



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, June 02, 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
Jerry DeBerry, Fire Chief
Adrienne Batara, Public Relations Director

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

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG

1. New Vision Youth

III. INVOCATION

1. Commissioner John Gardner

IV. ROLL CALL

V. RECOGNITIONS AND PRESENTATIONS

1. Mitch Walters - Alderman Phillips

VI. COMMENT

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

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

VII. APPROVAL OF MINUTES

- [1.](#) May 18, 2026 - Work Session
- [2.](#) May 19, 2026 - Business Meeting

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

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

- [1.](#) Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning of Tax Map 046O, Group J, Parcels 17.00, 18.00 and 19.00, Located along E. Sevier Avenue from the R-1B, Residential District to R-3, Low Density Apartment District (AF-171-2026) (Jessica McMurray)
- [2.](#) Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning of Tax Map 062P, Group C, Parcel 01.00, Located along Fort Henry Drive from the R-1B, Residential District to R-3, Low Density Apartment District (AF-172-2026) (Jessica McMurray)
- [3.](#) Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning of Tax Map 062P, Group C, Parcel 02.00, Located along Fort Henry Drive from the R-1B, Residential District to B-3, Highway-Oriented Business District (AF-173-2026) (Jessica McMurray)
- [4.](#) Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026 (AF-175-2026) (Chris McCartt)
- [5.](#) Consideration of an Ordinance Adopting Water, Sewer, and Stormwater Rates Beginning July 1, 2026 (AF-170-2026) (Ryan McReynolds)
- [6.](#) Consideration of an Ordinance to Adopt the FY 2026-2027 Community Development Block Grant Fund Budget (AF-182-2026) (Chris McCartt)
- [7.](#) Consideration of an Ordinance to Adopt the FY 2026-2027 Water, Sewer and Stormwater Budgets (AF-181-2026) (Chris McCartt)

8. Consideration of an Ordinance to Adopt the FY 2026-2027 Budget (AF-180-2026) (Chris McCartt)

IX. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Consideration of an Ordinance to Amend the FY 2026 School General Purpose Fund Budget and the General Project Fund Budget (AF-147-2026) (David Frye)
2. Consideration of an Ordinance to Amend the FY 2026 School Federal Projects Fund Budget (AF-148-2026) (David Frye)
3. Consideration of an Ordinance to Amend the FY 2026 School Special Projects Fund Budget (AF-149-2026) (David Frye)
4. Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026 (AF-150-2026) (Chris McCartt)

X. OTHER BUSINESS

1. Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Enter into a Materials Agreement with Integrity Building Group, LLC Related to the Bancroft Heights Development (AF-160-2026) (Ryan McReynolds)
2. Consideration of a Resolution Authorizing Application to the Federal Railroad Administration for Crossing Safety/Railroad Crossing Elimination Program Grant Funds for Construction of the Brickyard Bicycle/Pedestrian Bridge (AF-174-2026) (Ryan McReynolds)
3. Consideration of a Resolution Authorizing the Mayor's Signature on the Certification of Local Government Approval for the 2026 Emergency Solutions Grant Application (AF-177-2026) (Michael Price)

XI. CONSENT AGENDA

XII. COMMUNICATIONS

1. City Manager
2. Mayor and Board Members

XIII. ADJOURN



*The City of Kingsport
Board of Mayor and Aldermen Commends*

Mitch Walters

For investing \$12.5 million in the redevelopment of a key property on E. Stone Drive into a new, state-of-the art Friendship Hyundai dealership. This new dealership improves the nearby neighborhoods, will generate millions of dollars in economic activity and will ultimately create 50 new jobs for the City of Kingsport.

The Board is proud you chose to establish your fifth dealership location in the City of Kingsport and hopes this location has a long history and successful performance.

Congratulations from the BMA on behalf of the citizens of Kingsport. You have represented your profession and your community in an outstanding manner.

Paul W. Montgomery, Mayor

Date



BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, May 18, 2026 at 4:30 PM

City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

Board of Mayor and Aldermen

Mayor Paul W. Montgomery, Presiding

Vice Mayor Darrell Duncan

Alderman Morris Baker

Alderman Betsy Cooper

Alderman Colette George

Alderman Gary Mayes

Alderman James Phillips

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

II. ROLL CALL by City Recorder Travis Bishop.

III. DISCUSSION ITEMS

1. MeadowView Task Force Report - Michael Borders

The Assistant City Manager gave a presentation on this item, providing a history of the property and what led to the development of the task force. He discussed the structure and timeline of the task force meetings, naming those who served on the committee. Mr. Borders gave details on the strengths, weaknesses, opportunities and threats that were identified at MeadowView. He pointed out the decrease in sales and increase in costs with no sustainable solution is a major issue. He suggested continuing the task force's work through a MeadowView committee. There was some discussion. City Manager McCartt listed next steps that will be taken before a recommendation is made to the board. He thanked the task force and city staff who compiled this report.

2. FY27 Budget Follow-up - Chris McCartt

The City Manager highlighted the information recently presented at the budget work sessions and offered the board a chance to ask questions or provide comments. Alderman Mayes remarked he would like to see a step increase for the employees included but understood why it's not in there at this time. City Attorney Rowlett confirmed the budget needs to have a two-thirds majority of the legislative body to pass.

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, May 18, 2026, at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

3. Customer Information System Update - Travis Bishop

Mr. Bishop presented this item, discussing the challenges that have arisen during the implementation process and how these challenges are being addressed by the IT Department. He stated there are some issues with the new software communicating with the legacy software. He mentioned there will be a small number of customers who will see a delay in their payment if they are sending in a check. Mr. Bishop said there has also been an extremely large call volume and discussed the mitigation efforts being made so customers to be able to get through. He also pointed out customers will be held harmless during this transition period, noting no cut-offs. IT Manager Floyd Bailey provided further details and answered questions. Some discussion followed.

IV. REVIEW OF BUSINESS MEETING AGENDA

City staff gave a summary for each item on the May 19, 2026 proposed agenda. No items were discussed at greater length or received specific questions or concerns.

Alderman Phillips commented on some recently finished paving projects, noting a good job and quickly done.

V. ITEMS OF INTEREST

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

VI. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 5:40 p.m.

ANGELA MARSHALL
Deputy City Recorder

PAUL W. MONTGOMERY
Mayor



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, May 19, 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 Betsy Cooper

Alderman Colette George
Alderman Gary Mayes

City Administration

Chris McCartt, City Manager
Bart Rowlett, City Attorney

Angie Marshall, City Clerk/Deputy City Recorder

- I. **CALL TO ORDER** 7:00 pm by Mayor Montgomery.
- II. **PLEDGE OF ALLEGIANCE TO THE FLAG** led by New Vision Youth.
- III. **INVOCATION** led by Mayor Paul Montgomery.
- IV. **ROLL CALL** by Deputy City Recorder Angie Marshall. Absent: Alderman Morris Baker and Alderman James Phillips.
- V. **RECOGNITIONS AND PRESENTATIONS**
 1. **Recognition of Rep. Bud Hulse** - Mayor Montgomery
 2. **Keep Kingsport Beautiful Beautification Awards** - Sharon Hayes
 3. **Proclamation: National Public Works Week** - Alderman George
- VI. **COMMENT**

Mayor Montgomery invited citizens in attendance to speak. There being no one coming forward, the mayor closed the public comment section.
- VII. **APPROVAL OF MINUTES** *(These items are considered under one motion.)*

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

Passed: All present voting "aye."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, May 19, 2026 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

1. **May 4, 2026 - Work Session**
2. **May 5, 2026 - Business Meeting**
3. **May 11, 2026 - Budget Work Session**
4. **May 14, 2026 - Budget Work Session**

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

1. **Conduct a Public Hearing and Consideration of a Resolution to Approve the 2026-2027 Annual Action Plan for the Community Development Block Grant (AF-116-2026) (Michael Price)**

PUBLIC HEARING: No one came forward.

Motion made by Alderman George, Seconded by Alderman Cooper.

RESOLUTION NO. 2026-244 A RESOLUTION APPROVING THE COMMUNITY DEVELOPMENT BLOCK GRANT 2026 – 2027 ANNUAL ACTION PLAN, AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING FOR FISCAL YEAR 2027, FROM THE UNITED STATES OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Passed: All present voting "aye."

2. **Consideration of a Budget Adjustment Ordinance for the General Fund and General Projects Special Revenue Fund and Water Projects Fund in FY26 (AF-150-2026) (Chris McCartt)**

Motion made by Alderman Mayes, Seconded by Alderman George.

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

Passed: All present voting "aye."

3. **Consideration of an Ordinance to Amend the FY 2026 School General Purpose Fund Budget and the General Project Fund Budget (AF147-2026) (David Frye)**

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

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."

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4. Consideration of an Ordinance to Amend the FY 2026 School Federal Projects Fund Budget (AF-148-2026) (David Frye)

Motion made by Alderman Mayes, Seconded by Alderman Cooper.

AN ORDINANCE TO AMEND THE FY 2026 SCHOOL FEDERAL GRANT PROJECTS FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

5. Consideration of an Ordinance to Amend the FY 2026 School Special Projects Fund Budget (AF-149-2026) (David Frye)

Motion made by Alderman Cooper, Seconded by Alderman George.

AN ORDINANCE TO AMEND THE FY 2026 SCHOOL SPECIAL PROJECTS FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

IX. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Consideration of an Ordinance to Amend Zoning of Tax Map 045D, Group K, Parcel 17.00, Located along Morison Avenue from the R-1B, Residential District to P-1, Professional Offices District (AF-123-2026) (Jessica McMurray)

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

ORDINANCE NO. 7259 AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG MORISON AVENUE FROM THE R-1B, RESIDENTIAL DISTRICT TO P-1, PROFESSIONAL OFFICES DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

2. Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026 (AF-141-2026) (Chris McCartt)

Motion made by Alderman Mayes, Seconded by Alderman George.

ORDINANCE NO. 7260 AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE AMENDING THE 2025-2026 FISCAL YEAR BUDGET

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

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

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X. OTHER BUSINESS

1. **Consideration of a Resolution Approving the Purchase of Textbooks and Textbook Materials by Kingsport City Schools and Authorizing the City Manager to Execute Purchase and Blanket Orders for the Same** (AF-144-2026) (David Frye)

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

RESOLUTION NO. 2026-245 A RESOLUTION AUTHORIZING THE PURCHASE OF A LITERACY PROGRAM SUBSCRIPTION FOR KINGSFORT CITY SCHOOLS AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS AND A BLANKET ORDER FOR THE SAME

Passed: All present voting "aye."

2. **Consideration of a Resolution Awarding a Contract to Pepsico for the Non-Alcoholic Beverage Pouring Rights and Advertising Partnership for Kingsport City Schools** (AF-145-2026) (David Frye)

Motion made by Alderman George, Seconded by Alderman Cooper.

RESOLUTION NO. 2026-246 A RESOLUTION AWARDING THE CONTRACT FOR THE NON ALCOHOLIC BEVERAGE POURING RIGHTS AND ADVERTISING PARTNERSHIP FOR KINGSFORT CITY SCHOOLS TO PEPSICO AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

3. **Consideration of a Resolution Authorizing the Mayor to Execute Two Contracts Between the City of Kingsport and the Tennessee Department of Transportation for Maintenance Activities Performed on Designated State Highways and for Mowing and Litter on John B. Dennis and I-26** (AF-152-2026) (Ryan McReynolds)

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

RESOLUTION NO. 2026-247 A RESOLUTION APPROVING CONTRACTS WITH THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION FOR REIMBURSEMENT OF MAINTENANCE ACTIVITIES PERFORMED ON DESIGNATED STATE HIGHWAY ROUTES LOCATED WITHIN THE KINGSFORT CITY LIMITS AND LITTER CONTROL ON JOHN B. DENNIS HIGHWAY AND INTERSTATE 26; AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACTS AND ANY OTHER DOCUMENTS NECESSARY TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

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4. **Consideration of a Resolution to Approve a Lease Agreement with The Industrial Development Board of The City of Kingsport and to Allow the Mayor to Sign All Documents Necessary and Proper as they Pertain to the Lease (AF-159-2026) (Chris McCartt)**

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

RESOLUTION NO. 2026-248 A RESOLUTION APPROVING A LEASE AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT FOR 117 WEST SEVIER AVENUE AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

Passed: All present voting "aye."

5. **Consideration of a Resolution Awarding the Bid for Tire Recapping Services (AF-155-2026) (Ryan McReynolds)**

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

RESOLUTION NO. 2026-249 A RESOLUTION AWARDDING THE BID FOR TIRE RECAPPING SERVICES TO SOUTHERN TIRE MART AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

6. **Consideration of a Resolution to Accept a Donation on behalf of Kingsport City Schools (AF-158-2026) (David Frye)**

Motion made by Alderman George, Seconded by Alderman Cooper.

RESOLUTION NO. 2026-250 A RESOLUTION TO ACCEPT A MONETARY DONATION ON BEHALF OF KINGSPORT CITY SCHOOLS

Passed: All present voting "aye."

7. **Consideration of a Resolution to Amend Barge Design Solutions' Engineering Agreement for Year Two Water Quality Assessment of the South Fork Holston River (AF-157-2026) (Ryan McReynolds)**

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

RESOLUTION NO. 2026-251 A RESOLUTION APPROVING AN AMENDMENT TO THE ENGINEERING AGREEMENT WITH BARGE DESIGN SOLUTIONS FOR WATER QUALITY ASSESSMENT OF THE SOUTH FORK OF THE HOLSTON RIVER AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT

Passed: All present voting "aye."

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8. Consideration of a Resolution Awarding the Bid for the Dobyys-Bennett High School Phase I Renovation Project to Construction Partners (AF-146-2026) (David Frye)

Motion made by Alderman Mayes, Seconded by Alderman Cooper.

RESOLUTION NO. 2026-252 A RESOLUTION AWARDING THE BID FOR THE DOBYNS BENNETT HIGH SCHOOL PHASE I RENOVATION PROJECT TO CONSTRUCTION PARTNERS AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT AND THIS RESOLUTION

Passed: All present voting "aye."

9. Consideration of a Resolution to Enter into a New Contract with Transloc (AF-153-2026) (Timothy Land)

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

RESOLUTION NO. 2026-253 A RESOLUTION APPROVING AN AGREEMENT WITH TRANSLOC, INC., AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

10. Consideration of a Resolution Approving TDOT Contract Project No: 825307-S3-037 (FTA 031) to Allow Expenditure of Remaining Previously Awarded Funds for the KATS Transit Garage (AF-156-2026) (Candace Sherer)

Motion made by Alderman George, Seconded by Alderman Cooper.

RESOLUTION NO. 2026-254 A RESOLUTION APPROVING A GRANT AGREEMENT WITH THE STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION TO EXTEND THE PERIOD TO EXPEND SECTION 5307 PROGRAM GRANT FUNDS AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

11. Consideration of a Resolution to Approve a Lease Agreement with VisitKingsport for Hunter Wright Stadium (AF-161-2026) (Michael T. Borders)

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

RESOLUTION NO. 2026-255 RESOLUTION APPROVING A LEASE WITH THE KINGSPORT CONVENTION AND VISITORS BUREAU FOR HUNTER WRIGHT STADIUM AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

12. Consideration of a Resolution to Award a Bid to Southern Watershapes, Inc. for Aquatic Center Renovations (AF-167-2026) (Michael T. Borders)

Motion made by Alderman Mayes, Seconded by Alderman George.

RESOLUTION NO. 2026-256 A RESOLUTION AWARDING THE BID FOR THE AQUATIC CENTER RENOVATION PROJECT TO SOUTHERN WATERSHAPES, INC., AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

13. Consideration of a Resolution Ratifying Private Chapter 49 of the 114th General Assembly to Amend Various Sections of the City Charter (AF-168-2026) (Bart Rowlett)

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

RESOLUTION NO. 2026-257 A RESOLUTION TO RATIFY PRIVATE CHAPTER NO. 49 OF THE PRIVATE ACTS OF THE 114TH GENERAL ASSEMBLY TO ENACT AMENDMENTS TO THE CHARTER OF THE CITY OF KINGSPORT, TENNESSEE

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

14. Consideration to Appoint Gary Mayes to the Emergency Communications District / E-911 Board (AF-163-2026) (Chris McCartt)

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

TO APPOINT GARY MAYES TO FULFILL AN UNEXPIRED FOUR YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING DECEMBER 31, 2027

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

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, May 19, 2026 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

- 15. Consideration to Appoint Colette George to the NETWORKS Sullivan Partnership (AF-164-2026) (Chris McCartt)**

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

TO APPOINT COLETTE GEORGE TO FULFILL AN UNEXPIRED THREE YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING JULY 1, 2027

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

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

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

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

- 1. Consideration of a Resolution Amending the State Industrial Access (SIA) Agreement with the Tennessee Department of Transportation (TDOT) Meadow Park Lane Project Amendment 2 (AF-154-2026) (Ryan McReynolds)**

RESOLUTION NO. 2026-258 A RESOLUTION AUTHORIZING AMENDMENT 2 TO AGREEMENT NUMBER 210040 WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE STATE INDUSTRIAL ACCESS ROAD - MEADOW PARK LANE EXTENSION PROJECT

- 2. Consideration of a Resolution Authorizing the Mayor to Approve the Renewal of the Current Agreement with the City of Bristol, TN, as the Lead Entity for the Northeast TN/Southwest VA HOME Consortium (AF-131-2026) Michael Price**

RESOLUTION NO. 2026-259 A RESOLUTION AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO APPROVE THE AUTOMATIC RENEWAL OF THE CURRENT AGREEMENT WITH THE CITY OF BRISTOL, TENNESSEE AS THE LEAD ENTITY FOR THE NORTHEAST TENNESSEE/SOUTHWEST VIRGINIA HOME CONSORTIUM

- 3. Consideration of a Resolution Authorizing the Mayor to Execute CDBG Subrecipient Agreements (AF-166-2026) (Michael Price)**

RESOLUTION NO. 2026-260 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH VARIOUS AGENCIES AND ORGANIZATIONS FOR COMMUNITY DEVELOPMENT BLOCK FUNDING IN FISCAL YEAR 2026-2027

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4. **Consideration of a Resolution Authorizing the City of Kingsport’s Application for and Acceptance of Funding through THDA’s 2026 Emergency Solutions Grant (AF-132-2026)** (Michael Price)

RESOLUTION NO. 2026-261 A RESOLUTION APPROVING AN APPLICATION FOR A U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT EMERGENCY SOLUTIONS GRANT, ACCEPTING THE GRANT FUNDS IF AWARDED, AND AUTHORIZING THE MAYOR TO SIGN THE GRANT APPLICATION AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

5. **Consideration of a Resolution to Enter into a Memorandum of Understanding with Frontier Health to Improve Coordination of Services for Individuals Experiencing Homelessness (AF-169-2026)** (Chief Bellamy)

RESOLUTION NO. 2026-262 A RESOLUTION APPROVING AN AGREEMENT WITH FRONTIER HEALTH AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ANY AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

6. **Consideration to Appoint Tim Dean to the Kingsport Regional Planning Commission (AF-162-2026)** (Jessica Harmon)

TO APPOINT TIM DEAN TO FULFILL AN UNEXPIRED FOUR YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING APRIL 30, 2028

7. **Consideration to Appoint Bryan Clemons and Reappoint Dennis Phillips and Pat Breeding to the Kingsport Economic Development Board (AR-165-2026)** (Chris McCartt)

TO APPOINT BRYAN CLEMONS TO A SIX YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING JANUARY 1, 2032 AND TO REAPPOINT DENNIS PHILLIPS AND PAT BREEDING EACH TO A SIX YEAR TERM EFFECTIVE IMMEDIATELY AND EXPIRING JANUARY 1, 2032

XII. COMMUNICATIONS

1. **City Manager**

Mr. McCartt remarked on the Kingsport Spirit quote that can be found on every floor of city hall: service above self. He recognized city employees who go above and beyond and most recently a bus driver who helped a child. He stated Fire Marshall Pete Vandergriff graduated Leadership Kingsport this morning and was also a speaker at the ceremony. Lastly, he thanked the BMA for all the time spent on budget as it is wrapping up.

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, May 19, 2026 at 7:00 PM

Kingsport City Hall, 415 Broad Street, Boardroom

2. Mayor and Board Members

Alderman Mayes thanked the Mayor for his appointment to the 911 board and the opportunity to serve, noting he appreciated the honor. He also commented on the MeadowView Task Force report presented at the work session and thanked those who served on that committee. He stated he was proud of their devotion to the City, including the staff who contributed as well. Alderman Cooper mentioned she attended the DKA monthly meeting this morning and directed citizens to visit their website to find out what's going on. She listed several events, including the upcoming downtown concerts and noted Shenanigans is opening at Lamplight this weekend. Alderman Cooper pointed out that it's small business month and encouraged citizens to visit and shop local. Lastly, she said that school ends this week and to think about all the teachers and the students. Alderman George stated Steven Bower is hosting a presentation at the Chamber that will highlight projects going on in Kingsport, pointing out it is a great opportunity to see what's going on behind the scenes. Vice Mayor Duncan commented on the Tri-Cities Prayer Breakfast yesterday morning, noting there was a great turnout. He thanked the City manager and all the people it takes to get the budget together without a tax increase. Mayor Montgomery thanked Alderman Mayes and Alderman George for continuing their service on the 911 and Networks board. He remarked Memorial Day is Monday, noting there will be a service is at 11:00am. Lastly, the mayor offered congratulations to all the parents and students who are going through transitions.

XIII. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 8:21 p.m.

ANGELA MARSHALL
Deputy City Recorder

PAUL W. MONTGOMERY
Mayor



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of Tax Map 046O, Group J, Parcels 17.00, 18.00 and 19.00, Located along E. Sevier Avenue from the R-1B, Residential District to R-3, Low Density Apartment District

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

Action Form No.: AF-171-2026
Work Session: June 1, 2026
First Reading: June 2, 2026
Final Adoption: June 16, 2026
Staff Work By: Jessica McMurray
Presentation By: Jessica McMurray

Strategic Focus Area: 5. Thriving Local Economy

Recommendation:

- Hold public hearing
- Approve ordinance

Executive Summary:

If approved, this owner-initiated request would **rezone approximately .56 acres along E. Sevier Avenue from the R-1B, Residential District to the R-3, Low Density Apartment District.**

During their May 2026 regular meeting, the Kingsport Regional Planning Commission **voted to send a positive recommendation** to the Board of Mayor and Aldermen by a vote of 6-0.

The proposed rezoning to R-3 is appropriate and would allow compatible duplex development as a modest increase in residential density without adversely impacting nearby properties. The request is consistent with the Compact Neighborhood placetype, which supports a mix of housing options and more efficient residential land use.

Supporting documentation, including standards of review and potential uses within the R-3 zone, is provided in the supplementary information.

No opposition was received to this item.

The notice of public hearing was published on May 11, 2026.

Attachments:

1. Notice of Public Hearing
2. Zoning Ordinance
3. Supplementary Information
4. 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 June 2, 2026 to consider the rezoning of Tax Map 046O, Group J, Parcel 17.00, 18.00 and 19.00 located along E. Sevier Avenue from the R-1B, Residential District to the R-3, Low Density Apartment District. The regular business meeting will begin at 7:00 p.m. in the Montgomery-Watterson Boardroom located on the third floor of City Hall, 415 Broad Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

PARCEL 17.00:

BEGINNING AT A POINT ON THE SOUTHWEST SIDE OF EAST SEVIER AVENUE, 250 FEET SOUTHWESTERLY FROM THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE WITH THE SOUTHEASTERLY SIDE OF OAK STREET, AND RUNNING IN A SOUTHEASTERLY DIRECTION ALONG THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE, 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 32 AND 33. THENCE ALONG SAID DIVISIONAL LINE, IN A SOUTHWESTERLY SIDE OF A 15 FOOT ALLEY. THENCE ALONG THE NORTHEASTERLY SIDE OF SAID ALLEY, IN A NORTHWESTERLY DIRECTION 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 33 AND 34. THENCE ALONG SAID DIVISIONAL LINE IN A NORTHEASTERLY DIRECTION 150 FEET TO THE BEGINNING, CONTAINING 0.172 OF AN ACRE, MORE OR LESS, AND BEING LOT 33 IN BLOCK 73, AS SHOWN ON MAP OF RECORD IN THE REGISTER'S OFFICE FOR SULLIVAN COUNTY, TENNESSEE IN DEED BOOK 109, PAGE 430 AND BEING THE SAME PROPERTY CONVEYED TO THE PARTY OF THE FIRST PART BY DEED DATED MAY 29, 1992, OF RECORD IN SAID REGISTER'S OFFICE IN DEED BOOK 862C, PAGE 547, TO ALL OF WHICH REFERENCE IS HEREBY EXPRESSLY MADE.

PARCEL 18.00

BEGINNING AT A POINT ON THE SOUTHWEST SIDE OF EAST SEVIER AVENUE, 300 FEET SOUTHWESTERLY FROM THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE WITH THE SOUTHEASTERLY SIDE OF OAK STREET, AND RUNNING IN A SOUTHEASTERLY DIRECTION ALONG THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE, 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 31 AND 32. THENCE ALONG SAID DIVISIONAL LINE, IN A SOUTHWESTERLY SIDE OF A 15-FOOT ALLEY. THENCE ALONG THE NORTHEASTERLY SIDE OF SAID ALLEY, IN A NORTHWESTERLY DIRECTION 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 32 AND 33. THENCE ALONG SAID DIVISIONAL LINE IN A NORTHEASTERLY DIRECTIONS 150 FEET TO THE BEGINNING, CONTAINING 0.172 OF AN ACRE, MORE OR LESS, AND BEING LOT 32 IN BLOCK 73, AS SHOWN ON MAP OF RECORD IN THE REGISTER'S OFFICE FOR SULLIVAN COUNTY, TENNESSEE, IN DEED BOOK 109 AT PAGE 430; AND BEING THE SAME PROPERTY AS THAT CONVEYED TO IRENE LONG, DECEASED, BY DEED OF CORRECTION DATED MARCH 24, 1975 AND RECORDED IN THE REGISTER'S OFFICE FOR SULLIVAN COUNTY, TENNESSEE, IN DEED BOOK 49C, PAGE 17, TO ALL OF WHICH REFERENCE IS HEREBY MADE.

PARCEL 19.00

BEGINNING AT A POINT ON THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE 350 FEET SOUTHEASTERLY FROM THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE WITH THE SOUTHEASTERLY SIDE OF OAK STREET , CORNER FOR LOTS 31 AND 32; THENCE IN A SOUTHERLY DIRECTION ALONG THE SOUTH WESTERLY SIDE OF EAST SEVIER AVENUE 58.5 FEET TO THE NORTHWESTERLY SIDE OF A 20 FOOT ALLEY, SOUTH EASTERLY CORNER FOR LOT 31; THENCE ALONG THE NORTHWESTERLY SIDE OF SAID ALLEY IN A SOUTHWESTERLY DIRECTION, 150 FEET TO THE NORTHEASTERLY SIDE OF A 15 FOOT ALLEY, SOUTHWESTERLY CORNER FOR LOT 31; THENCE WITH THE NORTHEASTERLY SIDE OF SAID ALLEY IN A NORTHWESTERLY DIRECTION 58.5 FEET, CORNER FOR LOTS 31 AND 32; THENCE ALONG THE DIVISIONAL LINE OF LOTS 31 AND 32 IN A NORTHEASTERLY DIRECTION 150 FEET TO THE BEGINNING, CONTAINING 0.201 OF AN ACRE, MORE OR LESS, AND BEING LOT NO. 31 IN BLOCK NO. 73, AS SHOWN ON THE MAP MARKED "ADDITION NO. 2 TO KINGSFORT TOWNSITE PLAN, SHOWING LOTS LAID OUT IN BLOCKS 63, 69, 70, 71, 72, 73, 74 AND 75, DECEMBER 18,1915." SAID MAP BEING OF RECORD IN SULLIVAN COUNTY DEED BOOK 109, AT PAGE 430.

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

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



CITY OF KINGSPORT
Angie Marshall, City Clerk
PIT: 5/11/2026

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG EAST SEVIER AVENUE FROM THE R-1B, RESIDENTIAL DISTRICT TO R-3, LOW DENSITY APARTMENT DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone a portion of property located along East Sevier Avenue from the R-1B, Residential District to R-3, Low Density Apartment District in the 11th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

PARCEL 17.00:

BEGINNING AT A POINT ON THE SOUTHWEST SIDE OF EAST SEVIER AVENUE, 250 FEET SOUTHWESTERLY FROM THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE WITH THE SOUTHEASTERLY SIDE OF OAK STREET, AND RUNNING IN A SOUTHEASTERLY DIRECTION ALONG THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE, 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 32 AND 33. THENCE ALONG SAID DIVISIONAL LINE, IN A SOUTHWESTERLY SIDE OF A 15 FOOT ALLEY. THENCE ALONG THE NORTHEASTERLY SIDE OF SAID ALLEY, IN A NORTHWESTERLY DIRECTION 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 33 AND 34. THENCE ALONG SAID DIVISIONAL LINE IN A NORTHEASTERLY DIRECTION 150 FEET TO THE BEGINNING, CONTAINING 0.172 OF AN ACRE, MORE OR LESS, AND BEING LOT 33 IN BLOCK 73, AS SHOWN ON MAP OF RECORD IN THE REGISTER'S OFFICE FOR SULLIVAN COUNTY, TENNESSEE IN DEED BOOK 109, PAGE 430 AND BEING THE SAME PROPERTY CONVEYED TO THE PARTY OF THE FIRST PART BY DEED DATED MAY 29, 1992, OF RECORD IN SAID REGISTER'S OFFICE IN DEED BOOK 862C, PAGE 547, TO ALL OF WHICH REFERENCE IS HEREBY EXPRESSLY MADE.

PARCEL 18.00

BEGINNING AT A POINT ON THE SOUTHWEST SIDE OF EAST SEVIER AVENUE, 300 FEET SOUTHWESTERLY FROM THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE WITH THE SOUTHEASTERLY SIDE OF OAK STREET, AND RUNNING IN A SOUTHEASTERLY DIRECTION ALONG THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE, 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 31 AND 32. THENCE ALONG SAID DIVISIONAL LINE, IN A SOUTHWESTERLY SIDE OF A 15-FOOT ALLEY. THENCE ALONG

THE NORTHEASTERLY SIDE OF SAID ALLEY, IN A NORTHWESTERLY DIRECTION 50 FEET TO THE DIVISIONAL LINE BETWEEN LOTS 32 AND 33. THENCE ALONG SAID DIVISIONAL LINE IN A NORTHEASTERLY DIRECTIONS 150 FEET TO THE BEGINNING, CONTAINING 0.172 OF AN ACRE, MORE OR LESS, AND BEING LOT 32 IN BLOCK 73, AS SHOWN ON MAP OF RECORD IN THE REGISTER'S OFFICE FOR SULLIVAN COUNTY, TENNESSEE, IN DEED BOOK 109 AT PAGE 430; AND BEING THE SAME PROPERTY AS THAT CONVEYED TO IRENE LONG, DECEASED, BY DEED OF CORRECTION DATED MARCH 24, 1975 AND RECORDED IN THE REGISTER'S OFFICE FOR SULLIVAN COUNTY, TENNESSEE, IN DEED BOOK 49C, PAGE 17, TO ALL OF WHICH REFERENCE IS HEREBY MADE.

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BEGINNING AT A POINT ON THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE 350 FEET SOUTHEASTERLY FROM THE INTERSECTION OF THE SOUTHWESTERLY SIDE OF EAST SEVIER AVENUE WITH THE SOUTHEASTERLY SIDE OF OAK STREET , CORNER FOR LOTS 31 AND 32; THENCE IN A SOUTHERLY DIRECTION ALONG THE SOUTH WESTERLY SIDE OF EAST SEVIER AVENUE 58.5 FEET TO THE NORTHWESTERLY SIDE OF A 20 FOOT ALLEY, SOUTH EASTERLY CORNER FOR LOT 31; THENCE ALONG THE NORTHWESTERLY SIDE OF SAID ALLEY IN A SOUTHWESTERLY DIRECTION, 150 FEET TO THE NORTHEASTERLY SIDE OF A 15 FOOT ALLEY, SOUTHWESTERLY CORNER FOR LOT 31; THENCE WITH THE NORTHEASTERLY SIDE OF SAID ALLEY IN A NORTHWESTERLY DIRECTION 58.5 FEET, CORNER FOR LOTS 31 AND 32; THENCE ALONG THE DIVISIONAL LINE OF LOTS 31 AND 32 IN A NORTHEASTERLY DIRECTION 150 FEET TO THE BEGINNING, CONTAINING 0.201 OF AN ACRE, MORE OR LESS, AND BEING LOT NO. 31 IN BLOCK NO. 73, AS SHOWN ON THE MAP MARKED "ADDITION NO. 2 TO KINGSPORT TOWNSITE PLAN, SHOWING LOTS LAID OUT IN BLOCKS 63, 69, 70, 71, 72, 73, 74 AND 75, DECEMBER 18,1915." SAID MAP BEING OF RECORD IN SULLIVAN COUNTY DEED BOOK 109, AT PAGE 430.

SECTION II. Any person violating any provisions of this ordinance shall be guilty of an offense and upon conviction shall pay a penalty of FIFTY DOLLARS (\$50.00) for each offense. Each occurrence shall constitute a separate offense.

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

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 _____

Supplementary Information – E. Sevier Avenue Rezoning Request

Principal uses permitted in the R-3 District are as follows:

Single-family detached dwellings; Small group residential projects; Two-family dwellings; Multifamily dwellings; Dormitories, sorority or fraternity houses, boarding houses or lodging houses; Group residential projects.

Special exceptions are permitted only with the approval of the BZA and are allowed in the R-3 district as follows:

Nursing homes, rest homes, rehabilitation centers, hospitals, religious and charitable institutions, community centers (such as YMCA, etc.), day care nurseries, communication facilities.

Standards of Review:

- 1. Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** Yes. The proposed R-3 Low-Density Apartment District permits duplex dwellings, which are compatible with the surrounding residential development pattern. While the area may be primarily single-family (R-1B), duplexes are similar in scale and form and represent a modest increase in density.
- 2. Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** No. The proposed rezoning introduces only three duplexes (six total units), which is a low-intensity residential use. Compared to the existing R-1B district, the increase in density is incremental and not expected to create adverse impacts.
- 3. Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** Yes. The properties have reasonable economic use under the existing R-1B zoning, which permits single-family residential development. However, the proposed R-3 classification allows for a slightly higher density that can better utilize the land while remaining consistent with the surrounding neighborhood character.
- 4. Whether the proposal is in conformity with the policies and intent of the land use plan?** Yes. The proposed rezoning is consistent with the Future Land Use Map designation of Compact Neighborhood. This placetype encourages a mix of housing options, including duplexes, at a neighborhood scale. The request supports the intent of providing diverse and attainable housing while promoting efficient land use patterns.

Proposed use: Duplex development (one duplex per vacant parcel)

The Future Placetype Map recommends Compact Neighborhood

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** Yes. The designation of the area as a Compact Neighborhood supports increased residential density and a mix of housing types. Additionally, the availability of infrastructure and the opportunity to introduce “missing middle” housing—such as duplexes—provide supporting grounds for approval.

PROPERTY INFORMATION

ADDRESS	Parcel 17.00, 18.00 & 19.00
DISTRICT	11
OVERLAY DISTRICT	n/a
EXISTING ZONING	R-1B (Residential District)
PROPOSED ZONING	R-3 (Low Density Apartment District)
ACRES	Rezone Site .56 acres +/-
EXISTING USE	single-family
PROPOSED USE	multi-family

PETITIONER

ADDRESS 906 E. Sevier Avenue, Kingsport, TN 37660

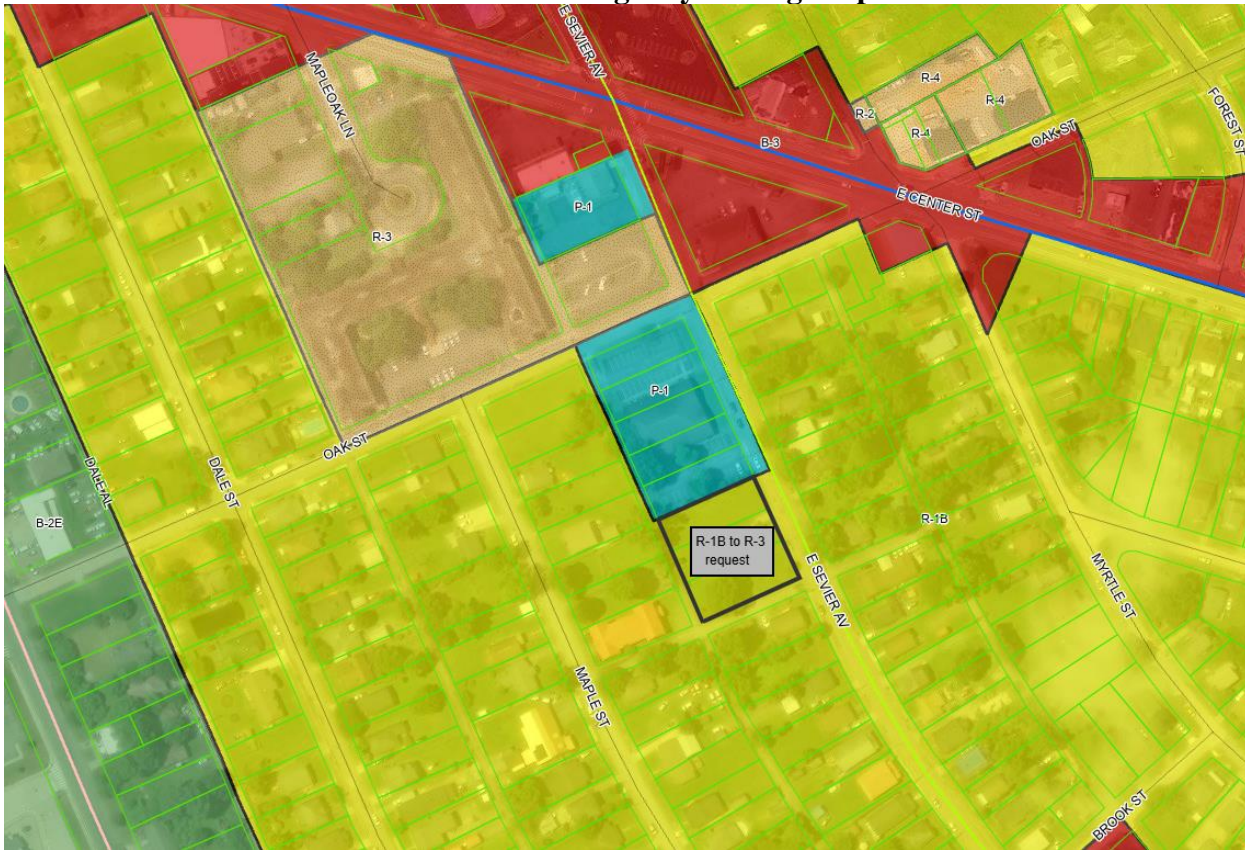
INTENT

To rezone from R-1B (Residential District) to R-3 (Low Density Apartment District) to accommodate construction of a duplex on vacant lots.

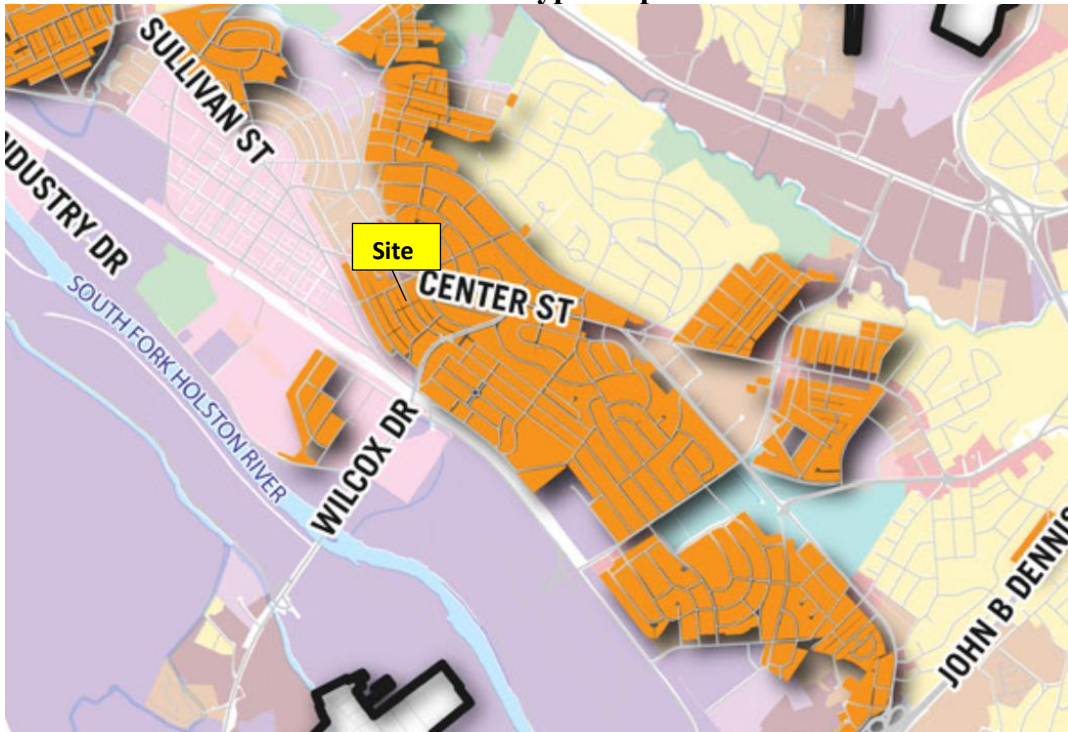
Vicinity Map



Surrounding City Zoning Map



Future Placetype Map



Compact Neighborhood

CHARACTER AND INTENT

Can support a variety of housing types, including small-lot single-family detached homes, patio homes, townhomes, and duplexes, in a compact network of complete, walkable streets that are easy to navigate by car, bicycle, or foot. Many of Kingsport's original neighborhoods reflect this compact neighborhood pattern, with smaller lot sizes, a diversity of housing types, and a cohesive neighborhood scale. This traditional, walkable form of development has become increasingly desirable in recent decades and will continue to play an important role in Kingsport's residential land use mix as the city builds out its remaining developable areas.

PREFERRED USES

Primary Uses

- Townhomes
- Cottage Court
- Patio homes
- Small-lot-single-family residential
- Neighborhood scale multiplexes
- Neighborhood scale duplexes

Secondary Uses

- Civic and institutional uses
- Parks and open space

Aerial



View from E. Sevier Avenue facing 930 E. Sevier Avenue



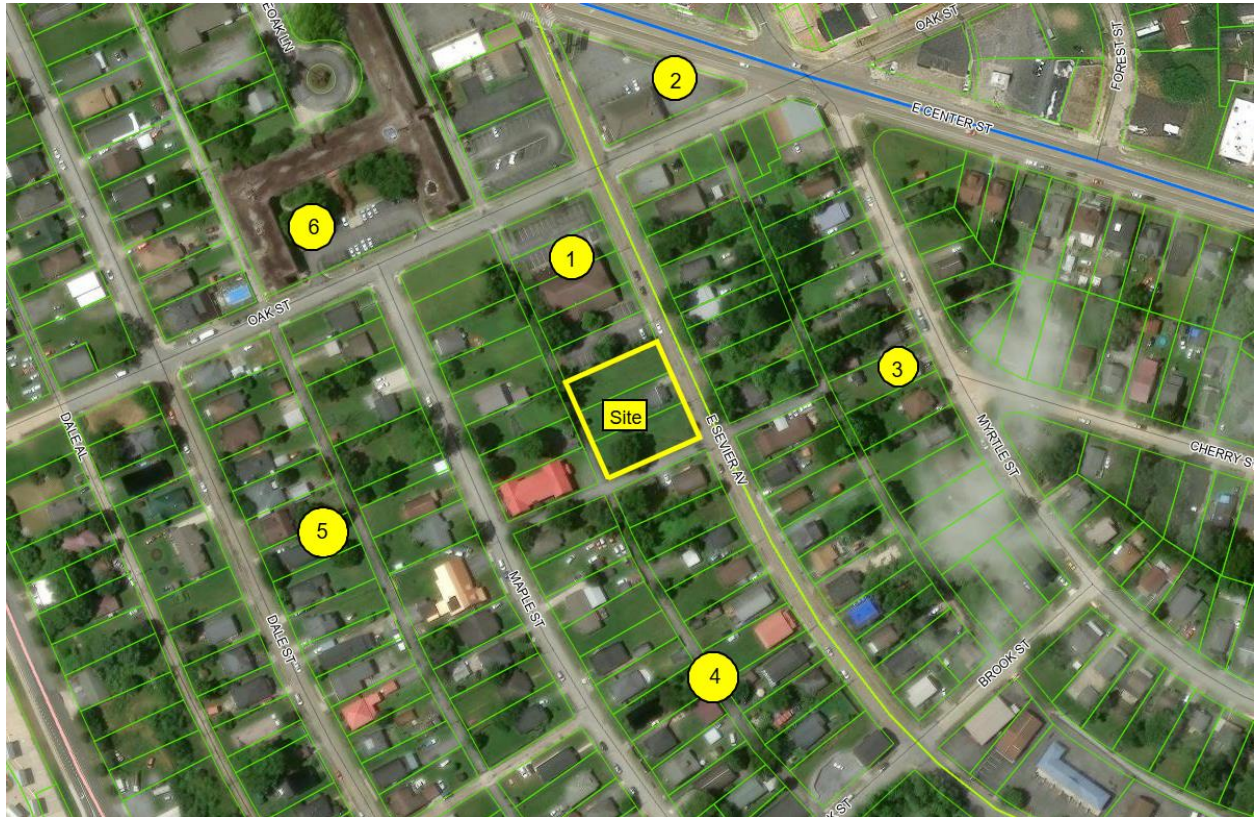
Site View from E. Sevier Avenue facing 926 E. Sevier Avenue



View from E. Sevier Avenue facing 922 E. Sevier Avenue



EXISTING USES LOCATION MAP



Kingsport Regional Planning Commission

Rezoning Report

File Number REZONE26-0110

Existing Zoning/ Land Use Table

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North	1	<u>Zone: City P-1</u> Use: KHRA Main Office	
Northeast	2	<u>Zone: City B-3</u> Use: commercial	
East	3	<u>Zone: City R-1B</u> Use: single-family	
South	4	<u>Zone: City R-1B</u> Use: multi-family	
Southwest	5	<u>Zone: City R-1B</u> Use: commercial	
Northwest	6	<u>Zone: City R-3</u> Use: Maple Oaks Apts	

Standards of Review

Planning Staff shall, with respect to each zoning application, investigate and make a recommendation with respect to factors 1 through 5, below, as well as any other factors it may find relevant.

1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** Yes. The proposed R-3 Low-Density Apartment District permits duplex dwellings, which are compatible with the surrounding residential development pattern. While the area may be primarily single-family (R-1B), duplexes are similar in scale and form and represent a modest increase in density.
2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** No. The proposed rezoning introduces only three duplexes (six total units), which is a low-intensity residential use. Compared to the existing R-1B district, the increase in density is incremental and not expected to create adverse impacts.
3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** Yes. The properties have reasonable economic use under the existing R-1B zoning, which permits single-family residential development. However, the proposed R-3 classification allows for a slightly higher density that can better utilize the land while remaining consistent with the surrounding neighborhood character.
4. **Whether the proposal is in conformity with the policies and intent of the land use plan?** Yes. The proposed rezoning is consistent with the Future Land Use Map designation of Compact Neighborhood. This placetype encourages a mix of housing options, including duplexes, at a neighborhood scale. The request supports the intent of providing diverse and attainable housing while promoting efficient land use patterns.

Proposed use: Duplex development (one duplex per vacant parcel)

The Future Placetype Map recommends Compact Neighborhood

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** Yes. The designation of the area as a Compact Neighborhood supports increased residential density and a mix of housing types. Additionally, the availability of infrastructure and the opportunity to introduce “missing middle” housing—such as duplexes—provide supporting grounds for approval.

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



CONCLUSION

Staff recommends approval of the rezoning from R-1B to R-3 based on the request's consistency with the Compact Neighborhood placetype and its support of duplex development.



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of Tax Map 062P, Group C, Parcel 01.00, Located along Fort Henry Drive from the R-1B, Residential District to R-3, Low Density Apartment District

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

Action Form No.: AF-172-2026
Work Session: June 1, 2026
First Reading: June 2, 2026
Final Adoption: June 16, 2026
Staff Work By: Jessica McMurray
Presentation By: Jessica McMurray

Strategic Focus Area: 5. Thriving Local Economy

Recommendation:

- Hold public hearing
- Approve ordinance

Executive Summary:

If approved, this owner-initiated request would **rezone approximately .31 acres along Fort Henry Drive from the R-1B, Residential District to the R-3, Low Density Apartment District.**

During their May 2026 regular meeting, the Kingsport Regional Planning Commission **voted to send a positive recommendation** to the Board of Mayor and Aldermen by a vote of 6-0.

The proposed rezoning to R-3 is appropriate and would allow compatible duplex development that serves as a moderate transition between surrounding residential and commercial uses without adversely impacting nearby properties. The request is consistent with the 2030 Future Land Use Map and the overall intent of the plan by supporting appropriate infill and lower-intensity development.

Supporting documentation, including standards of review and potential uses within the R-3 zone, is provided in the supplementary information.

No opposition was received to this item.

The notice of public hearing was published on May 11, 2026.

Attachments:

1. Notice of Public Hearing
2. Zoning Ordinance
3. Supplementary Information
4. 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 June 2, 2026 to consider the rezoning of Tax Map 062P, Group C, Parcel 001.00 located along Fort Henry Drive from the R-1B, Residential District to R-3, Low Density Apartment District. The regular business meeting will begin at 7:00 p.m. in the Montgomery-Watterson Boardroom located on the third floor of City Hall, 415 Broad Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

BEGINNING AT A POINT ON THE WESTERLY SIDELINE OF FORT HENRY DRIVE, SAID POINT THE CORNER TO LOT 13, D. R. BIRDWELL FARM (PLAT BOOK 1, PAGE 78) AND AT A 30 FOOT UNIMPROVED RIGHT OF WAY. THENCE ALONG SAID SIDELINE WITH A CURVE TO THE RIGHT HAVING A RADIUS 1105.92 FEET, AN ARC LENGTH 95.25 FEET AND A CHORD SOUTH 00° 35' 37" WEST, A DISTANCE OF 95.22 FEET TO A POINT. THENCE LEAVING SAID SIDELINE AND RUNNING THROUGH LOTS 12 AND 13 NORTH 87° 43' WEST, A DISTANCE OF 211.88 FEET TO A POINT. THENCE SOUTH 07° 54' WEST, A DISTANCE OF 47.00 FEET TO A POINT, SAID POINT IN THE LINE OF LOT 14. THENCE ALONG LOT 14 NORTH 77° 20' WEST, A DISTANCE OF 72.00 FEET TO A POINT, SAID POINT A CORNER TO LOT 14 AND IN THE EASTERLY SIDELINE OF BIRDWELL STREET. THENCE ALONG SAID SIDELINE NORTH 13° 09' 50" EAST, A DISTANCE OF 14.85 FEET TO A POINT, SAID POINT AT THE INTERSECTION WITH THE SOUTHEASTERLY SIDELINE OF A 30 FOOT UNIMPROVED RIGHT OF WAY. THENCE ALONG SAID SIDELINE NORTH 70° 11' EAST, A DISTANCE OF 304.02 FEET TO THE POINT OF BEGINNING, SAID PARCEL CONTAINS 0.317 ACRES, MORE OR LESS, AND IS KNOWN AS PART OF LOTS 12 AND 13, D. R. BIRDWELL FARM.

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

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



CITY OF KINGSPORT
Angie Marshall, City Clerk
PIT: 5/11/2026

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG FORT HENRY DRIVE FROM THE R-1B, RESIDENTIAL DISTRICT TO R-3, LOW DENSITY APARTMENT DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone a portion of property located along Fort Henry Drive from the R-1B, Residential District to R-3, Low Density Apartment District in the 11th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

PARCEL 001.00:

BEGINNING AT A POINT ON THE WESTERLY SIDELINE OF FORT HENRY DRIVE, SAID POINT THE CORNER TO LOT 13, D. R. BIRDWELL FARM (PLAT BOOK 1, PAGE 78) AND AT A 30 FOOT UNIMPROVED RIGHT OF WAY. THENCE ALONG SAID SIDELINE WITH A CURVE TO THE RIGHT HAVING A RADIUS 1105.92 FEET, AN ARC LENGTH 95.25 FEET AND A CHORD SOUTH 00° 35' 37" WEST, A DISTANCE OF 95.22 FEET TO A POINT. THENCE LEAVING SAID SIDELINE AND RUNNING THROUGH LOTS 12 AND 13 NORTH 87° 43' WEST, A DISTANCE OF 211.88 FEET TO A POINT. THENCE SOUTH 07° 54' WEST, A DISTANCE OF 47.00 FEET TO A POINT, SAID POINT IN THE LINE OF LOT 14. THENCE ALONG LOT 14 NORTH 77° 20' WEST, A DISTANCE OF 72.00 FEET TO A POINT, SAID POINT A CORNER TO LOT 14 AND IN THE EASTERLY SIDELINE OF BIRDWELL STREET. THENCE ALONG SAID SIDELINE NORTH 13° 09' 50" EAST, A DISTANCE OF 14.85 FEET TO A POINT, SAID POINT AT THE INTERSECTION WITH THE SOUTHEASTERLY SIDELINE OF A 30 FOOT UNIMPROVED RIGHT OF WAY. THENCE ALONG SAID SIDELINE NORTH 70° 11' EAST, A DISTANCE OF 304.02 FEET TO THE POINT OF BEGINNING, SAID PARCEL CONTAINS 0.317 ACRES, MORE OR LESS, AND IS KNOWN AS PART OF LOTS 12 AND 13, D. R. BIRDWELL FARM.

SECTION II. Any person violating any provisions of this ordinance shall be guilty of an offense and upon conviction shall pay a penalty of FIFTY DOLLARS (\$50.00) for each offense. Each occurrence shall constitute a separate offense.

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

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 _____

Supplementary Information – Fort Henry Drive Rezoning Request

Principal uses permitted in the R-3 District are as follows:

Single-family detached dwellings; Small group residential projects; Two-family dwellings; Multifamily dwellings; Dormitories, sorority or fraternity houses, boarding houses or lodging houses; Group residential projects.

Special exceptions are permitted only with the approval of the BZA and are allowed in the R-3 district as follows:

Nursing homes, rest homes, rehabilitation centers, hospitals, religious and charitable institutions, community centers (such as YMCA, etc.), day care nurseries, communication facilities.

Standards of Review:

- 1. Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** Yes. The proposed R-3 Low-Density Apartment District would permit duplex residential development that is compatible with surrounding residential and commercial uses. The request represents a moderate residential density that can serve as a transition between existing development patterns in the area.
- 2. Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** No. The proposed duplex development is residential in nature and is not expected to adversely impact adjacent or nearby properties. The rezoning would allow a lower-intensity use than commercial development that could otherwise occur under the 2030 Land Use Map recommendation.
- 3. Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** Yes. The property has reasonable economic use under the existing R-1B zoning classification; however, the proposed R-3 district would allow a modest increase in residential density and provide additional housing opportunities on the site.
- 4. Whether the proposal is in conformity with the policies and intent of the land use plan?** The proposed R-3 rezoning represents a lower-intensity residential use that may function as an appropriate transitional use while supporting infill residential development.

Proposed use: duplex

The 2030 Land Use Map recommends Retail/Commercial

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** Yes. The surrounding mix of land uses and the opportunity to provide additional residential housing through duplex development support consideration of the rezoning request.

PROPERTY INFORMATION

ADDRESS	2600 Fort Henry Drive Parcel 001.00
DISTRICT	11
OVERLAY DISTRICT	n/a
EXISTING ZONING	R-1B (Residential District)
PROPOSED ZONING	R-3 (Low Density Apartment District)
ACRES	Rezone Site .31 acres +/-
EXISTING USE	vacant
PROPOSED USE	duplex

PETITIONER

ADDRESS **2121 Pendragon Road, Kingsport, TN 37660**

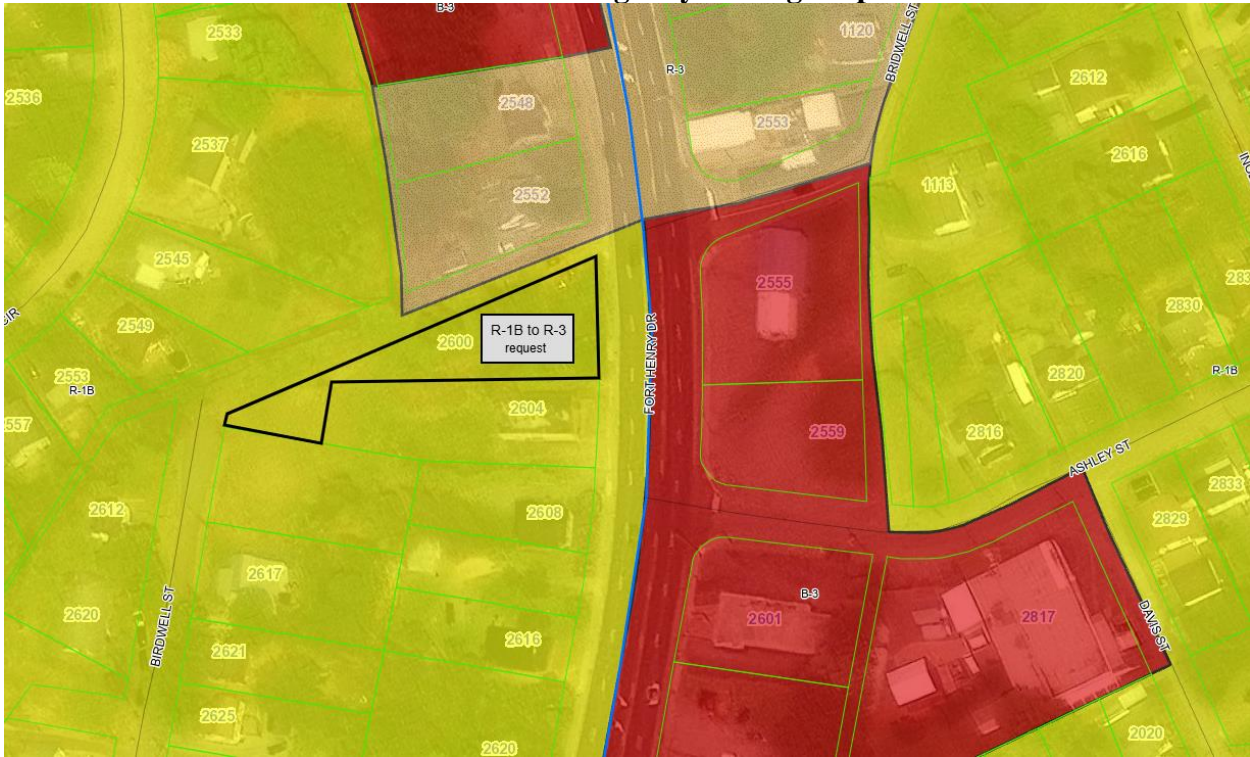
INTENT

To rezone from R-1B (Residential District) to R-3 (Low Density Apartment District) to accommodate construction of a duplex.

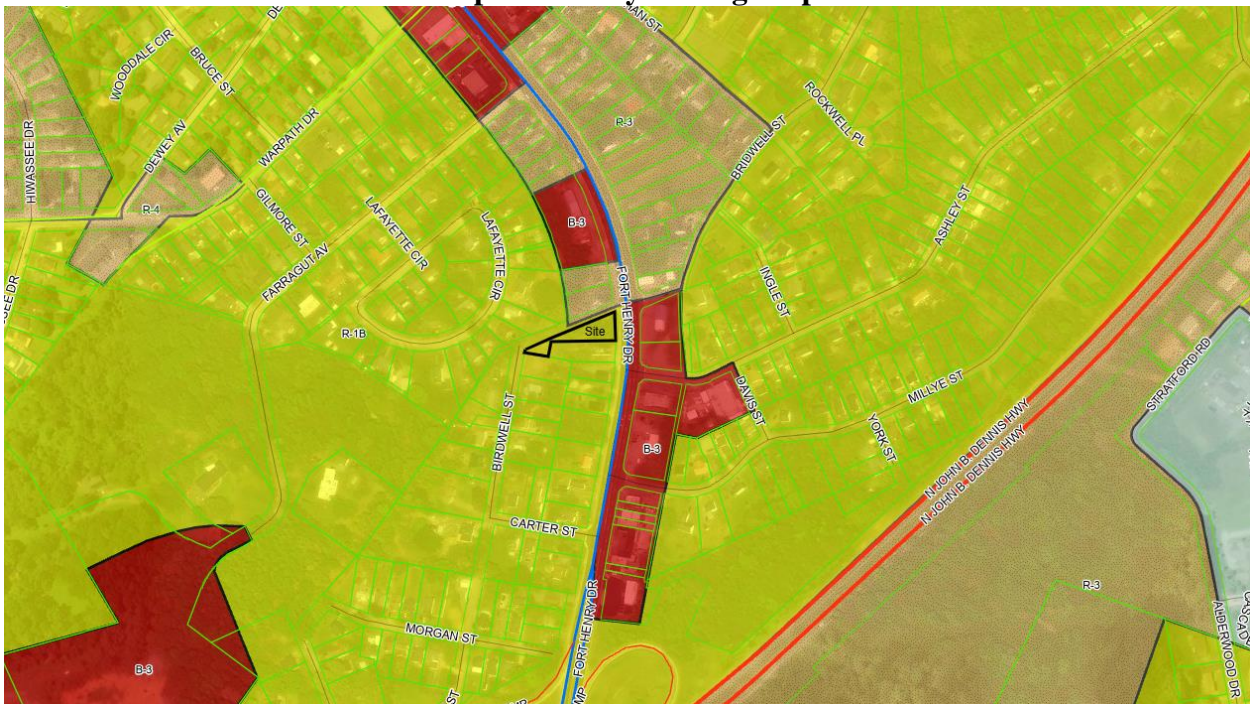
Vicinity Map



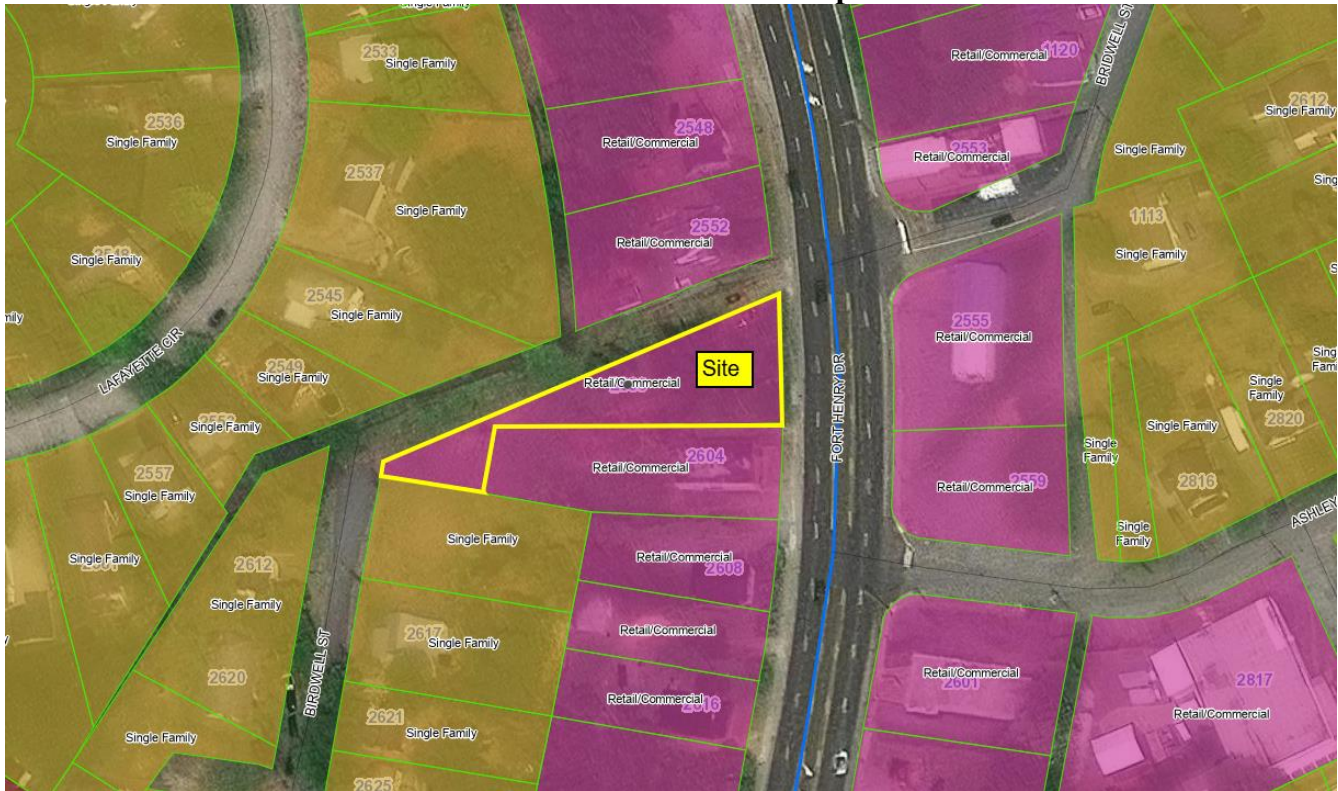
Surrounding City Zoning Map



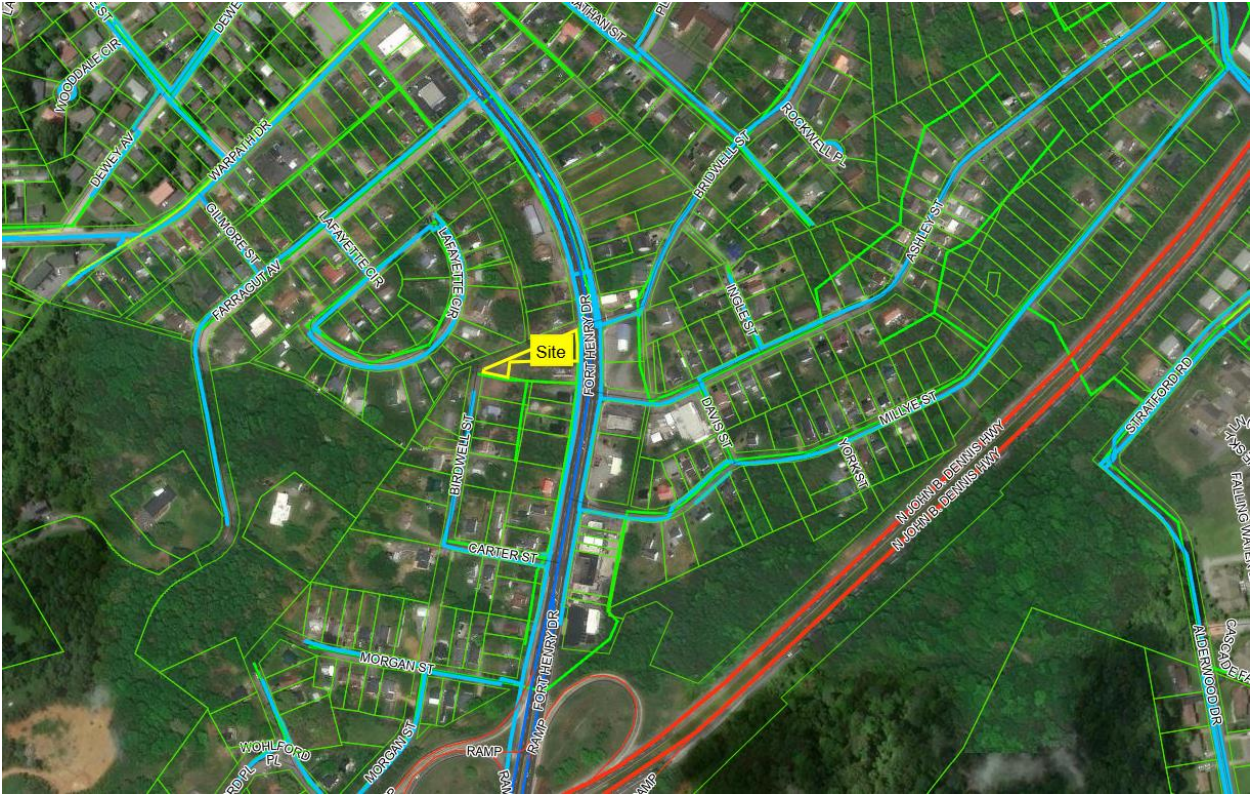
Expanded City Zoning Map



2030 Future Land Use Map



Aerial



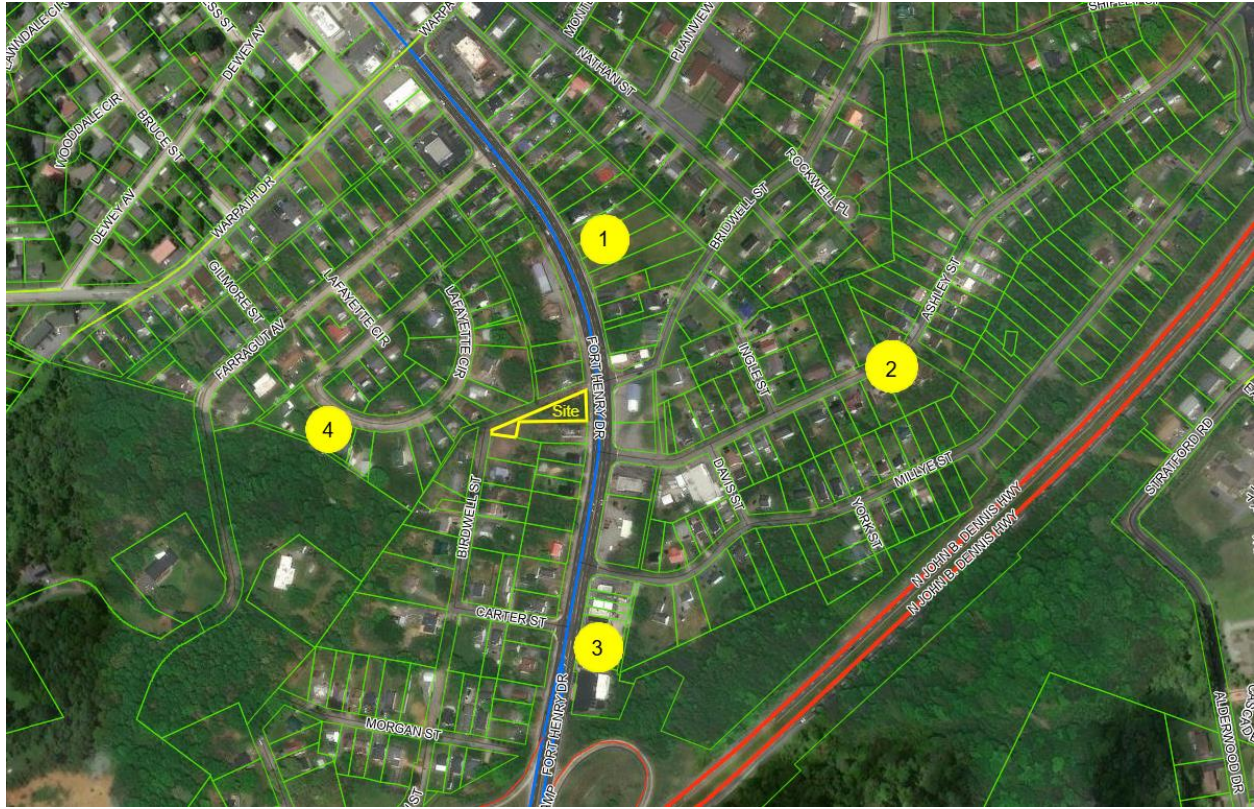
View from Fort Henry Drive facing site



View from site facing Fort Henry Drive



EXISTING USES LOCATION MAP



Existing Zoning/ Land Use Table

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North	1	<u>Zone: City R-3</u> Use: single-family/commercial	
East	2	<u>Zone: City R-1B</u> Use: single-family	
South	3	<u>Zone: City B-3</u> Use: commercial	
West	4	<u>Zone: City R-1B</u> Use: single-family	

Standards of Review

Planning Staff shall, with respect to each zoning application, investigate and make a recommendation with respect to factors 1 through 5, below, as well as any other factors it may find relevant.

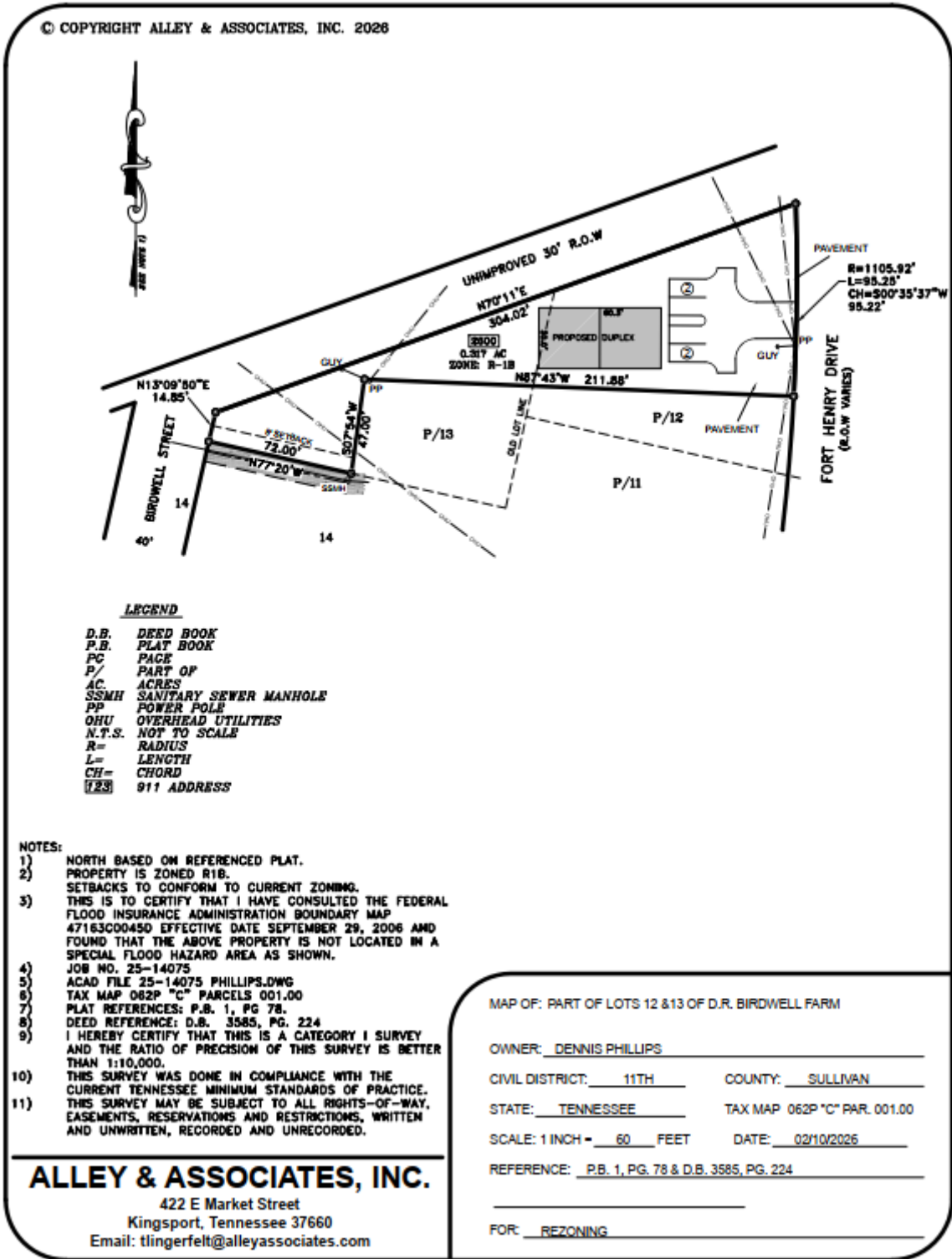
1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** Yes. The proposed R-3 Low-Density Apartment District would permit duplex residential development that is compatible with surrounding residential and commercial uses. The request represents a moderate residential density that can serve as a transition between existing development patterns in the area.
2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** No. The proposed duplex development is residential in nature and is not expected to adversely impact adjacent or nearby properties. The rezoning would allow a lower-intensity use than commercial development that could otherwise occur under the 2030 Land Use Map recommendation.
3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** Yes. The property has reasonable economic use under the existing R-1B zoning classification; however, the proposed R-3 district would allow a modest increase in residential density and provide additional housing opportunities on the site.
4. **Whether the proposal is in conformity with the policies and intent of the land use plan?** The proposed R-3 rezoning represents a lower-intensity residential use that may function as an appropriate transitional use while supporting infill residential development.

Proposed use: duplex

The 2030 Land Use Map recommends Retail/Commercial

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** Yes. The surrounding mix of land uses and the opportunity to provide additional residential housing through duplex development support consideration of the rezoning request.

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



CONCLUSION

Staff recommends approval of the rezoning from R-1B to R-3 based on its consistency with the 2030 Land Use Map and its role as an appropriate transition between commercial and residential uses.



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of Tax Map 062P, Group C, Parcel 02.00, Located along Fort Henry Drive from the R-1B, Residential District to B-3, Highway-Oriented Business District

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

Action Form No.: AF-173-2026
Work Session: June 1, 2026
First Reading: June 2, 2026
Final Adoption: June 16, 2026
Staff Work By: Jessica McMurray
Presentation By: Jessica McMurray

Strategic Focus Area: 5. Thriving Local Economy

Recommendation:

- Hold public hearing
- Approve ordinance

Executive Summary:

If approved, this owner-initiated request would **rezone approximately .30 acres along Fort Henry Drive from the R-1B, Residential District to the B-3, Highway-Oriented Business District.**

During their May 2026 regular meeting, the Kingsport Regional Planning Commission **voted to send a positive recommendation** to the Board of Mayor and Aldermen by a vote of 5-0.

The proposed rezoning to B-3 is appropriate given the property’s highway frontage, existing vacant commercial building, and surrounding commercial development. The request is consistent with the 2030 Future Land Use Map’s Retail/Commercial designation and supports commercial use without adversely impacting nearby properties.

Supporting documentation, including standards of review and potential uses within the B-3 zone, is provided in the supplementary information.

No opposition was received to this item.

The notice of public hearing was published on May 11, 2026.

Attachments:

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

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

NOTICE OF PUBLIC HEARING

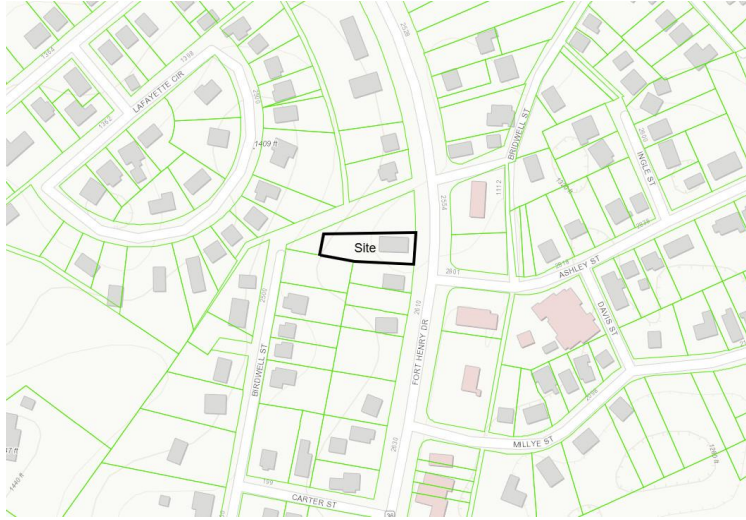
NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on June 2, 2026 to consider the rezoning of Tax Map 062P, Group C, Parcel 002.00 located along Fort Henry Drive from the R-1B, Residential District to B-3, Highway-Oriented Business District. The regular business meeting will begin at 7:00 p.m. in the Montgomery-Watterson Boardroom located on the third floor of City Hall, 415 Broad Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

TO LOCATE THE POINT OF BEGINNING, COMMENCE AT A POINT ON THE WESTERLY SIDELINE OF FORT HENRY DRIVE, SAID POINT THE CORNER TO LOT 13, D. R. BIRDWELL FARM (PLAT BOOK 1, PAGE 78) AND AT A 30 FOOT UNIMPROVED RIGHT OF WAY. THENCE ALONG SAID SIDELINE WITH A CURVE TO THE RIGHT HAVING A RADIUS 1105.92 FEET, AN ARC LENGTH 95.25 FEET AND A CHORD SOUTH 00° 35' 37" WEST, A DISTANCE OF 95.22 FEET TO A POINT, SAID POINT KNOWN AS THE POINT OF BEGINNING. THENCE CONTINUING WITH A CURVE TO THE RIGHT HAVING A RADIUS 1105.92 FEET, AN ARC LENGTH 66.22 FEET AND A CHORD SOUTH 04° 46' 35" WEST, A DISTANCE OF 66.21 FEET TO A POINT. THENCE LEAVING SAID SIDELINE AND RUNNING THROUGH LOT 11 NORTH 85° 27' 49" WEST, A DISTANCE OF 137.36 FEET TO A POINT, SAID POINT A CORNER TO LOTS 10, 11, 13 AND 14. THENCE ALONG LOT 14 NORTH 77° 20' WEST, A DISTANCE OF 77.62 FEET TO A POINT. THENCE WITH A LINE THROUGH LOT 13 NORTH 07° 54' EAST, A DISTANCE OF 47.00 FEET TO A POINT. THENCE CONTINUING THROUGH LOT 13 AND LOT 12 SOUTH 87° 43' EAST, A DISTANCE OF 211.88 FEET TO THE POINT OF BEGINNING, SAID PARCEL CONTAINS 0.294 ACRES AND IS PART OF LOTS 11, 12 AND 13, D. R. BIRDWELL FARM.

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

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



CITY OF KINGSPORT
Angie Marshall, City Clerk
PIT: 5/7/2026

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG FORT HENRY DRIVE FROM THE R-1B, RESIDENTIAL DISTRICT TO B-3, HIGHWAY-ORIENTED BUSINESS DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone a portion of property located along Fort Henry Drive from the R-1B, Residential District to B-3, Highway-Oriented Business District in the 11th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

TO LOCATE THE POINT OF BEGINNING, COMMENCE AT A POINT ON THE WESTERLY SIDELINE OF FORT HENRY DRIVE, SAID POINT THE CORNER TO LOT 13, D. R. BIRDWELL FARM (PLAT BOOK 1, PAGE 78) AND AT A 30 FOOT UNIMPROVED RIGHT OF WAY. THENCE ALONG SAID SIDELINE WITH A CURVE TO THE RIGHT HAVING A RADIUS 1105.92 FEET, AN ARC LENGTH 95.25 FEET AND A CHORD SOUTH 00° 35' 37" WEST, A DISTANCE OF 95.22 FEET TO A POINT, SAID POINT KNOWN AS THE POINT OF BEGINNING. THENCE CONTINUING WITH A CURVE TO THE RIGHT HAVING A RADIUS 1105.92 FEET, AN ARC LENGTH 66.22 FEET AND A CHORD SOUTH 04° 46' 35" WEST, A DISTANCE OF 66.21 FEET TO A POINT. THENCE LEAVING SAID SIDELINE AND RUNNING THROUGH LOT 11 NORTH 85° 27' 49" WEST, A DISTANCE OF 137.36 FEET TO A POINT, SAID POINT A CORNER TO LOTS 10, 11, 13 AND 14. THENCE ALONG LOT 14 NORTH 77° 20' WEST, A DISTANCE OF 77.62 FEET TO A POINT. THENCE WITH A LINE THROUGH LOT 13 NORTH 07° 54' EAST, A DISTANCE OF 47.00 FEET TO A POINT. THENCE CONTINUING THROUGH LOT 13 AND LOT 12 SOUTH 87° 43' EAST, A DISTANCE OF 211.88 FEET TO THE POINT OF BEGINNING, SAID PARCEL CONTAINS 0.294 ACRES AND IS PART OF LOTS 11, 12 AND 13, D. R. BIRDWELL FARM.

SECTION II. Any person violating any provisions of this ordinance shall be guilty of an offense and upon conviction shall pay a penalty of FIFTY DOLLARS (\$50.00) for each offense. Each occurrence shall constitute a separate offense.

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

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 _____

Supplementary Information – Fort Henry Drive Rezoning Request

Principal uses permitted in the B-3, Highway Oriented Business District are as follows:

Retail sales, restaurants, offices, hotels, financial institutions, vehicle sales and repair, equipment and building supply services, breweries and wineries, personal and business services, storage facilities, and research and development; Institutional and community uses such as clubs, cultural institutions, community centers, day care centers, public facilities, parking structures, and human care institutions are also allowed; Recreational and entertainment uses include theaters, golf courses, campgrounds, RV parks, and commercial recreation facilities; Government uses, religious assembly, schools, communication facilities, adult-oriented establishments, and residential units located on the second floor or higher

Special exceptions uses are permitted only with the approval of the BZA and are allowed in the B-3 district as follows:

Automobile storage; automobile impoundment yards, Lumberyards.

Standards of Review:

- 1. Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** Yes. The proposed rezoning to B-3 is suitable given the property's location along a busy highway and its existing commercial structure. The request aligns with surrounding commercial and higher-intensity roadway-oriented uses and is consistent with the Retail/Commercial designation on the 2030 Land Use Map.
- 2. Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** No. The proposed B-3 zoning is not expected to adversely affect adjacent properties. Continued or renewed commercial use of an existing vacant commercial building is consistent with the established roadway corridor and surrounding development patterns.
- 3. Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** Yes. While the property has some limited economic use under the current R-1B zoning, the existing vacant commercial building is not consistent with that classification. Rezoning to B-3 would restore a more appropriate and economically viable use consistent with its developed commercial character and highway frontage.
- 4. Whether the proposal is in conformity with the policies and intent of the land use plan?** Yes. The proposed B-3 rezoning is consistent with the 2030 Land Use Map designation of Retail/Commercial. The request supports the intent of concentrating higher-intensity, highway-oriented commercial uses along major transportation corridors.

Proposed use: commercial business

The 2030 Land Use Map recommends Retail/Commercial

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** Yes. The property's frontage on a major highway, its existing vacant commercial building, and surrounding commercial development patterns support the appropriateness of the B-3 district.

Kingsport Regional Planning Commission

Rezoning Report

File Number REZONE26-0080

Fort Henry Drive Rezoning

Property Information			
Address		2604 Fort Henry Drive	
Tax Map, Group, Parcel		Tax Map 062P Group C Parcel 002.00	
Civil District		11	
Overlay District		n/a	
Land Use Designation		Retail/Commercial	
Acres		Rezoning Site .30 acres +/-	
Existing Use		Existing Zoning	R-1B
Existing vacant commercial building			
Proposed Use		Proposed Zoning	B-3
Commercial business			
Owner /Applicant Information			
Name: Dennis Phillips Address: 2121 Pendragon Road City: Kingsport State: TN Zip Code: 37660		Intent: <i>To rezone from R-1B (Residential District) to B-3 (Highway-Oriented Business District) to accommodate a commercial business use.</i>	
Planning Department Recommendation			
<p>The Kingsport Planning Division recommends sending a POSITIVE recommendation to the Kingsport Board of Mayor and Alderman for the following reasons:</p> <ul style="list-style-type: none"> • <i>The rezoning from R-1B to B-3 would align the existing commercial use with the appropriate zoning classification.</i> • <i>The rezoning from R-1B to B-3 is consistent with the 2030 Land Use Map.</i> <p>Staff Field Notes and General Comments:</p> <ul style="list-style-type: none"> • <i>Water and sewer available to the rezoning site.</i> • <i>The development review team is supportive of the rezoning request.</i> 			
Planner:	Jessica McMurray	Date:	April 10, 2026
Planning Commission Action		Meeting Date:	May 21, 2026
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

PROPERTY INFORMATION

ADDRESS	2604 Fort Henry Drive Parcel 002.00
DISTRICT	11
OVERLAY DISTRICT	n/a
EXISTING ZONING	R-1B (Residential District)
PROPOSED ZONING	B-3 (Highway-Oriented Business District)
ACRES	Rezoning Site .30 acres +/-
EXISTING USE	vacant commercial building
PROPOSED USE	commercial business

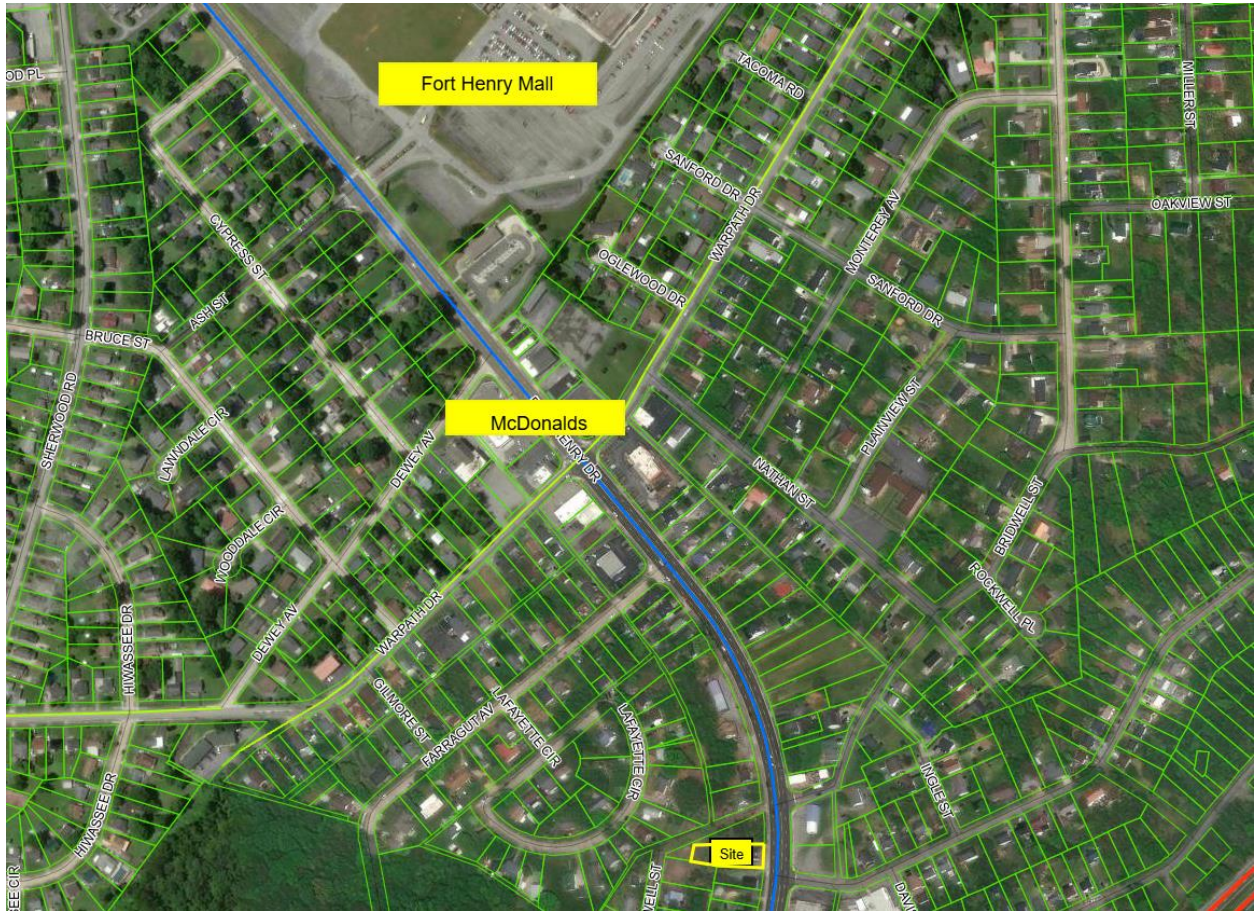
PETITIONER

ADDRESS **2121 Pendragon Road, Kingsport, TN 37660**

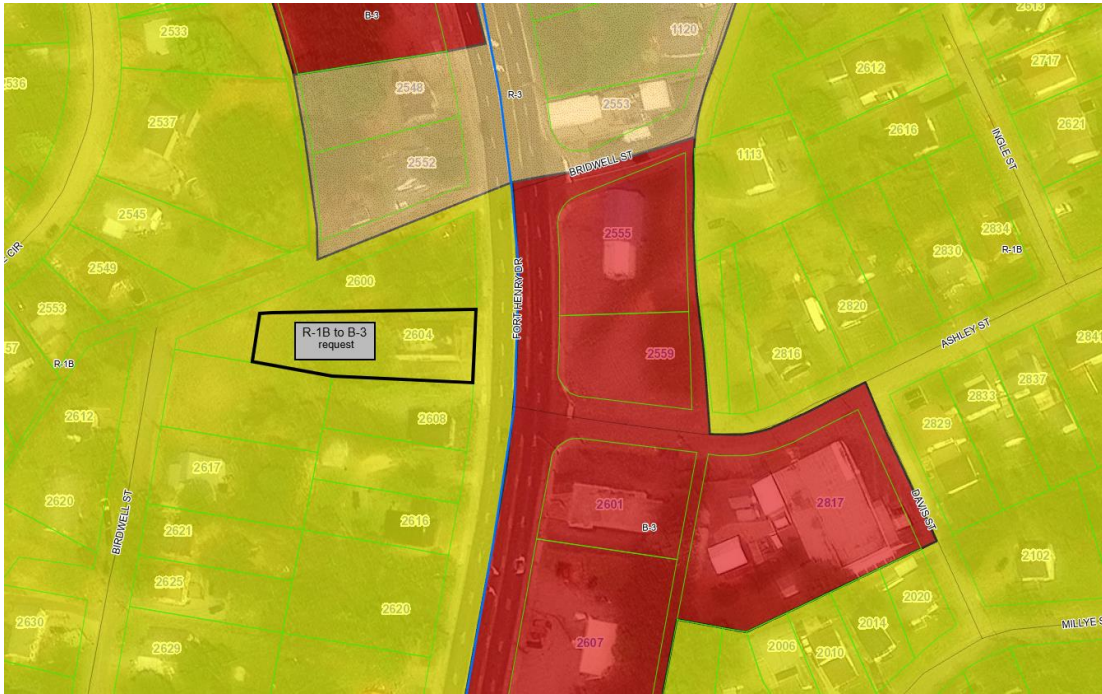
INTENT

To rezone from R-1B (Residential District) to B-3 (Highway-Oriented Business District) to accommodate a commercial business use.

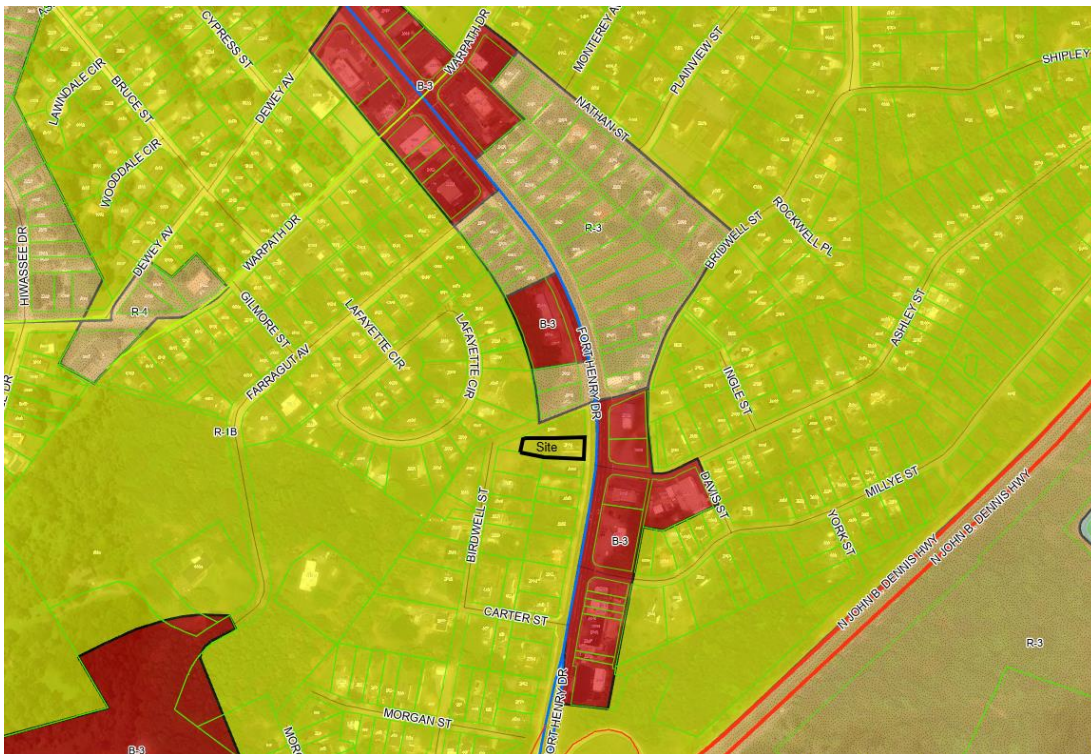
Vicinity Map



Surrounding City Zoning Map



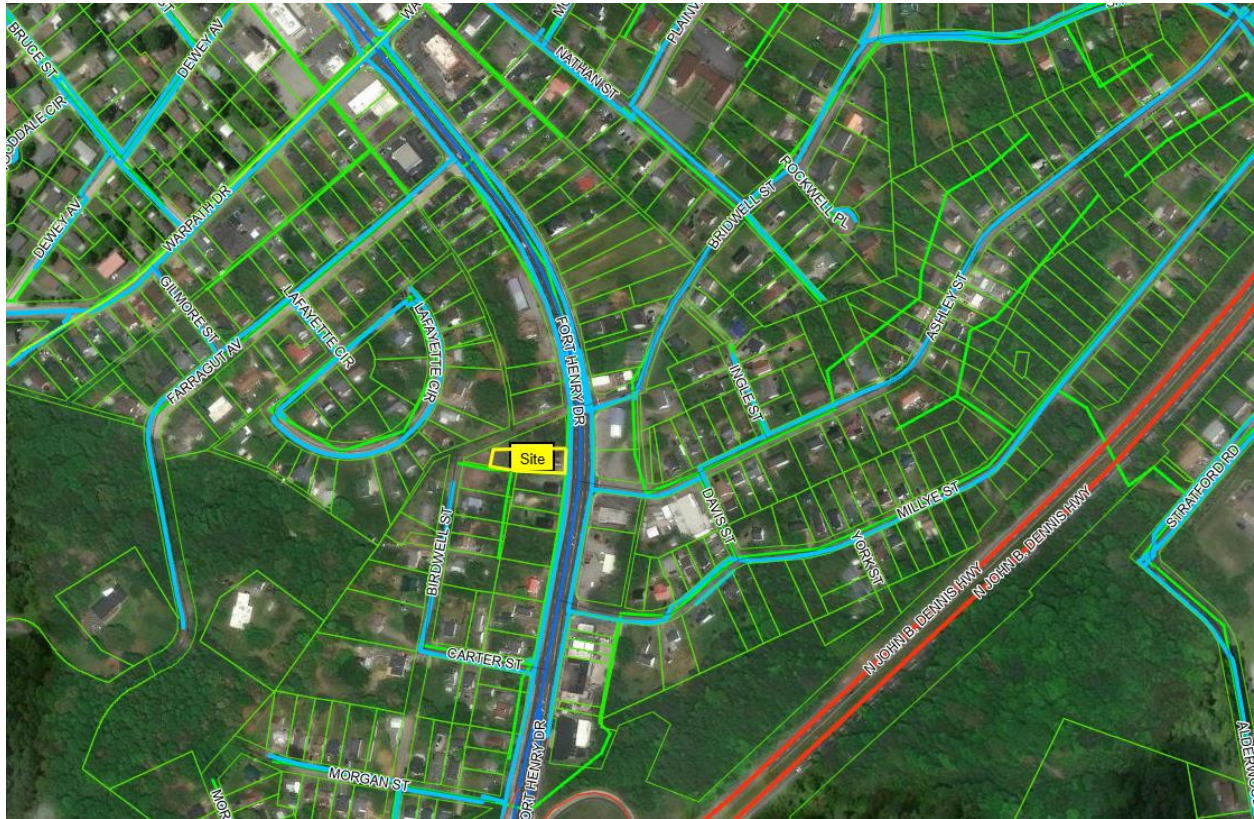
Expanded City Zoning Map



2030 Future Land Use Map



Aerial



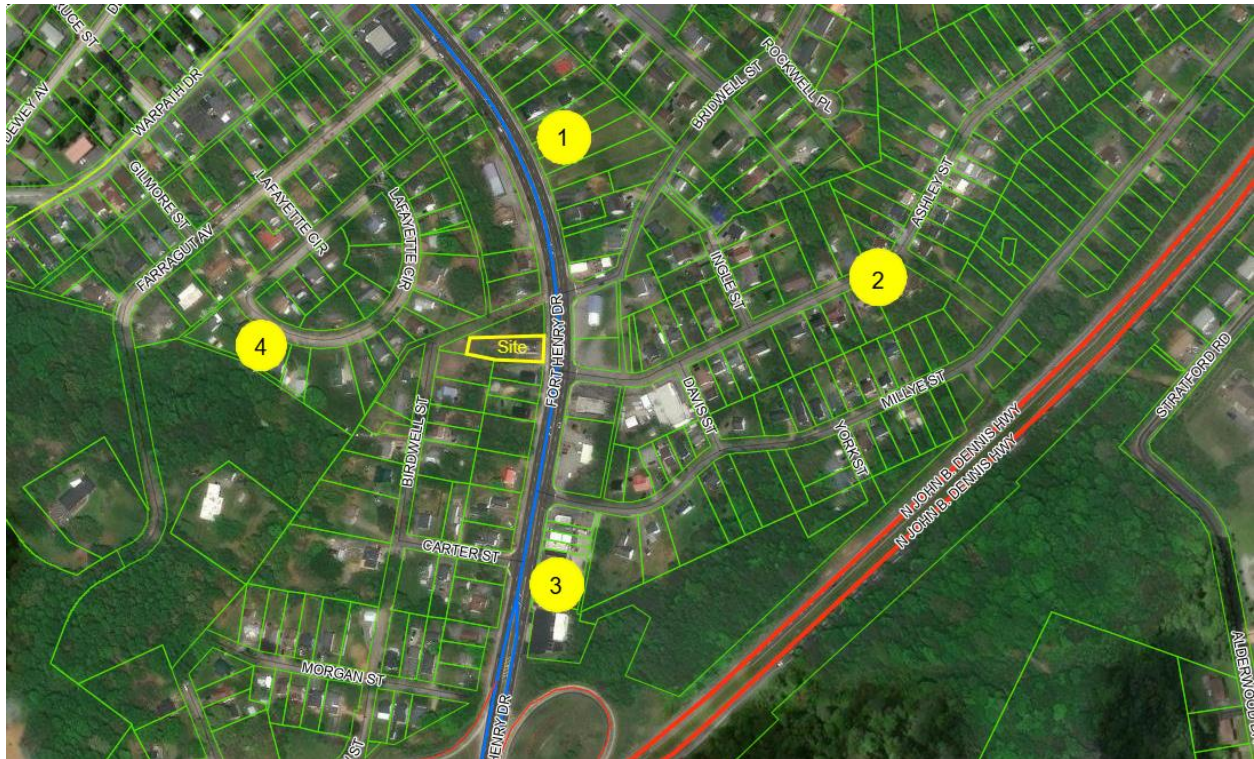
View from Fort Henry Drive facing site



View from Fort Henry Drive facing site



EXISTING USES LOCATION MAP



Kingsport Regional Planning Commission

Rezoning Report

File Number REZONE26-0080

Existing Zoning/ Land Use Table

Location	Parcel / Zoning Petition	Zoning / Name	History Zoning Action Variance Action
North	1	<u>Zone: City R-3</u> Use: single-family/commercial	
East	2	<u>Zone: City R-1B</u> Use: single-family	
South	3	<u>Zone: City B-3</u> Use: commercial	
West	4	<u>Zone: City R-1B</u> Use: single-family	

Standards of Review

Planning Staff shall, with respect to each zoning application, investigate and make a recommendation with respect to factors 1 through 5, below, as well as any other factors it may find relevant.

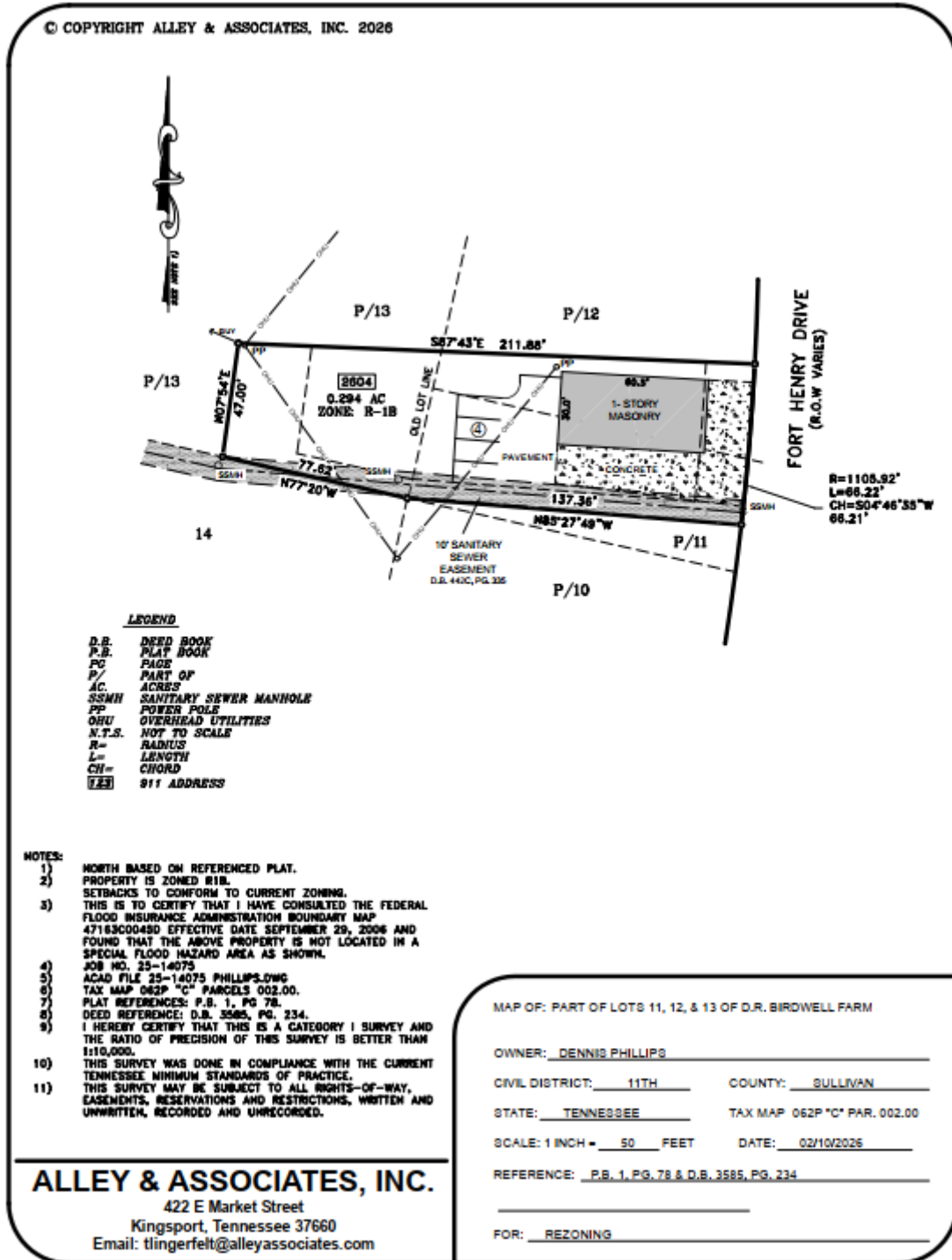
1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** Yes. The proposed rezoning to B-3 is suitable given the property's location along a busy highway and its existing commercial structure. The request aligns with surrounding commercial and higher-intensity roadway-oriented uses and is consistent with the Retail/Commercial designation on the 2030 Land Use Map.
2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** No. The proposed B-3 zoning is not expected to adversely affect adjacent properties. Continued or renewed commercial use of an existing vacant commercial building is consistent with the established roadway corridor and surrounding development patterns.
3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** Yes. While the property has some limited economic use under the current R-1B zoning, the existing vacant commercial building is not consistent with that classification. Rezoning to B-3 would restore a more appropriate and economically viable use consistent with its developed commercial character and highway frontage.
4. **Whether the proposal is in conformity with the policies and intent of the land use plan?** Yes. The proposed B-3 rezoning is consistent with the 2030 Land Use Map designation of Retail/Commercial. The request supports the intent of concentrating higher-intensity, highway-oriented commercial uses along major transportation corridors.

Proposed use: commercial business

The 2030 Land Use Map recommends Retail/Commercial

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** Yes. The property's frontage on a major highway, its existing vacant commercial building, and surrounding commercial development patterns support the appropriateness of the B-3 district.

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



CONCLUSION

Prepared by Kingsport Planning Department for the Kingsport Regional Planning Commission Meeting on May 21, 2026

Item VIII.3.

Rezoning Report

Kingsport Regional Planning Commission

File Number REZONE26-0080

Staff recommends approval of the rezoning from R-1B to B-3 based on its compatibility with the 2030 Land Use Map.

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

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

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

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

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

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

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

General Fund	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues	\$ -	\$ -	\$ -
Expenses			
110-4804-481.70-36 To General Project Fund	1,350,443	1,242,096	(108,347)
110-4804-481.70-35 To General Proj-Special Revenue	5,477,416	4,835,763	(641,653)
Total	\$ 6,827,859	\$ 6,077,859	\$ (750,000)
Change in Fund Balance			\$ 750,000

Special Projects Revenue Fund: 111 IT Cybersecurity (NC2208)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	1,084	774	(310)
Total	\$ 1,084	\$ 774	\$ (310)
Expenses			
111-0000-601.20-57 Computer Repairs/Maintenance	209,000	208,690	(310)
Total	\$ 209,000	\$ 208,690	\$ (310)
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 Broadband Study (NC2212)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	170,000	150,307	(19,693)
Total	\$ 170,000	\$ 150,307	\$ (19,693)
Expenses			
111-0000-601.20-23 Arch/Eng/Landscaping Services	169,900	150,207	(19,693)
Total	\$ 169,900	\$ 150,207	\$ (19,693)
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 Bullet Proof Vest (NC2309)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	7,035	5,360	(1,675)
Total	\$ 7,035	\$ 5,360	\$ (1,675)
Expenses			
111-0000-601.30-20 Operating Supplies and Tools	14,070	12,395	(1,675)
Total	\$ 14,070	\$ 12,395	\$ (1,675)
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 Misc Projects (NC2325)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	408,320	346,941	(290,648)
Total	\$ 408,320	\$ 346,941	\$ (290,648)
Expenses			
111-0000-301.90-04 Capital Outlay/Equipment	408,320	408,320	(290,648)
Total	\$ 408,320	\$ 408,320	\$ (290,648)
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 LNG Training Project (NC2416)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-364.20-00 Contributions	20,000	-	(20,000)
111-0000-391.01-00 From General Fund	2,000	22,000	20,000
Total	\$ 22,000	\$ 22,000	\$ -
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 Driver Safety Training (NC2417)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	5,000	-	(5,000)
Total	\$ 5,000	\$ -	\$ (5,000)
Expenses			
111-0000-601.20-45 Training	5,000	-	(5,000)
Total	\$ 5,000	\$ -	\$ (5,000)
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 TN Opioid Settlement (NC2420)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	344,566	-	(344,566)
Total	\$ 344,566	\$ -	\$ (344,566)
Expenses			
110-0000-601.90-03 Capital Outlay	344,566	-	(344,566)
Total	\$ 344,566	\$ -	\$ (344,566)
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 LSTA Tech Grant (NC2512)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	-	239	239
Total	\$ -	\$ 239	\$ 239
Expenses			
111-0000-601.30-20 Operating Supplies and Tools	10,262	10,501	239
Total	\$ 10,262	\$ 10,501	\$ 239
Change in Project Fund Balance			\$ -

Special Projects Revenue Fund: 111 Bullet Proof Best Project (NC2612)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
111-0000-391.01-00 From General Fund	-	23,994	23,994
111-0000-331.38-00 U.S. Dept of Justice	-	23,994	23,994
Total	\$ -	\$ 47,988	\$ 47,988
Expenses			
111-0000-601.30-20 Operating Supplies and Tools	-	47,988	47,988
Total	\$ -	\$ 47,988	\$ 47,988
Change in Project Fund Balance			\$ -

General Projects Fund: 311 Border Regions Road Improvements (GP1228)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-332.10-15 Border Regions Allocation	1,545,258	1,731,727	186,469
Total	\$ 1,545,258	\$ 1,731,727	\$ 186,469
Expenses			
311-0000-601.90-03 Improvements	-	186,469	186,469
Total	\$ -	\$ 186,469	\$ 186,469
Change in Project Fund Balance			\$ -
General Projects Fund: 311 Main Street Improvements (GP1516)			
	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-337.52-10 FHWA/TN FHWA 80%	16,189,238	15,056,452	(1,132,786)
311-0000-391.00-00 From General Fund	-	136,462	136,462
311-0000-332.10-15 Border Regions Allocation	-	996,324	996,324
Total	\$ 16,189,238	\$ 16,189,238	\$ -
Change in Project Fund Balance			\$ -

General Projects Fund: 311 FT Robinson Bridge Replacement (GP1618)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	17,000	34,312	17,312
Total	\$ 17,000	\$ 34,312	\$ 17,312
Expenses			
311-0000-601.90-03 Improvements	26,146	43,458	17,312
Total	\$ 26,146	\$ 43,458	\$ 17,312
Change in Project Fund Balance			\$ -

General Projects Fund: 311 PW Recycle Centers (GP2207)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-368.10-69 GO Bonds Series 2021	276,150	273,670	(2,480)
Total	\$ 276,150	\$ 273,670	\$ (2,480)
Expenses			
311-0000-601.90-03 Improvements	135,326	132,846	(2,480)
Total	\$ 135,326	\$ 132,846	\$ (2,480)
Change in Project Fund Balance			\$ -
General Projects Fund: 311 Street Resurfacing (GP2033)			
Appropriations:			
Revenues			
311-0000-368.10-69 GO Bonds Series 2021	-	2,480	2,480
Total	\$ -	\$ 2,480	\$ 2,480
Expenses			
311-0000-601.90-03 Improvements	2,388,000	2,390,480	2,480
Total	\$ 2,388,000	\$ 2,390,480	\$ 2,480
Change in Project Fund Balance			\$ -

General Projects Fund: 311 Public Safety Software & Equipment (GP2103)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	1,284,417	1,188,173	(96,244)
Total	\$ 1,284,417	\$ 1,188,173	\$ (96,244)
Expenses			
311-0000-601.90-04 Equipment	500,000	403,756	(96,244)
Total	\$ 500,000	\$ 403,756	\$ (96,244)
Change in Project Fund Balance			\$ -

General Projects Fund: 311 Litigation Contingency (GP2304)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	5,000	-	(5,000)
Total	\$ 5,000	\$ -	\$ (5,000)
Expenses			
311-0000-601.20-20 Consultant	5,000	-	(5,000)
Total	\$ 5,000	\$ -	\$ (5,000)
Change in Project Fund Balance			\$ -

General Projects Fund: 311 Border Regions Street (GP2516)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-332.10-15 Border Regions Allocation	1,208,293	25,500	(1,182,793)
Total	\$ 1,208,293	\$ 25,500	\$ (1,182,793)
Expenses			
311-0000-601.20-23 ARCH/ENG/Landscaping Service	30,000	25,500	(4,500)
311-0000-601.90-03 Improvements	1,178,293	-	(1,178,293)
Total	\$ 1,208,293	\$ 25,500	\$ (1,182,793)
Change in Project Fund Balance			\$ -

General Projects Fund: 311 State Industrial Access (GP2601)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	762,691	12,691	(750,000)
Total	\$ 762,691	\$ 12,691	\$ (750,000)
Expenses			
311-0000-601.90-03 Improvements	1,022,691	272,691	(750,000)
Total	\$ 1,022,691	\$ 272,691	\$ (750,000)
Change in Project Fund Balance			\$ -

General Projects Fund: 311 Future Project Funding (GP9999)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
311-0000-391.01-00 From General Fund	-	589,123	589,123
Total	\$ -	\$ 589,123	\$ 589,123
Expenses			
311-0000-601.90-03 Improvements	-	589,123	589,123
Total	\$ -	\$ 589,123	\$ 589,123
Change in Project Fund Balance			\$ -

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

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:

4. Emergency Connections to Other Utilities – will be charged Outside City Usage Rates (B.2) only, no Base Charge.

C. Private Fire Service Connection (Monthly Charge plus Usage Rates Found in Section B.2.)

<u>Size</u>	
4 inch and below	\$ 30.00
6 inch	\$ 50.00
8 inch	\$ 50.00
10 inch	\$ 75.00
12 inch	\$ 100.00

D. Tapping Fees (New Meter, Meter Relocation, Fire Service, Fire Service Relocation)

<u>Size</u>	
5/8 inch	\$ 1,200.00
1 inch	\$ 1,300.00
1 ½ inch	\$ 2,200.00
2 inch	\$ 2,900.00
3 inch	\$ 5,000.00
4 inch	\$ 5,700.00
6 inch	\$ 8,200.00

All taps larger than 6 inch will be estimated prior to construction, fee to include all costs of labor, equipment & materials plus 10%

E. Water Connection Service Fee (set up/start account) \$ 50.00

F. Temporary Connection of 2 inch Meter to Fire Hydrant \$ 200.00

G. Disconnection or Reconnection of Service

1. Reconnection / Non-Payment / Lockup / Meter Removal Fee

(a) Kingsport Water Customers (Before 5 PM on Work Days) \$ 50.00

(b) Kingsport Water Customers (After 5 PM, Weekends, Holidays) \$ 75.00

(c) Bloomingdale Utility District (BUD) Water Customers..... BUD Current Rate

2. Obstruction Removal Fee \$ 100.00

3. Tampering Fee (meters or other utility property) \$ 250.00

H. Service Call Charges

1. Raise/Lower Water Meter at Request of User \$ 150.00

2. Leak Detection/Line Locating on Private Property (per hour) \$ 75.00

3. Backflow Prevention Devices Testing Fee

(a) Initial Test Free

(b) Annual Test Free

(c) Retesting Fee, Per Test (If Device Fails on Initial or Annual Test) \$ 75.00

4. Service Fee

(a) Initial Call Free

(b) Recurring Service Calls, each \$ 50.00

I. Fire Hydrants

1. Fire Hydrant Installation or Relocation Fee \$ 5,500.00

2. Fire Hydrant Flow Test Fee \$ 100.00

J. Water Line Extension

1. Cost Estimate Fee \$ 100.00

2. Extension Cost will be estimated at contractor installation prices and will be limited to availability of lowest bid contractor.

Sewer Usage Rates and Fees

K. Sewer Usage Rates

1. Base charge per month
 - (a) Inside City \$ 10.56
 - (b) Outside City \$ 15.88

2. Class I Usage Rates (Rate Per Thousand Gallons)

<u>Volume Used</u>	<u>Inside City</u>	<u>Outside City</u>
All Usage	\$ 11.60	\$ 17.39

3. Class II Surcharge Fees

- (a) BOD per lb \$ 0.204
- (b) TSS per lb \$ 0.102

4. Residential or commercial water customers located within the corporate limits of the City of Kingsport where sanitary sewers are not available and are identified by the Utilities Director as receiving septic tank pumping and waste hauling services provided by the City shall be subject to sewer user rates for Class I customers as set out above. Tap fee applicable to property served shall be paid before such service begins.

5. Winter Sewer Average for All Residential Customers

- (a) An average base figure on water consumption will be established for individual residential customers. This figure will be calculated by using the consumption by each metered customer during the five-month billing periods of December to April, winter months when water usage is reasonably stable, and when most water enters the City sewer system.
- (b) A 3,000-gallon amount will be added to the average of each customer to arrive at a final individual consumption average.
- (c) Once established, the final average will be used as the annual individual sewer average for the following year. A new average will be established during each winter period and the procedure will be repeated.
- (d) Six months of billing history will be needed to establish the winter sewer average for any new customer.

L. Tapping Fees (New Service, Tap Relocation, or Additional Tap)

1. Residences, single-family, cluster homes, condominiums, townhouses, duplexes, row houses, etc. per living unit (existing structures & new construction)
 - (a) First Unit \$ 2,500.00
 - (b) Additional Units on Same Tap \$ 200.00
2. Multi-family complexes, hotels, motels, hospitals, nursing homes, retirement centers, mobile home parks, etc. (existing structures and new construction)
 - (a) First Unit / Room \$ 2,500.00
 - (b) Additional Units on Same Tap \$ 200.00
3. Car wash (existing structures and new construction)

(a) First Bay	\$ 2,500.00
(b) Each Additional Bay	\$ 500.00
4. Large and small commercial users, factories, and shopping centers (existing structures and new construction)	
(a) First 10,000 square feet (or additional lateral)	\$ 2,500.00
(b) Each additional 10,000 square feet	\$ 300.00
5. Low Pressure Tap Fees (Residential Lift Station)	
(a) New Structures	\$ 6,000.00
(b) Existing Structures	
(1) Inside City	\$ 2,500.00
(2) Outside City	\$ 6,500.00

M. Categories of Uses

1. Single Family Residence: A building occupied exclusively for residence purpose by one family or housekeeping unit, independent of any other structure, and generally owner occupied.
2. Row Houses: Utilizes a common wall between houses (duplex) or row house can have common walls on both sides of the structure (cluster home, townhouse and/or condominium) and usually is one-family owner occupied.
3. Additional Existing Units: Additional existing units on same lot or parcel of land with existing residence and connected to the same sewer tap.
4. Subdivisions and/or Planned Residential Development: Developments approved by the Kingsport Planning Commission where the developer installs sanitary sewer collector system to City specifications and conveys by deed to City for maintenance. Internal circulation can be either public or private streets. Development where individual living units are available for private ownership.
5. Multi-family Project: Usually involves more than one building on a large site (internal vehicular circulation serving each building) and each multifamily complex or building located within the multifamily project shall be subject to the fee schedule established herein for multifamily complexes. Housing can be either low- or high-rise. The project is usually under one ownership, and the dwelling units are rented, but each dwelling unit may be under individual ownership.
6. Multi-family Complex: Usually consists of one building with direct access from the building to public street and/or sanitary sewer easement. Can be either one ownership of entire project or individual ownership of each dwelling unit.
7. Hospitals, Nursing Homes, Retirement Centers: Unit/room is determined by the area (number of beds) served by one bath. Can be a private room, semi-private room or two rooms, etc.
8. Public Sewer System: A sanitary sewer system installed in a development comprised of lots, units, etc., available for individual acquisition and ownership. System developed to City specifications, at developer's expense and conveyed by deed to the City for maintenance.
9. Small Commercial Users (with less than 10,000 square feet in floor area): Such as those businesses or services as set forth in Article IV, Section 5, Subsection (A) - (E), inclusive, and Section 9 of the Zoning Ordinance of the City of Kingsport,

except that those uses permitted within other zones or uses expressly excepted by Section 102-408 of the Code of Ordinances of the City of Kingsport or this Resolution shall not be construed to be included in this classification.

N. Wastewater Discharge Permit Fees

- 1. Non-domestic permit application
 - (a) Original Application \$ 50.00
 - (b) Renewal Application \$ 25.00

NOTE: Fee is non-refundable. Applicants who file an application with incomplete or missing information have thirty (30) days to correct and resubmit the application. Those applicants not resubmitting within 30 days will be required to start the application process over, including payment of another fee.
- 2. Non-domestic permits (annual fee) \$ 200.00

NOTE: Permits are issued for annual periods not to exceed a 5-year time limit. Fees are based on an annual rate.
- 3. Permit Transfer Fee \$ 100.00

O. Wastewater Appeals Board Fee \$ 250.00

P. Water Utility Monitoring, Inspection, and Surveillance, and Construction Fees

- 1. Private Lateral Backup Response \$ 250.00
- 2. Lateral Location Fee \$ 150.00
- 3. Dye/Smoke Test, Odor Investigation, Pretreatment Inspection \$ 100.00
- 4. Wastewater Sample Fees \$ 50.00

Includes 5-Day BOD, Total Coliform / E-Coli, Temperature Total Suspended Solids, Dissolved Oxygen, Ammonia, pH
- 5. Manhole Adjustment Fee at cost, based on estimate

Q. Waste Hauler Permit Fee (annual) \$ 50.00

R. Clean Hauled Waste Disposal

- 1. Domestic (per load up to 2,000 gallons) \$ 100.00
- 2. Non-domestic (per 1,000 gallons) \$ 150.00

S. UST Discharge Permit Fee (per tank) \$ 100.00

T. Groundwater Discharge Permit Fee (annual fee, per location) \$ 250.00

Stormwater Rates and Fees

U. Stormwater Rates

<u>Single Family Residential Property</u>	<u>% SFU</u>	<u>Monthly User Rate</u>
Tier (based on impervious surface)		
1 – 0 to 1,912 sq ft	70	\$ 2.80
2 – 1,913 to 6,269 sq ft	100	\$ 4.00
3 – 6,270 sq ft and above	140	\$ 5.60
<u>Non Single Family Residential</u>		
Duplexes, Townhomes, Apartments, Condominiums, Mobile Homes, etc.		
Per Each Dwelling Unit	60	\$ 2.40
<u>Other Developed Property</u>		
Commercial, Industrial, Institutional, Churches, Recreational, Parking Lots, etc.		

Varies \$4.00 per SFU
Minimum Fee \$4.00

V. Rate Details

1. The terms used in this subsection shall have the same meaning ascribed to such terms in Ordinance No. 6146, establishing the stormwater utility
2. The single-family unit (SFU) is hereby established as 3,794 square feet of impervious surface area. The base rate for stormwater user fees is \$4.00 per month per SFU
3. For the other developed property classification in the chart above, the number of SFU is determined by dividing the total square footage of impervious surface area of the property by the SFU, rounded to the nearest tenth. The minimum value shall not be less than one SFU.

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 _____

Ordinance No. _____

AN ORDINANCE TO APPROPRIATE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE FISCAL YEAR ENDING JUNE 30, 2027; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, Tenn. Code Ann. § 9-1-116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys, regardless of the source, except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the Governing Body has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting during which the Governing Body will consider final passage of the budget.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF KINGSPORT, TENNESSEE, AS FOLLOWS:

SECTION 1: That the Community Development Block Grant budget be established by providing for the expenditure of funds by appropriating funding in the amount of \$457,885.

PRE-FILED
CITY RECORDER

COMMUNITY DEVELOPMENT FUND

CD2501	CDBG Administration	Revenue	Expense
124-0000-331.10-00	Community Development Block Grant	\$ 106,577.00	\$ -
124-0000-603.10-10	Salaries		80,723.00
124-0000-603.10-20	Social Security		5,940.00
124-0000-603.10-30	Health Insurance		10,414.00
124-0000-603.10-42	TCRS Hybrid Retirement		6,220.00
124-0000-603.10-50	Life Insurance		140.00
124-0000-603.10-52	Long Term Disability		140.00
124-0000-603.10-60	Workman's Compensation		60.00
124-0000-603.10-61	Unemployment Insurance		40.00
124-0000-603.20-10	Advertising and Publication		50.00
124-0000-603.20-21	Accounting/Auditing		120.00
124-0000-603.20-34	Telephone		150.00
124-0000-603.20-40	Travel		500.00
124-0000-603.20-43	Dues/Membership		200.00
124-0000-603.20-99	Miscellaneous		1,780.00
124-0000-603.30-10	Office Supplies		50.00
124-0000-603.30-11	Postage		50.00
		\$ 106,577.00	\$ 106,577.00

CD2504	KAHR Program	Revenue	Expense
124-0000-331.10-00	Community Development Block Grant	\$ 177,625.00	
124-0000-603.40-23	Grants		177,625.00
		\$ 177,625.00	\$ 177,625.00

CD2505	Community Enrichment	Revenue	Expense
124-0000-331.10-00	Community Development Block Grant	\$ 68,683.00	
124-0000-603.40-23	Grants		68,683.00
		\$ 68,683.00	\$ 68,683.00

CD2525		Code Enforcement	Revenue	Expense
124-0000-331.10-00		Community Development Block Grant	\$ 35,000.00	
124-0000-603.10-10		Grants		35,000.00
			\$ 35,000.00	\$ 35,000.00

CD2535		HOPE VI - Section 108	Revenue	Expense
124-0000-331.10-00		Community Development Block Grant	\$ 70,000.00	
124-0000-603.40-23		Grants		70,000.00
			\$ 70,000.00	\$ 70,000.00

SECTION 2: This ordinance shall take effect July 1, 2026, the welfare of the City of Kingsport requiring it.

Passed First Reading: _____

Date

Passed Second Reading: _____

Date

Public Hearing: _____

Date

Mayor Date Signed

City Recorder Date Signed



AGENDA ACTION FORM

Consideration of an Ordinance to Adopt the FY 2026-2027 Utility Enterprise Funds Budgets

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

Action Form No.: AF-181-2026
Work Session: June 1, 2026
First Reading: June 2, 2026
Final Adoption: June 16, 2026
Staff Work By: Wilson
Presentation By: Chris McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:

- Approve the Ordinance
- Conduct a Public Hearing at the June 16, 2026, 2nd reading of the Ordinance

Executive Summary:

The proposed budget establishes appropriations for the City's enterprise utility funds, including the Water Fund, Sewer Fund, and Stormwater Fund. The budget was prepared in accordance with the 1982 Municipal Budget Law of Tennessee and reflects projected operating revenues, expenditures, capital improvement investments, debt service obligations, and reserve requirements necessary to support the continued delivery of utility services during the upcoming fiscal year.

Adoption of the budget authorizes expenditures and formally establishes the financial and operating plan for the enterprise funds for the fiscal year beginning July 1, 2026, and ending June 30, 2027.

Attachments:

1. Ordinance

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

**AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE
ADOPTING THE ANNUAL BUDGET FOR THE
FOLLOWING PROPRIETARY FUNDS
WATER FUND
SEWER FUND
STORMWATER FUND
FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027**

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance but does not require the appropriation of moneys expended in a proprietary type fund; and

WHEREAS, the governing body recognizes the importance of the review and approval by adoption of the detailed budget(s) for proprietary fund types; and

WHEREAS, pursuant to Tenn. Code Ann. § 9-21-403, the budget has been prepared and reconciled to a basis consistent with generally accepted accounting principles and in a form consistent with governmental standards as approved by the Tennessee Comptroller of the Treasury; and

WHEREAS, consistent with Tenn. Code Ann. § 9-21-403, the local government has demonstrated that there is adequate cash throughout the budget year to meet current obligations, including principal and interest; and

WHEREAS, the Board of Mayor and Aldermen is responsible for the operations of identified funds have prepared the annual operating budget identifying revenue by source and expenses by type and have presented three years of financial information, specifically, projected amounts for the budget year, estimated amounts for the current fiscal year, and actual amounts for the prior fiscal year; and

WHEREAS, proprietary fund budgets reflect compliance with the requirements of Tenn. Code Ann. § 7-82-703 for a statutory increase in net position, repayment of debt, and positive ending unrestricted and total net position balanced, for water, wastewater, and/or natural gas utility systems under the jurisdiction of the Tennessee Board of Utility Regulation; and

WHEREAS, the governing body recognizes the importance of adopting its budget prior to the beginning of the budget year and its statutory requirement pursuant to Tenn. Code Ann. § 9-21-403 to submit its budget to the Tennessee Comptroller of the Treasury within 15 days of adoption. It is further recognizes that the budget shall be submitted no later than August 31st of the budget year and should the budget be submitted after August 31, debt or financing obligations shall not be issued by the municipality until the Comptroller of the Treasury has approved the budget, or as otherwise provided for in a manner approved by the Comptroller of the Treasury pursuant to Tenn. Code Ann. § 9-21-404; and

WHEREAS, the governing body recognizes its responsibility pursuant to Tenn. Code Ann. § 4-3-305 to prepare the budget in accordance with the requirements of the Tennessee Budget Manual for Local Governments published by the Tennessee Comptroller of the Treasury; and

WHEREAS, if the Comptroller of the Treasury determines that the budget is not balanced and does not comply with state law, the Comptroller of the Treasury has authority pursuant to Tenn. Code Ann. § 9-21-403 to direct the governing body to adjust its estimates.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF KINGSPORT, TENNESSEE, AS FOLLOWS:

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2027, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

Water Fund - 411 - Cash Basis	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Water Sales	\$ 16,933,961	\$ 19,500,000	\$ 20,300,000
Other Operating Revenue	1,539,529	1,563,637	976,500
Total Operating Revenues	\$ 18,473,490	\$ 21,063,637	\$ 21,276,500
Operating Expenses			
Administration	\$ 2,792,473	\$ 3,428,209	\$ 4,410,052
Plant Operations	4,518,185	4,446,486	4,900,303
System Maintenance	3,798,225	3,605,943	4,928,027
Utility Technical Service	1,952,577	1,609,504	1,805,332
Capital	10,044,134	5,170,396	603,853
Other	903,579	900,777	880,800
Depreciation	-	-	-
Total Operating Expenses	\$ 24,009,173	\$ 19,161,315	\$ 17,528,367
Operating Income (Loss)	\$ (5,535,683)	\$ 1,902,322	\$ 3,748,133
Nonoperating Revenue (Expenses)			
Revenue			
Investment Income	\$ 834,789	\$ 632,000	\$ 352,000
Expense			
Debt Service - Principal	(3,186,744)	(3,301,600)	(3,059,745)
Debt Service - Interest	(1,232,067)	(1,178,300)	(1,349,788)
Total Nonoperating Revenue (Expenses)	\$ (3,584,023)	\$ (3,847,900)	\$ (4,057,533)
Income (Loss Before Transfers)	\$ (9,119,706)	\$ (1,945,578)	\$ (309,400)
Transfers and Capital Contributions			
Capital Contributions - Grants	3,477,231	743,234	309,400
Total Transfers	\$ 3,477,231	\$ 743,234	\$ 309,400
Change in Net Position - Cash Basis	\$ (5,642,474)	\$ (1,202,344)	\$ -
GAAP RECONCILIATION			
Change in Net Position - Cash Basis	(5,642,474)	(1,202,344)	\$ -
Add:			
Debt Service - Principal	\$ 3,186,744	\$ 3,301,600	\$ 3,059,745
Capital Purchases	11,494,262	5,316,793	2,035,646
Subtract:			
Depreciation Expense	(4,224,005)	(4,500,000)	(4,700,000)
Change in Net Position GAAP Basis	4,814,527	2,916,049	395,391
Net Position - Beginning of Year - Restated	79,282,201	84,096,728	87,012,777
Net Position - End of Year	84,096,728	87,012,777	87,408,168

Sewer Fund - 412 - Cash Basis	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Sewer Sales	\$ 19,953,337	\$ 20,111,600	\$ 22,520,000
Other Operating Revenue	871,890	1,066,550	947,900
Total Operating Revenues	\$ 20,825,228	\$ 21,178,150	\$ 23,467,900
Operating Expenses			
Administration	\$ 2,178,541	\$ 2,128,000	\$ 3,040,564
Plant Operations	4,645,467	4,945,900	5,406,437
System Maintenance	2,782,341	2,550,700	3,058,463
Utility Technical Service	794,134	866,000	889,911
Capital	272,500	2,680,000	4,328,125
Other	1,499,855	1,050,900	1,020,900
Depreciation	-	-	-
Total Operating Expenses	\$ 12,172,840	\$ 14,221,500	\$ 17,744,400
Operating Income (Loss)	\$ 8,652,388	\$ 6,956,650	\$ 5,723,500
Nonoperating Revenue (Expenses)			
Revenue			
Investment Income	\$ 1,062,157	\$ 940,000	\$ 620,000
Sewer Taps	6,810	7,000	6,500
Expense			
Debt Service - Principal	(4,167,889)	(4,320,900)	(4,500,000)
Debt Service - Interest	(1,667,088)	(1,822,400)	(1,850,000)
Total Nonoperating Revenue (Expenses)	\$ (4,766,010)	\$ (5,196,300)	\$ (5,723,500)
Income (Loss Before Transfers)	\$ 3,886,378	\$ 1,760,350	\$ -
Transfers and Capital Contributions			
Capital Contributions - Grants	\$ 1,020,936	\$ -	\$ -
Total Transfers	\$ 1,020,936	\$ -	\$ -
Change in Net Position - Cash Basis	\$ 4,907,314	\$ 1,760,350	\$ -
GAAP RECONCILIATION			
Change in Net Position - Cash Basis	4,907,314	1,760,350	\$ -
Add:			
Debt Service - Principal	\$ 4,167,889	\$ 4,320,900	\$ 4,500,000
Capital Purchases	2,123,559	2,554,000	4,839,125
Subtract:			
Depreciation Expense	(678,361)	-	-
	(5,723,835)	(5,809,693)	(5,900,000)
Change in Net Position GAAP Basis	4,796,566	2,825,557	3,439,125
Net Position - Beginning of Year - Restated	113,002,709	117,799,275	120,624,832
Net Position - End of Year	117,799,275	120,624,832	124,063,957

Stormwater Fund - 417 - Cash Basis	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Stormwater Fees	\$ 1,884,687	\$ 2,271,900	\$ 2,150,000
Total Operating Revenues	\$ 1,884,687	\$ 2,271,900	\$ 2,150,000
Operating Expenses			
Operating Cost	\$ 2,400,501	\$ 2,166,600	\$ 2,034,790
Depreciation	-	-	-
Total Operating Expenses	\$ 2,400,501	\$ 2,166,600	\$ 2,034,790
Operating Income (Loss)	\$ (515,814)	\$ 105,300	\$ 115,210
Nonoperating Revenue (Expenses)			
Revenue			
Investment Income	\$ 10,875	\$ 8,500	\$ 5,000
Expense			
Debt Service - Principal	(99,233)	(102,500)	(106,350)
Debt Service - Interest	(14,592)	(17,800)	(13,860)
Total Nonoperating Revenue (Expenses)	\$ (102,950)	\$ (111,800)	\$ (115,210)
Income (Loss Before Transfers)	\$ (618,764)	\$ (6,500)	\$ -
Transfers and Capital Contributions			
Capital Contributions - Grants	481,154	-	-
Total Transfers	\$ 481,154	\$ -	\$ -
Change in Net Position - Cash Basis	\$ (137,610)	\$ (6,500)	\$ -
GAAP RECONCILIATION			
Change in Net Position - Cash Basis	(137,610)	(6,500)	\$ -
Add:			
Debt Service - Principal	\$ 99,233	\$ 102,500	\$ 106,350
Capital Purchases	782,313	250,000	50,000
GASB 68, GASB 75, OPEB (Non Cash Adj)	150,008	-	-
Subtract:			
Depreciation Expense	(162,496)	(165,000)	(165,000)
Change in Net Position GAAP Basis	731,448	181,000	(8,650)
Net Position - Beginning of Year - Restated	4,332,373	5,063,821	5,244,821
Net Position - End of Year	5,063,821	5,244,821	5,236,171

SECTION 2: At the end of the fiscal year 2026, the governing body estimates fund balances or deficits as follows:

Fund Name - Fund #	Estimated Net Position at June 30, 2026
Water Fund - 411 - Cash Basis	\$ 87,012,777
Sewer Fund - 412 - Cash Basis	\$ 120,624,832
Stormwater Fund - 417 - Cash Basis	\$ 5,244,821

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

Type of Indebtedness	Debt Authorized and Unissued	Principal Outstanding at June 30, 2026	FY 2027 Principal Payment	FY 2027 Interest Payment
Bonds -Payable Through Water Fund				
General Obligation Refunding Series 2013	3,025,000	10,000	10,000	300
General Obligation Refunding Series 2014B	2,717,899	1,461,236	144,662	41,667
General Obligation Refunding Series 2015A	2,226,420	874,059	76,646	26,708
General Obligation Refunding Series 2016 (Nov)	3,294,425	1,988,854	169,083	64,947
General Obligation Refunding Series 2017B	1,167,095	759,389	60,689	20,910
General Obligation Refunding Series 2018B	3,966,023	2,823,207	199,241	90,532
General Obligation Series 2019 Refunding (09 BABS	2,159,378	974,783	226,658	48,739
General Obligation Series 2019 (Nov)	5,730,508	4,251,320	314,000	139,014
General Obligation Series 2020 Refunding 11 & 12C	2,337,395	1,436,108	229,433	24,252
General Obligation Series 2021	1,380,000	1,183,801	55,557	35,237
General Obligation Series 2023	9,750,000	9,415,000	180,000	411,275
General Obligation Refunding Series 2026B	2,040,516	2,040,516	197,544	88,719
Loan - Payable Through Water Fund				
DWF 2014-140	13,235,098	8,161,705	666,624	139,860
DG8 2022-249	1,300,000	1,132,168	60,444	11,712
DWF 2023-254	6,130,192	6,130,192	302,496	127,632
Capital Outlay Note - Series 2024	1,833,333	1,833,333	166,667	78,283
Bonds -Payable Through Sewer Fund				
General Obligation Refunding Series 2013	27,760,000	6,325,000	1,240,000	186,763
General Obligation Refunding Series 2014B	6,582,101	3,538,764	350,338	100,908
General Obligation Refunding Series 2015A	4,823,895	1,893,790	166,066	57,868
General Obligation Refunding Series 2016 (Nov)	6,952,823	4,197,439	356,847	137,069
General Obligation Refunding Series 2017B	10,082,905	6,560,611	524,311	180,652

General Obligation Refunding Series 2018B	1,308,977	931,793	65,759	29,880
General Obligation Series 2019 Refunding (09 BABS	3,239,067	1,462,175	339,987	73,109
General Obligation Series 2019 (Nov)	3,421,614	2,538,409	187,486	83,004
General Obligation Series 2020 Refunding 11 & 12C	2,642,486	1,623,558	259,380	27,417
General Obligation Series 2021	6,345,000	5,442,910	255,443	162,012
General Obligation Series 2023	11,425,000	11,035,000	210,000	481,938
General Obligation Series 2026A	3,000,000	3,000,000	100,909	133,795
General Obligation Refunding Series 2026B	4,572,392	4,572,392	442,658	198,802
Bonds -Payable Through Storm Water Fund				
General Obligation Refunding Series 2016A	430,058	145,774	47,208	3,886
General Obligation Series 2019 Refunding (09 BABS	323,907	146,217	33,999	7,311
General Obligation Series 2020 Refunding 11 & 12C	255,992	157,283	25,128	2,656

SECTION 4: During the coming fiscal year (2027) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Pending Capital Projects - Total Expense	Pending Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Pending Capital Projects Expense Financed by Debt Proceeds
Water:			
Main Street Water Line Replacement	\$ 2,025,000	\$ 525,000	\$ 1,500,000
WTP High Service IMP	\$ 10,000,000	\$ 1,730,000	\$ 8,270,000
Washing CO WA EXT	\$ 2,770,000	\$ 2,770,000	\$ -
Sullivan CO WA UPG	\$ 4,475,000	\$ 2,305,000	\$ 2,170,000
AMI Meter Purchase	\$ 2,850,000	\$ 2,550,000	\$ 300,000
WTP WA Intake Screen Replacement	\$ 1,440,000	\$ 1,423,000	\$ 17,000
Water Line Improvements	\$ 1,030,000	\$ 1,030,000	\$ -
Memorial Blvd Water Line	\$ 4,072,000	\$ -	\$ 4,072,000
Watauga St Water Improvements	\$ 1,000,000	\$ -	\$ 1,000,000
Fieldcrest Annexation	\$ 1,930,000	\$ -	\$ 1,930,000
Water Line Improvements 2	\$ 1,170,000	\$ 1,170,000	\$ -
Distribution System Upgrade	\$ 1,500,000	\$ 1,500,000	\$ -
Customer Service System	\$ 2,400,000	\$ 400,000	\$ 2,000,000

Sewer:			
Main Street Line Replacement	\$ 1,157,000	\$ 37,000	\$ 1,120,000
SLS Improvements	\$ 1,680,000	\$ 400,000	\$ 1,280,000
Valleybrook Sewer Extension	\$ 1,350,000	\$ 1,350,000	\$ -
I&I UPG Garden/Industry Drive	\$ 3,120,000	\$ 1,240,000	\$ 1,880,000
Memorial Blvd Sewer Line	\$ 3,860,000	\$ -	\$ 3,860,000
WWTP Electrical Improvements	\$ 2,370,000	\$ -	\$ 2,370,000
Fieldcrest Annexation	\$ 2,300,000	\$ -	\$ 2,300,000
Collection System Upgrade	\$ 1,550,000	\$ -	\$ 1,550,000
Reedy Creek Sullivan Clin	\$ 1,000,000	\$ -	\$ 1,000,000
WWTP Blower Replacement	\$ 1,500,000	\$ 1,000,000	\$ 500,000
FY26 Sewer Lining	\$ 1,400,000	\$ 1,265,000	\$ 135,000

Proposed Future Capital Projects	Proposed Future Capital Projects - Total Expense	Proposed Future Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Proposed Future Capital Projects Expense Financed by Debt Proceeds
Water:			
WTP Chemical Feed	\$ 10,000,000	\$ -	\$ 10,000,000
Storage Tank Rehabs and Replacements	\$ 3,500,500	\$ -	\$ 3,500,500
WTP Basin/Clarifier Sweep Replacement	\$ 3,000,000	\$ -	\$ 3,000,000
WTP Storage Building	\$ 750,000	\$ -	\$ 750,000
Distribution System Upgrade	\$ 28,200,000	\$ 1,700,000	\$ 26,500,000
Meter Replacements	\$ 2,500,000	\$ 1,000,000	\$ 1,500,000
Maintenance Facility Improvements	\$ 200,000	\$ 200,000	\$ -
Distribution Facility Upgrades	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000
Plant Facility Improvements	\$ 300,000	\$ 300,000	\$ -
SR126 Memorial Blvd Water Move	\$ 2,500,000	\$ -	\$ 2,500,000
Filter and Pipe Gallery Improvements	\$ 2,500,000	\$ -	\$ 2,500,000
WTP Clearwell Upgrade	\$ 8,000,000	\$ -	\$ 8,000,000
Sewer:			
Lift Station Upgrades	\$ 16,000,000	\$ 16,000,000	\$ -
Reedy Creek Trunk Construction	\$ 13,555,500	\$ -	\$ 13,555,500

WWTP Blower	\$ 2,500,000	\$ -	\$ 2,500,000
Pendragon Sewer Improvements	\$ 1,000,000	\$ -	\$ 1,000,000
Watauga Sewer Improvements	\$ 2,240,000	\$ -	\$ 2,240,000
Collection System Upgrades	\$ 17,500,000	\$ 17,500,000	\$ -
WWTP Master Plan Improvements	\$ 20,000,000	\$ -	\$ 20,000,000
Stormwater:			
Tranbarger Branch Stream Improvements	\$ 500,000		\$ 500,000
Leslie Branch Stream Improvements	\$ 500,000		\$ 500,000
Portable Pump Replacement	\$ 100,000	\$ 100,000	\$ -

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (TCA § 6-56-208). In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the Governing Body in accord with Tenn. Code Ann. § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to \$15,000 by the City Manager, subject to such limitations and procedures as set by the Governing Body pursuant to Tenn. Code Ann. § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance.

SECTION 8: This annual budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee.

SECTION 9: All unencumbered balances of appropriations remaining at the end of the fiscal year lapse and revert to the respective fund balances.

SECTION 10: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 11: This ordinance shall take effect July 1, 2026, the public welfare requiring it.

Passed First Reading: _____
Date

Passed Second Reading: _____
Date

Public Hearing: _____
Date

Mayor

Date Signed

City Recorder

Date Signed

**AN ORDINANCE OF THE CITY OF KINGSPORT, TENNESSEE
ADOPTING THE ANNUAL BUDGET FOR THE
FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027**

WHEREAS, Tenn. Code Ann. § 9-1-116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys, regardless of the source, except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the Governing Body has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting during which the Governing Body will consider final passage of the budget.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF KINGSPORT, TENNESSEE, AS FOLLOWS:

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2027, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

General Fund - 110	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Taxes	\$ 55,948,097	\$ 67,296,132	\$ 67,835,736
Licenses and Permits	732,603	897,160	774,450
Intergovernmental	34,957,958	35,327,600	35,542,011
Charges for Services	2,492,993	2,675,094	3,028,850
Fines and Forfeitures	1,088,465	1,111,210	1,156,000
Other Revenue	2,042,946	1,470,129	1,403,300
Other Financing Sources			
Transfers In - from other funds	2,642,821	2,713,958	2,863,754
Transfers In - from other funds (PILOT)	1,491,000	1,491,000	1,491,000
Total Revenues and Other Financing Sources	\$ 101,396,883	\$ 112,982,283	\$ 114,095,101
Appropriations			
General Government	\$ 13,370,857	\$ 14,744,240	\$ 15,266,265
Public Safety	27,835,895	30,904,403	32,514,297
Public Works	14,957,090	16,303,816	17,239,314
Economic Development	2,008,951	2,273,597	2,441,990
Leisure Services (Parks & Recreation)	5,174,397	5,449,107	5,575,894
Other Expenses (Miscellaneous Government Expenses)	1,459,772	1,356,971	1,366,366
Capital Outlay	813,935	-	-
Other Financing Sources			
Transfers Out - To Debt Service Fund (Principal and Interest)	10,664,552	11,687,878	11,679,634
Transfers Out - To Other Funds	24,258,170	28,301,711	28,011,341
Total Appropriations	\$ 100,543,619	\$ 111,021,723	\$ 114,095,101
Change in Fund Balance	\$ 853,264	\$ 1,960,560	\$ -
Beginning Fund Balance	\$ 25,584,464	\$ 26,437,728	\$ 28,398,288
Ending Fund Balance	\$ 26,437,728	\$ 28,398,288	\$ 28,398,288
Ending Fund Balance as % of Appropriations	26.3%	25.6%	24.9%

State Street Aid Fund - 121	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
State Gas & Motor Fuel Taxes	\$ 1,965,203	\$ 2,064,205	\$ 2,007,382
Other Financing Sources			
Transfers In - From General Fund	1,217,360	1,305,960	1,300,000
Total Revenues and Other Financing Sources	<u>\$ 3,182,563</u>	<u>\$ 3,370,165</u>	<u>\$ 3,307,382</u>
Appropriations			
Public Works Department	\$ 3,182,563	\$ 3,370,165	\$ 3,307,382
Total Appropriations	<u>\$ 3,182,563</u>	<u>\$ 3,370,165</u>	<u>\$ 3,307,382</u>
Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Beginning Fund Balance	\$ 22,767	\$ 22,767	\$ 22,767
Ending Fund Balance	<u>\$ 22,767</u>	<u>\$ 22,767</u>	<u>\$ 22,767</u>
Ending Fund Balance as % of Appropriations	0.7%	0.7%	0.7%

Metropolitan Planning Grant Project Fund - 122	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Federal Government	\$ 233,062	\$ 373,297	\$ 423,636
State Government	15,131	21,745	40,500
Other Financing Sources			
Transfers In - From General Fund	829,740	68,054	68,000
Investment Earnings	509	-	-
Total Revenues and Other Financing Sources	<u>\$ 1,078,442</u>	<u>\$ 463,096</u>	<u>\$ 532,136</u>
Appropriations			
Transportation	\$ 303,752	\$ 463,096	\$ 532,136
Total Appropriations	<u>\$ 303,752</u>	<u>\$ 463,096</u>	<u>\$ 532,136</u>
Change in Fund Balance	<u>\$ 774,690</u>	<u>\$ -</u>	<u>\$ -</u>
Beginning Fund Balance	\$ 136,656	\$ 911,346	\$ 911,346
Ending Fund Balance	<u>\$ 911,346</u>	<u>\$ 911,346</u>	<u>\$ 911,346</u>
Ending Fund Balance as % of Appropriations	300.0%	196.8%	171.3%

Criminal Forfeiture Fund - 126	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Fines and Forfeitures	\$ 22,705	\$ 8,031	\$ 6,000
Other	2,959	-	-
Total Revenues	<u>\$ 25,664</u>	<u>\$ 8,031</u>	<u>\$ 6,000</u>
Appropriations			
Public Safety	\$ -	\$ 8,031	\$ 6,000
Total Appropriations	<u>\$ -</u>	<u>\$ 8,031</u>	<u>\$ 6,000</u>
Change in Fund Balance	<u>\$ 25,664</u>	<u>\$ -</u>	<u>\$ -</u>
Beginning Fund Balance	\$ 129,302	\$ 154,966	\$ 154,966
Ending Fund Balance	<u>\$ 154,966</u>	<u>\$ 154,966</u>	<u>\$ 154,966</u>
Ending Fund Balance as % of Appropriations	0.0%	1929.6%	2582.8%

Drug Fund - 127	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Fines and Forfeitures	\$ 47,058	\$ 192,000	\$ 91,000
Total Revenues	<u>\$ 47,058</u>	<u>\$ 192,000</u>	<u>\$ 91,000</u>
Appropriations			
Drug Enforcement	\$ 82,579	\$ 192,000	\$ 91,000
Total Appropriations	<u>\$ 82,579</u>	<u>\$ 192,000</u>	<u>\$ 91,000</u>
Change in Fund Balance	<u>\$ (35,521)</u>	<u>\$ -</u>	<u>\$ -</u>
Beginning Fund Balance	\$ 605,743	\$ 570,222	\$ 570,222
Ending Fund Balance	<u>\$ 570,222</u>	<u>\$ 570,222</u>	<u>\$ 570,222</u>
Ending Fund Balance as % of Appropriations	690.5%	297.0%	626.6%

Item VIII.B.

Regional Sales Tax Fund - 130	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Local Option Sales Tax	\$ 5,010,384	\$ 5,000,000	\$ 5,000,000
Transfer In From General Fund	23,024	-	397,000
Total Revenues and Other Financing Sources	\$ 5,033,408	\$ 5,000,000	\$ 5,397,000
Appropriations			
Transfers Out - To Other Funds	\$ 5,378,979	\$ 5,000,000	\$ 5,397,000
Total Appropriations	\$ 5,378,979	\$ 5,000,000	\$ 5,397,000
Change in Fund Balance	\$ (345,571)	\$ -	\$ -
Beginning Fund Balance	\$ 575,259	\$ 229,688	\$ 229,688
Ending Fund Balance	\$ 229,688	\$ 229,688	\$ 229,688
Ending Fund Balance as % of Appropriations	4.3%	4.6%	4.3%

Visitors Enhancement Fund - 135	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Hotel/ Motel Tax Allocation	\$ 601,190	\$ 580,000	\$ 580,000
Other	-	-	-
Total Revenues and Other Financing Sources	\$ 601,190	\$ 580,000	\$ 580,000
Appropriations			
Culture and Recreation	\$ 325,898	\$ 235,637	\$ 757,000
Transfers Out - To Other Funds	294,166	305,398	-
Total Appropriations	\$ 620,064	\$ 541,035	\$ 757,000
Change in Fund Balance	\$ (18,874)	\$ 38,965	\$ (177,000)
Beginning Fund Balance	\$ 221,773	\$ 202,899	\$ 241,864
Ending Fund Balance	\$ 202,899	\$ 241,864	\$ 64,864
Ending Fund Balance as % of Appropriations	32.7%	44.7%	8.6%

Library Governing Board Fund - 137	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
County Government	\$ 15,000	\$ 15,000	\$ 15,000
Charges for Services	7,084	8,700	10,000
Fines and Forfeitures	9,705	9,700	10,500
Investment Earnings	1,221	-	-
Other	97	-	-
Other Financing Sources			
Transfers In - From General Fund	1,375,000	1,375,000	1,425,000
Total Revenues and Other Financing Sources	\$ 1,408,107	\$ 1,408,400	\$ 1,460,500
Appropriations			
Culture and Recreation	\$ 1,207,557	\$ 1,408,400	\$ 1,460,500
Total Appropriations	\$ 1,207,557	\$ 1,408,400	\$ 1,460,500
Change in Fund Balance	\$ 200,550	\$ -	\$ -
Beginning Fund Balance	\$ 292,636	\$ 493,186	\$ 493,186
Ending Fund Balance	\$ 493,186	\$ 493,186	\$ 493,186
Ending Fund Balance as % of Appropriations	40.8%	35.0%	33.8%

General Purpose School Fund - 141	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Taxes	\$ 32,700,297	\$ 31,964,000	\$ 32,844,000
From State of Tennessee	49,426,252	52,551,841	54,042,200
From Federal Government	132,615	149,000	143,000
Charges for Services	1,567,751	1,422,500	1,504,000
Investments	149,837	100,000	100,000
Miscellaneous	1,311,113	1,319,384	830,000
Other Financing Sources			
Transfer from Fed. Project Fund	95,474	75,000	80,000
From General Fund-MOE	11,245,300	11,245,300	11,245,300
From General Fund-Debt	4,434,430	4,441,400	5,066,100
From Fund Balance	-	7,160,526	1,808,500
Total Revenues and Other Financing Sources	\$ 101,063,069	\$ 110,428,951	\$ 107,663,100

Item VIII.B.

Appropriations			
Educational Services	\$ 90,882,479	\$ 97,438,446	\$ 97,274,700
Non-Instructional Services	1,442,055	1,269,328	1,208,500
Capital Outlay	1,296,411	1,236,777	1,007,000
Other Financing Sources			
Transfers Out - To Debt Service Fund (Principal and Interest)	4,962,680	4,819,300	5,440,800
Transfers Out - To Internal Service Funds	1,744,486	2,435,100	2,507,100
Transfers Out - To Other Funds	125,754	3,230,000	225,000
Total Appropriations	\$ 100,453,865	\$ 110,428,951	\$ 107,663,100
Change in Fund Balance	\$ 609,204	\$ -	\$ -
Beginning Fund Balance	\$ 15,573,280	\$ 16,182,484	\$ 16,182,484
Ending Fund Balance	\$ 16,182,484	\$ 16,182,484	\$ 16,182,484
Ending Fund Balance as % of Appropriations	16.1%	14.7%	15.0%

Public Law 93-380 Grant Project Fund - 142	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Federal Government Thru State	\$ 7,471,487	\$ 6,028,161	\$ 6,047,748
Transfers In - From General Purpose School Fund	60,754	-	-
Total Revenues and Other Financing Sources	\$ 7,532,241	\$ 6,028,161	\$ 6,047,748
Appropriations			
Instruction	\$ 3,167,554	\$ 2,399,751	\$ 2,793,938
Support Services	3,902,545	3,107,302	2,728,642
Other	116,473	521,108	525,168
Capital Outlay	345,669	-	-
Total Appropriations	\$ 7,532,241	\$ 6,028,161	\$ 6,047,748
Change in Fund Balance	\$ -	\$ -	\$ -
Beginning Fund Balance	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -
Ending Fund Balance as % of Appropriations	0.0%	0.0%	0.0%

School Grant Projects Fund - 145	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Federal Government	\$ 557,084	\$ -	\$ -
State Government	1,163,095	973,720	1,091,915
Local Government	-	20,000	20,000
Charges for Services	201,748	-	-
Other Financing Sources			
Transfers In - From General Purpose School Fund	65,000	140,000	150,000
Total Revenues and Other Financing Sources	\$ 1,986,927	\$ 1,133,720	\$ 1,261,915
Appropriations			
Instruction	\$ 1,428,952	\$ 1,002,650	\$ 1,110,345
Support Services	263,871	127,807	148,264
Capital Outlay	294,104	-	0
To Risk Fund	-	3,263	3,306
Total Appropriations	\$ 1,986,927	\$ 1,133,720	\$ 1,261,915
Change in Fund Balance	\$ -	\$ -	\$ -
Beginning Fund Balance	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -
Ending Fund Balance as % of Appropriations	0.0%	0.0%	0.0%

School Nutrition Fund - 147	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Federal Government	\$ 4,303,564	\$ 4,277,900	\$ 5,111,700
State Government	32,732	34,800	34,800
Charges for Services	302,475	311,900	389,200
Unrealized Commodity Value	167,919	225,000	227,000
Investments	151	1,800	1,900
Local Revenue	13,173	112,400	83,600
Total Revenues and Other Financing Sources	\$ 4,820,014	\$ 4,963,800	\$ 5,848,200
Appropriations			
School Food Service	\$ 5,150,762	\$ 5,341,800	\$ 5,693,200
Capital Outlay	263,731	292,000	355,000

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Other Financing Sources			
Transfers Out - To Other Funds	-	-	-
Total Appropriations	\$ 5,414,493	\$ 5,633,800	\$ 6,048,200
Change in Fund Balance	\$ (594,479)	\$ (670,000)	\$ (200,000)
Beginning Fund Balance	\$ 3,516,862	\$ 2,922,383	\$ 2,252,383
Ending Fund Balance	\$ 2,922,383	\$ 2,252,383	\$ 2,052,383
Ending Fund Balance as % of Appropriations	54.0%	40.0%	33.9%

Debt Service Fund - 211	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Interest on Investments	\$ 1,583,022	\$ 750,000	\$ 125,000
Other Financing Sources			
Transfers In - From Other Funds	14,041,465	16,195,500	16,745,675
Total Revenues and Other Financing Sources	\$ 15,624,487	\$ 16,945,500	\$ 16,870,675
Appropriations			
Principal on Bonds/Notes Bonds	\$ 11,163,062	\$ 11,546,044	\$ 12,242,256
Interest on Bonds/Notes	4,790,092	4,385,689	4,503,419
Other Expenses	106,588	350,000	105,000
Bank Service Charges	-	15,000	20,000
Total Appropriations	\$ 16,059,742	\$ 16,296,733	\$ 16,870,675
Change in Fund Balance	\$ (435,255)	\$ 648,767	\$ -
Beginning Fund Balance	\$ 969,745	\$ 534,490	\$ 1,183,257
Ending Fund Balance	\$ 534,490	\$ 1,183,257	\$ 1,183,257
Ending Fund Balance as % of Appropriations	3.3%	7.3%	7.0%

Solid Waste Fund - 415 - Cash Basis	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Charges for Services	\$ 4,707,879	\$ 4,578,000	\$ 4,970,800
Total Revenues	\$ 4,707,879	\$ 4,578,000	\$ 4,970,800
Operating Expenses			
Trash Collection	\$ 1,346,055	\$ 1,407,900	\$ 1,478,068
Organic Collection	4,248,332	3,905,200	4,457,420
Refuse Disposal	2,419,078	1,520,500	1,572,958
Other	73,936	85,400	85,300
Total Operating Expenses	\$ 8,087,401	\$ 6,919,000	\$ 7,593,746
Operating Income (Loss)	\$ (3,379,522)	\$ (2,341,000)	\$ (2,622,946)
Nonoperating Revenue (Expenses)			
Revenue			
Investment Income	\$ 112,010	\$ 67,100	\$ 100,600
Expense			
Debt Service (Principal)	(163,913)	(164,000)	(164,000)
Debt Service (Interest)	(52,913)	(62,100)	(62,100)
Total Nonoperating Revenue (Expenses)	\$ (104,816)	\$ (159,000)	\$ (125,500)
Income (Loss Before Transfers)	\$ (3,484,338)	\$ (2,500,000)	\$ (2,748,446)
Transfers			
Transfers In - From General Fund	2,500,000	2,500,000	2,100,000
Total Transfers	\$ 2,500,000	\$ 2,500,000	\$ 2,100,000
Change in Net Position - Cash Basis	\$ (984,338)	\$ -	\$ (648,446)
GAAP RECONCILIATION			
Change in Net Position - Cash Basis	\$ (984,338)	\$ -	\$ (648,446)
Add:			
Debt Service - Principal	163,913	164,000	164,000
Capital Purchases	326,704	101,000	70,000
GASB 68, GASB 75, and OPEB (Non Cash Adj)	460,713	-	-
Subtract:			
Depreciation Expense	(178,614)	(180,000)	(180,000)
Change in Net Position GAAP Basis	\$ (211,622)	\$ 85,000	\$ (594,446)
Net Position - Beginning of Year - Restated	\$ 1,817,011	\$ 1,605,389	\$ 1,690,389
Net Position - End of Year	\$ 1,605,389	\$ 1,690,389	\$ 1,095,943

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Aquatic Center Fund - 419	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Charges and fees	\$ 1,465,781	\$ 1,442,108	\$ 1,502,240
Miscellaneous	31,616	16,700	15,000
Total Operating Revenues	\$ 1,497,397	\$ 1,458,808	\$ 1,517,240
Operating Expenses			
Operating Expenses	\$ 2,235,320	\$ 2,374,828	\$ 2,283,072
Depreciation	835,802	840,000	840,000
Total Operating Expenses	\$ 3,071,122	\$ 3,214,828	\$ 3,123,072
Operating Income (Loss)	\$ (1,573,725)	\$ (1,756,020)	\$ (1,605,832)
Nonoperating Revenue (Expenses)			
Revenue			
Investment Income	\$ 7,653	\$ 2,000	\$ 2,000
Expense			
Debt Service (Interest)	(272,198)	(277,336)	(227,164)
Total Nonoperating Revenue (Expenses)	\$ (264,545)	\$ (275,336)	\$ (225,164)
Income (Loss Before Transfers)	\$ (1,838,270)	\$ (2,031,356)	\$ (1,830,996)
Transfers			
Transfers In - From Visitors Enhancement Fund	\$ 139,584	\$ -	\$ -
Transfers In - From Regional Sales Tax Fund	2,521,207	2,258,057	2,700,000
Transfers Out - To Other Funds	(67,505)	-	-
Total Transfers	\$ 2,593,286	\$ 2,258,057	\$ 2,700,000
Change in Net Position	\$ 755,016	\$ 226,701	\$ 869,004
Beginning Net Position	\$ 3,298,524	\$ 4,053,540	\$ 4,280,241
Ending Net Position	\$ 4,053,540	\$ 4,280,241	\$ 5,149,245

Meadowview Conference Center Fund - 420	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Charges and Fees	\$ 407,220	\$ 400,000	\$ 363,400
Total Operating Revenues	\$ 407,220	\$ 400,000	\$ 363,400
Operating Expenses			
Operating Expenses	\$ 1,456,547	\$ 1,288,682	\$ 1,476,413
Depreciation	1,544,476	1,545,000	1,545,000
Total Operating Expenses	\$ 3,001,023	\$ 2,833,682	\$ 3,021,413
Operating Income (Loss)	\$ (2,593,803)	\$ (2,433,682)	\$ (2,658,013)
Nonoperating Revenue (Expenses)			
Revenue			
Investment Income	\$ 50,969	\$ 30,000	\$ 40,000
Expense			
Debt Service (Interest)	(223,752)	(239,908)	(189,014)
Total Nonoperating Revenue (Expenses)	\$ (172,783)	\$ (209,908)	\$ (149,014)
Income (Loss Before Transfers)	\$ (2,766,586)	\$ (2,643,590)	\$ (2,807,027)
Transfers			
Transfers In - From Regional Sales Tax Fund	\$ 2,662,829	\$ 2,345,213	\$ 2,300,000
Capital Contributions	212,300	-	-
Total Transfers	\$ 2,875,129	\$ 2,345,213	\$ 2,300,000
Change in Net Positions	\$ 108,543	\$ (298,377)	\$ (507,027)
Beginning Net Position	\$ 16,977,870	\$ 17,086,413	\$ 16,788,036
Ending Net Position	\$ 17,086,413	\$ 16,788,036	\$ 16,281,009

Cattails Golf Course Fund - 421	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Sales/ Fees	\$ 1,281,329	\$ 1,489,332	\$ 1,350,000
Total Operating Revenues	\$ 1,281,329	\$ 1,489,332	\$ 1,350,000
Operating Expenses			
Operating Expenses	\$ 1,433,974	\$ 1,400,000	\$ 1,400,000
Depreciation	237,174	240,000	240,000
Total Operating Expenses	\$ 1,671,148	\$ 1,640,000	\$ 1,640,000
Operating Income (Loss)	\$ (389,819)	\$ (150,668)	\$ (290,000)
Nonoperating Revenue (Expenses)			
Revenue			
Investment Income	\$ 20,070	\$ 20,070	\$ 20,100
Other Income	-	-	-
Expense			
Debt Service (Interest)	(10,255)	(10,350)	(76,000)
Total Nonoperating Revenue (Expenses)	\$ 9,815	\$ 9,720	\$ (55,900)
Income (Loss Before Transfers)	\$ (380,004)	\$ (140,948)	\$ (345,900)
Transfers			
Transfers In - From Regional Sales Tax Fund	\$ 166,623	\$ 20,000	\$ 241,000
Total Transfers	\$ 166,623	\$ 20,000	\$ 241,000
Change in Net Positions	\$ (213,381)	\$ (120,948)	\$ (104,900)
Beginning Net Position	\$ 2,827,514	\$ 2,614,133	\$ 2,493,185
Ending Net Position	\$ 2,614,133	\$ 2,493,185	\$ 2,388,285

Fleet Maintenance Fund - 511 - Cash Basis	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Charges and Fees	\$ 10,197,679	\$ 10,244,700	\$ 11,364,101
Miscellaneous	8,695	46,000	16,700
Nonoperating Revenues			
Investment Income	143,662	47,000	20,000
Gain on disposal of capital assets	126,043	46,000	100,000
Total Revenues and Other Financing Sources	\$ 10,476,079	\$ 10,383,700	\$ 11,500,801
Appropriations			
Operations	\$ 7,245,315	\$ 6,241,400	\$ 6,348,104
Capital	\$ 5,962,184	\$ 5,494,200	\$ 3,211,000
Depreciation	\$ -	\$ -	\$ -
Total Appropriations	\$ 13,207,499	\$ 11,735,600	\$ 9,559,104
Change in Net Position - Cash Basis	\$ (2,731,420)	\$ (1,351,900)	\$ 1,941,697
GAAP Reconciliation			
Change in Net Position - Cash Basis	\$ (2,731,420)	\$ (1,351,900)	\$ 1,941,697
<u>Add:</u>			
Capital Purchases	\$ 5,962,184	\$ 5,494,200	\$ 3,211,000
<u>Subtract:</u>			
Depreciation Expense	\$ (2,871,193)	\$ (3,510,000)	\$ (3,642,346)
Change in Net Position GAAP Basis	\$ 359,571	\$ 632,300	\$ 1,510,351
Beginning Net Position - Restated	\$ 17,525,150	\$ 17,884,721	\$ 18,517,021
Ending Net Position	\$ 17,884,721	\$ 18,517,021	\$ 20,027,372
Ending Net Position as % of Appropriations	135.4%	157.8%	209.5%

Risk Management Fund - 615	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Investments	\$ 257,603	\$ 145,000	\$ 233,000
Miscellaneous	3,968	-	-
Other Financing Sources			
From Other Funds - Risk Charges	2,768,928	2,909,170	3,042,800
Total Revenues and Other Financing Sources	\$ 3,030,499	\$ 3,054,170	\$ 3,275,800
Appropriations			
Administration	\$ 1,820,457	\$ 1,896,099	\$ 1,962,912
Insurance Claims	1,461,659	1,158,071	1,632,000
Total Appropriations	\$ 3,282,116	\$ 3,054,170	\$ 3,594,912
Change in Net Position	\$ (251,617)	\$ -	\$ (319,112)
Beginning Net Position - Restated	\$ 4,106,048	\$ 3,854,431	\$ 3,854,431
Ending Net Position	\$ 3,854,431	\$ 3,854,431	\$ 3,535,319
Ending Net Position as % of Appropriations	117.4%	126.2%	98.3%

Health Insurance Fund - 625	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Employee Contributions	\$ 2,301,894	\$ 2,473,000	\$ 2,625,000
City Contributions	7,569,506	8,655,000	9,095,000
Other Revenue	1,638,282	1,480,000	1,480,000
Nonoperating Revenues			
Earnings on Investments	135,642	120,000	120,000
Total Revenues	\$ 11,645,324	\$ 12,728,000	\$ 13,320,000
Operating Exepnses			
Administration	\$ 111,802	\$ 145,642	\$ 105,150
Insurance & Claims	9,325,894	9,929,284	10,603,735
Other	1,873,613	2,138,914	2,238,750
Total Expenses	\$ 11,311,309	\$ 12,213,840	\$ 12,947,635
Change in Net Position	\$ 334,015	\$ 514,160	\$ 372,365
Net Position, Beginning of Year	\$ 3,557,025	\$ 3,891,040	\$ 4,405,200
Net Position, End of Year	\$ 3,891,040	\$ 4,405,200	\$ 4,777,565
Ending Net Position as % of Appropriations	34.4%	36.1%	36.9%

Retirees Health Insurance Fund - 626	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Operating Revenues			
Retiree Contributions	\$ 500,948	\$ 511,200	\$ 520,800
City Contributions	750,000	750,000	750,000
Other Revenue	1,365,363	1,430,000	1,430,000
Nonoperating Revenues			
Earnings on Investments	64,577	40,759	22,070
Total Revenues	\$ 2,680,888	\$ 2,731,959	\$ 2,722,870
Operating Exepnses			
Insurance & Claims	\$ 3,750,169	\$ 3,305,939	\$ 3,471,500
Other	46,277	49,000	50,900
Total Expenses	\$ 3,796,446	\$ 3,354,939	\$ 3,522,400
Change in Net Position	\$ (1,115,558)	\$ (622,980)	\$ (799,530)
Net Position, Beginning of Year	\$ 2,474,195	\$ 1,358,637	\$ 735,657
Net Position, End of Year	\$ 1,358,637	\$ 735,657	\$ (63,873)
Ending Net Position as % of Appropriations	35.8%	21.9%	-1.8%

Public Library Commission Fund - 611	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Investments	\$ 244	\$ 162	\$ 100
Total Revenues and Other Financing Sources	\$ 244	\$ 162	\$ 100
Appropriations			
Supplies & Materials	\$ -	\$ 162	\$ 100
Total Appropriations	\$ -	\$ 162	\$ 100
Change in Fund Balance	\$ 244	\$ -	\$ -
Beginning Fund Balance	\$ 5,498	\$ 5,742	\$ 5,742
Ending Fund Balance	\$ 5,742	\$ 5,742	\$ 5,742
Ending Fund Balance as % of Appropriations	#DIV/0!	3544.4%	5742.0%

Bays Mountain Commission Fund - 612	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Receipts	\$ 317,309	\$ 250,000	\$ 340,000
Investments	25,308	30,000	20,000
From Non-Profit Groups	771,972	100,000	-
Total Revenues and Other Financing Sources	\$ 1,114,589	\$ 380,000	\$ 360,000
Appropriations			
Maintenance	\$ 159,395	\$ 247,700	\$ 185,500
Capital Outlay	-	41,300	-
Other Financing Sources			
Transfers Out	792,647	-	-
Total Appropriations	\$ 952,042	\$ 289,000	\$ 185,500
Change in Fund Balance	\$ 162,547	\$ 91,000	\$ 174,500
Beginning Fund Balance	\$ 561,863	\$ 724,410	\$ 815,410
Ending Fund Balance	\$ 724,410	\$ 815,410	\$ 989,910
Ending Fund Balance as % of Appropriations	76.1%	282.1%	533.6%

Parks and Recreation Commission - 613	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Charges for Services	\$ 469,074	\$ 342,010	\$ 394,600
Investment Earnings	17,656	16,500	16,500
Contributions & Donations	83,542	75,000	85,000
Other Revenue	14,743	10,600	10,600
Other Financing Sources			
Transfers In - from General Fund	81,435	-	-
Total Revenues and Other Financing Sources	\$ 666,450	\$ 444,110	\$ 506,700
Appropriations			
Culture & Recreation	\$ 576,994	\$ 425,018	\$ 506,700
Total Appropriations	\$ 576,994	\$ 425,018	\$ 506,700
Change in Fund Balance	\$ 89,456	\$ 19,092	\$ -
Beginning Fund Balance	\$ 407,308	\$ 496,764	\$ 515,856
Ending Fund Balance	\$ 496,764	\$ 515,856	\$ 515,856
Ending Fund Balance as % of Appropriations	86.1%	121.4%	101.8%

Palmer Center Trust Fund - 617	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Investments	\$ 3,651	\$ 2,500	\$ 100
Total Revenues and Other Financing Sources	\$ 3,651	\$ 2,500	\$ 100
Appropriations			
Donations & Grants	\$ -	\$ 100	\$ 100
Total Appropriations	\$ -	\$ 100	\$ 100
Change in Fund Balance	\$ 3,651	\$ 2,400	\$ -
Beginning Fund Balance	\$ 76,693	\$ 80,344	\$ 82,744
Ending Fund Balance	\$ 80,344	\$ 82,744	\$ 82,744
Ending Fund Balance as % of Appropriations	N/A	82744.0%	82744.0%

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Allandale Trust Fund - 620	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Investments	\$ 10,597	\$ 8,000	\$ 8,000
Total Revenues and Other Financing Sources	\$ 10,597	\$ 8,000	\$ 8,000
Appropriations			
Operations	\$ -	\$ -	\$ -
Capital Outlay	-	52,000	-
Total Appropriations	\$ -	\$ 52,000	\$ -
Change in Fund Balance	\$ 10,597	\$ (44,000)	\$ 8,000
Beginning Fund Balance	\$ 237,559	\$ 248,156	\$ 204,156
Ending Fund Balance	\$ 248,156	\$ 204,156	\$ 212,156
Ending Fund Balance as % of Appropriations	N/A	392.6%	N/A

SECTION 2: At the end of the fiscal year 2026, the governing body estimates fund balances or deficits as follows:

Fund Name - Fund #	Estimated Fund Balance/ Net Position at June 30, 2026
General Fund - 110	\$ 28,398,288
State Street Aid Fund - 121	\$ 22,767
Metropolitan Planning Grant Project Fund - 122	\$ 911,346
Criminal Forfeiture Fund - 126	\$ 154,966
Drug Fund - 127	\$ 570,222
Regional Sales Tax Fund - 130	\$ 229,688
Visitors Enhancement Fund - 135	\$ 64,864
Library Governing Board Fund - 137	\$ 493,186
General Purpose School Fund - 141	\$ 16,182,484
Public Law 93-380 Grant Project Fund - 142	\$ -
School Grant Projects Fund - 145	\$ -
School Nutrition Fund - 147	\$ 2,052,383
Debt Service Fund - 211	\$ 1,183,257
Solid Waste Fund - 415 - Cash Basis	\$ 1,690,389
Aquatic Center Fund - 419	\$ 5,149,245
Meadowview Conference Center Fund - 420	\$ 16,281,009
Cattails Golf Course Fund - 421	\$ 2,388,285
Fleet Maintenance Fund - 511 - Cash Basis	\$ 18,517,021
Risk Management Fund - 615	\$ 3,535,319
Health Insurance Fund - 625	\$ 4,777,565
Retirees Health Insurance Fund - 626	\$ (63,873)
Public Library Commission Fund - 611	\$ 5,742
Bays Mountain Commission Fund - 612	\$ 989,910
Parks and Recreation Commission - 613	\$ 515,856
Palmer Center Trust Fund - 617	\$ 82,744
Allandale Trust Fund - 620	\$ 212,156

Item VIII.B.

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

Type of Indebtedness	Debt Authorized and Unissued	Principal Outstanding at June 30, 2026	FY 2027 Principal Payment	FY 2027 Interest Payment
Bonds -Payable Through General Fund				
General Obligation Refunding Series 2013	\$12,177,052	\$969,416	\$969,416	\$29,083
General Obligation Refunding Series 2014A	\$13,233,893	\$7,564,648	\$720,846	\$251,575
General Obligation Refunding Series 2015 (Feb)	\$17,695,000	\$4,020,000	\$2,695,000	\$120,600
General Obligation Refunding Series 2015A	\$15,105,000	\$3,162,151	\$277,288	\$96,624
General Obligation Refunding Series 2016A	\$16,580,000	\$2,348,647	\$760,594	\$62,603
General Obligation Refunding Series 2016B	\$13,360,000	\$1,763,170	\$466,721	\$48,098
General Obligation Refunding Series 2016 (Nov)	\$7,821,325	\$4,721,756	\$401,423	\$154,190
General Obligation Refunding Series 2017A	\$14,885,000	\$9,592,447	\$766,407	\$264,077
General Obligation Refunding Series 2018A	\$7,040,000	\$4,740,000	\$395,000	\$151,700
General Obligation Series 2019 Refunding (09 BABS)	\$14,100,000	\$3,330,345	\$774,377	\$166,517
General Obligation Series 2019A	\$18,615,000	\$6,607,521	\$488,028	\$216,060
General Obligation Series 2020 Refunding 11 & 12C	\$14,925,000	\$5,683,813	\$908,046	\$95,983
General Obligation Series 2021	\$17,760,000	\$7,896,294	\$370,584	\$235,039
General Obligation Public Improvement Series 2023	\$40,770,000	\$39,365,000	\$755,000	\$1,719,288
General Obligation Public Improvement Series 2026A	\$12,000,000	\$12,000,000	\$403,636	\$535,181
General Obligation Refunding Series 2026B	\$6,418,328	\$6,418,328	\$621,364	\$279,062
Bonds -Payable Through Aquatic Center Fund				
General Obligation Public Improvement Series 2012A	\$3,110,000	\$1,220,000	\$190,000	\$38,181
General Obligation Refunding Series 2013A (Lazy River)	\$1,310,000	\$635,000	\$70,000	\$25,400
General Obligation Refunding Series 2016B	\$9,029,862	\$3,676,830	\$973,279	\$100,302
General Obligation Refunding Series 2017A	\$164,712	\$107,553	\$8,593	\$2,961
General Obligation Refunding Series 2018C	\$2,360,000	\$1,640,000	\$115,000	\$52,569
General Obligation Refunding Series 2019	\$295,809	\$133,534	\$31,049	\$6,677
General Obligation Refunding Series 2020	\$103,584	\$63,643	\$10,168	\$1,075
Bonds -Payable Through Meadowview Fund				
General Obligation Refunding Series 2016A	\$9,221,015	\$3,125,579	\$1,012,198	\$83,312
General Obligation Public Improvement Series 2016 (NOV)	\$3,266,427	\$1,971,951	\$167,646	\$64,395
General Obligation Refunding Series 2019 (09 BABS)	\$542,374	\$244,838	\$56,930	\$12,242
General Obligation Public Improvement Series 2019 (NOV)	\$324,543	\$240,771	\$17,783	\$7,873
General Obligation Public Improvement Series 2021	\$830,000	\$711,996	\$33,415	\$21,193
Bonds -Payable Through Cattails Golf Course Fund				
General Obligation Series 2019 (Nov))	\$231,817	\$171,979	\$12,702	\$5,624
General Obligation Series 2020 Refunding 11 & 12C	\$334,626	\$205,596	\$32,846	\$3,472
General Obligation Public Improvement Series 2026A	\$1,500,000	\$1,500,000	\$50,455	\$66,898
Bonds -Payable Through Solid Waste Fund				
General Obligation Refunding Series 2013	\$132,948	\$10,584	\$10,584	\$318
General Obligation Refunding Series 2014A	\$2,371,107	\$1,355,352	\$129,154	\$45,075
General Obligation Series 2019 Refunding (09 BABS)	\$161,953	\$73,109	\$16,999	\$3,655
General Obligation Refunding Series 2026B	\$138,764	\$138,764	\$13,434	\$6,033
Notes				
HUD 108-Paid Through CDBG Project Fund	\$856,000	\$211,000	\$43,000	\$8,260
School EESI Series 2021- Paid Through General Purpose School Fund	\$2,866,134	\$2,277,456	\$175,393	\$10,985
09 QSCB - Paid Through General Purpose School Fund	\$1,240,000	\$8,464	\$8,464	\$11
2020 Capital Outlay Notes - Paid Through General Purpose School Fund	\$2,000,000	\$1,166,665	\$166,667	\$21,558
2024 Capital Outlay Notes - Paid Through General Fund	\$2,000,000	\$1,833,333	\$166,667	\$78,283
Capital Leases				
No Capital Leases				

Item VIII.B.

SECTION 4: During the coming fiscal year (2027) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Pending Capital Projects - Total Expense	Pending Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Pending Capital Projects Expense Financed by Debt Proceeds
Main Street Improvements	\$ 19,800,000	\$ 16,850,000	\$ 2,950,000
Transit Garage	\$ 6,293,000	\$ 5,575,000	\$ 718,000
Sullivan North Renovation	\$ 8,914,000	\$ 6,549,000	\$ 2,365,000
Dobyns Bennet Renovation	\$ 5,442,000	\$ 442,000	\$ 5,000,000
Library Renovations	\$ 9,300,000	\$ 4,550,000	\$ 4,750,000
Schools HVAC Replacements	\$ 6,700,000	\$ 6,700,000	\$ -
DB Dome Replacement	\$ 23,800,000	\$ 300,000	\$ 23,500,000
Justice Center Expansion	\$ 18,900,000	\$ 5,500,000	\$ 13,400,000
Dental Clinic	\$ 6,500,000	\$ 6,500,000	\$ -
Washing Elem HVAC Replacement	\$ 4,800,000	\$ 4,600,000	\$ 200,000

Proposed Future Capital Projects	Proposed Future Capital Projects - Total Expense	Proposed Future Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Proposed Future Capital Projects Expense Financed by Debt Proceeds
State Industrial Access Road	\$ 1,085,000	\$ 335,000	\$ 750,000
Clinchfield Bridge	\$ 1,390,000	\$ -	\$ 1,390,000
Watauga Street	\$ 2,020,000	\$ -	\$ 2,020,000
White and Eastman	\$ 656,000	\$ -	\$ 656,000
Jessee and Memorial	\$ 757,000	\$ -	\$ 757,000
Other Bridge Projects	\$ 1,800,000	\$ -	\$ 1,800,000
Senior Center Parking	\$ 757,000	\$ -	\$ 757,000

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (TCA § 6-56-208). In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the Governing Body in accord with Tenn. Code Ann. § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to \$15,000 by the City Manager, subject to such limitations and procedures as set by the Governing Body pursuant to Tenn. Code Ann. § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance.

SECTION 8: The tax rate will be set once the Certified Rate is received from the State of Tennessee Board of Equalization for both Sullivan County inside city residents and for Hawkins County inside city rates for tax year 2026.

SECTION 9: This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee.

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year lapse and revert to the respective fund balances.

SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2026, the public welfare requiring it.

Passed First Reading: _____ Date

Passed Second Reading: _____ Date

Public Hearing: _____ Date

Mayor Date Signed

City Recorder Date Signed

Item VIII.B.



AGENDA ACTION FORM

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

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

Action Form No.: AF-147-2026
Work Session: May 18, 2026
First Reading: May 19, 2026
Final Adoption: June 2, 2026
Staff Work By: David Frye
Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:

Approve the Ordinance.

Executive Summary:

If approved, the General Purpose School Fund budget will be increased by \$895,141 from Other State Funds. These funds will be appropriated to fund the Summer Learning program. Funds will also be moved from the Technology Audio-Visual account (20,000), the D-B Non-Instructional Equipment account (\$20,000), the FF & E account (\$50,000), and the CIP account (\$30,000) to the fund transfer account, to be transferred to the Dobyms-Bennett Renovation project. There are also miscellaneous year of the year school level transfers to be approved.

The General Project Fund budget will be amended by transfers from the School Fund to provide additional funding for the Dobyms-Bennett Renovation project.

The Board of Education approved this budget amendment at their meeting on May 12, 2026.

Attachments:

- 1. Ordinance

	<u>Y</u>	<u>N</u>	<u>O</u>
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 Other State Education Revenue by \$894,141. The expenditure budget will be amended by increasing the appropriations for various salary, benefit, and supply account for the Summer Learning Program. There will be \$150,000 transferred from the Building Improvement account to the Fund Transfers account, with these funds transferred to the General Project Fund. There will also be various school transfers made. The General Project Fund budget will be amended by increasing the appropriation for the Dobyons-Bennett Renovations by \$150,000 from funds transferred from the General Purpose School fund. There will be other funds transferred from various projects to close some completed projects and adjust funding for various open projects. These funds will be transferred to the Dobyons-Bennett Renovation project and the Lynn Garden Elementary School project.

Fund 141: General Purpose School Fund

<u>Revenues:</u>	\$	\$	\$
141-0000-338-6590 Other State Ed Revenue	1,407,100	895,141	2,302,241
<i>Totals</i>	<u>1,407,100</u>	<u>895,141</u>	<u>2,302,241</u>

<u>Expenditures:</u>	\$	\$	\$
141-7150-711-0116 Reg Inst-Teacher Salaries	861,650	400,000	1,261,650
141-7150-711-0163 Reg Inst-Inst Assts	40,100	95,000	135,100
141-7150-711-0201 Reg Inst-Social Security	82,000	31,741	113,741
141-7150-711-0204 Reg Inst-State Retirement	100,300	41,000	141,300
141-7150-711-0212 Reg Inst-Medicare	19,200	7,300	26,500
141-7150-711-0217 Reg Inst-SRT	6,200	4,000	10,200
141-7150-711-0429 Reg Inst-Inst Supplies	0	10,000	10,000
141-7150-711-0499 Reg Inst-Other Supplies	0	10,000	10,000
141-7150-721-0116 Sped Inst-Teacher Salaries	4,900	57,000	61,900
141-7150-721-0163 Sped Inst-Inst Assts	0	10,000	10,000
141-7150-721-0201 Sped Inst-Social Security	3,300	4,200	7,500
141-7150-721-0204 Sped Inst-State Retirement	6,100	5,200	11,300
141-7150-721-0212 Sped Inst-Medicare	900	1,100	2,000
141-7150-721-0217 Sped Inst-SRT	300	700	1,000
141-7250-772-0131 Hlth Ser-Medical Personnel	188,100	25,000	213,100
141-7250-772-0201 Hlth Ser-Social Security	14,800	1,500	16,300
141-7250-772-0204 Hlth Ser-State Retirement	15,700	2,000	17,700
141-7250-772-0212 Hlth Ser-Medicare	3,400	400	3,800
141-7250-772-0217 Hlth Ser-SRT	1,300	300	1,600
141-7250-773-0123 Oth Std Sup-Guidance Per	0	24,000	24,000
141-7250-773-0201 Oth Std Sup-Social Security	23,800	1,500	25,300
141-7250-773-0204 Oth Std Sup-State Retirement	59,500	1,900	61,400
141-7250-773-0212 Oth Std Sup-Medicare	5,700	400	6,100

141-7250-773-0217 Oth Std Sup-SRT	1,900	300	2,200
141-7250-781-0105 Reg Inst Sup-Supervisor	508,000	53,000	561,000
141-7250-781-0201 Reg Inst Sup-Social Security	45,900	3,300	49,200
141-7250-781-0204 Reg Inst Sup-St. Retirement	56,100	4,300	60,400
141-7250-781-0212 Reg Inst Sup-Medicare	10,800	800	11,600
141-7250-781-0217 Reg Inst Sup-SRT	1,800	500	2,300
141-7250-801-0162 Prin Office-Clerical	0	12,000	12,000
141-7250-801-0201 Prin Office-Social Security	0	800	800
141-7250-801-0204 Prin Office-State Retirement	0	1,000	1,000
141-7250-801-0212 Prin Office-Medicare	0	200	200
141-7250-801-0217 Prin Office-SRT	0	200	200
141-7250-831-0105 Transportation-Supervisor	82,200	4,000	86,200
141-7250-831-0146 Transportation-Bus Drivers	729,400	50,000	779,400
141-7250-831-0162 Transportation-Clerical	53,000	5,000	58,000
141-7250-831-0201 Transportation-Social Sec	52,400	3,700	56,100
141-7250-831-0204 Transportation- St Retirement	106,700	4,300	111,000
141-7250-831-0212 Transportation-Medicare	12,300	900	13,200
141-7250-831-0217 Transportation-SRT	5,700	1,600	7,300
141-7250-831-0338 Transportation-Maint of Veh	935,000	15,000	950,000
141-7100-711-0429 D-B Instructional Supplies	112,039	(15,070)	96,969
141-7200-781-0432 D-B Library Books	17,298	(930)	16,368
141-7200-801-0355 D-B Principal Travel	6,500	(3,500)	3,000
141-7600-871-0790 D-B Non-Instructional Equip	48,503	19,500	68,003
141-7210-773-0599 Sevier Student Travel	8,000	(8,000)	0
141-7110-711-0722 Sevier Instructional Equip	15,158	1,000	16,158
141-7610-871-0790 Sevier Non-Instructional Equip	16,082	7,000	23,082
141-7120-711-0722 Jefferson Instructional Equip	9,527	(9,113)	414
141-7620-871-0790 Jefferson Non-Inst Equip	9,527	9,113	18,640
141-7135-711-0722 Lincoln Instructional Equip	4,192	(3,003)	1,189
141-7635-871-0790 Lincoln Non-Inst Equip	8,431	3,003	11,434
141-7235-781-0595 Lincoln Awards/Dues	2,084	(500)	1,584
141-7235-781-0457 Lincoln Staff Development	3,451	(2,000)	1,451
141-7235-801-0355 Lincoln Principal Travel	3,000	(1,529)	1,471
141-7135-711-0429 Lincoln Instructional Supplies	26,202	4,029	30,231
141-7116-711-0722 Roosevelt Inst Equip	2,857	(2,710)	147
141-7216-781-0599 Roosevelt Awards/Dues	3,566	2,710	6,276
141-7240-801-0355 Washington Prin Travel	3,000	(2,547)	453
141-7640-871-0790 Washington Non-Inst Equip	102,608	2,547	105,155
141-7254-781-0355 C & I Travel	11,500	(7,450)	4,050
141-7254-781-0457 C & I Staff Development	49,000	(2,400)	46,600
141-7250-773-0599 C & I Student Travel	13,456	(6,700)	6,756
141-7154-711-0449 C & I Textbooks	71,490	16,550	88,040
141-7250-785-0790 Technology Ther Equipment	1,191,110	(20,000)	1,171,110
141-7600-871-0790 D-B Non-Instructional Equip	68,003	(20,000)	48,003
141-7650-871-0790 Building Improvements	789,910	(180,000)	609,910
141-7650-871-0790 Other Equipment	155,390	(50,000)	105,390
141-7950-881,0590 Transfers to Other Funds	3,230,000	270,000	3,500,000
Totals	10,020,334	895,141	10,915,475

Fund 311: General Project Fund

Sullivan North Renovations (GP1733)

Revenues:	\$	\$	\$
311-0000-361-2250 Sullivan Co School	824,599	28,405	853,004
311-0000-369-9900 Miscellaneous Revenue	1,658,940	0	1,658,940
311-0000-391-0100 Transfers from General Fund	275,000	0	275,000
311-0000-391-2100 Transfers from School Fund	3,790,780	(117,295)	3,673,485
311.0000.391-2150 Sullivan County School	2,365,050	0	2,365,050
Total:	8,914,369	(88,890)	8,825,479

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	5,811,727	(81,002)	5,730,725
311-0000-601-2023 Architect Fees	1,050,000	(7,888)	1,042,112
311-0000-601-9003 Improvements	2,052,642	0	2,052,642
Total:	8,914,369	(88,890)	8,825,479

Dobyns-Bennett Renovations (GP2111)

Revenues:	\$	\$	\$
311-0000-368-1051 G.O. Bonds Series 2015A	25,000	0	25,000
311-0000-368-1054 G.O. Bonds Series 2016	193,621	0	193,621
311-0000-368-1056 G.O. Bonds Series 2018A	69,799	0	69,799
311-0000-368-1066 G.O. Bonds Series 2019	927,267	0	927,267
311-0000-368-1069 G.O. Bonds Series 2021	3,158,750	0	3,158,750
311-0000-368-1072 G.O. Bonds Series 2023	0	102,761	102,761
311-0000-368-2101 Premium from Bond Sale	625,765	0	625,765
311-0000-391-2100 Transfers from School Fund	441,870	270,000	711,870
Total:	5,442,072	372,761	5,814,833

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	4,924,170	525,987	5,444,657
311-0000-601-2023 Architect Fees	441,870	(231,870)	210,000
311-0000-601-4041 Bond Sale Expense	76,032	0	76,032
311-0000-901-9004 Equipment	0	78,644	78,644
Total:	5,442,072	372,761	5,814,833

School Capital Improvements GP2301

Revenues:	\$	\$	\$
311-0000-291-2100 Transfer from School Fund	1,288,942	(16,764)	1,272,178
Total:	1,288,942	(16,764)	1,272,178

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	1,223,942	(3,172)	1,220,770
311-0000-601-2023 Architect Fees	65,000	(13,592)	51,408
Total:	1,288,942	(16,764)	1,272,178

Schools HVAC Replacements GP2302

Revenues:	\$	\$	\$
311-0000-391-2100 Transfer from School Fund	6,777,317	(399,372)	6,377,945
Total:	6,777,317	(399,372)	6,377,945

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	6,513,817	(402,715)	6,111,102
311-0000-601-2023 Architect Fees	263,500	3,343	266,843
Total:	6,777,317	(399,372)	6,377,945

D-B Dome Re-Roof and Renovations (GP2401)

Revenues:	\$	\$	\$
311-0000-368-1069 G.O. Bonds Series 2021	2,364,250	0	2,364,250
311-0000-368-1072 G.O. Bonds Series 2023	20,679,857	(102,761)	20,582,596
311-0000-368-2101 Premium on Bond Sale	537,422	0	537,422
311-0000-391-2100 Transfer from School Fund	300,000	(300,000)	0
Total:	23,881,529	(402,761)	23,478,768

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	22,111,535	(333,684)	21,783,351
311-0000-601-2023 Architect Fees	1,552,715	(69,077)	1,483,638
311-0000-601-4041 Bond Sale Expense	217,279	0	217,279
Total:	23,881,529	(402,761)	23,478,768

Robinson Gym Floors (GP2510)

Revenues:	\$	\$	\$
311-0000-391-2100 Transfers from School Fund	158,800	(31,800)	127,000
Total:	158,800	(31,800)	127,000

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	148,400	(21,400)	127,000
311-0000-601-2023 Architect Fees	10,400	(10,400)	0
Total:	158,800	(31,800)	127,000

KCS Parking Lot Improvements GP2511

Revenues:	\$	\$	\$
311-0000-391-2100 Transfers from School Fund	675,600	(134,567)	541,033
Total:	675,600	(134,567)	541,033

Expenditures:	\$	\$	\$
311-0000-601-2022 Construction Contracts	611,800	(126,156)	485,644
311-0000-601-2023 Architect Fees	63,800	(8,411)	55,389
Totals:	675,600	(134,567)	541,033

Washington HVAC Replacement (GP2512)

Revenues:

	\$	\$	\$
311-0000-368-1073 G.O. Bonds Series 2026A	2,129,730	0	2,129,730
311-0000-368-2101 Premium from Bond Sale	193,552	0	193,552
311-0000-391-2100 Transfer from School Fund	2,565,000	(2,495,000)	70,000
Totals:	4,888,282	(2,495,000)	2,393,282

Expenditures:

	\$	\$	\$
311-0000-601-2022 Construction Contracts	4,420,000	(2,300,000)	2,120,000
311-0000-601-2023 Architect Fees	445,000	(195,000)	250,000
311-0000-601-4041 Bond Sale Expense	23,282	0	23,282
Totals:	4,888,282	(2,495,000)	2,393,282

Lynn Garden Elementary School (GP2507)

Revenues:

	\$	\$	\$
311-0000-368-1073 G.O. Bonds Series 2026A	2,407,521	0	2,407,521
311-0000-368-2101 Premium from Bond Sale	218,798	0	218,798
311-0000-39102100 Transfer from School Fund	950,000	3,669,798	4,619,798
Totals:	3,576,319	3,669,798	7,246,117

Expenditures:

	\$	\$	\$
311-0000-601-2022 Construction Contracts	600,000	3,669,798	4,269,798
311-0000-601-2023 Architect Fees	2,950,000	0	2,950,000
311-0000-601-4041 Bond Sale Expense	26,319	0	26,319
Totals:	3,576,319	3,669,798	7,246,117

Robinson Fire Alarm Replacement (GP2602)

Revenues:

	\$	\$	\$
311-0000-391-2100 Transfers from School Fund	400,000	(175,000)	225,000
Total:	400,000	(175,000)	225,000

Expenditures:

	\$	\$	\$
311-0000-601-2022 Construction Contracts	350,000	(164,576)	185,424
311-0000-601-2023 Architect Fees	50,000	(10,424)	39,576
Total:	400,000	(175,000)	225,000

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.

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Consideration of an Ordinance to Amend the FY 2026 School Federal Projects Fund Budget

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

Action Form No.: AF-148-2026
Work Session: May 18, 2026
First Reading: May 19, 2026
Final Adoption: June 2, 2026
Staff Work By: David Frye
Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Ordinance

Executive Summary:
On May 12, 2026, the Board of Education approved an amendment to the FY 2025-2026 Schools' Federal Project Fund budget. This fund accounts for entitlement grants received from the federal government. The current budget is \$6,028,161, based on estimated amounts. There are four new grants, and the estimates are being adjusted to actual amounts. There is a net decrease in this budget for this fund of \$17,521. This makes the amended total \$6,010,640.

Attachments:
1. Ordinance

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

ORDINANCE NO. ****

AN ORDINANCE TO AMEND THE FY 2026 SCHOOL
FEDERAL GRANT PROJECTS FUND BUDGET; AND, TO
FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the FY 2026 School Federal Grant Projects Fund budget be amended by increasing/(decreasing) appropriations for Grant funds to the following Grant projects.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Revenues:</u>	\$	\$	\$
ADMN26 Consolidated Administration	214,953	3,248	218,201
CPG026 Carl Perkins Grant	171,293	(24,565)	146,728
HE2601 Homeless Assistance Program	55,000	11,298	66,298
IPRE26 IDEA Systemic Change Preschool	0	72,185	72,185
LMIS26 Literacy Materials Implementation	0	100,000	100,000
LPT025 Literacy Pre-K Teacher Stipends	0	21,000	21,000
PDG026 Pre-School Development	0	10,000	10,000
PS2601 IDEA Pre-School	60,851	(1,860)	58,991
TSTW26 Transition School to Work Grant	269,621	0	269,621
T12601 Title I	2,480,091	(40,588)	2,439,503
T126N1 Title I Neglected	8,206	14,699	22,905
T22601 Title II	576,445	(41,516)	534,929
T32601 Title III	17,070	6,878	23,948
T42601 Title IV	184,501	548	185,049
T62601 IDEA Part-B	1,925,130	(148,848)	1,776,282
Transfers from General Purpose School Fund	65,000	0	65,000
<i>Totals:</i>	6,028,161	(17,521)	6,010,640
<u>Expenditures:</u>	\$	\$	\$
Instruction	2,406,518	512,998	2,919,516
Support Services	3,115,519	(563,393)	2,552,126
Non-Instructional Services	0	31,000	31,000
Capital Outlay	0	0	0
Other Charges (Fund Transfers)	506,124	1,874	507,998
<i>Totals:</i>	6,028,161	(17,521)	6,010,640

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.

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNY B. ROWLETT, III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:



AGENDA ACTION FORM

Consideration of an Ordinance to Amend the FY 2026 School Special Projects Fund Budget

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

Action Form No.: AF-149-2026
Work Session: May 18, 2026
First Reading: May 19, 2026

Final Adoption: June 2, 2026
Staff Work By: David Frye
Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Ordinance

Executive Summary:
The Board of Education approved fiscal year 2026 budget amendment number six at their meeting on May 12, 2026. This amendment increases the School Special Projects Fund budget by \$844,970, for a revised total of \$2,003,690. There are 5 new grants totaling \$854,611 and changes to existing grants represent a net decrease of \$9,641.

Attachments:
1. Ordinance

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

ORDINANCE NO. ****

PRE-FILED
CITY RECORDER

AN ORDINANCE TO AMEND THE FY 2026 SCHOOL SPECIAL PROJECTS FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the FY 2026 School Special Projects Fund budget be amended by increasing/(decreasing) estimated revenues appropriations for grant funds to the following grant projects.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
<u>Revenues:</u>	\$	\$	\$
AMH026 Advancing mental Health	0	5,000	5,000
GU2601 ETSU Gear Up	0	122,835	122,835
FRCD26 Family Resource Center	10,000	0	10,000
HAG026 Homeless Assistance	10,000	0	10,000
HOPE26 Melisa's Hope Grant	25,000	0	25,000
KTIP26 Kingsport Truancy Intervention	53,720	0	53,720
PATL26 Patel Donation	0	500,000	500,000
PK5126 Pre-K Expansion Grant System-Wide	685,000	824	685,824
PSS026 Public School Security Grant	0	152,176	152,176
SEP026 State Special Ed Pre-School Grant	235,000	(10,465)	224,535
TTI026 TN Tutoring Innovation Grant	0	74,600	74,600
Transfer from General School Fund	140,000	0	140,000
Totals:	1,158,720	844,970	2,003,690
<u>Expenditures:</u>	\$	\$	\$
Instruction	1,008,098	519,755	1,527,853
Support Services	145,622	325,215	470,837
Non-Instructional Services	0	0	0
Capital Outlay	5,000	0	5,000
Other	0	0	0
Totals:	1,158,720	844,970	2,003,690

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.

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney

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



AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026

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

Action Form No.: AF-150-2026
Work Session: May 18, 2026
First Reading: May 19, 2026
Final Adoption: **June 2, 2026**
Staff Work By: Wilson
Presentation By: McCartt

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:

Approve the Budget Ordinance

Executive Summary:

If approved, the General Fund is being amended by accepting a \$5,000 grant from the First Tennessee Development District Apprenticeship program for Police Training. KEDB transfer is being increased in the amount of \$122,000 to payoff IDBK’s Miracle Field Loan. Visit Kingsport has paid nearly half of the balance with the city paying the remainder.

The general projects fund be amended by transferring \$7,000 from the Building Demolition Project (NC2313) to the General Fund to pay for the purchase of 2024 Digital Codes, 2024 I Code Books and 2023 NEC Code Books.

The Water Projects Fund be amended by transferring \$138,161 from the Meter Replacements Project (WA2603) to the Hydrant Maintenance Project (WA2504). Close WA2603.

Attachments:

- 1. Budget Ordinance

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

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

WHEREAS, the City adopted the fiscal year 2025-2026 budget by passage of Ordinance Number 7208; and

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

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

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

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

SECTION I: Ordinance # 7208 is hereby amended increasing(decreasing) the fiscal year 2025-2026 budget as follows:

General Fund	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
110-0000-391.35-00 From GP Special Rev Fund	-	7,000	7,000
110-0000-332.69-10 FTDD Apprenticeship	15,000	20,000	5,000
Total	\$ 15,000	\$ 27,000	\$ 12,000
Expenses			
110-1005-405.80-65 KEDB GENERAL SHALE LEASE	135,000	257,000	122,000
110-2505-435.20-44 Literature/Subscriptions	3,759	10,759	7,000
110-3003-441.20-41 Registration Fees/Tuition	65,000	70,000	5,000
Total	\$ 68,759	\$ 80,759	\$ 134,000
Change in Fund Balance			\$ (122,000)

General Projects Special Rev Fund: 111 Building Demolition Project (NC2313)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Expenses			
111-0000-601.70-01 To General Fund	-	7,000	7,000
111-0000-601.20-22 Construction Contracts	1,697,578	1,690,578	(7,000)
Total	\$ 1,697,578	\$ 1,690,578	\$ -
Change in Fund Balance			\$ -

Water Projects Fund: 451 Hydrant Maint. Project (WA2504)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
451-0000-391.45-00 Operating Transfers	-	138,161	138,161
Total	\$ -	\$ 138,161	\$ 138,161
Expenses			
451-0000-605.20-55 Repairs and Maint.	-	138,161	138,161
Total	\$ -	\$ 138,161	\$ 138,161
Change in Fund Balance			\$ -

Water Projects Fund: 451 Meter Replacements Project (WA2603)	Original FY 2026 Budget	FY 2026 Estimated	Proposed Amendment
Appropriations:			
Revenues			
451-0000-391.45-00 Operating Transfers	138,161	-	(138,161)
Total	\$ 138,161	\$ -	\$ (138,161)
Expenses			
451-0000-605.90-03 Improvements	138,161	-	(138,161)
Total	\$ 138,161	\$ -	\$ (138,161)
Change in Fund Balance			\$ -

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

PAUL W. MONTGOMERY, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

PASSED ON 1ST READING:

PASSED ON 2ND READING:



AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Enter into a Materials Agreement with Integrity Building Group, LLC Related to the Bancroft Heights Development

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

Action Form No.: AF-160-2026
 Work Session: June 1, 2026
 First Reading: N/A
 Final Adoption: June 2, 2026
 Staff Work By: Garret Burton
 Presentation By: Ryan McReynolds

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:
 Approve the Resolution

Executive Summary:
 If approved, the City will enter into a Materials Agreement with Integrity Building Group, LLC related to the Bancroft Heights Development in the amount of \$52,148.30.

In an effort to promote smart growth and infill development as well as encourage the new housing market within the Kingsport city limits, the City of Kingsport passed the Materials Agreement Policy as set forth in Resolution 2007-084. Developers have the opportunity to enter into an agreement with the City whereas the City furnishes the water and sewer materials for the developer’s use within the developer’s proposed subdivision. The developer would be responsible for posting a cash bond covering the cost of the materials that would be available for refund (minus sales tax) once the project is completed and has been approved by the City Engineer and the Regional Planning Commission.

Pursuant to this policy, Integrity Building Group, LLC has requested that the proposed Bancroft Heights be allowed to participate in the Materials Agreement Program for sewer materials. The City shall not furnish water materials for the Bancroft Heights Development due to water service being provided by Bloomingdale Utility District. The total amount of the agreement is proposed at \$52,148.30 for a new development with Sixty-Three (63) lots.

To date, including this development, the program has supported 1900 new/proposed lots within the City of Kingsport.

- Attachments:**
1. Resolution
 2. Agreement
 3. Cost Table
 4. Location Maps
 5. Development Chart

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

Item X1.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MATERIALS AGREEMENT WITH INTEGRITY BUILDING GROUP, LLC RELATED TO THE BANCROFT HEIGHTS DEVELOPMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, Integrity Building Group, LLC would like to enter into a Materials Agreement for the provision of certain sewer materials by the city for the Bancroft Heights Development, a 63 lot development; and

WHEREAS, the total amount of the agreement as proposed is \$52,148.30;

Now, therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, a Materials Agreement with Integrity Building Group, LLC to provide certain sewer materials by the city for the Bancroft Heights Development, in the amount of \$52,148.30, and the mayor is further authorized and directed to execute all documents necessary and proper to effectuate the purpose of the agreement.

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

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

ADOPTED this the 2nd day of June, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Item X1.

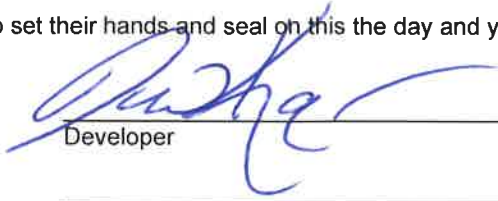
MATERIALS AGREEMENT

This AGREEMENT made and entered into on this 8th day of May, 2026, by and between Integrity Building Group, LLC hereinafter "Developer", and the City of Kingsport, Tennessee, a municipal corporation, hereinafter "City".

WITNESSETH:

- 1. The Developer has subdivided a tract of land known as Bancroft Heights, and preliminary approval having been heretofore granted by the Planning Commission.
- 2. The plans for the proposed sewer line improvement of the subdivided property have been submitted to and approved by the City of Kingsport, City Engineer and will require 2436 LFT of Sanitary Sewer Line to construct.
- 3. The estimated cost of the materials listed in paragraph 2 above is approximately \$52,148.30. The Developer will purchase this material from the City for use for construction pursuant to this contract only.
- 4. The Developer will install the lines according to City's specifications and will pay all costs for installation of all mains and other appurtenances, and will furnish the City "as built" drawings showing the cost lists of all pipe fittings, as well as their exact location.
- 5. The Developer, upon completion of the work and acceptance by the City, will tender to the City an instrument conveying unencumbered ownership of the lines and easement over and under the land where said lines are laid. Once this conveyance has been made and all the permits needed have been issued, all the inspections completed and passed, and all the payments have been made to the City by the Developer, the City will cause the said line to be connected to the main distribution line of the City.
- 6. The Developer will reimburse the City for any materials or engineering work required not covered by this agreement.
- 7. Prior to any reimbursement by the City to the Developer, the Developer will cause the property to be completely annexed into the corporate limits of the City.
- 8. The Developer will save the City harmless from any and all responsibility for laying any lines, etc., on or across any private premises not dedicated to public use.
- 9. The Developer will pay the City for the materials listed above and supplied by the City, and upon completion of the laying of water and sewer lines according to specification of and the plans approved by the City, and upon the Developer fully performing all the requirements contained in this agreement the City will reimburse the Developer for the amount paid to the City for the pipe purchased and used in the subdivision, less state and local sales tax.
- 10. The purpose of this agreement is to reimburse the Developer for 100% of cost of the sewer material, less state and local sales tax, with said materials being purchased from the City, and reimbursement for the cost of the materials being made to the Developer subject to the satisfactory completion of all terms of this agreement including complete annexation of the property into the corporate limits of the City.
- 11. It is understood that the Developer will do any and all ditching, laying of the pipelines, and any and all other work that may be necessary to meet the specifications of the City.
- 12. Any unused materials other than described in item number 12 acquired by the Developer from the City will be returned to the City and the costs of such material, if returned undamaged, will be credited to the Developer.

IN TESTIMONY WHEREOF, the parties hereto have unto set their hands and seal on this the day and year first above written.



 Developer

 Paul Montgomery, Mayor

Attest:

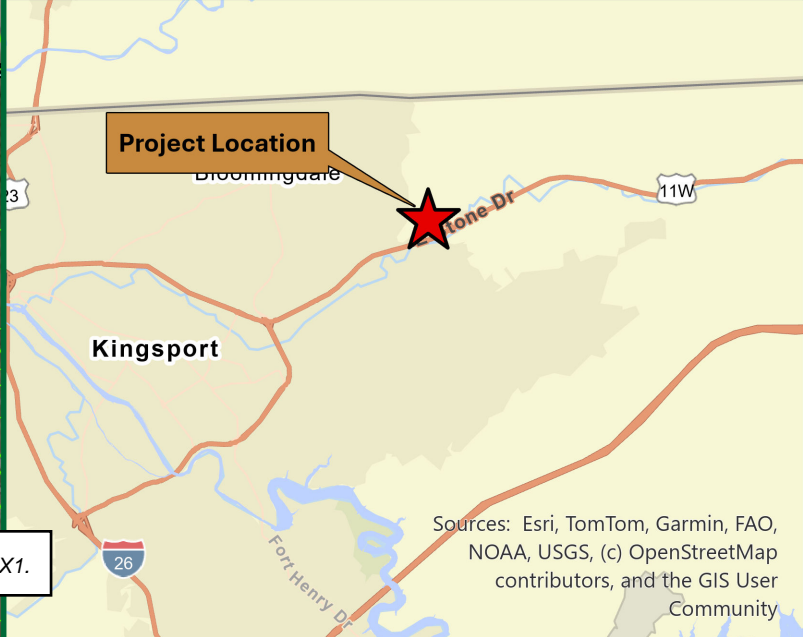
Approved as to form:

 Angela Marshall, Deputy City Recorder

 Rodney B. Rowlett, III, City Attorney



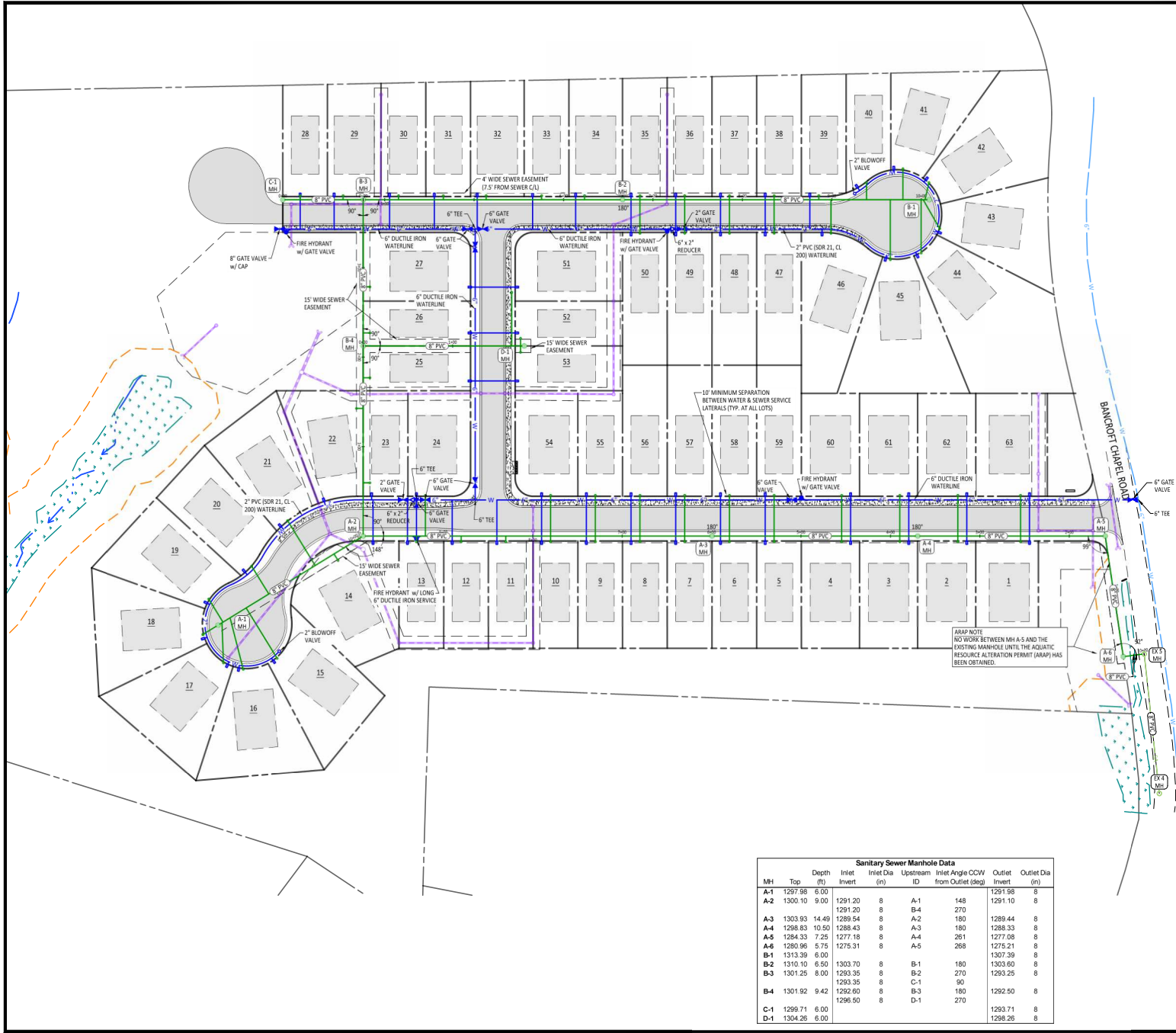
Project Location



Item X1.

Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community

**Project Location Map
Bancroft Heights Subdivision
City Of Kingsport**



Sanitary Sewer Manhole Data									
MH	Top	Depth	Inlet	Inlet Dia	Upstream	Inlet Angle CCW	Outlet	Outlet Dia	
(ft)	(ft)	(ft)	Invert	(in)	ID	from Outlet (deg)	Invert	(in)	
A-1	1297.98	6.00					1291.98	8	
A-2	1300.10	9.00	1291.20	8	A-1	148	1291.10	8	
A-3	1303.93	14.49	1289.54	8	B-4	270	1289.44	8	
A-4	1298.83	10.50	1288.43	8	A-3	180	1288.33	8	
A-5	1284.33	7.25	1277.18	8	A-4	261	1277.08	8	
A-6	1280.96	5.75	1275.31	8	A-5	268	1275.21	8	
B-1	1313.59	6.00					1307.59	8	
B-2	1310.10	6.50	1303.70	8	B-1	180	1303.60	8	
B-3	1301.25	8.00	1293.35	8	B-2	270	1293.25	8	
B-4	1301.92	9.42	1292.60	8	C-1	90	1292.50	8	
			1296.50	8	B-3	180	1292.50	8	
			1296.50	8	D-1	270	1292.50	8	
C-1	1299.71	6.00					1293.71	8	
D-1	1304.26	6.00					1298.26	8	

PUBLIC SEWER NOTES (CITY OF KINGSPORT)

- ALL SEWER CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE SPECIFICATIONS OF THE CITY OF KINGSPORT. THE LATEST EDITION OF THE CITY'S "CONSTRUCTION SPECIFICATIONS" AND THE "SPECIFICATION DRAWINGS" ARE A PART OF THE CONTRACT DOCUMENTS FOR THIS PROJECT.
- THE CONTRACTOR IS TO BE RESPONSIBLE FOR ALL COORDINATION WITH THE CITY'S ENGINEERING DIVISION PRIOR TO THE BEGINNING OF CONSTRUCTION, CONFORMING TO THE REQUIREMENTS OF THE CITY'S INSPECTOR DURING CONSTRUCTION, AND REQUESTING FINAL INSPECTION AND APPROVAL FROM THE CITY.
- ALL SEWER PLANS MUST BE SUBMITTED TO AND APPROVED BY THE CITY OF KINGSPORT PRIOR TO CONSTRUCTION.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR LOCATING AND VERIFYING THE ELEVATIONS OF EXISTING UTILITIES PRIOR TO CONSTRUCTION.
- ALL EXCAVATIONS FOR TIE-INS AND TAPS AS WELL AS ALL BACKFILLING OPERATIONS WILL BE THE RESPONSIBILITY OF THE DEVELOPER.
- BACKFILL FOR SEWER LINES IN THE STREET SHALL BE COMPACTED CRUSHED STONE.
- CONNECTION TO EXISTING CITY FACILITIES SHALL BE MADE ONLY UNDER THE SUPERVISION OF A REPRESENTATIVE OF THE CITY.
- THE CONTRACTOR SHALL COORDINATE WITH THE DEVELOPER, DESIGN ENGINEER, & SURVEYOR TO ENSURE ALL WATER LINES HAVE BEEN LOCATED FOR AS-BUILT PURPOSES.

CITY OF KINGSPORT SEWER DETAILS

THE LATEST VERSION OF THE FOLLOWING CITY OF KINGSPORT DETAILS ARE HEREBY CONSIDERED A PART OF THESE CONSTRUCTION DOCUMENTS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING THE CITY'S CONSTRUCTION SPECIFICATION AND DETAILS:

NO.	DESCRIPTION
A0.3	CHECK VALVES
A2.5	PVC BEDDING, CONCRETE ENCASEMENT
A2.7	FLASH BLENDOUT / SERVICE LINE
A2.8A	WATER & SEWER SEPARATION
A2.9	TRENCH DETAIL
A2.10	INSIDE DROP CONNECTION
A2.11	TYPICAL INVERT PLAN (ALL SIZES)
A2.12	4" DIAMETER PRECAST CONCRETE MANHOLE
A2.17	TYPICAL TYPE "A" CL MANHOLE FRAME & COVER

SEWER LATERAL NOTE

ALL SEWER LATERALS SHALL BE SDR 35 PVC.

PUBLIC WATER NOTES (BLOOMINGDALE UTILITY DISTRICT)

- ALL WATER CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE SPECIFICATIONS OF BLOOMINGDALE UTILITY DISTRICT. THE LATEST EDITION OF THE UTILITY DISTRICT'S "CONSTRUCTION SPECIFICATIONS" AND THE "SPECIFICATION DRAWINGS" ARE A PART OF THE CONTRACT DOCUMENTS FOR THIS PROJECT.
- THE CONTRACTOR IS TO BE RESPONSIBLE FOR ALL COORDINATION WITH THE UTILITY DISTRICT PRIOR TO THE BEGINNING OF CONSTRUCTION, CONFORMING TO THE REQUIREMENTS OF THE UTILITY DISTRICT'S INSPECTOR DURING CONSTRUCTION, AND REQUESTING FINAL INSPECTION AND APPROVAL FROM THE UTILITY DISTRICT.
- ALL WATER PLANS MUST BE SUBMITTED TO AND APPROVED BY BLOOMINGDALE UTILITY DISTRICT PRIOR TO CONSTRUCTION.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR LOCATING AND VERIFYING THE ELEVATIONS OF EXISTING UTILITIES PRIOR TO CONSTRUCTION.
- ALL EXCAVATIONS FOR TIE-INS AND TAPS AS WELL AS ALL BACKFILLING OPERATIONS WILL BE THE RESPONSIBILITY OF THE DEVELOPER.
- BACKFILL FOR WATER LINES IN THE STREET SHALL BE COMPACTED CRUSHED STONE.
- CONNECTION TO EXISTING WATER FACILITIES SHALL BE MADE ONLY UNDER THE SUPERVISION OF A REPRESENTATIVE OF THE UTILITY DISTRICT.
- THE CONTRACTOR SHALL COORDINATE WITH THE DEVELOPER, DESIGN ENGINEER, & SURVEYOR TO ENSURE ALL WATER LINES HAVE BEEN LOCATED FOR AS-BUILT PURPOSES.

WATER LATERAL NOTE

ALL 3/4" WATER LATERALS SHALL BE SDR 9 PIPE (PEX, ENDPOUR, OR APPROVED EQUAL).

UTILITY CLEARANCE NOTES

- MINIMUM HORIZONTAL SEPARATION BETWEEN SEWER AND WATER LINES.
 - 10' FROM OUTSIDE EDGES
 - IF LESS THAN 10', THE CROWN OF THE SEWER MAIN MUST BE AT LEAST 18" BELOW THE INVERT OF THE WATER MAIN
- WATER AND SEWER CROSSINGS.
 - THE CROWN OF THE SEWER MAIN MUST BE AT LEAST 30" BELOW THE INVERT OF THE WATER MAIN.
- IF CLEARANCES CAN NOT BE OBTAINED:
 - WHEN IT IS IMPOSSIBLE TO OBTAIN PROPER HORIZONTAL AND VERTICAL SEPARATION AS STIPULATED ABOVE, THE SEWER SHOULD BE DESIGNED AND CONSTRUCTED EQUAL TO THE WATER MAIN PIPE AND SHOULD BE PRESSURE TESTED TO ASSURE WATER TIGHTNESS (SEE DRINKING WATER CRITERIA) OR THE JOINTS OF THE SEWER PIPE SHOULD BE ENCASED IN CONCRETE TO INHIBIT INFILTRATION/EXFILTRATION.

ARAP NOTE
NO WORK BETWEEN MH A-5 AND THE EXISTING MANHOLE UNTIL THE AQUATIC RESOURCE ALTERATION PERMIT (ARAP) HAS BEEN OBTAINED.

ADG
ALLEY DESIGN GROUP
1007 LAURELWOOD DRIVE
KINGSPORT, TN 37601
(423) 384-7824
Chris@Alley-Design.com

INTEGRITY BUILDING GROUP, LLC
135 WEST MAIN STREET
SUITE 101
KINGSPORT, TN 37660

BANCROFT HEIGHTS SUBDIVISION
BANCROFT CHAPEL ROAD
KINGSPORT, TN

DATE: 4/20/2026
DRAWING NAME: UTILITY PLAN
DRAWING NUMBER: C5.0

Item X1.

File No.	Developer	Development	Proposed Lots / Development	Agreement Amount	Date	Reimbursed to Developer	Status
2006-D23	Edinburgh Group, LLC	Edinburgh Phase IA, Section 1	32	\$ 42,867.62	2/19/2007	\$ 39,474.82	Closed
2006-D8	Jeff McKee	Settler's Ridge Phase I	41	\$ 45,344.29	3/20/2007	\$ 41,214.30	Closed
2006-D23	Edinburgh Group, LLC	Edinburgh Phase IA, Section 2	15	\$ 25,205.92	4/17/2007	\$ 23,273.53	Closed
2006-D19	Butch Rose	Hillcrest Heights	6	\$ 5,140.09	6/19/2007	\$ 4,636.74	Closed
2006-D19	Harold Slempe & Jack McMurray	Villas at Andover - Polo Fields	104	\$ 76,522.72	8/7/2007	\$ 70,722.51	Closed
2006-D23	Jeff McKee	Settler's Ridge Phase II	7	\$ 18,822.89	11/6/2007	\$ 17,439.89	Closed
2008-D2	Butch Rose	Windridge Phase IV	40	\$ 92,202.29	4/15/2008	\$ 85,648.47	Closed
2007-D7	Jim Nottingham	Riverwatch	29	\$ 47,605.13	4/15/2008	\$ 44,680.99	Closed
2007-D26	George Hunt	Hunts Crossing Phase II	22	\$ 18,375.20	4/15/2008	\$ 16,883.63	Closed
2007-D16	Jerry Petzoldt	Old Island Phase II	59	\$ 118,027.86	5/6/2008	\$ 111,538.58	Closed
2007-D13	Rob McLean	Anchor Point	80	\$ 72,552.51	7/15/2008	\$ 66,603.46	Closed
2008-D1	Ken Bates	Chase Meadows Phase I (reim for 1)	15	\$ 39,418.91	7/15/2008	\$ 31,518.06	Closed
2007-D13	Rob McClean	Anchor Point – Topsail Court (incl in Anchor Point	0	\$ 3,816.08	8/5/2008	\$ -	Closed
2008-D17	Rob McClean	Stapleton Dr Phase I	7	\$ 8,757.81	8/19/2008	\$ 8,203.18	Closed
-	Ken Bates	Chase Meadows Phase II (amt not paid)	87		8/19/2008	\$ -	Closed
2008-D21	Terry Orth	Autumn Woods Phase I	19	\$ 30,628.25	10/7/2008	\$ 28,588.47	Closed
2008-D10	Gary Alexander	Riverbend Phase I	15	\$ 32,767.17	2/3/2009	\$ 26,351.32	Closed
2009-D15	Terry Orth	Autumn Woods Phase II	51	\$ 97,091.46	9/1/2009	\$ 91,166.09	Closed
2010-D19	Edinburgh Group, LLC	Edinburgh Phase 2, Section 1A	6	\$ 2,852.48	2/2/2010	\$ 2,659.62	Closed
2009-D18	Leonard & Cynthia Gerber	St. Andrew's Garth Phase I	40	\$ 34,049.03	3/16/2010	\$ 30,938.04	Closed
2011-D5	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2	6	\$ 11,976.02	11/16/2010	\$ 11,116.69	Closed
-	Gary Alexander	Riverbend - Epcon Phase II (tabled 1/10/11)	9		2/1/2011	\$ -	Closed
-	Jane Karst	Jane Karst Subdivision	4	\$ 4,100.78	9/20/2011	\$ 3,799.14	Closed
2010-D21	M & M Builders	Brookton Park Subdivision	7	\$ 2,145.88	9/20/2011	\$ 1,959.94	Closed
2011-D5	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2B	11	\$ 9,472.85	10/18/2011	\$ 8,770.02	Closed
2011-D5	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2C	14	\$ 20,128.29	4/3/2012	\$ 18,549.10	Closed
2012-D9	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2E	8	\$ 25,177.34	10/2/2012	\$ 23,403.87	Closed
2012-D10	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2F	9	\$ 19,382.60	5/7/2013	\$ 17,792.14	Closed
2012-D12	Edinburgh Group, LLC	Edinburgh Phase 4	17	\$ 65,033.97	7/24/2013	\$ 60,735.18	Closed
2008-D32	Vic Davis	The Summitt at Preston Park Ph. 3	20	\$ 79,327.82	12/3/2013	\$ 70,967.77	Closed
2014-D15	Edinburgh Group, LLC	Edinburgh Phase V	12	\$ 51,965.42	10/7/2014	\$ 48,501.91	Closed
2014-D24	Edinburgh Group, LLC	Edinburgh Phase VII	20	\$ 27,552.51	6/2/2015	\$ 25,162.11	Closed
2016-D2	Edinburgh Group, LLC	Edinburgh Phase 9	6	\$ 5,917.93	5/5/2016	\$ 5,386.74	Closed
2016-D12	Edinburgh Group, LLC	Edinburgh South PH 2 (listed as PH1)	23	\$ 36,694.42	11/15/2016	\$ 33,722.81	Closed
2016-D7	Edinburgh Group, LLC	Edinburgh Phase 10	10	\$ 38,265.22	3/1/2017	\$ 34,953.21	Closed

File No.	Developer	Development	Proposed Lots / Development	Agreement Amount	Date	Reimbursed to Developer	Status
2018-D3	Edinburgh Group, LLC	Edinburgh Phase 11	14	\$ 26,250.40	6/19/2018	\$ 23,984.14	Closed
2019-D5	Edinburgh Group, LLC	Edinburgh Phase 12	13	\$ 12,752.16	7/23/2019	\$ 11,619.92	Closed
2019-D18	Edinburgh Group, LLC	Gibson Springs PH1 (Edinburgh South PH3)	19	\$ 38,378.10	10/15/2019	\$ 35,631.30	Closed
2020-D19	Integrity Group	Miller Parke Phase 1	54	\$ 81,823.42	1/19/2020	\$ 73,989.19	Closed
2018-D17	School House, LLC	Cherokee Bend Phase 2	13	\$ 23,332.69	1/21/2020	\$ 21,177.45	Closed
2020-D7	Edinburgh Group, LLC	Gibson Springs Phase 2	24	\$ 28,924.56	5/5/2020	\$ 26,415.12	Closed
2020-D7	Edinburgh Group, LLC	Gibson Springs Phase 3	18	\$ 16,261.96	9/22/2020	\$ 14,851.10	Closed
2020-D23	Landstar, LLC	West Gate Phase 1	28	\$ 33,454.08	3/2/2021	\$ 30,551.67	Closed
2021-D1	Landstar, LLC	West Gate Phase 2	26	\$ 42,710.15	7/6/2021	\$ 39,026.03	Closed
2018-D10	Vic Davis	Frylee Court	40	\$ 39,320.60	8/10/2021	\$ 35,286.65	Closed
2021-D7	Orth Construction	Hunts Crossing Phase 1	22	\$ 39,751.16	8/10/2021	\$ 35,885.38	Closed
2021-D21	HVP, LLC	Caymus Yards	28	\$ 15,844.63	8/22/2021	\$ 14,362.93	Closed
2021-D15	Landstar, LLC	West Gate Phase 3	23	\$ 49,433.21	9/17/2021	\$ 45,709.99	Closed
2021-D5	Edinburgh Group, LLC	Evarts Valley (formerly Edinburgh Ph 6)	50	\$ 88,826.99	11/2/2021	\$ 78,968.39	Closed
2021-D7	Orth Construction	Hunts Crossing Phase 2	21	\$ 41,526.07	10/22/2021	\$ 37,898.13	Closed
2021-D7	Orth Construction	Hunts Crossing Phase 3	17	\$ 37,073.45	10/22/2021	\$ 33,742.02	Closed
2021-D22	Ken Bates	Magnolia Ridge Phase 1	41	\$ 110,747.35	12/21/2021	\$ 100,715.69	Closed
2021-D23	Integrity Building Group	Miller Parke Ph 2 (formerly Phase 3)	40	\$ 58,858.82	1/18/2022	\$ 52,384.53	Closed
2021-D25	Carla Karst	Cox Valley (Birdwell Place)	58	\$ 153,830.48	4/19/2022	\$ 139,078.33	Closed
2021-D32	TS Designs (Todd Stevens)	St. Andrews Garth Phase 2	25	\$ 41,312.60	2/3/2023	\$ 37,848.08	Closed
2021-D22	Magnolia Ridge Development, LLC	Magnolia Ridge Phase 2	51	\$ 47,936.03	9/13/2023	\$ 43,787.28	Closed
2023-D23	Landstar, LLC	Riverbend Townhomes	45	\$ 48,558.97	3/4/2024	\$ 44,402.14	Closed
2023-D28	JTB Construction	Lebanon Meadows	14	\$ 45,899.72	3/25/2024	\$ 41,854.88	Closed
2024-D4	Brickyard TN, LLC	Brickyard Village Phase 1	32	\$ 118,338.91	9/5/2024	\$ 108,330.93	Closed
2024-D16	Integrity Building Group, LLC	Fieldcrest Phase 1	70	\$ 217,288.70	12/11/2024	\$ 198,627.03	Closed
2025-D5	Landstar, LLC	Riverbend Townhomes (The Arbor) Ph. 2	47	\$ 74,697.83	6/4/2025		Open
2025-D30	Integrity Building Group, LLC	Fieldcrest Phase 2	41	\$ 127,541.14	9/2/2025		Open
2024-D23	Landstar, LLC	Airport Parkway Residential Subdivision	112	\$ 371,076.39	11/6/2025		Open
2026-D3	Integrity Building Group, LLC	Bancroft Heights	63	\$ 52,148.30	5/7/2026		Open

TOTAL

1,900 \$ 3,293,087.63

\$ 2,432,490.63

Item X1.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing Application to the Federal Railroad Administration for Crossing Safety / Railroad Crossing Elimination Program Grant Funds for Construction of the Brickyard Bicycle / Pedestrian Bridge

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

Action Form No.: AF-174-2026
Work Session: 06/01/2026
First Reading: NA
Final Adoption: 06/02/2026
Staff Work By: M. Thompson / L. Christian
Presentation By: R. McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution.

Executive Summary:
If approved, this Resolution authorizes the city to apply for grant funds from the Federal Railroad Administration’s (FRA) Crossing Safety / Railroad Crossing Elimination Program for construction of the Brickyard Bicycle / Pedestrian Bridge.

The NEPA, Design, and Right-of-Way phases for this project have been funded with STBG funds (through the MTPO) at 80% Federal / 20% Local (or approximately \$500,000 Federal / \$125,000 Local).

According to the most recent estimate, construction related activities are expected to cost approximately \$7,000,000. The application to the FRA will be for up to \$7,000,000 to cover the construction cost. These funds will require a 20% Local match (\$1,400,000 if the full \$7,000,000 is applied for and awarded).

The city has been awarded Transportation Alternative Program (TAP) grant funds through the Tennessee Department of Transportation (TDOT) totaling \$3,500,000 (75% Federal = \$2,625,000 and 25% Local = \$875,000). If the FRA grant is received, it is anticipated these TAP funds would be used to supplement the FRA grant funds or potentially be used to install additional safety features. The city has also received a one-time direct appropriation of \$500,000 from TDOT.

Funding is available in GP2108.

Attachments:
1. Resolution

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

Item X2.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR A FEDERAL RAILROAD ADMINISTRATION FOR CROSSING SAFETY/RAILROAD CROSSING ELIMINATION PROGRAM GRANT FUNDS FOR THE CONSTRUCTION OF THE BRICKYARD BICYCLE/PEDESTRIAN BRIDGE

WHEREAS, the city, would like to apply for grant funds from the Federal Railroad Administration's (FRA) Crossing Safety/Railroad Crossing Elimination Program for construction of the Brickyard Bicycle/Pedestrian Bridge; and

WHEREAS, this program provides funding for pathway-rail grade crossing improvement projects that focus on improving the safety and mobility of people and goods, including eligible projects such as grade separation or closure through the use of a bridge; and

WHEREAS, construction of the bridge is expected to cost approximately \$7,000,000.00. The application to the FRA will be for \$7,000,000.00 to cover the increased construction cost, and these funds will require a 20% Local match.

WHEREAS, funding is available in GP2108

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for grant funds from the Federal Railroad Administration's (FRA) Crossing Safety/Railroad Crossing Elimination Program for construction of the Brickyard Bicycle/Pedestrian Bridge.

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

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

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

ADOPTED this the 2nd day of June, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor’s Signature on the Certification of Local Government Approval for the 2026 Emergency Solutions Grant Application

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

Action Form No.: AF-177-2026
Work Session: June 1, 2026
First Reading: N/A
Final Adoption: June 2, 2026
Staff Work By: Michael Price
Presentation By: Michael Price

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution authorizes the mayor to sign the Certification of Local Government Approval form, which will allow The Salvation Army of Kingsport, Grace House, Hope Haven, and Family Promise of Greater Kingsport to apply for the 2026 Emergency Solutions Grant. The Tennessee Housing Development Agency (THDA) requires the form for Homeless Shelters applying for the Emergency Solutions Grant (ESG). THDA is a pass-through agency for the HUD-funded Emergency Solutions Grant. Local government approval of activities is required for applicants providing shelter services in the county of the shelter’s physical location

- Attachments:**
1. Resolution
 2. Sample Forms

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CERTIFICATION OF LOCAL GOVERNMENT APPROVAL FOR THE SALVATION ARMY OF KINGSPORT, GRACE HOUSE, HOPE HAVEN AND FAMILY PROMISE OF GREATER KINGSPORT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the Salvation Army of Kingsport, a program that offers shelter, meals and supportive services to homeless individuals and families, would like to apply for a 2026 Emergency Solutions Grant through the Tennessee Housing Development Agency; and

WHEREAS, the Grace House, a program that offers shelter, meals and supportive services to homeless individuals and families, would like to apply for a 2026 Emergency Solutions Grant through the Tennessee Housing Development Agency; and

WHEREAS, Hope Haven, a program that offers shelter, meals and supportive services to homeless individuals and families, would like to apply for a 2026 Emergency Solutions Grant through the Tennessee Housing Development Agency; and

WHEREAS, Family Promise of Greater Kingsport, a program that offers shelter, meals and supportive services to homeless families with minor children, would like to apply for a 2026 Emergency Solutions Grant through the Tennessee Housing Development Agency; and

WHEREAS, The Salvation Army of Kingsport, Grace House, Hope Haven and the Family Promise of Greater Kingsport requests the city execute a Certification of Local Government Approval form which is a requirement of the grant.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Certification of Local Government Approval for the Salvation Army of Kingsport and Family Promise of Greater Kingsport to apply for a 2026 Emergency Solutions Grant through the Tennessee Housing Development Agency and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the certification or 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 2nd day June, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

CERTIFICATION OF LOCAL GOVERNMENT APPROVAL

For nonprofit organizations applying for emergency solutions grant (ESG) funds

ESG Nonprofit Recipient: _____

ESG Shelter Project: _____

Unit of General Purpose Local Government for the geographic area served (city or county):
Kingsport, TN

Project Description (2–3 sentences):

I certify that I am duly authorized to act on behalf of the unit of general purpose local government named above, and that I hereby approve* of this project.

Signature: _____

Date: _____

Printed Name and Title of Signatory Local Official:

Paul W. Montgomery, Mayor

* This approval is made to carry out 24 CFR Part 576.202(a), which states the following:
The recipient must subgrant the remaining funds in its fiscal year grant to:

- (1) Units of general purpose local government in the State, which may include metropolitan cities and urban counties that receive ESG funds directly from HUD; or
- (2) Private nonprofit organizations, provided that for emergency shelter activities the recipient obtains a certification of approval from the unit of general purpose local government for the geographic area in which those activities are to be carried out.