, finishes, select mechanical, plumbing, fire protection, and electrical work. Reference the drawing below (A104), where the eight work areas are identified inside of the red boxes. The new work and demolition walls are outlined in blue. The second floor work is outlined in the below drawings (A105.1 and A105.2)



- ii. Mechanical, plumbing, and fire protection in this area is outlined as follows: First and second floor areas (estimated 5,800 sf) will be renovated into eight classrooms (two on each side and level). Plumbing includes replacing four drinking fountains with new. Update sprinkler head layout. Inclusion Classrooms - Renovate three large classrooms (estimated 4,450 sf) into inclusion classrooms. New restrooms and showers will be added for each classroom. Classrooms are currently science labs with lab sinks and fume hoods that need to be removed.
- iii. The estimated cost of construction for this portion of the work is \$550,000.00.





e. Replace Rear Stair and Work to the Cafeteria Exterior Walkway (Alternate #1):

- i. Exterior Cafeteria Walkway – Address the spauling of the concrete walking surface. Work to the existing concrete T-structure is not included.
- ii. Rear Egress Stair Replacement – Replace the concrete stairs as the treads and risers are in a dilapidated condition. This work will also include the replacement of handrails, guardrails, and concrete guards. The existing concrete landing and the concrete support columns are not included in this replacement. Photos of the area are below.
- iii. The estimated cost of construction for this portion of work is \$100,000.00.





- f. For all work a. through e., Thompson & Litton will confirm with the Owner the following:
 - i. All the areas to receive the new work.
 - ii. Scope of work as base bid vs. alternate.
 - iii. The project schedule to determine the extent of work to occur during the summer of 2026 when the building is not in use.
- g. The Bid Phase scope of services will include the following:
 - i. Work with the City of Kingsport Purchasing Department to develop the project specifications and provide bid documents to the general contractors for their use.
 - ii. Attend the pre-bid meeting and address any questions.
 - iii. Attend the bid opening and review the bids with the Owner and low bidder.
 - iv. Assemble the Owner-Contractor agreement and provide the notice to proceed to the selected contractor upon full execution.
- h. Construction Contract Administration scope will include the following:
 - i. Attend the preconstruction meeting.
 - ii. Attend the monthly progress meetings.
 - iii. Review and certify payment applications.
 - iv. Address any RFI's or other questions during construction.
 - v. Review submittals.
 - vi. Process change order proposals.
 - vii. Provide a substantial completion inspection and punch list.

Schedule

Thompson & Litton expects to start its services promptly after receipt of Owner's acceptance of this Agreement. Assuming receipt of signed agreement and a notice to proceed is received by January 20, 2026, the estimated schedule is as follows:

Board of Education AE Contract Approval - January 13, 2025
Board of Mayor and Alderman AE Contract Approval - January 19, 2026
Complete Contract Documents – April 2026
Receive Bids – May 2026
Board of Education Bid Approval - May 12, 2026
Board of Mayor and Alderman Bid Approval - May 19, 2026
Begin Construction - June 1, 2026 (A portion of this work will occur during the summer of 2026)
Complete Construction - May 2027 (The remainder will occur during the school year, weekends, and holidays)



Assumptions and Exclusions

- a. A single bid phase and construction contract will be awarded for all proposed work.
- b. Project close-out documentation (record documents) is excluded.
- c. VE of design during bidding or construction is excluded.
- d. LEED or Green Design is excluded.
- e. No cost of newspaper advertising is included.
- f. No new building drawings are included in this work.
- g. No asbestos reports are included in the above fee proposal. A separate proposal will be provided for this work once the exact areas for renovations are identified.

Compensation

Owner agrees to pay Thompson & Litton as compensation for its services a lump sum fee of \$193,475.00 (One Hundred Ninety-Three Thousand, Four Hundred Seventy-Five and 00/100 Dollars), and \$14,000.00 (Fourteen Thousand and 00/100 Dollars) for reimbursable expenses such as printing costs, travel time, and mileage as outlined in the scope above. Permits, state/local/federal fees, special testing, and any other associated costs not included in the scope outline above are additional and will be billed as such.

EFFECTIVE: Through June 30, 2026

**THOMPSON & LITTON
SCHEDULE OF HOURLY RATES**

INDIVIDUAL CLASSIFICATIONS	TYPICAL HOURLY RATES
	(Current Rates)
Officer-in-Charge	\$300.00
Associate	\$236.00
Senior Project Manager	\$220.00
Project Manager	\$175.00
Senior Engineer	\$210.00
Project Engineer	\$167.00
Design Engineer	\$125.00
Senior Technician	\$120.00
Technician	\$ 84.00
Senior Architect	\$195.00
Project Architect	\$145.00
Architectural Associate	\$114.00
Senior Surveyor	\$175.00
Surveyor	\$112.00
Senior Survey Technician	\$ 92.00
Survey Technician	\$ 82.00
3-Person Survey Party	\$265.00
2-Person Survey Party	\$185.00
Senior Construction Contract Administrator	\$165.00
Construction Contract Administrator	\$110.00
Senior Construction Representative	\$114.00
Construction Representative	\$ 87.00
Specifications and Technical Composer	\$ 94.00
Administrative Assistant	\$ 99.00
Clerical	\$ 70.00

REIMBURSABLE EXPENSES

Consultants and subcontractors will be billed at Direct Cost times 1.20.

Transportation and out-of-town subsistence will be billed at Direct Cost times 1.15.

Mileage for use of personal or company vehicles – Effective IRS mileage rate.

Long distance telephone calls, facsimiles, printing or items not customarily provided by the Consultant shall be charged at Direct Cost times 1.15.

REPRODUCTION:	A) 8 1/2 x 11 page, per copy (black/white).....	\$0.20
	B) 8 1/2 x 11 page, per copy (color).....	\$0.60
	C) 11 x 17 page, per copy (black/white)	\$0.50
	D) 11 x 17 page, per copy (color).....	\$0.85
	E) 12 x 18 page, per copy (black/white)	\$0.60
	F) 12 x 18 page, per copy (color).....	\$1.00
	G) Large Drawings, per square foot.....	\$0.65
	H) Large Drawings, per square foot (color)	\$1.25

FINANCIAL: Invoices are payable within thirty days. Interest is, therefore, charged in the event of non-payment within sixty days. An interest rate 1% per month will be charged and applied to the unpaid balance monthly.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the City Manager to Execute a Purchase Order for Kingsport City Schools Grades 9-12 Teacher Laptops from Dell Marketing LP

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-12-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Committee

Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:

Approve the Resolution

Executive Summary:

If approved, the City will purchase 158 Dell Pro 13 Plus laptops for Kingsport City Schools grades 9-12 teachers at Dobyns-Bennett High School and DB Excel for \$1,166.00 each for a total of \$184,228.00.

The Kingsport Board of Education voted at their January 13, 2026 meeting to recommend the purchase of Dell laptops utilizing the Wilson County Schools Cooperative Purchasing Agreement (Contract C000000381302) with Dell Marketing L.P.

Kingsport City Schools benefits from using cooperative purchasing contracts like the Wilson County Schools Agreement with the confidence we are receiving competitive pricing and knowing the products awarded have already been through the procurement process. Also, utilizing cooperative procurement agreements often leads to increased efficiency by decreasing the amount of time it takes from requisition entry to product receipt.

Funding will be from the School General Purpose Fund.

Attachments:

1. Resolution
2. Quote
3. 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 DELL MARKETING LP FOR
180 LAPTOPS FOR KINGSPORT CITY SCHOOLS

WHEREAS, the city entered into an agreement with Wilson County Board of Education for cooperative purchasing in December 2021; and

WHEREAS, T.C.A. § 12-3-1205(b)(2) authorizes any local government in this state to participate in a master agreement by adopting a resolution accepting its terms. If a participant in the master agreement is required to advertise and receive bids, it is sufficient that the purchasing entity complied with its own requirements. The participant is required to acquire and maintain documentation that the purchasing entity complied with its own purchasing requirements; and

WHEREAS, Wilson County Schools is a governmental entity of the state of Tennessee; and

WHEREAS, by utilizing the Wilson County Board of Education agreement with Dell Marketing L.P. (Contract C000000381302), the city can purchase 158 Dell Pro 13 Plus laptops for \$184,228.00; and

WHEREAS, the Board of Education approved this action on January 13, 2026; and

WHEREAS, the laptops will be utilized by teachers at Dobyns-Bennett High School and D-B Excel; and

WHEREAS, funding for this project is in the School General Purpose Funds.

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 Dell Marketing L.P. for 158 Dell Pro 13 Plus laptops for \$184,228.00, which will be funded by funds in the School General Purpose Funds budget, and to execute any and 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 20th day of January 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



Your quote is ready for purchase.

Complete the purchase of your personalized quote through our secure online checkout before the quote expires on **Jan. 30, 2026**.

You can download a copy of this quote during checkout.

[Place your order](#)

Quote No. 3000197015024.33
Total \$184,228.00
Customer # 125498624
Quoted On Jan. 16, 2026
Expires by Jan. 30, 2026
Contract Name Wilson County Schools -
Customer Purchase
Agreement for Products
and Services
Contract Code C000000381302
Customer Agreement # Wilson County Schools
Deal ID 29798777

Sales Rep Rachel Holmes
Phone 1(800) 4563355, 6177273
Email Rachel.Holmes1@dell.com
Billing To ACCOUNTS PAYABLE
KINGSPORT CITY SCHOOLS
415 BROAD ST
KINGSPORT, TN 37660

Message from your Sales Rep

Please use the Order button to securely place the order with your preferred payment method online. You may contact your Dell sales team if you have any questions. Thank you for shopping with Dell.

Regards,
Rachel Holmes

Shipping Group

Shipping To
ANDY ARNOLD
KINGSPORT CITY SCHOOLS
1000 POPLAR ST
KINGSPORT, TN 37660-4552
(423) 378-2154

Shipping Method
Standard Delivery

Product	List Price	Unit Price	DOLQuantity	Subtotal
Dell Pro 13 Plus PB13250	\$3,038.75	\$1,166.00	61.63% 158	\$184,228.00

Item XI3.

Subtotal:	\$184,228.00
Shipping:	\$0.00
Non-Taxable Amount:	\$184,228.00
Taxable Amount:	\$0.00
Estimated Tax:	\$0.00

Total: **\$184,228.00**

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Item XI3.

Shipping Group Details

Shipping To

ANDY ARNOLD
KINGSPORT CITY SCHOOLS
1000 POPLAR ST
KINGSPORT, TN 37660-4552
(423) 378-2154

Shipping Method

Standard Delivery

		Unit Price	Quantity	Subtotal
Dell Pro 13 Plus PB13250		\$1,166.00	158	\$184,228.00
Estimated delivery if purchased today: Jan. 22, 2026 Contract # C000000381302 Customer Agreement # Wilson County Schools				
Description	SKU	Unit Price	Quantity	Subtotal
Dell Pro 13 Plus (PB13250) BTX Base	210-BPKR	-	158	-
Intel(R) Core(TM) Ultra 7 265U vPro(R) (12 TOPS NPU, 12 cores, up to 5.3 GHz)	379-BFXR	-	158	-
Windows 11 Pro	619-BBQD	-	158	-
16 GB: 1 x 16 GB, DDR5, 5600 MT/s (5200 MT/s with Intel Core processors)	370-BCNG	-	158	-
Integrated Intel graphics for Intel Core Ultra 7 265U vPro processor	338-CRWF	-	158	-
512 GB SSD	400-BSLJ	-	158	-
2in1 13.3", Touch, FHD+, 300 nit, 100% sRGB, Pen Support, FHD+IR Cam, 4G capable	391-BJVC	-	158	-
No Fingerprint Reader, No Smart Card Reader	346-BLLD	-	158	-
FHD HDR + IR Camera, Facial Recognition, TNR, Camera Shutter, Microphone	319-BBKH	-	158	-
English US backlit Copilot key keyboard	583-BMWW	-	158	-
Intel AX211 WLAN Driver	555-BLYT	-	158	-
Intel® Wi-Fi 6E AX211, 2x2, 802.11ax, Bluetooth® 5.3 card	555-BLLZ	-	158	-
3-cell, 55 Wh, ExpressCharge Capable, ExpressCharge Boost Capable	451-BDKX	-	158	-
65W AC adapter, USB Type-C	492-BDTG	-	158	-
E4 Power Cord 1M for US	537-BBDO	-	158	-
Quick Start Guide	340-DTTX	-	158	-
Documentation	340-DNBV	-	158	-
ENERGY STAR Qualified	387-BBLW	-	158	-
Fixed Hardware Configuration	998-HLJH	-	158	-
Dell Pro 13 Plus Min Packaging	340-DTQV	-	158	-
POD Label	389-EDJB	-	158	-
EPEAT Gold with Climate+	379-BDZB	-	158	-
Intel(R) Connectivity Performance Suite	640-BBTF	-	158	-
Intel Core Ultra 7 vPro Processor Label	389-FJMJ	-	158	-
Intel Rapid Storage Technology Driver	409-BCYP	-	158	-
4G or 5G WWAN Tray	321-BLYG	-	158	-
Item XI3.				

English, French, Spanish, Brazilian Portuguese	619-BBPD	-	158	-
Intel vPro Enterprise Technology Enabled	631-BCCC	-	158	-
Dell Limited Hardware Warranty	714-0464	-	158	-
Onsite/In-Home Service After Remote Diagnosis, 1 Year	714-6658	-	158	-
Onsite/In-Home Service After Remote Diagnosis, 2 Year Extended	714-6668	-	158	-
Dell Limited Hardware Warranty Extended Year(s)	975-3461	-	158	-
Windows AutoPilot	634-BRWG	-	158	-
Activate Your Microsoft 365 For A 30 Day Trial	630-ABBT	-	158	-
Dell Additional SW - Dell Pro Laptop	658-BFVB	-	158	-

Subtotal:	\$184,228.00
Shipping:	\$0.00
Estimated Tax:	\$0.00
Total:	\$184,228.00

Item XI3.

Important Notes

Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for Fourteen days from the date of this Quote. All products, pricing, and other information are based on the latest information available and are subject to change for any reason, including but not limited to tariffs imposed by government authorities, shortages in materials or resources, increase in the cost of manufacturing or other factors beyond Supplier's reasonable control. If such changes occur, pricing may be adjusted or purchase orders may be cancelled by Supplier, even after an order has been placed. Supplier also reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors and/or customer changes to Supplier's planned delivery date. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to Tax_Department@dell.com or ARSalesTax@emc.com, as applicable.

Governing Terms: This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at www.dell.com/terms or www.dell.com/oemterms), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

Supplier Software Licenses and Services Descriptions: Customer's use of any Supplier software is subject to the license terms accompanying the software, or in the absence of accompanying terms, the applicable terms posted on www.Dell.com/eula. Descriptions and terms for Supplier-branded standard services are stated at www.dell.com/servicecontracts/global or for certain infrastructure products at www.dell.com/en-us/customer-services/product-warranty-and-service-descriptions.htm.

Offer-Specific, Third Party and Program Specific Terms: Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on www.dell.com/offeringsspecificterms ("Offer Specific Terms").

In case of Resale only: Should Customer procure any products or services for resale, whether on standalone basis or as part of a solution, Customer shall include the applicable software license terms, services terms, and/or offer-specific terms in a written agreement with the end-user and provide written evidence of doing so upon receipt of request from Supplier.

In case of Financing only: If Customer intends to enter into a financing arrangement ("Financing Agreement") for the products and/or services on this Quote with Dell Financial Services LLC or other funding source pre-approved by Supplier ("FS"), Customer may issue its purchase order to Supplier or to FS. If issued to FS, Supplier will fulfill and invoice FS upon confirmation that: (a) FS intends to enter into a Financing Agreement with Customer for this order; and (b) FS agrees to procure these items from Supplier. Notwithstanding the Financing Agreement, Customer's use (and Customer's resale of and the end-user's use) of these items in the order is subject to the applicable governing agreement between Customer and Supplier, except that title shall transfer from Supplier to FS instead of to Customer. If FS notifies Supplier after shipment that Customer is no longer pursuing a Financing Agreement for these items, or if Customer fails to enter into such Financing Agreement within 120 days after shipment by Supplier, Customer shall promptly pay the Supplier invoice amounts directly to Supplier.

Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

Electronically linked terms and descriptions are available in hard copy upon request.

WILSON COUNTY SCHOOLS
Michael Smith, CPA
Deputy Director of Finance &
Business Operations



415 Harding Drive, Lebanon TN 37087
Tel : (615) 444-3282
Fax : (615) 449-3858

WILSON COUNTY SCHOOLS' PURCHASING AGREEMENT

Kingsport City Schools requests permission from Wilson County Schools to purchase from bids awarded by Wilson County Schools.

Kingsport City Schools agrees to purchase directly from the vendor that is awarded the Wilson County Schools' bid, and agrees to be financially responsible for all orders placed, and holds Wilson County Schools harmless against any claims which may arise from Kingsport City Schools' failure to pay for any orders placed by Kingsport City Schools.

Wilson County Schools hereby grants permission for Kingsport City Schools to purchase from bids awarded by Wilson County Schools.

 11/5/2021

Michael Smith
Deputy Director of Finance and Business Operations

This is to comply with T.C.A. 12-3-1205.

DocuSigned by:

Patrick W. Shull

72D36825DF7443D...

Pat Shull, Mayor of Kingsport

ATTEST: DS

DocuSigned by:

Angie Marshall

AD9E46741BDB469...

CITY RECORDER

APPROVED AS TO FORM:

DocuSigned by:

J. Michael Billingsley

90246FFA1976462...

CITY ATTORNEY



**AMENDMENT TO CUSTOMER PURCHASE AGREEMENT FOR PRODUCTS AND SERVICES
BETWEEN DELL MARKETING L.P. ("Dell")
AND
WILSON COUNTY BOARD OF EDUCATION ("Customer")
(Contract Effective Date: March 28, 2019)
Dell Contract Code: C000000381302/51AHO**

This Amendment No. 1 is by and between the Wilson County Board of Education ("**Customer**") and Dell Marketing, L.P. ("**Dell**"), (together the "**Parties**").

RECITALS

WHEREAS, Dell entered into a Customer Purchase Agreement ("CPA") with the Customer to sell Dell hardware, third party hardware, software, peripherals and services to the Customer through March 27, 2024;

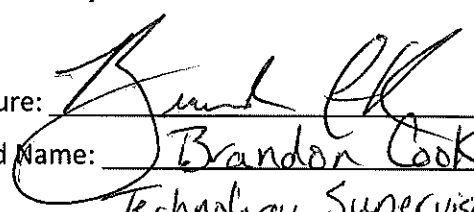
WHEREAS, the CPA provides for an additional five-year renewal term to be begin on the anniversary of the Effective Date;

WHEREAS, Customer has requested that Dell renew the CPA for an additional five-year term and Dell has agreed to renew it subject to an updated Discount Structure;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Parties agree as follows:

1. The Parties agree to renew the CPA for an additional five-year term, beginning on March 28, 2024 and ending on March 27, 2029.
2. The updated Discount Structure is attached hereto as "Attachment A."
3. Except as explicitly amended by this Amendment, all other terms and conditions contained in the Contract, including the terms within the CPA's Product Schedule and Exhibit A to the Product Schedule, shall remain in full force and effect.
4. In the case of a conflict between the terms of the Contract and this Amendment, this Amendment shall take precedence.

By their signatures below, the Parties indicate their agreement to the terms and conditions of this Amendment:

Dell Marketing L.P.:	Wilson County Board of Education:
Signature: <u>Katherine Castillo</u>	Signature: <u></u>
Printed Name: <u>Katherine Castillo</u>	Printed Name: <u>Brandon Cook</u>
Title: <u>Paralegal Advisor</u>	Title: <u>Technology Supervisor</u>
Date: <u>02/06/2024</u>	Date: <u>2/16/24</u>

Attachment A

Discount Category	Description	DOL %
A	Commercial Chrome, Wyse, Cloud Products, Dell Storage OEM, Dell-Branded Memory (Non-Tied), Precision Desktops, Internet of Things (IOT), Latitude, Precision Notebooks, Optiplex, PowerEdge Servers, Software - Server & Other, Software – Storage, Customer Kits(Dell Branded Non-tied Peripherals including some monitors), Consumer Chrome	11.5 %
F	Toner	0%
H	BTX, Prebuilt – Ready to Ship Systems	5%
M	Third Party – Mainstream	5%
R	CFI / Configuration Services SKUs	14.5%
S	Alienware Notebooks, Converged Infrastructure, Data Protection Appliance, Data Protection Software, Data Security Solutions, Dell Networking, Dell Storage PS, Dell Storage SC, Displays (Dell Branded Non-Tied),, OEM Networking, Inspiron Notebooks, Projectors/Monitors/Other Electronics (Dell Branded Non-Tied), Storage Entry, Storage High End, Storage Integrated Offer, Storage Mid Range, Storage Unstructured, Tablets, Vostro Notebooks, XPS Notebooks	2%
S	Hyper Converged Infrastructure, Dell EMC	11.5%
U	Spare Parts	0%
X	Third Party - Non-Discountable	0%
Z	Alienware Desktops, Vostro Desktops, XPS Desktops	0%
Z	Inspiron Desktops	2%
Z, Z1, Z5	Services - i.e Deployment, VSOE, Custom, and System-Tied and Non-Tied (POS and APOS)	0%

Where a Dell-branded product is comprised of both hardware and services, the contract discount percentage for the hardware as per the Discount Category Matrix above will also apply to the tied services. When a service is purchased on its own and is not tied to a system/hardware, then the

service will be discounted according to its Discount Category assignment – i.e., R at 14.5%; Z, Z1, and ZS at 0%.



**WILSON COUNTY
SCHOOLS**
Excellence in all we do!

Agenda Item Details

Meeting	Oct 11, 2023 - Regular Board Meeting
Category	8. Recommendations from Director of Schools
Subject	8.1 Recommendation to Approve Dell Contract Renewal
Type	Action
Recommended Action	To approve as presented

[Dell Contract - 2019-02-Board Approval Memo EXTENSION.pdf \(435 KB\)](#)

Motion & Voting

To approve as presented

Motion by Beth Meyers, second by Kimberly McGee.

Final Resolution: Motion Passed

Yes: Kimberly McGee, Larry Tomlinson, Carrie Pfeiffer, Jamie Farough, Melissa Lynn, Joseph Padilla, Beth Meyers

WILSON COUNTY SCHOOLS
Travis Mayfield
Deputy Director of Operations



415 Harding Drive, Lebanon TN 37087
(615) 444-3282
www.wcschools.com

TO: Board Members
Jeff Luttrell, Director of Schools

FROM: Travis Mayfield, Deputy Director of Operations

DATE: September 25, 2023

RE: Extension of Contract – RFP 2019-02 – Digital Transformation Goods & Services

Sealed RFPs were received and opened on November 15, 2018 for the above referenced RFP. For your review, the results of each response are detailed on the attached RFP Summary Spreadsheet.

An agreement was entered into between Dell Marketing L.P. and Wilson County Schools for a five (5) year term that will expire in February 2024. This agreement includes an auto-renewal term that will allow Wilson County Schools and Dell Marketing L.P. to continue under the same contract terms for one (1) additional five (5) year period. I am recommending this extension be approved and our partnership with Dell continue through February 2029.

WILSON COUNTY SCHOOLS
Donna L. Wright, Ed.D
Director of Schools



415 Harding Drive, Lebanon TN 37087
Tel: (615) 444-3282
Fax: (615) 449-3858

MEMO

To: Dr. Donna Wright, Mickey Hall, Board Members
From: Tom Waller Technology Director
Date: 11/19/2018
Re: Award Recommendation for RFP 2019-02

RFP 2019-02 Digital Transformation of Goods and Services

Requests for proposals on the above referenced Bid were sent to fifteen (15) vendors requesting a response. Sealed Bid responses were received and opened from two (2) vendors. For your review, the results of each response are detailed on the attached Bid Summary Spreadsheet. Dell submitted the overall best Bid meeting specifications for Bid #2019-02.

I am recommending Dell Technologies be awarded the Bid for the Digital Transformation of Goods and Services. Please contact Tom Waller if you need further information.

Original Recommendation
Approved December 3, 2018

RFP 2019-02

District Name Wilson County SchoolsBid # (if applicable) 2019-02

Bid Due Date

11/15/2018Project or Service
Description

Digital Transformation Goods and Service

Directions: Each factor is worth the same number of points as the weighting percentage. Vendors are rated on how well they meet each factor. The entries for all factors are then totaled for each vendor. The winning bidder is the one with the highest number of total points.

No.	Factor	Vendor	Dell	CDWG						
		System Bid	Dell	HP						
		Price Total Per respondent	\$85,307.61	\$85,261.00						
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		% of total price points	100%	100%	0%	0%	0%	0%	0%	0%
1	Price	35	34.981	35.000	0.000	0.000	0.000	0.000	0.000	0.000
2	Providers Qualifications	15	15	15						
3	Provider's ability to demonstrate that the core aspects of the RFP requirements	15	12	10						
4	Completeness and quality of Provider's RFP response	10	10	8						
5	Warranty and support	15	15	10						
6	Asset tagging and reporting	10	10	5						
Total Points		100	96.98	83.00	0.00	0.00	0.00	0.00	0.00	0.00

Item X13.



AGENDA ACTION FORM

Consideration of a Resolution Renewing the Award for Generator Services

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-08-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Committee

Presentation By: R. McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved, this resolution authorizes the renewal of the generator services awarded to Nixon Power Services for the projected annual service cost of \$62,387.00.

Proposals were opened on January 5, 2022 for Generator Services for City of Kingsport and Kingsport City Schools. The advertisement for the Request for Proposals was published in the Kingsport Times News on December 19, 2021 and placed on our website for 17 calendar days. The City's Request for Proposal included a renewal option clause which allows the City to renew the award for an additional 12-month period if costs are acceptable to both parties with BMA approval.

It is the recommendation of the committee to renew the award for generator services with Nixon Power Services. Nixon Power Services has 15 Kohler trained and certified technicians that live and work in this area. They also have an office with a warehouse located in Blountville and are offering no increase in cost. They have held the same bid price since the award of the generator services.

Attachments:

1. Resolution
2. Bid Opening Minutes
3. Nixon quote
4. Recommendation Memos

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

RESOLUTION NO. _____

A RESOLUTION RENEWING THE AWARD OF BID FOR GENERATOR SERVICES TO NIXON POWER SERVICES AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE RENEWAL

WHEREAS, on January 5, 2022, the board approved the bid award of for generator services for the city and Kingsport City Schools to Nixon Power Services; and

WHEREAS, the bid included a renewal option clause that allows the city to renew the award for an additional 12 month period, if costs are acceptable to both parties, with board approval; and

WHEREAS, staff recommends renewing the bid for an additional 12 months at the projected cost of \$62,387.00; and

WHEREAS, funding is identified in various city and school accounts.

Now therefore,

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

SECTION I. That the renewal for of the award of bid for generator services to Nixon Power Services renewed for 12 months at the projected cost of \$62,387.00, is approved.

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

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

ADOPTED this the 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

MINUTES
BID OPENING
January 5, 2022
4:00 P.M.

Present: Brent Morelock, Procurement Manager; Olivia Nickens, Procurement Specialist

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

The Procurement Manager opened with the following bids:

GENERATOR SERVICES FOR CITY OF KINGSPORT AND KINGSPORT CITY SCHOOLS
Vendor:
Taylor Sudden Service, Inc.
Cummins Sales and Service
PowerSecure, Inc.
Clarke Power Services, Inc.
Nixon Power Services LLC

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



Customer 1500218

City of Kingsport
415 Broad Street
Kingsport TN 37660



Site	Address	Make / Serial	Major pm
Fire Station 1 - Central	130 Island St	Kohler 70kw	\$250.00
Fire Station #2	1800 Crescent Dr	Kohler 35kw	\$220.00
Fire Station #3	3828 Memorial Blvd	Onan 50kw	\$250.00
Fire Station #4	West Stone Drive	Kohler 30kw	\$600.00
Fire Station #5	1517 Lynn Garden Dr.	Kohler 50kw	\$650.00
Fire Station #6	4598 Fort Henry Dr	Onan 50kw	\$250.00
Fire Station #7	1440 Rock Springs Rd	Kohler 80kw	\$250.00
Fire Station #8	1205 New Beason Well Rd	Cummins 80kw	\$700.00
Site	Address	Make / Serial	Major pm
Bays Mountain Tower	Bays Mountain Tower	Onan 50kw	\$300.00
Kingsport City Hall	415 E. New Street	Kohler 300kw	\$900.00
DB Stadium (football field)	400 Clinchfield St	Cat 30kw	\$500.00
Dobyns Bennett High School	1800 One Tribe Way	Kohler 125kw	\$300.00
Dobyns Bennett High School	1801 One Tribe Way	Kohler 150rez	\$300.00
J Fred Stadium	1800 One Tribe Way	Kohler 80kw	\$585.00
John Sevier MS	1200 Wateree St	Kohler 80kw	\$250.00
Justice Center/Kpt Police Dept	200 Shelby St	Kohler 300kw	\$650.00
Justice Center/Kpt Police Dept	201 Shelby St		
Public Library	400 Broad St	Onan 10kw	\$230.00
Cooks Valley Ps #212	4150 Cooks Landing Rd	Cat 200kw	\$560.00
Pump Station #124	416 Revere St	Onan 350kw	\$640.00
Pump Station #405	194 Rock Springs Rd	Cummins 350kw	\$432.00
Pump Station #315	3900 Abilene Dr	Kohler 50kw	\$300.00
Pump Station #408	Rock Springs Rd	Onan 350kw	\$450.00
Renaissance Center	1200 E Center St	Onan 200kw	\$450.00
Thornton #402	3025 Fort Henry Dr	Kohler 50kw	\$300.00

Wesley Pump Station #403	3560 Wesley Rd	Kohler 50kw	\$300.00
Rock Springs Valley PS #284	Rock Springs Rd	Kohler 50kw	\$550.00
Pump Station #414- Shady	414 Shady View Rd	Kohler 150kw	\$650.00
Pump Station 131	2044 Netherland Inn	Generac 400kw	\$1,000.00
Colonial View Pump Station	601 Moreland Dr	Cummins 80kw	\$580.00
Hillcrest Pump Station	3806 Summitt Dr	Cummins 450	\$1,120.00
Sherwood Rd Filter Plant	2436 Sherwood Rd	Cat 3516 2 MG	\$3,500.00
WATER PLANT 55KW Portable	2436 Sherwood Rd	Kohler 50kw	\$550.00
Westview Pump Station	1201 Fairview Ave	Onan 175kw	\$530.00
Waste Water Treatment	225 W Center St	Kohler 60kw	\$300.00
Total Service per year 2026			
Length of Agreement (without an increase in pricing)		1 Year	

Nixon Power Services Co is pleased to offer this proposal for servicing your generators.

We will provide you with the highest quality of service in the industry. After each service you will receive

This report documents our findings, recommendations, and test and service results. In the event additional

the onsite technician will make necessary repairs on a time and material basis based upon your approval.

This agreement is billed annually or at the time of service from the date of acceptance and renewed annually.

Melissa Smith

Service Agreement Administrator

1515 JP Hennessy Drive

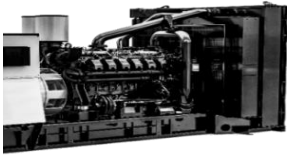
La Vergne, TN 37086

Mobile: 615-295-9652

PO _____

Signed _____

Date _____



Minor pm (x11)	Loadbank	Yearly Total
\$190.00	na	\$2,340.00
\$180.00	na	\$2,200.00
\$190.00	na	\$2,340.00
\$200.00	na	\$2,800.00
\$200.00	na	\$2,850.00
\$190.00	na	\$2,340.00
\$190.00	na	\$2,340.00
\$200.00	na	\$2,900.00
Minor pm (x3)	2 hr Loadbank	Yearly total
\$200.00	na	\$900.00
\$200.00	na	\$1,500.00
\$200.00	na	\$1,100.00
\$200.00	na	\$900.00
\$200.00	na	\$900.00
\$200.00	na	\$1,185.00
\$200.00	na	\$850.00
\$200.00	na	\$1,250.00
\$200.00	na	\$830.00
\$200.00	\$400.00	\$1,560.00
\$200.00	\$400.00	\$1,640.00
\$200.00	\$600.00	\$1,632.00
\$200.00	\$300.00	\$1,200.00
\$200.00	\$600.00	\$1,650.00
\$200.00	na	\$1,050.00
\$200.00	\$300.00	\$1,200.00

20,110.00

(2 hour lb)

(4 hour lb)

(4 hour lb)

(2 hour lb)

(4 hour lb)

(2 hour lb)

To: Nikisha Eichmann
From: Karl Berry
CC:
Date: 12/18/25
Re: Generator Service Provider Renewal Recommendation

Comments: Nikisha

I recommend we stay with Nixon for generator services for 2026. I am pleased with the services we receive from them and their pricing is very good. I can count on their quick service time and not having services delayed for extended amounts of time. We have had no issues or complaints regarding any of the services they provide.

Thank You,


Karl Berry

Facility Maintenance Manager

City of Kingsport



TO: Nikisha Eichmann
City of Kingsport, Assistant Procurement Manager

FROM:  Andy True
Kingsport City Schools, Assistant Superintendent

DATE: January 5, 2026

SUBJECT: Recommendation to Renew Agreement with Nixon for Generator Services

I recommend the agreement with Nixon Power Services, LLC, be renewed. We have years of great experience dealing with them. We have always received quality work from them. They are local to the area, have a warehouse in Blountville, Tennessee, and have local technicians for a quick response time.

In my opinion, it is in the best interest of City of Kingsport to renew the agreement with Nixon Power Services, LLC.



WATER / WASTEWATER FACILITIES

City of Kingsport, Tennessee

Memo

To: Nikisha Eichmann, Assistant Procurement Manager
From: Tom Hensley, Assistant Utility Director
Date: 1/6/2026
Re: Utilities Generator Services

I agree with the recommendation of awarding Nixon Power Services due to their high quality work with the Utilities Facility generators has received from pass contract services. Their services technicians have provided reliable generator operations.

Proposals were opened on January 5, 2022 for Generator Services for City of Kingsport and Kingsport City Schools. The advertisement for the Request for Proposals was published in the Kingsport Times News on December 19, 2021 and placed on our website for 17 calendar days. The City's Request for Proposal included a renewal option clause which allows the City to renew the award for an additional 12-month period if costs are acceptable to both parties with BMA approval.

It is the recommendation of the committee to renew the award for generator services with Nixon Power Services. Nixon Power Services has 15 Kohler trained and certified technicians that live and work in this area. They also have an office with a warehouse located in Blountville and are offering no increase in cost. The total annual service cost is projected to be \$62,387.00.

If you have any questions or comment please let me know.



AGENDA ACTION FORM

Consideration of a Resolution to Enter into a Lease Extension Agreement with the Upper East Tennessee Human Development Agency, Inc.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-11-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: T. Wicks & C. Smiley

Presentation By: Michael T. Borders

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:

Adopt the Resolution

Executive Summary:

If approved, the City will enter into a five-year lease agreement extension with the Upper East Tennessee Human Development Agency, inc. (UETHDA) for space at the V.O. Dobbins, Sr. Complex (VOD) for \$104,171.00.

UETHDA provides services to families in the Kingsport area at no to low cost such as head start, energy assistance, home weatherization, and other charitable services. By engaging with this non-profit for space at VOD the City is supporting community outreach services provided by UETHDA.

UETHDA has been a non-profit serving the upper East Tennessee region since 1973. UETHDA has been a long-standing tenant at VOD, occupying space in the center even prior to the building renovation in 2010.

This five-year lease extension eliminates the utilities cost sharing model present in the original lease and replaces it with fixed operational cost reimbursement increases annually. This creates efficiencies in the billing process and standardizes the rate that is being reimbursed by UETHDA.

UETHDA will reimburse the City for operational costs at a fixed rate of \$5.10/sf for office space, \$1.25/sf for storage space, and \$3.50/sf for community center space. These operational reimbursements will increase at a rate of \$0.20 annually.

This lease extension will be for five years beginning on August 1, 2025 with no option to renew.

The lease extension agreement is for \$104,171.00 for year one with annual rate increases for the next five years.

Attachments:

1. Resolution
2. Lease Agreement
3. Lease Amendment 3 – Extension Agreement

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AMENDMENT 3 TO THE LEASE
BETWEEN THE CITY OF KINGSPORT AND UPPER EAST
TENNESSEE HUMAN DEVELOPMENT AGENCY AND
AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT
AND ALL DOCUMENTS NECESSARY AND PROPER TO
EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on September 7, 2010, the board approved a lease with Upper East Tennessee Human Development Agency (UETHDA) for space in the V. O. Dobbins Sr. Complex(Res. No. 2011-070); and

WHEREAS, on October 2, 2012, the board approved an amendment to the lease that reduced the square footage of the leased premises from 28,104 square feet to 27,692 square feet and correspondingly reduced the monthly lease payment (Res. No. 2013-054); and

WHEREAS, on August 1, 2020, the board approved an amendment to extend for a period of 5 years (Res. No. 2021-015); and

WHEREAS, the city and UETHDA desire to extend the lease for an additional five (5) years; and

WHEREAS, the amendment to the lease will be effective August 1, 2025.

Now therefore,

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

SECTION I. That Amendment Number 3 to the lease with the Upper East Tennessee Human Development Agency (UETHDA) that extends the term of the lease for an additional five (5) years with the option to renew, 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, Chapter 10 of the Charter of the City of Kingsport, Amendment Number 3 to Lease with Upper East Tennessee Human Development Agency (UETHDA), and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

AMENDMENT NUMBER 3 TO LEASE

This Amendment Number 3 to the Lease between City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency is made with an effective date of August 1, 2025 by the City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins, Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 2. of the Lease is amended by deleting the section in its entirety and replacing it with the following:

SECTION 2. Tenant shall pay to Landlord without previous demand therefore and without any setoff or deduction whatsoever, except as may be specifically provided herein, operating cost reimbursement as follows:

A. for the space in the Nonprofit Wing Premises and the office/general space:

Office/General Space		Storage Space	
Lease Year	Cost Per Square Foot	Lease Year	Cost Per Square Foot
2025 – 2026	\$5.10	2025 – 2026	\$1.25
2026 – 2027	\$5.30	2025 – 2026	\$1.45
2027 – 2028	\$5.50	2027 – 2028	\$1.65
2028 – 2029	\$5.70	2028 – 2029	\$1.85
2029 – 2030	\$5.90	2029 – 2030	\$2.05

B. for space in the Dobbins Complex Premises:

Lease Year	Cost Per Square Foot
2025 – 2026	\$3.50
2026 – 2027	\$3.70
2027 – 2028	\$3.90
2028 – 2029	\$4.10
2029 – 2030	\$4.30

C. For the Playground Premises one dollar per annum throughout the term of the Lease or any extensions thereof.

D. All reimbursement shall be payable in advance in equal monthly installments based upon the rates set forth hereinabove due on the first day of each month during the term hereof. Payment amounts are calculated on square foot costs for water, electrical/gas, and FF&E/maintenance. All reimbursements payable by Tenant to Landlord under this Lease shall be paid to Landlord at the office of Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such reimbursement payment. Tenant shall promptly pay all reimbursements herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at landlord's option, and on notice to Tenant, be considered additional reimbursements due from and payable by Tenant with the first installment of reimbursement thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of reimbursements.

2. That section 4. of the Lease is amended to include the following "The Lease shall be extended for a period of five (5) years from the effective date of this Amendment Number 3 to the Lease, with such rights of termination as are expressly set forth in the Lease, as amended from time to time.

3. That section 8. of the Lease is hereby deleted in its entirety, it being the intent of the parties to capture any increased utility costs incurred by Landlord through the progressive cost reimbursement structure set forth in this Amendment Number 3 to the Lease.

Except as amended hereby, all other terms and conditions of the Lease and subsequent amendments thereto, shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WITNESS WHEREOF, the parties hereto have on the following page executed this Amendment Number 3 with the effective date of August 1, 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 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

AMENDMENT NUMBER 3 TO LEASE

This Amendment Number 3 to the Lease between City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency is made with an effective date of August 1, 2025 by the City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins, Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 2. of the Lease is amended by deleting the section in its entirety and replacing it with the following:

SECTION 2. Tenant shall pay to Landlord without previous demand therefore and without any setoff or deduction whatsoever, except as may be specifically provided herein, operating cost reimbursement as follows:

A. for the space in the Nonprofit Wing Premises and the office/general space:

Office/General Space		Storage Space	
Lease Year	Cost Per Square Foot	Lease Year	Cost Per Square Foot
2025 – 2026	\$5.10	2025 – 2026	\$1.25
2026 – 2027	\$5.30	2025 – 2026	\$1.45
2027 – 2028	\$5.50	2027 – 2028	\$1.65
2028 – 2029	\$5.70	2028 – 2029	\$1.85
2029 – 2030	\$5.90	2029 – 2030	\$2.05

B. for space in the Dobbins Complex Premises:

Lease Year	Cost Per Square Foot
2025 – 2026	\$3.50
2026 – 2027	\$3.70
2027 – 2028	\$3.90
2028 – 2029	\$4.10
2029 – 2030	\$4.30

C. For the Playground Premises one dollar per annum throughout the term of the Lease or any extensions thereof.

- D. All reimbursement shall be payable in advance in equal monthly installments based upon the rates set forth hereinabove due on the first day of each month during the term hereof. Payment amounts are calculated on square foot costs for water, electrical/gas, and FF&E/maintenance. All reimbursements payable by Tenant to Landlord under this Lease shall be paid to Landlord at the office of Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such reimbursement payment. Tenant shall promptly pay all reimbursements herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at landlord's option, and on notice to Tenant, be considered additional reimbursements due from and payable by Tenant with the first installment of reimbursement thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of reimbursements.

2. That section 4. of the Lease is amended to include the following "The Lease shall be extended for a period of five (5) years from the effective date of this Amendment Number 3 to the Lease, with such rights of termination as are expressly set forth in the Lease, as amended from time to time.

3. That section 8. of the Lease is hereby deleted in its entirety, it being the intent of the parties to capture any increased utility costs incurred by Landlord through the progressive cost reimbursement structure set forth in this Amendment Number 3 to the Lease.

Except as amended hereby, all other terms and conditions of the Lease and subsequent amendments thereto, shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WITNESS WHEREOF, the parties hereto have on the following page executed this Amendment Number 3 with the effective date of August 1, 2025.

LANDLORD:

CITY OF KINGSPORT, TENNESSEE

ATTEST:

Angela Marshall, Deputy City Recorder

By: _____
Paul W. Montgomery, Mayor

APPROVED AS TO FORM:

Rodney B. Rowlett, III, City Attorney

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, PATRICK W. SHULL, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this ____ day of _____, 2026.

Notary Public

My commission expires:

TENANT:

**UPPER EAST TENNESSEE HUMAN
DEVELOPMENT AGENCY**

By: _____
Timothy Jaynes, Executive Director

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, Timothy Jaynes, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director of Upper East Tennessee Human Development Agency, and that he as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing his name as Executive Director.

WITNESS my hand and official seal this ____ day of _____, 2026.

Notary Public

My commission expires:

LEASE

This Lease (hereinafter called "Lease") is made on the ____ day of September, 2010 by and between the City of Kingsport, Tennessee, a municipal corporation organized under the laws of state of Tennessee (hereinafter called "Landlord") and Upper East Tennessee Human Development Agency, a non-profit 501(c) qualified corporation (hereinafter called "Tenant").

WITNESSETH:

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

SECTION 1. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord the following premises:

A. approximately 1,135 square feet of office/general space and 1,167 of storage space, (hereinafter collectively called "Nonprofit Wing Premises"), as shown on the floor plan attached hereto as Exhibit "A", and known as Suite 103, located in the office building known as V. O. Dobbins Nonprofit Wing (hereinafter called "Office Building"), as generally shown in Exhibit "B" attached hereto;

B. approximately 28,104 square feet, (hereinafter called "Dobbins Complex Premises") as shown on the plan attached hereto as Exhibit "C", located in the office building known as V.O. Dobbins Sr. Complex (hereinafter called "Dobbins Office Building") as shown on Exhibit "D"; and

C. the parcel shown on the drawing attached hereto as Exhibit "E" (hereinafter called "Playground Premises").

The Nonprofit Wing Premises, the Dobbins Complex Premises, and the Playground Premises collectively are hereinafter called "Leased Premises". The following covenants are a part of this Lease and shall be applicable at all times throughout the term of this Lease, any extensions or renewals thereof and as otherwise set forth herein:

SECTION 2. Tenant shall pay to Landlord without previous demand therefore and without any setoff or deduction whatsoever, except as may be specifically provided herein, operating costs reimbursement as follows:

A. for the space in the Nonprofit Wing Premises the rate of Five and 10/100 Dollars (\$5.10) per square foot per annum for office/general space and One and 25/100 Dollars (\$1.25) for storage space per annum;

B. for the space in the Dobbins Complex Premises the rate of Three and 50/100 Dollars (\$3.50) per square foot per annum;

C. for the Playground Premises the rate of One Dollar (\$1.00) per annum.

All reimbursement hereunder payable in advance in equal monthly installments of Eight Thousand Eight Hundred One and 06/100 Dollars (\$8,801.06) each on the first day of each month during the term hereof. Payment amounts are calculated on square foot costs for water,

electrical/gas, custodial, FF&E/Maintenance, and reimbursement may increase during the term of this Lease pursuant to Sections 4 and 8 herein. All reimbursements payable by Tenant to Landlord under this Lease shall be paid to Landlord at the office of Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such reimbursement payment. Tenant shall promptly pay all reimbursements herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at Landlord's option, and on notice to Tenant, be considered additional [reimbursements, payable by Tenant with the first installment of reimbursement thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of reimbursements.

SECTION 3.

3.1. The space in the Nonprofit Wing Premises and the Dobbins Complex Premises shall be used by Tenant only as general office space and storage and for no other purpose.

3.2. The Playground Premises shall be used by Tenant only as a playground for children and for no other purpose. Tenant shall provide all items, equipment, and ground surface material for use of the Playground Premises. Tenant shall install equipment and maintain the Playground Premises in accordance with the specifications and requirements of the "Handbook for Public Playground Safety" revised 2008 from the U.S. Consumer Product Safety Commission, as revised from time to time. The Playground Premises must be left open for use by the general public during such hours as the Playground Premises is not being used by Tenant for its Headstart program.

3.3. Tenant shall comply with all laws and ordinances, all rules and regulations of governmental authorities, all rules and regulations as Landlord may prescribe on written notice to Tenant with respect to the use or occupancy of the Leased Premises, or any part thereof.

3.4. Tenant agrees that it shall not: (a) use, occupy, or permit the Leased Premises to be used or occupied for any unlawful purposes or for purposes not specified in this Lease; (b) use, occupy, or permit the Leased Premises or any part of the Leased Premises to be used or occupied, or do or permit anything to be done in or on the Leased Premises in any manner which shall cause or be likely to cause structural damage to the Leased Premises or any part thereof; (c) do any act or fail to do any act which constitutes waste or a public or private nuisance; or (d) do anything that would jeopardize or cause Landlord to lose the tax exempt status of its tax exempt bonds, issued to finance the Office Building.

3.5. Tenant covenants and represents that it has received tax exempt 501(c)(3) status under the Internal Revenue Code from the Internal Revenue Service and that it shall maintain such status during the entire term of this Lease, and that if such status changes or is withdrawn by the Internal Revenue Service Tenant shall immediately notify Landlord and this Lease shall immediately terminate. Tenant understands that this covenant and representation is material to the Landlord's decision to lease the Leased Premises to Tenant. Tenant understands that Landlord has financed the construction of the Office Building and the Dobbins Office Building with tax exempt financing and may lease parts of the building to qualified governmental or tax exempt 501(c) entities. Tenant shall provide Landlord with a copy of the Tenant's 501(c)(3) determination letter. Tenant shall provide Landlord with an opinion of counsel from the Tenant's counsel, satisfactory in form to the Landlord's bond counsel, that the Tenant is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

SECTION 4. The term of this Lease shall begin on the "Date of Occupancy", as hereafter defined and shall end five (5) years after the Date of Occupancy with such rights of termination as are expressly set forth in this Lease. The Date of Occupancy is defined as is the latter of (a) the commencement date or (b) sixty (60) days after the Leased Premises is made available to Tenant by Landlord, which in no event shall be prior to the receipt of a certificate of occupancy by Landlord or August 1, 2010, whichever occurs last. It is expressly understood and agreed that this Lease shall be binding upon both parties from the date first written above until the Date of Occupancy and thereafter according to its terms. Prior to the termination or expiration of the initial term of the Lease the parties may extend this Lease by mutual agreement on terms agreeable to both parties for one (1) period of up to five (5) years beyond the initial term.

SECTION 5. Upon occupying the Leased Premises, Tenant thereby accepts the same and acknowledges that the Leased Premises are in a habitable condition. All improvements to the Leased Premises by Tenant shall be provided at its expense and shall be subject to Landlord's approval, which consent may be withheld by Landlord in its sole discretion for any reason. On or prior to the date upon which Tenant occupies the Leased Premises, Landlord may, by notice to Tenant, change the location of and amend the description of the Leased Premises from description contained herein to a similar location on the same floor or another floor and Landlord represents that such other space will contain substantially identical dimensions. On the happening of the foregoing event, Tenant and Landlord agree to execute an agreement re-describing the Leased Premises. Landlord shall, on not less than thirty (30) days notice to Tenant, have the right to move Tenant out of the Leased Premises and into similar space of at least equal area. In such event Landlord shall remove, relocate and reinstall Tenant's equipment, furniture and fixtures and redecorate the new space similar to the old space, all of which shall be done at Landlord's sole cost and expense and without cost or expense to Tenant, and for the balance of its term this Lease shall continue in full force and effect and shall apply to the new space with the same force and effect as though this Lease had originally been for such new space.

SECTION 6. Tenant shall have the right to nonexclusive use, in common with others of (a) automobile parking areas, driveways and footways, and (b) such loading facilities, elevators and other facilities as may be constructed and designated, from time to time, by Landlord in the Office Building or the Dobbins Office Building, all subject to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord shall have the right to make changes or revisions in the common areas of the Office Building or Dobbins Office Building and Landlord shall have the right to construct additional buildings on the property for such purposes as Landlord may deem appropriate.

SECTION 7. Landlord shall furnish at all hours, seven days a week, including holidays, heat and air conditioning for the Nonprofit Wing Premises and the Dobbins Complex Premises toilet facilities for the use of the employees, customers, and other invitees of Tenant; and electricity for lighting purposes. Landlord shall not be liable for full or partial stoppage or interruption of the above services or utilities if caused by events reasonable beyond Landlord's control.

SECTION 8.

8.1. Tenant shall pay, as additional reimbursements hereunder, its proportionate share, as hereinafter determined, of any increase in utility costs of the Office Building and the remainder of the Dobbins Office Building over and above utility costs for the first twelve (12) calendar month period during which the Office Building and the Dobbins Office Building are occupied by

Tenant.

8.2. Tenant's proportionate share of said increase in utility costs for any fiscal year of Landlord after the first twelve (12) calendar month period set out in 8.1 above shall be determined as follows:

a) for the portion of the Leased Premises in the area identified as the Office Building (a) the difference between the amount of the utility costs for the fiscal year in question and the amount of the utility costs for the first twelve (12) calendar month period during which the Office Building is occupied shall be ascertained, and (b) the amount of the difference shall then be multiplied by a fraction, the numerator of which is the total number of square feet of the Leased Premises in the Office Building and the denominator of which is the total number of square feet of leasable area in the Office Building, and (c) the result shall be the increase in the utility costs payable by Tenant. Tenant's proportionate share in the Office Building is stipulated to be 12.2 percent;

b) for the portion of the Leased Premises in the area in the Dobbins Office Building (a) the difference between the amount of the utility costs for the fiscal year in question and the amount of the utility costs for the first twelve (12) calendar month period during which the Dobbins Office Building is occupied by the Tenant shall be ascertained, and (b) the amount of the difference shall then be multiplied by a fraction, the numerator of which is the total number of square feet of the Leased Premises in the Dobbins Office Building and the denominator of which is the total number of square feet of leasable area in the Dobbins Office Building, and (c) the result shall be the increase in the utility costs payable by Tenant. Tenant's proportionate share in the Dobbins Office Building is stipulated to be 50.73 percent.

SECTION 9. The Office Building, the Dobbins Office Building, and the Playground Premises are currently not subject to real estate tax. In the event the Office Building, the Dobbins Office Building or the Playground Premises or the real property on which they are located are subject to real estate tax Tenant agrees it shall pay, as additional reimbursements, its proportionate share, as hereinafter determined, of any real estate taxes due and payable with respect to the Office Building, the Dobbins Office Building, or Playground Premises for each calendar year which commences during the term of this Lease. Tenant's proportionate share shall be determined by taking the amount of real estate tax and multiplying that number by a fraction, the numerator of which is the total number of square feet of the Leased Premises and the denominator of which is the total number of square feet of leasable area in the Office Building, the Dobbins Office Building, or the Playground Premises, whichever is subject to the tax, and the result shall be the proportionate share of the real estate taxes payable by Tenant.

SECTION 10.

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

10.2. At the expiration or earlier termination of this Lease, Tenant shall, at Tenant's expense, remove all of Tenant's personal property, and repair all injury done by or in connection with the installation or removal of said property, and surrender the Leased Premises, broom

clean and in as good condition as it was at the beginning of the Term, reasonable wear and damage excepted. All property of Tenant remaining on the Leased Premises after the expiration or earlier termination of this Lease shall be conclusively deemed abandoned and at Landlord's option, may be retained by Landlord, or may be removed by Landlord, and Tenant shall reimburse Landlord for the cost of such removal. Landlord may have any such property stored at Tenant's risk and expense.

10.3. In addition to the termination rights otherwise set forth in this Lease Tenant may terminate this Lease for its convenience at any time by giving written notice to Landlord at least thirty (30) days prior to the date when such termination becomes effective. Landlord may terminate this Lease as applied to the Playground Premises for its convenience at any time by giving written notice to Tenant at least thirty (30) days prior to the date when such termination becomes effective. Such Termination shall not be a default. Tenant shall pay the reimbursements and expenses to the date of termination. Additionally, Tenant may terminate this Lease, subject to the right of cure, at any time for any of the following causes: (a) failure of the Landlord to reasonably provide any of the services required under the terms of this Lease or any other breach of the terms of this Lease by Landlord that is not adequately remedied within twenty (20) consecutive calendar days of the mailing of written notices thereof to Landlord, provided that if the nature of Landlord's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Landlord shall not be deemed to be in default if Landlord commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

10.4. Landlord may in its sole discretion immediately terminate this Lease and take possession of the Leased Premises if: (a) Landlord receives an opinion of its bond counsel that the continued lease of the Leased Premises to the Tenant would adversely affect the tax-exempt status of any bonds financing the Office Building; (b) or Tenant fails to observe or perform any of the express covenants or provisions of this Lease where such failure shall continue for a period of twenty (20) consecutive calendar days after written notice thereof from Landlord to Tenant, provided that if the nature of Tenant's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

10.5 The right to cure by Tenant does not apply to termination due to Tenant's failure to maintain its 501(c)(3) status as required by Section 3 herein.

SECTION 11. Tenant shall replace promptly at its own expense with glass of like kind and quality any plate glass of the Leased Premises which may become broken or cracked due to any act or negligence, by action or omission, of Tenant, its agents, employees, invitees, or licensees, or otherwise, unless damaged by casualty, or act of Landlord, its agents or employees. Tenant shall maintain the Leased Premises at its own expense in a clean, orderly and sanitary condition, except for Landlord's obligations to furnish janitor service, if any.

SECTION 12. Except for the Playground Premises Landlord shall keep the exterior of the remainder of the Leased Premises and common areas of the Office Building and Dobbins Office Building in good repair. Tenant shall give Landlord written notice of the necessity for such repairs. Provided, however, Tenant shall be responsible for the cost of any repair due to damage caused by the willful misconduct or negligence of Tenant, its agents, employees, invitees, or licensees. Tenant shall keep the interior of the Nonprofit Wing Premises and the Dobbins

Complex Premises in good repair. Tenant shall keep the Playground Premises in good repair. Tenant shall not overload the electrical wiring serving the Leased Premises or within the Leased Premises, and shall install at its own expense any additional electrical wiring which may be required in connection with Tenant's equipment or apparatus, but only after obtaining Landlord's written approval, which consent may be withheld by Landlord in its sole discretion for any reason.

SECTION 13. Tenant shall not make any alteration to the Leased Premises or any part thereof without first obtaining Landlord's written approval of such alteration, which consent may be withheld by Landlord in its sole discretion for any reason. Tenant agrees that any improvements made by it shall immediately become the property of Landlord and shall remain upon the Leased Premises in the absence of agreement to the contrary. Tenant shall not cut or drill into or secure any fixtures, apparatus, or equipment of any kind to any part of the Leased Premises without first obtaining Landlord's written consent, which consent may be withheld by Landlord in its sole discretion for any reason.

SECTION 14. No signs shall be constructed or painted on the windows, doors, outside walls, roof, or exterior of the Leased Premises or in or around the grounds of the Office Building, the right-of-way, or adjacent properties, without the prior written consent of Landlord, which consent may be withheld by the Landlord in its sole discretion for any reason, and Landlord reserves the right to require Tenant to remove any such signs not previously consented to by Landlord from said roof, windows, doors, outside walls or exterior of the Leased Premises or common areas. In the event Tenant does not promptly remove any such sign or signs upon notice from Landlord to do so Landlord shall have the right to remove such sign or signs at Tenant's expense, and Tenant shall promptly reimburse Landlord therefor. Landlord shall provide, at Landlord's expense, a lobby directory in the main lobby of the building of which the Leased Premises are a part identifying tenants and suites. Tenant shall have the right to display a building standard sign at its suite entrance. Tenant shall not place or install any racks, stands, trade fixtures, or other displays of products or services on the outside of the Leased Premises, in or around the grounds of the Office Building or Dobbins Office Building, the right-of-way, or adjacent properties, without the express prior written approval of Landlord, which consent may be withheld by Landlord in its sole discretion for any reason.

SECTION 15.

15.1. Pursuant to T.C.A. section 29-20-102(3)(A) (2009) Tenant is a governmental entity covered by the Tennessee Governmental Tort Liability Act codified at T.C.A. section 29-20-101 *et seq.* for causes sounding in tort. Tenant qualifies as a governmental entity because it is a community action agency or nonprofit corporation that administers the Head Start or Community Service Block Grant programs. While Tenant is covered by the Tennessee Governmental Tort Liability Act and subject to its provisions Tenant will be responsible for the liability from its own negligence arising from the use of the Leased Premises. Tenant further agrees to maintain insurance to the limits of the Tennessee Governmental Tort Liability Act. If Tenant should fail to qualify as a governmental entity under the Tennessee Governmental Tort Liability Act it agrees to provide insurance as follows:

Tenant shall keep in force at its own expense so long as this Lease remains in effect, public liability insurance with respect to the Leased Premises with companies licensed to do business in the State of Tennessee acceptable to Landlord and in form acceptable to Landlord with minimum limits of \$1,000,000.00 on account of bodily injuries to or death of one person; \$5,000,000.00 on account

of bodily injuries to or death of more than one person as the result of any one accident or disaster; and property damage insurance with minimum limits of \$100,000.00. Tenant shall deposit a certified copy of the policy or policies of such insurance, with Landlord. Such policies shall name Landlord as an additional insured. The policy or policies of insurance shall require thirty (30) days notice to Landlord for any change, cancellation, or non-renewal and shall contain the following or similar wording:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL THIRTY (30) DAYS WRITTEN NOTICE TO THE ALL NAMED INSURED HEREIN.

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

15.2. To the extent possible, Tenant shall obtain, for each policy of insurance secured by it, provisions permitting waiver of any claim against Landlord for loss or damage within the scope of the insurance, and Tenant, for itself and its insurers, waives all claims against the Landlord as to such claims covered by such insurance. Nothing herein shall be construed to vary the force and effect of paragraph 15.1 of this Section 15, and nothing contained in this Section 15 shall be deemed to excuse Landlord from its own negligence.

SECTION 16. Landlord, its agents and employees, shall not be liable for any damage to property of the Tenant in the Office Building or to any property, goods, or things contained in the Leased Premises or stored in the basement, or other part of the Office Building, Dobbins Office Building or Playground Premises, unless due to negligence or willful misconduct of Landlord and its agents.

SECTION 17. Tenant shall, to the extent permitted by Tennessee law, indemnify Landlord and save it harmless from and against any and all claims, actions, damages, liability, and expense in connection with loss of life, personal injury and/or damage to property arising from or out of the occupancy or use by Tenant of the Leased Premises or any part thereof or the Office Building, Dobbins Office Building, Playground Premises, or any other part of Landlord's property, occasioned wholly or in part by any act or omission of Tenant, its agents, employees, invitees, or licensees.

SECTION 18. Landlord shall not be liable for loss of or damage to any property at any time located in or about the Leased Premises, whether or not Tenant is the owner thereof, including but not limited to any loss, damage or injury resulting from steam, gas, or electricity, or from water, rain, snow, ice, or other substance which may leak into, or issue or flow from any part of the Leased Premises, or from the pipes or plumbing work of the Leased Premises, or from or into any other place. Landlord shall be under no liability to Tenant on account of any discontinuance of heat, electricity, sewer, water, air-conditioning, sprinkler, gas, and/or other utility, convenience, service, or facility, however such discontinuance may be caused, except if caused solely by an intentional act or omission of Landlord, or its employees or agents, and no

such discontinuance shall constitute constructive eviction or any ground for termination of this Lease by Tenant unless such discontinuance shall continue for more than three (3) days, in which event compensation shall abate until the end of such discontinuance.

SECTION 19. If at any time the Leased Premises become totally untenable by reason of damage or loss by fire or other casualty and such fire or other casualty shall not have been caused by the negligence or wrongful act or omission of Tenant, Tenant's servants, agents, licensees, or invitees, the compensation shall abate until the Leased Premises shall have been restored to tenantable condition, but nothing herein is to be construed as requiring Landlord to restore or rebuild the Leased Premises. If the Leased Premises are so damaged, but not to the extent that they are totally untenable, Tenant shall continue to occupy the tenantable portion thereof, and the compensation shall abate in proportion to the untenable portion of the Leased Premises. In the event of a loss from fire or other casualty, Landlord shall have an election not to rebuild or recondition the Leased Premises, which such election may be exercised by written notice thereof to Tenant, given within thirty (30) days from the date of such casualty. If Landlord exercises such election, this Lease shall cease and terminate, effective on the date of such loss, and Tenant shall pay the accrued compensation up to the date of such loss, or Landlord, if the compensation has been paid beyond such date, will refund to Tenant the proportionate part of any such compensation prepaid, and thereupon this Lease shall terminate, with no further obligation on the part of either party hereto for matters thereafter accruing, even though the building may at a later date be rebuilt, restored or reconditioned. No damage or destruction shall allow Tenant to surrender possession of the Leased Premises, nor affect Tenant's liability for the payment of reimbursement, except as may be specifically provided in this Lease, and T.C.A. § 66-7-102, as amended or recodified, shall have no application to this Lease or to the parties hereto.

SECTION 20. If the Leased Premises or any part thereof shall be taken by eminent domain or by negotiated purchase under threat thereof, this Lease shall terminate on the date when title vests pursuant to such taking, and the reimbursement and additional reimbursement shall be apportioned as of said date. Tenant shall not be entitled to any part of the award or any payment in lieu thereof; excepting that Tenant shall be entitled to any separate award rendered for trade fixtures installed by Tenant at its own cost and expense and which are not part of the realty, and for Tenant's moving expenses.

SECTION 21. Tenant shall permit Landlord, its agents, and employees, upon reasonable notice to enter the Leased Premises and all parts thereof during business hours to inspect the same and to enforce or carry out any provision of this Lease, or to show it to prospective purchasers or tenants; provided that, in the case of emergency, Landlord may enter without notice. No compensation shall be asked or claim made by Tenant by reason of any inconvenience or annoyance arising from anything that may be done in repairing, altering, working on or protecting the Leased Premises or building, however the necessity may arise, but this Section 21 shall not be construed as imposing any duty on Landlord to make any repairs, alterations or additions.

SECTION 22. Tenant shall not assign this Lease in whole or in part, nor sublet all or any part of the Leased Premises or permit the use of any part of the Leased Premises by any other person, firm, affiliate, or entity without first obtaining the written consent of Landlord. Consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by opera-

tion of law. The consent of Landlord referred to herein may be withheld for any reason in Landlord's sole discretion.

SECTION 23. Tenant covenants and agrees that it shall perform all agreements herein expressed on its part to be performed, and that it shall promptly, upon receipt of written notice specifying Tenant's failure to comply with the terms hereof, commence to comply with such notice. If Tenant shall not commence and proceed diligently to comply with such notice to the reasonable satisfaction of Landlord within twenty (20) days after delivery thereof, then Landlord may, at its option, enter upon the Leased Premises, and do the things specified in said notice, and Landlord shall have no liability to Tenant for any loss or damage resulting in any way from such action by Landlord, and Tenant agrees to pay promptly upon demand, any reasonable expense incurred by Landlord in taking such action, including Landlord's administrative expenses.

SECTION 24. Except for the right to cure set out in Section 10 if Tenant defaults in the payment of reimbursement or additional reimbursement or defaults in the performance of any of the covenants or conditions hereof, if Tenant shall compound its debts, or make an assignment for the benefit of creditors, or if a receiver or trustee is applied for or appointed for Tenant, or if there be filed a petition in bankruptcy or insolvency, or for an arrangement for reorganization by or against Tenant, or if Tenant is adjudicated a bankrupt or is adjudged to be insolvent, or if there is advertised any sale of Tenant's property under process of law, or if the assets or property of the Tenant in the Leased Premises shall be attached or levied upon, then Landlord may terminate this Lease on not less than five (5) days' notice to Tenant, and on the date specified in said notice the term of this Lease shall terminate and Tenant shall then quit and surrender the Leased Premises to Landlord, but Tenant shall remain liable as hereinafter provided. If this Lease shall have been so terminated by Landlord, Landlord may at any time thereafter resume possession of the Leased Premises by any lawful means and remove Tenant or other occupants and their effects.

SECTION 25. In any case where Landlord has recovered possession of the Leased Premises by reason of Tenant's default, Landlord may at Landlord's option occupy the Leased Premises or cause the Leased Premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for reletting, and may relet the Leased Premises or any part thereof as agent of Tenant or otherwise, for a term or terms to expire prior to, at the same time as or subsequent to, the original expiration date of this Lease, at Landlord's option, and receive the reimbursement therefore, applying the same first to the payment of such reasonable expense as Landlord may have incurred in connection with the recovery of possession, redecorating, altering, dividing, consolidating with other adjoining premises, or otherwise changing or preparing for reletting and the reletting, including reasonable brokerage and reasonable attorney's fees, and then to the payment of damages in amounts equal to the reimbursement hereunder and to the cost and expense of performance of the other covenants of Tenant as herein provided; and Tenant agrees, whether or not Landlord has relet, to pay the Landlord damages equal to the reimbursement and other sums herein agreed to be paid by Tenant, less the net proceeds of the reletting, if any, as ascertained from time to time, and the same shall be payable by Tenant on the several compensation days above specified. In reletting the Leased Premises as aforesaid, Landlord may grant compensation concessions, and Tenant shall not be credited therewith. No such reletting shall constitute a surrender and acceptance or be deemed evidence thereof. Tenant shall not be entitled to any surplus accruing as a result of any reletting. If Landlord elects pursuant hereto to occupy and use the Leased Premises or any part thereof during any part of the balance of the Term as originally fixed or since extended, there shall be allowed against Tenant's obligation for compensation or damage-

es as herein defined, during the period of Landlord's occupancy, the reasonable value of such occupancy, not to exceed in any event the compensation herein reserved and such occupancy shall not be construed as a release of Tenant's liability hereunder.

SECTION 26. Notwithstanding anything in this Lease to the contrary, at Landlord's option, Tenant shall pay a "late charge" of Fifty Dollars (\$50.00) of any installment of reimbursement (or any such other charge or payment as may be considered additional compensation under this Lease) when paid more than fifteen (15) days after the due date thereof, to cover the extra expense involved in handling delinquent payments.

SECTION 27. No mention in this Lease of any specific right or remedy shall preclude Landlord from exercising any other right or from having any other remedy, or from maintaining any action to which it may otherwise be entitled either at law or equity; and the failure of Landlord to insist in any one or more instance upon a strict performance of any covenant of this Lease or to exercise any option or right herein contained shall not be construed as a waiver or relinquishment for the future of such covenant, right or option, but the same shall remain in full force and effect unless the contrary is expressed in writing by Landlord.

SECTION 28. This Lease and the covenants and conditions herein contained shall inure to the benefit of and are binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its permitted successors and assigns, and shall inure to the benefit of Tenant and its permitted assigns.

SECTION 29. Landlord and Tenant shall be excused for the period of any delay in the performance of any obligation hereunder when prevented from so doing by cause or causes beyond its control which shall include, without limitation, all labor disputes, civil commotion, war, war-like operations, invasion, rebellion, hostilities, military or usurped power sabotage, governmental regulations or controls, fire or other casualty, inability to obtain any material, services or financing or through Acts of God.

SECTION 30. If Landlord, in Landlord's sole discretion, shall deem it necessary to employ an attorney to assert any right of Landlord or enforce any obligation of Tenant hereunder, Landlord shall be entitled to recover, in addition to the other costs and expenses herein provided for, the reasonable costs and charges of such attorney.

SECTION 31. All Notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

To the Landlord at:

City Manager
City of Kingsport
225 West Center Street
Kingsport, TN 37660

To the Tenant at:

Executive Director
Upper East TN Human Development Agency
P. O. Box 46
Kingsport, TN 37662
Note: physical address is
301 Louis Street 37660

With a copy to:

City Attorney
City of Kingsport
225 West Center Street
Kingsport, TN 37660

Either party may, at any time or from time to time, designate in writing a substitute address for that above set forth, or thereafter notices shall be directed to such substitute address.

SECTION 32. This Lease shall be governed by and construed in accordance with the laws of the state of Tennessee without regard to its conflict of laws rules. All legal proceedings relating to the subject matter of this Lease shall be maintained in the state courts for Kingsport, Sullivan County, Tennessee, and the parties agree that jurisdiction and venue for any such legal proceeding shall lie exclusively with such courts.

SECTION 33. The captions and headings throughout this Lease are for convenience and reference only, and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision or the scope or intent of this Lease nor in any way affect this Lease.

SECTION 34. In the event that two (2) or more individuals, corporations, partnerships or other business associations (or any combination of two (2) or more thereof) shall sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay compensation and perform all other obligations hereunder shall be deemed to be joint and several. In like manner, in the event that Tenant shall be a partnership or other business association, the members of which are, by virtue of statute or general law, subject to personal liability, then the liability of each such member shall be deemed to be joint and several.

SECTION 35. Tenant shall be responsible for its own telephone service, cable and internet service and installation of telephone equipment in the Leased Premises. Landlord will provide telephone and cable line to the Leased Premises. However, if such are not sufficient for Tenant's use, Tenant shall be responsible for installing such lines and equipment. Landlord is not responsible for improvements to the Leased Premises, including, but not limited to, installation of electronic equipment, office furnishing, book shelves and such.

SECTION 36. Except for Hazardous Materials brought, kept, or used in the Leased Premises in commercial quantities similar to those quantities usually kept on similar premises by others in the same business, and which are used and kept in compliance with applicable public health, safety, and environmental laws, Tenant shall not allow any Hazardous Material to be located in, on, or under the Leased Premises or allow the Leased Premises to be used for the manufacturing, handling, storage, distribution, or disposal of any Hazardous Material. Tenant shall comply with all federal, state, or local laws, ordinances, regulations, and orders applicable to the Leased Premises or the use thereof relating to environmental protection, or the use, analysis, generation, manufacture, storage, disposal, or transportation of any Hazardous Material. Tenant shall, at its sole cost and expense, arrange for the removal and disposal of all Hazardous Materials generated or stored in the Leased Premises, which removal and disposal shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and orders. If Tenant becomes aware of the presence of any Hazardous Material in the Leased Premises (except for those Hazardous Materials permitted above) or if Tenant or the Leased Premises become subject to any order to repair, close, or otherwise cleanup the Leased Premises, Tenant shall, at its own cost and expense, carry out and complete any repair, closure, or other

cleanup of the Leased Premises. If Tenant fails to implement and diligently pursue any such repair, closure, or other cleanup, Landlord may, but shall not be obligated to, carry out such action and recover all of the costs and expenses from Tenant. As used herein, the term "Hazardous Materials" means any hazardous or toxic substance, material, or waste regulated or listed pursuant to any federal, state, or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act, or any other toxic substance.

SECTION 37.

37.1. If any term or provision of this Lease is declared invalid or unenforceable, the remainder of this Lease shall not be affected by such determination and shall continue to be valid and enforceable.

37.2. The parties executing this Lease warrant that this Lease is being executed with full corporate authority and that the officers whose signatures appear hereon are duly authorized and empowered to make and execute this Lease in the name of the corporation by appropriate and legal resolution.

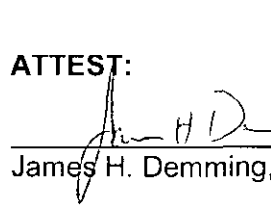
37.3. Wherever in this Lease either Tenant or Landlord shall have agreed or promised to perform certain acts or otherwise where the context of this Lease would require such performance to occur after the termination or expiration of the Lease, then those agreements and covenants shall survive the termination or expiration of the Lease and continue to bind Tenant and Landlord.

37.4. This written Lease constitutes the entire and complete agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Leased Premises. It is expressly agreed that there are no verbal understandings or agreements which in any way change the terms, covenants and conditions herein set forth, and that no modification of this Lease and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

37.5. This Lease may be executed in one or more counterparts, each of which shall be an original, and all of which when taken together shall constitute one and the same document.


IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

ATTEST:


James H. Demming, City Recorder

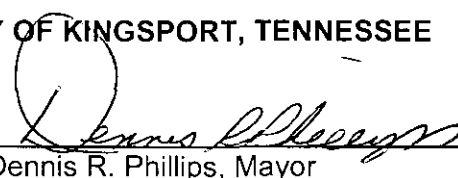


APPROVED AS TO FORM:

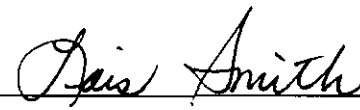

J. Michael Billingsley, City Attorney

LANDLORD:

CITY OF KINGSPORT, TENNESSEE

By: 
Dennis R. Phillips, Mayor

TENANT:

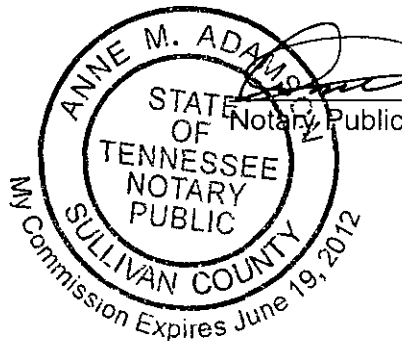
By: 

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 14th day of September, 2010.

My commission expires:
June 19, 2012



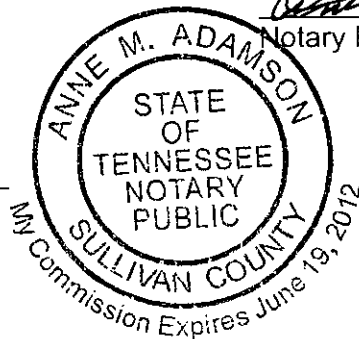
Anne M. Adamson
Notary Public

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, Seis Smith, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the executive director of UETH DA, and that he as such has executed the foregoing instrument for the purposes therein contained, by signing his name as Seis Smith.

WITNESS my hand and official seal this 15th day of September, 2010.

My commission expires:
June 19, 2012



Anne M. Adamson
Notary Public

EXHIBIT A

Floor Plan showing Suite 103 of the Nonprofit Wing Premises

EXHIBIT B

Office Building

EXHIBIT C

Dobbins Complex Premises

EXHIBIT D

Dobbins Office Building

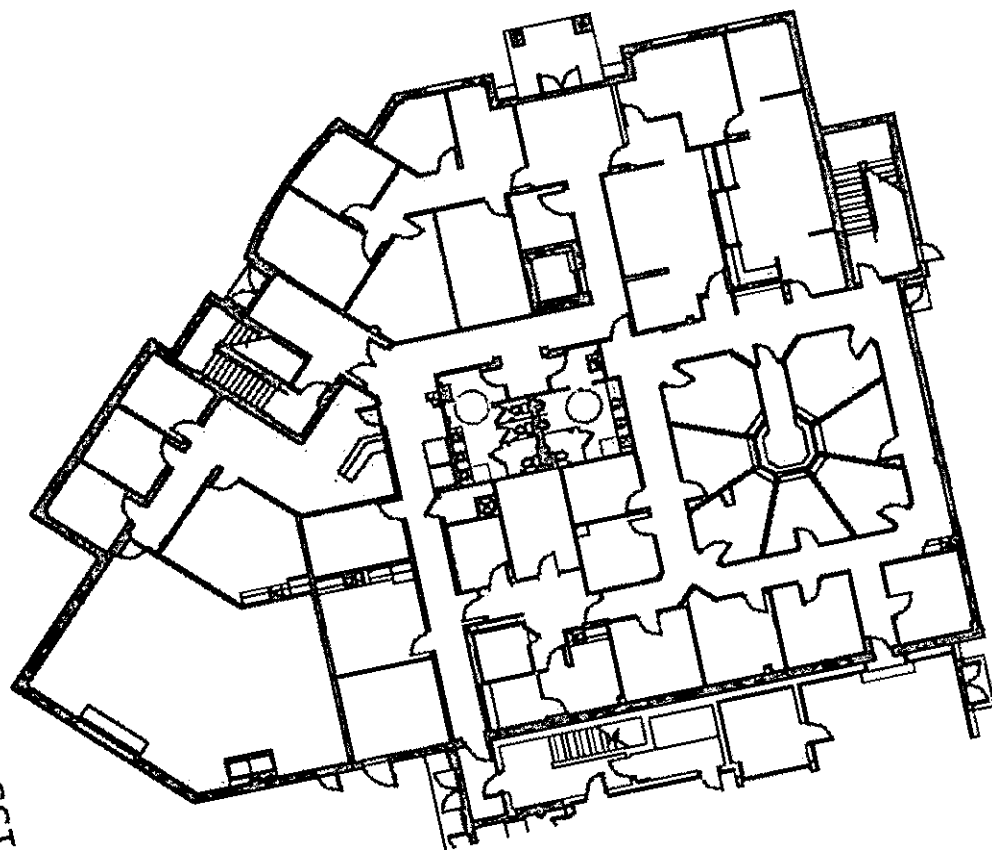
EXHIBIT E

Playground Premises

First Floor Nonprofit Wing – UETHDA

Neighborhood Service Center
1167 sq ft of storage space

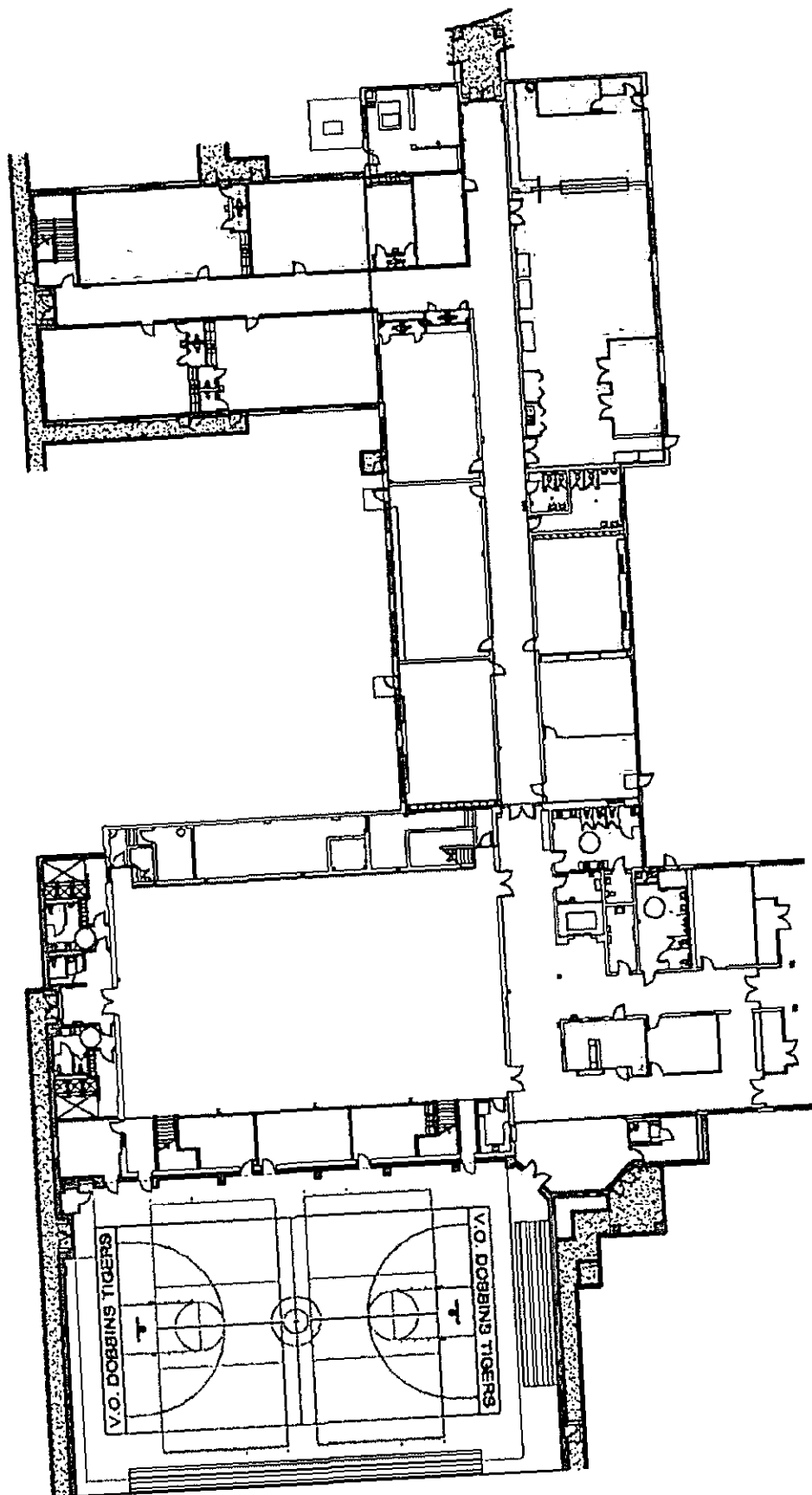
1135 sq ft office space



TM Design No.

UETHDA SPACE

Total Sq. Ft: 28, 104
First Floor -11,783 Sq. Ft.



UETHDA Space
Second Floor - 16,321 Sq. Ft

Second Floor

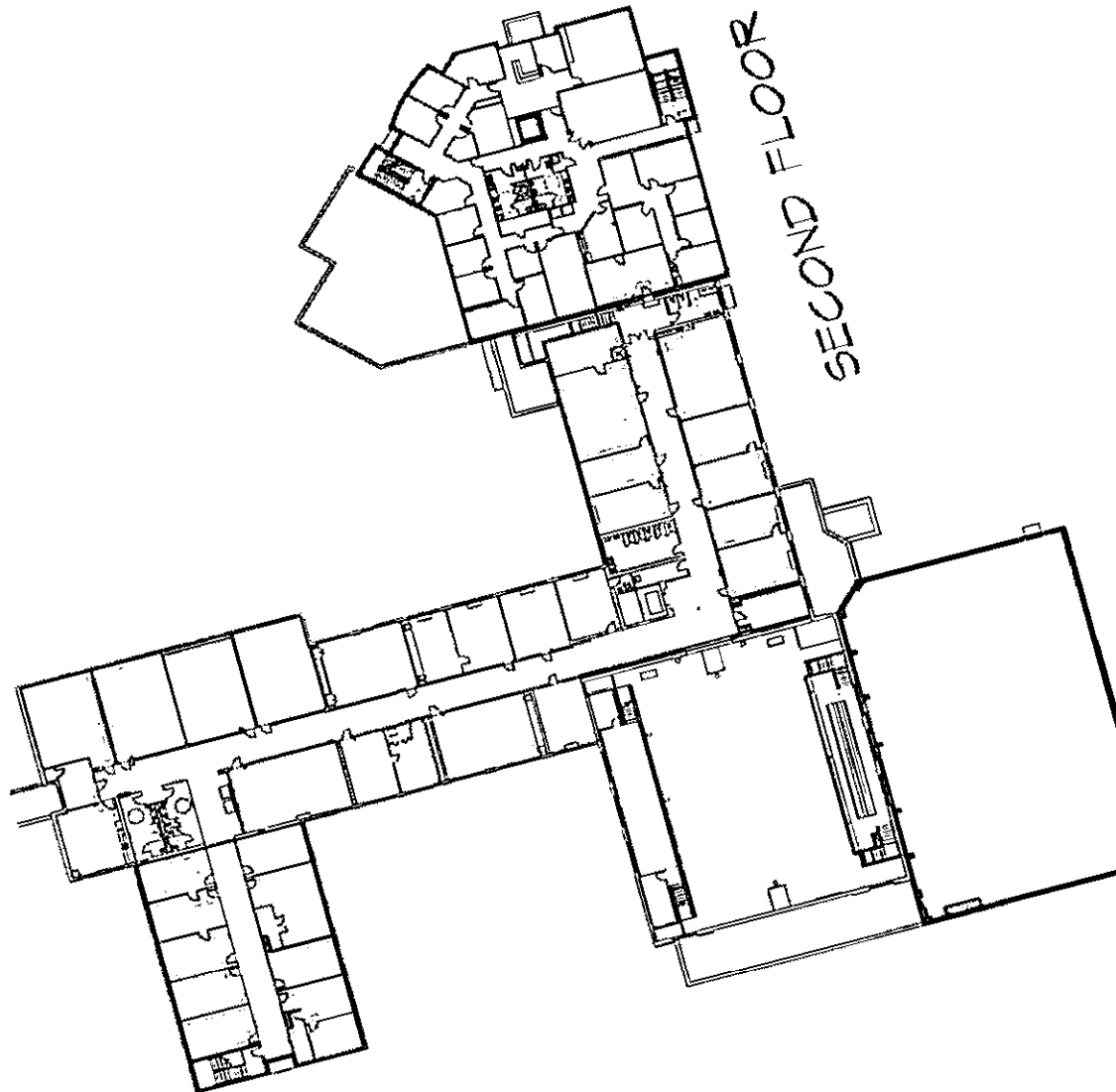
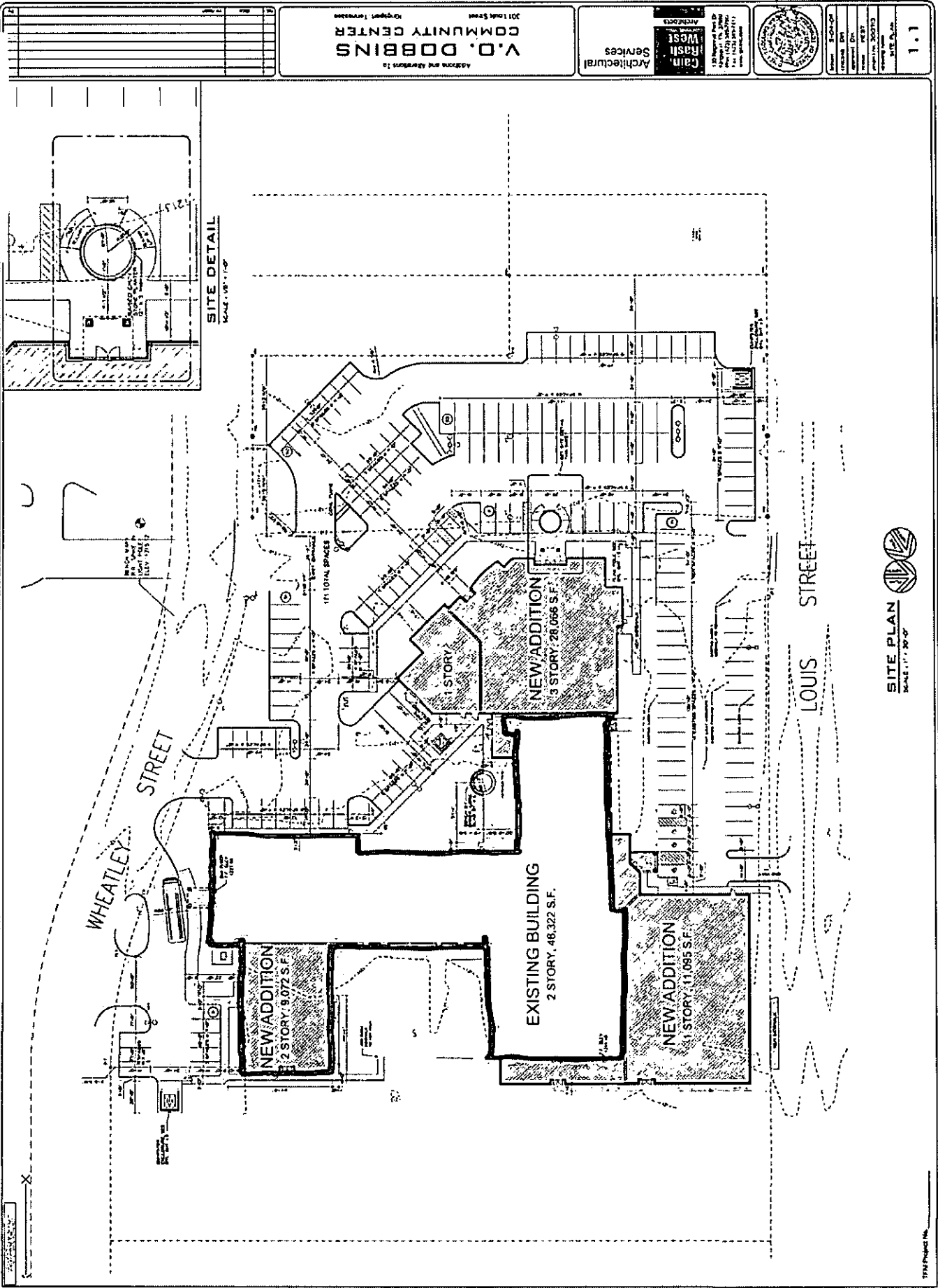
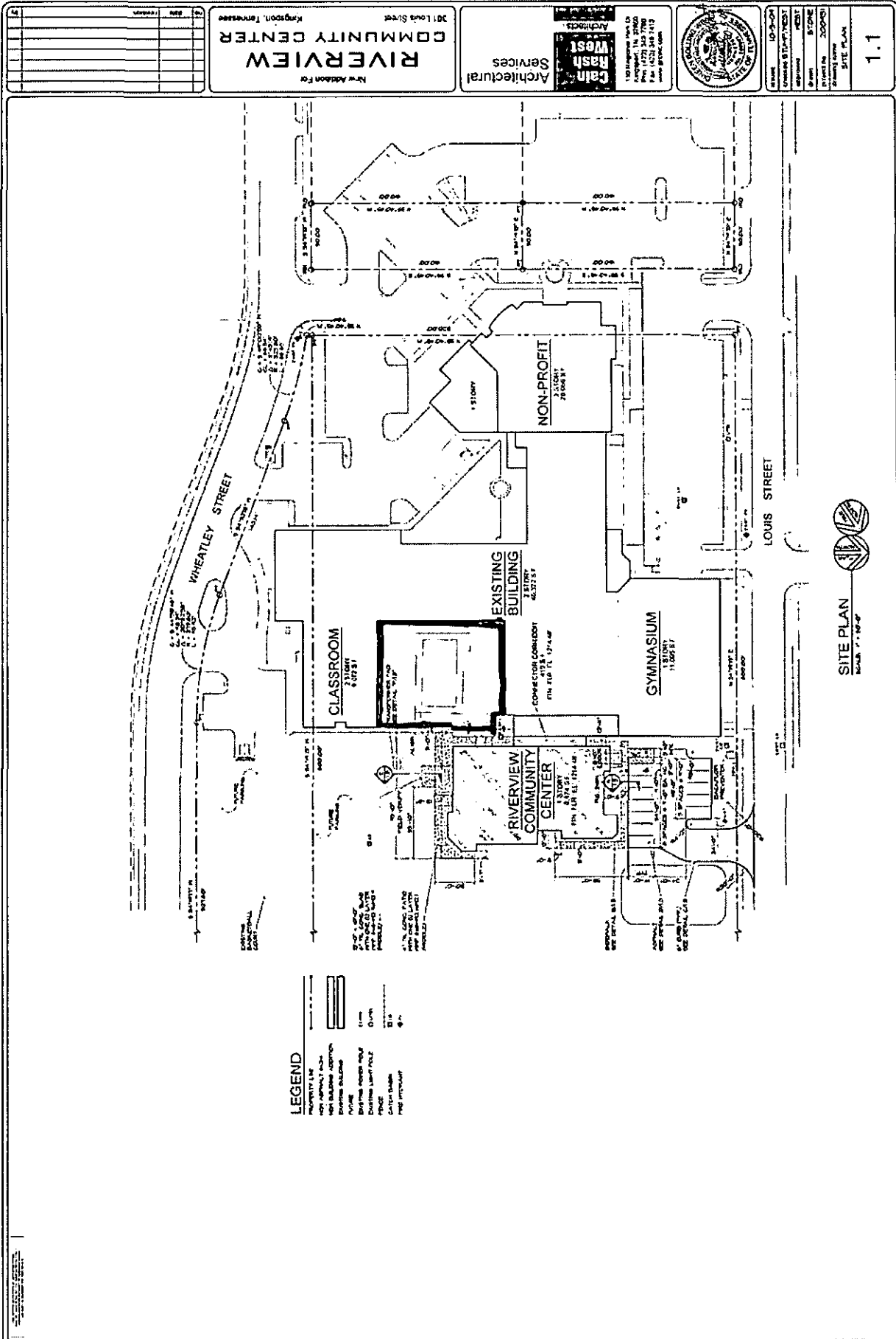


EXHIBIT D
DOBBINS OFFICE BUILDING



Item X15.

EXHIBIT F



AMENDMENT NUMBER 1 TO LEASE

This Amendment Number 1 to the Lease between City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency is made with an effective date of October 1, 2012, by the City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V. O. Dobbins Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 1.B. of the Lease is amended by reducing the square footage leased in the Dobbins Complex Premises from 28,104 square feet to 27,692 square feet and substituting the attached Exhibit A for Exhibit C in the Lease.

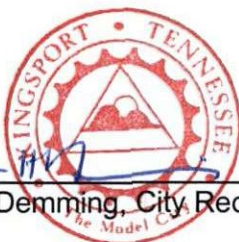
2. That section 2 of the Lease is amended by changing the first sentence in the paragraph following 2.C. to read, "All reimbursement hereunder is payable in advance in equal monthly installments of Eight Thousand Six Hundred Eighty and 89/100 Dollars (\$8,680.89) each on the first day of each month during the term hereof.

Except as amended hereby, all other terms and conditions of the Lease shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

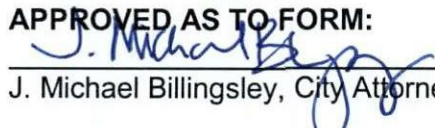
IN WITNESS WHEREOF, the parties hereto have executed this Amendment Number 1 with the effective date of October 1, 2012.

ATTEST:


James H. Demming, City Recorder



APPROVED AS TO FORM:


J. Michael Billingsley, City Attorney

LANDLORD:

CITY OF KINGSPORT, TENNESSEE

By: 
Dennis R. Phillips, Mayor

TENANT:

UPPER EAST TENNESSEE HUMAN
DEVELOPMENT AGENCY

By: 
Lois Smith, Executive Director

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 30th day of October, 2012.

Notary Public

My commission expires:

12-29-2014

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, LOIS SMITH, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be the Executive Director of Upper East Tennessee Development Human Agency, and that she as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing her name as Executive Director.

WITNESS my hand and official seal this 5th day of October, 2012.

Notary Public

My commission expires:

1/15/13



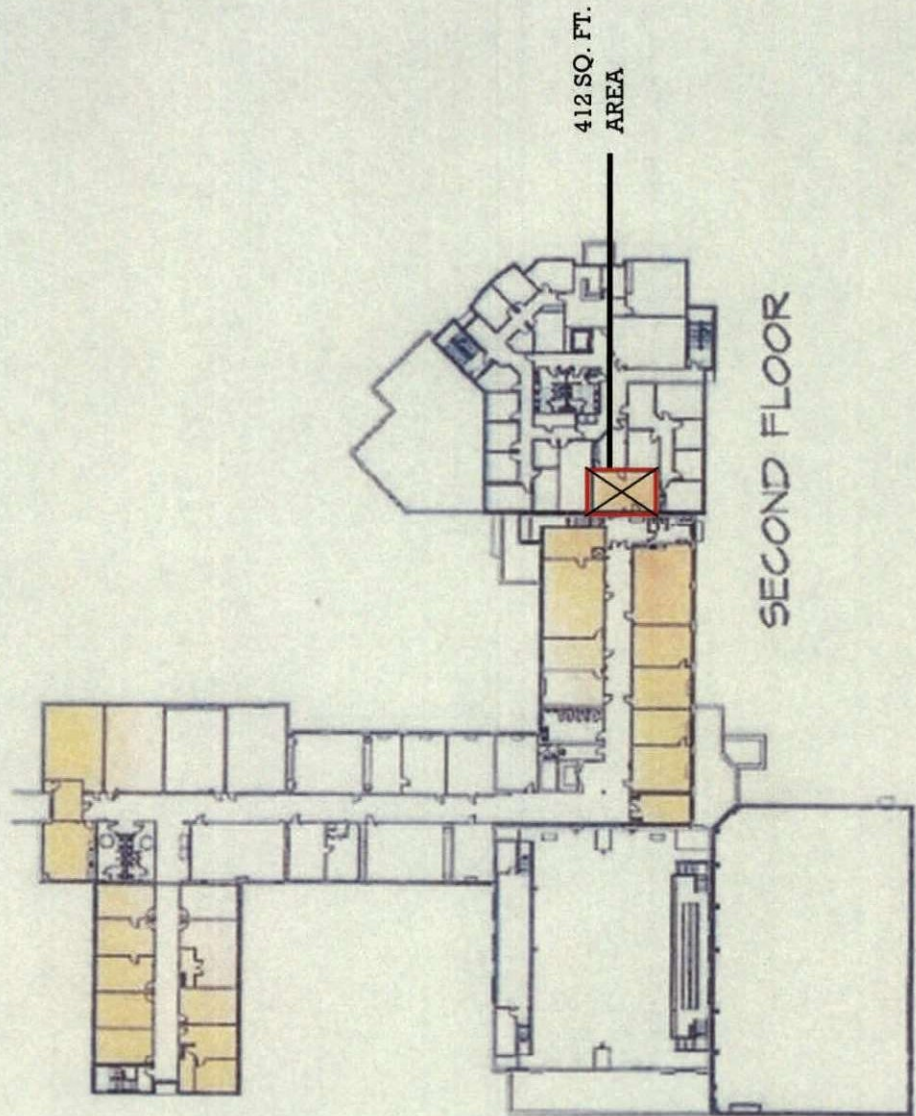
UETHDA SPACE

UETHDA SPACE

Total Sq. Ft: 27,692

SECOND FLOOR— 15,909 SQ. Ft

EXHIBIT A



AMENDMENT NUMBER 2 TO LEASE

This Amendment Number 2 to the Lease between City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency is made with an effective date of August 1, 2020 by the City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins, Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 2.C. of the Lease is amended by deleting the word "*custodial*" from the second sentence to thereafter read "Payment amounts are calculated on square foot costs for water, electrical/gas, FF&E/Maintenance, and reimbursement may increase during the term of this Lease pursuant to Sections 4 and 8 herein."

2. That section 4. of the Lease is amended to include the following "The Lease shall be extended for a period of five (5) years from the effective date of Amendment Number 2 to the Lease, with such rights of termination as are expressly set forth in the Lease and Amendment Number 2 and that prior to the termination or expiration of the five (5) year period commencing on the effective date of Amendment Number 2 the parties may extend the Lease by mutual agreement on terms agreeable to both parties for one (1) period of up to five (5) years beyond the extension."

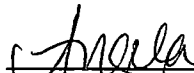
3. That section 10.4. of the Lease is amended by adding the following "In addition to the termination rights otherwise set forth in this Lease Landlord may terminate this Lease for its convenience at any time by giving written notice to Tenant at least thirty (30) days prior to the date when such termination becomes effective."

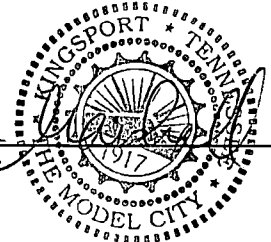
4. That section 11. of the Lease is amended by changing the last sentence to read "Tenant shall maintain the Leased Premises at its own expense in a clean, orderly and sanitary condition, and shall either delegate janitorial duties to existing employees, employ designated janitorial staff, or secure the necessary janitorial service to satisfy Tennant's obligation as set forth herein."

Except as amended hereby, all other terms and conditions of the Lease and Amendment Number 1 to the Lease shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.


IN WHITNESS WHEREOF, the parties hereto have executed this Amendment Number 2 with the effective date of August 1, 2020.


ATTEST:


City Recorder



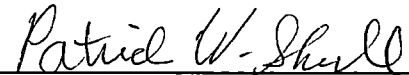
APPROVED AS TO FORM:


J. Michael Billingsley, City Attorney

By: 
2nd permission

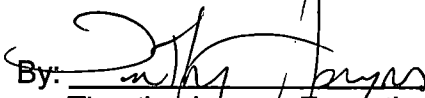
LANDLORD:

CITY OF KINGSPORT, TENNESSEE

By: 
Patrick W. Shull, Mayor

TENANT:

UPPER EAST TENNESSEE HUMAN
DEVELOPMENT AGENCY

By: 
Timothy Jaynes, Executive Director

STATE OF TENNESSEE
COUNTY OF SULLIVAN

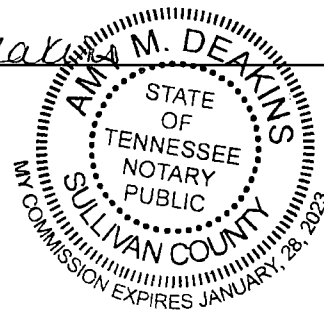
Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, PATRICK W. SHULL, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 30 day of August, 2021.

My commission expires:

01-28-2023

AMY M. DEAKINS
Notary Public



STATE OF TENNESSEE
COUNTY OF SULLIVAN

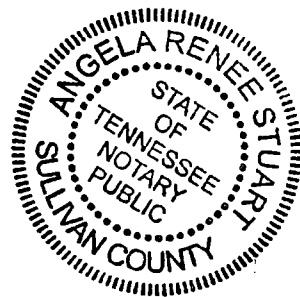
Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, Timothy Jaynes, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director of Upper East Tennessee Human Development Agency, and that he as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing his name as Executive Director.

WITNESS my hand and official seal this 10th day of August, 2021.

ANGELA RENEE STUART
Notary Public

My commission expires:

June 21, 2025





AGENDA ACTION FORM

Consideration of a Resolution to Amend a Lease Agreement with the United Way of Greater Kingsport

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-15-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Committee

Presentation By: Michael T. Borders

Strategic Focus Area: 3. Exceptional Cultural & Recreational Opportunities

Recommendation:

Approve the Resolution

Executive Summary:

If approved, this resolution authorizes the City of Kingsport to amend its existing lease agreement with the United Way of Greater Kingsport (UWGK) for office space located in the V.O. Dobbins Sr. Complex (VOD).

UWGK has occupied space on the second floor of VOD since its renovation in 2010. City staff work with UWGK to identify unused space that can be reverted back to City use. Over the past couple years Parks and Recreation staff have moved office space once held in the Civic Auditorium to VOD.

Amendment No. 2 reduces the total square footage leased by UWGK by eliminating shared space and adjusting the overall leased area from 3,931.5 square feet to 3,737.7 square feet. This space reduction reflects operational changes and allows the City to repurpose the vacated area for Parks and Recreation departmental staff workspace to be used by its Recreation Services division.

The amendment also revises the rental calculation effective March 1, 2026, to align with the reduced square footage, resulting in a proportional decrease in rent paid by UWGK (\$92.06 monthly at current rate). All other terms and conditions of the original lease remain unchanged.

Approval of this amendment supports more efficient use of the facility and accommodates City space needs.

Attachments:

1. Resolution
2. Lease agreement
3. Amendment 2 to the Lease Agreement

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AMENDMENT 3 TO THE LEASE
BETWEEN THE CITY OF KINGSPORT AND THE UNITED WAY
OF GREATER KINGSPORT AND AUTHORIZING THE MAYOR
TO EXECUTE THE SAME AND ALL OTHER DOCUMENTS
NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE
OF THIS RESOLUTION

WHEREAS, on December 19, 2023, the board approved a lease with the United Way of Greater Kingsport (UWGK) for space in the V. O. Dobbins Sr. Complex (Res. No. 2024-134) that will expire in December 2026; and

WHEREAS, on February 28, 2024, Amendment 1 was executed due to an error in the original lease; and ; and

WHEREAS, Amendment No. 2 reduces the total square footage leased by UWGK by eliminating shared space and adjusting the overall leased area from 3,931.5 square feet to 3,737.7 square feet; and

WHEREAS, the amendment also revises the rental calculation effective March 1, 2026, to align with the reduced square footage, resulting in a proportional decrease in rent paid by UWGK.

Now therefore,

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

SECTION I. That the Amendment 2 to the lease with the United Way of Greater Kingsport, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, Amendment 2 to the lease with the United Way of Greater Kingsport and all documents necessary and proper, and to take such acts as necessary to effectuate the purpose of the amendment or this resolution, said amendment being as follows:

AMENDMENT NUMBER 2 TO LEASE

This Amendment Number 2 to the Lease between City of Kingsport, Tennessee and the United Way of Greater Kingsport is made with an effective date of March 1, 2026 by the City of Kingsport, Tennessee and the United Way of Greater Kingsport.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That Section 1. of the Lease is amended by deleting the section in its entirety and replacing it with the following:

SECTION 1. Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord premises containing approximately 3,737 square feet, (hereinafter called "Leased Premises"), known as Suite 201, located in the office building known as V. O. Dobbins Nonprofit Wing (hereinafter called "Office Building"), which is situated on that certain parcel of land (hereinafter called "Office Building Area") more particularly described in Exhibit "B" attached hereto. The following covenants are a part of this Lease and shall be applicable at all times throughout the term of this Lease, any extensions or

renewals thereof and as otherwise set forth herein.

2. That Section 2. of the Lease is amended by deleting the section in its entirety and replacing it with the following:

SECTION 2. Tenant shall pay to Landlord without previous demand therefor and without any setoff or deduction whatsoever, except as may be specifically provided herein, rent for the Leased Premises for the term of March 1, 2026 through December 31, 2026, at the rate of Five and 70/100 Dollars (\$5.70) per square foot per annum, payable in advance in equal monthly installments of One Thousand Three Hundred and Five and 30/100 Dollars (\$1,305.30) each on the first day of each month during the term hereof. All rentals payable by Tenant to Landlord under this Lease shall be paid to the Landlord at the office of the Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such rental payment. Tenant shall promptly pay all rentals herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at Landlord's option, and on notice to Tenant, be considered additional rentals, payable by Tenant with the first installment of rental thereafter becoming due and payable, and may be collected or enforced as by law as provided in respect of rentals

Except as amended hereby, all other terms and conditions of the Lease and subsequent amendments thereto, shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WITNESS WHEREOF, the parties hereto have on the following page executed this Amendment Number 2 with the effective date of March 1, 2026.

[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 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 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

AMENDMENT NUMBER 2 TO LEASE

This Amendment Number 2 to the Lease between City of Kingsport, Tennessee and the United Way of Greater Kingsport is made with an effective date of March 1, 2026 by the City of Kingsport, Tennessee and the United Way of Greater Kingsport.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That Section 1. of the Lease is amended by deleting the section in its entirety and replacing it with the following:

SECTION 1. Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord premises containing approximately 3,737 square feet, (hereinafter called "Leased Premises"), known as Suite 201, located in the office building known as V. O. Dobbins Nonprofit Wing (hereinafter called "Office Building"), which is situated on that certain parcel of land (hereinafter called "Office Building Area") more particularly described in Exhibit "B" attached hereto. The following covenants are a part of this Lease and shall be applicable at all times throughout the term of this Lease, any extensions or renewals thereof and as otherwise set forth herein.

2. That Section 2. of the Lease is amended by deleting the section in its entirety and replacing it with the following:

SECTION 2. Tenant shall pay to Landlord without previous demand therefor and without any setoff or deduction whatsoever, except as may be specifically provided herein, rent for the Leased Premises for the term of March 1, 2026 through December 31, 2026, at the rate of Five and 70/100 Dollars (\$5.70) per square foot per annum, payable in advance in equal monthly installments of One Thousand Three Hundred and Five and 30/100 Dollars (\$1,305.30) each on the first day of each month during the term hereof. All rentals payable by Tenant to Landlord under this Lease shall be paid to the Landlord at the office of the Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such rental payment. Tenant shall promptly pay all rentals herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at Landlord's option, and on notice to Tenant, be considered additional rentals, payable by Tenant with the first installment of rental

thereafter becoming due and payable, and may be collected or enforced as by law as provided in respect of rentals

Except as amended hereby, all other terms and conditions of the Lease and subsequent amendments thereto, shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WITNESS WHEREOF, the parties hereto have on the following page executed this Amendment Number 2 with the effective date of March 1, 2026.

LANDLORD:
CITY OF KINGSPORT, TENNESSEE

ATTEST:

Angela Marshall, Deputy City Recorder

By: _____
Paul W. Montgomery, Mayor

APPROVED AS TO FORM:

Rodney B. Rowlett, III, City Attorney

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, PAUL W. MONTGOMERY, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this ____ day of _____, 2026.

Notary Public

My commission expires:

TENANT:

UNITED WAY OF GREATER KINGSFORT

By: _____
_____, Executive Director

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director of Upper East Tennessee Human Development Agency, and that he as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing his name as Executive Director.

WITNESS my hand and official seal this ____ day of _____, 2026.

Notary Public

My commission expires:

LEASE

This Lease (hereinafter called "Lease") is made on the 3rd day of January, 2024 by and between the City of Kingsport, Tennessee, a municipal corporation organized under the laws of state of Tennessee (hereinafter called "Landlord") and United Way of Greater Kingsport, Inc., a non-profit 501(c) qualified corporation (hereinafter called "Tenant").

WITNESSETH:

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

SECTION 1. Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord premises containing approximately Three Thousand and Seven Hundred and Thirty-Seven and 7/10ths (3,737.7) square feet, known as Suite 201 and One Hundred and Ninety -Three and 8/10ths (193.8) of shared space for a total of Three Thousand Nine Hundred and Thirty-One and 5/10ths (3,931.5) square feet (hereinafter called "Leased Premises") located in the office building known as V. O. Dobbins Nonprofit Wing (hereinafter called "Office Building"), which is situated on that certain parcel of land (hereinafter called "Office Building Area") more particularly described in Exhibit "B" attached hereto. The following covenants are a part of this Lease and shall be applicable at all times throughout the term of this Lease, any extensions or renewals thereof and as otherwise set forth herein:

SECTION 2. Tenant shall pay to Landlord without previous demand therefor and without any setoff or deduction whatsoever, except as may be specifically provided herein, rent for the Three Thousand Nine Hundred and Thirty-One and 5/10ths (3,931.5) square feet of Leased Premises at the rate of Five and 30/100 Dollars (\$5.30) per square foot per for the period of January 1, 2024-December 31, 2024, a total of Twenty Thousand, Eight Hundred and Thirty-Six and 95/100 Dollars (\$20,836.95), made payable in equal monthly installments of One Thousand Seven Hundred and Thirty-Six and 41/100 Dollars (\$1,736.41), each on the first day of each month during the term hereof. For the period of January 1, 2025 through December 1, 2025 rent for the Leased Premises at the rate of Five and 50/100 Dollars (\$5.50) per square foot for a total of Twenty One thousand Six Hundred and Twenty-Three and 25/100 Dollars (\$21,623.25), made payable in monthly installments of One Thousand Eight Hundred and One and 94/100 Dollars (\$1,801.94) each on the first day of each month during the term hereof. For the period of January 1, 2026 through December 1, 2026 rent for the Leased Premises at the rate of Five and 70/100 Dollars (\$5.70) per square foot per annum, for a total of Twenty Two Thousand Four Hundred and Nine and 55/100 Dollars (\$22,409.55), made payable in monthly installments of One Thousand Eight Hundred and Sixty-Seven and 47/100 Dollars (\$1,867.47) each on the first day of each month during the term hereof. All rentals payable by Tenant to Landlord under this Lease shall be paid to the Landlord at the office of the Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such rental payment. Tenant shall promptly pay all rentals herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at Landlord's option, and on notice to Tenant, be considered additional rentals, payable by Tenant with the first installment of rental thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of rentals.

SECTION 3.

3.1. The Leased Premises shall be used by Tenant only as general office space and for no other purpose.

3.2. Tenant shall comply with all laws and ordinances, all rules and regulations of governmental authorities, and all rules and regulations as Landlord may prescribe on written notice to Tenant with respect to the use or occupancy of the Leased Premises, Office Building, or Office Building Area.

3.3 Tenant agrees that it shall not: (a) use, occupy, or permit the Leased Premises to be used or occupied for any unlawful purposes or for purposes not specified in this Lease; (b) use, occupy, or permit the Leased Premises or any part of the Leased Premises to be used or occupied, or do or permit anything to be done in or on the Leased Premises in any manner which shall cause or be likely to cause structural damage to the Leased Premises or any part thereof; (c) do any act or fail to do any act which constitutes waste or a public or private nuisance; or (d) do anything that would jeopardize or cause Landlord to lose the tax exempt status of its tax exempt bonds, issued to finance the Office Building or Office Building Area.

3.4. Tenant covenants and represents that it has received tax exempt 501(c)(3) status under the Internal Revenue Code from the Internal Revenue Service and that it shall maintain such status during the entire term of this Lease, and that if such status changes or is withdrawn by the Internal Revenue Service Tenant shall immediately notify Landlord and this Lease shall immediately terminate. Tenant understands that this covenant and representation is material to the Landlord's decision to lease the Leased Premises to Tenant. Tenant understands that Landlord has financed the construction of the Office Building with tax exempt financing and may lease parts of the building to qualified governmental or tax exempt 501(c) entities. Tenant shall provide Landlord with a copy of the Tenant's 501(c)(3) determination letter. Tenant shall provide Landlord with an opinion of counsel from the Tenant's counsel, satisfactory in form to the Landlord's bond counsel, that the Tenant is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

SECTION 4. The term of this Lease shall begin on the "Date of Occupancy", as hereafter defined and shall end three (3) years after the Date of Occupancy with such rights of termination as are expressly set forth in this Lease. The Date of Occupancy is defined as is the latter of sixty (60) days after the Leased Premises is made available to Tenant by Landlord, which in no event shall be prior to the receipt of a certificate of occupancy by Landlord or August 1, 2024, whichever occurs last. It is expressly understood and agreed that this Lease shall be binding upon both parties from the date first written above until the Date of Occupancy and thereafter according to its terms.

SECTION 5. Upon occupying the Leased Premises, Tenant thereby accepts the same and acknowledges that the Leased Premises are in a habitable condition. All improvements to the Leased Premises by Tenant shall be provided at its expense and shall be subject to Landlord's approval, which consent may be withheld by the Landlord in its sole discretion for any reason. On or prior to the date upon which Tenant occupies the Leased Premises, Landlord may, by notice to Tenant, change the location of and amend the description of the Leased Premises from description contained herein to a similar location on the same floor or another floor and Landlord represents that such other space will contain substantially identical dimensions. On the happening of the foregoing event, Tenant and Landlord agree to execute an agreement redescribing the Leased Premises. Landlord shall, on not less than thirty (30) days

notice to Tenant, have the right to move Tenant out of the Leased Premises and into similar space of at least equal area. In such event Landlord shall remove, relocate and reinstall Tenant's equipment, furniture and fixtures and redecorate the new space similar to the old space, all of which shall be done at Landlord's sole cost and expense and without cost or expense to Tenant, and for the balance of its term this Lease shall continue in full force and effect and shall apply to the new space with the same force and effect as though this lease agreement had originally been for such new space.

SECTION 6. Tenant shall have the right to nonexclusive use, in common with others of (a) automobile parking areas, driveways and footways, and (b) such loading facilities, elevators and other facilities as may be constructed and designated, from time to time, by Landlord in the Office Building Area for use by tenants of the Office Building, all subject to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord shall have the right to make changes or revisions in the common areas of the Office Building and the Office Building Area, and Landlord shall have the right to construct additional buildings in the Office Building Area for such purposes as Landlord may deem appropriate. The Douglass Room and the Eastman Conference Room are NOT considered common areas and their use is set out in Section 7 below.

SECTION 7.

7.1. Each Tenant is allowed use of the Douglass Room four (4) times annually, on weekdays, at no charge, for a 10 hour maximum per use. Use of the Douglass Room above the 4th time, on weekdays, is at 50% less than the set fee for use of the room.

7.2. Each Tenant is allowed use of the Eastman Conference Room twelve (12) times annually, for a 10 hour maximum per use. Use of the Eastman Conference Room above the 12th time is at 50% less than the set fee for use of the room.

SECTION 8. Landlord shall furnish at all hours, seven days a week, including holidays, heat and air conditioning for the Leased Premises, toilet facilities for the use of the employees, customers, and other invitees of Tenant; and electricity for lighting purposes. Landlord shall not be liable for full or partial stoppage or interruption of the above services or utilities if caused by events reasonable beyond Landlord's control.

SECTION 9. The Office Building and Office Building Area are currently not subject to real estate tax. In the event the Office Building or Office Building Area are subject to real estate tax Tenant agrees it shall pay, as additional rent, its proportionate share, as hereinafter determined, of any real estate taxes due and payable with respect to the Office Building and Office Building Area for each calendar year which commences during the term of this Lease. The Tenant's proportionate share shall be determined by taking the amount of real estate tax and multiplying that number by a fraction, the numerator of which is the total number of square feet of the Leased Premises and the denominator of which is the total number of square feet of leasable area in the Office Building, and the result shall be the proportionate share of the real estate taxes payable by the Tenant.

SECTION 10.

10.1. This Lease and the tenancy hereby created shall cease and terminate at the end of the original Term hereof, or any extension or renewal thereof, without the necessity of any notice from either Landlord or Tenant to terminate the same, and Tenant hereby waives notice to vacate the Leased Premises and agrees that Landlord shall be entitled to the benefit of all pro-

visions of law respecting the summary recovery of possession of Leased Premises from a Tenant holding over to the same extent as if statutory notice had been given.

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

10.3. In addition to the termination rights otherwise set forth in this Lease Tenant may terminate this Lease for its convenience at any time by giving written notice to Landlord at least thirty (30) days prior to the date when such termination becomes effective. Tenant shall pay the rent and expenses to the date of termination. Such termination shall not be a default. Additionally, Tenant may terminate this Lease, subject to the right of cure, at any time for any of the following causes: (a) failure of the Landlord to reasonably provide any of the services required under the terms of this Lease or any other breach of the terms of this Lease by Landlord that is not adequately remedied within twenty (20) consecutive calendar days of the mailing of written notices thereof to Landlord, provided that if the nature of Landlord's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Landlord shall not be deemed to be in default if the Landlord commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

10.4. Landlord may in its sole discretion immediately terminate this Lease and take possession of the Leased Premises if: (a) Landlord receives an opinion of its bond counsel that the continued lease of the Leased Premises to the Tenant would adversely affect the tax-exempt status of any bonds financing the Office Building; (b) or Tenant fails to observe or perform any of the express covenants or provisions of this Lease where such failure shall continue for a period of twenty (20) consecutive calendar days after written notice thereof from Landlord to Tenant, provided that if the nature of Tenant's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

In addition to the termination rights otherwise set forth in this Lease Landlord may terminate this Lease for its convenience at any time by giving written notice to Tenant at least thirty (30) days prior to the date when such termination becomes effective.

10.5 The right to cure by Tenant does not apply to termination due to Tenant's failure to maintain its 501(c)(3) status as required by Section 3 herein.

SECTION 11. Tenant shall replace promptly at its own expense with glass of like kind and quality any plate glass of the Leased Premises which may become broken or cracked due to any act or negligence, by action or omission, of Tenant, its agents, employees, invitees, or licensees, or otherwise, unless damaged by casualty, or act of Landlord, its agents or employees. Tenant shall maintain the Leased Premises at its own expense in a clean, orderly and sanitary condition, except for Landlord's obligations to furnish janitor service.

SECTION 12. Landlord shall keep the exterior of the Leased Premises and common areas of the Office Building in good repair. Tenant shall give Landlord written notice of the necessity for such repairs. Provided, however, Tenant shall be responsible for the cost of any repair due to damage caused by the willful misconduct or negligence of Tenant, its agents, employees, invitees, or licensees. Tenant shall keep the interior of the Leased Premises in good repair. Tenant shall not overload the electrical wiring serving the Leased Premises or within the Leased Premises, and shall install at its own expense any additional electrical wiring which may be required in connection with Tenant's equipment or apparatus, but only after obtaining Landlord's written approval, which consent may be withheld by the Landlord in its sole discretion for any reason.

SECTION 13. Tenant shall not make any alteration to the Leased Premises or any part thereof without first obtaining Landlord's written approval of such alteration, which consent may be withheld by the Landlord in its sole discretion for any reason. Tenant agrees that any improvements made by it shall immediately become the property of Landlord and shall remain upon the Leased Premises in the absence of agreement to the contrary. Tenant shall not cut or drill into or secure any fixtures, apparatus, or equipment of any kind to any part of the Leased Premises without first obtaining Landlord's written consent, which consent may be withheld by the Landlord in its sole discretion for any reason.

SECTION 14. No signs shall be constructed or painted on the windows, doors, outside walls, roof, or exterior of the Leased Premises or in or around the grounds of the Office Building, the right-of-way, or adjacent properties, without the prior written consent of Landlord, which consent may be withheld by the Landlord in its sole discretion for any reason, and Landlord reserves the right to require Tenant to remove any such signs not previously consented to by Landlord from said roof, windows, doors, outside walls or exterior of the Leased Premises or common areas. In the event Tenant does not promptly remove any such sign or signs upon notice from Landlord to do so Landlord shall have the right to remove such sign or signs at Tenant's expense, and Tenant shall promptly reimburse Landlord therefor. Landlord shall provide, at Landlord's expense, a lobby directory in the main lobby of the building of which the Leased Premises are a part identifying tenants and suites. Tenant shall have the right to display a building standard sign at its suite entrance. Tenant shall not place or install any racks, stands, trade fixtures, or other displays of products or services on the outside of the Leased Premises, in or around the grounds of the Office Building, the right-of-way, or adjacent properties, without the express prior written approval of Landlord, which consent may be withheld by the Landlord in its sole discretion for any reason.

SECTION 15.

15.1. Tenant shall keep in force at its own expense so long as this Lease remains in effect, public liability insurance with respect to the Leased Premises with companies licensed to do business in the State of Tennessee acceptable to the Landlord and in form acceptable to Landlord with minimum limits of \$1,000,000.00 on account of bodily injuries to or death of one person; \$2,000,000.00 on account of bodily injuries to or death of more than one person as the result of any one accident or disaster; and property damage insurance with minimum limits of \$100,000.00. Tenant shall deposit a certified copy of the policy or policies of such insurance, with Landlord. Such policies shall name Landlord as an additional insured. The policy or policies of insurance shall require thirty (30) days notice to Landlord for any change, cancellation, or non-renewal and shall contain the following or similar wording:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BE-

FORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL THIRTY (30) DAYS WRITTEN NOTICE TO THE ALL NAMED INSURED HEREIN.

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

15.3. To the extent possible, Tenant shall obtain, for each policy of insurance secured by it, provisions permitting waiver of any claim against Landlord for loss or damage within the scope of the insurance, and Tenant, for itself and its insurers, waives all claims against the Landlord as to such claims covered by such insurance. Nothing herein shall be construed to vary the force and effect of paragraph 15.1 of this Section 15, and nothing contained in this Section 15 shall be deemed to excuse Landlord from its own negligence.

SECTION 16. Landlord, its agents and employees, shall not be liable for any damage to property of the Tenant entrusted to employees of the Office Building or to any property, goods, or things contained in the Leased Premises or stored in the basement, or other part of the Office Building, unless due to negligence or willful misconduct of the Landlord and its agents.

SECTION 17. Tenant shall indemnify Landlord and save it harmless from and against any and all claims, actions, damages, liability, and expense in connection with loss of life, personal injury and/or damage to property arising from or out of the occupancy or use by Tenant of the Leased Premises or any part thereof or the Office Building or Office Building Area or any other part of Landlord's property, occasioned wholly or in part by any act or omission of Tenant, its agents, employees, invitees, or licensees.

SECTION 18. Landlord shall not be liable for loss of or damage to any property at any time located in or about the Leased Premises, whether or not Tenant is the owner thereof, including but not limited to any loss, damage or injury resulting from steam, gas, or electricity, or from water, rain, snow, ice, or other substance which may leak into, or issue or flow from any part of the Leased Premises, or from the pipes or plumbing work of the Leased Premises, or from or into any other place. Landlord shall be under no liability to Tenant on account of any discontinuance of heat, electricity, sewer, water, air-conditioning, sprinkler, gas, and/or other utility, convenience, service, or facility, however such discontinuance may be caused, except if caused solely by an intentional act or omission of Landlord, or its employees or agents, and no such discontinuance shall constitute constructive eviction or any ground for termination of this Lease by Tenant unless such discontinuance shall continue for more than three (3) days, in which event rent shall abate until the end of such discontinuance.

SECTION 19. If at any time the Leased Premises become totally untenable by reason of damage or loss by fire or other casualty and such fire or other casualty shall not have been caused by the negligence or wrongful act or omission of Tenant, Tenant's servants, agents, licensees, or invitees, the rent shall abate until the Leased Premises shall have been restored to tenable condition, but nothing herein is to be construed as requiring Landlord to restore or rebuild the Leased Premises. If the Leased Premises are so damaged, but not to the extent that they are totally untenable, Tenant shall continue to occupy the tenable portion thereof, and the rent shall abate in proportion to the untenable portion of the Leased Premises. In the

event of a loss from fire or other casualty, Landlord shall have an election not to rebuild or recondition the Leased Premises, which such election may be exercised by written notice thereof to Tenant, given within thirty (30) days from the date of such casualty. If Landlord exercises such election, this Lease shall cease and terminate, effective on the date of such loss, and Tenant shall pay the accrued rent up to the date of such loss, or Landlord, if the rent has been paid beyond such date, will refund to Tenant the proportionate part of any such rent prepaid, and thereupon this Lease shall terminate, with no further obligation on the part of either party hereto for matters thereafter accruing, even though the building may at a later date be rebuilt, restored or reconditioned. No damage or destruction shall allow Tenant to surrender possession of the Leased Premises, nor affect Tenant's liability for the payment of rent, except as may be specifically provided in this Lease, and T.C.A. § 66-7-102, as amended or recodified, shall have no application to this Lease or to the parties hereto.

SECTION 20. If the Leased Premises or any part thereof shall be taken by eminent domain or by negotiated purchase under threat thereof, this Lease shall terminate on the date when title vests pursuant to such taking, and the rent and additional rent shall be apportioned as of said date. Tenant shall not be entitled to any part of the award or any payment in lieu thereof; excepting that Tenant shall be entitled to any separate award rendered for trade fixtures installed by Tenant at its own cost and expense and which are not part of the realty, and for Tenant's moving expenses.

SECTION 21. Tenant shall permit Landlord, its agents, and employees, upon reasonable notice to enter the Leased Premises and all parts thereof during business hours to inspect the same and to enforce or carry out any provision of this Lease, or to show it to prospective purchasers or tenants; provided that, in the case of emergency, Landlord may enter without notice. No compensation shall be asked or claim made by Tenant by reason of any inconvenience or annoyance arising from anything that may be done in repairing, altering, working on or protecting the Leased Premises or building, however the necessity may arise, but this Section 21 shall not be construed as imposing any duty on Landlord to make any repairs, alterations or additions.

SECTION 22. Tenant shall not assign this Lease in whole or in part, nor sublet all or any part of the Leased Premises or permit the use of any part of the Leased Premises by any other person, firm, affiliate, or entity without first obtaining the written consent of Landlord. Consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. The consent of Landlord referred to herein may be withheld for any reason in Landlord's sole discretion.

SECTION 23. Tenant covenants and agrees that it shall perform all agreements herein expressed on its part to be performed, and that it shall promptly, upon receipt of written notice specifying Tenant's failure to comply with the terms hereof, commence to comply with such notice. If Tenant shall not commence and proceed diligently to comply with such notice to the reasonable satisfaction of Landlord within twenty (20) days after delivery thereof, then Landlord may, at its option, enter upon the Leased Premises, and do the things specified in said notice, and Landlord shall have no liability to Tenant for any loss or damage resulting in any way from such action by Landlord, and Tenant agrees to pay promptly upon demand, any reasonable expense incurred by Landlord in taking such action, including Landlord's administrative expenses.

SECTION 24. Except for the right to cure set out in Section 10 if Tenant defaults in the payment of rent or additional rent or defaults in the performance of any of the covenants or conditions hereof, if the Tenant shall compound its debts, or make an assignment for the benefit of creditors, or if a receiver or trustee is applied for or appointed for the Tenant, or if there be filed a petition in bankruptcy or insolvency, or for an arrangement for reorganization by or against the Tenant, or if the Tenant is adjudicated a bankrupt or is adjudged to be insolvent, or if there is advertised any sale of Tenant's property under process of law, or if the assets or property of the Tenant in the Premises shall be attached or levied upon, then Landlord may terminate this Lease on not less than five (5) days' notice to Tenant, and on the date specified in said notice the term of this Lease shall terminate and Tenant shall then quit and surrender the Leased Premises to Landlord, but Tenant shall remain liable as hereinafter provided. If this Lease shall have been so terminated by Landlord, Landlord may at any time thereafter resume possession of the Premises by any lawful means and remove Tenant or other occupants and their effects.

SECTION 25. In any case where Landlord has recovered possession of the Leased Premises by reason of Tenant's default, Landlord may at Landlord's option occupy the Leased Premises or cause the Leased Premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for reletting, and may relet the Leased Premises or any part thereof as agent of Tenant or otherwise, for a term or terms to expire prior to, at the same time as or subsequent to, the original expiration date of this Lease, at Landlord's option, and receive the rent therefor, applying the same first to the payment of such reasonable expense as Landlord may have incurred in connection with the recovery of possession, redecorating, altering, dividing, consolidating with other adjoining premises, or otherwise changing or preparing for reletting and the reletting, including reasonable brokerage and reasonable attorney's fees, and then to the payment of damages in amounts equal to the rent hereunder and to the cost and expense of performance of the other covenants of Tenant as herein provided; and Tenant agrees, whether or not Landlord has relet, to pay the Landlord damages equal to the rent and other sums herein agreed to be paid by Tenant, less the net proceeds of the reletting, if any, as ascertained from time to time, and the same shall be payable by Tenant on the several rent days above specified. In reletting the Leased Premises as aforesaid, Landlord may grant rent concessions, and Tenant shall not be credited therewith. No such reletting shall constitute a surrender and acceptance or be deemed evidence thereof. Tenant shall not be entitled to any surplus accruing as a result of any reletting. If Landlord elects pursuant hereto to occupy and use the Leased Premises or any part thereof during any part of the balance of the Term as originally fixed or since extended, there shall be allowed against Tenant's obligation for rent or damages as herein defined, during the period of Landlord's occupancy, the reasonable value of such occupancy, not to exceed in any event the rent herein reserved and such occupancy shall not be construed as a release of Tenant's liability hereunder.

SECTION 26. Notwithstanding anything in this Lease to the contrary, at Landlord's option, Tenant shall pay a "late charge" of Fifty Dollars (\$50.00) of any installment of rental (or any such other charge or payment as may be considered additional rental under this Lease) when paid more than fifteen (15) days after the due date thereof, to cover the extra expense involved in handling delinquent payments.

SECTION 27. No mention in this Lease of any specific right or remedy shall preclude Landlord from exercising any other right or from having any other remedy, or from maintaining any action to which it may otherwise be entitled either at law or equity; and the failure of Landlord to insist in any one or more instance upon a strict performance of any covenant of this Lease or to exercise any option or right herein contained shall not be construed as a waiver or

relinquishment for the future of such covenant, right or option, but the same shall remain in full force and effect unless the contrary is expressed in writing by Landlord.

SECTION 28. This Lease and the covenants and conditions herein contained shall inure to the benefit of and are binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its permitted successors and assigns, and shall inure to the benefit of Tenant and its permitted assigns.

SECTION 29. Landlord and Tenant shall be excused for the period of any delay in the performance of any obligation hereunder when prevented from so doing by cause or causes beyond its control which shall include, without limitation, all labor disputes, civil commotion, war, war-like operations, invasion, rebellion, hostilities, military or usurped power sabotage, governmental regulations or controls, fire or other casualty, inability to obtain any material, services or financing or through Acts of God.

SECTION 30. If Landlord, in Landlord's sole discretion, shall deem it necessary to employ an attorney to assert any right of Landlord or enforce any obligation of Tenant hereunder, Landlord shall be entitled to recover, in addition to the other costs and expenses herein provided for, the reasonable costs and charges of such attorney.

SECTION 31. All Notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

To the Landlord at:

City Manager
City of Kingsport
415 Broad Street
Kingsport, TN 37660

To the Tenant at:

Executive Director
United Way of Greater Kingsport, Inc.
P. O. Box 7268
Kingsport, Tennessee 37664

With a copy to:

City Attorney
City of Kingsport
415 Broad Street
Kingsport, TN 37660

Either party may, at any time or from time to time, designate in writing a substitute address for that above set forth, or thereafter notices shall be directed to such substitute address.

SECTION 32. This Lease shall be governed by and construed in accordance with the laws of the state of Tennessee without regard to its conflict of laws rules. All legal proceedings relating to the subject matter of this Lease shall be maintained in the state courts for Kingsport, Sullivan County, Tennessee, and the parties agree that jurisdiction and venue for any such legal proceeding shall lie exclusively with such courts.

SECTION 33. The captions and headings throughout this Lease are for convenience and reference only, and the words contained therein shall in no way be held or deemed to de-

fine, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision or the scope or intent of this Lease nor in any way affect this Lease.

SECTION 34. In the event that two (2) or more individuals, corporations, partnerships or other business associations (or any combination of two (2) or more thereof) shall sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay rent and perform all other obligations hereunder shall be deemed to be joint and several. In like manner, in the event that Tenant shall be a partnership or other business association, the members of which are, by virtue of statute or general law, subject to personal liability, then the liability of each such member shall be deemed to be joint and several.

SECTION 35. Tenant shall be responsible for its own telephone service, cable and internet service and installation of telephone equipment in the Leased Premises. Landlord will provide telephone and cable line to the Leased Premises. However, if such are not sufficient for Tenant's use, Tenant shall be responsible for installing such lines and equipment. Landlord is not responsible for improvements to the Leased Premises, including, but not limited to, installation of electronic equipment, office furnishing, book shelves and such.

SECTION 36. Except for Hazardous Materials brought, kept, or used in the Leased Premises in commercial quantities similar to those quantities usually kept on similar premises by others in the same business, and which are used and kept in compliance with applicable public health, safety, and environmental laws, Tenant shall not allow any Hazardous Material to be located in, on, or under the Leased Premises or allow the Leased Premises to be used for the manufacturing, handling, storage, distribution, or disposal of any Hazardous Material. Tenant shall comply with all federal, state, or local laws, ordinances, regulations, and orders applicable to the Leased Premises or the use thereof relating to environmental protection, or the use, analysis, generation, manufacture, storage, disposal, or transportation of any Hazardous Material. Tenant shall, at its sole cost and expense, arrange for the removal and disposal of all Hazardous Materials generated or stored in the Leased Premises, which removal and disposal shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and orders. If Tenant becomes aware of the presence of any Hazardous Material in the Leased Premises (except for those Hazardous Materials permitted above) or if Tenant or the Leased Premises become subject to any order to repair, close, or otherwise cleanup the Leased Premises, Tenant shall, at its own cost and expense, carry out and complete any repair, closure, or other cleanup of the Leased Premises. If Tenant fails to implement and diligently pursue any such repair, closure, or other cleanup, Landlord may, but shall not be obligated to, carry out such action and recover all of the costs and expenses from Tenant. As used herein, the term "Hazardous Materials" means any hazardous or toxic substance, material, or waste regulated or listed pursuant to any federal, state, or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act, or any other toxic substance.

SECTION 37.

37.1. If any term or provision of this Lease is declared invalid or unenforceable, the remainder of this Lease shall not be affected by such determination and shall continue to be valid and enforceable.

37.2. The parties executing this Lease warrant that this Lease is being executed with full

corporate authority and that the officers whose signatures appear hereon are duly authorized and empowered to make and execute this Lease in the name of the corporation by appropriate and legal resolution.

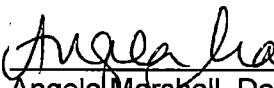
37.3. Wherever in this Lease either Tenant or Landlord shall have agreed or promised to perform certain acts or otherwise where the context of this Lease would require such performance to occur after the termination or expiration of the Lease, then those agreements and covenants shall survive the termination or expiration of the Lease and continue to bind Tenant and Landlord.

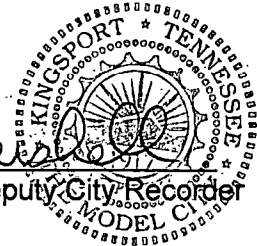
37.4. This written Lease constitutes the entire and complete agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Leased Premises. It is expressly agreed that there are no verbal understandings or agreements which in any way change the terms, covenants and conditions herein set forth, and that no modification of this Lease and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

37.5. This Lease may be executed in one or more counterparts, each of which shall be an original, and all of which when taken together shall constitute one and the same document.

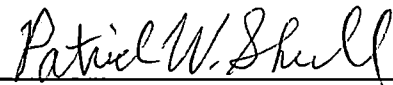
IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

ATTEST:



Angela Marshall, Deputy City Recorder




CITY OF KINGSPORT, TENNESSEE

By: 
Patrick W. Shull, Mayor

APPROVED AS TO FORM:


Rodney B. Rowlett, III, City Attorney

UNITED WAY OF GREATER KINGSPORT, INC.

By: 
Danelle Glasscock, Executive Director

STATE OF TENNESSEE
COUNTY OF SULLIVAN

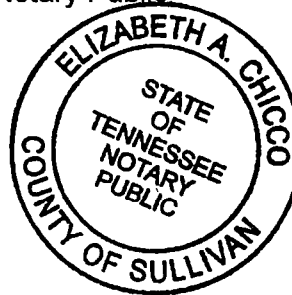
Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, **Patrick W. Shull**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 10th day of January, 2024.

Elizabeth A. Chico

Notary Public

My commission expires: August 22, 2026



STATE OF TENNESSEE

COUNTY OF Sullivan

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, **Danelle Glasscock**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be the Executive Director of United Way of Greater Kingsport, Inc. and that she as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing her name as Executive Director.

WITNESS my hand and official seal this 3rd day of January, 2024.

Elizabeth A. Chico

Notary Public

My commission expires: August 22, 2026

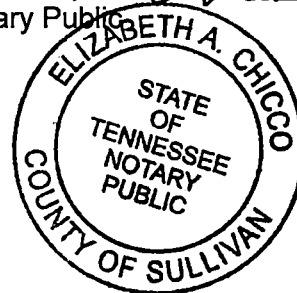


EXHIBIT A

Floor Plan (the Leased Premises)

EXHIBIT B

Office Building and Office Building Area

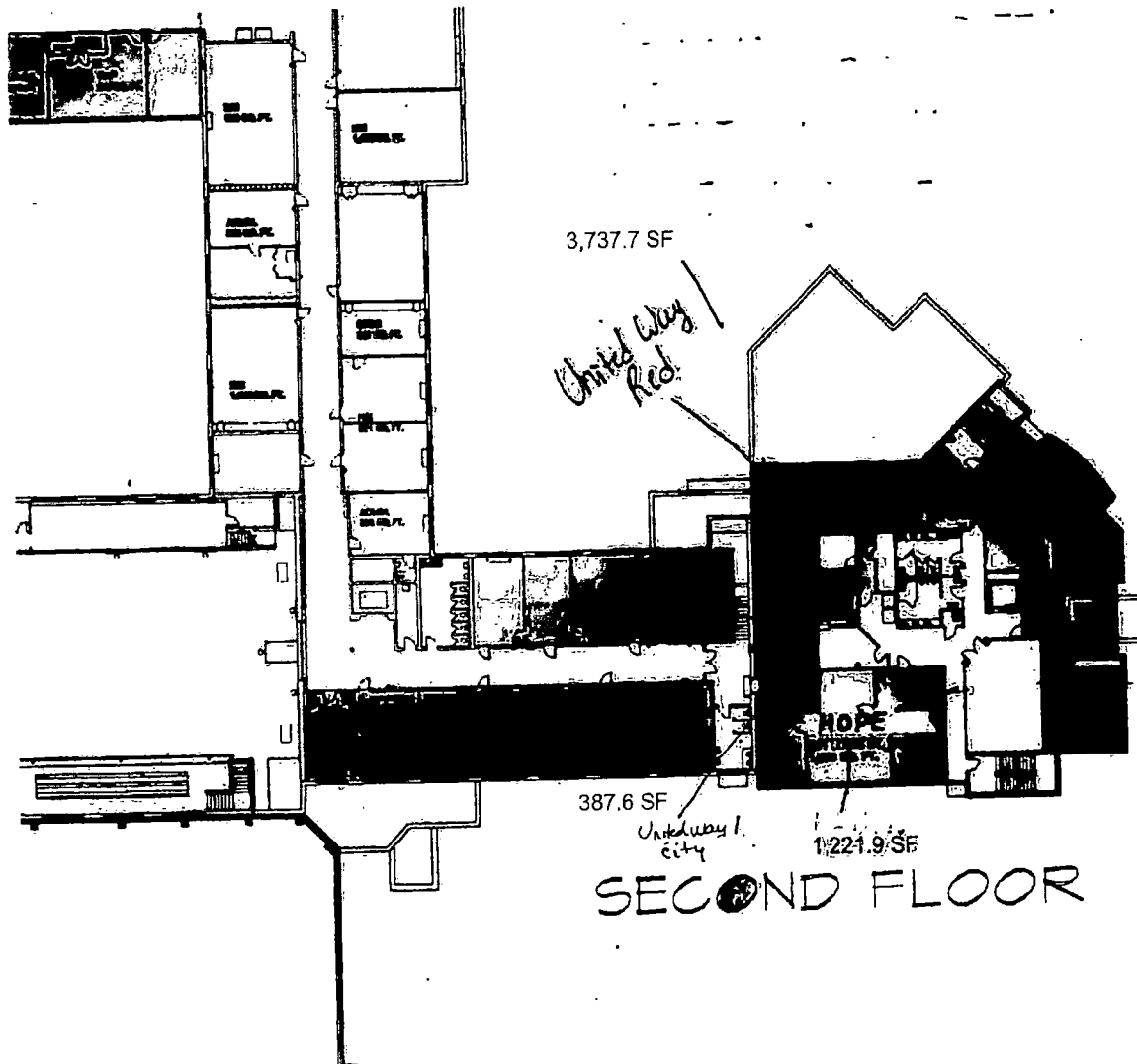
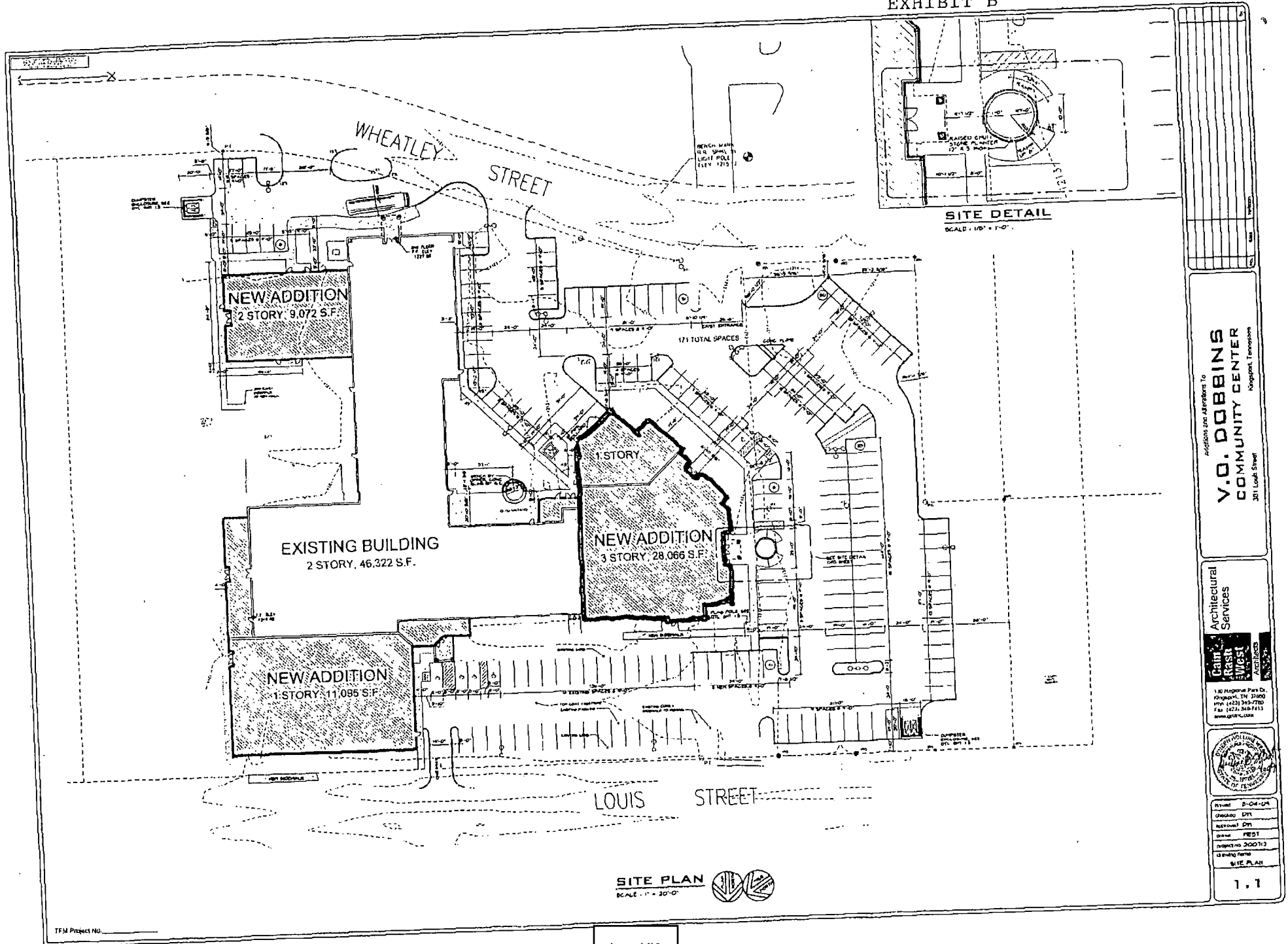


EXHIBIT B



Architects and Affiliates To
V.O. DOBBINS
COMMUNITY CENTER
 301 Lough Street
 Kington, Tennessee

Architectural
 Services

Gain West
 ARCHITECTS
 150 Hopewell Park Dr.
 Kington, TN 37088
 Phone: (423) 345-7780
 Fax: (423) 345-7415
 www.gainwest.com



DESIGNED BY	Gain West
DRAWN BY	Gain West
CHECKED BY	Gain West
APPROVED BY	Gain West
DATE	08/11/12
PROJECT NO.	000112
DATE	08/11/12
BY	Gain West

1.1

AMENDMENT NUMBER 1 TO LEASE

This Amendment Number 1 to the Lease between City of Kingsport, Tennessee, and United Way of Greater Kingsport, Inc. is made with an effective date of January 1, 2024, by the City of Kingsport, Tennessee, and United Way of Greater Kingsport, Inc..

WITNESSETH:

WHEREAS the parties executed a lease dated January 3, 2024 for space in the V.O. Dobbins, Sr. Complex (the "Lease");

WHEREAS, Tenant identified a scrivener's error in Section 4. of the Lease; and

WHEREAS, Landlord and Tenant desires to amend the Lease for space in the V.O. Dobbins, Sr. Complex to correct the scrivener's error;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That Section 4. of the Lease is hereby deleted in its entirety and replaced as follows:

"SECTION 4. The term of this Lease shall begin on the "Date of Occupancy", as hereafter defined and shall end three (3) years after the Date of Occupancy with such rights of termination as are expressly set forth in this Lease. The Date of Occupancy is defined as is the latter of sixty (60) days after the Leased Premises is made available to Teant by Landlord, which in no event shall be prior to the receipt of a certificate of occupancy by Landlord or January 1, 2024, whichever occurs last. It is expressly understood and agreed that this Lease shall be binding upon both parties from the date first written above until the Date of Occupancy and thereafter according to its terms."

Except as amended hereby, all other terms and conditions of the Lease shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment Number 1 with the effective date of February 28, 2024.

United Way of Greater Kingsport

City of Kingsport, Tennessee

Danille N. Glasscock
Signature

Patrick W. Shull
Patrick W. Shull, Mayor

2-28-24
Date

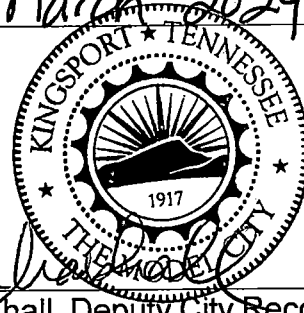
5 March 2024
Date

Danille N. Glasscock
Printed Name

Attest:

Executive Director
Title

Angela Marshall
Angela Marshall, Deputy City Recorder



Approved as to form:

Rodney B. Rowlett, III
Rodney B. Rowlett, III, City Attorney

STATE OF TENNESSEE
COUNTY OF SULLIVAN

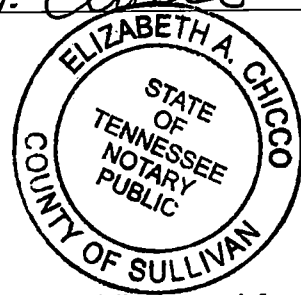
Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, PATRICK W. SHULL, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 5th day of March, 2024.

Elizabeth A. Chicao
Notary Public

My commission expires: August 22, 2026

STATE OF TENNESSEE
COUNTY OF SULLIVAN



Personally appeared before me, the undersigned, a Notary Public in and for the aforesaid state and county, **Danelle Glasscock**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged herself to be the Executive Director of UNITED WAY OF GREATER KINGSFORT, INC. the within-named bargainor, a Tennessee Corporation, and that she as such Executive Director, being authorized to do so, executed the foregoing instrument for the purposes contained therein by signing the name of the corporation by herself as Executive Director.

WITNESS my hand and official seal this 28th day of February, 2024.

Elizabeth A. Chicao
Notary Public

My commission expires: August 22, 2026





AGENDA ACTION FORM

Consideration of a Resolution to Purchase Three (3) 2026 Chevrolet 1500 4WD Crew Cab with Police Package Utilizing TN State Contract

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-22-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Committee

Presentation By: R. McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved, this resolution authorizes the purchase of Three (3) 2026 Chevrolet 1500 4WD Crew Cab with Police Package from Alan Jay Fleet Sales utilizing TN State Contract #88753 in the total amount of \$201,795.00 (\$67,265.00 each).

The Tennessee State Contracts are available for local government agencies to use. The estimated delivery for these units is 6 months after PO is received. This purchase is for fleet additions to replace holdover units 1831, 1736, & 1936 for use by the Fire Department. The City will be able to avoid higher maintenance costs and time out of service due to age, mileage, and parts availability with this purchase. There have been no comparable vehicles purchased to make a price comparison to the cost of the new vehicles.

Please see the attached recommendation memo for additional information & TN State Contract.

Funding is identified in Project/Account # 51150085019010

Attachments:

1. Resolution
2. Recommendation Memo
3. Quote
4. TN State Contract

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE PURCHASE OF THREE 2026 CHEVROLET 1500 FOUR WHEEL DRIVE CREW CAB TRUCKS WITH POLICE PACKAGE FROM ALAN JAY FLEET SALES UTILIZING TENNESSEE STATE CONTRACT NO.: 88753; AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, staff recommends the purchase of three (3) 2026 Chevrolet 1500 four wheel drive crew cab trucks with police package from Alan Jay Fleet Sales utilizing Tennessee State Contract #88753; and

WHEREAS, local governments are allowed to utilize state contracts to purchase vehicles directly from holders of contracts with the state, as authorized by Tenn. Code Ann. §12-3-1201; and

WHEREAS, the three (3) 2026 Chevrolet 1500 four wheel drive crew cab trucks with police package are available pursuant to Tennessee State Contract No.: 88753, the city will need to submit purchase orders to Alan Jay Fleet Sales for \$201,795.00 (\$67,265.00 each); and

WHEREAS, the funding is available in project/account no.: 51150085019010.

Now therefore,

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

SECTION I. That the city manager is authorized to execute a purchase order to Alan Jay Fleet Sales utilizing Tennessee State Contract #88753 for the purchase of three (3) 2026 Chevrolet 1500 four wheel drive crew cab trucks with police package in the amount of \$201,795.00.

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

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

ADOPTED this the 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



FLEET MAINTENANCE DEPARTMENT

City of Kingsport

To: Nikisha Eichmann, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: January 8, 2026
Re: Fleet Purchase Recommendation

It is the recommendation of this office to purchase the 3 vehicles listed below for the total purchase price of \$201,795.00 (\$67,265.00 each). These units meet the expectations of the Fire Department and will fulfill the requirements of their operational needs. These units will be purchased through the TN State Contract # 88753. A copy of the TN State Contract is attached. The estimated delivery is 6 months.

Item	Quantity	Description	Award to Vendor	Fuel Economy
1	3	2026 Chevrolet 1500 4WD Crew Cab w/ Police Package	Alan Jay Fleet Sales	15 City/19 Hwy

These units will be Fleet Additions

The units listed below are holdover vehicles that will be disposed of utilizing the current approved City process.

The TN State offerings were reviewed by Jerry DeBerry and he is in agreement with this recommendation.

TN State Contract # 88753

Replacements

1831	2008 Ford Expedition	Mileage	215,014
1736	2006 F150 4wd Super Cab	Mileage	130,400
1936	2011 Ford F450 Utility Truck	Mileage	140,444

The replacements vehicles are holdovers from the Fire Department. They were provided funding for new vehicles which will allow them to avoid higher maintenance costs and time out of service due to age, mileage and parts availability.

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

Thank you.



**STATE OF TENNESSEE, DEPARTMENT OF GENERAL SERVICES
CENTRAL PROCUREMENT OFFICE**

Statewide Multi-Year Contract Issued to:

Alan Jay Automotive Management Inc
5330 US Highway 27 S
Sebring, FL 33870-5661

Contract Number: 0000000000000000000088753

Title: SWC209

Start Date : October 24, 2025

End Date: June 30, 2028

Renewals: 0

Is this contract available to local government agencies in addition to State agencies?: Yes

Authorized Users. This Contract establishes a source or sources of supply for all Tennessee State Agencies. "Tennessee State Agency" refers to the various departments, institutions, boards, commissions, and agencies of the executive branch of government of the State of Tennessee with exceptions as addressed in Tenn. Comp. R. & Regs. 0690-03-01-.01. The Contractor shall provide all goods or services and deliverables as required by this Contract to all Tennessee State Agencies. The Contractor shall make this Contract available to the following entities, who are authorized to and who may purchase off of this Statewide Contract ("Authorized Users"):

- a. all Tennessee State governmental entities (this includes the legislative branch; judicial branch; and, commissions and boards of the State outside of the executive branch of government);
- b. Tennessee local governmental agencies;
- c. members of the University of Tennessee or Tennessee Board of Regents systems;
- d. any private nonprofit institution of higher education chartered in Tennessee; and,
- e. any corporation which is exempted from taxation under 26 U.S.C. Section 501(c)(3), as amended, and which contracts with the Department of Mental Health and Substance Abuse to provide services to the public (Tenn. Code Ann. § 33-2-1001).

These Authorized Users may utilize this Contract by purchasing directly from the Contractor according to their own procurement policies and procedures. The State is not responsible or

liable for the transactions between the Contractor and Authorized Users.

Note: If "no", attach exemption request addressed to the Central Procurement Officer.

Contract Contact Information:

State of Tennessee
Department of General Services, Central Procurement Office
Contract Administrator: Michael Neely
3rd Floor, William R Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102
Phone: 615/741-5971
Email: michael.t.neely@tn.gov

Line Information

Line 1

Item ID: 1000187744
Sedans, Nissan, Generic SWC209 Asset
Unit of Measure: EA

Line 2

Item ID: 1000187746
Sport Utility Vehicles, Nissan (SUVs), Generic SWC209 Asset
Unit of Measure: EA

Line 3

Item ID: 1000187747
Light Trucks, Nissan (Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset
Unit of Measure: EA

Line 4

Item ID: 1000187716
Police Vehicles CDJR, Generic SWC209 Asset
Unit of Measure: EA

Line 5

Item ID: 1000187718
Minivan and Full-size Vans CDJR(Passenger, Cargo, Cut-Away), Generic SWC209 Asset
Unit of Measure: EA

Line 6

Item ID: 1000187720
Light Trucks CDJR(Class 1,2,3,4) Pickup or Chassis Cab, Generic SWC209 Asset
Unit of Measure: EA

Line 7

Item ID: 1000187750
Minivan and Full-size Vans, GMC (Passenger, Cargo, Cut-Away), Generic SWC209 Asset
Unit of Measure: EA

Line 8

Item ID: 1000187751
Sport Utility Vehicles, GMC (SUVs), Generic SWC209 Asset
Unit of Measure: EA

Line 9

Item ID: 1000187752

Light Trucks, GMC (Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset

Unit of Measure: EA

Line 10

Item ID: 1000187724

Minivan and Full-size Vans, Chevy(Passenger, Cargo, Cut-Away), Generic SWC209 Asset

Unit of Measure: EA

Line 11

Item ID: 1000187725

Sport Utility Vehicles, Chevy (SUVs), Generic SWC209 Asset

Unit of Measure: EA

Line 12

Item ID: 1000187726

Light Trucks, Chevy(Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset

Unit of Measure: EA

Line 13

Item ID: 1000187722

Police Vehicles, Chevy, Generic SWC209 Asset

Unit of Measure: EA

Line 14

Item ID: 1000187740

Sedans, Toyota Generic SWC209 Asset

Unit of Measure: EA

Line 15

Item ID: 1000187742

Sport Utility Vehicles Toyota(SUVs), Generic SWC209 Asset

Unit of Measure: EA

Line 16

Item ID: 1000187743

Light Trucks Toyota(Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset

Unit of Measure: EA

Line 17

Item ID: 1000179941

Optional Equipment, Generic SWC209 Asset

Unit of Measure: EA

Line 18

Item ID: 1000179934

Police, Vehicles, Ford, Generic SWC209 Asset

Unit of Measure: EA

Line 19

Item ID: 1000179936

Minivan and Full-size Vans, Ford (Passenger, Cargo, Cut-Away), Generic SWC209 Asset

Unit of Measure: EA

Line 20

Item ID: 1000179938

Light Trucks, Ford (Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset

Unit of Measure: EA

Line 21

Item ID: 1000179937

Sport Utility Vehicles, Ford (SUVs), Generic SWC209 Asset

Unit of Measure: EA

Line 22


Item ID: 1000187719

Sport Utility Vehicles, CDJR(SUVs), Generic SWC209 Asset

Unit of Measure: EA

APPROVED:  Digitally signed by Michael F. Perry
DN: cn=Michael F. Perry, o=State
of TN CPO, ou=Department of
General Services,
email=mike.perry@tn.gov, c=US
Date: 2025.10.15 08:26:34 -05'00'

CHIEF PROCUREMENT OFFICER

BY:  Digitally signed by Mike
Neely
Date: 2025.10.14
13:45:05 -05'00'

PURCHASING AGENT

DATE

ALAN JAY

FLEET SALES

Contract Number: 88753 - SWC209 EVENT # 32110-13710

Quote ID: 68593

Agency: KINGSPORT, CITY OF (TN)

Date: 1/12/2026

Thank you from the Alan Jay Fleet Team for the opportunity to provide this quotation for (1) 2026 CHEVY SILVERADO 1500 CREW CAB 4WD L84 Gas V8 9C1 POLICE 5.5' BED, please review carefully and contact us with any errors or changes.

MSRP: \$56,840.00

Base Price: \$49,353.00

Factory Options: \$1,020.00

Aftermarket Options: \$16,892.00

Purchase Total: \$67,265.00

Per attached vehicle specifications.

This quotation is valid as long as the manufacturer is accepting orders for the model year specified. Purchase orders received after factory order cutoff may not be honorable. The vehicle(s) offered on this quotation will be ordered in the color(s) listed. Please contact your Alan Jay sales representative with any questions you have on this quote.

Quoted By: MATT FORTE / 904-505-9682 / Matt.Forte@AlanJay.com



GOVERNMENT PRICE QUOTE

Call Us first, for all of your Fleet Automotive, & Light Truck needs.

Quote

PHONE (800) ALANJAY (252-6529)		DIRECT 863-402-4216	WWW.ALANJAY.COM	68593-2
Corporate Office	2003 U.S. 27 South Sebring, FL 33870	MOBILE 904-505-9682	Mailing Address	P.O. BOX 9200 Sebring, FL 33871-9200
		FAX 863-402-4221		

ORIGINAL QUOTE DATE
12/3/2025

PRICE QUOTE FORM

REVISED QUOTE DATE
1/12/2026

REQUESTING AGENCY	KINGSPORT, CITY OF (TN)			
CONTACT PERSON	STEVE LEONARD	EMAIL	STEVELEONARD@KINGSPORTTN.GOV	
PHONE	423-224-2434	MOBILE	423-276-5515	FAX

Contract No. 88753 - SWC209 EVENT # 32110-13710

MODEL	CK10543 1WT	MSRP	\$56,840.00
2026 CHEVY SILVERADO 1500 CREW CAB 4WD L84 Gas V8 9C1 POLICE 5.5' BED			

CUSTOMER ID	GOVERNMENT PRICE	\$49,353.00
BED LENGTH	5.5' Bed	

** All vehicles will be ordered white w/ darkest interior unless clearly stated otherwise on purchase order.

FACTORY OPTIONS	DESCRIPTION	
L84	Engine, 5.3L EcoTec3 V8	\$0.00
MI2	Transmission, 10-speed automatic, electronically controlled	\$0.00
GBA	Black	\$0.00
H0U	Jet Black, Cloth seat trim	\$0.00
1WT	OPTIONS Work Truck Preferred Equipment Group	\$0.00
5J1	Calibration, keyless remote panic button exterior lights/horn disable	\$0.00
5J3	Calibration, Surveillance Mode Interior & Exterior Lighting	\$0.00
5J9	Calibration, taillamp flasher, Red/White	\$0.00
5LO	Calibration, taillamp flasher, Red/Red	\$0.00
6J7	Flasher System	\$0.00
9C1	Police Pursuit Package	\$0.00
A2X	Seat adjuster, driver 10-way power including lumbar	\$285.00
AKO	Glass, deep-tinted	\$0.00
AMF	Remote Keyless Entry Package	\$70.00
AZ3	Seats, front 40/20/40 split-bench	\$0.00
B30	Floor covering, color-keyed carpeting	\$95.00
B32	Floor mats, rubberized vinyl, front	\$0.00
B33	Floor mats, rubberized-vinyl rear	\$0.00
C49	Defogger, rear-window electric	\$0.00
C5Y	GVWR, 7100 lbs. (3221 kg)	\$0.00
CTT	Hitch Guidance	\$0.00
DLF	Mirrors, outside heated power-adjustable	\$0.00
FE9	Emissions, Federal requirements	\$0.00
G80	Auto-locking rear differential	\$0.00
GU5	Rear axle, 3.23 ratio	\$0.00
IOR	Audio system, Chevrolet Infotainment 3 system	\$0.00
J55	Brakes, Heavy-Duty 4-wheel antilock, 4-wheel disc	\$0.00
JHD	Hill Descent Control	\$0.00
K47	Air filter, heavy-duty	\$0.00
KC4	Cooling, external engine oil cooler	\$0.00
KC9	Power outlet, bed mounted, 120-volt	\$0.00
KI4	Power outlet, interior power outlet, 120-volt	\$0.00
KNP	Cooling, auxiliary external transmission oil cooler	\$0.00
NQH	Transfer case, two-speed	\$0.00
NZZ	Skid Plates	\$0.00

Item X17.

Contract No. 88753 - SWC209 EVENT # 32110-13710

PCV	WT Convenience Package	\$0.00
PXT	Wheels, 20" x 9" (50.8 cm x 22.9 cm) Black painted steel	\$0.00
QAE	Tires, 275/60R20SL all-terrain, blackwall	\$0.00
QT5	Tailgate, gate function manual with EZ Lift	\$0.00
RMW	Tire, spare 275/60R20 all-terrain, blackwall	\$0.00
RNQ	Wheel, full-size spare, matching 20" (50.8 cm) steel wheel without center cap	\$0.00
UBI	USB ports, rear, dual, charge-only	\$0.00
VQO	LPO, Black work step	\$570.00
VZ2	Speedometer calibration	\$0.00
Z71	Z71 Off-Road Package	\$0.00
Z82	Trailer Package	\$0.00

AFTERMARKET OPTIONS	DESCRIPTION	FACTORY OPTIONS	
10GAL	PER TENNESSEE STATE CONTRACT, 10 GALLONS OF FUEL TO BE ADDED TO VEHICLE.		\$0.00
NO-TEMP	TEMP TAG NOT REQUESTED, CUSTOMER WILL HANDLE THEIR OWN TAG WORK.		\$0.00
LTAM LEER 100RCC-SB	Leer commercial fiberglass topper includes front picture window, black headliner, full length side doors with Tool Box option A driver side and passenger side, LEER 7-way harness aux power, rear lift up door with picture window, LED option E gas prop switch on doors, and LED brake light.		\$7,320.00
PL 15179V1 1500	SIFMJS-FD15-P3 Front ILS for 1500, red/blue/white Windshield CNSMJ8R-1762265775 Rear Signal Master, red/white/amber Rear topper window CNSM-UM Multi-vehicle brackets for Signal Master Rear topper window 8 - MPS62U-RW MicroPulse Ultra 6, red/white 4 in grille, 2 on side of topper, 2 on rear topper 4 - MPSM6-LB MPS6 L-bracket Grille FHL-CHG Headlight flasher FHL-TAIL Taillight flasher PF200H Pathfinder siren/light controller, 200W, handheld controller ES100C 100W speaker ESB-U Universal speaker bracket SINGLE RUMBLER COMPACT KIT RUMBLER COMPACT BRACKET OBD-CABLE20-6 OBD cable for '25+ F150 EXPMOD24 24-channel expansion module PFSPLTR-4 4-way CAT5 splitter SAM-800-12 Samlex Power Inverter 800 Mounted at rear of truck		\$9,572.00
		AFTERMARKET OPTIONS	\$16,892.00

TRADE IN	TOTAL COST	\$67,265.00
YES WE TAKE TRADE INS ~~~ ASK ABOUT MUNICIPAL FINANCING ~~~		
	TOTAL COST LESS TRADE IN(S)	QTY 1 \$67,265.00

Estimated Annual payments for 60 months paid in advance: \$15,465.61

Municipal finance for any essential use vehicle, requires lender approval, WAC.

Comments QUOTE SUBJECT TO FACTORY ORDER ACCEPTANCE or 30 DAYS


VEHICLE QUOTED BY **MATT FORTE** GOVERNMENT ACCOUNT MANAGER Matt.Forte@AlanJay.com

"I Want to be Your Fleet Provider"

I appreciate the opportunity to submit this quotation. Please review it carefully. If there are any errors or changes, please feel free to contact me at any time.
I am always happy to be of assistance.

Item X17.



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck ( Complete)



Note:Photo may not represent exact vehicle or selected equipment.

Window Sticker

SUMMARY

[Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work TruckMSRP:\$45,900.00

Interior:Jet Black, Cloth seat trim

Exterior 1:Black

Exterior 2:No color has been selected.

Engine, 5.3L EcoTec3 V8

Transmission, 10-speed automatic, electronically controlled

OPTIONS

CODE	MODEL	MSRP
CK10543	[Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck	\$45,900.00
OPTIONS		
1WT	Work Truck Preferred Equipment Group	\$0.00
5J1	Calibration, keyless remote panic button exterior lights/horn disable	Inc.
5J3	Calibration, Surveillance Mode Interior & Exterior Lighting	Inc.
5J9	Calibration, Taillamp Flasher, Red/White	Inc.
5LO	Calibration, Taillamp Flasher, Red/Red	Inc.
6J7	Flasher System	Inc.

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Data Version: 27139. Data Updated: Dec 1, 2025 6:46:00 PM PST.



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck

(Complete)

9C1	Police Pursuit Package		\$4,570.00
A2X	Seat adjuster, driver 10-way power including lumbar		\$290.00
AKO	Glass, deep-tinted	Inc.	
AMF	Remote Keyless Entry Package		\$75.00
AZ3	Seats, front 40/20/40 split-bench		\$0.00
B30	Floor covering, color-keyed carpeting		\$100.00
B32	Floor mats, rubberized vinyl, front	Inc.	
B33	Floor mats, rubberized-vinyl rear	Inc.	
C49	Defogger, rear-window electric	Inc.	
C5Y	GVWR, 7100 lbs. (3221 kg)	Inc.	
CTT	Hitch Guidance	Inc.	
DLF	Mirrors, outside heated power-adjustable	Inc.	
FE9	Emissions, Federal requirements		\$0.00
G80	Auto-locking rear differential	Inc.	
GBA	Black		\$0.00
GU5	Rear axle, 3.23 ratio	Inc.	
H0U	Jet Black, Cloth seat trim		\$0.00
IOR	Audio system, Chevrolet Infotainment 3 system		\$0.00
J55	Brakes, Heavy-Duty 4-wheel antilock, 4-wheel disc	Inc.	
JHD	Hill Descent Control	Inc.	
K47	Air filter, heavy-duty	Inc.	
KC4	Cooling, external engine oil cooler	Inc.	
KC9	Power outlet, bed mounted, 120-volt	Inc.	
KI4	Power outlet, interior power outlet, 120-volt	Inc.	
KNP	Cooling, auxiliary external transmission oil cooler	Inc.	
L84	Engine, 5.3L EcoTec3 V8		\$1,595.00
MI2	Transmission, 10-speed automatic, electronically controlled	Inc.	
NQH	Transfer case, two-speed	Inc.	
NZZ	Skid Plates	Inc.	
PCV	WT Convenience Package		\$565.00
PXT	Wheels, 20" x 9" (50.8 cm x 22.9 cm) Black painted steel	Inc.	
QAE	Tires, 275/60R20SL all-terrain, blackwall	Inc.	

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Data Version: 27139. Data Updated: Dec 1, 2025 6:46:00 PM PST.

Item X17.

Page 3



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck

(Complete)

QT5	Tailgate, gate function manual with EZ Lift		\$150.00
RMW	Tire, spare 275/60R20 all-terrain, blackwall	Inc.	
RNQ	Wheel, full-size spare, matching 20" (50.8 cm) steel wheel without center cap	Inc.	
UBI	USB ports, rear, dual, charge-only	Inc.	
VQO	LPO, Black work step		\$575.00
VZ2	Speedometer calibration	Inc.	
Z71	Z71 Off-Road Package		\$0.00
Z82	Trailer Package		\$425.00
SUBTOTAL			\$54,245.00
Adjustments Total			\$0.00
Destination Charge			\$2,595.00
TOTAL PRICE			\$56,840.00

FUEL ECONOMY	
Est City:15 (2025) MPG	
Est Highway:19 (2025) MPG	
Est Highway Cruising Range:456.00 mi	



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck (Complete)

Standard Equipment

Package	Chevy Safety Assist includes (UHY) Automatic Emergency Braking, (UKJ) Front Pedestrian Braking, (UHX) Lane Keep Assist with Lane Departure Warning, (UE4) Following Distance Indicator, (UEU) Forward Collision Alert and (TQ5) IntelliBeam
Mechanical	Durabed, pickup bed
	Engine, TurboMax (310 hp [231 kW] @ 5600 rpm, 430 lb-ft of torque [583 Nm] @ 3000 rpm) (STD) (Not available with (Z71) Z71 Off-Road Package, (VYU) Snow Plow Prep Package or (ZW9) pickup bed delete.)
	Transmission, 8-speed automatic, electronically controlled with overdrive and tow/haul mode. Includes Cruise Grade Braking and Powertrain Grade Braking (STD) (Included and only available with (L3B) TurboMax engine. Requires (AZ3) front 40/20/40 split-bench seats.)
	Rear axle, 3.42 ratio
	GVWR, 7000 lbs. (3175 kg) (STD) (Requires Crew Cab or Double Cab 4WD model and (L3B) TurboMax engine.)
	Push Button Start
	Automatic Stop/Start (Not available with (5W4) Special Services Package, (9C1) Police Pursuit Package or (FHS) E85 FlexFuel capability.)
	Transfer case, single speed electronic Autotrac with push button control (4WD models only)
	Four wheel drive
	Battery, heavy-duty 730 cold-cranking amps/80 Amp-hr, maintenance-free with rundown protection and retained accessory power
	Alternator, 220 amps (Included with (L3B) TurboMax engine, (VYU) Snow Plow Prep Package, (5W4) Special Service Package or (9C1) Police Pursuit Package.)
	Recovery hooks, front, frame-mounted, Black
	Frame, fully-boxed, hydroformed front section
	Suspension Package, Standard
	Steering, Electric Power Steering (EPS) assist, rack-and-pinion
	Brakes, 4-wheel antilock, 4-wheel disc with DURALIFE rotors
	Brake lining wear indicator
	Capless Fuel Fill
	Exhaust, single outlet
Exterior	Wheels, 17" x 8" (43.2 cm x 20.3 cm) Ultra Silver painted steel (STD)
	Tires, 255/70R17 all-season, blackwall (STD)

This document contains information considered Confidential between GM and its Clients uniquely. The information provided is not intended for public disclosure. Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided.

Data Version: 27139. Data Updated: Dec 1, 2025 6:46:00 PM PST.

Item X17.



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck (Complete)

Exterior

- Tire, spare 255/70R17 all-season, blackwall (STD) (Included with (QBN) 255/70R17 all-season, blackwall tires.)
- Wheel, 17" x 8" (43.2 cm x 20.3 cm) full-size, steel spare
- Tire carrier lock, keyed cylinder lock that utilizes same key as ignition and door
- Bumpers, front, Black (semi-gloss)
- Bumpers, rear, Black (semi-gloss)
- CornerStep, rear bumper
- Cargo tie downs (12), fixed rated at 500 lbs per corner
- Headlamps, halogen reflector with halogen Daytime Running Lamps
- IntelliBeam, automatic high beam on/off
- Lamps, cargo area, cab mounted integrated with center high mount stop lamp, with switch in bank on left side of steering wheel (incandescent on Regular Cab models, LED on Crew Cab and Double Cab models)
- Taillamps with incandescent tail, stop and reverse lights
- Mirrors, outside manual, Black (Standard on Crew Cab and Double Cab models only. Not available on Regular Cab models.)
- Glass, solar absorbing, tinted
- Door handles, Black
- Tailgate and bed rail protection cap, top
- Tailgate, standard
- Tailgate, locking utilizes same key as ignition and door (Removed when (QT5) EZ Lift power lock and release tailgate is ordered.)
- Tailgate, gate function manual, no EZ Lift

Entertainment

- Audio system, Chevrolet Infotainment 3 system 7" diagonal HD color touchscreen, AM/FM stereo, Bluetooth audio streaming for 2 active devices, voice command pass-through to phone, Wireless Apple CarPlay and Wireless Android Auto compatibility (STD)
- Sirius XM, delete (Can be upgraded to (U2K) SiriusXM.)
- Audio system feature, 6-speaker system (Requires Crew Cab or Double Cab model.)
- Wireless phone projection for Apple CarPlay and Android Auto
- Bluetooth for phone, connectivity to vehicle infotainment system
- Wi-Fi Hotspot capable (Terms and limitations apply. See onstar.com or dealer for details.)

Interior

- Seats, front 40/20/40 split-bench with covered armrest storage and under-seat storage (lockable) (STD)
- Seat trim, Vinyl

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Data Version: 27139. Data Updated: Dec 1, 2025 6:46:00 PM PST.



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck

(Complete)

Interior

Seat adjuster, driver 4-way manual
Seat adjuster, passenger 4-way manual
Seat, rear 60/40 folding bench (folds up), 3-passenger (includes child seat top tether anchor) (Requires Crew Cab or Double Cab model.)
Floor covering, rubberized-vinyl (Not available with LPO floor liners.)
Steering wheel, urethane
Steering column, Tilt-Wheel, manual with wheel locking security feature
Steering column lock, electrical
Instrument cluster, 6-gauge cluster featuring speedometer, fuel level, engine temperature, tachometer, voltage and oil pressure
Driver Information Center, 3.5" diagonal monochromatic display
Exterior Temperature Display located in radio display
Compass located in instrument cluster
Window, power front, drivers express up/down
Window, power front, passenger express down
Windows, power rear, express down (Not available with Regular Cab models.)
Door locks, power
Remote Keyless Entry, with 2 transmitters
Cruise control, electronic with set and resume speed, steering wheel-mounted
Power outlet, front auxiliary, 12-volt
USB Ports, 2, Charge/Data ports located on instrument panel
Air conditioning, single-zone manual
Air vents, rear, heating/cooling (Not available on Regular Cab models.)
Mirror, inside rearview, manual tilt
Assist handles front A-pillar mounted for driver and passenger, rear B-pillar mounted

Safety-Mechanical

Automatic Emergency Braking
Front Pedestrian Braking
StabiliTrak, stability control system with Proactive Roll Avoidance and traction control, includes electronic trailer sway control and hill start assist

Safety-Exterior

Daytime Running Lamps with automatic exterior lamp control
--

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Data Version: 27139. Data Updated: Dec 1, 2025 6:46:00 PM PST.

Item X17.

Dec 3, 2025

Page 7



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck (Complete)

Safety-Interior

- Airbags, Dual-stage frontal airbags for driver and front outboard passenger; Seat-mounted side-impact airbags for driver and front outboard passenger; Head-curtain airbags for front and rear outboard seating positions; Includes front outboard Passenger Sensing System for frontal outboard passenger airbag (Always use seat belts and child restraints. Children are safer when properly secured in a rear seat in the appropriate child restraint. See the Owner's Manual for more information.)
- OnStar services capable (See onstar.com for details and limitations. Services vary by model. Service plan required.)
- OnStar Basics (OnStar Fleet Basics for Fleet) Drive confidently with core OnStar services including remote commands, built-in voice assistance, real-time traffic and navigation, and Automatic Crash Response to help if you're in need. (Requires (UE1) OnStar. OnStar Basics includes remote commands, Navigation, Voice Assistance, and Automatic Crash Response, for eligible vehicles with compatible software. OnStar Basics is standard for 8 years; OnStar plan, working electrical system, cell reception and GPS signal required. OnStar links to emergency services. Service coverage varies with conditions and location. Service availability, features and functionality vary by device and software version. See onstar.com for details and limitations.)
- HD Rear Vision Camera
- Lane Keep Assist with Lane Departure Warning
- Following Distance Indicator
- Forward Collision Alert
- Rear Seat Reminder (Requires Crew Cab or Double Cab model.)
- Rear Seat Belt Indicator (Requires Crew Cab or Double Cab model.)
- Teen Driver a configurable feature that lets you activate customizable vehicle settings associated with a key fob, to help encourage safe driving behavior. It can limit certain available vehicle features, and it prevents certain safety systems from being turned off. An in-vehicle report card gives you information on driving habits and helps you to continue to coach your new driver
- Buckle to Drive prevents vehicle from being shifted out of Park until driver seat belt is fastened; times out after 20 seconds and encourages seat belt use, can be turned on and off in Settings menu
- Tire Pressure Monitoring System, auto learn includes Tire Fill Alert (does not apply to spare tire)



Vehicle: [Fleet] 2026 Chevrolet Silverado 1500 (CK10543) 4WD Crew Cab 147" Work Truck (Complete)

WARRANTY

Warranty Note: <<< Preliminary 2026 Warranty >>>
Basic Years: 3
Basic Miles/km: 36,000
Drivetrain Years: 5
Drivetrain Miles/km: 60,000
Drivetrain Note: Silverado TurboMaxTM engines, 3.0L & 6.0L Duramax® Turbo-Diesel engines, and certain commercial, government, and qualified fleet vehicles: 5 years/100,000 miles
Corrosion Years (Rust-Through): 6
Corrosion Years: 3
Corrosion Miles/km (Rust-Through): 100,000
Corrosion Miles/km: 36,000
Roadside Assistance Years: 5
Roadside Assistance Miles/km: 60,000
Roadside Assistance Note: Silverado TurboMaxTM engines, 3.0L & 6.0L Duramax® Turbo-Diesel engines, and certain commercial, government, and qualified fleet vehicles: 5 years/100,000 miles
Maintenance Note: First Visit: 12 Months/12,000 Miles



AGENDA ACTION FORM

Consideration of a Resolution Approving Change Order One to the Boone Street Demolition 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-03-2026
Work Session: January 20, 2026
First Reading: NA

Final Adoption: January 20, 2026
Staff Work By: D. Melton / S. Catron
Presentation By: Jessica Harmon

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:

Approve the Resolution

Executive Summary:

If approved the contract with Alloy Group for the 609-611 Boone Street Building Demolition project will reflect change order #1 increasing the contract in the amount of \$21,618.69 to account for abatement of asbestos containing material (ACM).

On October 16, 2025, the City entered into an agreement with Alloy Group for the demolition of a dilapidated structure located at 609-611 Boone Street. The total cost of the agreement was to not exceed \$98,240.00 which included a contingency of six percent. During demolition, silver parapet flashing containing ACM was discovered, which was undetected in the initial inspection and survey. Alloy Group will provide asbestos abatement and disposal of the silver parapet flashing material as referenced in their proposed scope of work dated December 12, 2025. The abatement will take place in phases as demolition progresses and is estimated to add approximately 6 days (total of 156 days) to project completion time. The total contract price with the change order is \$119,858.69.

It was necessary for the Mayor to execute the change order prior to the next Board of Mayor and Aldermen business meeting date due to the site being an active demolition site of a dilapidated structure.

Funding is available in NC2313.

Attachments:

1. Resolution
2. Original Agreement
3. Change Order
4. Map

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

RESOLUTION NO. _____

A RESOLUTION APPROVING A CHANGE ORDER TO THE CONTRACT WITH ENVIRONMENTAL HOLDINGS GROUP D/B/A ALLOY GROUP FOR THE DEMOLITION OF 609-611 BOONE STREET; RATIFYING THE MAYOR'S EXUCTION OF THE SAME AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

WHEREAS, on October 16, 2025, the city entered into a contract with Environmental Holdings Group d/b/a Alloy Group for the demolition of 609-611 Boone Street with the original contract sum not to exceed \$98,240.00; and

WHEREAS, during demolition, asbestos containing material (ACM) in the form of silver parapet flashing was encountered which had not been previously identified as ACM during initial inspection and survey; and

WHEREAS, Alloy Group will provide asbestos abatement and disposal of the silver parapet flashing material which will take place in phases as demolition progresses and is estimated to add approximately 6 days (total of 156 days) to project completion time; and

WHEREAS, the additional time and work is expected to cost \$21,618.69, making the total contract price with the change order \$119,858.69; and

WHEREAS, it was necessary for the Mayor to execute the change order as demolition of the dilapidated structure had already commenced when the ACM was discovered.

Now therefore,

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

SECTION I. That a change order to the contract with Environmental Holdings Group d/b/a Alloy Group for the demolition of 609-611 Boone Street, making the total contract price with the change order \$119,858.69, is approved and 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 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 Comsa Construction.

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

ADOPTED this the 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



December 12, 2025

Spoden and Wilson

Attention: Mr. Steve Wilson

**Reference: City of Kingsport 609-611 Boone Street
Change Order Request #1
Abatement of ACM Silver Parapet Flashing**

Dear Steve:

We will provide asbestos abatement and disposal of the silver parapet flashing material that was not sampled in the original asbestos inspection as follows:

1. We will abate the category 2, non- friable silver flashing material from the perimeter parapet walls and coping. (up to approximately 495 SF)
2. Material that cannot be removed from the perimeter walls, the entire brick parapet wall will be demolished and disposed of as asbestos containing.
3. Loose and flaking flashing material that is on the common wall will be removed, material that is well adhered or embedded in the common wall, will be abandoned in place.
4. The abatement will take place in phases as demolition progresses and is estimated to add approximately 6 days to the project duration.

The above will be performed for the price of.....**\$ 21,618.69**

Please see the attached cost breakdown. If additional information is needed, please advise.

We can be reached at 423-609-9658.

Sincerely,
Marty Altizer
Senior Project Manager / Estimator
ALLOY, LLC

The Alloy Group // TN

1559 North Tennessee Route 81 Jonesborough, TN 37781 • Phone: 423-609-9658 • E-mail: maltizer@alloygroup.com

Item X18.

Job: 609-611 Boone Street Demolition
 Location: Kingsport, TN
 Date: 12/12/2025
 Description of work:
 ELG Co Job No:

	Qty	Unit	Rate	Ext
<u>Labor</u>				
Asbestos Crew (1 supervisor, 1 skilled laborer, 1 laborer)	60.0	hr	\$ 130.00	\$ 7,800.00
<u>Equipment</u>				
Work Truck and Hand Tool Package	6.0	day	\$ 200.00	\$ 1,200.00
40' Boom Lift Downtime (2 each)	2.0	days	\$ 1,042.00	\$ 2,084.00
Demobilize 40' Boom Lifts (2 each)	1.0	each	\$ 300.00	\$ 300.00
Remobilize 40' Boom Lift (2 each)	1.0	each	\$ 300.00	\$ 300.00
40' Boom Lift (2 each)	2.0	weeks	\$ 2,021.00	\$ 4,042.00
PPE (Resperators and Suits) (44.00 per man per day)	6.0	days	\$ 132.00	\$ 792.00
<u>Disposal</u>				
Landfill	13.0	tons	\$ 87.00	\$ 1,131.00
<u>Miscellaneous</u>				
Hotel (2 rooms @ 115.00/ each)	5.0	days	\$ 230.00	\$ 1,150.00
Per Diem (3 men @ 25.00 / each)	5.0	days	\$ 75.00	\$ 375.00
Sub Total				\$ 19,174.00
Overhead and Profit			10%	\$ 1,917.40
				<u>\$ 21,091.40</u>
Additional P&P Bond				<u>\$ 527.29</u>
				\$ 21,618.69

CHANGE ORDER

Date 12/17/25

OWNER'S Project No. NC2313 / PO AC0411

ENGINEER'S Project No. NC2313

Project 609-611 Boone Street Building Demolition

CONTRACTOR

Alloy Group

Contract For 609-611 Boone Street Building Demolition

Contract Date October 16, 2025

To: Alloy Group

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:

CITY ATTORNEY

By:

MAYOR OF KINGSPORT

Dated:

Nature of the Changes

CO 1 - abatement of ACM silver parapet flashing

Enclosures

These changes result in the following adjustment of Contract

Price and Time:

Contract Price Prior to This Change Order

\$ 98,240.00

Net Increase Resulting from this Change Order

\$ 21,618.69

Current Contract Price Including This Change Order

\$ 119,858.69

Item XI8.

Contract Time Prior to This Change Order	<u>150</u>	Days
Net Increase Resulting from this Change Order	<u>6</u>	Days
Current Contract Date Including this Change Order	<u>156</u>	Days or Date

The Above Changes Are Approved

Project Manager

By: _____

Date: _____

The Above Changes Are Accepted

Alloy Group

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

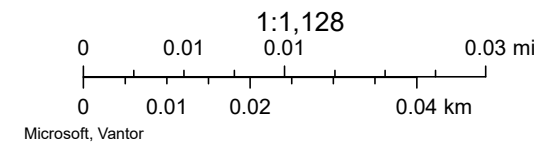
609-611 Boone Street



12/31/2025, 10:02:08 AM

- Urban Growth Boundary
- Local Street
- Streets
- Minor Arterial
- Kpt 911 Address

Item X18.





AGENDA ACTION FORM

Consideration of a Resolution to Purchase a Drone from Skydio for use by the Kingsport Police Department Utilizing a Sourcewell Cooperative Agreement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-04-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Commander Chris Tincher

Presentation By: Chief Jason Bellamy

Strategic Focus Area: 4. Safe & Welcoming Community

Recommendation:

Approve the Resolution

Executive Summary:

If approved, the Kingsport Police Department will purchase a drone from Skydio (in partnership with Axon Enterprises Inc.). The cost of the drone is \$75,000.00 with an updated version being provided at the 2.5-year mark.

Since 2018, the Kingsport Police Department has used drone technology for public safety purposes, including monitoring large events, supporting tactical operations, documenting crime scenes, public relations, and searching for missing people. All officers assigned as drone pilots are licensed by the Federal Aviation Administration.

The Kingsport Police Department's current drone is becoming increasingly expensive. Replacement parts are difficult to obtain at a reasonable cost, and the manufacturer has announced that firmware updates will no longer be available after January 2026. Without ongoing firmware support and reliable access to replacement components, the drone's operational reliability is approaching the end of its functional service life. The purchase of the Skydio drone will provide the Kingsport Police Department with compliant drone technology supported for a 5-year term.

This purchase will be made through a Sourcewell Cooperative Agreement (Contract #101223-AXN).

The Funding for this purchase will be split among federally seized monies (Account #126-3021-442.90-06), Drug Fund monies (Account #127-3020-442.90-06), and a portion of operational funds (Account #110-3001-441.90-06).

Attachments:

1. Resolution
2. Quote from Skydio (in partnership with Axon Enterprises Inc.)

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER TO AXON ENTERPRISES, INC.
UTILIZING SOURCEWELL COOPERATIVE PURCHASING
AGREEMENT NO. 101223-AXN FOR A DRONE FOR USE BY THE
KINGSPORT POLICE DEPARTMENT

WHEREAS, currently the Kingsport Police Department utilizes a drone which was acquired in 2018 for public safety purposes; and

WHEREAS, this drone is at or near the end of its operational lifespan with replacement components being cost prohibitive to obtain and firmware support from the manufacturer set to end in early 2026; and

WHEREAS, it is recommended that a replacement drone be acquired from Skydio/Axon Enterprises, Inc., utilizing Sourcewell Cooperative Purchasing Agreement # 101223-AXN; and

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

WHEREAS, in order to purchase the equipment, a purchase order needs to be issued to Axon Enterprises, Inc., in the amount of \$75,000.00; and

WHEREAS, the funding for this purchase will be split among federally seized monies (Account #126-3021-442.90-06), Drug Fund monies (Account #127-3020-442.90-06), and a portion of operational funds (Account #110-3001-441.90-06).

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 Axon Enterprises, Inc. for one Skydio drone utilizing Sourcewell Cooperative Purchasing Agreement #101223-AXN, for use by the Kingsport Police Department in the amount of \$75,000.00.

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

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

ADOPTED this the 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



Axon Enterprise, Inc.
17800 N 85th St
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic: (800) 978-2737
International: +1.800.978.2737

Q-752384-46036ZL

Issued: 01/14/2026

Quote Expiration: 02/28/2026

Estimated Contract Start Date: 04/01/2026

Account Number: 114559

Payment Terms: N30

Mode of Delivery: UPS-GND

Credit/Debit Amount: \$0.00

SHIP TO	BILL TO
Kingsport Police Dept. - TN 200 Shelby St Kingsport, TN 37660-4256 USA	Kingsport Police Dept. - TN 415 Broad St Kingsport TN 37660-4207 USA Email: matt.mcguire@blowingrockfire.org

SALES REPRESENTATIVE	PRIMARY CONTACT
Josh Vance Phone: 770-855-7935 Email: jvance@axon.com Fax:	Matt McGuire Phone: (423) 229-9300 Email: matthewmcguire@kingsporttn.gov Fax:

Quote Summary

Program Length	60 Months
TOTAL COST	\$75,000.00
ESTIMATED TOTAL W/ TAX	\$75,000.00

Discount Summary

Average Savings Per Year	\$1,414.24
TOTAL SAVINGS	\$7,071.20

Payment Summary

Date	Subtotal	Tax	Total
Mar 2026	\$75,000.00	\$0.00	\$75,000.00
Total	\$75,000.00	\$0.00	\$75,000.00

Quote Unbundled Price:	\$82,071.20
Quote List Price:	\$82,071.20
Quote Subtotal:	\$75,000.00

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
A la Carte Hardware									
102002	AXON AIR - SKYDIO DUAL CHARGER X10 230W WALL ADAPTER	1			\$559.00	\$559.00	\$559.00	\$0.00	\$559.00
101738	AXON AIR - SKYDIO X10 PATROL HW KIT	1			\$20,231.00	\$15,659.80	\$15,659.80	\$0.00	\$15,659.80
101737	AXON AIR - SKYDIO SAFE PATROL KIT HW REFRESH	1			\$28,382.00	\$28,382.00	\$28,382.00	\$0.00	\$28,382.00
A la Carte Software									
101967	AXON AIR - SKYDIO BASIC PATROL SW KIT	1	60		\$414.17	\$414.17	\$24,850.20	\$0.00	\$24,850.20
A la Carte Services									
12021	AXON AIR - PROFESSIONAL IMPLEMENTATION	1			\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00
101233	AXON AIR - SKYDIO ACADEMY ONLINE - ALL ACCESS	1	12		\$25.00	\$25.00	\$300.00	\$0.00	\$300.00
A la Carte Warranties									
101508	AXON AIR - SKYDIO - CARE FOR X10 CELLULAR 5G + VT300-Z 3YR	1			\$5,249.00	\$5,249.00	\$5,249.00	\$0.00	\$5,249.00
Total							\$75,000.00	\$0.00	\$75,000.00

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
A la Carte	101737	AXON AIR - SKYDIO SAFE PATROL KIT HW REFRESH	1	1	03/01/2026
A la Carte	101738	AXON AIR - SKYDIO X10 PATROL HW KIT	1	1	03/01/2026
A la Carte	102002	AXON AIR - SKYDIO DUAL CHARGER X10 230W WALL ADAPTER	1	1	03/01/2026

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
A la Carte	101967	AXON AIR - SKYDIO BASIC PATROL SW KIT	1	04/01/2026	03/31/2031

Services

Bundle	Item	Description	QTY
A la Carte	101233	AXON AIR - SKYDIO ACADEMY ONLINE - ALL ACCESS	1
A la Carte	12021	AXON AIR - PROFESSIONAL IMPLEMENTATION	1

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
A la Carte	101508	AXON AIR - SKYDIO - CARE FOR X10 CELLULAR 5G + VT300-Z 3YR	1		

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	200 Shelby St	Kingsport	TN	37660-4256	USA

Payment Details

Mar 2026						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 1	101233	AXON AIR - SKYDIO ACADEMY ONLINE - ALL ACCESS	1	\$300.00	\$0.00	\$300.00
Year 1	101508	AXON AIR - SKYDIO - CARE FOR X10 CELLULAR 5G + VT300-Z 3YR	1	\$5,249.00	\$0.00	\$5,249.00
Year 1	101737	AXON AIR - SKYDIO SAFE PATROL KIT HW REFRESH	1	\$28,382.00	\$0.00	\$28,382.00
Year 1	101738	AXON AIR - SKYDIO X10 PATROL HW KIT	1	\$15,659.80	\$0.00	\$15,659.80
Year 1	101967	AXON AIR - SKYDIO BASIC PATROL SW KIT	1	\$24,850.20	\$0.00	\$24,850.20
Year 1	102002	AXON AIR - SKYDIO DUAL CHARGER X10 230W WALL ADAPTER	1	\$559.00	\$0.00	\$559.00
Year 1	12021	AXON AIR - PROFESSIONAL IMPLEMENTATION	1	\$0.00	\$0.00	\$0.00
Total				\$75,000.00	\$0.00	\$75,000.00

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract Sourcewell #101223-AXN is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms with the Axon's Master Services and Purchasing Agreement, the Sourcewell Contract shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at <https://www.axon.com/sales-terms-and-conditions>), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature

Date Signed

1/14/2026





AGENDA ACTION FORM

Consideration of a Resolution to Refund Series 2013B General Obligation Bonds and Issue General Obligation Refunding Bonds, Series 2026B, Up to \$12,500,000

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-18-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Travis Bishop

Presentation By: Travis Bishop

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:

Approve the Resolution

Executive Summary:

If approved the City will issue up to \$12,500,000 in General Obligation Refunding Bonds, Series 2026B to refinance a portion of the City's outstanding Series 2013B General Obligation Public Improvement Bonds.

The refunding will take advantage of current market conditions to lower interest rates and reduce total debt service costs over the remaining life of the bonds. It is anticipated this refunding will save roughly \$500,000. This action does not create new debt and does not increase the City's tax-supported debt; it simply restructures existing obligations to achieve savings for taxpayers while maintaining the City's strong financial position.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$12,500,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026B, OF THE CITY OF KINGSPORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, pursuant to resolutions duly adopted by the Board of Mayor and Aldermen (the “Board”) of the City of Kingsport, Tennessee (the “Municipality”), there have been authorized and issued those certain General Obligation Public Improvement Bonds, Series 2013B, dated October 21, 2013, issued in the original principal amount of \$27,510,000 (the “Refunded Bonds”);

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended, to issue and sell refunding bonds for the purpose of refunding bonds previously authorized and issued in advance of the maturity or redemption date of such bonds and to pay costs incident to the issuance and sale of the refunding bonds;

WHEREAS, the refunding of the Refunded Bonds will result in costs savings to the Municipality;

WHEREAS, the plan of refunding for the Refunded Bonds has been submitted to the Director of the Office of State and Local Finance for review and a report on the plan of refunding has been issued by such Director;

WHEREAS, it is necessary to appoint an escrow agent for the purpose of ensuring the payment of the principal of, premium, if any, and interest on the Refunded Bonds, and to provide for the execution of an escrow agreement between the Municipality and said escrow agent so as to best provide for the redemption of the Refunded Bonds;

WHEREAS, it is necessary to make provisions for the redemption in advance of the maturity of the Refunded Bonds;

WHEREAS, the Board finds that it is necessary and desirable to issue not to exceed \$12,500,000 General Obligation Refunding Bonds, Series 2026B (the “Bonds”), for the purposes of refunding the Refunded Bonds and paying costs incident to the issuance of the Bonds;

WHEREAS, it is necessary to authorize an official statement in connection with the issuance of the Bonds; and,

WHEREAS, it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of the Bonds:

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

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

“Act” shall mean Title 9, Chapter 21, Tennessee Code Annotated, as amended.

“Authorized Representative of the Municipality” means the then Mayor, the then Recorder, or the then Treasurer, of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

“Board” means the Board of Mayor and Aldermen of the Municipality.

“Bond” means, individually, and “Bonds” means, collectively, the General Obligation Refunding Bonds, Series 2026B of the Municipality, authorized to be issued by this Resolution of the Board.

“Bond Counsel” means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

“Bondholder,” “Owner,” or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then Outstanding Bond or Bonds.

“City Attorney” means the duly appointed City Attorney of the Municipality, or his or her successors.

“Closing Date” means the date of sale, delivery, and payment of the Bonds.

“Code” means the United States Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds, and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or effect the Bonds.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed by the Municipality and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“DTC” means The Depository Trust Company, New York, New York.

“Escrow Agent” means the escrow agent selected by the Municipality to serve as escrow agent under the Escrow Agreement.

“Escrow Agreement” means that certain Escrow Agreement between the Municipality and the Escrow Agent in substantially the form attached hereto as Exhibit “B” with such changes and revisions as may be deemed necessary by the Authorized Representatives of the Municipality executing the Escrow Agreement.

“Government Obligations” means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of federal agencies to the extent unconditionally guaranteed by the United States of America, which Bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

“Interest Payment Date” means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Mayor” means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

“Outstanding,” “Bonds Outstanding,” or “Outstanding Bonds” means, as of a particular date, all Bonds issued and delivered and authenticated under this Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the Municipality at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the Municipality for the benefit of the Owner thereof; (3) any Bond in lieu of or in substitution for which another Bond shall have been delivered and authenticated pursuant to this Resolution, unless proof satisfactory to the Municipality is presented that any Bond, for which a Bond in lieu of or in substitution therefor shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the Bond in lieu of or in substitution for which a new Bond has been delivered and such new Bond so delivered therefor shall be deemed Outstanding; and, (4) any Bond deemed paid under the provisions of this Resolution, except that any such Bond shall be considered Outstanding until the maturity thereof only for the purposes of being exchanged, transferred, or registered.

“Person” means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

“Principal Payment Date” means each date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Recorder” means the duly appointed, qualified, and acting Recorder of the Municipality, or his or her successors.

“Registration Agent” means the registration agent selected by the Municipality, or its successor or successors hereafter appointed in the manner provided in this Resolution.

“Resolution” means this Resolution, as supplemented and amended.

“State” means the State of Tennessee.

“Treasurer” means the duly appointed, qualified, and acting Treasurer of the Municipality, or his or her successors.

Section 3. Authorization. For the purpose of providing funds to finance the Project, to reimburse the Municipality, to pay capitalized interest, to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bonds, there is hereby authorized to be issued General Obligation Refunding Bonds, Series 2026B of the Municipality, in the aggregate principal amount of not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000), or such lesser aggregate amount as may be determined by the Authorized Representatives of the Municipality executing the Bonds. No Bonds may be issued under the provisions of this Resolution except in accordance herewith. The Board hereby finds that the refunding of the Refunded Bonds will result in cost savings to the Municipality.

Section 4. Form of Bonds; Execution. (a) The Bonds, or any series thereof, are issuable only as fully registered bonds, without coupons, in the denomination of \$5,000 or any integral multiple thereof. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit “A” attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. Each series of Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual or facsimile signature of the Mayor and attested with the manual or facsimile signature of the Recorder, and with the official seal, or a facsimile thereof, of the Municipality impressed or imprinted thereon, and shall be approved as to form by the manual or facsimile signature of the City Attorney. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of an officer of the Registration Agent on the certificate set forth on the Bonds.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the respective dates of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Maturities, Interest Rates, Payment, and Certain Other Provisions of Bonds.

(a) The Bonds shall be issued in one or more series, and subject to the adjustments permitted under Section 19 hereof, shall be known as “General Obligation Refunding Bonds, Series 2026B”, shall be dated as of the date of issuance and delivery, and shall have such series designation or other dated date as shall be determined by the Mayor pursuant to Section 19 hereof. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed the maximum rate allowed by law, and upon terms and conditions to be determined. The Bonds shall bear interest from the date thereof at a rate or rates to be hereafter determined by the Municipality when said Bonds, or any series thereof, are sold, but not exceeding the maximum rate allowed by law, such interest being payable (subject to the adjustments permitted under Section 19 hereof) semi-annually on the first day of March and September of each year, commencing September 1, 2026. Subject to the adjustments permitted pursuant to Section 19 hereof, the Bonds shall mature serially or be subject to mandatory redemption and be payable on March 1 of each year, subject to prior optional redemption, as hereinafter provided, either serially or through mandatory redemption, in the years 2027 through 2046, inclusive.

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal of, and the premium, if any, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond.

(b) Interest on the Bonds shall be payable by check or other form of draft of the Registration Agent deposited by the Registration Agent in the United States mail, first class postage prepaid, in sealed envelopes, addressed to the Owners of such Bonds, as of the applicable Interest Payment Date, at their respective addresses as shown on the registration books of the Municipality maintained by the Registration Agent as of the close of business on the fifteenth (15th) calendar day of the month next preceding the applicable Interest Payment Date (the “Regular Record Date”). The principal or redemption price, if any, of all Bonds shall be payable upon presentation and surrender of such Bonds at the principal corporate trust office of the Registration Agent. All payments of the principal of, premium, if any, and interest on, the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

(c) Any interest on any Bond which is payable but is not punctually paid or duly provided for on any Interest Payment Date on which interest is due (hereinafter “Defaulted Interest”) shall forthwith cease to be payable to the Owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by check or other form of draft of the Registration Agent to the persons in whose names the Bonds are registered at the close of business on a date (the “Special Record Date”) for the payment of such Defaulted Interest, which shall be fixed in the following

manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangement satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) calendar days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) calendar days prior to the date of the proposed payment to the Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) calendar days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner at the address thereof as it appears in the registration books of the Municipality maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any Owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on, the Bonds when due.

(d) The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global Bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this Section, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;
- (ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,
- (iii) any Person, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

(e) The Registration Agent is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including, but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with

respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. The Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this subsection (e) of this Section 5.

Section 6. Redemption. (a) Subject to the adjustments permitted under Section 19 hereof, the Bonds maturing March 1, 2027 through March 1, 2036, are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2037, are subject to redemption prior to maturity on March 1, 2036, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par, plus accrued interest to the date fixed for redemption.

(b) Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption. Each such notice of redemption shall state: (1) the redemption date; (2) the redemption price; (3) if less than all Outstanding Bonds are to be redeemed, the registered number and the CUSIP number printed on the Bonds (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (4) that on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date provided sufficient funds are available on such redemption date to fully pay the redemption price of and the interest on the Bonds called for redemption; and, (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registration Agent. Neither failure to mail any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which notice was correctly given.

(c) If notice of redemption shall have been given in the manner and under the conditions provided herein and if on the date so designated for redemption the Registration Agent shall hold sufficient monies to pay the redemption price of, and interest to the redemption date on, the Bonds to be redeemed as provided in this Resolution, then: (1) the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date; (2) interest on the Bonds so called for redemption shall cease to accrue; and, (3) such Bonds shall no longer be Outstanding or secured by, or be entitled to, the benefits of this Resolution, except to receive payment of the redemption price thereof and interest thereon from monies then held by the Registration Agent.

(d) Prior to any redemption date, the Municipality shall deposit with the Registration Agent an amount of money sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be redeemed on that date.

(e) If on the redemption date, monies for the redemption of all Bonds or portions thereof to be redeemed, together with interest thereon to the redemption date, shall not be held by the Registration Agent so as to be available therefor on such date, the Bonds or portions thereof so called for redemption shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Resolution.

(f) In case any Bond is of a denomination larger than \$5,000, a portion of such Bond—\$5,000 or any integral multiple thereof—may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. In selecting Bonds for redemption, the Municipality shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If part but not all of a Bond shall be selected for redemption, the Owner thereof or his, her, or its legal representative shall present and surrender such Bond to the Registration Agent for payment of the principal amount thereof so called for redemption and the premium, if any, on such principal amount thereof so called for redemption, and the Municipality shall execute and the Registration Agent shall authenticate and deliver to such Owner or legal representative, without charge therefor, for the unredeemed portion of the Bond surrendered, a Bond or Bonds of the same maturity, bearing the same interest rate, and of authorized denomination or denominations.

Section 7. Negotiability of Bonds. All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

Section 8. Registration Books and Registration Agent. (a) The Municipality shall appoint a registration agent and paying agent (the “Registration Agent”) with respect to the Bonds and authorizes the Registration Agent, so long as any of the Bonds shall remain Outstanding, to maintain at the principal corporate trust office of the Registration Agent, books for the registration and transfer of the Bonds on behalf of the Municipality. The Registration Agent shall register in such books and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Bond entitled to registration or transfer and to authenticate and deliver the Bonds either at original issuance, upon transfer, or as otherwise directed by the Municipality. The Registration Agent is authorized to make all payments of principal, interest, and redemption premium, if any, with respect to the Bonds.

(b) The Registration Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by a written instrument of acceptance executed and delivered to the Recorder prior to or on the Closing Date.

Section 9. Exchange of Bonds. Bonds upon surrender thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations

authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 10. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Registration Agent at the principal corporate trust office of the Registration Agent, upon the surrender for cancellation thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Registration Agent shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Registration Agent may deem and treat the Person in whose name any Bond shall be registered upon the registration books maintained by the Registration Agent as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or redemption price of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Registration Agent upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

Section 11. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall execute, and the Registration Agent shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer.

(b) Neither the Municipality nor the Registration Agent shall be obligated to exchange or transfer any Bond during the fifteen (15) calendar days next preceding an Interest Payment Date or the first mailing of any notice of redemption or with respect to any Bond, after such Bond has been called for redemption.

Section 12. Mutilated, Lost, Stolen, or Destroyed Bonds. (a) In the event any Bond is mutilated, lost, stolen, or destroyed, the Municipality may execute, and upon the request of an Authorized Representative of the Municipality and the Registration Agent shall deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to

the Municipality and the Registration Agent: (1) such security or indemnity as may be required by an Authorized Representative of the Municipality to save the Municipality and the Registration Agent harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, an Authorized Representative of the Municipality and the Registration Agent may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the Municipality and the Registration Agent. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, an Authorized Representative of the Municipality may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorneys' fees, incurred by the Municipality and the Registration Agent in connection therewith, as well as a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and shall furnish to the Municipality and the Registration Agent such security or indemnity as an Authorized Representative of the Municipality and the Registration Agent may require to save the Municipality and the Registration Agent harmless and evidence to the satisfaction of an Authorized Representative of the Municipality and the Registration Agent, of the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this Section shall constitute an additional contractual obligation of the Municipality (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

Section 13. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Registration Agent shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Registration Agent. Such executed certificate of authentication by the Registration Agent upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution as of the date of authentication. The certificate of authentication of the Registration Agent on any Bond shall be deemed to have been duly executed if manually signed by an authorized officer of the Registration Agent, but it shall not be necessary that the same officer sign and date the certificate of authentication on all Bonds that may be issued hereunder.

Section 14. Permitted Acts and Functions of Registration Agent. The Registration Agent may become the Owner of any Bonds, with the same rights as it would have if it were not a Registration Agent.

Section 15. Resignation or Removal of the Registration Agent and Appointment of Successors. (a) The Registration Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) calendar days' written notice to the Recorder; provided, however, until a successor Registration Agent is appointed the Registration Agent shall continue to carry out the duties and obligations of the Registration Agent created by this Resolution. The Registration Agent may be removed at any time by resolution of the Municipality filed with such Registration Agent. Any successor Registration Agent shall be appointed by resolution of the Municipality and shall be a trust company or a bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Fifty Million Dollars (\$50,000,000), and be willing and able to accept the office of Registration Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

(b) In the event of the resignation or removal of the Registration Agent, such Registration Agent shall pay over, assign, and deliver any monies held by it as Registration Agent, and all books and records held by it as Registration Agent, to its successor, or if there be no successor then appointed, to the Recorder until such successor be appointed.

Section 16. Merger or Consolidation of Registration Agent. Any corporation or association into which the Registration Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party shall be and become successor Registration Agent hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding.

Section 17. Source of Payment and Security. The Bonds, including the principal thereof, the premium, if any, and the interest thereon, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. Said Bonds shall be a direct general obligation of the Municipality, for which the punctual payment of the principal of, premium, if any, and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged. To the extent the proceeds of the Refunded Bonds were used to fund projects for the Municipality's water and sewer system, the Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality's water and sewer system.

Section 18. Levy of Taxes. For the purpose of providing for the payment of the principal of, premium, if any, and interest on, the Bonds, to the extent necessary, there shall be levied in each year in which such Bonds shall be outstanding a direct tax on all taxable property in the Municipality, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal, premium, if any, and interest, or any of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the General Fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected. Such taxes levied and collected therefor shall be deposited in General Fund of the Municipality, and used for the payment of principal and interest on the Bonds as the same shall become due.

Section 19. Sale of Bonds. (a) The Bonds shall be sold at public sale (the “Public Sale”) in the manner provided by law, in one or more series, at a price of not less than ninety-nine percent (99%) of par, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with Raymond James & Associates, Inc., Nashville, Tennessee, the Municipality’s municipal advisor (the “Municipal Advisor”). The Bonds, or any series thereof, shall be sold at public sale by physical delivery of bids or by electronic bidding by means of an internet bidding service as shall be determined by the Mayor, in consultation with the Municipal Advisor.

(b) If the Bonds are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown authorized in Section 3 hereof for each series, and to make corresponding adjustments to the maturity dates of each series designated in Section 5 hereof; provided, however, that the total aggregate principal amount of all series issued does not exceed the total aggregate amount of Bonds authorized to be issued hereunder.

(c) The Mayor is further authorized:

- (1) to change the dated date of the Bonds or any series thereof;
- (2) to specify the series designation of the Bonds, or any series thereof, to a designation;
- (3) to change the first interest payment date on the Bonds, or any series thereof, to a date other than September 1, 2026, provided that such date is not later than twelve (12) months from the dated date of such series of Bonds;
- (4) to adjust the principal and interest payment dates and determined maturity or mandatory redemption amounts of the Bonds, or any series thereof, provided that (i) the total principal amount of all series of Bonds does not exceed the total amount of Bonds authorized herein, (ii) the first maturity date of the Bonds, or any series thereof, is a date not earlier than

March 1, 2027 and (iii) the final maturity date of each series of Bonds shall not exceed twenty (20) fiscal years from the dated date of its series;

(5) to change the optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds, or any series thereof, does not exceed two percent (2%) of the principal amount thereof;

(6) to sell the Bonds, or any series thereof, or any maturities thereof, as term bonds with mandatory redemption requirements as determined by the Mayor, as the Mayor shall deem most advantageous to the Municipality; and,

(7) to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company to achieve the purposes set forth herein and to serve the best interests of the Municipality and to enter into agreements with such insurance company with respect to any series of Bonds to the extent not inconsistent with this Resolution.

(d) The Mayor of the Municipality is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Board. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Board, in one or more series, as the Mayor shall deem to be advantageous to the Municipality, and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than "General Obligation Refunding Bonds, Series 2026B"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this Resolution or bonds authorized by other resolution or resolutions adopted by the Board.

(e) The Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on the Bonds does not exceed the maximum rate allowed by law. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Board with respect thereto shall be required. The form of the Bond attached hereto as Exhibit "A," shall be conformed to reflect any changes made pursuant to this Section.

(f) The Mayor and the Recorder are authorized to cause the Bonds to be authenticated and delivered to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. Notice of such Public Sale shall be given in accordance with the provisions of the Act.

Section 20. Approval of Preliminary Official Statement and Official Statement. (a) The Mayor, the Recorder, and the City Manager, or any of them, working with the Municipal Advisor, are hereby authorized to cause the preparation and distribution, which may include electronic

distribution, of a Preliminary Official Statement in connection with the sale of the Bonds in such form and containing such information as the Mayor shall determine appropriate and consistent with the terms of this Resolution and to deem the Preliminary Official Statement final for the purpose of Securities and Exchange Commission Rule 15c(2)(12).

(b) The Board hereby authorizes an Official Statement of the Municipality substantially in the form of the Preliminary Official Statement relating to the Bonds, with such modifications thereto as the Mayor and the Recorder approve. The Mayor and Recorder are hereby authorized and directed to execute copies of said Official Statement and to deliver said Official Statement to the purchaser of such Bonds, which execution and delivery shall be conclusive evidence of the approval of any such modifications; and the Board hereby consents to the lawful use of said Official Statement and the information contained therein in connection with the public offering and sale of the Bonds by the initial purchaser of such Bonds. The Mayor and the Recorder are authorized to deem the Official Statement final for the purpose of Securities and Exchange Commission Rule 15(c)(2)(12).

(c) The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of pricing and other information.

Section 21. Disposition of Bond Proceeds and Other Funds. The proceeds of the sale of the Bonds and certain other funds shall be used and applied as follows:

(a) Accrued interest, if any, shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof and used to pay interest on the Bonds on the first Interest Payment Date following delivery of the Bonds.

(b) Such amount as is necessary from the principal proceeds, and premium received, if any, from the sale of the Bonds shall be deposited with the Escrow Agent under the Escrow Agreement to be invested as set forth therein to provide for the payment of the principal of, interest on, and redemption premium, if any, in connection with the Refunded Bonds.

(c) Any amounts remaining from the principal proceeds of the sale of the Bonds shall be used for the purpose of paying the costs incurred in connection with the issuance of the Bonds.

Section 22. Escrow Agreement; Appointment of Escrow Agent. The Escrow Agreement between the Municipality and the Escrow Agent in the form attached hereto as Exhibit "B" is hereby approved, and the Mayor and the Recorder are hereby authorized and directed to execute such Escrow Agreement, in substantially such form with such changes as may be approved by the Mayor and the Recorder, their execution of such Escrow Agreement to be conclusive evidence of their approval of such changes, and to make provision for the execution of such Escrow Agreement

by the appropriate officials of the Escrow Agent, as such Escrow Agent is designated by the Municipality.

Section 23. Redemption of Refunded Bonds. Upon the issuance of the Bonds, the Refunded Bonds shall be called for redemption in accordance with the provisions of the applicable resolution authorizing the issuance of the Refunded Bonds. Notices of call for redemption shall be given by the Escrow Agent to the holders of the Refunded Bonds in the manner required as set forth in the applicable resolution authorizing the issuance of the Refunding Bonds.

Section 24. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owners of any series of tax-exempt Bonds issued hereunder that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the Municipality represents that in the event it shall be required by Section 148(f) of the Code to pay “Rebatable Arbitrage,” as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owners of the Bonds for purposes of federal income taxation.

Section 25. Continuing Disclosure. The Municipality hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the Municipality to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Municipality to comply with its obligations under this Section. For purposes of this Section, “Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the Owner of any Bonds for federal income tax purposes.

Section 26. Amendments. After the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution shall be made in any manner, until such

time as all of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owners of all the Outstanding Bonds have been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of the Bondholders. The laws of the State of Tennessee shall govern this Resolution.

Section 27. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for purposes of federal income taxation.

Section 28. Discharge and Satisfaction of Bonds. The Municipality shall pay and discharge the entire indebtedness evidenced by any of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of, premium, if any, and interest on, the Bonds, as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or bank whose deposits are insured by the Federal Deposit Insurance Corporation and which has trust powers ("a Trustee"; which Trustee may be the Registration Agent), in trust, at or before the date of maturity or redemption, sufficient monies or Government Obligations, the principal of and interest on which, when due and payable, will provide sufficient monies to pay or redeem the Bonds Outstanding hereunder and to pay premium, if any, and interest thereon when due until the maturity or redemption date; provided, if such Bonds are to be redeemed prior to the maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice; or,

(c) By delivering such Bonds to the Registration Agent, for cancellation by such Registration Agent.

If the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the Board instruct any such Trustee to pay amounts when and as required to the Registration Agent for the payment of principal of, premium, if any, and interest on, such Bonds when due, then and in that case indebtedness evidenced by such Bonds shall be discharged and satisfied, and all covenants, agreements, and obligations of the Municipality to the owners of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate, and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the Owners thereof shall thereafter be entitled only to payment out of the monies or Government Obligations deposited as aforesaid.

Except as otherwise provided in this Section neither Government Obligations nor monies deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on, said Bonds; provided that any cash received from such principal or interest payments on such Government Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the principal of, premium, if any, and interest, to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent.

Nothing contained in this Section shall be construed to alter or change the redemption provisions set forth herein. No redemption privilege shall be exercised with respect to the Bonds except at the option and election of the Municipality. The optional right of redemption shall not be exercised by the Registration Agent unless expressly so directed by an Authorized Representative of the Municipality.

Section 29. Miscellaneous Acts. The Mayor, the Recorder, the Treasurer, the City Manager, and the City Attorney, and all other appropriate officials of the Municipality are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including, but not limited to, entering into an agreement with the Municipal Advisor to provide municipal advisory services for the Municipality and services related to the issuance, sale, and delivery of the Bonds, entering into an agreement with a dissemination agent to provide continuing disclosure services, and making arbitrage certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds and the redemption of the Refunded Bonds.

Section 30. Failure to Present Bonds. (a) In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Registration Agent for the benefit of the Owner thereof, all liability of the Municipality to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Registration Agent shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under the Resolution or on, or with respect to, said Bond.

(b) If any Bond shall not be presented for payment within a period of five (5) years following the date when such Bond becomes due, whether by maturity or otherwise, the Registration Agent shall, subject to the provisions of any applicable escheat or other similar law, pay to the

Treasurer or the official of the Municipality designated by law as the custodian of such funds, any monies then held by the Registration Agent for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the Municipality.

Section 31. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Registration Agent are authorized by law to close, then the payment of the interest on, or the principal of such Bonds need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Registration Agent are authorized by law to close, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 32. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in the Initial Resolution or this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Initial Resolution or this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 33. Partial Invalidity. If any one or more of the provisions of this Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 34. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or enforceability of such section, paragraph, or provision shall not affect any of the remaining provisions hereof.

Section 35. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Approved and adopted this 20th day of January, 2026.

MAYOR

ATTEST:

APPROVED AS TO FORM:

RECORDER

CITY ATTORNEY

STATE OF TENNESSEE
COUNTIES OF SULLIVAN AND HAWKINS

I, Travis Bishop, hereby certify that I am the duly qualified and acting Recorder of the City of Kingsport, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen (the "Board") of said Municipality held on January 20, 2026; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the authorization, issuance, and sale of not to exceed \$12,500,000 General Obligation Refunding Bonds, Series 2026B of said Municipality; (4) that the actions by said Board, including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purposes; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said Municipality this 20th day of January, 2026.

RECORDER

(SEAL)

EXHIBIT "A"
FORM OF BOND

Registered
No. _____

Registered
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTIES OF SULLIVAN AND HAWKINS
CITY OF KINGSFORT
GENERAL OBLIGATION REFUNDING BOND,
SERIES 2026B

Interest Rate: Maturity Date: Dated Date: CUSIP:

Registered Owner: CEDE & CO.

Principal Amount:

THE CITY OF KINGSFORT, TENNESSEE (the "Municipality"), a lawfully organized and existing municipal corporation located in Sullivan and Hawkins Counties, Tennessee, for value received, hereby acknowledges itself indebted and promises to pay, as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, unless this bond shall have been duly called for prior redemption and payment of the redemption price shall have been made or provided for, upon the presentation and surrender hereof at the principal corporate trust office of U.S. Bank Trust Company, National Association, or its successor as paying agent and registration agent (the "Registration Agent"), the Principal Amount identified above, in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay interest on said Principal Amount from the date hereof, or such later date as to which interest has been paid, semiannually on March 1 and September 1 of each year (the "Interest Payment Date"), commencing September 1, 2026, to said Registered Owner hereof by check or other form of draft of the Registration Agent mailed to the Registered Owner at the address shown on the registration books of the Municipality, maintained by the Registration Agent, as of the close of business on the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date (the "Regular Record Date"), in like coin or currency at the Interest Rate per annum set forth above until payment of said Principal Amount. Provided, however, that should the Municipality default in the payment of interest

on such Interest Payment Date, such defaulted interest (the “Defaulted Interest”) shall be payable to the person in whose name this bond is registered at the close of business on a date (the “Special Record Date”) for the payment of such Defaulted Interest established by notice mailed by the Registration Agent on behalf of the Municipality not less than ten (10) calendar days preceding such Special Record Date by first-class mail, postage prepaid, to the Registered Owner hereof at the address thereof as it appears on the registration books of the Municipality maintained by the Registration Agent as of the date of such notice, which notice shall identify the proposed payment of such Defaulted Interest and the Special Record Date therefor.

In the event that any amount payable hereunder as interest shall at any time exceed the rate of interest lawfully chargeable on this bond under applicable law, any such excess shall, to the extent of such excess, be applied against the principal hereof as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal hereof and all installments of interest hereon, shall bear interest from and after their respective due dates at the same rate of interest payable on the principal hereof.

This bond is authorized and issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended. Section 9-21-117, Tennessee Code Annotated, as amended, provides that this bond and the income therefrom shall be exempt from all state, county, and municipal taxation in the State of Tennessee, except as otherwise provided in said Code.

This bond is one of a series of bonds known as “General Obligation Refunding Bonds, Series 2026B” (the “Bonds”), issued by the Municipality in the aggregate principal amount of \$_____. The Bonds, which are issued for the purposes of providing funds to refund all outstanding maturities of those certain General Obligation Public Improvement Bonds, Series 2103B, dated October 21, 2013, issued in the original principal amount of \$27,510,000, dated October 21, 2013 (the “Refunded Bonds”) and to pay costs incident to the issuance and sale of the Bonds. The Bonds are authorized by appropriate resolutions of the Board of Mayor and Aldermen and particularly that certain Resolution of the Board of Mayor and Aldermen adopted on January 20, 2026, entitled “Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$12,500,000 General Obligation Refunding Bonds, Series 2026B, of the City of Kingsport, Tennessee, and Providing the Details Thereof,” as such resolution may be from time to time amended or supplemented in accordance with its terms (such resolution, as so amended or supplemented, being herein called the “Resolution”), and is issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended (the “Act”). Copies of said Resolution are on file at the office of the Recorder of the Municipality, and reference is hereby made to said Resolution and the Act, for a more complete statement of the terms and conditions upon which the Bonds are issued thereunder, the rights, duties, immunities, and obligations of the Municipality, and the rights of the Registered Owner hereof.

This bond is payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. For the prompt payment of this bond, both principal, premium, if any, and interest, as the same shall become due, the full faith, and credit of the Municipality is hereby irrevocably pledged. To the extent the proceeds of the Refunded Bonds were used to fund projects for the Municipality's water and sewer system, the Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality's water and sewer system. To the extent the proceeds of the Bonds are used to fund projects for the Municipality's water and sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality's water and sewer system.

The Municipality and the Registration Agent may deem and treat the person or entity in whose name this bond is registered as the absolute owner hereof, whether such bond shall be overdue or not, for the purpose of receiving payment of the principal of, premium, if any, and interest on, this bond and for all other purposes. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid, and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

The Bonds are issuable only as fully registered Bonds, without coupons, in the denomination of \$5,000, or any authorized integral multiple thereof. At the principal corporate trust office of the Registration Agent, in the manner and subject to the limitations, conditions, and charges provided in the Bond Resolution, Bonds may be exchanged for an equal aggregate principal amount of fully registered Bonds of the same maturity, of authorized denominations, and bearing interest at the same rate.

The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this paragraph, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;
- (ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,

(iii) any Person, as defined in the Resolution, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

Subject to the provisions for registration and transfer contained herein and in the Resolution, this bond shall be transferable by the Registered Owner at the principal office of the Registration Agent upon surrender and cancellation of this bond, and thereupon a new Bond of the same series, principal amount, interest and maturity will be issued to the transferee as provided in the Resolution and upon payment of the transfer charges therein prescribed. Upon any such transfer, the Municipality shall execute and the Registration Agent shall authenticate and deliver in exchange for this bond a new fully registered bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate. For every exchange or transfer of bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, or other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Municipality and the Registration Agent, and any other person, may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof, and for all other purposes, and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

The Bonds maturing March 1, 2027 through March 1, 2036 are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2037, are subject to redemption prior to maturity on March 1, 2036, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par plus accrued interest to the date fixed for redemption.

Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Registered Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption.

This bond shall have all the qualities and incidents of, and shall be a negotiable instrument under, the Uniform Commercial Code of the State of Tennessee, subject only to provisions respecting registration of such bond. This bond is issued with the intent that the laws of the State of Tennessee shall govern its construction.

It is hereby certified, recited, and declared that all acts and conditions required to be done and to exist precedent to, and in the issuance of, this bond in order to make this bond a legal, valid, and binding obligation of the Municipality, have been done, and did exist in due time and form as required by the Constitution and statutes of the State of Tennessee, and that this bond and the issue of which

it is a part, together with all other indebtedness of such Municipality, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee.

IN WITNESS WHEREOF, THE CITY OF KINGSPORT, TENNESSEE, by its Board of Mayor and Aldermen has caused this bond to be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Recorder, to have its official seal, or a facsimile thereof, to be impressed or imprinted hereon, and to be approved as to form by the manual or facsimile signature of the City Attorney, all as of the Dated Date.

MAYOR

(SEAL)

ATTEST:

APPROVED AS TO FORM:

RECORDER

CITY ATTORNEY

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the provisions of the within mentioned Resolution and is one of the General Obligation Refunding Bonds, Series 2026B of the City of Kingsport, Tennessee.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Registration Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social
Security Number of Assignee)

the within-registered Bond and do(es) hereby irrevocably constitute and appoint, attorney, to transfer the same on the registration books of the Registration Agent, with full power of substitution in the premises.

Dated:_____

SIGNATURE GUARANTEED:

SIGNATURE:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT “B”

FORM OF ESCROW AGREEMENT

ESCROW AGREEMENT

This Escrow Agreement (the “Escrow Agreement”), dated _____, 2026 between U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION (the “Escrow Agent”), and the CITY OF KINGSPORT, TENNESSEE (the “Municipality”).

W I T N E S S E T H:

WHEREAS, the Municipality has issued its \$_____ General Obligation Refunding Bonds, Series 2026B, dated the date of original issuance and delivery (the “Bonds”), for the purposes of (a) redeeming all outstanding maturities of those certain General Obligation Public Improvement Bonds, Series 2013B, issued in the original principal amount of \$27,510,000, dated October 21, 2013 (the “Refunded Bonds”); (b) paying on their respective due dates interest on the Refunded Bonds, (c) paying any applicable redemption premium on the Refunded Bonds, and (d) paying the costs of issuance incurred in connection with the issuance of the Bonds;

WHEREAS, pursuant to a resolution adopted by the Municipality on January 20, 2026, authorizing the issuance of the Bonds (the “Resolution”), the Escrow Agent has been appointed Escrow Agent by the Municipality for the purpose of assuring the payment of the principal of and interest on the Refunded Bonds and the Mayor and the Recorder of the Municipality have been authorized and directed to execute this Escrow Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Municipality and the Escrow Agent have agreed and hereby agree as follows for the equal and proportionate benefit and security of the owners of the Refunded Bonds:

Section 1. The Municipality will hereafter cause to be deposited with the Escrow Agent for the account of the Municipality from the proceeds of the Bonds the sum of \$_____, such amount together with the investment income from all such monies is herein referred to as the Escrow Fund.

Section 2. The Municipality has called for redemption on April 15, 2026 all maturities of the Refunded Bonds in the aggregate principal amount of \$_____.

Notice of call for redemption with respect to such Refunded Bonds shall be given by the Escrow Agent on behalf of the Municipality to the owners of the Refunded Bonds as required in the resolutions authorizing said Refunded Bonds.

Section 3. (a) The Escrow Fund shall be immediately invested in direct obligations of the United States of America (“Investment Securities”) in the following manner:

The amount of \$_____ shall be invested in the Investment Securities described in Schedule B attached at the prices therein stated (which will result in the yield to the

Municipality from such Investment Securities being _____% per annum), all as more fully described in Schedule B hereto attached, resulting in an initial cash balance in said fund from such proceeds of \$_____.

The investment income from the Investment Securities in the Escrow Fund shall be credited to such fund and shall not be reinvested; provided, however, that the Escrow Agent may reinvest any monies remaining from time to time in the Escrow Fund in Investment Securities as shall be directed in writing by the Mayor of the Municipality; provided, that as a condition precedent to such reinvestment, when and only when (i) the Escrow Agent receives an opinion of counsel of recognized experience in matters under Section 148 of the Internal Revenue Code of 1986, as amended, relating to arbitrage bonds, that such reinvestment will not cause the Refunded Bonds to be arbitrage bonds (except that an opinion of counsel shall not be required if such reinvestment is in Zero Interest State and Local Government Series Securities issued by the Borrower of the Public Debt of the U.S. Department of the Treasury), and (ii) such reinvestment will not reduce the amount of money available to pay principal of and interest and redemption premiums on the Refunded Bonds when due below the amount necessary to make such payment. Any Investment Securities shall be direct obligations of the United States of America.

(b) The Escrow Agent shall not sell or request the redemption of any Investment Security; provided, that Investment Securities in the Escrow Fund may be replaced by the Municipality as directed in writing by the Mayor of the Municipality when and only when (i) the Escrow Agent receives an opinion of counsel of recognized experience in matters under Section 148 of the Internal Revenue Code of 1986, as amended, relating to arbitrage bonds, that such replacement will not cause the Refunded Bonds or the Bonds to be arbitrage bonds, and (ii) such replacement will not reduce the amount of money available to pay principal of and interest and redemption premiums on the Refunded Bonds when due below the amount necessary to make such payment. Any replacement Investment Securities shall be direct obligations of the United States of America.

Section 4. No paying agents' fees for the payment of principal of or interest on the Bonds or the Refunded Bonds or registrar's fees or other charges may be paid from the escrowed money or Investment Securities prior to retirement of all Refunded Bonds and the Municipality agrees that it will pay all such fees from its other legally available funds as such payments become due prior to such retirement.

Section 5. At such time or times as there shall be insufficient funds on hand in the Escrow Fund for the payment of principal and interest falling due on the Refunded Bonds, the Escrow Agent shall promptly notify the Municipality of such deficiency.

Section 6. The Escrow Agent shall deliver to the Recorder of the Municipality a report of each transaction relating to the Escrow Fund as such transaction occurs, and on or before the first day of August of each year shall deliver to the Recorder a report of the financial condition of the Escrow Fund as of June 30 of such year and an operating statement for the Escrow Fund for the year ending June 30 of such year.

Section 7. The Escrow Agent agrees with the Municipality that the fee of the Escrow Agent throughout the term of this Escrow Agreement shall be (a) an annual administrative fee equal to \$_____ payable on the date hereof and annually thereafter on each March 1, and (b) a wire fee equal to \$__ per wire, payable as required, and the Municipality hereby agrees to pay such fees.

Section 8. The Escrow Agent shall without further authorization or direction from the Municipality collect the principal of and interest on the Investment Securities promptly as the same shall fall due and, to the extent that Investment Securities and monies are sufficient for such purpose, shall make timely payments out of the Escrow Fund to the proper paying agent or agents or their successors for the Refunded Bonds, or monies sufficient for the payment of the principal of, premium, and interest on such Refunded Bonds as the same shall become due and payable, all as set out in the collective Exhibit "A" hereof. The payments so forwarded or transferred shall be made in sufficient time to permit the payment of such principal and interest (and premium) by such paying agent or agents without default. The Municipality represents and warrants that the Escrow Fund, if held, invested, and disposed of by the Escrow Agent in accordance with the provisions of this Escrow Agreement, will be sufficient to make the foregoing and all other payments required under this Escrow Agreement. The proper paying agents for the Refunded Bonds are shown in Exhibit "A". When the aggregate total amount required for the payment of principal of and interest (and premium) on the Refunded Bonds has been paid to the paying agent bank(s) as hereinabove provided, the Escrow Agent shall transfer monies or Investment Securities then held hereunder to the Municipality and this Escrow Agreement shall cease.

Section 9. The Escrow Agent and the Municipality recognize that the holders from time to time of the Refunded Bonds have a beneficial and vested interest in the Investment Securities and moneys to be held by the Escrow Agent as herein provided and in the provisions of this Escrow Agreement. It is therefore recited, understood and agreed that this Escrow Agreement shall not be subject to revocation or amendment until its provisions have been fully carried out.

Section 10. The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the Municipality or any paying agent of any of its obligations, or to protect any of the Municipality's rights under any bond proceeding or any of the Municipality's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. The Escrow Agent shall not be liable for any act done or step taken or omitted by it, or for any mistake of fact or law, or for anything which it may do or refrain from doing, except for its negligence or its willful misconduct. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, or in the Refunded Bonds or the Bonds or in any proceedings taken in connection therewith, but they are made solely by the Municipality. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this Escrow Agreement and in full compliance with the provisions hereof.

The Escrow Agent shall perform only such duties and responsibilities as are expressly set forth in this Escrow Agreement and no other or further duties or responsibilities shall be implied. The Escrow Agent may consult with counsel of its choice with respect to any question relating to its duties and responsibilities hereunder or otherwise in connection herewith, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or not taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The Escrow Agent shall be entitled to rely and shall be protected in acting in reliance upon any instructions or directions furnished to it in writing or pursuant to the provisions of this Escrow Agreement and shall be entitled to treat as genuine, and as the document it purports to be, any letter, paper, or other document furnished to it and believed by it to be genuine and to have been signed and presented by the proper party or parties. The Escrow Agent may execute any of its trusts or powers and perform any of its duties under this Escrow Agreement by or through attorneys, agents, or employees. The Escrow Agent is not liable for the accuracy of the calculations as to the sufficiency of the Investment Securities and money to pay the Refunded Bonds. If the Escrow Agent applies the Investment Securities and money as provided in this Escrow Agreement, the Escrow Agent will not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by the calculations.

The Escrow Agent may at any time resign and be discharged from its duties and obligations hereunder by giving thirty (30) calendar days notice, in writing, to the Municipality of such resignation specifying when such resignation shall take effect which date shall not be less than sixty (60) calendar days from the date of such notice. The Municipality shall promptly appoint a successor escrow agent by the resignation date. If the Municipality does not appoint a successor by the resignation date, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent, which court may thereupon, appoint a successor escrow agent. In the event the Escrow Agent resigns, the Municipality shall be responsible for any unpaid fees of the Escrow Agent through the effective date of the resignation. Any corporation, association, or other entity into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust assets and business, or any corporation, association, or other entity resulting from any such conversion, sale, merger, consolidation, or other transfer to which it is a party, ipso facto, shall be and become successor escrow agent hereunder, vested with all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of the parties hereto, notwithstanding anything herein to the contrary.

The Municipality may remove the Escrow Agent at any time, by giving thirty (30) calendar days notice, in writing, to the Escrow Agent specifying when such removal shall take effect. The Municipality shall appoint a successor escrow agent by the removal date.

Section 11. None of the provisions contained in this Escrow Agreement shall require the Escrow Agent to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights or powers hereunder. The Escrow

Agent shall be under no liability for interest on any fund or other property received by it hereunder, except as herein expressly provided.

Section 12. The Municipality agrees that it will promptly and without delay remit to the Escrow Agent, within ten (10) days after receipt of its written request, such additional sum or sums of money as may be necessary to assure the payment of the Refunded Bonds and to fully pay and discharge any obligation or obligations or charges, fees or expenses incurred by the Escrow Agent in carrying out any of the duties, terms or provisions of this Escrow Agreement that are in excess of the sums provided for under Section 7 hereof.

Section 13. The Escrow Agent shall hold the Investment Securities and all money received by it from the collection of principal of and interest on the Investment Securities, and all money received from the Municipality hereunder, in a special fund and separate trust account wholly segregated from all other funds and investments deposited with the Escrow Agent, and shall never commingle such investments with other money or investments. Title to such Investment Securities and money shall remain in the Municipality.

Section 14. If any provision of this Escrow Agreement shall be held or deemed to be invalid or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 15. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

Section 16. Any notice, request, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed, by registered or certified mail, postage prepaid or sent by telegram as follows:

If to the Municipality:

City of Kingsport
225 West Center Street
Kingsport, Tennessee 37660-4285
Attention: Recorder

To the Escrow Agent:

U.S. Bank Trust Company, National Association
333 Commerce Street, Suite 900
Nashville, Tennessee 37201
Attention: Global Corporate Trust Services

The Municipality and the Escrow Agent may designate any further or different addresses to which subsequent notices, requests, communications or other papers shall be sent.

Section 17. This Escrow Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF, the Municipality has caused this Escrow Agreement to be signed in its name by the Mayor of the Municipality and attested by the Recorder and the official seal of the Municipality to be impressed hereon, and the Escrow Agent has caused this Escrow Agreement to be signed in its corporate name by its duly authorized representative, all as of the date first above written.

(SEAL)

CITY OF KINGSPORT

By: _____
MAYOR

Attest:

By: _____
RECORDER

APPROVED AS TO FORM:

CITY ATTORNEY

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Escrow Agent

By: _____
Vice President

SCHEDULE A

\$27,510,000 General Obligation Public Improvement Bonds, Series 2013B
dated October 21, 2013

<u>Payment Date</u>	<u>Interest</u>	<u>Called Principal*</u>	<u>Call Premium</u>	<u>Total Amount Due</u>
April 15, 2026			-0-	

*

Paying Agent: **Regions Bank**

SCHEDULE B

Escrow Agreement, dated _____, 2026
City of Kingsport, Tennessee

Investment Securities to be acquired pursuant
to the Escrow Agreement for \$_____

See attached schedules

Initial Cash Balance \$_____



AGENDA ACTION FORM

Consideration of an Initial Resolution Authorizing the Issuance of Not-to-Exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-19-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Travis Bishop

Presentation By: Travis Bishop

Strategic Focus Area: 1. Efficient & Responsive Government, , 2. Sustainable Infrastructure, 3. Exceptional Cultural & Recreational Opportunities 4. Safe & Welcoming Community, 5. Strong & Vibrant Neighborhoods, 6. World-Class Education

Recommendation:

Approve the Resolution

Executive Summary:

If approved this resolution authorizes the City to issue up to \$16,500,000 in General Obligation Public Improvement Bonds, Series 2026A to finance multiple capital improvement projects across the City.

Proceeds may be used for public schools, public buildings, roads and infrastructure, the Convention Center and Golf Course, and sewer system improvements, as well as related land, equipment, professional services, capitalized interest, and issuance costs.

This action does not set final interest rates or repayment terms. It initiates the legal process required by Tennessee law.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$16,500,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026A OF THE CITY OF KINGSPORT, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

WHEREAS, it is necessary and in the public interest of the City of Kingsport, Tennessee (the “Municipality”), to issue its General Obligation Public Improvement Bonds, Series 2026A (the “Bonds”), for the purpose of financing certain public works projects, as hereinafter specified.

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

SECTION 1. That for the purpose of financing a portion of the costs of certain public works projects, consisting of the acquisition of public art; acquisition, construction, improvement, renovation and equipping of public school facilities; acquisition, construction, renovation, improvement and equipping of public buildings within the Municipality; construction, expansion and improvement of roads, streets, bridges, parking and infrastructure; improvement and equipping of the Municipality’s convention center and golf course, including a new pump system and mowers for the golf course; construction, expansion, improvement and equipping of the Municipality’s sewer system; acquisition of all property real and personal, appurtenant thereto or connected with such work; and to pay legal, fiscal, administrative, and engineering costs; to reimburse the Municipality for the costs of any of the above projects, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds, the issuance of the Bonds of the Municipality in the aggregate principal amount of not to exceed Sixteen Million Five Hundred Thousand Dollars (\$16,500,000) is hereby authorized. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed the maximum rate allowed by law, and upon terms and conditions to be later determined.

SECTION 2. That the principal of, premium, if any, and interest on, the Bonds, shall be payable from funds of the Municipality legally available therefor, and to the extent necessary, from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Bonds, the full faith and credit of the Municipality will be irrevocably pledged. To the extent the proceeds of the Bonds are used to fund projects for the Municipality’s convention center and golf course, the Bonds shall additionally be payable from, but not secured by, revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee, and revenues to be derived from the operation of the Municipality’s convention center and golf course. To the extent the proceeds of the Bonds are used to fund projects for the Municipality’s sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality’s sewer system.

SECTION 3. That the Bonds described and authorized by this Resolution shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended (the “Act”).

SECTION 4. That after the adoption of this Resolution, the Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. That this Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 20th day of January, 2026.

MAYOR

ATTEST:

APPROVED AS TO FORM:

RECORDER

CITY ATTORNEY

NOTICE

The foregoing Resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition, signed by at least ten percent (10%) of the registered voters of the City of Kingsport, Tennessee, shall have been filed with the Recorder protesting the issuance of the Bonds, such Bonds will be issued as proposed.

STATE OF TENNESSEE)
COUNTIES OF HAWKINS AND)
SULLIVAN)

I, Travis Bishop, hereby certify that I am the duly qualified and acting Recorder of the City of Kingsport, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of an Initial Resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen of said Municipality held on January 20, 2026 (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates to, among other matters, the authorization of the issuance of not to exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A of said Municipality; (4) that the actions by the said Board of Mayor and Aldermen, including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Board of Mayor and Aldermen was present and acting throughout the meeting.

WITNESS my official signature and seal of said Municipality this 20th day of January, 2026.

RECORDER

(SEAL)

City of Kingsport
Bond Issue February 2026
Schedule of Capital Projects To Be Funded

FY 2026 Debt Issuance	Category	Anticipated Bond Issuance	Life Expectancy (Years)
General Fund			
Jessee and Memorial Intersection	Infrastructure	\$ 750,000	20
Jack White and Eastman Road Intersection	Infrastructure	650,000	20
Netherland Inn Road Bridge approaches	Infrastructure	750,000	20
Eastman Road/Lincoln Street Bridge	Infrastructure	1,100,000	20
Watauga Street Rebuild	Infrastructure	2,000,000	20
Clinchfield Rd Bridge	Infrastructure	1,100,000	20
Lynn Garden Elementary School Architecture	Building	600,000	30
SIA Road	Infrastructure	750,000	20
Senior Center Parking Lot	Infrastructure	750,000	20
Washington School HVAC/Chiller	Equipment	<u>2,300,000</u>	20
Total General Fund		\$ 10,750,000	
Sewer Fund			
Pendragon	Infrastructure	1,000,000	20
Watauga Street Sewer Improvements	Infrastructure	<u>2,000,000</u>	20
Total Sewer Fund		\$ 3,000,000	
Aquatics Fund			
Replaster Pools - Requires Separate Issue	Equipment	<u>\$ -</u>	10
Total Aquatics Fund		\$ -	
Cattails Fund			
Cattails Pump System Replacement - Course	Infrastructure	\$ 1,000,000	20
Golf Course Equipment - Mowers	Equipment	<u>500,000</u>	7
Total Cattails Fund		<u>\$ 1,500,000</u>	
Grand Total Projects Funded		<u>\$ 15,250,000</u>	



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Execution, Sale, and Issuance of Not-to-Exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-20-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Travis Bishop

Presentation By: Travis Bishop

Strategic Focus Area: 1. Efficient & Responsive Government, 2. Sustainable Infrastructure, 3. Exceptional Cultural & Recreational Opportunities 4. Safe & Welcoming Community, 5. Strong & Vibrant Neighborhoods, 6. World-Class Education

Recommendation:

Approve the Resolution

Executive Summary:

This resolution authorizes the terms, sale, and issuance of up to \$16,500,000 in General Obligation Public Improvement Bonds, Series 2026A, following adoption and publication of the Initial Resolution.

The resolution approves the structure of the bonds, authorizes the Mayor to sell the bonds at public sale, and allows City officials to execute all documents required to complete the transaction, including the Official Statement, closing certificates, and continuing disclosure filings.

Bond proceeds will fund capital improvements including public schools, public buildings, streets and infrastructure, the Convention Center and Golf Course, and sewer system improvements, as well as costs of issuance and reimbursement of prior eligible expenditures.

The bonds will be secured by the City's full faith and credit and, as applicable, supported by Convention Center, Golf Course, and sewer revenues. Final interest rates and debt service will be determined at the time of sale based on market conditions.

Attachments:

1. Resolution

Item XI12.

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

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$16,500,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026A, OF THE CITY OF KINGSPORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, on January 20, 2026, the Board of Mayor and Aldermen (the “Board”) of the City of Kingsport, Sullivan and Hawkins Counties, Tennessee (the “Municipality”), adopted an “Initial Resolution Authorizing the Issuance of Not to Exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A of the City of Kingsport, Tennessee, to Provide Funding for Certain Public Works Projects and to Fund the Incidental and Necessary Expenses Related Thereto” (the “Initial Resolution”), authorizing and directing, among other things, the issuance by the Municipality of its general obligation public improvement bonds for the purpose of financing a portion of the costs of certain public works projects, consisting of the acquisition of public art; acquisition, construction, improvement, renovation and equipping of public school facilities; construction, expansion and improvement of roads, streets, bridges, parking and infrastructure; improvement and equipping of the Municipality’s convention center and golf course, including a new pump system and mowers for the golf course; construction, expansion, improvement and equipping of the Municipality’s sewer system; acquisition of all property real and personal, appurtenant thereto or connected with such work; and to pay legal, fiscal, administrative, and engineering costs (collectively, the “Project”); to reimburse the Municipality for the costs of any of the above projects, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds;

WHEREAS, the Recorder of the Municipality published a copy of the Initial Resolution and the Notice required by Section 9-21-206, Tennessee Code Annotated, as amended, in a newspaper of general circulation within the Municipality;

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended, to issue and sell bonds for the purpose of financing the Project;

WHEREAS, the Initial Resolution authorized payment of the principal of, interest on, and the premium, if any, of the bonds from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, or amount, and for the punctual payment of said principal of, premium, if any, and interest on, the Bonds, the full faith and credit of the Municipality will be irrevocably pledged; to the extent the proceeds of the Bonds are used to fund projects for the Municipality’s convention center and golf course, the Bonds shall additionally be payable from, but not secured by, revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee, and revenues to be derived from the operation of the Municipality’s convention center and golf course; and to the extent the proceeds of the Bonds are used to fund projects for the Municipality’s sewer system, such Bonds shall additionally be payable

from, but not secured by, revenues to be derived from the operation of the Municipality's sewer system;

WHEREAS, the Board finds that it is necessary and desirable to issue not to exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A (the "Bonds"), for the purposes of financing the costs of the Project, reimbursing the Municipality, paying capitalized interest, and paying costs incident to the issuance of the Bonds;

WHEREAS, it is necessary to authorize an official statement in connection with the issuance of the Bonds; and,

WHEREAS, it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of the Bonds:

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

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

"Act" shall mean Title 9, Chapter 21, Tennessee Code Annotated, as amended.

"Authorized Representative of the Municipality" means the then Mayor, the then Recorder, or the then Treasurer, of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

"Board" means the Board of Mayor and Aldermen of the Municipality.

"Bond" means, individually, and "Bonds" means, collectively, the General Obligation Public Improvement Bonds, Series 2026A of the Municipality, authorized to be issued by this Resolution of the Board.

"Bond Counsel" means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

"Bondholder," "Owner," or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then Outstanding Bond or Bonds.

"City Attorney" means the duly appointed City Attorney of the Municipality, or his or her successors.

“Closing Date” means the date of sale, delivery, and payment of the Bonds.

“Code” means the United States Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds, and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or effect the Bonds.

“Continuing Disclosure Certificate” shall mean that certain Continuing Disclosure Certificate executed by the Municipality and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“DTC” means The Depository Trust Company, New York, New York.

“Government Obligations” means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of federal agencies to the extent unconditionally guaranteed by the United States of America, which Bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

“Interest Payment Date” means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Mayor” means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

“Outstanding,” “Bonds Outstanding,” or “Outstanding Bonds” means, as of a particular date, all Bonds issued and delivered and authenticated under this Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the Municipality at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the Municipality for the benefit of the Owner thereof; (3) any Bond in lieu of or in substitution for which another Bond shall have been delivered and authenticated pursuant to this Resolution, unless proof satisfactory to the Municipality is presented that any Bond, for which a Bond in lieu of or in substitution therefor shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the Bond in lieu of or in substitution for which a new Bond has been delivered and such new Bond so delivered therefor shall be deemed Outstanding; and, (4) any Bond deemed paid under the provisions of this Resolution, except that any such Bond shall be considered Outstanding until the maturity thereof only for the purposes of being exchanged, transferred, or registered.

“Person” means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

“Principal Payment Date” means each date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

“Recorder” means the duly appointed, qualified, and acting Recorder of the Municipality, or his or her successors.

“Registration Agent” means the registration agent selected by the Municipality, or its successor or successors hereafter appointed in the manner provided in this Resolution.

“Resolution” means this Resolution, as supplemented and amended.

“State” means the State of Tennessee.

“Treasurer” means the duly appointed, qualified, and acting Treasurer of the Municipality, or his or her successors.

Section 3. Authorization. For the purpose of providing funds to finance the Project, to reimburse the Municipality, to pay capitalized interest, to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bonds, there is hereby authorized to be issued General Obligation Public Improvement Bonds, Series 2026A of the Municipality, in the aggregate principal amount of not to exceed Sixteen Million Five Hundred Thousand Dollars (\$16,500,000), or such lesser aggregate amount as may be determined by the Authorized Representatives of the Municipality executing the Bonds. No Bonds may be issued under the provisions of this Resolution except in accordance herewith.

Section 4. Form of Bonds; Execution. (a) The Bonds, or any series thereof, are issuable only as fully registered bonds, without coupons, in the denomination of \$5,000 or any integral multiple thereof. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit “A” attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. Each series of Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual or facsimile signature of the Mayor and attested with the manual or facsimile signature of the Recorder, and with the official seal, or a facsimile thereof, of the Municipality impressed or imprinted thereon, and shall be approved as to form by the manual or facsimile signature of the City Attorney. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of an officer of the Registration Agent on the certificate set forth on the Bonds.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the respective dates of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Maturities, Interest Rates, Payment, and Certain Other Provisions of Bonds.

(a) The Bonds shall be issued in one or more series, and subject to the adjustments permitted under Section 19 hereof, shall be known as “General Obligation Public Improvement Bonds, Series 2026A”, shall be dated as of the date of issuance and delivery, and shall have such series designation or other dated date as shall be determined by the Mayor pursuant to Section 19 hereof. The Bonds shall be issued at a date, at a rate or rates of interest not to exceed the maximum rate allowed by law, and upon terms and conditions to be determined. The Bonds shall bear interest from the date thereof at a rate or rates to be hereafter determined by the Municipality when said Bonds, or any series thereof, are sold, but not exceeding the maximum rate allowed by law, such interest being payable (subject to the adjustments permitted under Section 19 hereof) semi-annually on the first day of March and September of each year, commencing September 1, 2026. Subject to the adjustments permitted pursuant to Section 19 hereof, the Bonds shall mature serially or be subject to mandatory redemption and be payable on March 1 of each year, subject to prior optional redemption, as hereinafter provided, either serially or through mandatory redemption, in the years 2027 through 2046, inclusive.

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal of, and the premium, if any, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond.

(b) Interest on the Bonds shall be payable by check or other form of draft of the Registration Agent deposited by the Registration Agent in the United States mail, first-class postage prepaid, in sealed envelopes, addressed to the Owners of such Bonds, as of the applicable Interest Payment Date, at their respective addresses as shown on the registration books of the Municipality maintained by the Registration Agent as of the close of business on the fifteenth (15th) calendar day of the month next preceding the applicable Interest Payment Date (the “Regular Record Date”). The principal or redemption price, if any, of all Bonds shall be payable upon presentation and surrender of such Bonds at the principal corporate trust office of the Registration Agent. All payments of the principal of, premium, if any, and interest on, the Bonds shall be made in any coin or currency of the

United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

(c) Any interest on any Bond which is payable but is not punctually paid or duly provided for on any Interest Payment Date on which interest is due (hereinafter “Defaulted Interest”) shall forthwith cease to be payable to the Owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by check or other form of draft of the Registration Agent to the persons in whose names the Bonds are registered at the close of business on a date (the “Special Record Date”) for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangement satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) calendar days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) calendar days prior to the date of the proposed payment to the Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) calendar days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner at the address thereof as it appears in the registration books of the Municipality maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any Owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on, the Bonds when due.

(d) The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global Bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this Section, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;
- (ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,

(iii) any Person, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

(e) The Registration Agent is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including, but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. The Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this subsection (e) of this Section 5.

Section 6. Redemption. (a) Subject to the adjustments permitted under Section 19 hereof, the Bonds maturing March 1, 2027 through March 1, 2036, are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2037, are subject to redemption prior to maturity on March 1, 2036, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par, plus accrued interest to the date fixed for redemption.

(b) Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption. Each such notice of redemption shall state: (1) the redemption date; (2) the redemption price; (3) if less than all Outstanding Bonds are to be redeemed, the registered number and the CUSIP number printed on the Bonds (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (4) that on the redemption date, the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date provided sufficient funds are available on such redemption date to fully pay the redemption price of and the interest on the Bonds called for redemption; and, (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registration Agent. Neither failure to mail any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which notice was correctly given.

(c) If notice of redemption shall have been given in the manner and under the conditions provided herein and if on the date so designated for redemption the Registration Agent shall hold sufficient monies to pay the redemption price of, and interest to the redemption date on, the Bonds to be redeemed as provided in this Resolution, then: (1) the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date; (2) interest on the Bonds so called for redemption shall cease to accrue; and, (3) such Bonds shall no

longer be Outstanding or secured by, or be entitled to, the benefits of this Resolution, except to receive payment of the redemption price thereof and interest thereon from monies then held by the Registration Agent.

(d) Prior to any redemption date, the Municipality shall deposit with the Registration Agent an amount of money sufficient to pay the redemption price of all of the Bonds or portions of Bonds which are to be redeemed on that date.

(e) If on the redemption date, monies for the redemption of all Bonds or portions thereof to be redeemed, together with interest thereon to the redemption date, shall not be held by the Registration Agent so as to be available therefor on such date, the Bonds or portions thereof so called for redemption shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Resolution.

(f) In case any Bond is of a denomination larger than \$5,000, a portion of such Bond—\$5,000 or any integral multiple thereof—may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. In selecting Bonds for redemption, the Municipality shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. If part but not all of a Bond shall be selected for redemption, the Owner thereof or his, her, or its legal representative shall present and surrender such Bond to the Registration Agent for payment of the principal amount thereof so called for redemption and the premium, if any, on such principal amount thereof so called for redemption, and the Municipality shall execute and the Registration Agent shall authenticate and deliver to such Owner or legal representative, without charge therefor, for the unredeemed portion of the Bond surrendered, a Bond or Bonds of the same maturity, bearing the same interest rate, and of authorized denomination or denominations.

Section 7. Negotiability of Bonds. All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

Section 8. Registration Books and Registration Agent. (a) The Municipality shall appoint a registration agent and paying agent (the “Registration Agent”) with respect to the Bonds and authorizes the Registration Agent, so long as any of the Bonds shall remain Outstanding, to maintain at the principal corporate trust office of the Registration Agent, books for the registration and transfer of the Bonds on behalf of the Municipality. The Registration Agent shall register in such books and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Bond entitled to registration or transfer and to authenticate and deliver the Bonds either at original issuance, upon transfer, or as otherwise directed by the Municipality. The Registration Agent is authorized to make all payments of principal, interest, and redemption premium, if any, with respect to the Bonds.

(b) The Registration Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by a written instrument of acceptance executed and delivered to the Recorder prior to or on the Closing Date.

Section 9. Exchange of Bonds. Bonds upon surrender thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 10. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Registration Agent at the principal corporate trust office of the Registration Agent, upon the surrender for cancellation thereof at the principal corporate trust office of the Registration Agent, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Registration Agent shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Registration Agent may deem and treat the Person in whose name any Bond shall be registered upon the registration books maintained by the Registration Agent as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or redemption price of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Registration Agent upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

Section 11. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall execute, and the Registration Agent shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer.

(b) Neither the Municipality nor the Registration Agent shall be obligated to exchange or transfer any Bond during the fifteen (15) calendar days next preceding an Interest Payment Date or the first mailing of any notice of redemption or with respect to any Bond, after such Bond has been called for redemption.

Section 12. Mutilated, Lost, Stolen, or Destroyed Bonds. (a) In the event any Bond is mutilated, lost, stolen, or destroyed, the Municipality may execute, and upon the request of an Authorized Representative of the Municipality and the Registration Agent shall deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to the Municipality and the Registration Agent: (1) such security or indemnity as may be required by an Authorized Representative of the Municipality to save the Municipality and the Registration Agent harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, an Authorized Representative of the Municipality and the Registration Agent may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the Municipality and the Registration Agent. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, an Authorized Representative of the Municipality may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorneys' fees, incurred by the Municipality and the Registration Agent in connection therewith, as well as a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and shall furnish to the Municipality and the Registration Agent such security or indemnity as an Authorized Representative of the Municipality and the Registration Agent may require to save the Municipality and the Registration Agent harmless and evidence to the satisfaction of an Authorized Representative of the Municipality and the Registration Agent, of the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this Section shall constitute an additional contractual obligation of the Municipality (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

Section 13. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Registration Agent shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Registration Agent. Such executed certificate of authentication

by the Registration Agent upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution as of the date of authentication. The certificate of authentication of the Registration Agent on any Bond shall be deemed to have been duly executed if manually signed by an authorized officer of the Registration Agent, but it shall not be necessary that the same officer sign and date the certificate of authentication on all Bonds that may be issued hereunder.

Section 14. Permitted Acts and Functions of Registration Agent. The Registration Agent may become the Owner of any Bonds, with the same rights as it would have if it were not a Registration Agent.

Section 15. Resignation or Removal of the Registration Agent and Appointment of Successors. (a) The Registration Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) calendar days' written notice to the Recorder; provided, however, until a successor Registration Agent is appointed the Registration Agent shall continue to carry out the duties and obligations of the Registration Agent created by this Resolution. The Registration Agent may be removed at any time by resolution of the Municipality filed with such Registration Agent. Any successor Registration Agent shall be appointed by resolution of the Municipality and shall be a trust company or a bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Fifty Million Dollars (\$50,000,000), and be willing and able to accept the office of Registration Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

(b) In the event of the resignation or removal of the Registration Agent, such Registration Agent shall pay over, assign, and deliver any monies held by it as Registration Agent, and all books and records held by it as Registration Agent, to its successor, or if there be no successor then appointed, to the Recorder until such successor be appointed.

Section 16. Merger or Consolidation of Registration Agent. Any corporation or association into which the Registration Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party shall be and become successor Registration Agent hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding.

Section 17. Source of Payment and Security. The Bonds, including the principal thereof, the premium, if any, and the interest thereon, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. Said Bonds shall be a direct general obligation of the Municipality, for which the

punctual payment of the principal of, premium, if any, and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged. To the extent the proceeds of the Bonds are used to fund projects for the Municipality's convention center and golf course, the Bonds shall additionally be payable from, but not secured by, revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee, and revenues to be derived from the operation of the Municipality's convention center and golf course. To the extent the proceeds of the Bonds are used to fund projects for the Municipality's sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality's sewer system.

Section 18. Levy of Taxes. For the purpose of providing for the payment of the principal of, premium, if any, and interest on, the Bonds, to the extent necessary, there shall be levied in each year in which such Bonds shall be outstanding a direct tax on all taxable property in the Municipality, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal, premium, if any, and interest, or any of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the General Fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected. Such taxes levied and collected therefor shall be deposited in General Fund of the Municipality, and used for the payment of principal and interest on the Bonds as the same shall become due.

Section 19. Sale of Bonds. (a) The Bonds shall be sold at public sale (the "Public Sale") in the manner provided by law, in one or more series, at a price of not less than ninety-nine percent (99%) of par, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with Raymond James & Associates, Inc., Nashville, Tennessee, the Municipality's municipal advisor (the "Municipal Advisor"). The Bonds, or any series thereof, shall be sold at public sale by physical delivery of bids or by electronic bidding by means of an internet bidding service as shall be determined by the Mayor, in consultation with the Municipal Advisor.

(b) If the Bonds are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown authorized in Section 3 hereof for each series, and to make corresponding adjustments to the maturity dates of each series designated in Section 5 hereof; provided, however, that the total aggregate principal amount of all series issued does not exceed the total aggregate amount of Bonds authorized to be issued hereunder.

(c) The Mayor is further authorized:

(1) to change the dated date of the Bonds or any series thereof;

(2) to specify the series designation of the Bonds, or any series thereof, to a designation;

(3) to change the first interest payment date on the Bonds, or any series thereof, to a date other than September 1, 2026, provided that such date is not later than twelve (12) months from the dated date of such series of Bonds;

(4) to adjust the principal and interest payment dates and determined maturity or mandatory redemption amounts of the Bonds, or any series thereof, provided that (i) the total principal amount of all series of Bonds does not exceed the total amount of Bonds authorized herein, (ii) the first maturity date of the Bonds, or any series thereof, is a date not earlier than March 1, 2027 and (iii) the final maturity date of each series of Bonds shall not exceed twenty (20) fiscal years from the dated date of its series;

(5) to change the optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds, or any series thereof, does not exceed two percent (2%) of the principal amount thereof;

(6) to sell the Bonds, or any series thereof, or any maturities thereof, as term bonds with mandatory redemption requirements as determined by the Mayor, as the Mayor shall deem most advantageous to the Municipality; and,

(7) to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company to achieve the purposes set forth herein and to serve the best interests of the Municipality and to enter into agreements with such insurance company with respect to any series of Bonds to the extent not inconsistent with this Resolution.

(d) The Mayor of the Municipality is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Board. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Board, in one or more series, as the Mayor shall deem to be advantageous to the Municipality, and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than “General Obligation Public Improvement Bonds, Series 2026A”; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this Resolution or bonds authorized by other resolution or resolutions adopted by the Board.

(e) The Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on the Bonds does not exceed the maximum rate allowed by law. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Board

with respect thereto shall be required. The form of the Bond attached hereto as Exhibit “A,” shall be conformed to reflect any changes made pursuant to this Section.

(f) The Mayor and the Recorder are authorized to cause the Bonds to be authenticated and delivered to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. Notice of such Public Sale shall be given in accordance with the provisions of the Act.

Section 20. Approval of Preliminary Official Statement and Official Statement. (a) The Mayor, the Recorder, and the City Manager, or any of them, working with the Municipal Advisor, are hereby authorized to cause the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement in connection with the sale of the Bonds in such form and containing such information as the Mayor shall determine appropriate and consistent with the terms of this Resolution and to deem the Preliminary Official Statement final for the purpose of Securities and Exchange Commission Rule 15c(2)(12).

(b) The Board hereby authorizes an Official Statement of the Municipality substantially in the form of the Preliminary Official Statement relating to the Bonds, with such modifications thereto as the Mayor and the Recorder approve. The Mayor and Recorder are hereby authorized and directed to execute copies of said Official Statement and to deliver said Official Statement to the purchaser of such Bonds, which execution and delivery shall be conclusive evidence of the approval of any such modifications; and the Board hereby consents to the lawful use of said Official Statement and the information contained therein in connection with the public offering and sale of the Bonds by the initial purchaser of such Bonds. The Mayor and the Recorder are authorized to deem the Official Statement final for the purpose of Securities and Exchange Commission Rule 15(c)(2)(12).

(c) The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of pricing and other information.

Section 21. Disposition of Bond Proceeds and Other Funds. The proceeds of the sale of the Bonds and certain other funds shall be used and applied as follows:

(a) Accrued interest, if any, shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof and used to pay interest on the Bonds on the first Interest Payment Date following delivery of the Bonds.

(b) The remaining proceeds from the sale of the Bonds (including premium, if any, received) shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof to be deposited in a special fund, which is hereby authorized to be created, to be known as the “General Obligation Public Improvement Bonds, Series 2026A, Project Fund,” or such other series designation as shall be determined by the Mayor

(the "Project Fund"), to be kept separate and apart from all other funds of the Municipality. The funds in the Project Fund shall be disbursed solely to pay the costs of the Project, to reimburse the Municipality, to pay capitalized interest, and to pay costs incurred in connection with the issuance of the Bonds, including necessary legal, accounting, engineering, and fiscal expenses, printing, advertising, and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds and the financing of the Project. Monies in the Project Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any. Monies in the Project Fund shall be expended only for the purposes authorized by this Resolution. Monies if any, remaining in the Project Fund upon completion of the purposes authorized by this Resolution shall be transferred to the Bond Fund and used to pay principal of and interest on the Bonds. Monies in the Project Fund may be invested as directed by an Authorized Representative of the Municipality in any investment authorized for municipal funds under the applicable laws of the State of Tennessee. All income derived from such investments shall be deposited in the Bond Fund and used to pay principal and interest on the Bonds, unless, by resolution, the Municipality directs retention of such earning in the Project Fund to pay the costs of the Project.

(c) Any amounts remaining from the principal proceeds of the sale of the Bonds shall be used for the purpose of paying the costs incurred in connection with the issuance of the Bonds.

Section 22. Reimbursement Provisions. The Municipality is in the process of causing certain capital expenditures to be made with respect to the Project, including, but not necessarily limited to, planning, design, and architectural expenses, and the Municipality desires to establish its official intent that certain of the expenditures related to the Project and certain other related expenditures be reimbursed from the proceeds of the Bonds. Therefore, the Board of the Municipality finds and determines, as follows:

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

(b) that the Municipality has certain funds available which may be used temporarily for this purpose, pending the issuance of the Bonds;

(c) that pursuant to the provisions of this Resolution, the Board anticipates that the Municipality will issue the Bonds for the purpose of financing the Project;

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

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

The Board of the Municipality by this Resolution hereby establishes its official intent to issue the Bonds to finance the costs of the Project and other related expenditures in an amount not to exceed \$16,500,000. Pending the issuance of such Bonds, funds necessary to finance such costs shall be advanced from such source of funds on hand and available for such purpose, and any amounts so advanced shall be reimbursed from the proceeds of the Bonds.

Section 23. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owners of any series of tax-exempt Bonds issued hereunder that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the Municipality represents that in the event it shall be required by Section 148(f) of the Code to pay “Rebatable Arbitrage,” as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owners of the Bonds for purposes of federal income taxation.

Section 24. Continuing Disclosure. The Municipality hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the Municipality to comply with the Continuing Disclosure Certificate shall not be considered an event of default; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Municipality to comply with its obligations under this Section. For purposes of this Section, “Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the Owner of any Bonds for federal income tax purposes.

Section 25. Amendments. After the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution shall be made in any manner, until such

time as all of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owners of all the Outstanding Bonds have been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of the Bondholders. The laws of the State of Tennessee shall govern this Resolution.

Section 26. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for purposes of federal income taxation.

Section 27. Discharge and Satisfaction of Bonds. The Municipality shall pay and discharge the entire indebtedness evidenced by any of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of, premium, if any, and interest on, the Bonds, as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or bank whose deposits are insured by the Federal Deposit Insurance Corporation and which has trust powers ("a Trustee"; which Trustee may be the Registration Agent), in trust, at or before the date of maturity or redemption, sufficient monies or Government Obligations, the principal of and interest on which, when due and payable, will provide sufficient monies to pay or redeem the Bonds Outstanding hereunder and to pay premium, if any, and interest thereon when due until the maturity or redemption date; provided, if such Bonds are to be redeemed prior to the maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice; or,

(c) By delivering such Bonds to the Registration Agent, for cancellation by such Registration Agent.

If the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the Board instruct any such Trustee to pay amounts when and as required to the Registration Agent for the payment of principal of, premium, if any, and interest on, such Bonds when due, then and in that case indebtedness evidenced by such Bonds shall be discharged and satisfied, and all covenants, agreements, and obligations of the Municipality to the owners of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate, and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the Owners thereof shall thereafter be entitled only to payment out of the monies or Government Obligations deposited as aforesaid.

Except as otherwise provided in this Section neither Government Obligations nor monies deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on, said Bonds; provided that any cash received from such principal or interest payments on such Government Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the principal of, premium, if any, and interest, to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent.

Nothing contained in this Section shall be construed to alter or change the redemption provisions set forth herein. No redemption privilege shall be exercised with respect to the Bonds except at the option and election of the Municipality. The optional right of redemption shall not be exercised by the Registration Agent unless expressly so directed by an Authorized Representative of the Municipality.

Section 28. Miscellaneous Acts. The Mayor, the Recorder, the Treasurer, the City Manager, and the City Attorney, and all other appropriate officials of the Municipality are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including, but not limited to, entering into an agreement with the Municipal Advisor to provide municipal advisory services for the Municipality and services related to the issuance, sale, and delivery of the Bonds, entering into an agreement with a dissemination agent to provide continuing disclosure services, and making arbitrage certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds.

Section 29. Failure to Present Bonds. (a) In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Registration Agent for the benefit of the Owner thereof, all liability of the Municipality to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Registration Agent shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under the Resolution or on, or with respect to, said Bond.

(b) If any Bond shall not be presented for payment within a period of five (5) years following the date when such Bond becomes due, whether by maturity or otherwise, the Registration Agent shall, subject to the provisions of any applicable escheat or other similar law, pay to the

Treasurer or the official of the Municipality designated by law as the custodian of such funds, any monies then held by the Registration Agent for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the Municipality.

Section 30. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Registration Agent are authorized by law to close, then the payment of the interest on, or the principal of such Bonds need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Registration Agent are authorized by law to close, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 31. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in the Initial Resolution or this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Initial Resolution or this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 32. Partial Invalidity. If any one or more of the provisions of this Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 33. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or enforceability of such section, paragraph, or provision shall not affect any of the remaining provisions hereof.

Section 34. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Approved and adopted this 20th day of January, 2026.

MAYOR

ATTEST:

APPROVED AS TO FORM:

RECORDER

CITY ATTORNEY

STATE OF TENNESSEE
COUNTIES OF SULLIVAN AND HAWKINS

I, Travis Bishop, hereby certify that I am the duly qualified and acting Recorder of the City of Kingsport, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Mayor and Aldermen (the "Board") of said Municipality held on January 20, 2026; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the authorization, issuance, and sale of not to exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A of said Municipality; (4) that the actions by said Board, including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purposes; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said Municipality this 20th day of January, 2026.

RECORDER

(SEAL)

EXHIBIT "A"
FORM OF BOND

Registered
No. _____

Registered
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTIES OF SULLIVAN AND HAWKINS
CITY OF KINGSFORT
GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND,
SERIES 2026A

Interest Rate: Maturity Date: Dated Date: CUSIP:

Registered Owner: CEDE & CO.

Principal Amount:

THE CITY OF KINGSFORT, TENNESSEE (the "Municipality"), a lawfully organized and existing municipal corporation located in Sullivan and Hawkins Counties, Tennessee, for value received, hereby acknowledges itself indebted and promises to pay, as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, unless this bond shall have been duly called for prior redemption and payment of the redemption price shall have been made or provided for, upon the presentation and surrender hereof at the principal corporate trust office of U.S. Bank Trust Company, National Association, or its successor as paying agent and registration agent (the "Registration Agent"), the Principal Amount identified above, in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay interest on said Principal Amount from the date hereof, or such later date as to which interest has been paid, semiannually on March 1 and September 1 of each year (the "Interest Payment Date"), commencing September 1, 2026, to said Registered Owner hereof by check or other form of draft of the Registration Agent mailed to the Registered Owner at the address shown on the registration books of the Municipality, maintained by the Registration Agent, as of the close of business on the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date (the "Regular Record Date"), in like coin or currency at the Interest Rate per annum set forth above until payment of said Principal Amount. Provided, however, that should the Municipality default in the payment of interest

on such Interest Payment Date, such defaulted interest (the “Defaulted Interest”) shall be payable to the person in whose name this bond is registered at the close of business on a date (the “Special Record Date”) for the payment of such Defaulted Interest established by notice mailed by the Registration Agent on behalf of the Municipality not less than ten (10) calendar days preceding such Special Record Date by first-class mail, postage prepaid, to the Registered Owner hereof at the address thereof as it appears on the registration books of the Municipality maintained by the Registration Agent as of the date of such notice, which notice shall identify the proposed payment of such Defaulted Interest and the Special Record Date therefor.

In the event that any amount payable hereunder as interest shall at any time exceed the rate of interest lawfully chargeable on this bond under applicable law, any such excess shall, to the extent of such excess, be applied against the principal hereof as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The principal hereof and all installments of interest hereon, shall bear interest from and after their respective due dates at the same rate of interest payable on the principal hereof.

This bond is authorized and issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended. Section 9-21-117, Tennessee Code Annotated, as amended, provides that this bond and the income therefrom shall be exempt from all state, county, and municipal taxation in the State of Tennessee, except as otherwise provided in said Code.

This bond is one of a series of bonds known as “General Obligation Public Improvement Bonds, Series 2026A” (the “Bonds”), issued by the Municipality in the aggregate principal amount of \$_____. The Bonds, which are issued for the purposes of financing a portion of the costs of certain public works projects, consisting of the acquisition of public art; acquisition, construction, improvement, renovation and equipping of public school facilities; construction, expansion and improvement of roads, streets, bridges, parking and infrastructure; improvement and equipping of the Municipality’s convention center and golf course, including a new pump system and mowers for the golf course; construction, expansion, improvement and equipping of the Municipality’s sewer system; acquisition of all property real and personal, appurtenant thereto or connected with such work; and to pay legal, fiscal, administrative, and engineering costs; to reimburse the Municipality for the costs of any of the above projects, to pay capitalized interest, and to pay costs incident to the issuance and sale of the Bonds. The Bonds are authorized by appropriate resolutions of the Board of Mayor and Aldermen and particularly that certain Resolution of the Board of Mayor and Aldermen adopted on January 20, 2026, entitled “Resolution Authorizing the Execution, Terms, Issuance, Sale, and Payment of Not to Exceed \$16,500,000 General Obligation Public Improvement Bonds, Series 2026A, of the City of Kingsport, Tennessee, and Providing the Details Thereof,” as such resolution may be from time to time amended or supplemented in accordance with its terms (such resolution, as so amended or supplemented, being herein called the “Resolution”), and is issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not

limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended (the “Act”). Copies of said Resolution are on file at the office of the Recorder of the Municipality, and reference is hereby made to said Resolution and the Act, for a more complete statement of the terms and conditions upon which the Bonds are issued thereunder, the rights, duties, immunities, and obligations of the Municipality, and the rights of the Registered Owner hereof.

This bond is payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. For the prompt payment of this bond, both principal, premium, if any, and interest, as the same shall become due, the full faith, and credit of the Municipality is hereby irrevocably pledged. To the extent the proceeds of the Bonds are used to fund projects for the Municipality’s convention center and golf course, the Bonds shall additionally be payable from, but not secured by, revenues to be derived from the one-quarter percent (0.25%) local option sales tax levied by the Municipality within the corporate limits of the Municipality within Sullivan County, Tennessee, and revenues to be derived from the operation of the Municipality’s convention center and golf course. To the extent the proceeds of the Bonds are used to fund projects for the Municipality’s sewer system, such Bonds shall additionally be payable from, but not secured by, revenues to be derived from the operation of the Municipality’s sewer system.

The Municipality and the Registration Agent may deem and treat the person or entity in whose name this bond is registered as the absolute owner hereof, whether such bond shall be overdue or not, for the purpose of receiving payment of the principal of, premium, if any, and interest on, this bond and for all other purposes. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid, and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary.

The Bonds are issuable only as fully registered Bonds, without coupons, in the denomination of \$5,000, or any authorized integral multiple thereof. At the principal corporate trust office of the Registration Agent, in the manner and subject to the limitations, conditions, and charges provided in the Bond Resolution, Bonds may be exchanged for an equal aggregate principal amount of fully registered Bonds of the same maturity, of authorized denominations, and bearing interest at the same rate.

The Bonds will be made eligible for processing by DTC. The Bonds in the form of one global bond for each maturity need not be lithographed or printed on steel engraved or printed borders. Except as otherwise provided in this paragraph, the Bonds shall be registered in the name of Cede & Co. as nominee of DTC. The Municipality may discontinue use of DTC as depository for the Bonds at any time upon determination by the Municipality that the use of DTC is no longer in the best interest of the beneficial owners of the Bonds. Registered ownership of the Bonds may be transferred on the registration books maintained by the Registration Agent and the Bonds may be delivered in physical form to the following:

- (i) any successor of DTC or its nominee;

(ii) any substitute depository upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Municipality that DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; or,

(iii) any Person, as defined in the Resolution, upon (a) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (b) termination by the Municipality of the use of DTC (or substitute depository or its successor).

Subject to the provisions for registration and transfer contained herein and in the Resolution, this bond shall be transferable by the Registered Owner at the principal office of the Registration Agent upon surrender and cancellation of this bond, and thereupon a new Bond of the same series, principal amount, interest and maturity will be issued to the transferee as provided in the Resolution and upon payment of the transfer charges therein prescribed. Upon any such transfer, the Municipality shall execute and the Registration Agent shall authenticate and deliver in exchange for this bond a new fully registered bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate. For every exchange or transfer of bonds, whether temporary or definitive, the Municipality and the Registration Agent may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, or other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Municipality and the Registration Agent, and any other person, may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof, and for all other purposes, and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

The Bonds maturing March 1, 2027 through March 1, 2036 are not subject to redemption prior to maturity. The Bonds maturing on and after March 1, 2037, are subject to redemption prior to maturity on March 1, 2036, and at any time thereafter, at the option of the Municipality, as a whole or in part, in integral multiples of \$5,000 (less than all Bonds of a single maturity to be selected by lot by the Registration Agent), at the price of par plus accrued interest to the date fixed for redemption.

Notice of intended redemption shall be given by the Registration Agent on behalf of the Municipality to the Registered Owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration books kept by the Registration Agent. Notice of intended redemption shall be given not less than thirty (30) calendar days, nor more than sixty (60) calendar days prior to the date fixed for redemption.

This bond shall have all the qualities and incidents of, and shall be a negotiable instrument under, the Uniform Commercial Code of the State of Tennessee, subject only to provisions respecting registration of such bond. This bond is issued with the intent that the laws of the State of Tennessee shall govern its construction.

It is hereby certified, recited, and declared that all acts and conditions required to be done and to exist precedent to, and in the issuance of, this bond in order to make this bond a legal, valid, and binding obligation of the Municipality, have been done, and did exist in due time and form as required by the Constitution and statutes of the State of Tennessee, and that this bond and the issue of which it is a part, together with all other indebtedness of such Municipality, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee.

IN WITNESS WHEREOF, THE CITY OF KINGSPORT, TENNESSEE, by its Board of Mayor and Aldermen has caused this bond to be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Recorder, to have its official seal, or a facsimile thereof, to be impressed or imprinted hereon, and to be approved as to form by the manual or facsimile signature of the City Attorney, all as of the Dated Date.

MAYOR

(SEAL)

ATTEST:

APPROVED AS TO FORM:

RECORDER

CITY ATTORNEY

Date of Authentication:

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the provisions of the within mentioned Resolution and is one of the General Obligation Public Improvement Bonds, Series 2026A of the City of Kingsport, Tennessee.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Registration Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social
Security Number of Assignee)

the within-registered Bond and do(es) hereby irrevocably constitute and appoint, attorney, to transfer the same on the registration books of the Registration Agent, with full power of substitution in the premises.

Dated:_____

SIGNATURE GUARANTEED:

SIGNATURE:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

PROJECT AMENDMENT V
BY AND BETWEEN
CITY OF KINGSPORT, TENNESSEE
AND
RAYMOND JAMES & ASSOCIATES, INC.

WHEREAS, the City of Kingsport, Tennessee (the “Issuer”) and Raymond James & Associates, Inc. (the “Municipal Advisor”) have entered into a continuing Municipal Advisory Agreement, (the “Agreement”), dated September 17, 2019 (which is incorporated by reference herein) to provide financial advice and assistance to the Issuer on an on-going basis regarding the sale, issuance and administration of its Debt Obligations and perhaps other related projects if and when needed; and

WHEREAS, the Issuer has adopted a formal Debt Management Policy that requires all professionals involved in a debt transaction to disclose any existing Issuer and business relationships between and among the professionals participating in the transaction and in the interest of transparency, all costs associated with any Debt Obligations undertaken pursuant to the Agreement in a timely manner; and

WHEREAS, the Board of Mayor and Aldermen of the Issuer may consider authorizing the sale and issuance of its general obligation public improvement bonds for the purposes of (a) funding in part the City’s Fiscal Year 2025 – 2026 Capital Improvement Program; and (b) paying costs incident to the issuance and sale of the bonds; and

WHEREAS, consistent with the Agreement and the Issuer’s Debt Management Policy, the Issuer and the Municipal Advisor have agreed to disclose the proposed fees of the Municipal Advisor and all transaction participants for each transaction undertaken pursuant to the Agreement through an amendment and supplement with associated attachments, if any (the “Amendment”); and

WHEREAS, the Municipal Advisor agreed to provide disclosures including professional relationships among transaction participants in accordance with the Issuer’s Debt Management Policy, any additional possible conflicts of interest not previously disclosed in Exhibit A to the Agreement and an estimate of all transaction expenses and participants which are to be memorialized and presented in such Amendment; and

NOW, THEREFORE, in consideration of these premises and the mutual covenants contained in the Agreement, it is hereby mutually understood and acknowledged by all parties that:

Section 1. Consistent with the Issuer’s formally adopted Debt Management Policy and/or in the interest of full disclosure and transparency, the foregoing disclosures supplement those included in the Agreement and are made and hereby acknowledged as fully disclosed and waived where applicable.

Section 2. Consistent with the terms of the Agreement, it is hereby acknowledged that a copy of the services, service providers and estimated costs related to the sale, issuance and delivery of the Debt Obligations contemplated by this Project Amendment V and paid from proceeds of the Debt Obligations are as follows:

<u>Service</u>	<u>Provider</u>	<u>Estimated Cost</u>
Municipal Advisor:	Raymond James & Associates, Inc.	\$67,500
Bond Counsel:	Adams and Reese LLP	55,000
Credit Rating:	Moody's Investor Service, Inc.	41,000
Registration Agent:	US Bank National Association	850
POS Posting and Distribution:	IPREO	1,500
CUSIP Numbers:	S&P CUSIP Services	<u>1,500</u>
Estimated Total:		\$167,350

Section 3. Underwriter's discount is compensation paid to the bond underwriter relating to the purchase of the of the Issuer's Debt Obligations. Such compensation is determined through the formal pricing process on the date of the competitive public sale. This compensation is embedded in the bond issue bid pricing and is not separately stated cost of issuance.

Section 4. A State Form CT-0253 depicting the actual costs of issuance and actual underwriter's compensation will be prepared and executed at the closing and delivery of the Debt Obligations, presented to the Board of Mayor and Aldermen at its next scheduled meeting following the delivery of the Debt Obligations and filed with the Tennessee Comptroller of the Treasury's Director of Local Government Finance in a timely fashion as required by prevailing State law.

Section 5. To the extent other related Raymond James personnel may assist with and provide investment services to the Issuer, it is acknowledged that on occasion separate compensation will be paid for any such services and that up to one-half of any such fees paid to Raymond James may be shared internally with representatives of the Municipal Advisor acting as a solicitor and that any such fees charged will be the same regardless of whether a solicitor is used or not.

Section 6. Raymond James serves as Dissemination Agent for the Issuer and for such services receives a separate annual fee.

Section 7. From time to time, Adams and Reese LLP has represented Raymond James on matters unrelated to the Issuer and may continue to do so in the future.

Section 8. Please see the attached Exhibit A for important disclosures.

IN WITNESS WHEREOF, THE PARTIES HERE TO HAVE DULY CAUSED THIS PROJECT AMENDMENT V to be signed and sealed by their respective authorized officers this ____ day of January 2026.

CITY OF KINGSPORT, TENNESSEE

By: _____
Name: Paul W. Montgomery
Title: Mayor

APPROVED AS TO FORM:

ATTEST:

By: _____
Name: Rodney B. Rowlett, IV
Title: City Attorney

By: _____
Name: Travis Bishop
Title: City Recorder/CFO

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Name: Elizabeth L. Zuelke
Title: Director

Exhibit A
Disclosure Letter for Municipal Advisor Agreement

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

This letter is provided under Municipal Securities Rulemaking Board (MSRB) Rule G-42 in connection with our engagement as financial advisor and municipal advisor under the Municipal Advisor Agreement to which this letter is attached (the “Agreement”) between **Raymond James & Associates, Inc.** (“Raymond James”) and **the City of Kingsport, Tennessee** (the “Client”). This letter will serve as written documentation required under MSRB Rule G-42 of certain specific terms, disclosures and other items of information relating to our municipal advisory relationship.

1. Scope of Services. (a) *Services to be provided.* The scope of services with respect to Raymond James’s engagement with the Client is as provided in the Agreement (the “Scope of Services”).

(b) *Limitations on Scope of Services.* The Scope of Services is subject to such limitations as may be provided in the Agreement.

(c) *IRMA status.* If the Client has designated Raymond James as its independent registered municipal advisor (“IRMA”) for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the “IRMA exemption”), the Scope of Services is not deemed to be expanded to include all actual or potential issuances of municipal securities or municipal financial products merely because Raymond James, as IRMA, reviews a third-party recommendation relating to a particular actual or potential issuance of municipal securities or municipal financial product not otherwise considered within the Scope of Services. Raymond James is not responsible for verifying that it is independent (within the meaning of the IRMA exemption as interpreted by the SEC) from another party wishing to rely on the exemption from the definition of municipal advisor afforded under the IRMA exemption. Raymond James requests that the Client provide to it, for review, any written representation of the Client contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) that references Raymond James, its personnel and its role as IRMA. In addition, Raymond James requests that the Client not represent, publicly or to any specific person, that Raymond James is Client’s IRMA with respect to any aspect of municipal financial products or the issuance of municipal securities, or with respect to any specific municipal financial product or any specific issuance of municipal securities, not within the Scope of Services without first discussing such representation with Raymond James.

2. Raymond James’s Regulatory Duties When Servicing the Client. MSRB Rule G-42 requires that Raymond James make a reasonable inquiry as to the facts that are relevant to the Client’s determination whether to proceed with a course of action or that form the basis for any advice provided by Raymond James to the Client. The rule also requires that Raymond James undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Raymond James is also required under the rule to use reasonable diligence to know the essential facts about the Client and the authority of each

person acting on the Client's behalf.

Accordingly, Raymond James will seek the Client's assistance and cooperation, and the assistance and cooperation of Client's agents, with the carrying out by Raymond James of these regulatory duties, including providing to Raymond James accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, to the extent the Client seeks to have Raymond James provide advice with regard to any recommendation made by a third party, Raymond James requests that the Client provide to Raymond James written direction to do so as well as any information it has received from such third party relating to its recommendation.

3. Term. The term of Raymond James's engagement as municipal advisor and the terms on which the engagement may be terminated are as provided in the Agreement.

4. Compensation. The form and basis of compensation for Raymond James's services as municipal advisor are as provided in the Agreement.

5. Required Disclosures. MSRB Rule G-42 requires that Raymond James provide you with the following disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history.

(a) ***Disclosures of Conflicts of Interest.*** MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence by the municipal advisor, municipal advisors are required to provide a written statement to that effect.

Accordingly, Raymond James makes the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under this Agreement, together with explanations of how Raymond James addresses or intends to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, Raymond James mitigates such conflicts through its adherence to its fiduciary duty to the Client, which includes a duty of loyalty to the Client in performing all municipal advisory activities for the Client. This duty of loyalty obligates Raymond James to deal honestly and with the utmost good faith with the Client and to act in the Client's best interests without regard to Raymond James's financial or other interests. In addition, because Raymond James is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Raymond James is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity and quality of service. Furthermore, Raymond James's municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Raymond James potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

I. Raymond James discloses that Raymond James and its affiliates are involved in a wide range of activities, including interest rate swaps, securities trading, or other business or financial arrangements from which conflicting interests or duties may arise. These potential conflicts are mitigated by the general mitigations described above.

II. *Compensation-Based Conflicts.* The fees due under this Agreement will be based on the size of the issue and the payment of such fees will be contingent upon the delivery of the issue. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for Raymond James to recommend unnecessary financings or financings that are disadvantageous to the Client, or to advise the Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

III. *Other Municipal Advisor or Underwriting Relationships.* Raymond James serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the Client. For example, Raymond James serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to the Client under this Agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, Raymond James could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of Raymond James to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Raymond James serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair Raymond James's ability to fulfill its regulatory duties to the Client.

IV. *Broker-Dealer and Investment Advisory Business.* Raymond James is a broker-dealer and investment advisory firm that engages in a broad range of securities-related activities to service its clients, in addition to serving as a municipal advisor or underwriter. Such securities-related activities, which may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of the Client, may be undertaken on behalf of, or as counterparty to, the Client, personnel of the Client, and current or potential investors in the securities of the Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of the Client, such as when their buying or selling of the Client's securities may have an adverse effect on the market for the Client's securities, and the interests of such other clients could create the incentive for Raymond James to make recommendations to the Client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from Raymond James effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through units of Raymond James that operate independently from Raymond James's municipal advisory

business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by Raymond James to the Client under this Agreement.

V. *Secondary Market Transactions in Client's Securities.* Raymond James, in connection with its sales and trading activities, may take a principal position in securities, including securities of the Client, and therefore Raymond James could have interests in conflict with those of the Client with respect to the value of the Client's securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, Raymond James or its affiliates may submit orders for and acquire the Client's securities issued in an issue under the Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with the Client in that it could create the incentive for Raymond James to make recommendations to the Client that could result in more advantageous pricing of the Client's bond in the marketplace. Any such conflict is mitigated by means of such activities being engaged in on customary terms through units of Raymond James that operate independently from Raymond James's municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by Raymond James to the Client under this Agreement.

(b) *Disclosures of Information Regarding Legal Events and Disciplinary History.* MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, Raymond James sets out below required disclosures and related information in connection with such disclosures.

I. *Material Legal or Disciplinary Event*

Raymond James discloses the following legal or disciplinary events that may be material to the Client's evaluation of Raymond James or the integrity of Raymond James's management or advisory personnel: We are aware of no such event.

• **ADDITIONAL DISCLOSURES**

The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Raymond James in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. If any of the above forms provides that a DRP has been filed on Form ADV, BD, or U4 for the applicable event, information provided by Raymond James on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org>, and Raymond James's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing such BrokerCheck reports or Form ADV, Raymond James's CRD number is 705.

II. *How to Access Form MA and Form MA-I Filings.* Raymond James's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR

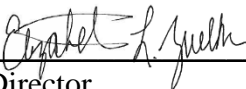
system at <http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=000724743>. The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Raymond James in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by Raymond James on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org>, and Raymond James's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing such BrokerCheck reports or Form ADV, Raymond James's CRD number is 705.

III. *Most Recent Change in Legal or Disciplinary Event Disclosure.* Raymond James has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC that may be material to the Client's evaluation of Raymond James or the integrity of Raymond James's management or advisory personnel.

(c) *Future Supplemental Disclosures.* As required by MSRB Rule G-42, this Section 5 may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Raymond James. Raymond James will provide the Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

(d) *MSRB Rule G-10 Required Disclosures.* Raymond James is registered with and subject to the rules and regulations of the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). Both the SEC and the MSRB publish websites containing information and resources designed to educate investors. In addition to educational materials about the municipal securities market and municipal securities market data, the MSRB website includes an investor brochure describing protections that may be provided by MSRB rules, including how to file a complaint with the appropriate regulatory authority. For more information, visit www.sec.gov and www.msrb.org.

Raymond James & Associates, Inc.

By: 
Title: Director
Date: January 20, 2026



AGENDA ACTION FORM

Consideration of a Resolution to Approve the Permanent Installation of two Public Art Pieces

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-06-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: Committee

Presentation By: Michael T. Borders

Strategic Focus Area: 3. Exceptional Cultural & Recreational Opportunities

Recommendation:

Approve the resolution

Executive Summary:

If approved, the City will permanently install two public art pieces located at the Kingsport Area Transit Service and the Fox Den Playground.

The City utilizes the Public Art Fund to support the placement of art in public spaces that enhance community identity and visitor experience. The Portal sculpture has been installed at the Kingsport Area Transit Service under a temporary lease agreement since 2020, allowing staff and the public to evaluate the appropriateness of the artwork for long-term placement. Based on its successful integration at the site, it is recommended that Portal be permanently installed at KATS. Previous lease payments will be applied toward acquisition, with any remaining balance scheduled to be paid over multiple fiscal years from the Public Art Fund.

The Fox Den Playground public art installation was developed as part of the playground's design and was created in coordination with the Fox family to serve as a welcoming entry feature that reflects the park's character and purpose. The installation includes an entryway sign and a large natural stone feature incorporating a bronze sculpture of a boy and a fox. The artwork is intended to serve as a permanent entry landmark and, if approved, is expected to be completed in the spring.

The Cultural Arts Commission reviewed both projects and issued positive recommendations supporting the permanent installation of each public art piece.

Funding is available in the Public Art Fund, with additional funding provided by Bays Mountain Park for the Fox Den Playground installation.

Attachments:

1. Resolution
2. The Portal image
3. Fox Den Playground entry rendering

Item XII1.

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

RESOLUTION NO. _____

A RESOLUTION APPROVING THE PERMANENT
INSTALLATION OF "PORTAL" AT THE KINGSPORT AREA
TRANSIT SERVICE PROPERTY AND THE FOX DEN
PLAYGROUND SCULPTURE AT BAYS MOUNTAIN PARK, AND
APPROVING THE SCULPTURE AS PUBLIC ART

WHEREAS, the sculpture entitled *Portal* is located at the Kingsport Area Transit Service at the corner of Main Street and Sullivan Street; and

WHEREAS, Section 2-413 of the Kingsport Code of Ordinances defines public art as art located on public property that it is intended to be permanent or semi-permanent in nature; and

WHEREAS, the sculpture was considered by the Public Arts Commission and received a positive recommendation for the Board of Mayor and Alderman to approve the sculpture as Public Art; and

WHEREAS, the Public Arts Commission also recommended the installation of a bronze statue of a fox and a boy to be located at the entrance of the Fox Den Playground at Bays Mountain Park.

Now therefore,

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

SECTION I. That pursuant to Section 2-413 of the Kingsport Code of Ordinances the sculpture entitled *Portal* is located at the Kingsport Area Transit Service at the corner of Main Street and Sullivan Street is approved as Public Art.

SECTION II. That pursuant to Section 2-413 of the Kingsport Code of Ordinances the bronze statue of a fox and a boy to be located at the entrance of the Fox Den Playground at Bays Mountain Park is approved as Public Art.

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

ADOPTED this the 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

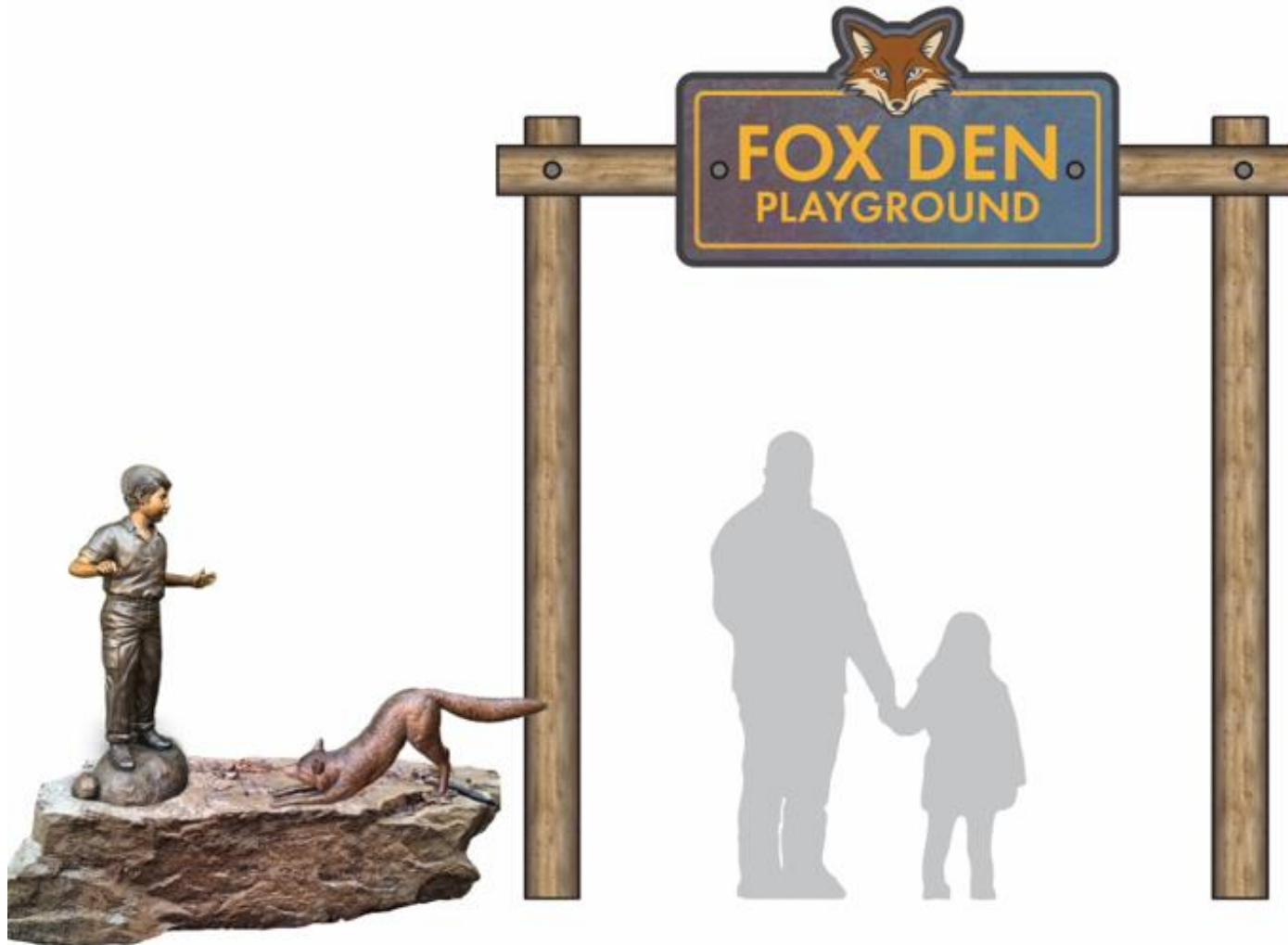
APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



Item XII1.

FOX DEN PLAYGROUND ENTRANCE





AGENDA ACTION FORM

Consideration of a Resolution of Formal Acceptance of Deeds and Deeds of Easement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-21-2026

Work Session: January 20, 2026

First Reading: N/A

Final Adoption: January 20, 2026

Staff Work By: R. Trent

Presentation By: B. Rowlett

Strategic Focus Area: Efficient & Responsive Government

Recommendation:

Approve the Resolution

Executive Summary:

If approved, this resolution provides for the formal acceptance of the property and property rights conveyed to the city in fiscal year 2025.

The property interest acquired were for various projects such as the Fieldcrest Annexation Sanitary Sewer Project, Reedy Creek Trunkline Replacement Project, and the extension of the greenbelt. In order to complete these projects, the acquisition of deeds and deeds of easement were necessary. Additionally, property was acquired in fee for the expansion of Bays Mountain Park.

An annual listing of the deeds and deeds of easement required for the various city projects located in the 7th, 10th, 11th, 12th and 18th Civil Districts of Sullivan County, Tennessee, as well as the 6th Civil District of Hawkins County, Tennessee, are included in this resolution.

Funding for the acquisitions was provided by various city department project accounts.

Attachments:

1. Resolution
2. Exhibit "A"

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

RESOLUTION NO. _____

A RESOLUTION TO ACCEPT DEEDS, DEEDS OF EASEMENT, AND OTHER MUNIMENT OF TITLE FROM THE VARIOUS PROPERTY OWNERS AND OTHERS HAVING AN INTEREST IN PROPERTY AS HEREINAFTER SET OUT, CONVEYING TO THE CITY OF KINGSPORT, A MUNICIPAL CORPORATION OF THE STATE OF TENNESSEE, TITLE TO THE PROPERTY DESCRIBED IN SUCH DEEDS, DEEDS OF EASEMENT, AND OTHER MUNIMENT OF TITLE, LOCATED IN THE 7TH, 10TH, 11TH, 12TH AND 18TH CIVIL DISTRICTS OF SULLIVAN COUNTY, TENNESSEE. AND THE 6TH CIVIL DISTRICT OF HAWKINS COUNTY, TENNESSEE

WHEREAS, the city accepts deeds and deeds of easement from the various property owners conveying to the city title to the property.

WHEREAS, the city desires to accept from various property owners deeds and deeds of easement located in the 7th, 10th, 11th, 12th and 18th Civil Districts of Sullivan County, Tennessee, and the 6th Civil District of Hawkins County, described in Exhibit "A", the descriptions of such property being more specifically set out in said instruments hereinafter referred to, and which have been made a part of this resolution by reference, as fully as though copied verbatim herein.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That the Board of Mayor and Aldermen accept the deeds and deeds of easement from the various property owners which convey to the city title to the properties located in the 7th, 10th, 11th, 12th and 18th Civil Districts of Sullivan County, Tennessee, and the 6th Civil District of Hawkins County, Tennessee, and described in Exhibit "A", the descriptions of such property being more specifically set out in said instruments hereinafter referred to, and which have been made a part of this resolution by reference, as fully as though copied verbatim herein.

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

ADOPTED this the 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

“Exhibit A”

Sullivan County Civil District 7th, 10th, 11th, 12th, 18th
Hawkins County Civil District 6th

Deed of Easement across the Industrial Development Board of the City of Kingsport, Tennessee property dated July 18, 2024, from the Industrial Development Board of the City of Kingsport, Tennessee to the City of Kingsport, Tennessee, for the amount of \$1.00 and recorded in Deed Book 3615 at page 108 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Industrial Development Board of the City of Kingsport, Tennessee property dated July 18, 2024, from the Industrial Development Board of the City of Kingsport, Tennessee to the City of Kingsport, Tennessee, for the amount of \$1.00 and recorded in Deed Book 3615 at page 113 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Warranty Deed for a portion of the Martin Edward Alley, David Gale Alley, and Wallace Douglas Alley, Jr., Trustee of the Wallace Douglas Alley, Jr. Living Trust property dated October 28, 2024, from the Martin Edward Alley, David Gale Alley, and Wallace Douglas Alley, Jr., Trustee of the Wallace Douglas Alley, Jr. Living Trust to the City of Kingsport, Tennessee, for the amount of \$10.00 (donation) and recorded in Deed Book 3627 at page 2683 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Warranty Deed for a portion of the Pace, LLC property dated January 17, 2025, from Pace, LLC to the City of Kingsport, Tennessee, for the amount of \$7,500.00 and recorded in Deed Book 3637 at page 2151 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Partial Release for a portion of the Pace, LLC property dated January 10, 2025, from Powell Valley National Bank to the City of Kingsport, Tennessee, for the amount of \$00.00 and recorded in Deed Book 3637 at page 2154 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Luther R. B. Travis and wife, Mary Jewel (Cindy) Travis property dated December 12, 2024, from Luther R. B. Travis to the City of Kingsport, Tennessee, for the amount of \$146.00 and recorded in Deed Book 3644 at page 62 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the JHL Investment Group, LLC property dated January 9, 2025, from JHL Investment Group, LLC to the City of Kingsport, Tennessee, for the amount of \$2,066.00 and recorded in Deed Book 3644 at page 59 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Elizabeth Lorita Millsap as Trustee under the Elizabeth Lorita Millsap Life Trust Agreement property dated January 10, 2025, from Elizabeth Lorita Millsap to the City of Kingsport, Tennessee, for the amount of \$1,788.00 and recorded in Deed Book 3644 at page 65 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Oak and Prosper, LLC property dated January 27, 2025, from Oak and Prosper, LLC to the City of Kingsport, Tennessee, for the amount of \$20,181.00 and recorded in Deed Book 3644 at page 68 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Susan Louise Parker and Thomas Holt Parker property dated February 12, 2025, from Susan Louise Parker and Thomas Holt Parker to the City of Kingsport, Tennessee, for the amount of \$152.00 and recorded in Deed Book 3644 at page 51 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Eleanor J. Martin property dated February 18, 2025, from Eleanor J. Martin to the City of Kingsport, Tennessee, for the amount of \$12,133.00 and recorded in Deed Book 3644 at page 55 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Dennis Ray Phillips and Bobbie Marie Hayes Phillips, Co-Trustees of the Dennis Ray Phillips and Bobbie Marie Hayes Phillips Joint Living Trust Dated December 6, 2022 property dated February 19, 2025, from Dennis Ray Phillips and Bobbie Marie Hayes Phillips to the City of Kingsport, Tennessee, for the amount of \$521.00 and recorded in Deed Book 3644 at page 71 in the Register’s Office for Sullivan County at Blountville, Tennessee.

Quitclaim Deed for the Industrial Development Board of the City of Kingsport, Tennessee property dated March 13, 2025, from Pace, LLC to the City of Kingsport, Tennessee, for the amount of \$1.00 and recorded in Deed Book 3642 at page 2546 in the Register's Office for Sullivan County at Blountville, Tennessee.

Warranty Deed for the Kerry Michelle Deal as Executrix of the Estate of Glenda Lorraine Gibbs, Kerry Michelle Deal and Karla Danielle Deal property dated February 14, 2025, from Kerry Michelle Deal and Karla Danielle Deal to the City of Kingsport, Tennessee, for the amount of \$310,000.00 and recorded in Deed Book 1583 at page 296 in the Register's Office for Sullivan County at Blountville, Tennessee.

Restrictive Covenant by the City of Kingsport dated June 11, 2025 for the Bays Mountain Road property (Deed Book 1583 at page 296) and recorded in Deed Book 1599 at page 74 in the Register's Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Terry Fields property dated May 1, 2025, from Terry Fields to the City of Kingsport, Tennessee, for the amount of \$1,325.00 and recorded in Deed Book 3649 at page 1443 in the Register's Office for Sullivan County at Blountville, Tennessee.

Deed of Easement across the Linda C. Ketron property dated May 2, 2025, from Linda C. Ketron to the City of Kingsport, Tennessee, for the amount of \$599.00 and recorded in Deed Book 3649 at page 1440 in the Register's Office for Sullivan County at Blountville, Tennessee.

Warranty Deed for the Madge Horton Welch property dated May 29, 2025, from Madge Horton Welch to the City of Kingsport, Tennessee, for the amount of \$117,000.00 and recorded in Deed Book 3653 at page 437 in the Register's Office for Sullivan County at Blountville, Tennessee.