



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, December 05, 2023 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

Mayor Patrick W. Shull, Presiding
Vice Mayor Colette George
Alderman Betsy Cooper
Alderman Darrell Duncan

Alderman Paul W. Montgomery
Alderman Tommy Olterman
Alderman James Phillips

Leadership Team

Chris McCartt, City Manager
Michael Borders, Assistant City Manager
Bart Rowlett, City Attorney
Lisa Winkle, City Recorder/Treasurer
John Rose, Economic Development Director
Adrienne Batara, Public Relations Director
Floyd Bailey, Chief Information Officer

Ryan McReynolds, Deputy City Manager
Jessica Harmon, Assistant City Manager
Tyra Copas, Human Resources Director
Dale Phipps, Police Chief
John Morris, Budget Director
Scott Boyd, Fire Chief

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG

1. New Vision Youth

III. INVOCATION

1. Pastor Adam Love, Mafair United Methodist Church

IV. ROLL CALL

V. RECOGNITIONS AND PRESENTATIONS

1. Sr. Captain Jessie Bishop, Completion of the Executive Fire Officer Program (Alderman Duncan)

VI. APPOINTMENTS

- [1.](#) Appointment of City of Kingsport Municipal Judge (AF-359-2023) (Mayor Shull)
- [2.](#) Appointments to the Emergency Communication District / E-911 Board (AF-365-2023) (Mayor Shull)
- [3.](#) Appointments to the Board of Zoning Appeals (AF-366-2023) (Mayor Shull)
- [4.](#) Appointment to the Bays Mountain Park Commission (AF-367-2023) (Mayor Shull)
- [5.](#) Appointment to the Kingsport Higher Education Commission (AF-368-2023) (Mayor Shull)

VII. APPROVAL OF MINUTES

- [1.](#) November 20, 2023 - Work Session
- [2.](#) November 21, 2023 - Business Meeting

VIII. PUBLIC HEARINGS

- [1.](#) Consideration of an Ordinance to Amend Zoning of 1506 Lynn Garden Drive from the R-1B, Residential District to the B-3, Highway Oriented Business District (AF-362-2023) (Ken Weems)
- [2.](#) Conduct the Six Month Plan of Services Update for the Shipp Springs Annexation and the Annual Plan of Services Update for the Fieldcrest and Cherry Knoll Annexations (AF-363-2023) (Ken Weems)

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.

IX. BUSINESS MATTERS REQUIRING FIRST READING

- [1.](#) Consideration of a Budget Adjustment Ordinance for Various Funds in FY24 (AF-364-2023) (Chris McCartt)

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

- 1.** Consideration of an Ordinance to Amend Zoning of Tax Map 076, Parcel 020.00 Located Along Tidewater Court from the A-1, Agricultural District and B-4P, Planned Business District to M-1R, Light Manufacturing Restricted District (AF-349-2023) (Jessica McMurray)
- 2.** Consideration of an Ordinance to Amend Zoning of Tax Map 029F, Group B, Parcels 009.00, 012.00, 014.00 and 027.00 Located Along Granby Road from the R-1B, Residential District to the R-3, Low Density Apartment District (AF-350-2023) (Jessica McMurray)
- 3.** Consideration of an Ordinance to Amend the FY 2024 General Purpose School Fund and the General Project Fund Budgets (AF-356-2023) (David Frye)

XI. OTHER BUSINESS

- 1.** Consideration of a Resolution to Amend Vacation Policy (#14) (AF-370-2023) (Tyra Copas)
- 2.** Consideration of a Resolution Awarding the High Bid for City Owned Surplus Real Property Located at 1261 Sullivan Court East (AF-371-2023) (Lisa Winkle)
- 3.** Consideration of a Resolution Approving a Sealed Proposal from Assured Partners for Excess Workers' Compensation Insurance Coverage (AF-372-2023) (Kristen Hodgson)
- 4.** Consideration of a Resolution Amending the Economic Development Contribution to the Industrial Development Board of Kingsport and Authorizing One or More Agreements Pertaining to the Same (AF-373-2023) (Chris McCartt)
- 5.** Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with Friends in Need, Inc. for CDBG Funding in Fiscal Year 2023-2024 (AF-360-2023) (Michael Price)
- 6.** Consideration of a Resolution Awarding the Bid for the Johnson Elementary School HVAC Replacement Project to S.B. White Company, Inc., and Authorizing the Mayor to Sign All Necessary Documents (AF-357-2023) (David Frye)
- 7.** Consideration of a Resolution Changing Certain Meeting Dates for Work Session and Business Meetings of the Board of Mayor and Aldermen (AF-358-2023) (Chris McCartt)

XII. CONSENT AGENDA

XIII. COMMUNICATIONS

- 1.** City Manager

2. Mayor and Board Members

XIV.ADJOURN



AGENDA ACTION FORM

Appointments to the Emergency Communication District / E-911 Board

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

Action Form No.:	AF-365-2023	Final Adoption:	December 5, 2023
Work Session:	December 4, 2023	Staff Work By:	Lt. Kevin Hite
First Reading:	N/A	Presentation By:	Mayor Shull

Recommendation:

Approve reappointments:

- Keith Cunningham
- Rev. Kenneth Calvert
- Dr. Mickey Spivey

Executive Summary:

It is recommended to reappoint Keith Cunningham, Rev. Kenneth Calvert and Dr. Mickey Spivey to the Emergency Communications District / E-911 Board.

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates. The board is comprised of nine members, Police Chief, Fire Chief and seven at-large residents of the City of Kingsport. Members with knowledge of public safety would be an asset. Terms are four years with no term limit.

Current Board:			
Member	Term Expires	No. of Terms	Eligibility
Keith Cunningham	12/31/23	Fulfilling Unexpired Term	At-large
Kenneth Calvert	12/31/23	6	At-large
Margaret Denton	12/31/24	3	At-large
James Everhart	12/31/24	Fulfilling Unexpired Term	At-large
Mickey Spivey	12/31/23	1	At-large
Jeff Fleming	12/31/25	1	At-large
Vivian Crymble	12/31/25	5	At-large

Recommended Board:			
Member	Term Expires	No. of Terms	Eligibility
Keith Cunningham	12/31/27	1	At-large
Kenneth Calvert	12/31/27	7	At-large
Margaret Denton	12/31/24	3	At-large
James Everhart	12/31/24	Fulfilling Unexpired Term	At-large
Mickey Spivey	12/31/27	2	At-large
Jeff Fleming	12/31/25	1	At-large
Vivian Crymble	12/31/25	5	At-large

Attachments:

None

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

Item VI2.



AGENDA ACTION FORM

Appointment to the Bays Mountain Park Commission

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

Action Form No.: AF-367-2023
 Work Session: December 4, 2023
 First Reading: N/A
 Final Adoption: December 5, 2023
 Staff Work By: Megan Krager
 Presentation By: Mayor Shull

Recommendation:

Approve appointment:

- Steve Kilgore to fulfill an unexpired term and to extend it to a full three-year term.

Executive Summary:

It is recommended to appoint Steve Kilgore to the Bays Mtn. Park Commission to fulfill the unexpired term of David Fox.

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates. The commission is comprised of eight members; at least five are residents of the City of Kingsport and one Sullivan County Commissioner. Terms are three years with no term limit.

Current Commission:			
Member	Term Expires	No. of Terms	Eligibility
David Fox	1/31/24	2	KPT Resident
Mary Steadman	1/31/24	4	At-large
Jeremiah Lounds	1/31/24	1	KPT Resident
Russ Brogden	7/31/24	3	KPT Resident
Robin Kerkhoff	7/31/24	4	KPT Resident
Woody Reeves	7/31/24	2	KPT Resident
Colette George	7/31/24	1	KPT Resident
Archie Pierce	Term of Ofc.	N/A	County Commission Rep.

Recommended Commission:			
Member	Term Expires	No. of Terms	Eligibility
Steve Kilgore	1/31/27	1	KPT Resident
Mary Steadman	1/31/24	4	At-large
Jeremiah Lounds	1/31/24	1	KPT Resident
Russ Brogden	7/31/24	3	KPT Resident
Robin Kerkhoff	7/31/24	4	KPT Resident
Woody Reeves	7/31/24	2	KPT Resident
Colette George	7/31/24	1	KPT Resident
Archie Pierce	Term of Ofc.	N/A	County Commission Rep.

Attachments:

1. Steve Kilgore Bio

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

Item VI4.

Steve Kilgore

Ballad Health Sr. Vice President

cstevenkilgore@yahoo.com

423-341-0226

78 harbor Springs Rd.

Kingsport, TN 37664

Steve grew up in Gate City Va, Gate City High School, undergrad King College (Bus Admin/Economics), MBA Milligan, Fellow American College of Healthcare Executives.

He is currently Senior VP Ballad Health, and serves on Friends in Need, East Tennessee State University Foundation, and Renuven Health boards.



AGENDA ACTION FORM

Appointment to the Kingsport Higher Education Commission

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

Action Form No.: AF-368-2023
 Work Session: December 4, 2023
 First Reading: N/A
 Final Adoption: December 5, 2023
 Staff Work By: Jessica Harmon
 Presentation By: Mayor Shull

Recommendation:

Approve reappointment:

- Dr. MaryLee Davis

Executive Summary:

It is recommended to reappoint Dr. MaryLee Davis to the Kingsport Higher Education Commission.

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates. The commission is comprised of four members, as well as the Kingsport Mayor, City Manager, participating institutions, city schools and NETWORKS representatives. Terms are four years with members serving no more than two consecutive terms.

Current Commission:			
Member	Term Expires	No. of Terms	Eligibility
Paula Bulcao	11/30/24	1	Community Member
Dennis Phillips	11/30/24	1	Community Member
Miles Burdine	11/30/24	1	Community Member
MaryLee Davis	11/30/23	1	Community Member

Recommended Commission:			
Member	Term Expires	No. of Terms	Eligibility
Paula Bulcao	11/30/24	1	Community Member
Dennis Phillips	11/30/24	1	Community Member
Miles Burdine	11/30/24	1	Community Member
MaryLee Davis	11/30/27	2	Community Member

Attachments:

None

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—



BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, November 20, 2023 at 4:30 PM

City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

Board of Mayor and Aldermen

Mayor Patrick W. Shull, Presiding

Vice Mayor Colette George

Alderman Betsy Cooper

Alderman Darrell Duncan

Alderman Paul W. Montgomery

Alderman Tommy Olterman

Alderman James Phillips

- I. CALL TO ORDER** 4:30 pm by Mayor Shull.
- II. ROLL CALL** by City Recorder/Treasurer Lisa Winkle.
- III. DISCUSSION ITEMS**

- 1. Historic Zoning Update** - Jessica Harmon

Assistant City Manager Jessica Harmon gave a presentation on this item noting the historic guidelines do not mandate investments or improvements in structures and they only apply to exterior modifications. She provided examples of common guidelines that are often referred to including paint, windows and signage. She stated the Historic Zoning Commission must issue a Certificate of Appropriateness prior to significant work on a building in this district. She discussed the Demolition by Neglect Ordinance and pointed out it can only be applied to properties in an established Historic District. Some discussion ensued as she answered questions from the board.

She stated the DKA Board of Directors has submitted a request to add the 100 and 200 blocks of Broad Street to the Historic District. She explained the benefits of this action for the city as well as the local property owners. She then provided details on the process, noting it is similar to a rezoning. The City Manager remarked further and stated the first step would be to gauge interest among the owners of the thirty-four properties that will be affected. Discussion ensued regarding the rights of property owners versus the obligations of the Historic District.

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, November 20, 2023 at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

IV. REVIEW OF BUSINESS MEETING AGENDA

City staff gave a summary for each item on the November 21, 2023 proposed agenda. The following items were discussed at greater length or received specific questions of concerns.

XI.2. Consideration of a Resolution to Amend the Payment in Lieu of Taxes (PILOT) Agreement for Fort Henry Mall (AF-361-2023) The City Manager commented the PILOT agreement will need to be amended as parcels sell over time.

V. ITEMS OF INTEREST

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

VI. ADJOURN

Seeing no other matters presented for discussion, Mayor Shull adjourned the meeting at 5:25 p.m.

ANGELA MARSHALL
Deputy City Recorder

PATRICK W. SHULL
Mayor



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, November 21, 2023 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

Mayor Patrick W. Shull, Presiding
Vice Mayor Colette George
Alderman Betsy Cooper
Alderman Darrell Duncan

Alderman Paul W. Montgomery
Alderman Tommy Olterman
Alderman James Phillips

City Administration

Chris McCartt, City Manager
Bart Rowlett, City Attorney

Lisa Winkle, City Recorder/Treasurer
Angie Marshall, City Clerk/Deputy/City Recorder

I. **CALL TO ORDER** 7:00 pm by Mayor Shull.

II. **PLEDGE OF ALLEGIANCE TO THE FLAG** led by Alderman Olterman.

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

IV. **ROLL CALL** by City Recorder/Treasurer Lisa Winkle

V. **RECOGNITIONS AND PRESENTATIONS**

1. **Dobyns-Bennett High School - Golf Team** (Alderman Phillips)
2. **Dobyns-Bennett High School - Band** (Alderman Cooper)
3. **2023 Small Business Saturday Proclamation** (Alderman Montgomery)

VI. **APPOINTMENTS**

1. **Appointment to the Tree Advisory Board** (AF-355-2023) (Mayor Shull)

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

APPOINT STEVE WOODY TO THE TREE ADVISORY BOARD TO FULFILL THE UNEXPIRED TERM OF JAMES BABB EFFECTIVE IMMEDIATELY AND EXPIRING ON JUNE 30, 2025.

Passed: All present voting "aye."

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

Motion made by Alderman Montgomery, Seconded by Alderman Duncan.

- 1. November 6, 2023 - Work Session**
- 2. November 7, 2023 - Business Meeting**

Passed: All present voting "aye."

VIII. PUBLIC HEARINGS

- 1. Consideration of an Ordinance to Amend Zoning of Tax Map 029F, Group B, Parcels 009.00, 012.00, 013.00, 014.00 and 027.00 Located Along Granby Road from the R-1B, Residential District to the R-3, Low Density Apartment District (AF-350-2023) (Jessica McMurray)**

PUBLIC COMMENT: Todd Wood, Engineer, commented in support of this item.

Motion made by Alderman Duncan, Seconded by Alderman Olterman.

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG GRANBY ROAD FROM THE R-1B, RESIDENTIAL DISTRICT TO THE R-3, LOW DENSITY APARTMENT DISTRICT IN THE 12TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

- 2. Consideration of an Ordinance to Amend Zoning of Tax Map 076, Parcel 020.00 Located Along Tidewater Court from the A-1, Agricultural District and B-4P, Planned Business District to M-1R, Light Manufacturing Restricted District (AF-349-2023) (Jessica McMurray)**

Motion made by Alderman Olterman, Seconded by Alderman Phillips.

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG TIDEWATER COURT FROM THE A-1, AGRICULTURAL DISTRICT AND B-4P, PLANNED BUSINESS DISTRICT TO M-1R, LIGHT MANUFACTURING RESTRICTED DISTRICT IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

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COMMENT

Mayor Shull invited citizens in attendance to speak. There being no one coming forward, the mayor closed the public comment section.

IX. BUSINESS MATTERS REQUIRING FIRST READING

- 1. Consideration of an Ordinance to Amend the FY 2024 General Purpose School Fund and the General Project Fund Budgets (AF-356-2023) (David Frye)**

Motion made by Alderman Montgomery, Seconded by Alderman Cooper.

AN ORDINANCE TO AMEND THE GENERAL PURPOSE SCHOOL FUND AND THE GENERAL PROJECT FUND BUDGETS FOR THE FISCAL YEAR ENDING JUNE 30, 2024; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye."

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

- 1. Consideration of an Ordinance to Appropriate the Funds from a Private Monetary Donation for the Police K-9 Program (AF-336-2023) (Chief Phipps)**

Motion made by Alderman Phillips, Seconded by Alderman Duncan.

ORDINANCE NO 7124 AN ORDINANCE TO AMEND THE GENERAL PROJECTS- SPECIAL REVENUE FUND BUDGET BY APPROPRIATING DONATED FUNDS FOR THE YEAR ENDING JUNE 30, 2024; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Alderman Cooper, Alderman Duncan, Vice Mayor George, Alderman Montgomery, Alderman Olterman, Alderman Phillips, Mayor Shull

- 2. Consideration of an Ordinance to Appropriate the Funds from a Private Monetary Donation for the Kingsport Police Department to be Used for the Purchase of Personal Protective Equipment (PPE) (AF-338-2023) (Chief Phipps)**

Motion made by Alderman Duncan, Seconded by Alderman Montgomery.

ORDINANCE NO 7125 AN ORDINANCE TO AMEND THE GENERAL PROJECTS- SPECIAL REVENUE FUND BUDGET BY APPROPRIATING DONATED FUNDS FOR THE YEAR ENDING JUNE 30, 2024; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Alderman Cooper, Alderman Duncan, Vice Mayor George, Alderman Montgomery, Alderman Olterman, Alderman Phillips, Mayor Shull

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- 3. Consideration of an Ordinance for the Contractual Agreement with the Tennessee Department of Transportation for Reimbursement of Annual Operation Expenses for FY 23-24 (AF-342-2023) (Candace Sherer)**

Motion made by Alderman Olterman, Seconded by Alderman Montgomery.

ORDINANCE NO 7126 AN ORDINANCE TO AMEND URBAN MASS TRANSIT CAPITAL/GRANT FUND BUDGET FOR THE YEAR ENDING JUNE 30, 2024; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Alderman Cooper, Alderman Duncan, Vice Mayor George, Alderman Montgomery, Alderman Olterman, Alderman Phillips, Mayor Shull

- 4. Consideration of a Budget Adjustment Ordinance for Various Funds in FY24 (AF-344-2023) (Chris McCartt)**

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

ORDINANCE NO 7127 AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2024; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Alderman Cooper, Alderman Duncan, Vice Mayor George, Alderman Montgomery, Alderman Olterman, Alderman Phillips, Mayor Shull

- 5. Consideration of an Ordinance to Appropriate Tennessee Department of Health Healthy Built Environment Grant Funds (AF-331-2023) (Michael T. Borders)**

Motion made by Alderman Duncan, Seconded by Alderman Cooper.

ORDINANCE NO 7128 AN ORDINANCE TO AMEND THE GENERAL PROJECTS- SPECIAL REVENUE FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE TENNESSEE DEPARTMENT OF HEALTH FOR THE YEAR ENDING JUNE 30, 2024; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Alderman Cooper, Alderman Duncan, Vice Mayor George, Alderman Montgomery, Alderman Olterman, Alderman Phillips, Mayor Shull

XI. OTHER BUSINESS

- 1. Consideration of a Resolution Authorizing the Mayor to Sign an Agreement with Kingsport Tribe Lacrosse (AF-351-2023) (Michael T. Borders)**

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Motion made by Alderman Olterman, Seconded by Alderman Phillips.

RESOLUTION NO. 2024-117 A RESOLUTION APPROVING AN AGREEMENT WITH KINGSFORT TRIBE LACROSSE 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."

- 2. Consideration of a Resolution to Amend the Payment in Lieu of Taxes (PILOT) Agreement for Fort Henry Mall (AF-361-2023) (Chris McCartt)**

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

RESOLUTION NO. 2024-118 A RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSFORT, TENNESSEE TO AMEND THE AGREEMENT FOR THE PAYMENTS IN LIEU OF AD VALOREM TAX WITH RESPECT TO KINGSFORT MALL, LLC, FOR THE RETAIL SHOPPING FACILITIES KNOWN AS THE KINGSFORT TOWN CENTER IN THE CITY OF KINGSFORT, TENNESSEE, AND FINDING THAT SUCH AMENDED PAYMENTS ARE DEEMED TO BE IN FURTHERANCE OF THE PUBLIC PURPOSES OF THE BOARD AS DEFINED IN TENNESSEE CODE ANNOTATED SECTION 7-53-305

Passed: All present voting "aye."

- 3. Consideration of a Resolution to Renew Agreements for Mowing of Various Locations (AF-348-2023) (Ryan McReynolds)**

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

RESOLUTION NO. 2024-119 A RESOLUTION RENEWING THE AWARD OF THE PROPOSAL FOR MOWING AND TRIMMING SERVICES AT VARIOUS LOCATIONS TO THOMAS QUALITY LAWN CARE AND CLINES LAWN CARE LLC, AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

Passed: All present voting "aye."

- 4. Consideration of a Resolution Awarding the Bid for the Lincoln Elementary School HVAC Replacement Project to HVAC, Inc., and Authorizing the Mayor to Sign All Necessary Documents (AF-352-2023) (David Frye)**

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Motion made by Alderman Duncan, Seconded by Alderman Cooper.

RESOLUTION NO. 2024-120 A RESOLUTION AWARDDING THE BID FOR THE LINCOLN ELEMENTARY SCHOOL HVAC REPLACEMENT PROJECT TO HVAC, 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."

XII. CONSENT AGENDA None.

XIII. COMMUNICATIONS

1. City Manager

Mr. McCartt remarked this was Thanksgiving week and many city offices will be closed on the 23rd and 24th. He noted Thursday garbage pickup will be on Friday and Friday pickup will be on Saturday pointing out more details could be found on the website. He also wished the board and citizens a safe and Happy Thanksgiving.

2. Mayor and Board Members

Alderman Duncan stated his appreciation for the recognition of small businesses earlier in the meeting He pointed out before the next meeting there will be the Christmas parade and other events and wished a Happy Thanksgiving to everyone. Alderman Cooper mentioned the upcoming small business Saturday stating there would even be childcare provided at TNT Sportsplex. She commented this is her favorite time of the year as Christmas in Kingsport kicks off next week, beginning with the official tree decorating day will be on the 28th. The December 2nd festivities begin with the Grinch breakfast at Lamplight Theatre with food, crafts and photo ops with the Grinch and events continue downtown throughout the day until the parade and Christmas tree lighting. She discussed several other Christmas events and activities throughout the month of December until the 21st. Alderman Montgomery thanked Alderman Phillips and Alderman Duncan for their report at the Chamber breakfast last week. He also thanked the city employees who have reached out. He mentioned Healthy Kingsport had a successful event at Port City Church. Alderman Phillips provided further details on Christmas events, noting there will be drummers with the bagpipes on December 2nd in the park before the parade. He recognized the police and fire department employees who continue to work throughout the holidays. Lastly, he encouraged everyone to sign up at ThisIsKingsport.com to stay up to date with activities in the holiday season and wishing everyone a Happy Thanksgiving and have a

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Kingsport City Hall, 415 Broad Street, Boardroom

wonderful weekend. Alderman Olterman wished his daughter a happy birthday tomorrow. He mentioned the DB basketball team isn't playing this week as they're away at a tournament. Vice-Mayor George commented on the many upcoming events hosted by Visit Kingsport and the economic impact they will have. She also mentioned she worked with a client today who picked Kingsport as a place to live based on research and just seeing the comments of others about the friendly community and reminded citizens to not take Kingsport for granted. Mayor Shull remarked on the previous comments about buying locally and how important the sales tax is for revenue for the city. He also commented that as much as he enjoys Christmas, he doesn't want to rush through Thanksgiving noting he is thankful for family, friends and this great city.

XIV.ADJOURN

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

ANGELA MARSHALL

Deputy City Recorder

PATRICK W. SHULL

Mayor



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of 1506 Lynn Garden Drive from the R-1B, Residential District, to the B-3, Highway Oriented Business District.

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

Action Form No.: AF-362-2023
Work Session: December 4, 2023
First Reading: December 5, 2023
Final Adoption: December 19, 2023
Staff Work By: Ken Weems
Presentation By: K. Weems

Recommendation:

- Hold public hearing
- Approve ordinance amending the zoning ordinance to rezone 1506 Lynn Garden Drive from the R-1B, Residential District, to the B-3, Highway Oriented Business District.

Executive Summary:

This is an owner-requested rezoning of approximately 0.5 acres located at 1506 Lynn Garden Drive from the R-1B zone to the B-3 zone. The purpose of the rezoning is to facilitate conversion of the existing building contained in the rezoning area into a climate controlled indoor storage facility. One public comment has been received for this item. The comment was supportive of the rezoning effort. During their November 2023 regular meeting, the Kingsport Regional Planning Commission voted to send a positive recommendation to the Board of Mayor and Aldermen in support of approving the rezoning request by a vote of 7-0. The notice of public hearing was published on November 20, 2023.

Attachments:

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

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

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 December 5, 2023 to consider the rezoning of 1506 Lynn Garden Drive from the R-1B zoning district to the B-3 zoning 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.

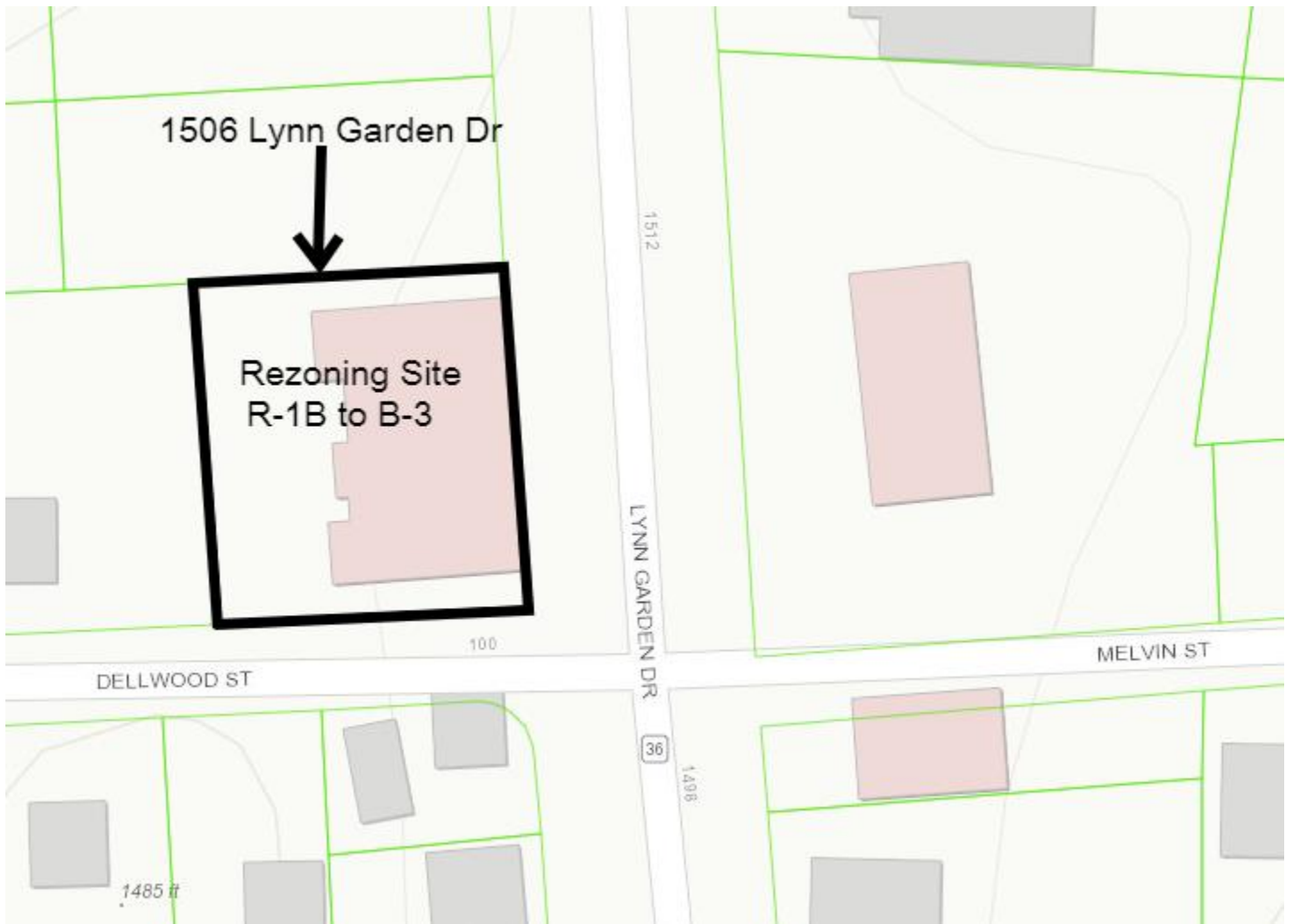
The property proposed for rezoning is generally described as follows:

BEGINNING at the westerly side of U.S. 23 with the northerly side of Dellwood Street, corner for Lot 1. Thence with the said westerly side of U.S. Highway 23, N. 2° 7' W., 150.03 feet to the corner of Lots 3 and 4. Thence with the divisional line between Lots 3 and 4, westerly 146.68 feet to a point. Thence with a new line running across Lots 1, 2, and 3, S. 1° 10' E, 150 feet to the northerly side of Dellwood St and the divisional line of Lot 1 N 88° 50' E., 149.3 feet to the BEGINNING, and being part of Lots 1, 2 and 3 in Block 1 of Forest Hills Addition to Kingsport, Tennessee, as shown on map dated March 31, 1931, by Hugh E. Alley, of record in the register;s office for Sullivan County at Blountville, Tennessee in Map Book 1.

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: 11/20/2023



ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG LYNN GARDEN DRIVE FROM THE R-1B, RESIDENTIAL DISTRICT TO THE B-3, HIGHWAY ORIENTED BUSINESS DISTRICT IN THE 12TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property located along Lynn Garden Drive from the R-1B, Residential District to the B-3, Highway Oriented Business District in the 12th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at the westerly side of U.S. 23 with the northerly side of Dellwood Street, corner for Lot 1. Thence with the said westerly side of U.S. Highway 23, N. 2° 7' W., 150.03 feet to the corner of Lots 3 and 4. Thence with the divisional line between Lots 3 and 4, westerly 146.68 feet to a point. Thence with a new line running across Lots 1, 2, and 3, S. 1° 10' E, 150 feet to the northerly side of Dellwood St and the divisional line of Lot 1 N 88° 50' E., 149.3 feet to the BEGINNING, and being part of Lots 1, 2 and 3 in Block 1 of Forest Hills Addition to Kingsport, Tennessee, as shown on map dated March 31, 1931, by Hugh E. Alley, of record in the register's office for Sullivan County at Blountville, Tennessee in Map Book 1.

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.

PATRICK W. SHULL
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 _____

Rezoning Report

Kingsport Regional Planning Commission

File Number REZONE23-0328

1506 Lynn Garden Drive Rezoning

Property Information			
Address		1506 Lynn Garden Drive, Kingsport TN	
Tax Map, Group, Parcel		Tax Map 029D, Group D, Parcel 002.00	
Civil District		12	
Overlay District		n/a	
Land Use Designation		Retail/Commercial	
Acres		0.5 acres +/-	
Existing Use	Former retail	Existing Zoning	R-1B
Proposed Use	Climate controlled indoor storage	Proposed Zoning	B-3
Owner /Applicant Information			
Name: Jody Stewart Address: PO Box 1817 City: Mount Carmel State: TN Zip Code: 37645 Email: stewartjw2000@yahoo.com Phone Number: (423) 367-8082		Intent: <i>To rezone from R-1B (Residential District) to B-3 (Highway Oriented Business District) to accommodate transition of the existing structure into climate controlled indoor storage.</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"> • The requested B-3 zone request conforms to the 2030 Future Land Use Plan. • The other commercial properties along Lynn Garden Drive are also zoned B-3. <p>Staff Field Notes and General Comments:</p> <ul style="list-style-type: none"> • The rezoning site currently contains a structure that is vacant of any commercial use. • The parcel fronts Lynn Garden Drive • Letters were mailed to adjacent property owners within 300' of the rezoning site. No feedback has been received. 			
Planner:	Ken Weems	Date:	November 3, 02023
Planning Commission Action		Meeting Date:	November 16, 2023
Approval:			
Denial:		Reason for Denial:	
Deferred:		Reason for Deferral:	

PROPERTY INFORMATION

ADDRESS	1506 Lynn Garden Drive
DISTRICT	12
OVERLAY DISTRICT	n/a
EXISTING ZONING	R-1B (Residential District)
PROPOSED ZONING	B-3 (Highway Oriented Business District)
ACRES	0.5 +/-
EXISTING USE	parcel contains vacant structure
PROPOSED USE	climate controlled indoor storage

PETITIONER

ADDRESS PO Box 1817, Mount Carmel, TN 37645

REPRESENTATIVE

PHONE (423) 367-8082

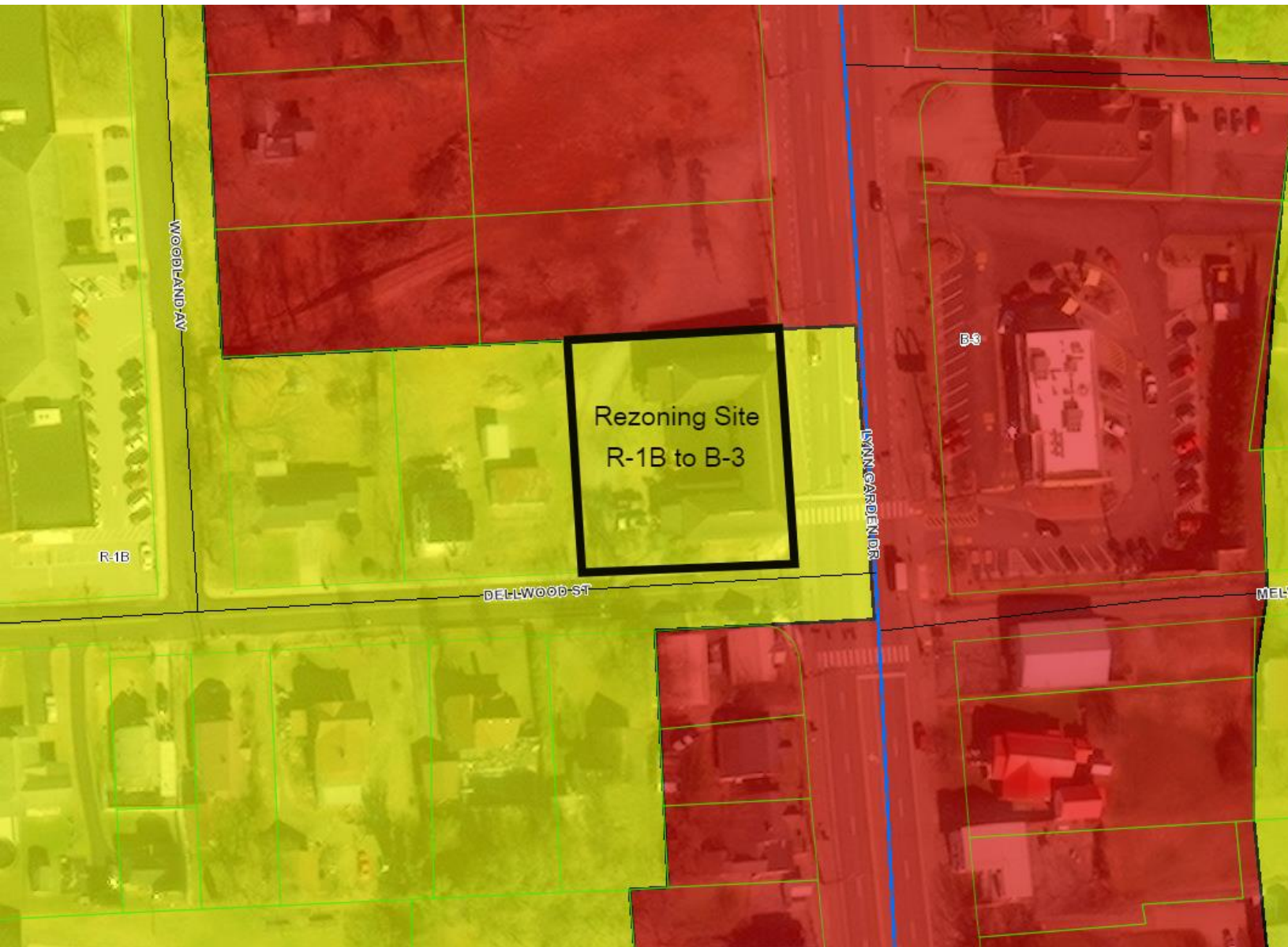
INTENT

To rezone from R-1B (Residential District) to B-3 (Highway Oriented Business District) to accommodate transition of the existing structure into climate controlled indoor storage.

Vicinity Map



Surrounding City Zoning Map



Future Land Use Plan 2030: Retail/Commercial Designation



Aerial



Conceptual Site Plan



Prepared by Kingsport Planning Department for the
Kingsport Regional Planning Commission Meeting on November 16, 2023

Item VIII.1.

View Toward North (Lynn Garden Dr on the Right Side of Picture)



View Toward West



View Toward South (Lynn Garden Dr on Left Side of Picture)



View Toward East



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 B-3</u> Use: vacant lot/ future potential restaurant	n/a
East	2	<u>Zone: City B-3</u> Use: restaurant	n/a
Southeast	3	<u>Zone: City B-3</u> Use: commercial and residential	n/a

South	4	<u>Zone: City B-3</u> Use: residential	n/a
Southwest	5	<u>Zone: City R-1B</u> Use: church	n/a
West	6	<u>Zone: City R-1B</u> Use: elementary school	n/a
Northwest	7	<u>Zone: City B-3</u> Use: residential	n/a

Standards of Review

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

1. **Whether or not the proposal will permit a use that is suitable in view of the use and development of adjacent and nearby Property?** The property has had commercial use for several decades. The new B-3 zone will support the same commercial use allowance moving forward.
2. **Whether or not the proposal will adversely affect the existing use or usability of adjacent or nearby property?** The adjacent and nearby property will not be adversely affected by the proposal. The commercial use of this property has been in place for several decades.
3. **Whether the property to be affected by the proposal has a reasonable economic use as currently zoned?** The most appropriate zone for this parcel is B-3. It is unlikely that a single family home use would ever happen at this site.
4. **Whether the proposal is in conformity with the policies and intent of the land use plan?** The proposed B-3 zone conforms to the future land use plan designation.

Proposed use: climate controlled indoor storage

The Future Land Use Plan Map recommends retail/commercial

5. **Whether there are other existing or changed conditions affecting the use and development of the property which gives supporting grounds for either approval or disapproval of the proposal?** The existing conditions support approval of the proposed rezoning.
6. **Whether there are other existing or changed conditions affecting the use and development of the property which give supporting grounds for either approval or disapproval of the proposal?** The rezoning will match what the use of the property has been for several decades (commercial).

CONCLUSION

Staff recommends sending a POSITIVE recommendation to rezone from R-1B to B-3 based upon conformance with the 2030 Future Land Use Plan.



AGENDA ACTION FORM

Conduct the Six Month Plan of Services Update for the Shipp Springs Annexation and the Annual Plan of Services Update for the Fieldcrest and Cherry Knoll Annexations

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

Action Form No.: AF-363-2023
 Work Session: December 4, 2023
 First Reading: N/A
 Final Adoption: December 5, 2023
 Staff Work By: Ken Weems
 Presentation By: K. Weems

Recommendation:

Hold public hearing and receive comment for the 6 month plan of services update for the Shipp Springs Annexation and the annual plan of services update for the Fieldcrest and Cherry Knoll Annexations.

Executive Summary:

Tennessee Code Annotated 6-51-108 states in part "...upon expiration of six (6) months from the date any annexed territory for which a Plan of Service has been adopted becomes a part of the annexing of the municipality, and annually thereafter until such services have been extended according to such plan, there shall be prepared and published in the newspaper of general circulation in the municipality a report of the progress made in the preceding year... the governing body by municipality shall publish notice of the public hearing on such progress reports and changes, and hold such hearings thereon..." As a result of this statute, and the subsequent need to conduct the identified plan of service updates, it is recommended that the Board of Mayor and Aldermen conduct a public hearing and receive comment. All services required are either complete or on track to be complete by the terms of the plan of services. The attached Plan of Services Report outlines each plan of service requirement in detail. The notice of public hearing was published on November 20, 2023.

Attachments:

1. Notice of Public Hearing
2. Plan of Services Report
3. Map

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

NOTICE OF PUBLIC HEARING

The Kingsport Board of Mayor and Aldermen will conduct a public hearing for the initial and annual plan of services report for the following annexation areas at their December 5, 2023 regular business meeting. The meeting begins at 7:00 P.M. in the Montgomery-Watterson Boardroom, 415 Broad Street, 3rd floor, Kingsport, Tennessee.

Annexation Area: Shipp Springs Annexation, Resolution No. 2023-184

Effective Date: 3/7/2023

POS, deadline: initial update: all services complete

Annexation Area: Fieldcrest Annexation, Resolution No. 2022-264

Effective Date: 7/21/2022

POS, deadline: annual update with deadline of June 2027; water and sewer service extensions under survey

Annexation Area: Cherry Knoll Annexation, Ordinance 5784

Effective Date: 12/4/2008

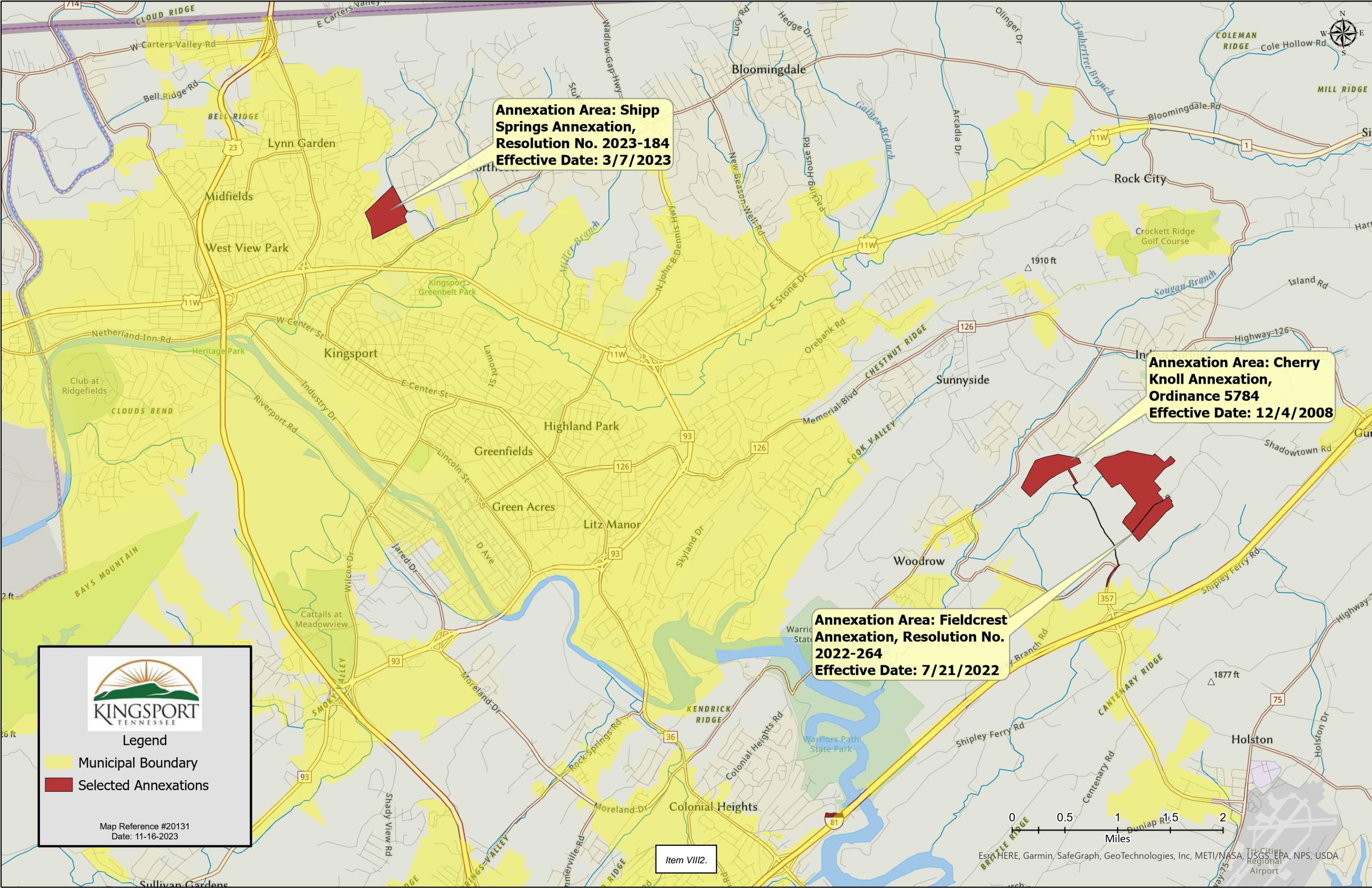
POS, deadline: annual update with a deadline of when development occurs requiring sewer service, water service, and street lights.

All City of Kingsport public meetings are conducted in accessible locations. If you require accommodations to participate in this meeting, these may be requested by calling (423) 229-9485 or by emailing ADAContact@KingsportTN.gov at least 72 hours in advance. Copies of any documents used are available in accessible formats upon request.

City of Kingsport
Angie Marshall, City Clerk.
P1T: 11/20/2023

**DEC 2023 6 MONTH & ANNUAL PLAN OF SERVICES REPORT
FOR RESOLUTION NOS: 2023-184, 2022-264, & ORDINANCE 5784**


<u>Annexation Area</u>	<u>Effective Date</u>	<u>POS Deadline</u>	<u>Status</u>
Shipp Springs Resolution No. 2023-184	3/7/2023	3/7/2028	All Services Complete
Fieldcrest Resolution No. 2022-264	7/21/2022	7/21/2027	water and sewer extensions under survey
Cherry Knoll Ordinance 5784	12/4/2008	when development occurs	water, sewer, and street lights when development occurs



Annexation Area: Shipp Springs Annexation, Resolution No. 2023-184 Effective Date: 3/7/2023

Annexation Area: Cherry Knoll Annexation, Ordinance 5784 Effective Date: 12/4/2008

Annexation Area: Fieldcrest Annexation, Resolution No. 2022-264 Effective Date: 7/21/2022



Legend

- Municipal Boundary
- Selected Annexations

Map Reference #20131
Date: 11-16-2023

Item VIII.2.



Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, Tri-Cities Regional Airport



AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY24

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

Action Form No.: AF-364-2023
Work Session: December 4, 2023
First Reading: December 5, 2023
Final Adoption: December 19, 2023
Staff Work By: John Morris
Presentation By: Chris McCartt

Recommendation:
Approve the Budget Ordinance.

Executive Summary:
The General Projects-Special Revenue Fund is being amended by appropriating a museum grant received from the State of Tennessee in the amount of \$75,000 to the Farmstead Museum project (NC2413) and by transferring Visitor Enhancement Funds to the Allandale Improvements project (NC2217) in the amount of \$50,000 and to the Athletic Field Improvements project (NC2414) in the amount of \$100,000.

The Aquatic Center Project Fund is being amended by appropriating \$53,241 from the Visitors Enhancement Fund to the KAC Miscellaneous project (AQ2403).

The Water Project Fund is being amended by appropriating TDOT Funding in the amount of \$42,900 to the Horse Creek Area Upgrades project (WA2404) and by transferring \$35,000 from the Horse Creek Area Upgrades project (WA2404) to the Main St WL Replacement project (WA1901).

The Sewer Project Fund is being amended by transferring \$1,000,000 from the WWTP Electric Upgrades project (SW2206) and \$32,610 from the I&I Upg-Garden/Industry Dr project (SW2306) for a total of \$1,032,610 to the Collection System Upgrades project (SW2409), and by transferring \$38,646 from the Sewer Line Improvement project (SW2301) to the Reedy Creek Trunkline project (SW2205).

Attachments:
1. Budget Ordinance

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

ORDINANCE NO.

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2024; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Projects-Special Revenue Fund be amended by appropriating a museum grant received from the State of Tennessee in the amount of \$75,000 to the Farmstead Museum project (NC2413) and by transferring Visitor Enhancement Funds to the Allandale Improvements project (NC2217) in the amount of \$50,000 and to the Athletic Field Improvements project (NC2414) in the amount of \$100,000.

SECTION II. That the Aquatic Center Project Fund be amended by appropriating \$53,241 the Visitors Enhancement Fund to the KAC Miscellaneous project (AQ2403).

SECTION III. That the Water Project Fund be amended by appropriating TDOT Funding in the amount of \$42,900 to the Horse Creek Area Upgrades project (WA2404) and by transferring \$35,000 from the Horse Creek Area Upgrades project (WA2404) to the Main St WL Replacement project (WA1901).

SECTION IV. That the Sewer Project Fund be amended by transferring \$1,000,000 from the WWTP Electric Upgrades project (SW2206) and \$32,610 from the I&I Upg-Garden/Industry Dr project (SW2306) for a total of \$1,032,610 to the Collection System Upgrades project (SW2409), and by transferring \$38,646 from the Sewer Line Improvement project (SW2301) to the Reedy Creek Trunkline project (SW2205).

Account Number/Description:
General Projects-Special Revenue Fund: 111
Farmstead Museum (NC2413)

<u>Revenues:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
111-0000-332.69-00 Miscellaneous Other State	0	75,000	75,000
Total:	0	75,000	75,000
<u>Expenditures:</u>	\$	\$	\$
111-0000-601.90-03 Improvements	0	75,000	75,000
Total:	0	75,000	75,000

<u>Allendale Improvements (NC2217)</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
Revenues:	\$	\$	\$
111-0000-331.95-00 American Rescue Plan Act	285,000	0	285,000
111-0000-391.01-00 From General Fund	204,486	0	204,486
111-0000-391.69-00 Visitors Enhancement Fund	0	50,000	50,000
Total:	489,486	50,000	539,486

Expenditures:	\$	\$	\$
111-0000-601.20-22 Construction Contracts	446,435	0	446,435
111-0000-601.20-23 Arch/Eng/Landscaping Serv	34,045	50,000	84,045
111-0000-601.90-04 Equipment	9,006	0	9,006
Total:	489,486	50,000	539,486

<u>Athletic Field Improvements (NC2414)</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
Revenues:	\$	\$	\$
111-0000-391.69-00 Visitors Enhancement Fund	0	100,000	100,000
Total:	0	100,000	100,000

Expenditures:	\$	\$	\$
111-0000-601.90-03 Improvements	0	100,000	100,000
Total:	0	100,000	100,000

Account Number/Description:

Visitors Enhancement Fund: 135

<u>Expenditures:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
135-1015-405.90-03 Improvements	478,050	(203,241)	274,809
135-4804-481.70-35 To Gen Proj-Special Rev	0	150,000	150,000
135-4804-481.70-39 Aquatic Center Fund	0	53,241	53,241
Total:	478,050	0	478,050

Account Number/Description:

Aquatic Center Fund: 419

<u>Revenues:</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
419-0000-391.69-00 Visitors Enhancement Fund	0	53,241	53,241
Total:	0	53,241	53,241

Expenditures:	\$	\$	\$
419-6996-686.70-09 Aquatics Project Fund	0	53,241	53,241
Total:	0	53,241	53,241

Account Number/Description:

Aquatics Project Fund: 459

KAC Miscellaneous (AQ2403)

Revenues:

459-0000-391.37-00 From Aquatic Center

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	146,759	53,241	200,000
Total:	146,759	53,241	200,000

Expenditures:

459-0000-629.90-03 Improvements

	\$	\$	\$
	146,759	53,241	200,000
Total:	146,759	53,241	200,000

Account Number/Description:

Water Project Fund: 451

Horse Creek Area Upgrades (WA2404)

Revenues:

451-0000-331-90-00 Dept of Transportation

451-0000-391.05-72 GO Bonds Series 2023

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	0	42,900	42,900
	500,000	(35,000)	465,000
Total:	500,000	7,900	507,900

Expenditures:

451-0000-605.20-23 Arch/Eng/Landscaping Serv

451-0000-605.90-03 Improvements

	\$	\$	\$
	0	42,900	42,900
	500,000	(35,000)	465,000
Total:	500,000	7,900	507,900

Main St Waterline Replacement (WA1901)

Revenues:

451-0000-391.05-47 Series 2017 B GO Bonds

451-0000-391.05-48 GO Bonds Series 2018 B

451-0000-391.05-56 Series 2019 GO Improve

451-0000-391.05-69 GO Bonds Series 2021

451-0000-391.05-72 GO Bonds Series 2023

451-0000-391.45-00 From Water Fund

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
	17,829	0	17,829
	1,149,252	0	1,149,252
	129,482	0	129,482
	5,044	0	5,044
	0	35,000	35,000
	458,786	0	458,786
Total:	1,760,393	35,000	1,795,393

Expenditures:

451-0000-605.20-20 Professional/Consultant

451-0000-605.90-01 Land

451-0000-605.90-03 Improvements

	\$	\$	\$
	0	35,000	35,000
	2,000	0	2,000
	1,758,393	0	1,758,393
Total:	1,760,393	35,000	1,795,393

Account Number/Description:

Sewer Project Fund: 452

WWTP Electric Upg (SW2206)

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-69 GO Bonds Series 2021	600,000	0	600,000
452-0000-391.05-72 GO Bonds Series 2023	1,000,000	(1,000,000)	0
Total:	1,600,000	(1,000,000)	600,000

Expenditures:

	\$	\$	\$
452-0000-601.20-23 Arch/Eng/Landscaping Serv	1,600,000	(1,000,000)	600,000
Total:	1,600,000	(1,000,000)	600,000

I&I Upg-Garden/Industry Dr (SW2306)

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-337-16-23 American Rescue Plan	1,246,650	0	1,246,650
452-0000-391.05-69 GO Bonds Series 2021	2,363,350	(32,610)	2,330,740
Total:	3,610,000	(32,610)	3,577,390

Expenditures:

	\$	\$	\$
452-0000-606.20-23 Arch/Eng/Landscaping Serv	357,800	(32,582)	325,218
452-0000-606.90-03 Improvements	3,252,200	(28)	3,252,172
Total:	3,610,000	(32,610)	3,577,390

Collection System Upgrades (SW2409)

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-69 GO Bonds Series 2021	0	32,610	32,610
452-0000-391.05-72 GO Bonds Series 2023	0	1,000,000	1,000,000
Total:	0	1,032,610	1,032,610

Expenditures:

	\$	\$	\$
452-0000-606.20-23 Arch/Eng/Landscaping Serv	0	150,000	150,000
452-0000-601.90-03 Improvements	0	882,610	882,610
Total:	0	1,032,610	1,032,610

Sewer Line Imp (SW2301)

Revenues:

	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
	\$	\$	\$
452-0000-391.05-56 Series 2019 GO Improvment	32,401	(32,401)	0
452-0000-391.42-00 From Sewer Fund	279,670	(6,245)	273,425
Total:	312,071	(38,646)	273,425

Expenditures:

	\$	\$	\$
452-0000-606.90-01 Land	10,000	(9,983)	17
452-0000-606.90-26 Sewer Extensions	10,000	(10,000)	0
452-0000-606.90-27 Sewer Taps	30,000	(18,663)	11,337
452-0000-606.90-28 Sewer Improvements	262,071	0	262,071
Total:	312,071	(38,646)	273,425

<u>Reedy Creek Trunk Line (SW2205)</u>	<u>Budget</u>	<u>Incr/(Decr)</u>	<u>New Budget</u>
Revenues:	\$	\$	\$
452-0000-391.05-56 Series 2019 GO Improvement	0	32,401	32,401
452-0000-391.05-69 GO Bonds Series 2021	1,000,000	0	1,000,000
452-0000-391.42-00 From Sewer Fund	0	6,245	6,245
Total:	1,000,000	38,646	1,038,646
Expenditures:	\$	\$	\$
452-0000-601.20-23 Arch/Eng/Landscaping Serv	1,000,000	38,646	1,038,646
Total:	1,000,000	38,646	1,038,646

SECTION V. 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.

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT III, City Attorney

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



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of Tax Map 076, Parcel 020.00 Located Along Tidewater Court from the A-1, Agricultural District and B-4P, Planned Business District to M-1R, Light Manufacturing Restricted District

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

Action Form No.: AF-349-2023
Work Session: November 20, 2023
First Reading: November 21, 2023
Final Adoption: December 5, 2023
Staff Work By: Jessica McMurray
Presentation By: Jessica McMurray

Recommendation:

Approve ordinance amending the zoning ordinance to rezone Tax Map 076, Parcel 020.00 located along Tidewater Court from the A-1, Agricultural District and B-4P, Planned Business District to M-1R, Light Manufacturing Restricted District.

Executive Summary:

This is an owner-requested rezoning of approximately 40.266 acres located along Tidewater Court from the A-1 and B-4P zone to the M-1R zone. The purpose of the rezoning is to facilitate a future public utilities service center. No public comment was received. During their October 2023 regular meeting, the Kingsport Regional Planning Commission voted to send a positive recommendation to the Board of Mayor and Aldermen in support of approving the rezoning request by a vote of 6-0. The notice of public hearing was published on November 6, 2023.

Attachments:

- 1. Zoning Ordinance

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG TIDEWATER COURT FROM THE A-1, AGRICULTURAL DISTRICT AND B-4P, PLANNED BUSINESS DISTRICT TO M-1R, LIGHT MANUFACTURING RESTRICTED DISTRICT IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property located along Tidewater Court from the A-1, Agricultural District and B-4P, Planned Business District to the M-1R, Light Manufacturing District in the 13th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

Tract:

THIS BEING PART OF THE LAND ACQUIRED BY ROY CLEVELAND ANDERSON II FROM A & P PARTNERSHIP ET. AL. BY DEED DATED THE 31ST DAY OF DECEMBER 1996 AND RECORDED IN DEED BOOK 1188C, PAGE 505 RECORDED IN THE SULLIVAN COUNTY REGISTER OF DEEDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN IRON PIN SET (5/8" REBAR X 18" LONG WITH ALUMINUM SURVEY CAP STAMPED PLS #3136 AS WILL BE TYPICAL FOR ALL SET MONUMENTS), SAID PIN BEING: • ON THE SOUTHERN EDGE OF RIGHT-OF-WAY OF TIDEWATER COURT (40' RIGHT-OF-WAY, PER PLAT BOOK 34, PAGE 43) • BEING APPROXIMATELY 415 FEET EAST OF THE INTERSECTION OF CENTERLINES OF TIDEWATER COURT AND JOHN B. DENNIS HIGHWAY • 24.1 FEET SOUTH OF THE AS-BUILT CENTERLINE OF TIDEWATER COURT • N00°27'13"E – 10.10 FEET FROM A 1/2" IRON PIN FOUND (OLD), SAID PIN FOUND BEING THE NORTHEAST CORNER OF CRO-BAR, LLC (D.B. 3493, PAGE 1960) • LYING WITHIN THE CITY OF KINGSPORT, SULLIVAN COUNTY, TENNESSEE; THENCE CONTINUING WITH THE SOUTHERN EDGE OF RIGHT-OF-WAY OF TIDEWATER COURT, S89°30'22" E – 235.00 FEET TO AN IRON PIN SET, SAID PIN BEING 24.1 FEET SOUTH OF THE AS-BUILT CENTERLINE OF TIDEWATER COURT AND BEING THE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE WITH THE SOUTHERN EDGE OF RIGHT-OF-WAY OF TIDEWATER COURT, S89°30'22" E - 313.40 FEET TO AN IRON PIN SET, SAID

PIN BEING A CORNER OF THE RIGHT-OF-WAY OF TIDEWATER COURT AND KINGSGATE CROSSING (D.B. 2275C, PAGE 22), SAID PIN BEING 25.2 FEET SOUTH OF THE CENTERLINE OF TIDEWATER COURT; THENCE LEAVING THE RIGHT-OF-WAY OF TIDEWATER COURT AND WITH THE RIGHT-OF-WAY OF KINGSGATE CROSSING (D.B. 2275C, PAGE 22) THE FOLLOWING SIX (6) COURSES: S37°13'06" E - 65.25 FEET TO AN IRON PIN SET, WITH A CURVE TO THE RIGHT HAVING A RADIUS OF 255.56 FEET AND A CHORD BEARING & DISTANCE OF S25°54'28"E – 100.25 FEET TO AN IRON PIN SET, N75°24'09" E – 92.00 FEET TO AN IRON PIN SET, N16°23'15" W - 21.72 FEET TO AN IRON PIN SET, N16°02'03" E - 70.84 FEET TO AN IRON PIN SET, AND N68°32'28" E - 76.04 FEET TO AN IRON PIN SET, SAID PIN BEING ON THE SOUTHERN EDGE OF RIGHT-OF-WAY OF TIDEWATER COURT AND BEING ON THE WESTERN EDGE OF RIGHT-OF-WAY OF KINGSGATE CROSSING, SAID PIN BEING 20.2 FEET FROM THE AS-BUILT CENTERLINE OF TIDEWATER COURT; THENCE CONTINUING WITH THE SOUTHERN EDGE OF RIGHT-OF-WAY OF TIDEWATER COURT, S89°30'22" E - 415.14 FEET TO AN IRON PIN SET, SAID PIN BEING A CORNER OF THE RIGHT-OF-WAY OF TIDEWATER COURT AND BEING 25.8 FEET SOUTH OF THE AS-BUILT CENTERLINE OF TIDEWATER COURT; THENCE FIRST CONTINUING WITH THE RIGHT-OF-WAY OF TIDEWATER COURT AND SECOND WITH THE LINE OF JAVIER A. BENITEZ (D.B. 3267, PAGE 220) AND LEAVING THE RIGHT-OF-WAY OF TIDEWATER COURT, S00°29'23" W - 55.00 FEET TO A ½" IRON PIN FOUND (OLD); THENCE CONTINUING WITH THE LINES OF JAVIER A. BENITEZ (D.B. 3267, PAGE 220) THE FOLLOWING FIVE (5) COURSES: S89°28'30" E - 49.98 FEET TO A 1/2" IRON PIN FOUND (OLD); S00°28'24" W - 69.97 FEET TO AN IRON PIN SET, WITH A CURVE TO THE LEFT HAVING A RADIUS OF 75.10 FEET AND CHORD BEARING & DISTANCE OF S44°31'21"E – 106.21 FEET TO A 3/8" IRON PIN FOUND (OLD) S89°31'21" E – 366.51 FEET TO AN IRON PIN SET AND N00°29'23" E - 200.00 FEET TO AN IRON PIN SET, SAID PIN BEING THE NORTHEAST CORNER OF JAVIER A. BENITEZ (D.B. 3267, PAGE 220) AND BEING ON THE SOUTHERN LINE OF TELE-OPTICS, INC. (D.B. 746C, PAGE 468); THENCE LEAVING THE LINE OF JAVIER A. BENITEZ (D.B. 3267, PAGE 220) AND WITH THE SOUTHERN BOUNDARY LINE OF TELE-OPTICS, INC. (D.B. 746C, PAGE 468), S89°30'38" E - 418.83 FEET TO A ½" IRON PIN FOUND (OLD), SAID PIN BEING THE SOUTHEAST CORNER OF TELE-OPTICS, INC. (D.B. 746C, PAGE 468) AND BEING ON THE WESTERN BOUNDARY LINE OF NOW OR FORMERLY ADA MOORE RODEFER (D.B. 61A, PAGE 160); THENCE LEAVING SAID TELE-OPTICS, INC. (D.B. 746C, PAGE

468) AND WITH THE WESTERN BOUNDARY LINE OF SAID NOW OR FORMERLY ADA MOORE RODEFER (D.B. 61A, PAGE 160), S01°34'49" W - 700.47 FEET TO A 1-1/4" IRON PIN FOUND (OLD), SAID PIN BEING ON THE WESTERN BOUNDARY LINE OF RODEFER AND BEING THE NORTHEAST CORNER OF SOUTH KINGSPORT DEVELOPMENT, INC. (D.B. 1546C, PAGE 146); THENCE LEAVING THE LINE OF SAID RODEFER AND WITH FIRST THE NORTHERN BOUNDARY LINE OF SOUTH KINGSPORT DEVELOPMENT, INC. (D.B. 1546C, PAGE 146), SECOND THE NORTHERN BOUNDARY LINE OF SHANNON L. HURD ET. AL. (D.B. 3372, PAGE 2449) AND THIRD THE NORTHERN BOUNDARY LINE OF SOUTH KINGSPORT DEVELOPMENT INC, (D.B. 1546C, PAGE 146), N80°37'55" W - 1737.31 FEET TO AN IRON PIN SET; THENCE CONTINUING WITH THE LINE OF SOUTH KINGSPORT DEVELOPMENT INC, (D.B. 1546C, PAGE 146) THE FOLLOWING FOUR (4) COURSES: S64°55'55" W - 445.11 FEET TO AN AXLE FOUND (OLD), S25°35'10" E - 38.78 FEET TO AN AXLE FOUND (OLD), S21°28'26" W - 500.03 FEET TO A 1/4" IRON PIN FOUND (OLD) AND N62°45'59" W - 415.47 FEET TO AN AXLE FOUND (OLD). THENCE CONTINUING FIRST WITH THE LINE OF SOUTH KINGSPORT DEVELOPMENT INC, (D.B. 1546C, PAGE 146) AND SECOND WITH SOUTH KINGSPORT DEVELOPMENT INC. (LOT 2 OF PLAT BOOK 52, PAGE 733; D.B. 1546C, PAGE 146), S85°27'30" W - 520.13 FEET TO AN IRON PIN SET, SAID PIN BEING ON THE NORTHERN BOUNDARY LINE OF LOT 2 OF PLAT BOOK 52, PAGE 733 AND BEING A CORNER OF A GORE AREA; THENCE LEAVING SAID LOT 2 AND WITH SAID GORE AREA, N38°11'38" E - 494.74 FEET TO AN IRON PIN SET AND N56°14'41" W - 423.80 FEET TO A 3/8" REBAR FOUND (OLD), SAID PIN BEING ON THE SOUTHERN EDGE OF RIGHT-OF-WAY OF JOHN B. DENNIS HIGHWAY AND BEING THE NORTHERN MOST CORNER OF SAM B. KITE, JR. (D.B. 1372C, PAGE 38); THENCE LEAVING THE CORNER OF SAID KITE AND WITH THE SOUTHERN EDGE OF RIGHT-OF-WAY OF JOHN B. DENNIS HIGHWAY THE FOLLOWING TWO COURSES: N64°46'21" E - 272.81 FEET TO A 5/8" REBAR FOUND BENT (OLD) WITH A CURVE TO THE LEFT HAVING A RADIUS OF 5859.58 FEET AND A CHORD BEARING AND DISTANCE OF N62°53'44"E - 383.50 FEET TO AN IRON PIN SET, SAID PIN BEING S50°40'48"E - 2.23 FEET FROM AN IRON PIN FOUND PLS# 2089 (OLD), SAID PIN BEING THE SOUTHWESTERN CORNER OF CRO-BAR, LLC; THENCE LEAVING THE RIGHT-OF-WAY OF JOHN B. DENNIS HIGHWAY, S50°40'48"E - 137.10 FEET TO AN IRON PIN FOUND- PLS# 2089 (OLD), AND S89°35'08"E - 411.44 FEET TO A 1/2" IRON PIN FOUND (OLD), SAID PIN BEING THE SOUTHEAST CORNER OF

CRO-BAR, LLC; THENCE LEAVING THE LINE OF CRO-BAR, LLC AND WITH NEW LINES ACROSS THE PARENT TRACT THE FOLLOWING THREE COURSES: S00°27'13" W - 220.51 FEET TO AN IRON PIN SET, S89°30'22" E - 235.00 FEET TO AN IRON PIN SET, AND N00°27'13" E - 370.72 FEET TO THE POINT OF BEGINNING AND CONTAINING 40.266 ACRES BY SURVEY.

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.

PATRICK W. SHULL
Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

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



AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of Tax Map 029F, Group B, Parcels 009.00, 012.00, 013.00, 014.00 and 027.00 Located Along Granby Road from the R-1B, Residential District to the R-3, Low Density Apartment District

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

Action Form No.: AF-350-2023
Work Session: November 20, 2023
First Reading: November 21, 2023
Final Adoption: December 5, 2023
Staff Work By: Jessica McMurray
Presentation By: Jessica McMurray

Recommendation:

Approve ordinance amending the zoning ordinance to rezone and Tax Map 029F, Group B, Parcels 009.00, 012.00, 013.00, 014.00 and 027.00 located along Granby Road from the R-1B, Residential District to the R-3, Low Density Apartment District.

Executive Summary:

This is an owner-requested rezoning of approximately 13.962 acres located along Granby Road from the R-1B zone to the R-3 zone. The purpose of the rezoning is to facilitate future multi-family development (160 units). One public comment was received from a citizen during the Planning Commission meeting citing concerns about increased traffic and crime in the area. During their October 2023 regular meeting, the Kingsport Regional Planning Commission voted to send a positive recommendation to the Board of Mayor and Aldermen in support of approving the rezoning request by a vote of 6-0. The notice of public hearing was published on November 6, 2023.

Attachments:

- 1. Zoning Ordinance

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG GRANBY ROAD FROM THE R-1B, RESIDENTIAL DISTRICT TO THE R-3, LOW DENSITY APARTMENT DISTRICT IN THE 12TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property located along Granby Road from the R-1B, Residential District to the R-3, Low Density Apartment District in the 12th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

Tract:

BEGINNING AT A 1/2 INCH IRON ROD (FOUND), LOCATED IN THE NORTHERLY SIDELINE OF GRANBY ROAD, A COMMON CORNER TO DERRICK (D.B. 1040C, PG. 184); THENCE WITH SAID LINE THE FOLLOWING THREE CALLS: NORTH 18 DEGREES, 52 MINUTES, 17 SECONDS WEST, A DISTANCE OF 232.31 FEET TO A 1/2 INCH IRON ROD (FOUND), BENT; SOUTH 75 DEGREES, 43 MINUTES, 29 SECONDS WEST, A DISTANCE OF 131.27 FEET TO A 1/2 INCH IRON ROD (FOUND), BENT; SOUTH 13 DEGREES, 01 MINUTES, 53 SECONDS EAST, A DISTANCE OF 54.82 FEET TO A 1/2 INCH IRON ROD (FOUND), BENT, CORNER TO DAVIS FAMILY G.P.(D.B. 3213, PG. 936); THENCE WITH SAID LINE SOUTH 76 DEGREES, 28 MINUTES, 05 SECONDS WEST, A DISTANCE OF 64.00 FEET TO A 5/8 INCH IRON ROD (SET), COMMON CORNER TO KETRON (D.B. 898C, PG. 210) AND SPEARS (D.B. 3176, PG. 792); THENCE WITH THE LINE OF SPEARS THE FOLLOWING TWO CALLS: NORTH 10 DEGREES, 09 MINUTES, 51 SECONDS WEST, A DISTANCE OF 191.35 FEET TO A 4 INCH METAL POST; SOUTH 71 DEGREES, 09 MINUTES, 58 SECONDS WEST, A DISTANCE OF 171.14 FEET TO A 60D NAIL (FOUND), IN BASE OF 36 INCH OAK, IN THE LINE OF TAYLOR (D.B. 3072, PG. 1020); THENCE WITH SAID LINE THE FOLLOWING TWO CALLS: NORTH 18 DEGREES, 56 MINUTES, 53 SECONDS WEST, A DISTANCE OF 187.77 FEET TO A IRON ROD (FOUND), WITH CAP, (WEEMS); NORTH 89 DEGREES, 05 MINUTES, 06 SECONDS WEST, A DISTANCE OF 181.85 FEET TO A IRON ROD (FOUND), WITH CAP, (WEEMS), IN THE LINE OF MULLINS (D.B. 3546, PG. 256); THENCE WITH THE LINE OF MULLINS, MATHES, PARKER, SWEETBRIAR ROAD, AND PARKER NORTH 18 DEGREES, 50 MINUTES, 03 SECONDS

WEST, A DISTANCE OF 501.96 FEET TO A IRON ROD (FOUND), WITH CAP, (DAVIES), IN THE LINE OF LOT 28 HARMONY RIDGE RE-PLAT (P.B. 54, PG. 266); THENCE WITH THE LINE OF LOTS 18, 17, AND OPEN SPACE SOUTH 89 DEGREES, 05 MINUTES, 43 SECONDS EAST, A DISTANCE OF 182.02 FEET TO A 1/2 INCH IRON ROD (FOUND), IN A 1 INCH PIPE (FOUND), CORNER TO OPEN SPACE HARMONY RIDGE RE-PLAT (P.B. 54, PG. 266); THENCE WITH SAID LINE SOUTH 89 DEGREES, 13 MINUTES, 31 SECONDS EAST, A DISTANCE OF 181.53 FEET TO A 1/2 INCH IRON ROD (FOUND); THENCE WITH LINE OF OPEN SPACE, LOTS 16, 15, 14, 13 HARMONY RIDGE RE-PLAT (P.B. 54, PG. 266) SOUTH 89 DEGREES, 03 MINUTES, 04 SECONDS EAST, A DISTANCE OF 512.82 FEET TO A 1/2 INCH IRON ROD (FOUND), CORNER TO BOGGS (D.B. 3298, PG. 106); THENCE WITH SAID LINE SOUTH 18 DEGREES, 49 MINUTES, 22 SECONDS EAST, A DISTANCE OF 746. 42 FEET TO A 1/2 INCH IRON ROD (FOUND), IN THE WESTERLY SIDELINE OF RAMSEY AVENUE; THENCE WITH SIDELINE OF RAMSEY AVENUE SOUTH 29 DEGREES, 44 MINUTES, 54 SECONDS WEST, A DISTANCE OF 199.59 FEET TO A 1/2 INCH IRON ROD (FOUND), BENT, IN THE NORTHERLY SIDELINE OF GRANBY ROAD; THENCE WITH THE SIDELINE OF GRANBY ROAD SOUTH 85 DEGREES, 06 MINUTES, 11 SECONDS WEST, A DISTANCE OF 165.83 FEET TO THE POINT OF BEGINNING, CONTAINING 13.962 ACRES, AND BEING THE COMBINATION OF 3 LANDS, LLC. PROPERTY, AS SHOWN ON PLAT OF RECORD IN THE REGISTER'S OFFICE FOR SULLIVAN COUNTY, TENNESSEE, IN PLAT BOOK P58, PAGE 569.

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.

PATRICK W. SHULL
Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

Item X2.

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 2024 General Purpose School Fund and the General Project Fund Budgets

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

Action Form No.: AF-356-2023
Work Session: November 20, 2023
First Reading: November 21, 2023
Final Adoption: December 5, 2023
Staff Work By: David Frye
Presentation By: David Frye

Recommendation:
Approve the ordinance.

Executive Summary:
The Board of Education approved fiscal year 2024 budget amendment number five at their meeting on November 14, 2023. This amendment increases the General Purpose School Fund budget by \$1,729,895. There is \$1,729,895 being appropriated from the Unreserved Fund Balance that will be transferred to the General Project Fund to fund the replacement of the Johnson Elementary School HVAC system. The Unreserved Fund Balance will now have a revised balance of \$8,824,063.

The General Project Fund, Schools HVAC Replacement project (GP2302) will be increased by \$1,729,895, for a revised total of \$5,465,895.

Attachments:
1. Ordinance

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE GENERAL PURPOSE
SCHOOL FUND AND THE GENERAL PROJECT FUND
BUDGETS FOR THE FISCAL YEAR ENDING JUNE 30, 2024;
AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. The General Purpose School Fund will be amended by increasing the estimated revenue for Fund Balance Appropriations by \$1,729,895 the appropriations for Fund Transfers by \$1,729,895. The General Project Fund Budget will be amended by increasing the estimated revenues and appropriations for the Schools HVAC Replacements project (GP2302) by \$1,729,895.

Fund 141: General Purpose School Fund

<u>Revenues:</u>		\$	\$	\$
141-0000-392-0100	Fund Balance Appropriations	1,369,871	1,729,895	3,099,766
<i>Totals</i>		1,369,871	1,729,895	3,099,766
<u>Expenditures:</u>		\$	\$	\$
141-7950-881-0590	Fund Transfers	1,170,000	1,729,895	2,899,895
<i>Totals</i>		1,170,000	1,729,895	2,899,895

Fund 311: General Project Fund

School HVAC Replacement Project (GP2302)

<u>Revenues:</u>		\$	\$	\$
311-0000-391-2100	Transfer from School Fund	3,736,000	1,729,895	5,465,895
<i>Total:</i>		3,736,000	1,729,895	5,465,895
<u>Expenditures:</u>		\$	\$	\$
311-0000-601-2022	Construction Contracts	3,525,000	1,677,395	5,202,395
311-0000-601-2023	Architect/Engineering Serv	211,000	52,500	263,500
<i>Total:</i>		3,736,000	1,729,895	5,465,895

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

ATTEST:

PAT W. SHULL, Mayor

APPROVED AS TO FORM:

ANGELA MARSHAL, Deputy City Recorder

RODNEY B. ROWLETT, III, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Consideration of a Resolution to Amend Vacation Policy (#14)

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

Action Form No.: AF-370-2023
Work Session: December 4, 2023
First Reading: n/a
Final Adoption: December 5, 2023
Staff Work By: Tyra Copas
Presentation By: Tyra Copas

Recommendation:

Resolution to Amend Vacation Policy (#14)

Executive Summary:

The Human Resources Department has reviewed the vacation policy and is recommending changes to be more competitive in the recruitment process as well as help with retention.

Changes Include:

- Front-load 1-week vacation for all new hires (recruiting enhancement)
- Realign service time for additional weeks of vacation (retention enhancement)
 - 1 - 5 years = 2 weeks (no change)
 - 5 - 10 years = 3 weeks (change from 5 - 13 years)
 - 10 – 20 years = 4 weeks (change from 13 - 28 years)
 - 20+ years = 5 weeks (change from 28+ years)
- Addition on adding up to 1 week of unused vacation time at year-end to be converted to sick leave if hours remain after allowed carryover. This would benefit employees as unused sick time at retirement is credited toward years of service by TCRS.
- Any hours above the 2-week carryover and the 1-week conversion to sick leave would be forfeited.

Attachments:

1. Resolution
2. Vacation Policy #14 – with tracked changes
3. Comparison Chart

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

Item X11.

RESOLUTION NO. _____

A RESOLUTION AMENDING RESOLUTION NO. 2021-023, VACATION LEAVE POLICY FOR CITY EMPLOYEES

WHEREAS, the city adopted Vacation Leave Policy Resolution No. 2021-023, effective July 21, 2021; and

WHEREAS, the city would like to amend the Vacation Leave Policy to conform the language of the policy with the city's custom and practice for carrying unused vacation leave over to the subsequent calendar year and to allow the city manager discretion in the administration of the Vacation Leave Policy in order to be more competitive in the recruitment process. Now, therefore,

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

SECTION I. That Section I of Resolution No. 2021-023 adopting a Vacation Leave Policy is amended as follows:

POLICY

Vacation leave is available for all board approved regular full-time employees.

All new hires will be frontloaded with 1 week/40 hours (72 hours for 24-hour shifts) of vacation time. Additional weeks of vacation may be granted for experience with City Manager approval.

Vacation leave accrues on a monthly basis from January 1 through December 31 of each calendar year. The amount of paid vacation leave an employee accrues each month is based upon designated accrual rates and months of service as follows:

Service Time	Vacation Accrual per month	
	8-hour and 12-hour shift employees	24-hour shift employees
< 5 years (1 month through 60 months)	6.67 hours (80 hours maximum per year/2 weeks)	12 hours
5– 10 years (61 month through 120 months)	10 hours (120 hours maximum per year 3 weeks)	18 hours
10 – 20 years (121 month through 240 months)	13.33 hours (160 hours maximum per year / 4 weeks)	24 hours
20 years > (241 months or more)	16.7 hours (200 hours maximum per year/5 weeks)	30 hours

**For the purpose of computing vacation leave, accrual for the full month will be granted if the employee's hire date is on or before the 15th day of the month. For employees with a hire date on or after the 16th of the month there will be no accrual of vacation for that month.*

Vacation leave accrues only for employees while serving in board approved regular full-time positions. Accruals are based on continuous service with the city, which includes approved leave. Effective January 1, 2017, and prospectively, except as set out herein below, all prior service as a board approved full-time employee, working under the city manager, will be used in determining service time for vacation accrual rates only, except as otherwise required by law. This policy does not apply to employees who have received credit for previous service in determining accrual of vacation.

Employees who work 24 hour shifts will be given vacation leave in blocks of three (3) scheduled work shifts extending from scheduled four (4) days off to the next scheduled four (4) days off. Vacation leave may be taken as one (1), two (2), three (3), four (4), or five (5) blocks according to accrued time and as approved by the department head or designee.

Vacation leave is accrued at the end of each month and is available for use, in accordance with the requirements contained in this policy, in the month/months following such accrual. *Note: The adjustment in vacation accrual will be visible on the paycheck that encompasses time reported for the final day of the month.*

Beginning on January 1 of each calendar year, an employee's vacation leave will not exceed the vacation leave accrued but unused in the previous year, and a maximum of 80 hours vacation leave accrued but unused from previous calendar years. *However, for those employees who work 24 hour shifts vacation leave will not exceed the vacation leave accrued but unused in the previous year, and a maximum of 144 hours vacation leave accrued but unused from previous calendar years. After the allowable carry over of vacation leave, up to 40 hours of unused vacation leave (or 72 hours for 24-hour shifts) will be converted to sick leave. Any unused vacation leave beyond the annual designated accrual plus 80 hours, or 144 hours for those employees who work 24 hour shifts, and the 40 hours, or 72 hours for 24-hour shifts, conversion to sick leave will be forfeited. The city does not provide vacation pay for forfeited vacation leave. Once forfeited, such vacation leave is no longer accrued and is removed from the official record.

*By way of explanation, it is the intent of this policy that employees may carry over the previous year's accrued but unused vacation leave plus up to an additional eighty (80) hours, or 144 hours for those employees who work 24-hour shifts, of vacation leave. Eligible employees may request to use vacation leave upon its accrual.

All vacation leave must be approved in advance by the employee's department head or designee. Although vacation leave may "accrue" it may not be used until the employee's request to use the vacation leave is approved by the department head or designee. Each department head or designee will schedule vacation leave with particular regard to departmental work requirements. Vacation leave may not be taken before being accrued. Department heads or designees will, to the extent possible, schedule vacation leave for each of their employees at the beginning of the calendar year. When the need arises and the requirements of the city demand it, vacation leave may be suspended by the department head or designee temporarily to meet those needs. Additionally, a department head or designee may require an employee take vacation leave when the department head or designee determines it in the best interest of the city.

Official holidays occurring during vacation leave will be counted as holiday leave, not as vacation leave.

Vacation leave does not accrue for overtime hours.

Vacation leave does not accrue and cannot be used while an employee is placed on suspension, pursuant to the city's corrective action policy (policy #5).

An employee, who in the normal scope of their job handles city monies, is required to take one (1) contiguous work week of vacation leave during the calendar year.

An employee whose employment with the city is terminated (voluntarily or involuntarily— including retirement) may receive pay for any vacation leave which has accrued but is unused up to the date of termination. Employee whose employment is terminated, voluntarily or involuntarily, on or before the expiration of their six month probationary period will not be eligible for and will not receive any pay for vacation leave.

The city payroll office will keep the official records of vacation leave accrual and use. If a reporting error is discovered in the official records, a correction of the error will be made only for the ninety (90) calendar days immediately preceding notification of such error to the Human Resources Office.

Other Provisions

Nothing in this policy should be construed to conflict with or supersede state or federal law, or as interfering with the constitutional rights of employees.

While the city is committed to the principles embodied in this policy, the policy itself is not intended to state contractual terms and does not constitute a contract between the city and its employees. This policy supersedes all policies that conflict with the terms of this policy. Furthermore, this statement constitutes ONLY the policy of the city. A finding of a violation of this policy does not mean that the conduct violates state and/ or federal laws.

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 on January 1, 2024, the public welfare requiring it.

ADOPTED this the 5th day of December, 2023.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



SECTION NO: 14 SUBJECT: Vacation Leave	REPLACES/AMENDS: Vacation Leave, Effective Date 7/21/2021 (Res No. 2021-023)
RESOLUTION NUMBER: 2023-370	EFFECTIVE DATE: 1/1/2024

POLICY

Vacation leave is available for all board approved regular full-time employees.

All new hires will be frontloaded with 1 week/40 hours (72 hours for 24-hour shifts) of vacation time. Additional weeks of vacation may be granted for experience with City Manager approval.

Vacation leave accrues on a monthly basis from January 1 through December 31 of each calendar year. The amount of paid vacation leave an employee accrues each month is based upon designated accrual rates and months of service as follows:

Service Time	Vacation Accrual per month	
	8-hour and 12-hour shift employees	24-hour shift employees
< 5 years (1 month through 60 months)	6.67 hours (80 hours maximum per year/2 weeks)	12 hours
5– 10 years (61 month through 120 months)	10 hours (120 hours maximum per year 3 weeks)	18 hours
10 – 20 years (121 month through 240 months)	13.33 hours (160 hours maximum per year / 4 weeks)	24 hours
20 years > (241 months or more)	16.7 hours (200 hours maximum per year/5 weeks)	30 hours

**For the purpose of computing vacation leave, accrual for the full month will be granted if the employee's hire date is on or before the 15th day of the month. For employees with a hire date on or after the 16th of the month there will be no accrual of vacation for that month.*

Vacation leave accrues only for employees while serving in board approved regular full-

time positions. Accruals are based on continuous service with the city, which includes approved leave. Effective January 1, 2017, and prospectively, except as set out herein below, all prior service as a board approved full-time employee, working under the city manager, will be used in determining service time for vacation accrual rates only, except as otherwise required by law. This policy does not apply to employees who have received credit for previous service in determining accrual of vacation.

Employees who work 24 hour shifts will be given vacation leave in blocks of three (3) scheduled work shifts extending from scheduled four (4) days off to the next scheduled four (4) days off. Vacation leave may be taken as one (1), two (2), three (3), four (4), or five (5) blocks according to accrued time and as approved by the department head or designee.

Vacation leave is accrued at the end of each month and is available for use, in accordance with the requirements contained in this policy, in the month/months following such accrual. *Note: The adjustment in vacation accrual will be visible on the paycheck that encompasses time reported for the final day of the month.*

Beginning on January 1 of each calendar year, an employee's vacation leave will not exceed the vacation leave accrued but unused in the previous year, and a maximum of 80 hours vacation leave accrued but unused from previous calendar years. *However, for those employees who work 24 hour shifts vacation leave will not exceed the vacation leave accrued but unused in the previous year, and a maximum of 144 hours vacation leave accrued but unused from previous calendar years. After the allowable carry over of vacation leave, up to 40 hours (or 72 hours for 24-hour shifts) of unused vacation leave will be converted to sick leave. Any unused vacation leave beyond the annual designated accrual plus 80 hours, or 144 hours for those employees who work 24 hour shifts, and the 40 hours, or 72 hours for 24-hour shifts, conversion to sick leave will be forfeited. The city does not provide vacation pay for forfeited vacation leave. Once forfeited, such vacation leave is no longer accrued and is removed from the official record.

*By way of explanation, it is the intent of this policy that employees may carry over the previous year's accrued but unused vacation leave plus up to an additional eighty (80) hours, or 144 hours for those employees who work 24-hour shifts, of vacation leave. Eligible employees may request to use vacation leave upon its accrual.

All vacation leave must be approved in advance by the employee's department head or designee. Although vacation leave may "accrue" it may not be used until the employee's request to use the vacation leave is approved by the department head or designee.

Each department head or designee will schedule vacation leave with particular regard to departmental work requirements. Vacation leave may not be taken before being accrued. Department heads or designees will, to the extent possible, schedule vacation leave for each of their employees at the beginning of the calendar year. When the need arises and the requirements of the city demand it, vacation leave may be suspended by the department head or designee temporarily to meet those needs. Additionally, a department

head or designee may require an employee take vacation leave when the department head or designee determines it in the best interest of the city.

Official holidays occurring during vacation leave will be counted as holiday leave, not as vacation leave.

Vacation leave does not accrue for overtime hours.

Vacation leave does not accrue and cannot be used while an employee is placed on suspension, pursuant to the city's corrective action policy (policy #5).

An employee, who in the normal scope of their job handles city monies, is required to take one (1) contiguous work week of vacation leave during the calendar year.

An employee whose employment with the city is terminated (voluntarily or involuntarily—including retirement) may receive pay for any vacation leave which has accrued but is unused up to the date of termination. An employee whose employment is terminated, voluntarily or involuntarily, on or before the expiration of their six month probationary period will not be eligible for and will not receive any pay for vacation leave. Any employee who leaves employment before the 15th day of the month shall not earn accruals for the month.

The city payroll office will keep the official records of vacation leave accrual and use. If a reporting error is discovered in the official records, a correction of the error will be made only for the ninety (90) calendar days immediately preceding notification of such error to the Human Resources Office.

Other Provisions

Nothing in this policy should be construed to conflict with or supersede state or federal law, or as interfering with the constitutional rights of employees.

While the city is committed to the principles embodied in this policy, the policy itself is not intended to state contractual terms and does not constitute a contract between the city and its employees. This policy supersedes all policies that conflict with the terms of this policy. Furthermore, this statement constitutes ONLY the policy of the city. A finding of a violation of this policy does not mean that the conduct violates state and/ or federal laws.

VACATION

Other Municipalities

	<u>Kingsport</u>	<u>Bristol</u>	<u>Johnson City</u>	<u>Greeneville</u>	<u>Elizabethton</u>	<u>Knoxville</u>
Vacation banked/front load?	Begin accruing day 1	Accrued time can only be taken after probationary period.	Front load 40 hours for Director level employees.	Begin accruing day 1	City Manager decretion	Begin accruing day 1
Tier Structure	1 - 5 years = 2 weeks 5-13 years = 3 weeks 13 - 28 years = 4 weeks 28+ years = 5 weeks	40-hr. shift accrue as follows: 1 -5 yr = 84 hrs. (7 hrs./mo.) 5 -10 yrs = 108 hrs. (9 hrs./mo.) 10 - 15 yrs = 132 hrs. (11 hrs./mo.) 15+ yrs = 168 hrs. (14 hrs./mo.) 56-hr. shift accrue as follows: 1 - 5 yr = 126 hrs. (10.5 hrs./mo.) 5 - 10 yrs = 162 hrs. (13.5 hrs./mo.) 10 - 15 yrs = 198 hrs. (16.5 hrs./mo.) 15+ yrs = 252 hrs. (21 hrs./mo.)	1- 5 years = 10 days a year 5-10 years = 13 days a year 10-15 years = 16 days a year 16-20 years = 19 days a year 20+ years = 22 days a year	0-5 years = 96 hours 5-10 years = 112 hours 10-15 years = 128 hours 15-20 years = 144 hours 20+ years = 160 hours	0-5 years = 6.67 monthly / 2 weeks 6 years = 8 hrs monthly / 2.4 weeks 7 years = 8.67 hrs monthly / 2.6 weeks 8 years = 9.33 hrs monthly/2.8 weeks 9 years = 10 hrs monthly / 3 weeks 10 years = 10.67 hrs monthly / 3.2 weeks 15 years = 12.67 hrs monthly / 3.8 weeks 20 years = 14.67 monthly / 4.4 weeks Fire (24 hr shift) 0-5 years = 10.10 monthly / 2 weeks 6 years = 12.13 hrs monthly / 2.4 weeks 7 years = 13.14 hrs monthly / 2.6 weeks 8 years = 14.15 hrs monthly/2.8 weeks 9 years = 15.16 hrs monthly / 3 weeks 10 years = 16.17 hrs monthly / 3.2 weeks 15 years = 19.20 hrs monthly / 3.8 weeks 20 years = 22.23 monthly / 4.4 weeks	0 to- 3 Years: 10 days 3 to 7 Years: 15 days 7 to 12 Years: 20 days More than 12: 24 days

Industry

	<u>Domatar (Hourly employees)</u>	<u>Eastman</u>	<u>Northeast State</u>	<u>Eastman Credit Union</u>	<u>Ballad</u>
Vacation banked/front load?	1 week after probation (6 months)	3 weeks prorated based on hire date (non-exempt)	90 hours	2 weeks prorated based on hire date	21 days of PTO
Tier Structure	6 mo - 1 year = 1 week 1 - 5 years = 2 weeks 5-10 years = 3 weeks 10 - 18 years = 4 weeks 18-25 years = 5 weeks 25+ years = 6 weeks	0-10 years = 3 weeks 10-19 years = 4 weeks 20+ years = 5 weeks	0-5 years = 90 hours 5-10 years = 135.6 hours 10-20 years = 158.40 hours 20+ years = 180 hours		N/A

<u>Kingsport City Schools</u>	<u>Sullivan County</u>
Teachers: Allocated three (3) days of personal leave with pay per school year. (If unused, 2 days may be converted to sick days.)	Based on hire type
CLASSIFIED STAFF WORKING 12-MONTHS (260 DAYS) 1 - 6 year = 10 days. 7 - 14 years = 15) days 15 - 29 years = 20 days. 30+ years = 25 days	<u>non-exempt accruals:</u> <1 = 3.36 hrs month / 1 week 1-5 years = 6.64 hours / 2 weeks 6-14 years = 10 hours / 3 weeks 15 - 25 years = 13.36 hours / 5 weeks 26 + years = 16.64 hours / 5 weeks



AGENDA ACTION FORM

Consideration of a Resolution Awarding the High Bid for City Owned Surplus Real Property Located at 1261 Sullivan Court East

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

Action Form No.: AF-371-2023
Work Session: December 4, 2023
First Reading: December 5, 2023
Final Adoption: December 5, 2023
Staff Work By: Angie Marshall
Presentation By: Lisa Winkle

Recommendation:
Approve the Resolution.

Executive Summary:
This resolution will award the high bid for the purchase of city owned surplus property located at 1261 Sullivan Court East, being more particularly described as Tax I.D. No: Control Map 061B, Group F, Parcel 020.00.

Prior to the publication of the invitation for bids, the Planning Commission voted to recommend declaring the parcel as surplus since no city department stated a need to retain it. The City Recorder has declared the parcel as surplus property.

The Sullivan Court East property was purchased in 1989 for \$7,500 and the current tax appraisal is \$6,500.

On 10/4/23 an ad was placed in the Kingsport Times News requesting sealed bids for anyone interested in purchasing the parcel with a deadline of 11/2/23 at 3:00 pm. The following bids were received:

- FOR: 1261 Sullivan Court East - \$1,000 bid from Great Commission Church
- 1261 Sullivan Court East - \$2,600 bid from Aaron Rose
- 1261 Sullivan Court East - \$10,000 bid from Brooke & Clifton Moody

Pursuant to Kingsport Code of Ordinances Section 2-570, the City Recorder hereby recommends the board award the high bid submitted by Brooke and Clifton Moody.

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

Item XI2.

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION APPROVING THE SALE FOR A PARCEL OF SURPLUS REAL PROPERTY AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the property at 1261 Sullivan Court East, being more particularly described as Tax I.D. No: Control Map 061B, Group F, Parcel 020.00 upon recommendation by the Planning Commission was deemed surplus by the City Recorder and an invitation for sealed bids was published in the Kingsport Times News on October 4, 2023; and

WHEREAS, the property was purchased in 1989 for \$7,500 and the current tax appraisal is \$6,500; and

WHEREAS, the bids were opened on November 2, 2023, and the three bids were received; and

WHEREAS, upon review of the bids, it is recommended to accept the bid of Brooke & Clifton Moody in the amount of \$10,000.00.

Now therefore,

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

SECTION I. That the bid for the property located at 1261 Sullivan Court East, being more particularly described as Tax I.D. No: Control Map 061B, Group F, Parcel 020.00, of Brooke & Clifton Moody in the amount of \$10,000.00 is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, a Purchase Agreement with of Brooke & Clifton Moody for the sale of the real property located at 1261 Sullivan Court East, in the amount of \$10,000.00, and upon closing the conveyance of the property will be by quitclaim deed, without warranty.

SECTION III. That the mayor is further authorized to make such changes to the Purchase Agreement as approved by the mayor and the city attorney, provided such changes do not substantially alter the material provisions of the Purchase Agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

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

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

ADOPTED this the 5th day of December, 2023.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Bid Opening Minutes for Surplus Properties

11/2/23 at 3:05 p.m.

City Hall, 415 Broad Street, Room 226

Present: Bart Rowlett, Lisa Winkle, Jessica Harmon Angie Marshall, Clifton Moody

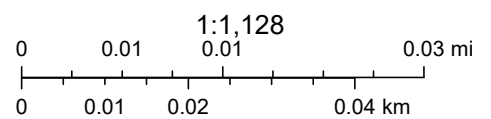
<u>ADDRESS</u>	<u>BIDDER</u>	<u>AMOUNT</u>
1000 GLOBE AVENUE	NO Bids Received	
2984 ASHLEY STREET	1. Aaron Rose	\$260.00
1261 SULLIVAN COURT EAST	1. Aaron Rose	\$2,600.00
	2. Mary Faulkner (Great Commission Church)	\$1,000.00
	3. Brooke & Clifton Moody	\$10,000.00

Sullivan County - Parcel: 061B F 020.00



Date: October 1, 2023

County: Sullivan
Owner: KINGSPORT CITY OF
Address: SULLIVAN CT E 1261
Parcel Number: 061B F 020.00
Deeded Acreage: 0
Calculated Acreage: 0.16
Date of TDOT Imagery: 2019
Date of Vexcel Imagery: 2021



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The property lines are compiled from information maintained by your local county Assessor's office but are not conclusive evidence of property ownership in any court of law.

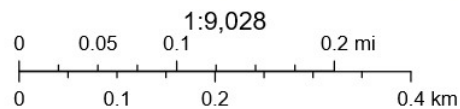
Item XI2.

Sullivan County - Parcel: 061B F 020.00



Date: November 30, 2023

County: Sullivan
Owner: KINGSPORT CITY OF
Address: SULLIVAN CT E 1261
Parcel Number: 061B F 020.00
Deeded Acreage: 0
Calculated Acreage: 0.16
Date of TDOT Imagery: 2019
Date of Vexcel Imagery: 2023



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The property lines are compiled from information maintained by your local county Assessor's office but are not conclusive evidence of property ownership in any court of law.

Item X12.



AGENDA ACTION FORM

Consideration of a Resolution Approving a Sealed Proposal from Assured Partners for Excess Workers' Compensation Insurance Coverage

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

Action Form No.: AF-372-2023
Work Session: December 4, 2023
First Reading: N/A
Final Adoption: December 5, 2023
Staff Work By: Kristen Hodgson
Presentation By: Kristen Hodgson

Recommendation:

Approve the Resolution.

Executive Summary:

On October 14, 2023, the city issued a request for sealed proposals for Excess Workers' Compensation Insurance coverage. Upon review of the sealed proposals received it has been determined that the two-year proposal submitted by Assured Partners having a self-insured retention of \$500,000 is the lowest and best of the proposals submitted, and the recommendation is to accept the program having a term of two-years with two annual payments and a \$500,000 self-insured retention each policy year beginning January 1, 2024 ending January 1, 2026. The premium would be \$196,345.00 based upon a rate of .05463 per \$100 of payroll for The Gray Insurance Company and a rate of .139 per \$100 of payroll for Midwest Employers Casualty.

Assured Partners proposed as the producer a program consisting of two insurers, The Gray Insurance Company and Midwest Employers Casualty Company.

The city's current program has a \$500,000 self-insured retention. Assured Partners provided two competitive quotes. The preferred bid by The Gray Insurance Company and Midwest Employers Casualty Company allows the city to keep its current program structure for two years. The other proposer offered a \$750,000 self-insurance retention for one year only. The higher exposure level and one year plan made this proposal insufficient for the City's needs.

Attachments:

- 1. Resolution

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

Item X13.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE GRAY INSURANCE COMPANY AND MIDWEST EMPLOYERS CASUALTY COMPANY THROUGH ASSURED PARTNERS FOR EXCESS WORKERS' COMPENSATION INSURANCE AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, proposals were opened pursuant to a request for proposals issued on October 14, 2023, for excess workers compensation insurance with a self-insured retention of \$500,000; and

WHEREAS, upon review of the proposal, the board finds that the proposal submitted by Assured Partners is the lowest responsible compliant proposal meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into an agreement with The Gray Insurance Company and Midwest Employers Casualty Company through Assured Partners to provide specific workers compensation excess insurance coverage for the city's self-funded workers compensation insurance plan effective January 1, 2024, through December 31, 2026, with an estimated annual premium of \$196,345.00 based upon a rate of .05463 per \$100 of payroll for The Gray Insurance Company and a rate of .139 per \$100 of payroll for Midwest Employers Casualty; and

WHEREAS, the annual premium funding is available in the Risk Management Insurance budget.

Now therefore,

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

SECTION I. That an agreement with The Gray Insurance Company and Midwest Employers Casualty Company through Assured Partners to provide excess workers' compensation insurance coverage for the city's self-funded workers' compensation program with a self-insured retention of \$500,000.00 effective January 1, 2024 through December 31, 2026, and all other documents necessary and proper to effectuate the purpose of the agreement is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the agreement with The Gray Insurance Company and Midwest Employers Casualty Company through Assured Partners to provide excess workers' compensation insurance coverage for the city's self-funded workers' compensation program with a self-insured retention of \$500,000.00 effective January 1, 2024 through December 31, 2026, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution.

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

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

ADOPTED this the 5th day of December, 2023.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of Resolution Amending an Economic Development Contribution to the Industrial Development Board of Kingsport and Authorizing One or More Agreements Pertaining to the Same

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

Action Form No.: AF-373-2023
Work Session: December 4, 2023
First Reading: N/A
Final Adoption: December 5, 2023
Staff Work By: Bower/McCartt
Presentation By: Chris McCartt

Recommendation:
Approve the resolution.

Executive Summary:
In December of 2013 the Industrial Development Board of Kingsport (aka. Kingsport Economic Development Board or KEDB) purchased a portion of the property owned by General Shale. During that same time the Kingsport BMA approved a resolution authorizing a contribution agreement, should it be needed, in the amount of \$4.0 million which was the amount of the loan/line of credit issued to KEDB. In addition to the purchase of the property, which was \$2,770,000, additional funding was used to demolish the structures located on the site in order to prepare it for future development.

At the October 27, 2020 KEDB meeting a motion was made and approved to amend the current loan (\$4.0m) with First Horizon at a fixed rate of 2.15% for an additional 36 months with no early principal payment penalties and then approved at the December 1, 2020 BMA meeting referenced in AF-301-2020.

At a meeting to be held on December 12, 2023 KEDB will consider extending the loan for 12 months commencing December 31, 2023 through December 20, 2024 at a fixed interest rate of 7.5%. If extended, the City's contribution for interest payments will not exceed \$300,000. The plan is to evaluate and restructure the loan as the land is sold in phases to the developer.

In the event loan payments are not made, the resolution provides that the city agrees to contribute to KEDB, if needed, for economic or industrial development.

- Attachments:**
1. Resolution
2. Phasing Map

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

Item X14.

RESOLUTION NO. _____

A RESOLUTION APPROVING THE SECOND AMENDMENT TO THE ECONOMIC DEVELOPMENT CONTRIBUTION AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, in December, 2013, the board approved a resolution authorizing the mayor to sign an economic development agreement authorizing a contribution to the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for a portion of the property owned by General Shale; and

WHEREAS, the city and KEDB with First Horizon amended the agreement on December 1, 2020 (Resolution 2021-101) to extend the loan through December 31, 2023; and

WHEREAS, KEDB and First Horizon have negotiated to extend the agreement for an additional 12 months, to expire on December 20, 2024 which KEDB will formally approve at its meeting on December 12, 2023; and

WHEREAS, upon approval of the extension by KEDB the city will need to extend the above referenced contribution agreement for the same period of time; and

WHEREAS, as time is of the essence in securing the extension, it is deemed advisable for the board to approve the second amendment to the contribution agreement contingent upon approval of the extension by KEDB.

Now therefore,

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

SECTION I. That the Second Amendment to the Contribution Agreement with the Industrial Development Board of the City of Kingsport, Tennessee (KEDB) for property it owns formerly owned by General Shale Brick, Inc. is approved contingent upon approval of the loan extension by KEDB.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Second Amendment to the Contribution Agreement with KEDB for property it owns formerly owned by General Shale Brick, Inc., to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said agreement being as follows:

SECOND AMENDMENT TO CONTRIBUTION AGREEMENT

THIS SECOND AMENDMENT TO CONTRIBUTION AGREEMENT, dated as of December __, 2023, is made by and between THE CITY OF KINGSPORT, TENNESSEE, a municipal corporation of the State of Tennessee ("City"), and THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE, a corporation organized under T.C.A. § 7-53-101 et seq., commonly known as the "Kingsport Economic Development Board" ("KEDB").

RECITALS:

A. KEDB has previously acquired certain real property owned by General Shale Brick, Inc. consisting of approximately 98 acres designated on the Sullivan County Tax Assessor's Tax Maps as Tax Parcel 009.00 of Group F on Map 046P, City of Kingsport, 11th Civil District of Sullivan County, Tennessee (the "Property"), and has held the Property for development (the "Project").

B. To finance KEDB's acquisition of the Property and development of the Project, First Horizon Bank's predecessor, First Tennessee Bank National Association (herein "First Horizon Bank") provided a loan to KEDB in the principal amount of \$4,000,000 (the "Acquisition and Development Loan").

C. To assist KEDB in economic development, including the acquisition of the Property and the pursuit of the Project, the City entered into a Contribution Agreement dated December 20, 2013 whereby the City agreed to assist KEDB in economic development by making certain payments for up to seven years as economic development contributions to KEDB (the "Contribution Agreement").

D. The Acquisition and Development Loan matured on December 30, 2020 and pursuant to Renewal and Extension Promissory Note dated December 10, 2020, First Horizon Bank agreed to renew and extend the Loan for an additional period of three (3) years to a new maturity date of December 30, 2023.

E. The Board of Mayor and Aldermen of the City adopted Resolution No. 2021-101 whereby the City committed to make continued economic development contributions to KEDB in the form of semi-annual contributions of \$43,000.00 each for three (3) years beginning on June 1, 2021 and December 1, 2021 and on each succeeding June 1 and December 1 through December 1, 2023.

F. At KEDB's request, First Horizon Bank agreed to further renew and extend the Loan for an additional period of one (1) year to a new maturity date of December 30, 2024, conditioned upon KEDB being able to demonstrate continued financial support from the City.

G. The Board of Mayor and Aldermen of the City has adopted Resolution No. 2024-_____ whereby the City has committed to make certain payments to KEDB during calendar year 2024 as continued economic development contributions to KEDB, as set out herein.

H. The parties desire to execute this Second Amendment to Contribution Agreement to satisfy the terms and conditions of the Resolution and the requirements of First Horizon Bank.

NOW, THEREFORE, in consideration of the foregoing premises, and in consideration of the parties' mutual covenants and undertakings set forth herein below, the City and KEDB do hereby mutually agree and contract with each other as follows:

1. Renewal and Extension of Acquisition and Development Loan. The City hereby acknowledges and agrees that, pursuant to KEDB's \$4,000,000 Second Renewal and Extension Promissory Note dated December __, 2023, First Horizon Bank will renew and extend the Acquisition and Development Loan for a period of one year with a new maturity date of December __, 2024. Beginning December __, 2023, interest will accrue at a fixed interest rate of 7.50% per annum and will be due and payable semi-annually on June 1, 2024 and December 1, 2024, with all principal due and payable at maturity on December __30, 2024.

2. Contribution Commitments by the City of Kingsport. To support KEDB's acquisition and development of the Property and its ability to pay the debt service due under the Loan, the City hereby agrees to provide to KEDB contributions for economic development, during calendar year 2024, as requested by KEDB, in semi-annual contributions of up to \$150,000 each, effective for June 1, 2024 and December 1. KEDB agrees to use such contributions to pay the interest payments due under the Loan. KEDB shall use all net proceeds realized from the sale of any portion of the Property to repay principal due under the Acquisition and Development Loan; provided, however, KEDB acknowledges that the City is not obligated to pay KEDB for the transfer of a portion of the Property by KEDB to the City for recreational use (the exact boundaries and acreage of such recreational area to be mutually determined by KEDB and the City). KEDB shall use all net proceeds realized from the lease of all or any portion of the Property to pay the interest payments due under the Acquisition and Development Loan from time to time. In the event a principal balance remains outstanding under the Acquisition and Development Loan at maturity, the City shall either: (i) purchase the Property (or the balance of the Property) from KEDB for a purchase price equal to the outstanding principal balance and any accrued interest then owed on the Loan, or (ii) provide an economic development contribution to KEDB in an amount sufficient to pay the outstanding principal balance and any remaining accrued interest then owed on the Acquisition and Development Loan. In either event, KEDB shall use such funds to retire the remaining balance of the Acquisition and Development Loan in full. Notwithstanding any other provision herein, the City's obligation to make such economic development contributions shall terminate when the Acquisition and Development Loan is paid in full.

3. Security Interest and Pledge. The City acknowledges and agrees that KEDB has heretofore assigned, pledged and granted to Lender a security interest in KEDB's rights under this Agreement as collateral for the Acquisition and Development Loan, and the City further agrees that Lender, as the assignee, pledgee and holder of such security interest, shall be entitled to enforce KEDB's rights under the Contribution Agreement and to apply the monies payable by the City under the Contribution Agreement toward the monies due under the Acquisition and Development Loan from time to time. In the event there is a default under the Acquisition and Development Loan, Lender shall be entitled to apply the proceeds so realized to satisfy the indebtedness under the Acquisition Loan and the Acquisition and Development Loan in such order and allocation as Lender may determine.

4. No Personal Liability. No member, director, officer, commissioner, elected representative, or employee, past, present or future, of the City, or KEDB, or any successor body, shall have any personal liability for the performance of any obligations of the City or KEDB, respectively, under this Agreement.

5. Applicable Law. This Agreement is made as a Tennessee contract and shall be construed and applied according to the laws of the State of Tennessee.

6. No Other Amendments. Except as set forth herein, there are no other amendments to the terms of the Contribution Agreement as originally executed.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their respective duly authorized representatives as of the date first written hereinabove.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 5th day of December, 2023.

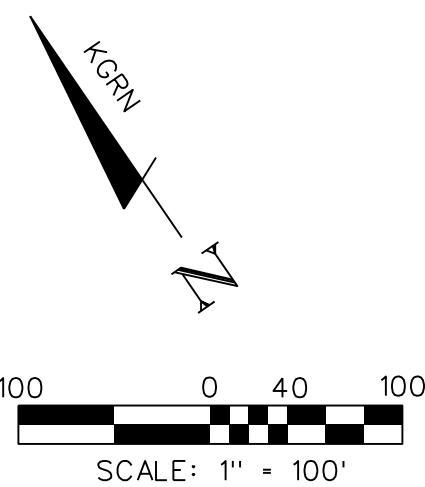
PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

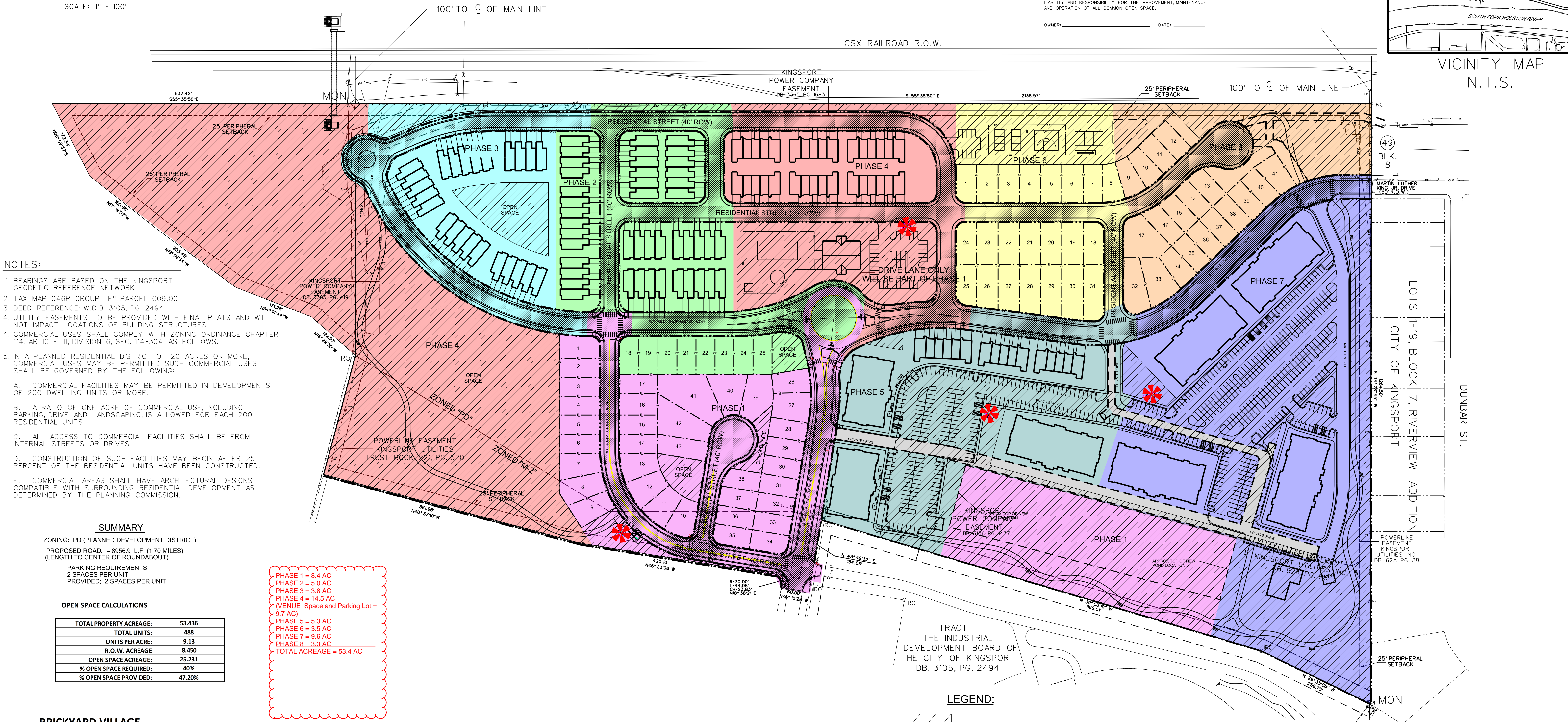
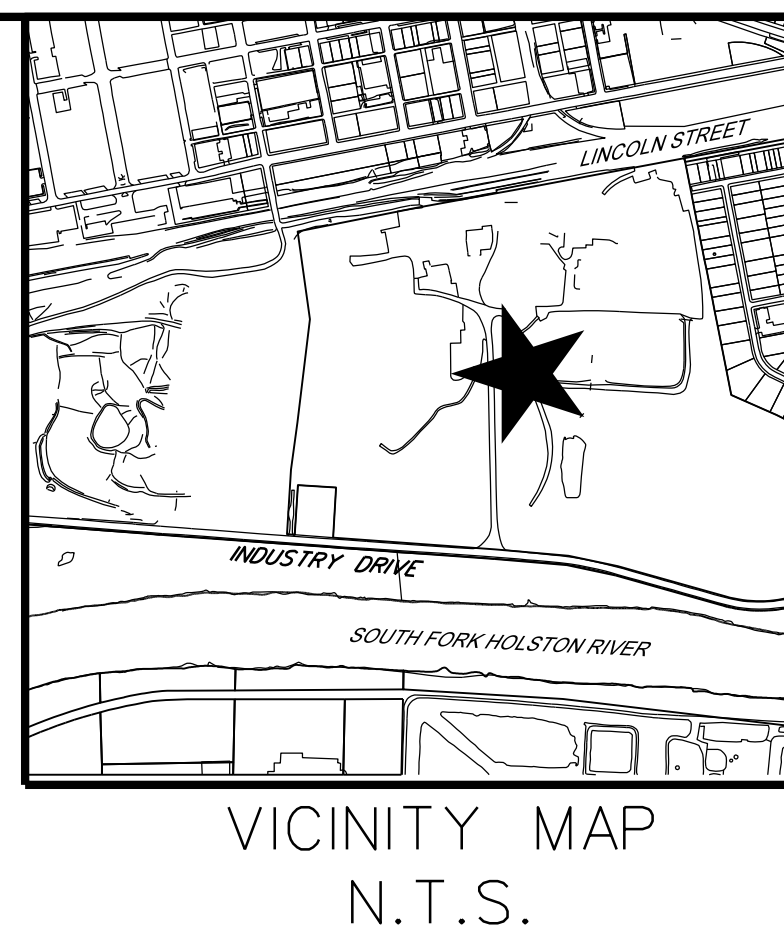
APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



GOVERNMENT AND UTILITY ACCESS
 THE OWNERS OF THIS PROPERTY HEREBY AGREE TO GRANT FULL RIGHTS OF ACCESS TO THIS PROPERTY OVER THE DESIGNATED STREET UTILITIES, AND OTHER EASEMENTS FOR GOVERNMENTAL AND UTILITY AGENCIES TO PERFORM THEIR NORMAL RESPONSIBILITIES.
 OWNER: _____ DATE: _____

MAINTENANCE OF COMMON OPEN SPACE
 THE OWNERS OF THIS PROPERTY HEREBY AGREE TO ASSUME FULL LIABILITY AND RESPONSIBILITY FOR THE IMPROVEMENT, MAINTENANCE AND OPERATION OF ALL COMMON OPEN SPACE.
 OWNER: _____ DATE: _____



- NOTES:
- BEARINGS ARE BASED ON THE KINGSPORT GEODETIC REFERENCE NETWORK.
 - TAX MAP D46P GROUP "F" PARCEL 009.00
 - DEED REFERENCE: W.D.B. 3105, PG. 2494
 - UTILITY EASEMENTS TO BE PROVIDED WITH FINAL PLATS AND WILL NOT IMPACT LOCATIONS OF BUILDING STRUCTURES.
 - COMMERCIAL USES SHALL COMPLY WITH ZONING ORDINANCE CHAPTER 114, ARTICLE III, DIVISION 6, SEC. 114-304 AS FOLLOWS.
 - IN A PLANNED RESIDENTIAL DISTRICT OF 20 ACRES OR MORE, COMMERCIAL USES MAY BE PERMITTED, SUCH COMMERCIAL USES SHALL BE GOVERNED BY THE FOLLOWING:
 - COMMERCIAL FACILITIES MAY BE PERMITTED IN DEVELOPMENTS OF 200 DWELLING UNITS OR MORE.
 - A RATIO OF ONE ACRE OF COMMERCIAL USE, INCLUDING PARKING, DRIVE AND LANDSCAPING, IS ALLOWED FOR EACH 200 RESIDENTIAL UNITS.
 - ALL ACCESS TO COMMERCIAL FACILITIES SHALL BE FROM INTERNAL STREETS OR DRIVES.
 - CONSTRUCTION OF SUCH FACILITIES MAY BEGIN AFTER 25 PERCENT OF THE RESIDENTIAL UNITS HAVE BEEN CONSTRUCTED.
 - COMMERCIAL AREAS SHALL HAVE ARCHITECTURAL DESIGNS COMPATIBLE WITH SURROUNDING RESIDENTIAL DEVELOPMENT AS DETERMINED BY THE PLANNING COMMISSION.

SUMMARY

ZONING: PD (PLANNED DEVELOPMENT DISTRICT)
 PROPOSED ROAD: = 8956.9 L.F. (1.70 MILES)
 (LENGTH TO CENTER OF ROUNDABOUT)
 PARKING REQUIREMENTS:
 2 SPACES PER UNIT
 PROVIDED: 2 SPACES PER UNIT

OPEN SPACE CALCULATIONS

TOTAL PROPERTY ACREAGE:	53.436
TOTAL UNITS:	488
UNITS PER ACRE:	9.13
R.O.W. ACREAGE:	8.450
OPEN SPACE ACREAGE:	25.231
% OPEN SPACE REQUIRED:	40%
% OPEN SPACE PROVIDED:	47.20%

PHASE 1 = 8.4 AC
 PHASE 2 = 5.0 AC
 PHASE 3 = 3.8 AC
 PHASE 4 = 14.5 AC
 (VENUE Space and Parking Lot = 9.7 AC)
 PHASE 5 = 5.3 AC
 PHASE 6 = 3.5 AC
 PHASE 7 = 9.6 AC
 PHASE 8 = 3.3 AC
 TOTAL ACREAGE = 53.4 AC

BRICKYARD VILLAGE

UNIT CALCULATIONS BY PHASE
 REVISED: 10/6/2023

BUILDING DESIGNATION	DESCRIPTION	TYPE	TOTAL DEVELOPMENT		
			UNITS PER BUILDING	# OF BUILDINGS	TOTAL UNITS
TYPE 1	APARTMENT	4-STORY	48	5	240
TYPE 2	APARTMENT	3-STORY	24	2	48
	TOWNHOMES	2-STORY	1	116	116
	SINGLE FAMILY LOTS	TBD	1	84	84
TOTAL UNITS					488

	PHASE 1		PHASE 2		PHASE 3		PHASE 4		PHASE 5		PHASE 6		PHASE 7		PHASE 8	
	# OF BUILDINGS	TOTAL UNITS	# OF BUILDINGS	TOTAL UNITS	# OF BUILDINGS	TOTAL UNITS	# OF BUILDINGS	TOTAL UNITS	# OF BUILDINGS	TOTAL UNITS	# OF BUILDINGS	TOTAL UNITS	# OF BUILDINGS	TOTAL UNITS	# OF BUILDINGS	TOTAL UNITS
	0	0	0	0	0	0	0	0	1	48	0	0	4	192	0	0
	0	0	0	0	0	0	0	2	48	0	0	0	0	0	0	0
	0	0	44	44	24	24	32	32	16	16	0	0	0	0	0	0
	35	35	8	8	8	8	0	0	0	0	22	22	0	19	19	19
	35	35	52	52	24	24	32	32	112	112	22	22	192	19	19	19

LEGEND:

- PROPOSED COMMON AREA
- RIGHT-OF-WAY
- MAIL KIOSK
- SANITARY MANHOLE
- WATER VALVE
- WATERLINE TEE
- 8"-PVC-SA SANITARY SEWER LINE
- 8"-DIP-W WATERLINE
- UTILITY EASEMENT

PRELIMINARY DEVELOPMENT PLAN
BRICKYARD VILLAGE
 MULTI-FAMILY COMPLEX
 KINGSPORT, TENNESSEE

OWNER: INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT
 400 CLINCHFIELD ST. SUITE 100
 KINGSPORT, TN 37660

DRAWN BY: RMJ
 DATE: 03-14-2022
 REVISED: 10-06-2023
 FILE NO. 37007-04



11/27/2023



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute a CDBG Sub-recipient Agreement with Friends in Need, Inc.

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

Action Form No.: AF-360-2023
Work Session: December 4, 2023
First Reading: N/A
Final Adoption: December 5, 2023
Staff Work By: Michael Price
Presentation By: Michael Price

Recommendation:

Approve the Resolution.

Executive Summary:

At its business meeting on **May 5, 2023**, the Board of Mayor and Aldermen approved the CDBG Annual Action Plan funded by the Department of Housing and Urban Development (HUD). The plan included CDBG funding for Public Service programs and Emergency Home Repairs to allocate at a later date.

The initial round of CDBG public service funding was approved by the board in July 2023 totaling \$24,409 to be split among 4 agencies. A second round of sub-recipient applications were solicited through a competitive funding process, reviewed by the Community Development Advisory Committee (CDAC) and recommended to the BMA through this resolution. The CDAC has recommended the remaining \$15,700 be awarded to Friends in Need Health Center, Inc. to fund expansion of dental services by four operatories to meet the needs of the LMI population.

The partner agreements are for a period of one year, starting January 1, 2024 and ending on December 30, 2024.

Friends in Need Health Center, Inc. \$15,700.00

Attachments:

1. Resolution
2. Supplemental Information
3. Contract

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH FRIENDS IN NEED HEALTH CENTER, INC. FOR COMMUNITY DEVELOPMENT BLOCK FUNDING IN FISCAL YEAR 2023-2024.

WHEREAS, as part of the city's Annual Action Plan a portion of Community Development Block Grant funding was allocated to public service programs; and

WHEREAS, the city now desires to enter into an agreement in order to provide funding to Friends in Need Health Center, Inc. which will provide public service programs; and

WHEREAS, pursuant to the agreement Friends in Need, Inc. will be provided \$15,700 to fund the expansion of dental services.

Now therefore,

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

SECTION I. That an agreement with Friends in Need Health Center, Inc. is now approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, agreements for the provision of public service programs in fiscal year 2023-2024 with Friends in Need Health Center, Inc. to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said agreement being as follows:

**GRANT CONTRACT
BETWEEN THE CITY OF KINGSPORT, TENNESSEE
AND
[AGENCY NAME]**

This Grant Contract, by and between the City of Kingsport, hereinafter referred to as the "City" and [AGENCY NAME] hereinafter referred to as the "Operating Agency", is for the provision of services to the homeless and those at risk for homelessness under the Community Development Block Grant Program ("CDBG"), as further described under "Scope of Services and Deliverables" (the "SCOPE OF SERVICES).

Operating Agency's address: [AGENCY ADDRESS]

Operating Agency's Edison Vendor ID #: [AGENCY VENDOR NUMBER – IF APPLICABLE]

A. SCOPE OF SERVICES AND DELIVERABLES:

A.1. The Operating Agency shall provide all services and deliverables ("Scope") as required, described, and detailed in this Grant contract.

A.2. To provide and operate public service activities to low and moderate income individuals and families within the city limits of Kingsport as specified in ATTACHMENT A: DESCRIPTION OF ACTIVITIES, ATTACHMENT B: IMPLEMENTATION PLAN, AND ATTACHMENT C: BUDGET.

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

a. Title 24 Code of Federal Regulations, Part 570 and Part 91, of the Community Development Block Grant Program authorized by Title I of the Housing and Community Development Act of 1974 (42 USC 5301 et.seq.), as amended (the "Federal CDBG Regulations").

b. The United States Department of Housing and Urban Development CDBG Desk Guide for Program and Eligibility Policies and Procedures.

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

A.5. To comply with the Eligible Activity Requirements of 24 CFR 570, Subpart C, and Part 91 as applicable in accordance with the type of project assisted.

A.6. To maintain records adequate to document compliance with 24 CFR 570, along with such other records the City and HUD determines necessary to enable the City and HUD to fulfill its responsibilities in the CDBG Program. All records will be retained for a three (3) year period in accordance with the requirements of 24 CFR Part 570.

A.7. To furnish to the City all reports required to be filed in accordance with any directives of the City and within the time period prescribed by the City for such reports.

B. TERM OF GRANT CONTRACT:

B.1. Grant Term. This Grant Contract shall be effective on **July 1, 2022** ("Effective Date") and extend for a period of twelve (12) months after the Effective Date to **June 30, 2023** ("Term"). The City shall have no obligation for goods or services provided by the Operating Agency prior to the Effective Date or extending beyond the close of the Term.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the City under this Grant Contract exceed [FUNDING AMOUNT] ("Maximum Liability"). The Grant Budget, attached and incorporated hereto as Attachment C, shall constitute the maximum amount due the Operating Agency under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Operating Agency.

C.2. Compensation Firm. The Maximum Liability of the City is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the Term and are not subject to escalation for any reason unless amended, except as provided in Section C.6.

C.3. Payment Methodology. The Operating Agency shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Operating Agency shall submit invoices, in form and substance acceptable to the City, with all necessary supporting documentation, prior to any reimbursement of allowable costs.

C.4. Travel Compensation. Reimbursement to the Operating Agency for travel, meals, or lodging shall be subject to amounts and limitations specified in the "City Comprehensive Travel Regulations", as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.

C.5. Invoice Requirements. The Operating Agency shall invoice the City based on an approved payment schedule, using the forms and all necessary supporting documentation specified by the HUD CDBG Requirements, and present such to:

City of Kingsport

Office of Housing and Community Development

415 Broad Street, Kingsport, Tennessee 37660

Attention: Jessica McMurray

C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. Reimbursable expenditures may NOT vary from the Grant Budget line item amount(s) detailed. Any change in Grant Budget line items shall require an amendment to the Grant Contract.

C.7. Disbursement Reconciliation and Close Out. The Operating Agency shall submit any final invoice and a grant disbursement reconciliation report within forty-five (45) days of the Grant Contract end date, in form and substance acceptable to the City.

a. If total disbursements by the City pursuant to this Grant Contract exceed the amounts permitted by Section C of this Grant Contract, the Operating Agency shall refund the difference to the City. The Operating Agency shall submit said refund with the final grant disbursement reconciliation report.

b. The City shall not be responsible for the payment of any invoice submitted to the City after the grant disbursement reconciliation report. The City will not deem any Operating Agency costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the City, and such invoices will NOT be paid.

c. The Operating Agency's failure to provide a final grant disbursement reconciliation report to the City as required shall result in the Operating Agency being deemed ineligible for reimbursement under this Grant Contract, and the Operating Agency shall be required to refund any and all payments by the city pursuant to this Grant Contract.

d. The Operating Agency must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

C.8. Indirect Cost. Should the Operating Agency request reimbursement for indirect costs, the Operating Agency must submit to the City a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Operating Agency will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Operating Agency makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Operating Agency agrees to remit any overpayment of funds to the City, and subject to the availability of funds the City agrees to remit any underpayment to the Operating Agency.

C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of City of Kingsport Departments of Finance and Administration Policies or any amendments or revisions made to this policy statement during the Term.

C.10. Payment of Invoice. A payment by the City shall not prejudice the City's right to object to or question any reimbursement, invoice, or matter in relation thereto. A payment by the City shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.

C.11. Non-allowable Costs. Any amounts payable to the Operating Agency shall be subject to reduction for amounts included in any invoice or payment that are determined by the City, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute non-allowable costs.

C.12. City's Right to Set Off. The City reserves the right to deduct from amounts that are or shall become due and payable to the Operating Agency under this Grant Contract or any other contract between the Operating Agency and the City of Kingsport under which the Operating Agency has a right to receive payment from the City.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The City is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Kingsport and Tennessee laws and regulations.

D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Kingsport and Tennessee laws and regulations.

D.3. Termination for Convenience. The City may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of the Grant Contract by the City. The City shall give the Operating Agency at least thirty (30) days written notice before the effective termination date. The Operating Agency shall be entitled to compensation for authorized expenditures and satisfactory services, in compliance with Federal CDBG Regulations, completed as of the termination date, but in no event shall the City be liable to the Operating Agency for compensation for any service that has not been rendered. The final decision as to the amount for which the City is liable shall be determined by the City. The Operating Agency shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the City's exercise of its right to terminate for convenience.

D.4. Termination for Cause. If the Operating Agency fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Operating Agency violates any terms of this Grant Contract ("Breach Condition"), the City shall have the right to immediately terminate the Grant Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Operating Agency shall not be relieved of liability to the City for damages sustained by virtue of any Breach Condition and the City may seek other remedies allowed at law or in equity for breach of this Grant Contract. Upon such termination, the Operating Agency shall have no claim to any CDBG funds remaining under this Grant Contract.

D.5. Subcontracting. The Operating Agency shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the City. If such subcontracts are approved by the City, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest", "Lobbying", "Nondiscrimination", "Public Accountability", "Public Notice", and "Records" (as identified by the

section headings). Notwithstanding any use of approved subcontractors, the Operating Agency shall remain responsible for all work performed.

D.6. Conflicts of Interest. The Operating Agency warrants that no part of the total Grant Contract Amount shall be paid directly or indirectly to an employee or official of the City of Kingsport as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Operating Agency in connection with any work contemplated or performed relative to this Grant Contract.

The Operating Agency acknowledges, understands, and agrees that this Grant Contract shall be null and void if the Operating Agency is, or within the past six months has been, an employee of the City of Kingsport or the U. S. Department of Housing and Urban Development or if the Operating Agency is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the City of Kingsport or the U. S. Department of Housing and Urban Development.

D.7. Lobbying. The Operating Agency certifies, to the best of its knowledge and belief, that:

a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Operating Agency shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

D.8 Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The City:

Michael Price

City of Kingsport Office of Housing and Community Development

415 Broad Street, Kingsport, Tennessee 37660

Telephone 423-224-2877

Email michaelprice@kingsporttn.gov

The Operating Agency:

[AGENCY NAME]

[AGENCY ADDRESS]

Kingsport, TN 37663

Telephone _____

Email _____

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

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

D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the City reserves the right to terminate this Grant Contract upon written notice to the Operating Agency. The City's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by the City. Upon receipt of the written notice, the Operating Agency shall cease all work associated with the Grant Contract. Should such an event occur, the Operating Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Operating Agency shall have no right to recover from the City any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.10. Nondiscrimination. The Operating Agency agrees that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Operating Agency on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Operating Agency shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

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

a. The Operating Agency warrants to the City that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Grant Contract.

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

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

d. The Operating Agency will indemnify the City and hold it harmless for any violation by the Operating Agency or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the City because of the violation.

D.12. Public Accountability. If the Operating Agency is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Operating Agency on behalf of the City, the Operating Agency agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Operating Agency shall also display in a prominent place, located near the passageway through which public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") inches in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL FREE HOTLINE: 1-800-232-5454

The sign shall be on the form prescribed by the City. The City shall obtain copies of the sign from HUD, and upon request from the Operating Agency, provide Operating Agency with any necessary signs.

D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Operating Agency in relation to this Grant Contract shall include the statement, "This project is funded under an agreement with the City of Kingsport and the U.S. Department of Housing and Urban Development." All notices by the Operating Agency in relation to this Grant Contract shall be approved by the City.

D.14. Licensure. The Operating Agency and its employees and all sub-Operating Agencies shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.

D.15. Records. The Operating Agency and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Operating Agency and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the City of Kingsport and the U. S. Department of Housing and Urban Development, or their duly appointed representatives.

The records shall be maintained in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification, Public Company Accounting Oversight Board (PCAOB) Accounting Standards Codification, or Governmental Accounting Standards Board (GASB)

Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides.

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

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

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

D.16. Monitoring. The Operating Agency's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the City of Kingsport and the U. S. Department of Housing and Urban Development, or their duly appointed representatives.

D.17. Progress Reports. The Operating Agency shall submit brief, periodic, progress reports to the City as requested.

D.18. Reports. The Operating Agency shall submit all reports with form, substance and deadlines as specified in the Federal CDBG Regulations. The Operating Agency shall submit, within one (1) month of the conclusion of the Term, a CDBG annual report to the City.

D.19. Audit Reports. For purpose of this Section, pass-through entity means a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program.

The Operating Agency shall provide audited financial statements to the City of Kingsport if during the Operating Agency's fiscal year, the Operating Agency (1) expends seven hundred fifty thousand dollars (\$750,000) or more in direct and indirect federal financial assistance and the City is a pass-through entity; (2) expends seven hundred fifty thousand dollars (\$750,000) or more in state funds from the State; or (3) expends seven hundred fifty thousand dollars (\$750,000) or more in federal financial assistance and state funds from the State, and the State is a pass-through entity. At least ninety (90) days before the end of its fiscal year, the Operating Agency shall complete ATTACHMENT E: NOTICE OF AUDIT to notify the City whether or not Operating Agency is subject to an audit. The Operating Agency should submit only one, completed document during the Operating Agency's fiscal year. Any Operating Agency that is subject to an audit and so indicates on Attachment E shall complete ATTACHMENT F: PARENT CHILD INFORMATION. If the Operating Agency is subject to an audit, Operating Agency shall obtain the Tennessee Comptroller's approval before engaging a licensed, independent public accountant to perform the audit. The Operating Agency may contact the Tennessee Comptroller for assistance identifying auditors.

All audits shall be performed in accordance with the Comptroller's requirements, as posted on its web site. When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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

The audit contract between the Operating Agency and the Auditor shall be on a contract form prescribed by the Comptroller. The Operating Agency shall be responsible for payment of fees for an audit prepared by a licensed, independent public accountant. Payment of the audit fees by the Operating Agency shall be subject to the provision relating to such fees contained within the Grant Contract. The Operating Agency shall be responsible for reimbursing the Comptroller for any costs of an audit prepared by the Comptroller.

D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, and/or services, such procurement(s) shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Operating Agency shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. If the Operating Agency is a subrecipient, the Operating Agency shall comply with 2 C.F.R. §§ 200.318-300.326 when procuring property and services under a federal award.

The Operating Agency shall obtain prior approval from the City before purchasing any equipment under this Grant Contract.

D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant,

condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Operating Agency, being an independent contractor and not an employee of the City, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Operating Agency's employees, and to pay all applicable taxes incident to this Grant Contract.

D.23. City Liability. The City shall have no liability except as specifically provided in this Grant Contract.

D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workarounds or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Operating Agency's representatives, suppliers, subcontractors, customers or business apart from the Grant Contract is not a Force Majeure Event under this Grant Contract. Operating Agency will promptly notify the City of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the City within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Operating Agency's performance longer than forty-eight (48) hours, the City may, upon notice to Operating Agency: (a) cease payment of the fees until Operating Agency resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Operating Agency will not increase its charges under this Grant Contract or charge the City any fees other than those provided for in the Grant Contract as the result of a Force Majeure Event.

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

D.26. Reserved.

D.27. City Interest in Equipment or Motor Vehicles. The Operating Agency shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant contract, subject to the City's, equitable interest therein, to the extent of its *pro rata* share, based upon, the City's, contribution to the purchase price. The term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition costs which equals or exceeds five thousand dollars (\$5,000). The term "motor vehicle" shall include any article of tangible personal property that is required to be registered under the "Tennessee Motor Vehicle Title and Registration Law", Tenn. Code Ann. Title 55, Chapters 1-6.

As authorized by the Tennessee Uniform Commercial Code, Tenn. Code Ann. Title 47, Chapter 9 and the "Tennessee Motor Vehicle Title and Registration Law," Tenn. Code Ann. Title 55, Chapters 1-6, the parties intend this Grant contract to create a security interest in favor of the City in the equipment or motor vehicles acquired by the Operating Agency pursuant to the provisions of this Grant contract. A further intent of this Grant contract is to acknowledge and continue the security interest in favor of the City in the equipment or motor vehicles acquired by the Operating Agency pursuant to the provisions of this program's prior year Grant contracts between the City, and the Operating Agency.

The Operating Agency grants the City a security interest in all equipment or motor vehicles acquired in whole or in part by the Operating Agency under this Grant contract. This Grant contract is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment or

motor vehicles herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Operating Agency hereby grants the City a security interest in said equipment or motor vehicles. The Operating Agency agrees that the City may file this Grant contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment or motor vehicles herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Operating Agency agrees to execute and deliver to the City, upon the City's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant contract in such form as the City may require to perfect a security interest with respect to said equipment or motor vehicles. The Operating Agency shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the City may reasonably require. Without the prior written consent of the City, the Operating Agency shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment or motor vehicles, including replacements and additions thereto. Upon the Operating Agency's breach of any covenant or agreement contained in this Grant contract, including the covenants to pay when due all sums secured by this Grant contract. The City shall have the remedies of a secured party under the Uniform Commercial Code and, at the City's option, may also invoke the remedies herein provided.

The Operating Agency agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant contract. The Operating Agency shall maintain a perpetual inventory system for all equipment or motor vehicles purchased with funds provided under this Grant contract and shall submit an inventory control report which must include, at a minimum, the following:

- a. Description of the equipment or motor vehicles;
- b. Manufacturer's serial number or other identification number, when applicable;
- c. Consecutive inventory equipment or motor vehicles tag identification;
- d. Acquisition date, cost, and check number;
- e. Fund source, State Grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Operating Agency's operations where the equipment or motor vehicles is used;
- h. Condition of the property or disposition date if Operating Agency no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.
- k. The Operating Agency shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Operating Agency shall inventory equipment or motor vehicles annually. The Operating Agency must compare the results of the inventory with the inventory control report and investigate any differences. The Operating Agency must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.
- l. The Operating Agency shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant contract within thirty (30) days of its end date and in form and substance acceptable to the City. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Operating Agency shall notify the City, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Operating Agency shall be responsible to the City for the *pro rata* amount of the residual value at the time of loss based upon the City's original contribution to the purchase price.
- m. Upon termination of the Grant contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant contract, the Operating Agency shall request written approval from the City for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

D.28. City, State and Federal Compliance. The Operating Agency shall comply with all applicable city, state, and federal laws, ordinances, rules and regulations in performance of this Grant Contract.

D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Operating Agency agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Operating Agency acknowledges and agrees that any rights or claims against

the City of Kingsport or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. § 29-20-101 *et seq.* and the sovereign immunity the city has through the State of Tennessee.

D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.

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

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall control.

E.2. Debarment and Suspension. The Operating Agency certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;

b. Have not within a three (3) year period preceding this the date of this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and

d. Have not within a three (3) year period preceding the date of this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Operating Agency shall provide immediate written notice to the City if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

E.3. Work Papers Subject to Review. The Operating Agency shall make all audit, accounting, or financial analysis work papers, notes, and other documents available for review by the City, the U. S. Department of Housing and Urban Development, or their respective representatives upon request, during normal working hours either while the analysis is in progress or subsequent to the completion of this Grant Contract.

E.4 Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Children's Act for Clean Indoor Air of 1995", Tenn. Code Ann. §§ 39-17-1601 through 1606, the Operating Agency shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Operating Agency shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be a part of any subcontract related to this Grant Contract.

E.5. Hold Harmless. To the extent permitted by State law, the Operating Agency agrees to indemnify and hold harmless the City of Kingsport, the U. S. Department of Housing and Urban Development, as well as its officers, agents and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Operating Agency, its employees, or any person acting for or on its or their behalf relating to this Grant Contract. The Operating Agency further agrees it shall be liable for the reasonable cost of attorneys and court costs for the City, the U. S. Department of Housing and Urban Development to enforce the terms of this Grant Contract.

In the event of any such suit or claim, the parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the City, the U. S. Department of Housing and Urban Development to give notice shall only relieve the Operating Agency of its obligations under

this Section to the extent that the Operating Agency can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Operating Agency, through its attorney(s), the right to represent the City of Kingsport, the U. S. Department of Housing and Urban Development in any legal matter, as the right to represent the City and the State is governed by Tenn. Code Ann. § 8-6-106.

E.6. Federal Funding Accountability and Transparency Act ("FFATA"). This Grant requires the Operating Agency to provide supplies or services that are funded in whole or in part by federal funds that are subject to FFATA. The Operating Agency is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Operating Agency provides information to the City as required. The Operating Agency shall comply with the following:

a. Reporting of Total Compensation of the Operating Agency's Executives.

(1) The Operating Agency shall report the names and total compensation of each of its five (5) most highly compensated executives for the Operating Agency's preceding completed fiscal year, if in the Operating Agency's preceding fiscal year it received:

i. 80 percent or more of the Operating Agency's annual gross revenues from federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR § 170.320 (and sub awards); and

ii. \$25,000,000 or more in annual gross annual revenues from federal procurement contracts (and subcontracts), and federal financial assistance subject to the Transparency Act (and sub awards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports files under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §78m(a), 78o(d)) or § 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

As defined in 2 CFR § 170.315. "Executive" means officers, managing partners, or any other employees in management positions.

(2) Total compensation means the cash and noncash dollar value earned by the executive during the Operating Agency's preceding fiscal year and includes the following (for information see 17 § CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings or deferred compensation which is not tax qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites of property) for the executive exceeds \$10,000.

b. The Operating Agency must report executive total compensation described above to the City by the end of the month during which this Grant Contract is fully executed.

c. If this Grant Contract is amended to extend the Term, the Operating Agency must submit an executive total compensation report to the City by the end of the month in which the amendment to this Grant Contract becomes effective.

d. The Operating Agency will obtain a Data Universal Numbering System ("DUNS") number and maintain its DUNS number for the terms of this Grant Contract. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>.

The Operating Agency's failure to comply with the above requirements is a material breach of this Grant Contract for which the City may terminate this Grant Contract for cause. The City will not be obligated to pay any outstanding invoice received from the Operating Agency unless and until the Operating Agency is in full compliance with the above requirements.

E.7. Training. The Operating Agency agrees to attend all training sessions regarding management of the CDBG Program which are scheduled by the City and HUD.

E.8. CDBG Program Requirements. Under this Grant Contract, Operating Agency is receiving an allocation or grant of Community Development Block Grant Program funds. The Operating Agency understands these funds are made available through the U.S. Department of Housing and

Urban Development (HUD) and to facilitate the receipt of these funds the Operating Agency agrees and certifies to comply with all applicable HUD requirements. Without limitations, Operating Agency specifically agrees and certifies as to the following:

a. The Operating Agency will abide with all of the requirements of 24 CFR, Part 570 and Part 91, Community Development Block Grant Program.

b. The Operating Agency will comply with other applicable Federal requirements in 24 CFR, Part 570 and Part 91, as follows:

1. 24 CFR 5.105(a). Section 3 Nondiscrimination and Equal Opportunity;
2. 24 CFR 570 Subpart A, General Provisions;
3. 24 CFR 570 Subpart C, Eligible Activities;
4. 24 CFR 570 Subpart J, Grant Administration;
5. 24 CFR 570 Subpart K, Other Program Requirements;
6. 24 CFR 570 Subpart O, Performance Reviews;
7. Title VI and Executive Order 13166 Affirmative Outreach

c. If the Operating Agency is primarily a religious organization, it agrees to use its funds to provide all eligible activities under this program in a manner that is free from religious influences as provided by 24 CFR 576.406.

d. The Operating Agency will comply with the uniform administrative requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award, and the requirements of 24 CFR 576.407.

e. The Operating Agency will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Estate Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR, Part 24 and the requirements of 24 CFR 576.59.

f. The Operating Agency will comply with the requirements of the Residential Lead-Based Paint Hazard Reduction Act of 1992, implementing regulations at 24 CFR, Part 35, Subparts A, B, H, J, K, and M as applicable.

g. The Operating Agency will use CDBG funds pursuant to its or the City's Consolidated Plan approved by HUD and all requirements of 24 CFR, Part 570 and Part 91.

h. The Operating Agency will maintain adequate documentation to determine eligibility of persons served by the CDBG program.

i. The Operating Agency will develop and implement procedures to ensure the confidentiality of records pertaining to any individual fleeing domestic violence situations. In addition the address and location of family violence shelter facilities receiving ESG funding may not be publicly disclosed except with the written authorization of the person(s) responsible for the shelter facility's operation.

E.9. Drug Free Workplace. The Operating Agency will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Operating Agency's workplace and specifying the action that will be taken against employees for violation of such prohibition;

b. Establishing an ongoing drug-free awareness program to inform employees about:

1. The dangers of drug abuse in the workplace;
2. The Operating Agency's policy of maintaining a drug-free workplace;
3. Any drug counseling, rehabilitation and employee assistance programs; and
4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of this Grant Contract be given a copy of the statement required by Paragraph E.10. (a);

d. Notifying the employee in the statement required by Paragraph E.10(a) that, as a condition of employment under this Grant Contract, the employee will:

1. Abide by the terms of the statement; and
2. Notify the employees in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the City in writing, within ten calendar days after receiving notice under Paragraph E.10(d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.

f. Taking one of the following actions, within thirty calendar days of receiving notice under Paragraph E.10(d)(2), with respect to any employee who is so convicted:

1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirement of the Rehabilitation Act of 1973, as amended; or
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement or the appropriate agency;
 - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of Paragraphs E.10 (a), (b), (c), (d), (e) and (f).
- E.10. Corrective Action. If the City takes any corrective or remedial action as outlined in 24 CFR § 570.910 that is the result of any action taken by the Operating Agency, the Operating Agency will take any action required by the City to prevent a continuation of the deficiency, mitigate to the extent possible its adverse effects or consequences, and prevent its recurrence. These remedies could, among other actions, include repaying CDBG funds to the City.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives set out their signatures.

[Acknowledgements and Attachments Omitted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 5th day of December, 2023.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

**Supplemental Information:
CDBG Subrecipient Grants**

The Community Development Advisory committee is recommending the BMA fund CDBG applicants for the 2023-2024 Program Year.

CDBG annual public service allocations cap at 15% of the total CDBG funds allocated by HUD. For program year 2023-2024 the City received \$434,064.00 of that, we allocated \$65,109.60 to public services.

- **\$25,000** – United Way, the city has agreed to fund a portion of the homeless liaison position for 3-5 years, this is year 5.
- **\$40,109.60** –CD staff utilized a competitive funding round with scoring criteria to score the recommended organizations:
 - South Central Kingsport Community Development Inc. **\$4,345.00**
IGNITE Pathway to Career Exploration and Learning to high school juniors/seniors with career and employment possibilities.
 - Keep Kingsport Beautiful **\$2,664.00**
Funding for their Dumpster Roll-Off Program.
 - Holston Terrace, Inc. **\$7,400.00**
Funding for their on-site Holston Terrace Food Bank “El Colmandito de Mami”
 - Second Harvest **\$10,000.00**
Food Backpack Program for low-income children in KCS

A total of **\$24,409.00** was appointed to the aforementioned sub-recipients, pending BMA approval. The remaining **\$15,700.00** will be awarded at a later date.

CDBG Second Round of Funding.

- Friends in Need Health Center, Inc. **\$15,700.00**

\$90,000 – Funding for critical emergency home repairs made available through a competitive funding round with scoring criteria to score the recommended organizations:

- Appalachian Service Project - \$15,000
Critical home repairs for 1-3 low income households in the Kingsport area.
- Holston Habitat for Humanity - \$75,000
Critical home repairs on 5-7 low income households in the Kingsport area.

CD Staff advertised a notice of available funding on **April 28, 2023** in the Kingsport Times News and sent the notice via email to approx. 100 organizations via the united way email list. Staff hosted an application workshop on **May 12, 2023**. The application deadline was June 8. Applicants could access the 2023-2024 CDBG Application Workshop PowerPoint Slides, the CDBG Subrecipient Evaluation Criteria, the CDBG 2023-2024 Application, the 2023-2024 Funding Notice, a resource-Playing By the Rules: A Guide for Sub-recipients and program income guidelines on the city's Community Development Website in May.

CDAC members scored each applicant in the following areas:

Alignment with the Consolidated Plan

Public Benefit

Organizational Capacity

Collaboration & Leverage

Clarity and Completion

Financial Feasibility

Discretionary Assessment

Reasons an organization may not be funded:

Incomplete application

Appeared to duplicate of services

Did not submit all required documentation as outlined on the checklist

Application lacked detail and clarity

**GRANT CONTRACT
BETWEEN THE CITY OF KINGSPORT, TENNESSEE
AND
Friends in Need Health Center, Inc.**

This Grant Contract, by and between the City of Kingsport, hereinafter referred to as the “City” and **Friends in Need Health Center, Inc.** hereinafter referred to as the “Operating Agency”, is for the provision of services to the homeless and those at risk for homelessness under the Community Development Block Grant Program (“CDBG”), as further described under “Scope of Services and Deliverables” (the “SCOPE OF SERVICES”).

Operating Agency’s address: 1916 Brookside Dr, Kingsport, TN 37660
Operating Agency’s Edison Vendor ID #: 62-1541637

A. SCOPE OF SERVICES AND DELIVERABLES:

- A.1. The Operating Agency shall provide all services and deliverables (“Scope”) as required, described, and detailed in this Grant contract.
- A.2. To provide and operate public service activities to low and moderate income individuals and families within the city limits of Kingsport as specified in ATTACHMENT A: DESCRIPTION OF ACTIVITIES, ATTACHMENT B: IMPLEMENTATION PLAN, AND ATTACHMENT C: BUDGET.
- A.3. Incorporation of Additional Documents. Each of the following documents is included as part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Operating Agency’s duties, responsibilities, and performance hereunder, these terms shall govern or order of precedence below:
 - a. Title 24 Code of Federal Regulations, Part 570 and Part 91, of the Community Development Block Grant Program authorized by Title I of the Housing and Community Development Act of 1974 (42 USC 5301 et.seq.), as amended (the “Federal CDBG Regulations”).
 - b. The United States Department of Housing and Urban Development CDBG Desk Guide for Program and Eligibility Policies and Procedures.
- A.4. Incorporation of Federal Award Identification Worksheet. The federal award identification worksheet, which appears as ATTACHMENT D, is incorporated in this Grant Contract.
- A.5. To comply with the Eligible Activity Requirements of 24 CFR 570, Subpart C, and Part 91 as applicable in accordance with the type of project assisted.
- A.6. To maintain records adequate to document compliance with 24 CFR 570, along with such other records the City and HUD determines necessary to enable the City and HUD to fulfill its responsibilities in the CDBG Program. All records will be retained for a five (5) year period in accordance with the requirements of 24 CFR Part 570.
- A.7. To furnish to the City all reports required to be filed in accordance with any directives of the City and within the time period prescribed by the City for such reports.

B. TERM OF GRANT CONTRACT:

- B.1. Grant Term. This Grant Contract shall be effective on January 1, 2024 (“Effective Date”) and extend for a period of twelve (12) months after the Effective Date to December 31, 2024 (“Term”). The City shall have no obligation for goods or services provided by the Operating Agency prior to the Effective Date or extending beyond the close of the Term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the City under this Grant Contract exceed **Fifteen thousand seven hundred DOLLARS and zero cents (\$15,700.00)** (“Maximum Liability”). The Grant Budget, attached and incorporated hereto as Attachment C, shall constitute the maximum amount due the Operating Agency under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Operating Agency.

- C.2. Compensation Firm. The Maximum Liability of the City is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the Term and are not subject to escalation for any reason unless amended, except as provided in Section C.6.

- C.3. Payment Methodology. The Operating Agency shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Operating Agency shall submit invoices, in form and substance acceptable to the City, with all necessary supporting documentation, prior to any reimbursement of allowable costs.

- C.4. Travel Compensation. Reimbursement to the Operating Agency for travel, meals, or lodging shall be subject to amounts and limitations specified in the “City Comprehensive Travel Regulations”, as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.

- C.5. Invoice Requirements. The Operating Agency shall invoice the City based on an approved payment schedule, using the forms and all necessary supporting documentation specified by the HUD CDBG Requirements, and present such to:

City of Kingsport
Office of Housing and Community Development
415 Broad Street, Kingsport, Tennessee 37660
Attention: Michael Price

- C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. Reimbursable expenditures may NOT vary from the Grant Budget line item amount(s) detailed. Any change in Grant Budget line items shall require an amendment to the Grant Contract.

- C.7. Disbursement Reconciliation and Close Out. The Operating Agency shall submit any final invoice and a grant disbursement reconciliation report within forty-five (45) days of the Grant Contract end date, in form and substance acceptable to the City.

- a. If total disbursements by the City pursuant to this Grant Contract exceed the amounts permitted by Section C of this Grant Contract, the Operating Agency shall refund the difference to the City. The Operating Agency shall submit said refund with the final grant disbursement reconciliation report.

- b. The City shall not be responsible for the payment of any invoice submitted to the City after the grant disbursement reconciliation report. The City will not deem any Operating Agency costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the City, and such invoices will NOT be paid.
 - c. The Operating Agency's failure to provide a final grant disbursement reconciliation report to the City as required shall result in the Operating Agency being deemed ineligible for reimbursement under this Grant Contract, and the Operating Agency shall be required to refund any and all payments by the city pursuant to this Grant Contract.
 - d. The Operating Agency must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Operating Agency request reimbursement for indirect costs, the Operating Agency must submit to the City a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Operating Agency will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Operating Agency makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Operating Agency agrees to remit any overpayment of funds to the City, and subject to the availability of funds the City agrees to remit any underpayment to the Operating Agency.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of City of Kingsport Departments of Finance and Administration Policies or any amendments or revisions made to this policy statement during the Term.
- C.10. Payment of Invoice. A payment by the City shall not prejudice the City's right to object to or question any reimbursement, invoice, or matter in relation thereto. A payment by the City shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Non-allowable Costs. Any amounts payable to the Operating Agency shall be subject to reduction for amounts included in any invoice or payment that are determined by the City, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute non-allowable costs.
- C.12. City's Right to Set Off. The City reserves the right to deduct from amounts that are or shall become due and payable to the Operating Agency under this Grant Contract or any other contract between the Operating Agency and the City of Kingsport under which the Operating Agency has a right to receive payment from the City.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The City is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Kingsport and Tennessee laws and regulations.

- D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Kingsport and Tennessee laws and regulations.
- D.3. Termination for Convenience. The City may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of the Grant Contract by the City. The City shall give the Operating Agency at least thirty (30) days written notice before the effective termination date. The Operating Agency shall be entitled to compensation for authorized expenditures and satisfactory services, in compliance with Federal CDBG Regulations, completed as of the termination date, but in no event shall the City be liable to the Operating Agency for compensation for any service that has not been rendered. The final decision as to the amount for which the City is liable shall be determined by the City. The Operating Agency shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the City's exercise of its right to terminate for convenience.
- D.4. Termination for Cause. If the Operating Agency fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Operating Agency violates any terms of this Grant Contract ("Breach Condition"), the City shall have the right to immediately terminate the Grant Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Operating Agency shall not be relieved of liability to the City for damages sustained by virtue of any Breach Condition and the City may seek other remedies allowed at law or in equity for breach of this Grant Contract. Upon such termination, the Operating Agency shall have no claim to any CDBG funds remaining under this Grant Contract.
- D.5. Subcontracting. The Operating Agency shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the City. If such subcontracts are approved by the City, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest", "Lobbying", "Nondiscrimination", "Public Accountability", "Public Notice", and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Operating Agency shall remain responsible for all work performed.
- D.6. Conflicts of Interest. The Operating Agency warrants that no part of the total Grant Contract Amount shall be paid directly or indirectly to an employee or official of the City of Kingsport as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Operating Agency in connection with any work contemplated or performed relative to this Grant Contract.

The Operating Agency acknowledges, understands, and agrees that this Grant Contract shall be null and void if the Operating Agency is, or within the past six months has been, an employee of the City of Kingsport or the U. S. Department of Housing and Urban Development or if the Operating Agency is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the City of Kingsport or the U. S. Department of Housing and Urban Development.

- D.7. Lobbying. The Operating Agency certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the

extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Operating Agency shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

- D.8 Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective party as set out below:

The City:

City of Kingsport Office of Housing and Community Development
ATTN: Michael Price
415 Broad Street, Kingsport, Tennessee 37660
Telephone 423-224-2877
Email michaelprice@kingsporttn.gov

City of Kingsport Legal Office
ATTN: City Attorney
415 Broad Street, Kingsport, TN 37660
Telephone: 423-229-9464
Email: BartRowlett@KingsportTN.gov

The Operating Agency:

Friends in Need Health Center, Inc.
1916 Brookside Dr.
Kingsport, TN 37660
Telephone 423-246-0010
Email bcooper@finhc.org

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

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

- D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the City reserves the right to terminate this Grant Contract upon written notice to the Operating Agency. The City's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by the City. Upon receipt of the written notice, the Operating Agency shall cease all work associated with the Grant Contract. Should such an event occur, the Operating Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination

date. Upon such termination, the Operating Agency shall have no right to recover from the City any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.10. Nondiscrimination. The Operating Agency agrees that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Operating Agency on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Operating Agency shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

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

a. The Operating Agency warrants to the City that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Grant Contract.

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

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

d. The Operating Agency will indemnify the City and hold it harmless for any violation by the Operating Agency or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the City because of the violation.

D.12. Public Accountability. If the Operating Agency is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Operating Agency on behalf of the City, the Operating Agency agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Operating Agency shall also display in a prominent place, located near the passageway through which public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") inches in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL FREE HOTLINE: 1-800-232-5454

The sign shall be on the form prescribed by the City. The City shall obtain copies of the sign from HUD, and upon request from the Operating Agency, provide Operating Agency with any necessary signs.

- D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Operating Agency in relation to this Grant Contract shall include the statement, "This project is funded under an agreement with the City of Kingsport and the U.S. Department of Housing and Urban Development." All notices by the Operating Agency in relation to this Grant Contract shall be approved by the City.
- D.14. Licensure. The Operating Agency and its employees and all sub-Operating Agencies shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.15. Records. The Operating Agency and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Operating Agency and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the City of Kingsport and the U. S. Department of Housing and Urban Development, or their duly appointed representatives.

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

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

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

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

- D.16. Monitoring. The Operating Agency's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the City of Kingsport and the U. S. Department of Housing and Urban Development, or their duly appointed representatives.
- D.17. Progress Reports. The Operating Agency shall submit brief, periodic, progress reports to the City as requested.
- D.18. Reports. The Operating Agency shall submit all reports with form, substance and deadlines as specified in the Federal CDBG Regulations. The Operating Agency shall submit one (1) program report per quarter and within one (1) month of the conclusion of the Term, a CDBG annual report to the City.
- D.19. Audit Reports. For purpose of this Section, pass-through entity means a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program.

The Operating Agency shall provide audited financial statements to the City of Kingsport if during the Operating Agency's fiscal year, the Operating Agency (1) expends seven hundred fifty thousand dollars (\$750,000) or more in direct and indirect federal financial assistance and the City is a pass-through entity; (2) expends seven hundred fifty thousand dollars (\$750,000) or more in state funds from the State; or (3) expends seven hundred fifty thousand dollars (\$750,000) or more in federal financial assistance and state funds from the State, and the State is a pass-through entity. At least ninety (90) days before the end of its fiscal year, the Operating Agency shall complete ATTACHMENT E: NOTICE OF AUDIT to notify the City whether or not Operating Agency is subject to an audit. The Operating Agency should submit only one, completed document during the Operating Agency's fiscal year. Any Operating Agency that is subject to an audit and so indicates on Attachment E shall complete ATTACHMENT F: PARENT CHILD INFORMATION. If the Operating Agency is subject to an audit, Operating Agency shall obtain the Tennessee Comptroller's approval before engaging a licensed, independent public accountant to perform the audit. The Operating Agency may contact the Tennessee Comptroller for assistance identifying auditors.

All audits shall be performed in accordance with the Comptroller's requirements, as posted on its web site. When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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

The audit contract between the Operating Agency and the Auditor shall be on a contract form prescribed by the Comptroller. The Operating Agency shall be responsible for payment of fees for an audit prepared by a licensed, independent public accountant. Payment of the audit fees by the Operating Agency shall be subject to the provision relating to such fees contained within the Grant Contract. The Operating Agency shall be responsible for reimbursing the Comptroller for any costs of an audit prepared by the Comptroller.

- D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, and/or services, such procurement(s) shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Operating Agency shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. If the Operating Agency is a subrecipient, the Operating Agency shall comply with 2 C.F.R. §§ 200.318-300.326 when procuring property and services under a federal award.

The Operating Agency shall obtain prior approval from the City before purchasing any equipment under this Grant Contract.

- D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.22. Independent Contractor. The parties shall not act as employees, partners, joint ventures, or associates of one another in the performance of this Grant Contract. The parties

acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Operating Agency, being an independent contractor and not an employee of the City, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Operating Agency's employees, and to pay all applicable taxes incident to this Grant Contract.

- D.23. City Liability. The City shall have no liability except as specifically provided in this Grant Contract.
- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Operating Agency's representatives, suppliers, subcontractors, customers or business apart from the Grant Contract is not a Force Majeure Event under this Grant Contract. Operating Agency will promptly notify the City of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the City within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Operating Agency's performance longer than forty-eight (48) hours, the City may, upon notice to Operating Agency: (a) cease payment of the fees until Operating Agency resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Operating Agency will not increase its charges under this Grant Contract or charge the City any fees other than those provided for in the Grant Contract as the result of a Force Majeure Event.
- D.25. Tennessee Department of Revenue Registration. The Operating Agency shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.
- D.26. Reserved.
- D.27. City Interest in Equipment or Motor Vehicles. The Operating Agency shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant contract, subject to the City's, equitable interest therein, to the extent of its *pro rata* share, based upon, the City's, contribution to the purchase price. The term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition costs which equals or exceeds five thousand dollars (\$5,000). The term "motor vehicle" shall include any article of tangible

personal property that is required to be registered under the “Tennessee Motor Vehicle Title and Registration Law”, Tenn. Code Ann. Title 55, Chapters 1-6.

As authorized by the Tennessee Uniform Commercial Code, Tenn. Code Ann. Title 47, Chapter 9 and the “Tennessee Motor Vehicle Title and Registration Law,” Tenn. Code Ann. Title 55, Chapters 1-6, the parties intend this Grant contract to create a security interest in favor of the City in the equipment or motor vehicles acquired by the Operating Agency pursuant to the provisions of this Grant contract. A further intent of this Grant contract is to acknowledge and continue the security interest in favor of the City in the equipment or motor vehicles acquired by the Operating Agency pursuant to the provisions of this program’s prior year Grant contracts between the City, and the Operating Agency.

The Operating Agency grants the City a security interest in all equipment or motor vehicles acquired in whole or in part by the Operating Agency under this Grant contract. This Grant contract is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment or motor vehicles herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Operating Agency hereby grants the City a security interest in said equipment or motor vehicles. The Operating Agency agrees that the City may file this Grant contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment or motor vehicles herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Operating Agency agrees to execute and deliver to the City, upon the City’s request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant contract in such form as the City may require to perfect a security interest with respect to said equipment or motor vehicles. The Operating Agency shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the City may reasonably require. Without the prior written consent of the City, the Operating Agency shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment or motor vehicles, including replacements and additions thereto. Upon the Operating Agency’s breach of any covenant or agreement contained in this Grant contract, including the covenants to pay when due all sums secured by this Grant contract. The City shall have the remedies of a secured party under the Uniform Commercial Code and, at the City’s option, may also invoke the remedies herein provided.

The Operating Agency agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant contract. The Operating Agency shall maintain a perpetual inventory system for all equipment or motor vehicles purchased with funds provided under this Grant contract and shall submit an inventory control report which must include, at a minimum, the following:

- a. Description of the equipment or motor vehicles;
- b. Manufacturer’s serial number or other identification number, when applicable;
- c. Consecutive inventory equipment or motor vehicles tag identification;
- d. Acquisition date, cost, and check number;
- e. Fund source, State Grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Operating Agency’s operations where the equipment or motor vehicles is used;

- h. Condition of the property or disposition date if Operating Agency no longer has possession;
 - i. Depreciation method, if applicable; and
 - j. Monthly depreciation amount, if applicable.
 - k. The Operating Agency shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Operating Agency shall inventory equipment or motor vehicles annually. The Operating Agency must compare the results of the inventory with the inventory control report and investigate any differences. The Operating Agency must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.
 - l. The Operating Agency shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant contract within thirty (30) days of its end date and in form and substance acceptable to the City. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Operating Agency shall notify the City, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Operating Agency shall be responsible to the City for the *pro rata* amount of the residual value at the time of loss based upon the City's original contribution to the purchase price.
 - m. Upon termination of the Grant contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant contract, the Operating Agency shall request written approval from the City for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.
- D.28. City, State and Federal Compliance. The Operating Agency shall comply with all applicable city, state, and federal laws, ordinances, rules and regulations in performance of this Grant Contract.
- D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Operating Agency agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Operating Agency acknowledges and agrees that any rights or claims against the City of Kingsport or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. § 29-20-101 *et seq.* and the sovereign immunity the city has through the State of Tennessee.
- D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be

affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.

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

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall control.

- E.2. Debarment and Suspension. The Operating Agency certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. Have not within a three (3) year period preceding this the date of this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. Have not within a three (3) year period preceding the date of this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Operating Agency shall provide immediate written notice to the City if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

- E.3. Work Papers Subject to Review. The Operating Agency shall make all audit, accounting, or financial analysis work papers, notes, and other documents available for review by the City, the U. S. Department of Housing and Urban Development, or their respective representatives upon request, during normal working hours either while the analysis is in progress or subsequent to the completion of this Grant Contract.

- E.4 Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Children's Act for Clean Indoor Air of 1995", Tenn. Code Ann. §§ 39-17-1601 through 1606, the Operating Agency shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Operating Agency shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be a part of any subcontract related to this Grant Contract.

- E.5. Hold Harmless. To the extent permitted by State law, the Operating Agency agrees to indemnify and hold harmless the City of Kingsport, the U. S. Department of Housing and Urban Development, as well as its officers, agents and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Operating Agency, its employees, or any person acting for or on its or their behalf relating to this Grant Contract. The Operating Agency further agrees it shall be liable for the reasonable cost of attorneys and court costs for the City, the U. S. Department of Housing and Urban Development to enforce the terms of this Grant Contract.

In the event of any such suit or claim, the parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the City, the U. S. Department of Housing and Urban Development to give notice shall only relieve the Operating Agency of its obligations under this Section to the extent that the Operating Agency can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Operating Agency, through its attorney(s), the right to represent the City of Kingsport, the U. S. Department of Housing and Urban Development in any legal matter, as the right to represent the City and the State is governed by Tenn. Code Ann. § 8-6-106.

- E.6. Federal Funding Accountability and Transparency Act (“FFATA”). This Grant requires the Operating Agency to provide supplies or services that are funded in whole or in part by federal funds that are subject to FFATA. The Operating Agency is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Operating Agency provides information to the City as required. The Operating Agency shall comply with the following:

a. Reporting of Total Compensation of the Operating Agency’s Executives.

- (1) The Operating Agency shall report the names and total compensation of each of its five (5) most highly compensated executives for the Operating Agency’s preceding completed fiscal year, if in the Operating Agency’s preceding fiscal year it received:

- i. 80 percent or more of the Operating Agency’s annual gross revenues from federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR § 170.320 (and sub awards); and
- ii. \$25,000,000 or more in annual gross annual revenues from federal procurement contracts (and subcontracts), and federal financial assistance subject to the Transparency Act (and sub awards); and
- iii. The public does not have access to information about the compensation of the executives through periodic reports files under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §78m(a), 78o(d)) or § 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

As defined in 2 CFR § 170.315. “Executive” means officers, managing partners, or any other employees in management positions.

- (2) Total compensation means the cash and noncash dollar value earned by the executive during the Operating Agency's preceding fiscal year and includes the following (for information see 17 § CFR 229.402(c)(2)):
- i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings or deferred compensation which is not tax qualified.
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites of property) for the executive exceeds \$10,000.
- b. The Operating Agency must report executive total compensation described above to the City by the end of the month during which this Grant Contract is fully executed.
- c. If this Grant Contract is amended to extend the Term, the Operating Agency must submit an executive total compensation report to the City by the end of the month in which the amendment to this Grant Contract becomes effective.
- d. The Operating Agency will obtain a Data Universal Numbering System ("DUNS") number and maintain its DUNS number for the terms of this Grant Contract. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>.

The Operating Agency's failure to comply with the above requirements is a material breach of this Grant Contract for which the City may terminate this Grant Contract for cause. The City will not be obligated to pay any outstanding invoice received from the Operating Agency unless and until the Operating Agency is in full compliance with the above requirements.

- E.7. Training. The Operating Agency agrees to attend all training sessions regarding management of the CDBG Program which are scheduled by the City and HUD.
- E.8. CDBG Program Requirements. Under this Grant Contract, Operating Agency is receiving an allocation or grant of Community Development Block Grant Program funds. The Operating Agency understands these funds are made available through the U.S. Department of Housing and Urban Development (HUD) and to facilitate the receipt of these funds the Operating Agency agrees and certifies to comply with all applicable HUD requirements. Without limitations, Operating Agency specifically agrees and certifies as to the following:

- a. The Operating Agency will abide with all of the requirements of 24 CFR, Part 570 and Part 91, Community Development Block Grant Program.
 - b. The Operating Agency will comply with other applicable Federal requirements in 24 CFR, Part 570 and Part 91, as follows:
 - 1. 24 CFR 5.105(a). Section 3 Nondiscrimination and Equal Opportunity;
 - 2. 24 CFR 570 Subpart A, General Provisions;
 - 3. 24 CFR 570 Subpart C, Eligible Activities;
 - 4. 24 CFR 570 Subpart J, Grant Administration;
 - 5. 24 CFR 570 Subpart K, Other Program Requirements;
 - 6. 24 CFR 570 Subpart O, Performance Reviews;
 - 7. Title VI and Executive Order 13166 Affirmative Outreach
 - c. If the Operating Agency is primarily a religious organization, it agrees to use its funds to provide all eligible activities under this program in a manner that is free from religious influences as provided by 24 CFR 576.406.
 - d. The Operating Agency will comply with the uniform administrative requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award, and the requirements of 24 CFR 576.407.
 - e. The Operating Agency will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Estate Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR, Part 24 and the requirements of 24 CFR 576.59.
 - f. The Operating Agency will comply with the requirements of the Residential Lead-Based Paint Hazard Reduction Act of 1992, implementing regulations at 24 CFR, Part 35, Subparts A, B, H, J, K, and M as applicable.
 - g. The Operating Agency will use CDBG funds pursuant to its or the City's Consolidated Plan approved by HUD and all requirements of 24 CFR, Part 570 and Part 91.
 - h. The Operating Agency will maintain adequate documentation to determine eligibility of persons served by the CDBG program.
 - i. The Operating Agency will develop and implement procedures to ensure the confidentiality of records pertaining to any individual fleeing domestic violence situations. In addition the address and location of family violence shelter facilities receiving ESG funding may not be publicly disclosed except with the written authorization of the person(s) responsible for the shelter facility's operation.
- E.9. Drug Free Workplace. The Operating Agency will or will continue to provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited

in the Operating Agency's workplace and specifying the action that will be taken against employees for violation of such prohibition;

- b. Establishing an ongoing drug-free awareness program to inform employees about:
 - 1. The dangers of drug abuse in the workplace;
 - 2. The Operating Agency's policy of maintaining a drug-free workplace;
 - 3. Any drug counseling, rehabilitation and employee assistance programs; and
 - 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - c. Making it a requirement that each employee to be engaged in the performance of this Grant Contract be given a copy of the statement required by Paragraph E.10. (a);
 - d. Notifying the employee in the statement required by Paragraph E.10(a) that, as a condition of employment under this Grant Contract, the employee will:
 - 1. Abide by the terms of the statement; and
 - 2. Notify the employees in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - e. Notifying the City in writing, within ten calendar days after receiving notice under Paragraph E.10(d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.
 - f. Taking one of the following actions, within thirty calendar days of receiving notice under Paragraph E.10(d)(2), with respect to any employee who is so convicted:
 - 1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirement of the Rehabilitation Act of 1973, as amended; or
 - 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement or the appropriate agency;
 - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of Paragraphs E.10 (a), (b), (c), (d), (e) and (f).
- E.10. Corrective Action. If the City takes any corrective or remedial action as outlined in 24 CFR § 570.910 that is the result of any action taken by the Operating Agency, the Operating Agency will take any action required by the City to prevent a continuation of the deficiency, mitigate to the extent possible its adverse effects or consequences, and prevent its recurrence. These remedies could, among other actions, include repaying CDBG funds to the City.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives set out their signatures.

CITY OF KINGSPORT

Patrick W. Shull, Mayor

Date

ATTEST:

Angie Marshall, City Recorder

Date

Friends in Need Health Center, Inc.

Betsy Cooper, Executive Director

Date

APPROVED AS TO FORM:

Bart Rowlett, City Attorney

Date

ATTACHMENT A

2023 CDBG PROGRAM DESCRIPTION OF OPERATING AGENCY ACTIVITIES

OPERATING AGENCY: Friends in Need Health Center, Inc.

I. The activities for the 2023 CDBG Project shall consist of the following:

A. Purpose of Project.

Friends in Need Health Center, Inc. needs to expand the dental services operation by an additional four operatory to meet the needs of the LMI population served by the charitable clinic. Most of the clinic's patient population falls within the category of uninsured or underinsured community members. The need for additional dental space has existed since the clinic moved into its new medical space on Ballad Health Indian Path Medical Center's campus in October 2023. Friends in Need has experienced astonishing and reliable growth in its available dental services. The charitable clinic received approval on August 1, 2023, to accept Tenn. Care for dental treatment as one of two charitable clinics within a one-hundred-mile radius to do so for dental services.

Friends in Need Health understand and promotes that dental health is not isolated from overall health; it is a crucial part of it. Proper oral care and regular dental check-ups are vital for maintaining overall health and well-being. Neglecting dental health can have far-reaching consequences, potentially affecting various aspects of a person's life and health. Therefore, it's essential to prioritize dental health as part of a holistic approach to well-being. Friends in Need and community health partners have identified that while "dental care often is seen as routine, the poor often go without any care for years or even decades."

B. Method of Operation.

Friends in Need Health Center, Inc., is a faith-based, non-profit, charitable clinic seeking to provide compassionate, high-quality healthcare services in the medical and dental fields to low to moderate- income, uninsured, or underinsured citizens in Northeast Tennessee with more than 80% of services extended to Greater Kingsport and Sullivan and Hawkins county residents. Friends in Need believes in promoting wellness, reducing health inequities, and ensuring everyone has access to essential medical and dental care through the support of our volunteers, donors, and partners while striving to ultimately impact the health and well-being of those most in need.

ATTACHMENT B
2023 CDBG Program
IMPLEMENTATION PLAN FOR CDBG PROJECTS

OPERATING AGENCY: Friends in Need Health Center, Inc.

I. The time table for completing the activities for the project shall be:

- | | | |
|----|--|-------------------|
| 1. | Determination of status for Environmental Review | January 1, 2024 |
| 2. | Release of Funds | January 1, 2024 |
| 3. | Begin providing services | January 1, 2024 |
| 4. | Contract complete | December 31, 2024 |

ATTACHMENT C
2023 CDBG PROGRAM
PROJECT BUDGET

OPERATING AGENCY: Friends in Need Health Center, Inc.

CDBG funds will be used as follows:

Section 4: Detailed Budget

Complete the attached detailed budget forms.

Project Line Item*	Estimated Cost
See attached Project Budget	\$420,000.00
TOTAL	\$ 420,000.00

*Show the costs that will make up the total cost of the Project, not just the cost that will be reimbursed from CDBG funds. (Examples of Budget Items include staff time, costs of supplies, and administrative time.)

Sources of Funds**	Amount of Funds
CDBG	\$15,700.00
Other grants	\$0
Other donations	\$0
Private Donations	\$39,959.09
TOTAL	\$39,959.09

**Include all funding sources that will be used to pay costs of the Project. Examples include CDBG funds, other federal, state and local assistance or grants, private donations, in-kind donations, program income, etc.

TOTAL FOR GRANT **\$15,700.00**

ATTACHMENT D

Federal Award Identification Worksheet

Operating Agency's name (must match registered name in DUNS)	Friends in Need Health Center, Inc.
Operating Agency's UEI	MN15RHPKGN29
Federal Award Identification Number (FAIN)	B-22-MC-47-0004
Federal award date	July 1, 2023
CFDA number and name	14.218 Community Development Grant Program
Grant contract's begin date	January 1, 2024
Grant contract's end ate	December 31, 2024
Amount of federal funds obligated by this grant contract	\$15,700.00
Total amount of federal funds obligated to the Operating Agency	\$15,700.00
Total amount of the federal award to the City of Kingsport	\$434,064.00
Name of federal awarding agency	U.S. Department of Housing and Urban Development
Name and contact information for the federal awarding official	Mary C. Wilson, Director Community Planning and Development U.S. Department of Housing and Urban Development Knoxville Field Office 710 Locust Street, Third Floor Knoxville, TN 37902-2526
Is the federal award for research and development?	No
Indirect cost rate for the federal award (See 2 C.F.R. §200.331 for information on type of indirect cost rate)	To be determined by cost allocation plan approved by Operating Agency's cognizant agency

ATTACHMENT E

Notice of Audit Report

Check one of the two boxes below and complete the remainder of this document as instructed. Send completed documents as a PDF file to cpo.auditnotice@tn.gov. **The Operating Agency should submit only one, completed "Notice of Audit Report" document to the City during the Operating Agency's fiscal year.**

_____ is subject to an audit for fiscal year 2023.

_____ is not subject to an audit for fiscal year 2023.

Any Operating Agency that is subject to an audit must complete the information below.

Operating Agency's Edison Vendor ID Number: _____

Type of funds expended	Estimated amount of funds expended by end of Operating Agency's fiscal year
Federal pass-through funds	
a. Funds passed through the City of Kingsport	a. \$15,700
b. Funds passed through any other entity	b. \$0
Funds received directly from the federal government	\$
Non-federal funds received directly from the City of Kingsport	\$

Auditor's Name: _____

Auditor's address: _____

Auditor's phone number: _____

Auditor's email: _____

ATTACHMENT F

Parent Child Information

Send completed documents as a PDF file to cpo.auditnotice@tn.gov. **The Operating Agency should submit only one, completed "Parent Child Information" document to the City during the Operating Agency's fiscal year if the Operating Agency indicates it is subject to an audit on the "Notice of Audit Report" document.**

"Parent" means an entity whose IRS filing contains the information of at least one other entity.

"Child" means an entity whose information is contained in another entity's IRS filing.

Operating Agency's Edison Vendor ID number: _____

Is _____ a parent? Yes No

If yes, provide the name and Edison Vendor ID number, if applicable, of any child entities.

Is _____ a child? Yes No

If yes, complete the fields below.

Parent entity's name: _____

Parent entity's tax identification number: _____

Note: If the parent entity's tax identification number is a social security number, this form must be submitted via US mail to:

Central Procurement Office, Grants Program Manager
3rd Floor, WRS Tennessee Tower
312 Rosa L Parks Avenue
Nashville, TN 37243

Parent entity's contact information

Name of primary contact person: _____

Address: _____

Phone number: _____

Email address: _____

Parent entity's Edison Vendor ID number, if applicable: _____



AGENDA ACTION FORM

Consideration of a Resolution Awarding the Bid for the Johnson Elementary School HVAC Replacement Project to S.B. White Company, Inc., and Authorizing the Mayor to Sign All Necessary Documents

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

Action Form No.: AF-357-2023
 Work Session: December 4, 2023
 First Reading: N/A
 Final Adoption: December 5, 2023
 Staff Work By: Committee
 Presentation By: David Frye

Recommendation:
 Approve the Resolution

Executive Summary:
 The City of Kingsport issued an Invitation to Bid on October 14, 2023, for the Johnson Elementary School HVAC Replacement. On November 7, 2023, the Procurement Manager received three bids. The lowest compliant base bid was \$3,181,000.00 from S.B. White Company, Inc. Brian Alderson of Thompson & Litton has reviewed the bids and recommends moving forward with a contract with S.B. White Company, Inc., for the base bid amount of \$3,181,000.00.

The total cost of this project will be \$3,499,860.00 (detail given below). Funding will be from ESSER 3.0 and/or GP2302 Schools HVAC Replacements Project.

Architect Fee	\$	128,000.00
Construction Costs		3,181,000.00
6% Contingency		<u>190,860.00</u>
Total Costs	\$	3,499,860.00

The administration recommends entering into an agreement with S.B. White Company, Inc., for the Johnson Elementary School HVAC Replacement in the amount of \$3,181,000.00 and authorizing a 6% contingency of \$190,860.00.

This motion was approved by the Board of Education on November 14, 2023.

Attachments:
 1. Resolution
 2. Bid Tab

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

Item XI6.

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR THE JOHNSON ELEMENTARY SCHOOL HVAC REPLACEMENT PROJECT TO S.B. WHITE COMPANY, INC., AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, bids were opened November 7, 2023, for the replacement of the HVAC system at Johnson Elementary School; and

WHEREAS, upon review of the bids, the board finds S.B. White Company, Inc., is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the City, and the City of Kingsport desires to enter into an agreement for the Johnson Elementary School HVAC Replacement with S.B. White Company, Inc., at a construction cost of \$3,181,000.00; and

WHEREAS, a 6% contingency fund will be established in the amount of \$190,860.00; and

WHEREAS, the Board of Education approved this motion on November 14, 2023; and

WHEREAS, funding will be available from ESSER 3.0 and/or GP2302 Schools HVAC Replacements Project.

Now therefore,

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

SECTION I. That the bid for the Johnson Elementary School HVAC Replacement, at a cost of \$3,181,000.00, is awarded to S.B. White Company, Inc., and the Mayor or in his absence, incapacity, or failure to act, the Vice-Mayor, is authorized and directed to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an agreement for the same, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement.

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

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

ADOPTED this the 5th day of December, 2023.

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL,
Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B ROWLETT, III, City Attorney

BID OPENING
MINUTES
November 7, 2023
4:00 P.M.

Present: Nikisha Eichmann, Assistant Procurement Manager; Sandra Sloan, Assistant Procurement Manger Schools; David Frye, CFO Schools; Andy True, Asst. Superintendent Schools; David Sewell, Maintenance Director Schools; Brian Alderson, Thompson & Litton

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

The Procurement Manager opened with the following bids:

Johnson Elementary School HVAC Replacement	
Vendor:	Lump Sum:
S.B. White, Inc.	\$3,181,000.00
Nowell Company, Inc.	\$3,210,000.00
HVAC, Inc.	\$3,281,400.00

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



**THOMPSON
& LITTON** EST. 1936
ENGINEERS ARCHITECTS

November 14, 2023

Mr. David Frye
Chief Finance Officer
Kingsport City Schools
400 Clinchfield Street, Suite.200
Kingsport Tennessee 37660

Re: Mechanical Replacement and Associated Upgrades for Lincoln Elementary School and
Mechanical Replacement and Associated Upgrades for Andrew Johnson Elementary School
T&L Project Nos. 17254 and 17255

Dear Mr. Frye,

This letter will serve to inform you that Thompson & Litton, Inc. has reviewed the bids and found them to be in accordance with the contract documents.

In addition, I have spoken with HVAC, Inc. (Low bid on the Mechanical Replacement and Associated Upgrades for Lincoln Elementary School) and S.B. White Company, Inc. (Low bid on the Mechanical Replacement and Associated Upgrades for Andrew Johnson Elementary School) concerning their bids. Both companies inform me that that they have everything included in their bids including the allowances identified in the bid documents.

Based on the above, Thompson & Litton, Inc. recommends that the Kingsport City Schools move forward with these projects. Thompson & Litton recommends that the Kingsport City Schools consult with its financial advisor and legal counsel for their respective input and recommendations regarding these bids, as well as any other criteria that they may feel are appropriate in making a final determination of award.

If you have any questions in this regard, please do not hesitate to contact me.

Sincerely,

Brian C. Alderson, AIA LEED AP NCARB
Project Architect

BID OPENING MINUTES

October 26, 2023

4:00 P.M.

Present: Brent Morelock, Procurement Manager; Sandra Sloan, Assistant Procurement Manager, Schools; Brian Alderson, Thompson & Litton; Davids Sewell, Maintenance Director, Schools; Andy True, Asst. Superintendent, Schools; Ned Stacy, Thompson & Litton; David Frye, CFO, Schools

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

The Procurement Manager opened with the following bids:

LINCOLN ELEMENTARY SCHOOL HVAC REPLACEMENT		
Vendor:	Unit Cost:	Alternate:
Nor-Well Company, Inc.	\$2,979,270.00	\$27,000.00
FourSeasons, Inc.	\$4,169,000.00	\$47,900.00
HVAC, Inc.	\$2,925,950.00	\$38,160.00
S.B. White Company, Inc.	\$3,110,000.00	\$40,500.00

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

**BID OPENING
MINUTES
November 7, 2023
4:00 P.M.**

Present: Nikisha Eichmann, Assistant Procurement Manager; Sandra Sloan, Assistant Procurement Manger Schools; David Frye, CFO Schools; Andy True, Asst. Superintendent Schools; David Sewell, Maintenance Director Schools; Brian Alderson, Thompson & Litton

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

The Procurement Manager opened with the following bids:

Johnson Elementary School HVAC Replacement	
Vendor:	Lump Sum:
S.B. White, Inc.	\$3,181,000.00
Nowell Company, Inc.	\$3,210,000.00
HVAC, Inc.	\$3,281,400.00

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



AGENDA ACTION FORM

Consideration of a Resolution Changing Certain Meeting Dates for Work Session and Business Meetings of the Board of Mayor and Aldermen

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

Action Form No.: AF-358-2023
Work Session: December 4, 2023
First Reading: N/A
Final Adoption: December 5, 2023
Staff Work By: Bart Rowlett
Presentation By: Chris McCartt

Recommendation:

Approve the Resolution.

Executive Summary:

Article III, Section 7 of the Charter of the City of Kingsport provides that except as “provided by ordinance or resolution, the regular meeting of said board shall be at 7:00 p.m. (local time) on the first and third Tuesday of each month.” However, certain regular meetings of the board conflict with or are affected by holidays, planning sessions, and conferences in the calendar year 2024. It is recommended that certain meetings be canceled or rescheduled to eliminate these conflicts.

The attached resolution cancels the January 1, 2024, work session, and the January 2, 2024, business meeting; the July 1, 2024, work session and the July 2, 2024, business meeting. Additionally, the resolution reschedules the January 15, 2024, work session to January 16, 2024, and the September 2, 2024, work session to September 3, 2024.

Attachments:

- 1. Resolution
- 2. 2024 BMA Meeting Schedule

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—

RESOLUTION NO. _____

A RESOLUTION CHANGING CERTAIN WORK SESSIONS AND BUSINESS MEETINGS OF THE BOARD OF MAYOR AND ALDERMEN IN JANUARY, JULY AND SEPTEMBER, 2024 IN ACCORDANCE WITH ARTICLE III, SECTION 7 OF THE CHARTER OF THE CITY OF KINGSPORT, TENNESSEE

WHEREAS, Article III, Section 7 of the Charter of the City of Kingsport, Tennessee provides that the business meetings of the board of mayor and aldermen will take place on the first and third Tuesdays of each month at 7:00 p.m., unless otherwise provided by resolution or ordinance; and

WHEREAS, the board of mayor and aldermen finds that due to the Christmas and New Year's day holidays it is appropriate to cancel the January 1, 2024, work session, and the January 2, 2024, business meeting; due to the Independence Day holiday on July 4, 2024, it is appropriate to cancel the July 1, 2024, work session and the July 2, 2024, business meeting, and

WHEREAS, work sessions are usually held on the Monday preceding the business meeting, but in honor of the Martin Luther King, Jr. holiday the board of mayor and aldermen would like to set a work session on Tuesday, January 16, 2024 at 4:00 p.m., in lieu of holding the work session on Monday, January 15, 2024, and in honor of Labor Day, the board of mayor and aldermen would like to move the September 2, 2024 work session to September 3, 2024.

Now therefore,

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

SECTION I. That in accordance with Article III, Section 7 of the Charter of the City of Kingsport, Tennessee, the board approves the canceling of the January 1, 2024, work session and the January 2, 2024, business meeting; the July 1, 2024, work session and the July 2, 2024, business meeting.

SECTION II. That the board sets a work session for Tuesday, January 16, 2024, at 4:00 p.m. in lieu of a work session on Monday, January 15, 2024.

SECTION III. That the board sets a work session for Tuesday September 3, 2024, at 4:00 p.m. in lieu of a work session on Monday, September 2, 2024.

SECTION IV. That the city recorder is authorized and directed to advertise the changes set forth in this resolution, and to take all acts needed to ensure that notice of the meetings are made to the public in compliance with Tenn. Code Ann. § 8-44-103.

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

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

ADOPTED this the 5th day of December 2023.

PATRICK W. SHULL, Mayor

ATTEST:

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney



Board of Mayor and Aldermen 2024 Meeting Dates

BMA Work Session 4:30 p.m.	BMA Business Meeting 7:00 p.m.
January 16, 4pm (Tuesday)	January 16
February 5	February 6
February 19	February 20
February 23 (Planning Session)	N/A
March 4	March 5
March 18	March 19
April 1	April 2
April 15	April 16
May 6	May 7
May 13 (Budget, 2-5pm)	N/A
May 16 (Budget, 2-5pm)	N/A
May 20	May 21
June 3	June 4
June 17	June 18
July 15	July 16
August 5	August 6
August 19	August 20
September 3, 4pm (Tuesday)*	September 3
September 16	September 17
September 30	October 1
October 14	October 15
November 4	November 5
November 18	November 19
December 2	December 3
December 16	December 17

Only one meeting in January & July.

*Possible reception prior to business meeting for invited BMA and no work session.

Item X17.