



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, March 19, 2024 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 Morris, Budget Director
Scott Boyd, Fire Chief

Ryan McReynolds, Deputy City Manager
Jessica Harmon, Assistant City Manager
Tyra Copas, Human Resources Director
Dale Phipps, Police Chief
Adrienne Batara, Public Relations Director
Floyd Bailey, Chief Information Officer

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG

1. New Vision Youth

III. INVOCATION

1. Rev. Scottie Burkhalter, Holy Trinity Lutheran Church

IV. ROLL CALL

V. RECOGNITIONS AND PRESENTATIONS

VI. APPOINTMENTS

1. Appointment to the Kingsport Housing and Redevelopment Authority (AF-75-2024) (Mayor Shull)

- [2.](#) Appointment to the Construction Board of Adjustments and Appeals (AF-76-2024) (Mayor Shull)
- [3.](#) Appointment to the Sullivan County Board of Equalization (AF-77-2024) (Mayor Shull)
- [4.](#) Appointments to the Public Art Committee (AF-78-2024) (Mayor Shull)

VII. APPROVAL OF MINUTES

- [1.](#) February 19, 2024 - Work Session
- [2.](#) February 20, 2024 - Business Meeting
- [3.](#) February 23, 2024 - Strategic Planning Session

VIII. PUBLIC HEARINGS

- [1.](#) Consideration of an Ordinance to Amend the Zoning Code Text by Omitting the Historic Landmark Designation Requirement and Replacing the Required Review Committee with the Historic Zoning Commission in the Demolition by Neglect Ordinance (AF-5-2024) (Ken Weems)
- [2.](#) Consideration of an Ordinance to Abandon a Sewerline Easement Across Property on Riverbend Dr (AF-48-2024) (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 an Ordinance to Amend the FY 2024 General Purpose School Fund and the General Project Fund Budgets (AF-85-2024) (David Frye)
- [2.](#) Consideration of a Budget Ordinance to Amend Various Funds in FY24 (AF-73-2024) (John Morris)

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

- [1.](#) Consideration of an Ordinance to Establish a Historic District Overlay Applied to the 100 Block Broad Street (AF-50-2024) (Savannah Garland)

2. Consideration of a Budget Adjustment Ordinance for Various Funds in FY24 (AF-62-2024)
(Chris McCartt)

XI. OTHER BUSINESS

1. Consideration of a Resolution to Purchase One (1) 2024 Ford F-350 4x4 Stake Body Truck from TN State Contract # 80355 (AF-69-2024) (Ryan McReynolds)
2. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Apply and Accept a Section 5339A and 5339B Capital Grant from FTA-033 for Purchase of Transit Vehicles from the U.S. Department of Transportation (AF-71-2024) (Candace Sherer)
3. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement to Allow Goodwill Industries of Tennesse Area, Inc. to Place a Container at City Convenience Centers to Collect Donated Items (AF-72-2024) (Ryan McReynolds)
4. Consideration of a Resolution to Accept Private Donation to the Kingsport Police Department (AF-68-2024) (Chief Dale Phipps)
5. Consideration of a Resolution to Accept a Donation of Tempur-Pedic Mattresses (AF-79-2024) (Scott Boyd)
6. Consideration of a Resolution to Enter into an Agreement with LJA Engineering, Inc. to Provide Inspection and Engineering Services for the West Kingsport Sewer Basin (AF-55-2024) (Ryan McReynolds)
7. Consideration of a Resolution to Ratify the Mayor's Signature and Accept the Assistance to Firefighters (AFG) Grant through the U.S. Fire Administration of the Federal Emergency Management Administration (FEMA) Division of the Department of Homeland Security (DHS) (AF-80-2024) (Terry Arnold)
8. Consideration of a Resolution Awarding the Bid for the Purchase of Water & Wastewater Chemicals (AF-91-2024) (Ryan McReynolds)
9. Consideration of a Resolution Accepting the 2024 Bays Mountain Park Improvement Plan as a Guiding Document (AF-90-2024) (Michael T. Borders)
10. Consideration of a Resolution Authorizing the City Manager to Execute a Purchase Order for 2,000 Chromebooks and 1,000 Google Chrome Licenses from Dell Technologies for Kingsport City Schools Students (AF-52-2024) (David Frye)

- [11.](#) Consideration of a Resolution Authorizing the City Manager to Purchase Two (2) 72-Passenger School Buses from Central States Bus Sales, Inc., Utilizing the Sourcewell Contract (AF-86-2024) (David Frye)
- [12.](#) Consideration of a Resolution Authorizing the City Manager to Purchase One (1) 43-Passenger School Bus from Central States Bus Sales, Inc., Utilizing the Sourcewell Contract (AF-88-2024) (David Frye)

XII. CONSENT AGENDA

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

- [1.](#) Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply for and Receive a Law Enforcement Agency Highway Safety Grant from the Tennessee Highway Safety Office (THSO) for FY '25 (AF-63-2024) (Chief Dale Phipps)
- [2.](#) Consideration of a Resolution Authorizing the Mayor to Execute a Signature Authority Form Allowing the Chief of Police or His Designee to Complete Grant Reports as Required by the Tennessee Highway Safety Office (THSO) for the Tennessee Highway Safety Office's FY '25 Grant (AF-64-2024) (Chief Dale Phipps)
- [3.](#) Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply for and Receive a FY '25 Tennessee Highway Safety Office (THSO) Coordinator Grant for Participation in Their Law Enforcement Liaison (LEL) Program (AF-65-2024) (Chief Dale Phipps)
- [4.](#) Consideration of a Resolution Authorizing the Mayor to Execute a Signature Authority Form Allowing the Chief of Police or His Designee to Complete Grant Reports as Required by the Tennessee Highway Safety Office (THSO) for the Tennessee Highway Safety Office's FY '25 Coordinator Grant (AF-66-2024) (Chief Dale Phipps)
- [5.](#) Consideration of a Resolution Authorizing the Mayor to Execute a CDBG Sub-recipient Agreement with Meals on Wheels of Kingsport, Inc. (AF-61-2024) (Michael Price)
- [6.](#) Consideration of a Resolution Authorizing the Mayor's Signature on the Certification of Local Government Approval for the Salvation Army and Family Promise 2024 Emergency Solutions Grant Application (AF-67-2024) (Michael Price)

- [7.](#) Consideration of a Resolution Ratifying an Application to Receive the Tennessee Agriculture Growth Initiative Farmers Market Grant (AF-81-2024) (Michael Borders)
- [8.](#) Consideration of a Resolution Authorizing the City of Kingsport's Application for and Acceptance of Funding through THDA's 2024 Emergency Solutions Grant (AF-74-2024) (Michael Price)
- [9.](#) Consideration of a Resolution to Authorize the Sale of a Surplus Vehicle to Petworks (AF-89-2024) (John Morris)

XIII. COMMUNICATIONS

1. City Manager
2. Mayor and Board Members

XIV. ADJOURN



AGENDA ACTION FORM

Appointment to the Kingsort Housing and Revelopment Authority

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-75-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Jessica Harmon
Presentation By: Mayor Shull

Recommendation:

Approve the reappointment.

Executive Summary:

It is recommended to reappoint Greg Perdue to the Kingsport Housing and Redevelopment Authority (KHRA) to his first full term after fulfilling an unexpired term.

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates.

The board is comprised of five members within the KHRA statutory boundaries of operation. Terms are five years with no term limit.

| Current Board: | | | |
|-----------------|--------------|---------------------------|-----------------|
| Member | Term Expires | No. of Terms | Eligibility |
| Greg Perdue | 4/30/24 | Fulfilling Unexpired Term | KHRA Boundaries |
| Linda Calvert | 2/28/25 | 4 | KHRA Boundaries |
| Esther Rodolphe | 3/31/26 | 2 | KHRA Boundaries |
| Seth Jervis | 2/28/27 | 2 | KHRA Boundaries |
| Tony Jennings | 2/28/28 | 5 | KHRA Boundaries |

| Recommended Board: | | | |
|--------------------|--------------|--------------|-----------------|
| Member | Term Expires | No. of Terms | Eligibility |
| Greg Perdue | 4/30/29 | 1 | KHRA Boundaries |
| Linda Calvert | 2/28/25 | 4 | KHRA Boundaries |
| Esther Rodolphe | 3/31/26 | 2 | KHRA Boundaries |
| Seth Jervis | 2/28/27 | 2 | KHRA Boundaries |
| Tony Jennings | 2/28/28 | 5 | KHRA Boundaries |

Attachments:

None

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



AGENDA ACTION FORM

Appointment to the Construction Board of Adjustments and Appeals

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

Action Form No.: AF-76-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Keith Bruner
Presentation By: Mayor Shull

Recommendation:

Approve the appointment.

Executive Summary:

It is recommended to appoint Hiram Rash, GRC, to the Construction Board of Adjustments and Appeals.

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates.

The board is comprised of five members: one architect, engineer, or general contractor and four at-large members in the building industry. Terms vary with no term limit.

| Current Board: | | | |
|-----------------|--------------|--------------|--------------------|
| Member | Term Expires | No. of Terms | Eligibility |
| Steve Wilson | 8/31/26 | 4 | Engineer |
| Bob Prendergast | 8/31/25 | 4 | At-large |
| Roger Barnett | 8/31/26 | 1 | At-large/Architect |
| Marvin Egan | 8/31/25 | 3 | At-large |
| Hiram Rash | 2/28/24 | 4 | Architect |

| Recommended Board: | | | |
|--------------------|--------------|--------------|--------------------|
| Member | Term Expires | No. of Terms | Eligibility |
| Steve Wilson | 8/31/26 | 4 | Engineer |
| Bob Prendergast | 8/31/25 | 4 | At-large |
| Roger Barnett | 8/31/26 | 1 | At-large/Architect |
| Marvin Egan | 8/31/25 | 3 | At-large |
| Hiram Rash | 2/28/27 | 5 | Architect |

Attachments:

None

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



AGENDA ACTION FORM

Appointment to the Sullivan County Board of Equalization

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

Action Form No.: AF-77-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Mayor Shull
Presentation By: Mayor Shull

Recommendation:

Approve the reappointment.

Executive Summary:

It is recommended to reappoint John Campbell to the Sullivan County Board of Equalization.

If approved by the Board of Mayor and Aldermen, Mr. Campbell will serve his third two-year term.

The board is comprised of five members, one of which is a representative of the City of Kingsport who is a freeholder and taxpayer. Terms are two years with no term limit.

Attachments:

None

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



AGENDA ACTION FORM

Appointments to the Public Art Committee

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-78-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Kristie Leonard

Presentation By: Mayor Shull

Recommendation: Approve the appointments.

Executive Summary: It is recommended to make the following appointments to the Public Art Committee:

- Appoint Joseph Maye to fulfill the unexpired term of Deborah Mullins who has resigned.
- Appoint Betsy Cooper to fulfill the unexpired term of Brad Hoover. (The Parks & Recreation Representative no longer applies, and Mr. Hoover is unable to fulfill his term.)

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates.

The board is comprised of ten members; seven may be considered from the Downtown Kingsport Assoc., and at-large community members; three are ex-officio city employees appointed by the City Manager. Terms are three years with no term limit.

| Current Committee: | | | |
|--------------------|--------------|--------------|----------------------------|
| Member | Term Expires | No. of Terms | Eligibility |
| Shane Christian | 7/31/26 | 1 | Theatre Organization Rep. |
| Deborah Mullins | 7/31/24 | 1 | At-large |
| Joshua Reid | 7/31/24 | 2 | At-large |
| Brad Hoover | 7/31/25 | 5 | Parks & Rec. Rep. |
| Scott Eddlemon | 7/31/26 | 1 | Symphony Organization Rep. |
| Joe Zoeller | 7/31/25 | 2 | Art Organization Rep. |
| Jennifer Adler | 7/31/24 | 1 | At-large |

| Recommended Committee: | | | |
|------------------------|--------------|------------------------|----------------------------|
| Member | Term Expires | No. of Terms | Eligibility |
| Shane Christian | 7/31/26 | 1 | Theatre Organization Rep. |
| Joseph Maye | 7/31/24 | Fulfill unexpired term | At-large |
| Joshua Reid | 7/31/24 | 2 | At-large |
| Betsy Cooper | 7/31/25 | Fulfill unexpired term | DKA Rep. |
| Scott Eddlemon | 7/31/26 | 1 | Symphony Organization Rep. |
| Joe Zoeller | 7/31/25 | 2 | Art Organization Rep. |
| Jennifer Adler | 7/31/24 | 1 | At-large |

Attachments:

1. Joseph Maye Bio

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



Joseph Maye
201 Broad St
Kingsport TN 37660
423.999.1500
hexagoat.com
hexagoatart@gmail.com

Joseph Maye is a native of and small business owner in historic downtown Kingsport. He spent most of his adolescence in Bloomingdale, graduating Sullivan North High School in 1993 and then moving on to pursue a career in the military, spending the next six years as an Infantryman. His military background provided him with the skills to focus on and accomplish tasks to the best of his ability, work with a team of individuals to reach a goal, and the leadership skills to take charge when necessary.

Joseph received an honorable discharge from the United States Army in 1999 and immediately started pursuing a career in the arts as a Tattoo Artist after obtaining an apprenticeship at a local tattoo studio back home in Kingsport.

He spent the next 8 years concentrating on his craft while starting a new search for knowledge in higher education. Joseph began his collegiate experience at Austin Peay University in 2007 in Clarksville TN before, once again, returning to his hometown to finish his Bachelors of Arts in 2011 from King University.

In 2012, Joseph opened Now or Never Gallery on Sullivan Street before moving to Broad Street in 2014. There he was able to accomplish the dream of having a different style of tattoo studio that presented itself as an art gallery where the artists could perform their craft of tattooing as well as display paintings and sculpture they created and bring something different to downtown.

In 2017, Joseph created his first two murals, "Grow" and "The GateKeeper." These projects began a new extension of his art career. He began doing Murals for local businesses such as Gypsy Circus Cider Company and Catch 22 in Kingsport and Johnson City.

In 2020 when the threat of the coronavirus came about, Joseph decided to do something to aid in bringing the community back together and started offering pro-bono mural work to local businesses. He spent the next few years creating murals in Kingsport as well as Johnson City. This gave him the opportunity to build a successful portfolio of mural arts and move on to create murals for more businesses in the area like The Telephone Building, Taylor Law Firm, Blackheart Salon, Backdoor Records, SH! on Market Street, Model City Taphouse, and The Greens in Oak Ridge TN.

Joseph continues to tattoo, paint and create murals in the area and wants to aid in building a greater Art community that artist and patrons alike can thrive in and enjoy.



BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, February 19, 2024 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. Fire Dept. Update** - Chief Boyd

Chief Boyd gave a presentation highlighting the many services offered by the Fire Department including prevention, inspection and emergency medical services. He noted they are one of the only seven accredited agencies in Tennessee and have an ISO rating of 2. The Chief discussed the demographics of the employees and equipment as well as statistics regarding calls for service. Lastly, he updated the board on the Station 2 project and also the future Station 9 project. There was some discussion as he answered questions from the board.

- 2. Legislative Packet**

The City Manager provided a summary on this item, noting there would be a press release forthcoming. Deputy City Manager McReynolds provided further information, noting it would be quicker than other TDOT projects because the funding was already in place. Mr. McCartt provided details on property taxes and remaining in position to have the ability to raise them for projects, noting support of the comptrollers effort to modernize and streamline the property assessor's appraisal process.

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, February 19, 2024 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 February 20, 2024 proposed agenda. The following items were discussed at greater length or received specific questions of concerns.

VIII.1 Consideration of an Ordinance to Establish a Historic District Overlay Applied to the 100 Block Broad Street (AF-50-2024) Savanna Garland gave a presentation on this item, noting this is for the 100 block only and it is a request from the Kingsport Downtown Association. 16 parcels with 12 separate owners with most of the structures over 100 years old. Only one property owner was in opposition. The City Manager and the City Attorney provided further details and answered questions on this process versus not passing this item. There was considerable discussion.

XI.3 Consideration of a Resolution Authorizing the Mayor to Sign Agreements with BlueCross BlueShield of Tennessee Foundation and PlayCore Wisconsin, Inc. for the Development of BlueCross Healthy Place Park at Kingsport Riverwalk Park (AF-33-2024) Mr. McCartt talked about this item, noting we were pleased to receive this donation from Blue Cross Blue Shield to fund Healthy Places project located off of Netherland Inn roundabout, noting the total amount for the project was 6.5 million and 1.3 million set aside for maintenance. He stated it was incredible to get a project of this magnitude for a city of our size. He noted it is still in design phase and there is not have a timeline yet but should move to construction phase very soon.

V. ITEMS OF INTEREST

1. Projects Status Report

VI. ADJOURN

Seeing no other matters presented for discussion, Mayor Shull adjourned the meeting at 6:05 p.m.

ANGELA MARSHALL
Deputy City Recorder

PATRICK W. SHULL
Mayor



BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 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 Girl Scout Troop #463
- III. **INVOCATION** led by Greg Burton, Sr. Pastor, Colonial Heights Baptist Church.
- IV. **ROLL CALL** by City Recorder/Treasurer Lisa Winkle.
- V. **RECOGNITIONS AND PRESENTATIONS** None.
- VI. **APPOINTMENTS** None.
- VII. **APPROVAL OF MINUTES** *(These items are approved under one motion.)*

Motion made by Alderman Olterman, Seconded by Alderman Cooper.

Passed: All present voting "aye."

- 1. **February 5, 2024 - Work Session**
- 2. **February 6, 2024 - Business Meeting**

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

VIII. PUBLIC HEARINGS

1. **Consideration of an Ordinance to Establish a Historic District Overlay Applied to the 100 Block Broad Street** (AF-50-2024) (Savannah Garland)

Vice-Mayor George clarified there were four property owners in favor, one against, one opposed. She explained why she would be voting against this regarding her situation with her property on the 300 block. The City Manager stated a lot of work was done by city staff with several meetings with the property owners. He confirmed it was another tool in the toolbox to protect and preserve these downtown properties.

Motion made by Alderman Olterman, Seconded by Alderman Montgomery.

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ESTABLISH A HISTORIC DISTRICT OVERLAY FOR PROPERTY LOCATED ALONG THE 100 BLOCK OF BROAD STREET IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed: All present voting "aye" except Vice Mayor George voting "nay."

COMMENT

Mayor Shull invited citizens in attendance to speak. Rhonda Morris stated concerns about the rezoning ordinance. There being no one else coming forward, the mayor closed the public comment section.

IX. BUSINESS MATTERS REQUIRING FIRST READING

1. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY24** (AF-62-2024) (Chris McCartt)

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

AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE 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 Amend Chapter 22 Buildings and Building Regulations Article III Section 22-96 as it Relates to Adopted Codes** (AF-6-2024) (Jessica Harmon)

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

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

ORDINANCE NO. 7136 AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF KINGSFORT, TENNESSEE, CHAPTER 22, ARTICLE III, SECTION 22-96 RELATING TO CODES ADOPTED BY REFERENCE; 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 a Budget Adjustment Ordinance for Various Funds in FY24 (AF-25-2024)
(Chris McCartt)

At the request of the City Recorder, the City Manager stated this item will establish a special revenue fund for the Public Art Commission, noting typically this would be called out in a separate budget ordinance..

Motion made by Alderman Olterman, Seconded by Alderman Phillips.

ORDINANCE NO. 7137 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

3. Consideration of an Ordinance to Amend Zoning of Tax Map 061D, Group E, Parcel 023.10 Located Along N Eastman Road from the R-1C, Residential District, to the P-1, Professional Offices District (AF-35-2024) (Ken Weems)

Vice-Mayor George clarified the city doesn't own this lot so the owner would have to request any change in the zoning. Phillips clarified that the vote tonight is just to rezone and not the cell tower and the better use is that it is not residential.

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

ORDINANCE NO. 7138 AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG N EASTMAN ROAD FROM THE R-1C, RESIDENTIAL DISTRICT TO THE P-1, PROFESSIONAL OFFICES DISTRICT IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Alderman Duncan, Vice Mayor George, Alderman Olterman, Alderman Phillips and Mayor Shull voting "aye;" Alderman Cooper and Alderman Montgomery voting "nay."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

XI. OTHER BUSINESS

1. **Consideration of a Resolution to Enter into a Professional Services Agreement with Cain Rash West Architects (CRW) for the Kingsport Sanitation Facility Design and Authorizing the Mayor to Sign All Applicable Documents (AF-43-2024) (Ryan McReynolds)**

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

RESOLUTION NO. 2024-187 A RESOLUTION APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH CAIN RASH WEST ARCHITECTS FOR THE KINGSFORT SANITATION FACILITY DESIGN 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 Awarding the Bids for the Purchase of Various Water and Sewer Maintenance Items (AF-56-2024) (Ryan McReynolds)**

Motion made by Vice Mayor George. Seconded by Alderman Phillips.

RESOLUTION NO. 2024-188 A RESOLUTION AWARDDING THE BID FOR THE PURCHASE OF VARIOUS WATER AND SEWER MAINTENANCE ITEMS TO FERGUSON ENTERPRISE, CONSOLIDATED PIPE & SUPPLY, INC., CORE & MAIN, INC., CITCO WATER, WALTER A. WOOD SUPPLY COMPANY AND JABO SUPPLY CORPORATION AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

Passed: All present voting "aye."

3. **Consideration of a Resolution Authorizing the Mayor to Sign Agreements with BlueCross BlueShield of Tennessee Foundation and PlayCore Wisconsin, Inc. for the Development of BlueCross Healthy Place Park at Kingsport Riverwalk Park (AF-33-2024) (Michael Borders)**

Motion made by Vice Mayor George. Seconded by Alderman Phillips.

RESOLUTION NO. 2024-189 A RESOLUTION APPROVING VARIOUS AGREEMENTS WITH BLUECROSS BLUE SHIELD OF TENNESSEE FOUNDATION AND PLAYCORE WISCONSIN, INC., AS PART OF A HEALTHY PLACE GRANT FOR THE DEVELOPMENT OF BLUECROSS HEALTHY PLACE AT KINGSFORT RIVERWALK AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENTS AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

- 4. Consideration of a Resolution for Acceptance of Weigel Foundation Gift (AF-49-2024)**
(Scott Boyd)

Motion made by Alderman Montgomery, Seconded by Alderman Cooper.

RESOLUTION NO. 2024-190 A RESOLUTION APPROVING VARIOUS AGREEMENTS WITH BLUECROSS BLUE SHIELD OF TENNESSEE FOUNDATION AND PLAYCORE WISCONSIN, INC., AS PART OF A HEALTHY PLACE GRANT FOR THE DEVELOPMENT OF BLUECROSS HEALTHY PLACE AT KINGSFORT RIVERWALK AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENTS AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

- 5. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Apply for and Accept an American Rescue Plan (ARP) Grant from the Federal Transit Administration and U.S. Department of Transportation (AF-53-2024)**
(Candace Sherer)

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

RESOLUTION NO. 2024-191 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE AN AMERICAN RESCUE PLAN GRANT FROM THE FEDERAL TRANSIT ADMINISTRATION AND THE UNITED STATES DEPARTMENT OF TRANSPORTATION

Passed: All present voting "aye."

- 6. Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Apply and Accept a Section 5307 Capital Grant from FTA for Transit Vehicles from the U.S. Department of Transportation (AF-54-2024)** (Candace Sherer)

Motion made by Alderman Duncan, Seconded by Alderman Montgomery.

RESOLUTION NO. 2024-192 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A SECTION 5307 CAPITAL GRANT FROM THE FEDERAL TRANSIT ADMINISTRATION FOR TRANSIT VEHICLES FROM THE UNITED STATES DEPARTMENT OF TRANSPORTATION

Passed: All present voting "aye."

- 7. Consideration of a Resolution Awarding the Sole Bid for City Owned Surplus Real Property Located at 2004 Louita Avenue (AF-58-2024)** (Lisa Winkle)

Motion made by Alderman Montgomery, Seconded by Alderman Phillips.

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 at 4:30 PM

Kingsport City Hall, 415 Broad Street, Boardroom

RESOLUTION NO. 2024-193 A RESOLUTION APPROVING THE SALE OF SURPLUS REAL PROPERTY LOCATED AT 2004 LOUITA AVENUE 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."

- 8. Consideration of a Resolution Awarding the High Bid for City Owned Surplus Real Property Located at 185 Rock Springs Road (AF-60-2024) (Lisa Winkle)**

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

RESOLUTION NO. 2024-194 A RESOLUTION APPROVING THE SALE OF SURPLUS REAL PROPERTY LOCATED AT 185 ROCK SPRINGS ROAD AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT AND THIS RESOLUTION

Passed: All present voting "aye."

- 9. Consideration of a Resolution Awarding the High Bid for City Owned Surplus Real Property Located at 721 Fairview Avenue (AF-59-2024) (Lisa Winkle)?**

Motion made by Alderman Duncan, Seconded by Alderman Phillips.

RESOLUTION NO. 2024-195 A RESOLUTION APPROVING THE SALE OF SURPLUS REAL PROPERTY LOCATED AT 721 FAIRVIEW AVENUE AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT AND THIS RESOLUTION

Passed: All present voting "aye."

- 10. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement for e-Rate Category Two Network Equipment for FY 2024-2025 (AF-51-2024) (David Frye)?**

Motion made by Alderman Olterman, Seconded by Alderman Cooper.

RESOLUTION NO. 2024-196 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR THE PURCHASE OF E-RATE CATEGORY TWO NETWORK EQUIPMENT AND SERVICES THROUGH THE TENNESSEE EDUCATION BROADBAND CONSORTIUM FOR FISCAL YEAR 2024-2025 WITH PERSONAL COMPUTERS SYSTEMS, INC., FOR KINGSFORT CITY SCHOOL'S USE

Passed: All present voting "aye."

- 11. Consideration to Approve the Issuance of a Certificate of Compliance for a Retail Food Store to Sell Wine (AF-57-2024) (Angie Marshall)**

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 at 4:30 PM

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

Passed: All present voting "aye."

12. Consideration of a Resolution Cancelling the March 4, 2024, Work Session and the March 5, 2024, Business Meeting of the Board of Mayor and Aldermen (AF-70-2024) (Chris McCartt)

Motion made by Alderman Olterman, Seconded by Alderman Cooper.

RESOLUTION NO. 2024-197 A RESOLUTION CANCELLING THE MARCH 4, 2024, WORK SESSION AND THE MARCH 5, 2024, REGULAR MEETING OF THE BOARD OF MAYOR AND ALDERMEN IN ACCORDANCE WITH ARTICLE III, SEC. 7 OF THE CHARTER OF THE CITY OF KINGSFORT, TENNESSEE

Passed: All present voting "aye."

XII. CONSENT AGENDA None.

XIII. COMMUNICATIONS

1. City Manager

Mr. McCartt had no comments.

2. Mayor and Board Members

Alderman Duncan stated Keep Kingsport Beautiful recently won a national award in San Diego for pollinated gardens and mentioned the next outdoor cleaning is April 4th. Alderman Cooper commented on the goats around town also won an award first place for making art active. Alderman Montgomery thanked BCBS and Weigel's for their contribution. He stated there will be a classical concert at Robinson Middle School for black history month and they will have it in JC and Bristol also. Alderman Phillips reminded everyone of the governors visit and tour of the dental school for support and thanking the partnerships for making this happen. He indicated March 8-10 is the 50th anniversary for the Kingsport Home Show at Meadowview and there will be a major partnership announcement on Friday when it begins. Alderman Olterman thanked the board members and citizens of Kingsport to being able to serve for nine years. Vice-Mayor George remarked it's the fourth weekend of swimming competition as well as other conventions. She pointed out early voting for the school-board elections has started and this will be the deciding vote for who the school representatives will be for Kingsport. She also commented on the new pickleball courts. Mayor Shull commented on the range of types of items voted on from buying, selling, zoning and grants, stating all business is serious and the board takes it very seriously.

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, February 20, 2024 at 4:30 PM

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XIV.ADJOURN

Seeing no other matters presented for discussion, Mayor Shull adjourned the meeting at 8:02 p.m.

ANGELA MARSHALL

Deputy City Recorder

PATRICK W. SHULL

Mayor



BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Friday, February 23, 2024 at 10:00 AM

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 Morris, Budget Director
Scott Boyd, Fire Chief

Ryan McReynolds, Deputy City Manager
Jessica Harmon, Assistant City Manager
Tyra Copas, Human Resources Director
Dale Phipps, Police Chief
Adrienne Batara, Public Relations Director
Floyd Bailey, Chief Information Officer

I. CALL TO ORDER 10:10 am by Mayor Shull.

II. ROLL CALL by City Recorder/Treasurer Lisa Winkle. Alderman Cooper and Alderman Olterman arrived after roll call.

The City Manager opened the work session stating this is the fifth year in a row the strategic planning session has taken place. He explained this will be a little bit different than previous years in that it will be budget heavy. He summarized the topics to be covered throughout the following budget section.

- **FY-24 Budget Overview** (McCartt/Morris) (1.5 hour)

Mr. McCartt talked about the appraisal ratio issue, noting in late April notified by the comptroller that property values would be dropping after the recent assessment which resulted in a 3.8 million dollar hit. Staff presented four options to offset the loss but ultimately recommended restructuring the budget to absorb the loss. He explained sales tax refunding regarding a loss of 1.3 million

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Friday, February 23, 2024 at 10:00 AM

Kingsport City Hall, 415 Broad Street, Boardroom

dollars as a result of a mistake that we had no control over. He pointed out the health of the economy within the city is still in great shape and November and December would have been record breaking months without the hit from the sales tax refunding.

- **FY-25 Revenue Projections** – Feel very good about where they will be. Challenge is necessary expenses that need to be brought in. Continue to look at pay and benefit to remain competitive. John Morris provided details on how projects not completed are taken in account such a Brickyard and Shipp Springs. Mr. McCartt discussed planning for future debt issues, noting continually looking at the general fund so as not to overburden it for CIP projects that may arise, such as a new school, fire stations or general park improvements as well as public works.

School Superintendent Dr. Chris Hampton then provided information on the facilities study and the upcoming need for two new schools. He pointed out the projected enrollment for Jackson and Washington Elementaries in 2028 would be at 105%, pointing out the ideal capacity is 80-85%. He also talked about improvements to the TAC facility. Dr. Hampton presented possible sites and the pros and cons for each one.

- **Labor Report (Copas)** – Provided details on staffing levels and market data. Last year there were 156 new hires - the most ever and 122 terminations. 15 % turnover rate but significantly better than the national average.
 - **Vacancies** - She discussed the vacancies and positions that are on hold as well as the labor market statistics for the region compared to the national average.
 - **Market trends (impact of FY-25 Budget)** Continue to focus on the pay plan, benefits and work based learning as well as a new effort to recruit nationally and target specific positions/divisions.
- **CIP Review (Debt) Chart for FY-26 and FY-27**
- **Regional Sales Tax (Borders)** Discussed challenges and changes and how we are adapting regarding the following venues.
 - **Meadowview, Cattails, and KAC** – provided a history of the local option sales tax since the implementation of the increase to .25% in 1992. He presented statistics regarding the use of these spaces and the events that occur. He discussed debt

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Friday, February 23, 2024 at 10:00 AM

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service, operations subsidy and ultimately fund balance. Mr. Borders discussed the specific fund challenges since COVID-19 including a decrease in guest volume and unique events noting these have a direct impact on operating revenue. He concluded how these challenges are being addressed, including proactive sales and marketing as well as finding alternative revenue sources.

- **Communication (Batara)** (30 minutes)
 - Ms. Batara provided a review of efforts to improve our communication to citizens – Talked about the many outlets where city news can be found. She discussed the citizen survey results and how the results helped to craft a path forward regarding the website and social media. There has been a significant increase in press releases, newspaper and television mentions. She provided statistics on the success of the city's websites they monitor as well as Facebook pages, Connect Kingsport, text and email subscribers. She mentioned there would be a Model City 101 class offered in the fall to inform citizens of what is going on in city government. There was some discussion. The mayor pointed out this department not only puts out information but corrects misinformation that's already out there.
- **Lunch** (30 minutes)
 - General Discussion between BMA and Leadership Team
 - Areas of interest?
 - Concerns?
 - Priorities for FY-25?
- **CIS Overview** (Bailey/McReynolds) (45 Minutes)
 - **New Customer Information System that will improve our billing system (major financial expenditure in FY-25)** Floyd Bailey provided a history of the current Naviline system, noting it's base was established before the internet and no real updates have been made. He explained that the CIS is a customer self-service portal that will allow the customer to perform many actions without coming to a city facility. He also explained the new processes and workflow and

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

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the many benefits provided. He discussed the current project scope and the timeline to implementation, noting this is only the first phase for these improvements with the next phase replacing much of the remaining Naviline system.

- **Water Meter installation update** – brief update given by Deputy City Ryan McReynolds.
- **Financial Information System (FIS)** – on the horizon
- **Break** (15 Minutes)
- **KPD Staffing (Phipps)** (30 minutes) Chief Phipps noted the basis of this presentation regarding a manpower master plan is the vision that concerns growth and development. He provided statistics on current staffing and budgeting. There was discussion throughout the presentation as he answered questions.
 - **Population growth** – City is expected to increase by 6.5% by the next census. He presented different pathways to grow the department to compensate.
 - **Ratio of population/sworn officer** – operational vs administrative growth to achieve 2.52 officers per 1,000 citizens.
 - **Strategy to increase the number of sworn officers** – implementation costs discussed for each phase of each pathway presented. The goal is to maintain a sustainable ratio that allows for proactive policing rather than reactive and to allow flexibility.
- **Code Enforcement** (Harmon) (30 minutes) Assistant City Manager Jessica Harmon explained why code enforcement is important and detailed the current structure of the department. She provided a history of the cases regarding both dilapidation and property maintenance.
 - **Focus areas** – Lynn Garden Corridor Study resulted in a special project area yielding 130 violations in the fall of 2023 and a process moving forward.

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

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- **Demolition expenses** – Discussed upcoming projects regarding dilapidations and highlighting the status of larger commercial buildings. Voluntary compliance is the goal but not always feasible and means of cost recovery in the city code.
- **Break** (15 Minutes)
 - **Lightning Round** (30 minutes)
 - **Downtown – Main Street** – Public Works Director Michael Thompson gave an update noting utility lines are in and they are working on curbs. He stated they are starting to peel back road structure before resurfacing and looking at summer of 2025 to complete.
 - **Review of City capital projects – Justice Center** – Mr. McCartt said a letter was sent to Sullivan County requesting the money they received in bonds and will bid out in the next 30-45 days. **Library** – Assistant City Manager Borders discussed the renovation details including plans and the projected timeline. **Bays Mountain** – Mr. Borders also discussed the park improvement plan and the current projects underway as well as an upcoming grant opportunity for the Otter Habitat and the Nature Center.
 - **Paving/Roads** – Mr. Thompson gave an overview highlighting program goals and outcomes. He pointed out the transparent paving plan is data driven. Some discussion ensued.
 - **Review status of private projects**
 - **Econ Development** – Stephen Bower reviewed ongoing projects including: Fort Henry Mall and IMAX theatre, Kingsport Pavilion, Brickyard, Cement Hill, HAAP Industrial Site; KEDB Properties: Dobyns-Taylor Warehouse, New Street Parking Lot, Airport Parkway, Improvement Building and Business Park Development
- **General Discussion (BMA/McCartt)** (30 minutes)
 - **Review of the day** – Appreciate staff for putting presentations together. Appreciate the board for their time and attention.

BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

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- **Follow-up items for future BMA Work Sessions**

- Alderman Phillips stated he appreciates all the good information, noting it was out of the ordinary for unexpected expenditures and it was beneficial to see what those items will look like before we get into the budget work sessions. He asked for a summary of what we can proceed forward with regarding prioritizing. Mr. Phillips also asked about holding the tax rate and what that might look like. Alderman Duncan thanked the staff for all the work in getting this together. He mentioned state sales tax hasn't been on the radar to be challenged at the state level. He also asked for an update on new homes and other developments. Alderman Montgomery appreciated everything and suggested another work session day to look at education. He also questioned commercial demolition and dilapidation. Mr. McCartt stated he has spoken with Dr. Hampton about a joint work session with the BOE. Vice-Mayor George stated the need to watch so that the legislators did not take away the city's ability to hold the tax rate. She also asked for an update on the Debt roll off. The mayor said everything presented was informative and beneficial. He stated Kingsport is a progressive city with a lot of great things happening.

III. ADJOURN

Seeing no other matters presented for discussion, Mayor Shull adjourned the meeting at 3:48 p.m.

ANGELA MARSHALL
Deputy City Recorder

PATRICK W. SHULL
Mayor



AGENDA ACTION FORM

Consideration of an Ordinance to Amend the Zoning Code Text by Omitting the Historic Landmark Designation Requirement and Replacing the Required Review Committee with the Historic Zoning Commission in the Demolition by Neglect Ordinance.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-5-2024

Work Session: March 18, 2024

First Reading: March 19, 2024

Final Adoption: April 2, 2024

Staff Work By: Ken Weems

Presentation By: K. Weems

Recommendation:

- Hold public hearing
- Approve ordinance amending the zoning ordinance by omitting the historic landmark designation requirement and replacing the required review committee with the Historic Zoning Commission in the Demolition by Neglect Ordinance.

Executive Summary:

This is a staff-initiated zoning text amendment aimed at streamlining the Demolition by Neglect process. Staff has proposed two changes: 1. Omission of the historic landmark designation requirement as described in the Demolition by Neglect Ordinance. 2. Replacement of the "review committee" with the Historic Zoning Commission (HZC) in the Demolition by Neglect Ordinance. The omission of the historic landmark designation requirement is proposed due to finding no lawful requirement for such. The replacement of the review committee with the full HZC prevents potential for conflict of interest with the Building Official and his/her role in the Demolition by Neglect process (the composition of the review committee is the Building Official, a member of the HZC, and an engineer). Since the Building Official has the responsibility of conducting a demolition by neglect hearing if necessary, staff feels it is wise to remove the Building Official from the review committee by replacing the review committee with the HZC.

During their February 2024 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 text amendment by a vote of 7-0. During their March 2024 regular meeting, the Kingsport Historic Zoning Commission voted to send a positive recommendation to the Board of Mayor and Aldermen in support of approving the text amendment by a vote of 6-0. The notice of public hearing was published on March 4, 2024.

Attachments:

1. Notice of Public Hearing
2. Zoning Ordinance
3. Staff Report
4. Amended Demolition by Neglect Flowchart

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

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE CODE OF
ORDINANCES, CITY OF KINGSPORT, TENNESSEE,
SECTION 114 ARTICLE III RELATING TO DEMOLITION
BY NEGLECT; AND TO FIX THE EFFECTIVE DATE OF
THIS ORDINANCE

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

SECTION I. That Section 114, Article III, of the Code of Ordinances, City of
Kingsport, Tennessee, is hereby amended to read as follows:

ARTICLE VIII. DEMOLITION BY NEGLECT

Sec. 114-650. Definitions.

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

Building means any occupied or vacant walled or roofed structure or part thereof used for human occupation or intended to be so used and includes any garages, outbuildings, and appurtenances belonging thereto or usually enjoyed therewith.

Commission means the historic zoning commission established pursuant to section 114-240.

Demolition by neglect means neglect in maintaining, repairing, or securing a structure in an established historic district that results in deterioration of an exterior feature of the building, or the loss of the structural integrity of the building, including the existence of any defect listed in section 114-654. The term "demolition by neglect" also includes any act or process which destroys, in part or in whole, any building in an established historic district.

Maintenance and repair means any work, for which a building permit is not required by law, where the purpose and effect of such work is to correct any deterioration, decay of, or damage to a structure or any architecturally significant part thereof and to restore or replace, as nearly as may be practicable, to its condition prior to the occurrence of such deterioration, decay or damage.

Owner means any person who, alone or jointly or severally with others, shall have legal or equitable title to any premises in fee simple and every mortgagee of record.

Parties in interest means all individuals, associations, or corporations who have interests of record in a building, or parcel of land or who have actual possession thereof.

Premises means a lot, plot, or parcel of land, including any buildings thereon.

Preservation means the act or process of applying measures necessary to sustain the existing form, integrity, and materials of a Building.

Undue economic hardship means the inability of the owner and parties in interest to obtain a reasonable return or a reasonably beneficial use from the building that is the subject of demolition by neglect, or the inability of the owner and parties in interest to finance the required repairs to the building.

Sec. 114-651. Declaration of findings, policy and purpose.

(a) The board of mayor and aldermen find that some buildings in the historic districts in the city are or may be allowed to be essentially demolished by neglecting repair to such buildings and that such neglect is detrimental to the protection, preservation, and enhancement of historic sites and buildings in such districts, to property values in the districts, and to the health, safety and welfare of the city and its residents. It is further found that, to prevent such demolition by neglect, T.C.A. § 13-7-407(b) authorizes the governing body of a municipality to enact an ordinance governing demolition by neglect of any building within an established historic district. The board further finds that population growth and development may result in the destruction, impairment or drastic alteration of the buildings, structures and areas important to the city's cultural, historic and architectural heritage. It is further found that the prevention of needless destruction and impairment and the attendant preservation of the city's cultural, historic and architectural heritage are essential to the public health, safety and welfare. The intent of this article is to create a reasonable balance between private property rights and the public interest in preserving the city's historic character and culture. It is also the intent of this chapter not to preserve every old building in the city, but rather to prevent the

destruction of historic and architecturally significant sites, buildings, and structures in established historic districts.

(b) The purpose of this article is to promote the public health, safety and welfare through:

(1) The protection, enhancement, perpetuation and use of buildings, structures, sites and areas that are reminders of past eras, events and persons important in local, state or national history, or that provide significant examples of architectural styles of the past, or that are unique and irreplaceable assets to the city and its neighborhoods, or that provide for this and future generations examples of the physical surroundings in which past generations lived;

(2) The development and maintenance of appropriate settings and environments for such buildings and structures, and in such sites and areas;

(3) The enhancement of property values, the stabilization of neighborhoods in historic districts, the increase of economic and financial benefits to the city and its inhabitants, and the promotion of tourist trade and interest;

(4) The preservation and enhancement of varied architectural styles, reflecting the distinct phases of the city's history; and

(5) The provision of educational opportunities and to increase the appreciation of the city's history.

Sec. 114-652. Enforcing official.

The building official is designated as the public officer who shall exercise the powers prescribed in this article, except as otherwise provided in this article.

Sec. 114-653. Powers of building official.

The building official is authorized to exercise such powers as may be necessary or convenient to carry out and effectuate the purposes and requirements of this article, including the following powers, in addition to others granted in this article:

(1) Investigate conditions in the historic districts of the city in order to determine which buildings are subject to demolition by neglect, except as otherwise provided in this article.

(2) Administer oaths and affirmations, examine witnesses, and receive evidence.

(3) Enter upon premises for the purposes of making examinations, provided that such entries shall be made in such manner as to cause the least possible inconvenience to persons in possession.

(4) Designate such other employees to perform duties as may be necessary to the enforcement of this article

Sec. 114-654. Prevention of demolition by neglect.

(a) The exterior features of any building located in any historic district shall be preserved against decay and deterioration, and kept free from structural defects by the owner thereof or parties in interest and shall not be permitted to suffer demolition by neglect. It shall be unlawful and an offense for owners or parties in interest of buildings, in established historic districts, to allow any of the following defects to exist and the owner or parties in interest shall repair such exterior features if they are found to be deteriorating, or if their condition is contributing to deterioration, including but not limited to the following defects:

(1) Deterioration of exterior walls or other vertical supports rendering such components incapable of carrying imposed load, or that causes leaning, sagging, splitting, listing or buckling.

(2) Deterioration of roofs, roof supports, joists or other horizontal components rendering such components incapable of carrying imposed loads, or that causes leaning, sagging, splitting, listing or buckling.

(3) Deterioration, leaning or settling of chimneys.

(4) Deterioration or crumbling of exterior stucco, mortar or masonry surfaces.

(5) Deterioration of exterior stairs, porches, handrails, window and door frames, cornices, entablatures, wall facings and architectural details that causes delamination, instability, loss of shape and form, or crumbling.

(6) Ineffective waterproofing of exterior walls, roofs or foundations, including broken windows or doors.

(7) Defective protection or lack of weather protection for exterior wall and roof coverings, with apparent evidence of deterioration.

(8) Rotting, holes, and other forms of decay.

(9) Unsafe electrical or mechanical conditions constituting a fire or safety hazard.

(10) Deterioration of any component so as to create a hazardous condition that could lead to a claim that demolition is necessary for public safety.

(11) Deterioration of any exterior features so as to create or permit the creation of any hazardous or unsafe condition to life, health, or other property.

(b) The preventive measures outlined in subsection (a) of this section are for structural conditions leading to dilapidation of the structure only. This shall not be construed to include cosmetic repair or maintenance.

Sec. 114-655. Institution of action and notification of hearing.

(a) Whenever a writing is filed with the building official by either a minimum of five residents of the city, or by a city building inspector charging that a building in any historic district is threatened with demolition by neglect as set out in section 114-654, or whenever it appears to the building official or the historic zoning commission that any building, in an established historic district, is threatened by demolition by neglect, the historic zoning commission shall make a preliminary investigation of the charge applying the standards set forth in section 114-654. If such preliminary investigation discloses a basis for the charge, the historic zoning commission shall issue and cause to be served upon the owner and parties in interest of such building, as the same may be determined by reasonable diligence, a complaint stating the charges the committee finds have a basis for demolition by neglect and a notice that a hearing will be held before the building official at a time and place therein fixed.

(b) The complaint shall contain a notice that a hearing will be held before the building official at a time and place therein fixed, not less than ten days or more than 30 days after the service of the complaint. The notice shall also state that the owner and parties in interest shall have the right to file an answer to the complaint, appear in person, or otherwise, and to give testimony at the time and place fixed in the complaint; and that the rules of evidence prevailing in courts of law or equity shall not be controlling in hearings before the building official.

Sec. 114-656. Hearing procedure.

(a) A record of the entire hearing shall be made by tape recording or by other means of permanent recording determined appropriate by the building official. A recording of the proceedings shall be made available to all parties upon request and upon payment of a fee established by the board of mayor and aldermen.

(b) Oral evidence shall be taken only on oath or affirmation.

(c) Hearsay evidence is admissible and may be used to support a finding.

(d) Any relevant evidence shall be admitted if it is the type of evidence upon which responsible persons are accustomed to rely on in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions in courts of competent jurisdiction of this state.

(e) Irrelevant and unduly repetitious evidence shall be excluded.

(f) Each party shall have the following rights, among others:

(1) To call and examine witnesses on any matter relevant to the issues of the hearing;

(2) To introduce documentary and physical evidence;

(3) To cross examine opposing witnesses on any matter relevant to the issue of the hearing;

(4) To refute the evidence against the party; and

(5) To representation by counsel.

Sec. 114-657. Determination of and further notice by building official.

(a) If, after such notice and hearing as provided for in section 114-655, the building official determines that the building in question has suffered demolition by neglect, the building official shall state in writing findings of fact in support of such determination and shall issue and cause to be served upon the owner, and/or parties in interest, an order requiring repairs, improvements, and/or correction of defects, within the time specified, of those elements of the building that are deteriorating, contributing to deterioration, or deteriorated. Any repairs, improvements, and/or correction of defects instituted in compliance with this section shall be made in conformance with the zoning and building codes.

(b) In the event the owner, and/or other parties in interest desire to petition for a claim of undue economic hardship, the order of the building official shall be stayed until after a determination in accordance with the procedures of section 114-658.

(a) The building official may exempt a building from a demolition by neglect order if the building official finds that the owner and parties in interest have proven the order to repair creates undue economic hardship on the owner and parties in interest. An application for a determination of undue economic hardship by the owner and parties at interest shall be made, on a form prepared by the building official, not more than 30 days after delivery of the order finding demolition by neglect. The application must include photographs of the building, information pertaining to the historic significance of the site, if any, and all information required by the building official. All owners and parties in interest must submit the application under oath. The burden of proof of the undue economic hardship is on the owner and parties in interest.

(b) The application shall include the information specified in subsection (a) of this section, and the building official may require that an owner and parties in interest furnish such additional information the building official deems relevant to a determination of undue economic hardship.

(c) In the event any of the required information is not reasonably available to the owner and parties in interest, and cannot be readily obtained, the owner and parties in interest shall describe the reasons why such information cannot be obtained.

(d) The building official shall hold a hearing on the application within 30 days of the timely receipt of such application. Notice will be given and hearing procedures followed in the same manner as set forth in sections 114-655(b) and 114-656. The owner and parties in interest may submit such relevant information they deem appropriate to prove undue economic hardship, but at a minimum shall submit to the building official for his review at least the following information:

- (1) Nature of ownership, legal possession, custody, and control;
- (2) Financial resources of the owner and parties in interest;
- (3) Cost of the repair or correction with supporting documentation from licensed contractors;
- (4) Valuation of the land and improvements;
- (5) Real property taxes for each of the previous two years and the appraised value of the property for those years established by the property assessor for property tax purposes;
- (6) Amount paid for the property, date of purchase, and party from whom purchased, including a description of any relationship between the grantor and grantee, or other means of acquisition of title, such as by gift or inheritance;
- (7) Annual debt service on the property, if any, for previous two years;
- (8) The marketability of the property for sale or lease, considered in relation to any listing of the property for sale or lease, and price asked and offers received, if any, within the previous two years. This should include testimony and relevant documents regarding:
 - a. Any real estate broker or firm engaged to sell or lease the property;
 - b. Reasonableness of the price or rent sought by the applicant; and
 - c. Any advertisements placed for the sale or lease of the property;
- (9) If the property is commercial or income producing property, the annual gross income from the property for the previous two years; itemized operating and maintenance expenses for the previous two years as claimed as deductions on United States tax returns; and debt service, if any on the property, if not including as an operating or maintenance expense;
- (10) Itemized operating and maintenance expenses for the previous two years, including proof that adequate and competent management procedures were followed;
- (11) All appraisals obtained within the previous two years by the owner or parties in interest or others in connection with the purchase, financing, attempted sale, or ownership of the property;
- (12) Federal income tax returns filed by persons or parties claiming an undue economic hardship for the previous two years; and
- (13) Any other information the building official deems relevant to the determination of undue economic hardship.

(e) Undue economic hardship does not include self-created hardships, willful or negligent acts of the owner or parties in interest, purchase of the property for substantially more than the market value, failure to perform normal maintenance and repairs, failure to diligently solicit and retain tenants, or failure to provide normal tenant improvements.

(f) Within 30 days of the hearing on the application, the building official shall make a written finding of whether undue economic hardship exists, and shall enter the reasons for such finding into the record. In the event of a finding of no undue economic hardship, the building official shall issue an order for repair, improvements, or correction of defects within the time specified. In the event of a finding of undue economic hardship, the finding shall be accompanied by a recommended plan to relieve the economic hardship. This plan may include, but not be limited to loans or grants from the city, county, state, or other public, private, or non-profit sources, acquisition by purchase or eminent domain, changes in applicable zoning regulations, or relaxation of the provisions of this article sufficient to mitigate the undue economic hardship.

Sec. 114-658. Service of complaints or orders.

Complaints or orders issued by the building official under this article shall be served upon persons, either personally or by certified mail, return receipt requested, but if the whereabouts of such persons are unknown and the same cannot be ascertained by the building official in the exercise of reasonable diligence, and the building official shall make an affidavit to that effect, then the serving of such complaints or orders upon such persons may be made by publishing the same once each week for two consecutive weeks in a newspaper printed and published in the city. A copy of such complaints or orders shall be posted in a conspicuous place on the premises affected by the complaint or order. In addition, a copy of such complaints or orders shall also be filed for record in the register's office of the county in which the building is located, and such filing shall have the same force and effect as other lis pendens notices provided by law.

Sec. 114-659. Remedies.

If the owner, and/or parties in interest, fail or refuse to comply with the order of the building official within the time specified, the city may apply for appropriate equitable remedies to enforce the provisions of this article, including an order directing that improvements or repairs be made, or that

other action be taken that is necessary to bring the property in compliance with this article, and if the city shall make the repairs it shall have a lien as set out in section 114-661.

Sec. 114-660. Creation of lien and payment into court.

The amount of the cost of such repairs or corrections ordered by the court and made or procured by the building official shall upon the filing of the notice with the office of the register of deeds of the county in which the property lies, be a lien in favor of the city against the real property on which such cost was incurred, second only to liens of the state, county and city for taxes; any lien of the city for special assessments; and any valid lien, right or interest in such property duly recorded or duly perfected by filing, prior to the filing of such notice. The city tax collector shall collect these costs at the same time and in the same manner as property taxes are collected and shall include penalties and interest calculated as if it were overdue property taxes. However, nothing in this section shall be construed to impair or limit in any way the power of the city to define and declare nuisances and to cause their removal or abatement by summary proceedings or otherwise.

Sec. 114-661. Appeals from decision of building official.

(a) The aggrieved party, against whom the decision of the building official is made, may have a review of the decision by petition for a common law writ of certiorari, addressed to either the city law court or chancery court. Such petition shall be filed within 60 days from the date the decision or order of the building official is made and written notice thereof given the aggrieved party.

(b) Immediately upon the grant of the common law writ of certiorari and service thereof, the building official shall cause to be made, certified, and forwarded to such court a complete transcript of the proceedings in the cause by the building official.

(c) The action may be reviewed by the court in which the petition for certiorari is filed and shall be heard solely upon the transcript of the proceedings before the building official, and neither party shall be entitled to introduce new evidence in such court.

(d) Any party dissatisfied with the decree of the court hearing the cause may, upon giving bond as required by law, take an appeal, as is made and provided by law, where the case shall be heard upon the transcript of the record from the court in which the cause is heard.

Sec. 114-662. Rules.

The board of mayor and aldermen may make rules and regulations necessary for the administration and enforcement of this article.

Sec. 114-663. Penalty and enforcement.

Any person violating any section of this article shall be guilty of an offense and upon conviction shall be penalized not less than \$1.00 and not more than \$50.00 for each offense. Each day a violation continues shall constitute a separate offense. The imposition of a penalty under this section shall be supplemental to any other action or penalty and shall not prevent the revocation of any permit or license, the taking of any remedial or injunctive action, or seeking any other legal or equitable relief or enforcement.

Sec. 114-664. Powers conferred are supplemental.

Nothing in this article shall be construed to abrogate or impair the powers of the city with regard to the enforcement of the provisions of its Charter or any other ordinances or regulations, nor to prevent or punish violations thereof, and the powers conferred by this article shall be in addition and supplemental to the powers conferred by the Charter and other laws. Nothing contained within this article shall diminish the power of the city to declare a building unsafe or a violation of any building or housing code of the city.

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

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 _____

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on Tuesday, March 19, 2024 to consider amending the Code of Ordinances as it pertains to zoning. The proposed ordinance will delete the process and requirement for designation of historic landmarks as found in Article VIII. – Demolition By Neglect. Additionally, the zoning text amendment will replace the “review committee” with the “Historic Zoning Commission” as found in Article VIII. – Demolition By Neglect. The regular business meeting will begin at 7:00 p.m. in the boardroom located on the third floor of City Hall, 415 Broad Street, Kingsport, Tennessee.

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

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

CITY OF KINGSPORT
Angie Marshall, City Clerk
PIT: 3/4/2024

Demolition by Neglect Zoning Text Amendment

| | | | |
|---|----------------------------|--|---------|
| Property Information | Within City historic zones | | |
| Address | | | |
| Tax Map, Group, Parcel | | | |
| Civil District | | | |
| Overlay District | H-2O | | |
| Land Use Designation | | | |
| Acres | | | |
| Existing Use | | Existing Zoning | |
| Proposed Use | | Proposed Zoning | |
| Owner /Applicant Information | | | |
| Name: Kingsport Regional Planning Commission Address: City Staff Initiated City: State: Zip Code: Email: Phone Number: | | Intent: To amend Chapter 114, Article VIII, Demolition by Neglect, of Kingsport’s Zoning Code to remove historic landmark designation requirements and replace the review committee requirement with the Historic Zoning Commission. | |
| Planning Department Recommendation | | | |
| (Approve, Deny, or Defer) The Kingsport Planning Division recommends APPROVAL | | | |
| Planner: | Ken Weems | Date: | 2/29/24 |
| Historic Zoning Commission Action | | Meeting Date: | 3/11/24 |
| Approval: | | | |
| Denial: | | Reason for Denial: | |
| Deferred: | | Reason for Deferral: | |

INTENT

To amend Chapter 114, , Article VIII, Demolition by Neglect, of Kingsport's Zoning Code to remove historic landmark designation requirements and replace the review committee requirement with the Historic Zoning Commission.

Introduction:

In an effort to streamline the demolition by neglect process, staff identified two changes to the demolition by neglect ordinance that will better serve City needs. Staff proposes the following two changes to the demolition by neglect ordinance:

1. Removal of the historic landmark designation requirement to qualify for demolition by neglect.
2. Changing the membership of the demolition by neglect review committee by replacing the committee with the entire Commission.

With recent increased interest in the City's demolition by neglect ordinance, staff reviewed the subject ordinance for compliance with state law and the City's needs. The current version of the demolition by neglect ordinance requires that a property receive a historic landmark designation by the Historic Zoning Commission prior to being considered for demolition by neglect review. The current version of the demolition by neglect ordinance contains a process for designation of historic landmarks both with and without property owner consent. Staff, after review with the City Attorney, cannot find a reason or mandate for designation of historic landmarks (with or without a request from the property owner for such) in the demolition by neglect process. Subsequently, removal of the historic landmark designation and associated processes is proposed as an amendment to the demolition by neglect ordinance.

The current version of the demolition by neglect ordinance contains a requirement for a review committee to investigate demolition by neglect complaints. The review committee must currently be comprised of the building official, a member of the historic zoning commission, and a licensed engineer familiar with structural engineering (if such individual is reasonably available). It is a concern of the City's Building Official, that serving as both the hearing officer for a demolition by neglect case and being a member of the demolition by neglect review committee at the same time could be considered a conflict of interest. Therefore, staff proposes replacing the review committee responsibilities to become the responsibilities of the entire Historic Zoning Commission.

A redlined version of *Article VIII. – Demolition by Neglect* that supports the proposed changes in detail will be found on the following pages of this report.

ARTICLE VIII. DEMOLITION BY NEGLECT

Sec. 114-650. Definitions.

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

Building means any occupied or vacant walled or roofed structure or part thereof used for human occupation or intended to be so used and includes any garages, outbuildings, and appurtenances belonging thereto or usually enjoyed therewith.

Commission means the historic zoning commission established pursuant to section 114-240.

Demolition by neglect means neglect in maintaining, repairing, or securing ~~an historic landmark in an a~~ structure in an established historic district that results in deterioration of an exterior feature of the ~~landmark building~~, or the loss of the structural integrity of the ~~landmark building~~, including the existence of any defect listed in section 114-654. The term "demolition by neglect" also includes any act or process which destroys, in part or in whole, any ~~historic landmark building in an established historic district~~.

~~*Historic designation* means the formal recognition as an historic landmark.~~

~~*Historic landmark* means any structure in an historic district of this city, at least 50 years old, either publicly or privately owned, including buildings, homes, replicas, structures, objects, properties, cultural landscapes or sites that have importance in the history, architecture, archaeology, or culture of this city, state or nation, as determined by the commission and having received an historic designation.~~

Maintenance and repair means any work, for which a building permit is not required by law, where the purpose and effect of such work is to correct any deterioration, decay of, or damage to a structure or any architecturally significant part thereof and to restore or replace, as nearly as may be practicable, to its condition prior to the occurrence of such deterioration, decay or damage.

Owner means any person who, alone or jointly or severally with others, shall have legal or equitable title to any premises in fee simple and every mortgagee of record.

Parties in interest means all individuals, associations, or corporations who have interests of record in a building, or parcel of land or who have actual possession thereof.

Premises means a lot, plot, or parcel of land, including any buildings thereon.

Preservation means the act or process of applying measures necessary to sustain the existing form, integrity, and materials of ~~an historic landmark. Building.~~

Undue economic hardship means the inability of the owner and parties in interest to obtain a reasonable return or a reasonably beneficial use from the ~~historic landmark building~~ that is the subject of demolition by neglect, or the inability of the owner and parties in interest to finance the required repairs to the ~~historic landmark building~~.

(Ord. No. 5298, § I(114-700), 5-17-2005)

Sec. 114-651. Declaration of findings, policy and purpose.

- (a) The board of mayor and aldermen find that some buildings in the historic districts in the city are or may be allowed to be essentially demolished by neglecting repair to such buildings and that such neglect is detrimental to the protection, preservation, and enhancement of historic sites and buildings in such districts, to property values in the districts, and to the health, safety and welfare of the city and its residents. It is further found that, to prevent such demolition by neglect, T.C.A. § 13-7-407(b) authorizes the governing body of a municipality to enact an ordinance governing demolition by neglect of any building within an established historic district. The board further finds that population growth and development may result in the destruction, impairment or drastic alteration of the buildings, structures and areas important to the city's cultural, historic and architectural heritage. It is further found that the prevention of needless destruction and impairment and the attendant preservation of the city's cultural, historic and architectural heritage are essential to the public health, safety and welfare. The intent of this article is to create a reasonable balance between private property rights and the public interest in preserving the city's historic character and culture. It is also the intent of this chapter not to preserve every old building in the city, but rather to prevent the destruction of historic and architecturally significant sites, buildings, and structures in established historic districts.
- (b) The purpose of this article is to promote the public health, safety and welfare through:
- (1) The protection, enhancement, perpetuation and use of buildings, structures, sites and areas that are reminders of past eras, events and persons important in local, state or national history, or that provide significant examples of architectural styles of the past, or that are unique and irreplaceable assets to the city and its neighborhoods, or that provide for this and future generations examples of the physical surroundings in which past generations lived;
 - (2) The development and maintenance of appropriate settings and environments for such buildings and structures, and in such sites and areas;
 - (3) The enhancement of property values, the stabilization of neighborhoods in historic districts, the increase of economic and financial benefits to the city and its inhabitants, and the promotion of tourist trade and interest;
 - (4) The preservation and enhancement of varied architectural styles, reflecting the distinct phases of the city's history; and
 - (5) The provision of educational opportunities and to increase the appreciation of the city's history.

(Ord. No. 5298, § I(114-701), 5-17-2005)

Sec. 114-652. Enforcing official.

The building official is designated as the public officer who shall exercise the powers prescribed in this article, except as otherwise provided in this article.

(Ord. No. 5298, § I(114-702), 5-17-2005; Ord. No. 5596, § I, 9-4-2007)

Sec. 114-653. Powers of building official.

The building official is authorized to exercise such powers as may be necessary or convenient to carry out and effectuate the purposes and requirements of this article, including the following powers, in addition to others granted in this article:

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- (1) Investigate conditions in the historic districts of the city in order to determine which buildings are subject to demolition by neglect, except as otherwise provided in this article.
 - (2) Administer oaths and affirmations, examine witnesses, and receive evidence.
 - (3) Enter upon premises for the purposes of making examinations, provided that such entries shall be made in such manner as to cause the least possible inconvenience to persons in possession.
 - (4) Designate such other employees to perform duties as may be necessary to the enforcement of this article

(Ord. No. 5298, § I(114-703), 5-17-2005; Ord. No. 5596, § II, 9-4-2007)

Sec. 114-654. Prevention of demolition by neglect.

- (a) The exterior features of any ~~historic landmark building~~ located in any historic district shall be preserved against decay and deterioration, and kept free from structural defects by the owner thereof or parties in interest and shall not be permitted to suffer demolition by neglect. It shall be unlawful and an offense for owners or parties in interest of ~~historic landmarks buildings, in established historic districts~~, to allow any of the following defects to exist and the owner or parties in interest shall repair such exterior features if they are found to be deteriorating, or if their condition is contributing to deterioration, including but not limited to the following defects:
 - (1) Deterioration of exterior walls or other vertical supports rendering such components incapable of carrying imposed load, or that causes leaning, sagging, splitting, listing or buckling.
 - (2) Deterioration of roofs, roof supports, joists or other horizontal components rendering such components incapable of carrying imposed loads, or that causes leaning, sagging, splitting, listing or buckling.
 - (3) Deterioration, leaning or settling of chimneys.
 - (4) Deterioration or crumbling of exterior stucco, mortar or masonry surfaces.
 - (5) Deterioration of exterior stairs, porches, handrails, window and door frames, cornices, entablatures, wall facings and architectural details that causes delamination, instability, loss of shape and form, or crumbling.
 - (6) Ineffective waterproofing of exterior walls, roofs or foundations, including broken windows or doors.
 - (7) Defective protection or lack of weather protection for exterior wall and roof coverings, with apparent evidence of deterioration.
 - (8) Rotting, holes, and other forms of decay.
 - (9) Unsafe electrical or mechanical conditions constituting a fire or safety hazard.
 - (10) Deterioration of any component so as to create a hazardous condition that could lead to a claim that demolition is necessary for public safety.
 - (11) Deterioration of any exterior features so as to create or permit the creation of any hazardous or unsafe condition to life, health, or other property.
- (b) The preventive measures outlined in subsection (a) of this section are for structural conditions leading to dilapidation of the structure only. This shall not be construed to include cosmetic repair or maintenance.

(Ord. No. 5298, § I(114-704), 5-17-2005)

Sec. 114-655. Institution of action and notification of hearing.

- (a) Whenever a writing is filed with the building official by either ~~the historic zoning commission, by at least a minimum of~~ five residents of the city, or by a city building inspector charging that ~~an historic landmark a building~~ in any historic district is threatened with demolition by neglect as set out in section 114-654, or whenever it appears to the building official ~~or the historic zoning commission~~ that any ~~historic landmark building, in an established historic district,~~ is threatened by demolition by neglect, ~~such charge shall be referred to the review committee. The review committee~~ the historic zoning commission shall make a preliminary investigation of the charge applying the standards set forth in section 114-654. If such preliminary investigation discloses a basis for the charge, the ~~review committee~~ historic zoning commission shall issue and cause to be served upon the owner and parties in interest of such ~~historic landmark building,~~ as the same may be determined by reasonable diligence, a complaint stating the charges the committee finds have a basis for demolition by neglect and a notice that a hearing will be held before the building official at a time and place therein fixed. ~~The review committee shall consist of the building official and two individuals appointed by the mayor and approved by the board of mayor and aldermen for a term of not more than three years, one of whom shall be a member of the historic zoning commission and the other of whom shall be a licensed engineer familiar with structural engineering, if such individual is reasonable available.~~
- (b) The complaint shall contain a notice that a hearing will be held before the building official at a time and place therein fixed, not less than ten days or more than 30 days after the service of the complaint. The notice shall also state that the owner and parties in interest shall have the right to file an answer to the complaint, appear in person, or otherwise, and to give testimony at the time and place fixed in the complaint; and that the rules of evidence prevailing in courts of law or equity shall not be controlling in hearings before the building official.

(Ord. No. 5298, § I(114-705), 5-17-2005; Ord. No. 5596, § III, 9-4-2007)

Sec. 114-656. Hearing procedure.

- (a) A record of the entire hearing shall be made by tape recording or by other means of permanent recording determined appropriate by the building official. A recording of the proceedings shall be made available to all parties upon request and upon payment of a fee established by the board of mayor and aldermen.
- (b) Oral evidence shall be taken only on oath or affirmation.
- (c) Hearsay evidence is admissible and may be used to support a finding.
- (d) Any relevant evidence shall be admitted if it is the type of evidence upon which responsible persons are accustomed to rely on in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions in courts of competent jurisdiction of this state.
- (e) Irrelevant and unduly repetitious evidence shall be excluded.
- (f) Each party shall have the following rights, among others:
- (1) To call and examine witnesses on any matter relevant to the issues of the hearing;
 - (2) To introduce documentary and physical evidence;
 - (3) To cross examine opposing witnesses on any matter relevant to the issue of the hearing;
 - (4) To refute the evidence against the party; and

(5) To representation by counsel.

(Ord. No. 5298, § I(114-706), 5-17-2005)

Sec. 114-657. Determination of and further notice by building official.

- (a) If, after such notice and hearing as provided for in section 114-655, the building official determines that the ~~historic landmark building~~ in question has suffered demolition by neglect, the building official shall state in writing findings of fact in support of such determination and shall issue and cause to be served upon the owner, and/or parties in interest, an order requiring repairs, improvements, and/or correction of defects, within the time specified, of those elements of the ~~historic landmark building~~ that are deteriorating, contributing to deterioration, or deteriorated. Any repairs, improvements, and/or correction of defects instituted in compliance with this section shall be made in conformance with the zoning and building codes.
- (b) In the event the owner, and/or other parties in interest desire to petition for a claim of undue economic hardship, the order of the building official shall be stayed until after a determination in accordance with the procedures of section 114-658.

(Ord. No. 5298, § I(114-707), 5-17-2005)

Sec. 114-658. Undue economic hardship.

- (a) The building official may exempt ~~an historic landmark a building~~ from a demolition by neglect order if the building official finds that the owner and parties in interest have proven the order to repair creates undue economic hardship on the owner and parties in interest. An application for a determination of undue economic hardship by the owner and parties at interest shall be made, on a form prepared by the building official, not more than 30 days after delivery of the order finding demolition by neglect. The application must include photographs of the building, information pertaining to the historic significance of the site, if any, and all information required by the building official. All owners and parties in interest must submit the application under oath. The burden of proof of the undue economic hardship is on the owner and parties in interest.
- (b) The application shall include the information specified in subsection (a) of this section, and the building official may require that an owner and parties in interest furnish such additional information the building official deems relevant to a determination of undue economic hardship.
- (c) In the event any of the required information is not reasonably available to the owner and parties in interest, and cannot be readily obtained, the owner and parties in interest shall describe the reasons why such information cannot be obtained.
- (d) The building official shall hold a hearing on the application within 30 days of the timely receipt of such application. Notice will be given and hearing procedures followed in the same manner as set forth in sections 114-655(b) and 114-656. The owner and parties in interest may submit such relevant information they deem appropriate to prove undue economic hardship, but at a minimum shall submit to the building official for his review at least the following information:
 - (1) Nature of ownership, legal possession, custody, and control;
 - (2) Financial resources of the owner and parties in interest;
 - (3) Cost of the repair or correction with supporting documentation from licensed contractors;
 - (4) Valuation of the land and improvements;

-
- (5) Real property taxes for each of the previous two years and the appraised value of the property for those years established by the property assessor for property tax purposes;
 - (6) Amount paid for the property, date of purchase, and party from whom purchased, including a description of any relationship between the grantor and grantee, or other means of acquisition of title, such as by gift or inheritance;
 - (7) Annual debt service on the property, if any, for previous two years;
 - (8) The marketability of the property for sale or lease, considered in relation to any listing of the property for sale or lease, and price asked and offers received, if any, within the previous two years. This should include testimony and relevant documents regarding:
 - a. Any real estate broker or firm engaged to sell or lease the property;
 - b. Reasonableness of the price or rent sought by the applicant; and
 - c. Any advertisements placed for the sale or lease of the property;
 - (9) If the property is commercial or income producing property, the annual gross income from the property for the previous two years; itemized operating and maintenance expenses for the previous two years as claimed as deductions on United States tax returns; and debt service, if any on the property, if not including as an operating or maintenance expense;
 - (10) Itemized operating and maintenance expenses for the previous two years, including proof that adequate and competent management procedures were followed;
 - (11) All appraisals obtained within the previous two years by the owner or parties in interest or others in connection with the purchase, financing, attempted sale, or ownership of the property;
 - (12) ~~Any federal~~ Federal income tax returns ~~on or relating to the property~~ filed by persons or parties claiming an undue economic hardship for the previous two years; and
 - (13) Any other information the building official deems relevant to the determination of undue economic hardship.
- (e) Undue economic hardship does not include self-created hardships, willful or negligent acts of the owner or parties in interest, purchase of the property for substantially more than the market value, failure to perform normal maintenance and repairs, failure to diligently solicit and retain tenants, or failure to provide normal tenant improvements.
- (f) Within 30 days of the hearing on the application, the building official shall make a written finding of whether undue economic hardship exists, and shall enter the reasons for such finding into the record. In the event of a finding of no undue economic hardship, the building official shall issue an order for repair, improvements, or correction of defects within the time specified. In the event of a finding of undue economic hardship, the finding shall be accompanied by a recommended plan to relieve the economic hardship. This plan may include, but not be limited to loans or grants from the city, county, state, or other public, private, or non-profit sources, acquisition by purchase or eminent domain, changes in applicable zoning regulations, or relaxation of the provisions of this article sufficient to mitigate the undue economic hardship.

(Ord. No. 5298, § I(114-708), 5-17-2005)

Sec. 114-659. Service of complaints or orders.

Complaints or orders issued by the building official under this article shall be served upon persons, either personally or by certified mail, return receipt requested, but if the whereabouts of such persons are unknown and the same cannot be ascertained by the building official in the exercise of reasonable diligence, and the building

official shall make an affidavit to that effect, then the serving of such complaints or orders upon such persons may be made by publishing the same once each week for two consecutive weeks in a newspaper printed and published in the city. A copy of such complaints or orders shall be posted in a conspicuous place on the premises affected by the complaint or order. In addition, a copy of such complaints or orders shall also be filed for record in the register's office of the county in which the building is located, and such filing shall have the same force and effect as other lis pendens notices provided by law.

(Ord. No. 5298, § I(114-709), 5-17-2005)

Sec. 114-660. Remedies.

If the owner, and/or parties in interest, fail or refuse to comply with the order of the building official within the time specified, the city may apply for appropriate equitable remedies to enforce the provisions of this article, including an order directing that improvements or repairs be made, or that other action be taken that is necessary to bring the property in compliance with this article, and if the city shall make the repairs it shall have a lien as set out in section 114-661.

(Ord. No. 5298, § I(114-710), 5-17-2005)

Sec. 114-661. Creation of lien and payment into court.

The amount of the cost of such repairs or corrections ordered by the court and made or procured by the building official shall upon the filing of the notice with the office of the register of deeds of the county in which the property lies, be a lien in favor of the city against the real property on which such cost was incurred, second only to liens of the state, county and city for taxes; any lien of the city for special assessments; and any valid lien, right or interest in such property duly recorded or duly perfected by filing, prior to the filing of such notice. The city tax collector shall collect these costs at the same time and in the same manner as property taxes are collected and shall include penalties and interest calculated as if it were overdue property taxes. However, nothing in this section shall be construed to impair or limit in any way the power of the city to define and declare nuisances and to cause their removal or abatement by summary proceedings or otherwise.

(Ord. No. 5298, § I(114-711), 5-17-2005)

Sec. 114-662. Appeals from decision of building official.

- (a) The aggrieved party, against whom the decision of the building official is made, may have a review of the decision by petition for a common law writ of certiorari, addressed to either the city law court or chancery court. Such petition shall be filed within 60 days from the date the decision or order of the building official is made and written notice thereof given the aggrieved party.
- (b) Immediately upon the grant of the common law writ of certiorari and service thereof, the building official shall cause to be made, certified, and forwarded to such court a complete transcript of the proceedings in the cause by the building official.
- (c) The action may be reviewed by the court in which the petition for certiorari is filed and shall be heard solely upon the transcript of the proceedings before the building official, and neither party shall be entitled to introduce new evidence in such court.
- (d) Any party dissatisfied with the decree of the court hearing the cause may, upon giving bond as required by law, take an appeal, as is made and provided by law, where the case shall be heard upon the transcript of the record from the court in which the cause is heard.

~~Sec. 114-663. Procedures for designation of historic landmarks with the owner's consent.~~

- ~~(a) Any completed application for designation filed by the owner with the planning department, once reviewed by the planning manager or designee, shall be promptly referred to the commission. The commission shall hold a public hearing on the application not less than 30 days, or more than 60 days after the filing of the application to consider the approval of the historic designation. In determining whether to approve the designation the commission shall consider the criteria contained in section 114-665, and must find the application meets at least one of the criteria listed therein.~~
- ~~(b) A notice of the hearing shall be served as provided in section 114-659 by the planning manager or designee. The notice shall include the date, time, and place of the hearing and a brief summary of the proposed action.~~
- ~~(c) The planning manager or designee shall review the proposed designation with respect to its relationship to the land use plan; the effect of the designation on the surrounding neighborhood; and such other planning considerations as may be relevant to the proposed designation. The planning manager or designee shall provide written comments and recommendations regarding the proposed designation to the commission no less than seven days before the hearing.~~
- ~~(d) The hearing shall be conducted using the procedure set out in section 114-656.~~

(Ord. No. 5298, § I(114-713), 5-17-2005)

~~Sec. 114-664. Procedures for designation of historic landmarks without the owner's consent.~~

- ~~(a) Any completed application for designation is filed by one other than the owner with the planning department, once reviewed by the planning manager or designee, shall be promptly referred to the commission and if the owner or owners of the property nominated for designation does not consent to the designation the commission shall hold a public hearing on the application not less than 30 days, nor more than 60 days after the filing of the application to consider the approval of the historic designation, unless the commission grants a continuance in the matter. In determining whether to approve the designation the commission shall consider the criteria contained in section 114-665 and must find the application meets at least three of the criteria listed therein.~~
- ~~(b) A notice of the hearing shall be served as provided in section 114-659 by the planning manager or designee. The notice shall include the date, time, and place of the hearing and a brief summary of the proposed action.~~
- ~~(c) The planning manager or designee shall review the proposed designation with respect to its relationship to the land use plan; the effect of the designation on the surrounding neighborhood; and such other planning considerations as may be relevant to the proposed designation. The planning manager or designee shall provide written comments and recommendations regarding the proposed designation to the commission at the hearing.~~
- ~~(d) The hearing shall be conducted using the procedure set out in section 114-656.~~
- ~~(e) At least four of seven members of the commission must be present at the hearing in order to establish a quorum. In the event of vacancies on the commission, then two-thirds of commission members shall constitute a quorum. If a quorum is missing then the chairperson of the commission may set a new date for a special hearing or the matter may be heard on the next regularly scheduled meeting date of the commission.~~
- ~~(f) The decision of the commission shall be made by a majority roll call vote after the commission has heard all interested parties and relevant evidence. The board may continue the hearing from time to time as necessary to gather all relevant evidence to make its recommendation. The board shall consider the~~

~~conformance or lack of conformance of the proposed designation with the purposes, standards and criteria of this article. The commission board shall either approve or disapprove the proposed designation after considering the criteria set forth in section 114-665.~~

~~(Ord. No. 5298, § 1(114-714), 5-17-2005)~~

~~Sec. 114-665. Criteria for designation.~~

~~To be eligible for designation as an historic landmark a structure shall be located in an historic district, shall be at least 50 years old and possess architectural, social, or geographical/environmental importance by meeting one or more of the following:~~

- ~~(1) — Exemplifies specific elements of an architectural style or period;~~
- ~~(2) — Is an example of the work of an architect or builder who is recognized for expertise nationally, state-wide, regionally, or locally;~~
- ~~(3) — Demonstrates superior craftsmanship or high artistic value;~~
- ~~(4) — Represents an innovation in construction, materials or design;~~
- ~~(5) — Represents a style particularly associated with the historic district or the city;~~
- ~~(6) — Represents a pattern or grouping of elements representing at least one of the above criteria;~~
- ~~(7) — Has undergone significant historic remodel;~~
- ~~(8) — Is the site of historic event that had an effect upon society;~~
- ~~(9) — Exemplifies cultural, political, economic or social heritage of the community;~~
- ~~(10) — Represents an association with a notable person or the work of a notable person;~~
- ~~(11) — Represents a typical example/association with a particular ethnic group;~~
- ~~(12) — Represents a unique example of an event in the city's history;~~
- ~~(13) — Enhances sense of identity of the community;~~
- ~~(14) — Is an established and familiar natural setting or visual feature of the community;~~
- ~~(15) — Is listed on the National Register of Historic Places or is designated by the state historic preservation office as an historic designation or landmark.~~

~~(Ord. No. 5298, § 1(114-715), 5-17-2005)~~

~~Sec. 114-666. Appeal from decision of the commission.~~

- ~~(a) — The aggrieved party, against whom the decision of the commission is made, may have a review of the decision by petition for a common law writ of certiorari, addressed to either the city law court or chancery court. Such petition shall be filed within 60 days from the date the decision of the commission is made.~~
- ~~(b) — Immediately upon the grant of the common law writ of certiorari and service thereof, the commission shall cause to be made, certified, and forwarded to such court a complete transcript of the proceedings in the cause by the commission.~~
- ~~(c) — The action may be reviewed by the court in which the petition for certiorari is filed and shall be heard solely upon the transcript of the proceedings before the commission, and neither party shall be entitled to introduce new evidence in such court.~~

~~(d) Any party dissatisfied with the decree of the court hearing the cause may, upon giving bond as required by law, take an appeal, as is made and provided by law, where the case shall be heard upon the transcript of the record from the court in which the cause is heard.~~

~~(Ord. No. 5298, § I(114-716), 5-17-2005)~~

~~Sec. 114-667. Procedure for nomination of historic landmarks.~~

~~(a) The commission, board of mayor and aldermen or owners may nominate a property or structure for designation as an historic landmark.~~

~~(b) Upon inquiry for nomination, the planning manager or designee and at least one member of the commission shall contact the owner or owners of the property outlining the reasons and effects of designation as an historic property and, if possible, shall secure the consent of the owner or owners to such designation before the nomination is accepted as complete for review.~~

~~(c) If the property is found to have a potential for designation, an application shall be filed with the planning manager or designee on forms prescribed by the commission, and shall include the names of all owners of property included in the proposed designation, and shall be accompanied by all data required by the commission. The planning manager or designee shall transmit copies of the application to relevant city departments. The planning manager or designee shall in all cases notify, in writing, all owners of property included in the proposed designation, other than applicants, that the designation proceedings have been initiated.~~

~~(d) Each such nomination shall include a description of the characteristics of the proposed historic landmark which justify its designation, a description of the particular features that should be preserved, and shall include a legal description of the location and boundaries of the property.~~

~~(Ord. No. 5298, § I(114-717), 5-17-2005)~~

~~Sec. 114-668. Legal protection for nominated properties.~~

~~For a property which has been nominated but not yet designated as an historic landmark, permits to alter or remodel the exterior of the property or properties to build, relocate, or raze shall not be issued during the 90-day period following the date nomination is received by the planning manager or designee.~~

~~(Ord. No. 5298, § I(114-718), 5-17-2005)~~

~~Sec. 114-669. Resubmission for approval of designation as an historic landmark.~~

~~Whenever the commission denies the approval of a proposed designation, no person shall submit an application that is the same or substantially the same for at least one year from the effective date of the final action on the original proposal.~~

~~(Ord. No. 5298, § I(114-719), 5-17-2005)~~

Sec. 114-670. Rules.

The board of mayor and aldermen may make rules and regulations necessary for the administration and enforcement of this article.

(Ord. No. 5298, § I(114-720), 5-17-2005)

Sec. 114-671. Penalty and enforcement.

Any person violating any section of this article shall be guilty of an offense and upon conviction shall be penalized not less than \$1.00 and not more than \$50.00 for each offense. Each day a violation continues shall constitute a separate offense. The imposition of a penalty under this section shall be supplemental to any other action or penalty and shall not prevent the revocation of any permit or license, the taking of any remedial or injunctive action, or seeking any other legal or equitable relief or enforcement.

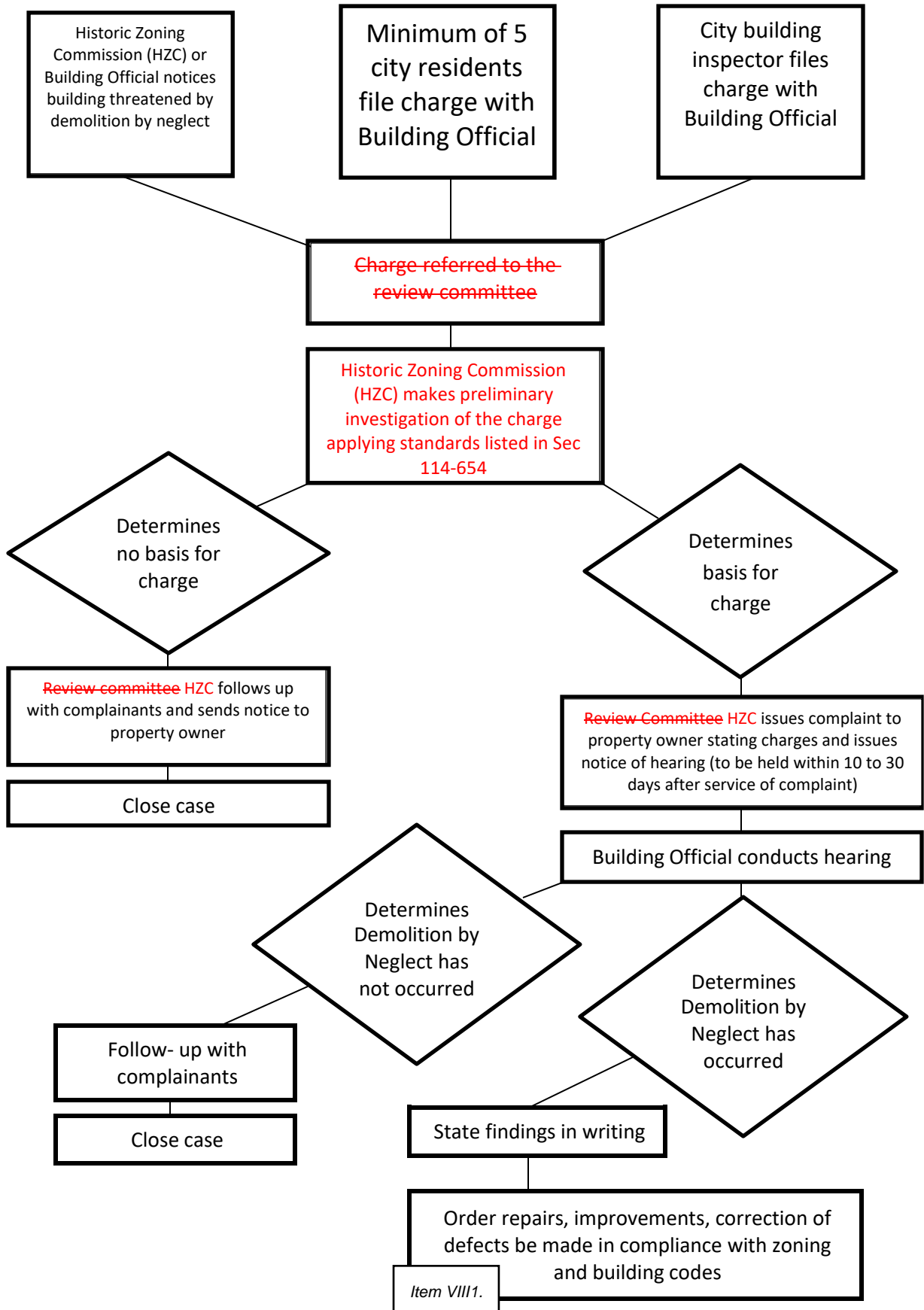
(Ord. No. 5298, § I(114-721), 5-17-2005)

Sec. 114-672. Powers conferred are supplemental.

Nothing in this article shall be construed to abrogate or impair the powers of the city with regard to the enforcement of the provisions of its Charter or any other ordinances or regulations, nor to prevent or punish violations thereof, and the powers conferred by this article shall be in addition and supplemental to the powers conferred by the Charter and other laws. Nothing contained within this article shall diminish the power of the city to declare a building unsafe or a violation of any building or housing code of the city.

(Ord. No. 5298, § I(114-722), 5-17-2005)

DEMOLITION BY NEGLECT PROCESS





AGENDA ACTION FORM

Consideration of an Ordinance to Abandon a Sewerline Easement Across Property on Riverbend Dr

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-48-2024

Work Session: March 18, 2024

First Reading: March 19, 2024

Final Adoption: April 2, 2024

Staff Work By: Alys Dobbins

Presentation By: Ryan McReynolds

Recommendation:

- Conduct Public Hearing
- Approve the ordinance.

Executive Summary:

Recently plans were submitted for a new subdivision off Riverbend Drive for 45 townhouses. The property contains a sewer line which was abandoned during a prior development. The developer plans to remove the abandoned sewer line to build townhomes and is requesting that the existing easement be abandoned.

A public hearing notice was ran in the Kingsport Times News on March 4, 2024. Planning Commission has reviewed and approved abandonment of this easement at their February 15, 2024 meeting.

Easements for utilities for the new development will be included on the development plat.

The developer has prepared a plat (attached) showing the easement to be abandoned.

Attachments:

1. Ordinance
2. Preliminary Plat
3. Property Description
4. Notice of Public Hearing

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

ORDINANCE NO. _____

AN ORDINANCE TO ABANDON A SECTION OF A SANITARY SEWER EASEMENT LOCATED OFF OF RIVERBEND DRIVE SITUATED IN THE CITY OF KINGSPORT, ELEVENTH CIVIL DISTRICT OF SULLIVAN COUNTY; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, City acquired an easement dedicated by plat for the installation, operation, and maintenance of a sanitary sewer located in the 11th Civil District of Sullivan County as more particularly described in a plat of record dated September 1, 2015, recorded at Plat Book 55 at Page 154 in the Office of the Sullivan County Register of Deeds; and

WHEREAS, after due investigation and careful consideration at a public meeting held on February 15th, 2024, the Kingsport Regional Planning Commission has determined that the public interest of the city is best served and warrants abandoning that portion of sanitary sewer easement described herein, nor can any future use of the same sanitary sewer easement purposes be reasonably anticipated; and

WHEREAS, as a result of its action at the meeting held on February 15th, 2024, the Kingsport Regional Planning Commission recommends to the Board of Mayor and Aldermen to abandon the sanitary sewer easement described herein; and

WHEREAS, a public hearing before the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, was held on the 19th day of March, 2024, and notice thereof published in the Kingsport Times-News on the 4th day of March, 2024.

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

SECTION I. The city hereby abandons that portion of the sanitary sewer easement located in the 11th Civil District of Sullivan County, Tennessee, dedicated to City by plat of record in Plat Book 55 at Page 154, and described as follows:

Sewer Line 1

Located in the 11th Civil District of Sullivan County, Tennessee and being more particularly described as follows:

To find the point of beginning, Commence on an iron rod found in the southeastern right of way line of Riverbend Drive, common corner of Lot 1 and Lot 7, "Property of First Southeast Development, LLC." (Plat Book P58, Page 271); thence with said right of way line S 43°40'06" W 130.73' to a point, the Point of Beginning; thence five calls through said Lot 7, (1) S 57°41'08" E 22.47' to a point on a now or formerly existing manhole, (2) S 21°26'26" W 145.16' to a point on a manhole, (3) S 59°50'48" W 66.65' to a point on a manhole, (4) S 44°10'59" W 112.08' to a point on a now or formerly existing manhole, (5) S 39°55'54" W, crossing a manhole at 88.67', a total distance of 96.17' to the Ending Point, said ending point bears S 43°40'06" W 585.19' and then S 85°50'02" E 82.47' from the point of commencement. The bearings herein are referenced to Tennessee State Plane Grid North (NAD83(2011)).

Sewer Line 2

Located in the 11th Civil District of Sullivan County, Tennessee and being more particularly described as follows:

To find the point of beginning, Commence on an iron rod found in the southeastern right of way line of Riverbend Drive, common corner of Lot 1 and Lot 7, "Property of First Southeast Development, LLC." (Plat Book P58, Page 271); thence with said right of way line S 43°40'06" W 130.73' to a point; thence through said Lot 7, S 57°41'08" E 22.47' to a point on a now or formerly existing manhole, the Point of Beginning; thence through said Lot 7, S 79°23'06" E 172.13' to a point in the common line of said Lots 1 and 7, the Ending Point, said ending point bears S 35°17'49" E 169.43' along said common line from the point of commencement. The bearings herein are referenced to Tennessee State Plane Grid North (NAD83(2011)).

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

PATRICK W. SHULL, Mayor

ATTEST:

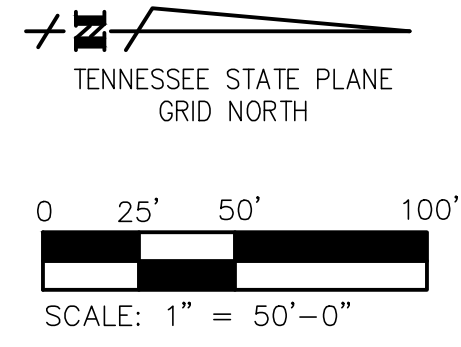
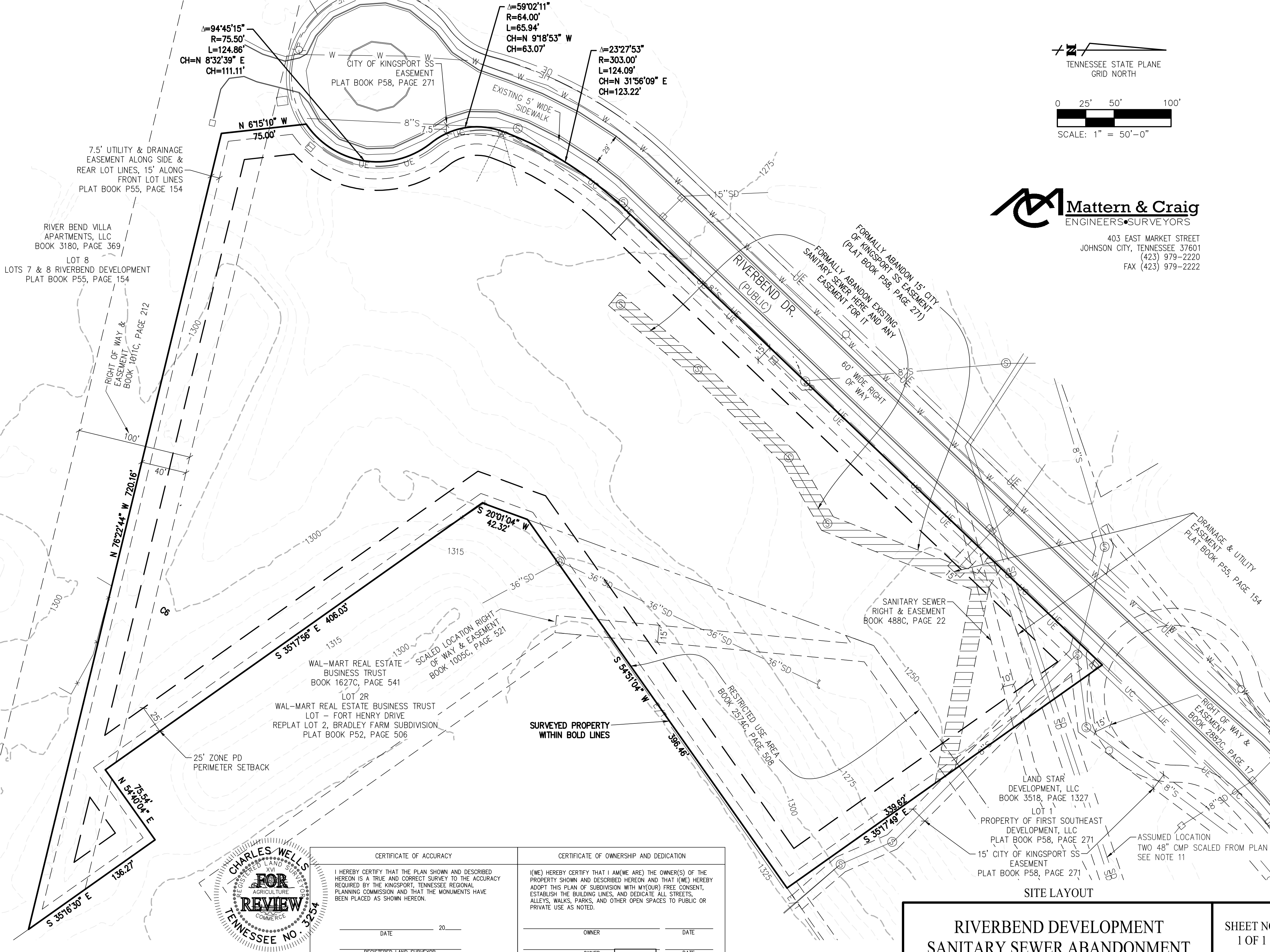
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

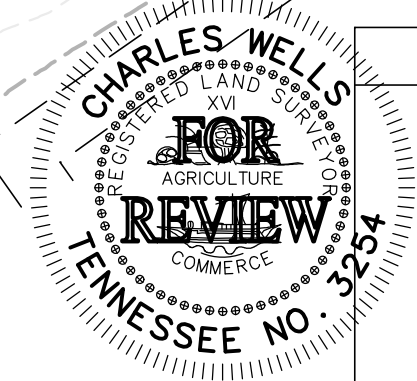
RODNEY B. ROWLETT, III, City Attorney

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

G:\4391 - Riverbend Townhomes\03 Design\05-CAD\Xref\4391-Prelim_Plat_2024_SS.dwg 2/7/24



Mattern & Craig
ENGINEERS•SURVEYORS
403 EAST MARKET STREET
JOHNSON CITY, TENNESSEE 37601
(423) 979-2220
FAX (423) 979-2222



| CERTIFICATE OF ACCURACY | CERTIFICATE OF OWNERSHIP AND DEDICATION |
|---|---|
| I HEREBY CERTIFY THAT THE PLAN SHOWN AND DESCRIBED HEREON IS A TRUE AND CORRECT SURVEY TO THE ACCURACY REQUIRED BY THE KINGSPORT, TENNESSEE REGIONAL PLANNING COMMISSION AND THAT THE MONUMENTS HAVE BEEN PLACED AS SHOWN HEREON. | (I/WE) HEREBY CERTIFY THAT I AM (WE ARE) THE OWNER(S) OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I (WE) HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH MY (OUR) FREE CONSENT, ESTABLISH THE BUILDING LINES, AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS, AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED. |
| DATE _____ 20____ | OWNER _____ DATE _____ |
| REGISTERED LAND SURVEYOR | OWNER _____ DATE _____ |

Item VIII.2.

**RIVERBEND DEVELOPMENT
SANITARY SEWER ABANDONMENT**

**SHEET NO.
1 OF 1**

Sewer Line 1

Located in the 11th Civil District of Sullivan County, Tennessee and being more particularly described as follows:

To find the point of beginning, **Commence** on an iron rod found in the southeastern right of way line of Riverbend Drive, common corner of Lot 1 and Lot 7, "Property of First Southeast Development, LLC." (Plat Book P58, Page 271); thence with said right of way line S 43°40'06" W 130.73' to a point, the **Point of Beginning**; thence five calls through said Lot 7, (1) S 57°41'08" E 22.47' to a point on a now or formerly existing manhole, (2) S 21°26'26" W 145.16' to a point on a manhole, (3) S 59°50'48" W 66.65' to a point on a manhole, (4) S 44°10'59" W 112.08' to a point on a now or formerly existing manhole, (5) S 39°55'54" W, crossing a manhole at 88.67', a total distance of 96.17' to the **Ending Point**, said ending point bears S 43°40'06" W 585.19' and then S 85°50'02" E 82.47' from the point of commencement. The bearings herein are referenced to Tennessee State Plane Grid North (NAD83(2011)).

Sewer Line 2

Located in the 11th Civil District of Sullivan County, Tennessee and being more particularly described as follows:

To find the point of beginning, **Commence** on an iron rod found in the southeastern right of way line of Riverbend Drive, common corner of Lot 1 and Lot 7, "Property of First Southeast Development, LLC." (Plat Book P58, Page 271); thence with said right of way line S 43°40'06" W 130.73' to a point; thence through said Lot 7, S 57°41'08" E 22.47' to a point on a now or formerly existing manhole, the **Point of Beginning**; thence through said Lot 7, S 79°23'06" E 172.13' to a point in the common line of said Lots 1 and 7, the **Ending Point**, said ending point bears S 35°17'49" E 169.43' along said common line from the point of commencement. The bearings herein are referenced to Tennessee State Plane Grid North (NAD83(2011)).

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on Tuesday, March 19, 2024, to consider the sewer line easement abandonment located off Riverbend Drive. The regular business meeting will begin at 7:00 p.m. in the Montgomery-Watterson Board Room located on the third floor of City Hall, at 415 Broad Street, Kingsport, Tennessee.

The utility easement proposed for abandonment is generally described as follows:

Sewer Line 1

Located in the 11th Civil District of Sullivan County, Tennessee and being more particularly described as follows:

To find the point of beginning, Commence on an iron rod found in the southeastern right of way line of Riverbend Drive, common corner of Lot 1 and Lot 7, "Property of First Southeast Development, LLC." (Plat Book P58, Page 271); thence with said right of way line S 43°40'06" W 130.73' to a point, the Point of Beginning; thence five calls through said Lot 7, (1) S 57°41'08" E 22.47' to a point on a now or formerly existing manhole, (2) S 21°26'26" W 145.16' to a point on a manhole, (3) S 59°50'48" W 66.65' to a point on a manhole, (4) S 44°10'59" W 112.08' to a point on a now or formerly existing manhole, (5) S 39°55'54" W, crossing a manhole at 88.67', a total distance of 96.17' to the Ending Point, said ending point bears S 43°40'06" W 585.19' and then S 85°50'02" E 82.47' from the point of commencement. The bearings herein are referenced to Tennessee State Plane Grid North (NAD83(2011)).

Sewer Line 2

Located in the 11th Civil District of Sullivan County, Tennessee and being more particularly described as follows:

To find the point of beginning, Commence on an iron rod found in the southeastern right of way line of Riverbend Drive, common corner of Lot 1 and Lot 7, "Property of First Southeast Development, LLC." (Plat Book P58, Page 271); thence with said right of way line S 43°40'06" W 130.73' to a point; thence through said Lot 7, S 57°41'08" E 22.47' to a point on a now or formerly existing manhole, the Point of Beginning; thence through said Lot 7, S 79°23'06" E 172.13' to a point in the common line of said Lots 1 and 7, the Ending Point, said ending point bears S 35°17'49" E 169.43' along said common line from the point of commencement. The bearings herein are referenced to Tennessee State Plane Grid North (NAD83(2011)).

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
P1T: 3/4/24



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-85-2024
Work Session: March 18, 2024
First Reading: March 19, 2024

Final Adoption: April 2, 2024
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 seven at their meeting on March 12, 2024. This amendment increases the budget for the General Purpose School Fund by \$1,096,022. Two donations have been received, that total \$420,000 and a Fund Balance appropriation of \$676,022 is being recommended. These funds will be transferred to the General Project Fund. A John Adams Playground expansion project will be established for \$120,000. These funds have been donated by the John Adams PTO. A donation received from Mr. and Mrs. Andy Eidson for \$300,000 will be added to the D-B Dome Renovation project. These funds will fund additional LED lighting. A transfer from the General Purpose School Fund, Fund Balance of \$676,022 and an appropriation of \$47,012 in interest earnings will fund the school's portion of the Tribe Athletic Complex roof replacement.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Seven – FY 2024

| | 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 Other Local Revenue by \$420,000 and the estimated revenue for Fund Balance Appropriations by 650,541 and by increasing the appropriations for the Fund Transfers by 1,070,541. The General Project Fund Budget will be amended by increasing the estimated revenues and appropriations for the Sullivan North Renovation project by \$697,553: by increasing the estimated revenues and appropriations for the D-B Dome Renovation project by \$300,000; and establishing a project for the Adams Playground Expansion by increasing the estimated revenue and appropriations by \$120,000.

Fund 141: General Purpose School Fund

| | | | |
|---|------------------|------------------|------------------|
| <u>Revenues:</u> | \$ | \$ | \$ |
| 141-0000-369-4990 Other Local Revenue | 1,023,713 | 420,000 | 1,443,713 |
| 141-0000-392-0100 Fund Balance Appropriations | 3,099,766 | 676,022 | 3,775,788 |
| <i>Totals</i> | 4,123,479 | 1,096,022 | 5,219,501 |
| <hr/> | | | |
| <u>Expenditures:</u> | \$ | \$ | \$ |
| 141-7950-881-0590 Fund Transfers | 4,211,317 | 1,096,022 | 5,307,339 |
| <i>Totals</i> | 4,211,317 | 1,096,022 | 5,307,339 |

Fund 311: General Project Fund

Sullivan North Renovation Project (GP1733)

| | | | |
|--|------------------|----------------|------------------|
| <u>Revenues:</u> | \$ | \$ | \$ |
| 311-0000-361-1050 School Bond Interest | 777,587 | 47,012 | 824,599 |
| 311-0000-368-9900 Miscellaneous Revenue | 1,658,940 | 0 | 1,658,940 |
| 311-0000-391-2100 Transfer from School Fund | 3,114,758 | 676,022 | 3,790,780 |
| 311-0000-391-2150 Sullivan Co School Bonds | 2,365,050 | 0 | 2,365,050 |
| <i>Total:</i> | 7,916,335 | 723,034 | 8,639,369 |
| <hr/> | | | |
| <u>Expenditures:</u> | \$ | \$ | \$ |
| 311-0000-601-2022 Construction Contracts | 4,813,693 | 723,034 | 5,536,727 |
| 311-0000-601-2023 Architect/Engineering Serv | 1,050,000 | 0 | 1,050,000 |
| 311-0000-601-9003 Improvements | 2,052,642 | 0 | 2,052,642 |
| <i>Total:</i> | 7,916,335 | 723,034 | 8,639,369 |

D-B Dome Renovation Project (GP2401)**Revenues:**

| | \$ | \$ | \$ |
|---|-------------------|----------------|-------------------|
| 311-0000-368-1069 GO Bonds Series 2021 | 2,364,250 | 0 | 2,364,250 |
| 311-0000-368-1072 GO Bonds Series 2023 | 20,679,857 | 0 | 20,679,857 |
| 311-0000-368-2101 Premium From Bond Sale | 537,422 | 0 | 537,422 |
| 311-0000-391-2100 Transfer from School Fund | 0 | 300,000 | 300,000 |
| Total: | 23,581,529 | 300,000 | 23,881,529 |

Expenditures:

| | \$ | \$ | \$ |
|--|-------------------|----------------|-------------------|
| 311-0000-601-2022 Construction Contracts | 21,370,535 | 741,000 | 22,111,535 |
| 311-0000-601-2023 Architect/Engineering Serv | 1,993,715 | (441,000) | 1,552,715 |
| 311-0000-601-4041 Bond Sale Expense | 217,279 | 0 | 217,279 |
| Total: | 23,581,529 | 300,000 | 23,881,529 |

Adams Playground Expansion Project (GP2400)**Revenues:**

| | \$ | \$ | \$ |
|---|----------|----------------|----------------|
| 311-0000-391-2100 Transfer from School Fund | 0 | 120,000 | 120,000 |
| Total: | 0 | 120,000 | 120,000 |

Expenditures:

| | \$ | \$ | \$ |
|--|----------|----------------|----------------|
| 311-0000-601-2022 Construction Contracts | 0 | 12,000 | 12,000 |
| 311-0000-601-2023 Architect/Engineering Serv | 0 | 108,000 | 108,000 |
| Total: | 0 | 120,000 | 120,000 |

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

PAT W. SHULL, Mayor

ATTEST:

ANGELA MARSHAL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

March 12, 2024

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2023-2024
BUDGET AMENDMENT NUMBER SEVEN

GENERAL PURPOSE SCHOOL FUNDS

ITEM ONE: JOHN ADAMS PTO DONATION

Kingsport City Schools has received a donation from the John Adams PTO. This donation is to continue work on the playground expansion. Previously work was completed for grading, fencing and additional mulch. This donation of \$120,000 will fund additional equipment and associated architect fees. Since this work will not be completed by June 30, 2024, these funds will be transferred to a capital project account.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for Fund Transfers be increased by \$120,000.

ITEM TWO: ANDY AND AMANDA EIDSON DONATION

Mr. and Mrs. Eidson have made a donation to Kingsport City Schools for \$300,000. This donation will fund the addition of alternate number 3 for the Dobyns-Bennett Dome Renovation project. Alternate number 3 is for additional LED ceiling lighting. The bid amount for alternate number 3 is \$272,000 and will require an increase in the 4% contingency of \$10,880. The remaining \$17,120 will be used to assist in funding an additional lighting feature that is estimated to cost \$40,000. There are funds in the project to fund the balance of this addition.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for Fund Transfers be increased by \$300,000.

ITEM THREE: FUND BALANCE APPROPRIATION

Bids have been received and a recommendation is being made to replace the roof at the Tribe Athletic Complex. The total cost of this project will be \$1,116,274. There are actually 3 roof sections that are being recommended for replacement. There is the Roof over the main gym, lobby and restrooms, the roof over the old vocational building, that is being occupied by TCAT, and a section of roof that joins the other 2 sections. The City of Kingsport as agreed to provide \$275,000 in funding for this project. The funding that will be required from Kingsport City Schools is \$841,274. There is currently a balance of \$165,252 in the Sullivan North Renovation project. So an additional \$676,022 will be required to fund this roof replacement project. It is recommended that these additional funds be appropriated from the General Purpose School Fund, Unreserved Fund Balance.

At June 30, 2023, the balance of the Unreserved Fund Balance was \$11,923,829. There was \$910,000 appropriated in the FY 2024 budget, an additional \$459,871 was appropriated for open FY 2023 purchase orders, and \$1,729,895 has been appropriated for the Johnson and Lincoln HVAC replacement projects. This leaves a balance of \$8,824,063 in the Unreserved Fund Balance

account. With the appropriation \$676,022 for this roof replacement project the remaining Unreserved Fund Balance will be \$8,148,041. This represents 8.20% of the original FY 2024 General Purpose School Fund operating budget.

It is recommended that the estimated revenue for Fund Balance Appropriations and the appropriation for Fund Transfers be increased by \$676,022.

GENERAL PROJECT FUND

JOHN ADAMS PLAYGROUND EXPANSION PROJECT

A new project will be established for the expansion of the John Adams Elementary School playground. A transfer from the General Purpose School Fund will fund the project for \$120,000. The original source of the funds was from a donation from the John Adams PTO.

It is recommended that the estimated revenue for Transfer from the General Purpose School Fund and the appropriations for Construction Contracts and Architect Fees be established in the amount of \$120,000.

DOBYNS-BENNETT DOME RENOVATION PROJECT

The Dobyns-Bennett Dome Renovation project currently has total funding in the amount of \$23,581,529. There has been a donation received in the amount of \$300,000 that will fund the addition of Alternate number 3. Alternate number 3 is for additional LED ceiling lighting. This addition will bring the total project funding to \$23,881,529.

It is recommended that the estimated revenue for Transfers from the General Purpose School Fund and the appropriations for Construction Contracts be increased by \$300,000.

SULLIVAN NORTH RENOVATION PROJECT

The Sullivan North Renovation project currently has available funding of \$165,252. Part of the available balance is from \$47,012 in interest earnings that have not been appropriated. The roof replacement for the Tribe Athletic Complex, the old vocational building and the section of roof between the two buildings is being recommended for replacement. The total cost of the project is \$1,116,274. The City of Kingsport will provide \$275,000 of funding for this project. The balance of \$841,274 will be funded by \$165,252 that is currently remaining in the project account and by \$676,022 that will be transferred from the General Purpose School Fund.

It is recommended that the estimated revenue for Transfers from the General Purpose School Fund be increased by \$676,022 and the estimated revenue for Interest Earnings be increased by \$47,012 and the appropriations for Construction Contracts and Architect Fees be increased by \$723,034.



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-73-2024

Work Session: March 18, 2024

First Reading: March 19, 2024

Final Adoption: April 2, 2024

Staff Work By: John Morris

Presentation By: Chris McCartt

Recommendation:

Approve the Budget Ordinance.

Executive Summary:

- The General Fund is being amended by increasing the Industrial Property Tax line by \$120,000, the Tangible Commercial Property Tax line by \$180,530, the Local Court Costs by \$120,000, the Earnings on Investments line by \$200,000, and the Engineering Fees line by \$340,000 for a total of \$960,530 to be allocated to Petworks in the amount of \$75,000, the KEDB Façade Program in the amount of \$35,000, the IT Computer Repairs/Maintenance line the amount of \$175,000, the To State Street Aid Fund line in the amount of \$530, the General Proj-Special Revenue line in the amount of \$200,000 for a Chiller at Civic Auditorium, to the Miscellaneous line in the amount of \$200,000 and to the General Project Fund line in the amount of \$275,000 for TCAT/Tribe Roof Repairs, and by transferring \$139,470 from To Urban Mass Transit line to the To State Street Aid Fund for the purchase of Salt.
- The General Project-Special Revenue Fund is being amended by adding \$200,000 to the Facilities Improvements project (NC2221) for the purchase of a chiller at Civic Auditorium.
- The State Street Aid Fund is being amended by adding \$140,000 for Salt replacement.
- The Metropolitan Planning Organization Fund is being amended by accepting \$1,099 in additional funding from FHWA/VA to the MPO Administration project (MPO024)
- The Visitors Enhancement Fund is being amended by transferring \$120,000 the Aquatic Center Fund for use in the KAC Miscellaneous project (AQ2403).
- The General Project Fund is being amended by appropriating \$275,000 to the Sullivan North Renovation project (GP1733) for TCAT/Tribe Roof Repairs.
- The Water Project Fund is being amended by transferring \$30,000 from the Horse Creek Area Upgrades project (WA2404) to Main Street Waterline Replacement project (WA1901).
- The Sewer Project Fund is being amended by transferring \$39,646 from the Reedy Creek Trunkline Phase II project (SW2205) to the Main Street Sewer Replacement project (SW1901), transferring \$37,547 from the System Improvements SLS project (SW2005), \$80,525 from the WWTP Electric Upgrades project (SW2206), and \$10,000 from the Equipment Purchases project (SW2302) for a total of \$128,072 to the Pump Station Improvements project (SW2400), by transferring \$90,000 from the Equipment Purchases project (SW2302) to the SW Vector Truck Dewater project (SW2307), and by transferring \$1,500,000 from the Watauga St Sewer Improvements project (SW2406) to the Reedy Creek Sullivan to Clinchfield project (SW2410) in the amount of \$1,000,000 and to the WWTP Headworks Imp project (SW2411) in the amount of \$500,000. Close SW2302.
- The Aquatic Center Fund is being amended by increasing the From Visitors Enhancement line and the To Aquatics Project Fund line by \$120,000.
- The Aquatic Center Project Fund is being amended by appropriating \$120,000 from the Aquatic Center Fund to the KAC Miscellaneous project (AQ2403).

Attachments:

1. Budget Ordinance

Item IX2.

| | 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 Fund be amended by increasing the Industrial line (110-0000-311.10-15) by \$120,000, the Tangible Commercial line (110-0000-311.20-10) by \$180,530, the Local Court Costs line (110-0000-351.31-00) by \$120,000, the Earnings on Investments line (110-0000-361.10-00) by \$200,000, and the Engineering Fees line (110-0000-348.80-00) by \$340,000 for a total of \$960,530 to be allocated to the SBK Animal Control line (110-1005-405.80-51) in the amount of \$75,000, to the KEDB Façade Program line (110-1005-405.80-78) in the amount of \$35,000, the Computer Repairs/Maintenance line (110-1013-404.20-56) in the amount of \$175,000, the To State Street Aid Fund line (110-4804-481.70-23) in the amount of \$530, to the General Proj-Special Revenue line (110-4804-481.70-35) in the amount of \$200,000, to the Miscellaneous line (110-4810-481.20-99) in the amount of \$200,000 and to the General Project Fund line (110-4804-48170-36) in the amount of \$275,000, and by transferring \$139,470 from To Urban Mass Transit line (110-4804-481.70-13) to the To State Street Aid Fund line (110-4804-481.70-23).

SECTION II. That the General Project-Special Revenue Fund be amended by appropriating \$200,000 from the General Fund to the Facilities Improvements project (NC2221).

SECTION III. That the State Street Aid Fund be amended by increasing the From General Fund line (121-0000-391.01-00) by \$140,000 and the Snow Removal Supplies line (121-4024-461.30-38) by \$140,000.

SECTION IV. That the Metropolitan Planning Organization Fund be amended by increasing the FHWA/VA FHWA 100% line (122-0000-337.52-10) by \$1,099 and the Operating Supplies & Tool line (122-0000-609.30-20) by \$1,099 in the MPO Administration project (MPO024).

SECTION V. That the Visitors Enhancement Fund be amended by transferring \$120,000 from the Improvements line (135-105-405.90-03) to the Aquatic Center Fund line (135-4804-481.70-39) in the amount of \$120,000.

SECTION VI. That the General Project Fund be amended by appropriating \$275,000 from the General Fund to the Sullivan North Renovation project (GP1733).

SECTION VII. That the Water Project Fund be amended by transferring \$30,000 from the Horse Creek Area Upgrades project (WA2404) to Main Street Waterline Replacement project (WA1901).

SECTION VIII. That the Sewer Project Fund be amended by transferring \$39,646 from the Reedy Creek Trunkline Phase II project (SW2205) to the Main Street Sewer Replacement project (SW1901), transferring \$37,547 from the System Improvements SLS project (SW2005), \$80,525 from the WWTP Electric Upgrades project (SW2206), and \$10,000 from the Equipment Purchases project (SW2302) for a total of \$128,072 to the Pump Station Improvements project (SW2400), by transferring \$90,000 from the Equipment Purchases project (SW2302) to the SW

Vactor Truck Dewater project (SW2307), and by transferring \$1,500,000 from the Watauga St Sewer Improvements project (SW2406) to the Reedy Creek Sullivan to Clinchfield project (SW2410) in the amount of \$1,000,000 and to the WWTP Headworks Imp project (SW2411) in the amount of \$500,000. Close SW2302.

SECTION IX. That the Aquatic Center Fund be amended by increasing the From Visitors Enhancement line (419-0000-391.69-00) and the To Aquatics Project Fund line (419-6996-686.70-09) by \$120,000.

SECTION X. That the Aquatic Center Project Fund be amended by appropriating \$120,000 from the Aquatic Center Fund to the KAC Miscellaneous project (AQ2403).

Account Number/Description:

General Fund: 110

Revenues:

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|--|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 110-0000-311.10-15 Industrial | 2,343,600 | 120,000 | 2,463,600 |
| 110-0000-311.20-10 Tangible Commercial | 6,337,050 | 180,530 | 6,517,580 |
| 110-0000-348.80-00 Engineering Fees | 300,000 | 340,000 | 640,000 |
| 110-0000-351.31-00 Local Court Costs | 200,000 | 120,000 | 320,000 |
| 110-0000-361.10-00 Earnings on Investments | 800,000 | 200,000 | 1,000,000 |
| Total: | 9,980,650 | 960,530 | 10,941,180 |

Expenditures:

| | \$ | \$ | \$ |
|---|------------------|----------------|------------------|
| 110-1005-405.80-51 SBK Animal Control | 350,000 | 75,000 | 425,000 |
| 110-1005-405.80-78 KEDB Façade Program | 100,000 | 35,000 | 135,000 |
| 110-1013-404.20-57 Computer Repairs/Mainten | 1,012,809 | 175,000 | 1,187,809 |
| 110-4804-481.70-13 To UMTA Fund | 380,000 | (139,470) | 240,530 |
| 110-4804-481.70-23 To State Street Aid Fund | 1,026,200 | 140,000 | 1,166,200 |
| 110-4804-481.70-35 To Gen Proj-Special Rev | 970,645 | 200,000 | 1,170,645 |
| 110-4804-481.70-36 General Project Fund | 388,568 | 275,000 | 663,568 |
| 110-4810-481.20-99 Miscellaneous | 0 | 200,000 | 200,000 |
| Total: | 4,228,222 | 960,530 | 5,188,752 |

General Projects-Special Revenue Fund: 111

Account Number/Description:

Facilities Improvements (NC2221)

Revenues:

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|--------------------------------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 111-0000-391.01-00 From General Fund | 734,288 | 200,000 | 934,288 |
| Total: | 734,288 | 200,000 | 934,288 |

Expenditures:

| | \$ | \$ | \$ |
|---------------------------------|----------------|----------------|----------------|
| 111-0000-601.90-03 Improvements | 734,288 | 200,000 | 934,288 |
| Total: | 734,288 | 200,000 | 934,288 |

State Street Aid Fund: 121**Account Number/Description:****Revenues:**

121-0000-391.01-00 From General Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 1,026,200 | 140,000 | 1,166,200 |
| Total: | 1,026,200 | 140,000 | 1,166,200 |

Expenditures:

121-4024-461.30-38 Snow Removal Supplies

| | | | |
|---------------|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| | 210,083 | 140,000 | 350,083 |
| Total: | 210,083 | 140,000 | 350,083 |

Account Number/Description:**General Fund: 122****MPO Administration (MPO024)****Revenues:**

122-0000-332.90-95 CPG 5% State Funding

122-0000-337.52-10 FHWA/TN FHWA 80%

122-0000-337.52-25 FHWA/VA FHWA 100%

122-0000-391.01-00 From General Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 14,108 | 0 | 14,108 |
| | 225,736 | 0 | 225,736 |
| | 23,124 | 1,099 | 24,223 |
| | 57,793 | 0 | 57,793 |
| Total: | 320,761 | 1,099 | 321,860 |

Expenditures:

122-0000-609.30-20 Operating Supplies & Tools

| | | | |
|---------------|---------------|--------------|---------------|
| | \$ | \$ | \$ |
| | 15,259 | 1,099 | 16,358 |
| Total: | 15,259 | 1,099 | 16,358 |

Visitors Enhancement Fund: 135**Expenditures:**

135-1015-405.90-03 Improvements

135-4804-481.70-39 Aquatic Center Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 274,809 | (120,000) | 154,809 |
| | 53,241 | 120,000 | 173,241 |
| Total: | 328,050 | 0 | 328,050 |

Account Number/Description:**General Project Fund: 311****Sullivan North Renovation Project (GP1733)****Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|--|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 311-0000-361.10-50 School Bond Interest | 777,587 | 0 | 777,587 |
| 311-0000-368.99-00 Miscellaneous | 1,658,940 | 0 | 1,658,940 |
| 311-0000-391.21-00 Transfer from School Fund | 3,114,758 | 0 | 3,114,758 |
| 311-0000-391.21-50 Sullivan Co School Bonds | 2,365,050 | 0 | 2,365,050 |
| 311-0000-391.01-00 From General Fund | 0 | 275,000 | 275,000 |
| Total: | 7,916,335 | 275,000 | 8,191,335 |

Expenditures:

| | | | |
|---|------------------|----------------|------------------|
| | \$ | \$ | \$ |
| 311-0000-601.20-22 Construction Contracts | 4,813,693 | 275,000 | 5,088,693 |
| 311-0000-601.20-23 Arch/Eng/ Landscaping Serv | 1,050,000 | 0 | 1,050,000 |
| 311-0000-601.90-03 Improvements | 2,052,642 | 0 | 2,052,642 |
| Total: | 7,916,335 | 275,000 | 8,191,335 |

Account Number/Description:**Water Project Fund: 451****Horse Creek Area Upgrades (WA2404)****Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 451-0000-332.90-00 Department of Transportation | 42,900 | 0 | 42,900 |
| 451-0000-391.05-72 Series 2023 GO Imp Bonds | 465,000 | (30,000) | 435,000 |
| Total: | 507,900 | (30,000) | 477,900 |

Expenditures:

| | | | |
|--|----------------|-----------------|----------------|
| | \$ | \$ | \$ |
| 451-0000-605.20-23 Arch/Eng/Landscaping Serv | 85,800 | (30,000) | 55,800 |
| 451-0000-605.90-03 Improvements | 422,100 | 0 | 422,100 |
| Total: | 507,900 | (30,000) | 477,900 |

Main St Waterline Replacement (WA1901)**Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 451-0000-391.05-47 Series 2017 B GO Bonds | 17,829 | 0 | 17,829 |
| 451-0000-391.05-48 GO Bonds Series 2018 B | 1,149,252 | 0 | 1,149,252 |
| 451-0000-391.05-56 Series 2019 GO Improve | 129,482 | 0 | 129,482 |
| 451-0000-391.05-69 GO Bonds Series 2021 | 5,044 | 0 | 5,044 |
| 451-0000-391.05-72 GO Bonds Series 2023 | 35,000 | 30,000 | 65,000 |
| 451-0000-391.45-00 From Water Fund | 458,786 | 0 | 458,786 |
| Total: | 1,795,393 | 30,000 | 1,825,393 |

Expenditures:

| | | | |
|--|------------------|---------------|------------------|
| | \$ | \$ | \$ |
| 451-0000-605.20-20 Professional/Consultant | 35,000 | 0 | 35,000 |
| 451-0000-605.20-23 Arch/Eng/Landscaping Serv | 0 | 30,000 | 30,000 |
| 451-0000-605.90-01 Land | 2,000 | 0 | 2,000 |
| 451-0000-605.90-03 Improvements | 1,758,393 | 0 | 1,758,393 |
| Total: | 1,795,393 | 30,000 | 1,825,393 |

Account Number/Description:**Sewer Project Fund: 452****Reedy Creek Trunk Line (SW2205)****Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 452-0000-391.05-56 Series 2019 GO Improvement | 32,401 | 0 | 32,401 |
| 452-0000-391.05-69 GO Bonds Series 2021 | 1,000,000 | (39,646) | 960,354 |
| 452-0000-391.42-00 From Sewer Fund | 6,245 | 0 | 6,245 |
| Total: | 1,038,646 | (39,646) | 999,000 |

Expenditures:

| | | | |
|--|------------------|-----------------|----------------|
| | \$ | \$ | \$ |
| 452-0000-601.20-23 Arch/Eng/Landscaping Serv | 1,038,646 | (39,646) | 999,000 |
| Total: | 1,038,646 | (39,646) | 999,000 |

Main St Sewer Line Replacement (SW1901)**Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 452-0000-391.05-47 Series 2017 B GO Bonds | 404,608 | 0 | 404,608 |
| 452-0000-391.05-48 GO Bonds Series 2018 B | 400,551 | 0 | 400,551 |
| 452-0000-391.05-56 Series 2019 GO Improvement | 7,183 | 0 | 7,183 |
| 452-0000-391.05-69 GO Bonds Series 2021 | 378,483 | 39,646 | 418,129 |
| 452-0000-391.42-00 From Sewer Fund | 34,726 | 0 | 34,726 |
| Total: | 1,225,551 | 39,646 | 1,265,197 |

Expenditures:

| | | | |
|---|------------------|---------------|------------------|
| | \$ | \$ | \$ |
| 452-0000-606.20-23 Arch/Eng/Landscaping | 60,711 | 39,646 | 100,357 |
| 452-0000-601.90-03 Improvements | 1,164,840 | 0 | 1,164,840 |
| Total: | 1,225,551 | 39,646 | 1,265,197 |

System Improvements SLS (SW2005)**Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 452-0000-391.05-40 2015 A (OCT) GP PUB IMP | 310,429 | 0 | 310,429 |
| 452-0000-391.05-45 Series 2016 GO (Nov 4) | 23,812 | 0 | 23,812 |
| 452-0000-391.05-47 Series 2017 B GO Bonds | 706,000 | 0 | 706,000 |
| 452-0000-391.05-56 Series 2019 GO Improvement | 484,400 | (37,547) | 446,853 |
| 452-0000-391.05-69 GO Bonds Series 2021 | 95,000 | 0 | 95,000 |
| 452-0000-391.42-00 From Sewer Fund | 102,000 | 0 | 102,000 |
| Total: | 1,721,641 | (37,547) | 1,684,094 |

Expenditures:

| | | | |
|--|------------------|-----------------|------------------|
| | \$ | \$ | \$ |
| 452-0000-606.20-22 Construction Contracts | 1,383,300 | (34,584) | 1,348,716 |
| 452-0000-606.20-23 Arch/Eng/Landscaping Serv | 258,695 | (1,463) | 257,232 |
| 452-0000-606.90-01 Land | 2,686 | 0 | 2,686 |
| 452-0000-606.90-03 Improvements | 76,960 | (1,500) | 75,460 |
| Total: | 1,721,641 | (37,547) | 1,684,094 |

WWTP Electric Upg (SW2206)**Revenues:**

452-0000-391.05-69 GO Bonds Series 2021

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 600,000 | (80,525) | 519,475 |
| Total: | 600,000 | (80,525) | 519,475 |

Expenditures:

452-0000-601.20-23 Arch/Eng/Landscaping Serv

| | | | |
|---------------|----------------|-----------------|----------------|
| | \$ | \$ | \$ |
| | 600,000 | (80,525) | 519,475 |
| Total: | 600,000 | (80,525) | 519,475 |

Equipment Purchases (SW2302)**Revenues:**

452-0000-391.42-00 From Sewer Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 100,000 | (100,000) | 0 |
| Total: | 100,000 | (100,000) | 0 |

Expenditures:

452-0000-606.90-04 Equipment

| | | | |
|---------------|----------------|------------------|----------|
| | \$ | \$ | \$ |
| | 100,000 | (100,000) | 0 |
| Total: | 100,000 | (100,000) | 0 |

Pump Station Improvements (SW2400)**Revenues:**

452-0000-391.05-56 Series 2019 GO Improvement

452-0000-391.05-69 GO Bonds Series 2021

452-0000-391.42-00 From Sewer Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 0 | 37,547 | 37,547 |
| | 0 | 80,525 | 80,525 |
| | 325,000 | 10,000 | 335,000 |
| Total: | 325,000 | 128,072 | 453,072 |

Expenditures:

452-0000-606.90-19 Pump Stations

| | | | |
|---------------|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| | 325,000 | 128,072 | 453,072 |
| Total: | 325,000 | 128,072 | 453,072 |

SW Vactor Truck Dewatering (WA2307)**Revenues:**

452-0000-337.16-23 American Rescue Plan

452-0000-391.42-00 From Sewer Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 400,000 | 0 | 400,000 |
| | 87,600 | 90,000 | 177,600 |
| Total: | 487,600 | 90,000 | 577,600 |

Expenditures:

451-0000-605.90-03 Improvements

| | | | |
|---------------|----------------|---------------|----------------|
| | \$ | \$ | \$ |
| | 487,600 | 90,000 | 577,600 |
| Total: | 487,600 | 90,000 | 577,600 |

Watauga St Sewer Improvements (SW2406)**Revenues:**

452-0000-391.05-72 GO Bonds Series 2023

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 1,500,000 | (1,500,000) | 0 |
| Total: | 1,500,000 | (1,500,000) | 0 |

Expenditures:

452-0000-601.90-03 Improvements

| | | | |
|---------------|------------------|--------------------|----------|
| | \$ | \$ | \$ |
| | 1,500,000 | (1,500,000) | 0 |
| Total: | 1,500,000 | (1,500,000) | 0 |

Reedy Creek Sullivan to Clinchfield (SW2410)**Revenues:**

452-0000-391.05-72 GO Bonds Series 2023

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 0 | 1,000,000 | 1,000,000 |
| Total: | 0 | 1,000,000 | 1,000,000 |

Expenditures:

452-0000-601.20-23 Arch/Eng/Landscaping Serv

| | | | |
|---------------|----------|------------------|------------------|
| | \$ | \$ | \$ |
| | 0 | 1,000,000 | 1,000,000 |
| Total: | 0 | 1,000,000 | 1,000,000 |

WWTP Headworks Improvements (SW2411)**Revenues:**

452-0000-391.05-72 GO Bonds Series 2023

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 0 | 500,000 | 500,000 |
| Total: | 0 | 500,000 | 500,000 |

Expenditures:

452-0000-601.20-23 Arch/Eng/Landscaping Serv

| | | | |
|---------------|----------|----------------|----------------|
| | \$ | \$ | \$ |
| | 0 | 500,000 | 500,000 |
| Total: | 0 | 500,000 | 500,000 |

Account Number/Description:**Aquatic Center Fund: 419****Revenues:**

419-0000-391.69-00 Visitors Enhancement Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 53,241 | 120,000 | 173,241 |
| Total: | 53,241 | 120,000 | 173,241 |

Expenditures:

419-6996-696.76-09 Aquatics Project Fund

| | | | |
|---------------|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| | 438,241 | 120,000 | 558,241 |
| Total: | 438,241 | 120,000 | 558,241 |

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> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ 152,000 | \$ 120,000 | \$ 272,000 |
| Total: | 152,000 | 120,000 | 272,000 |

Expenditures:

459-0000-629.90-03 Improvements

| | \$ | \$ | \$ |
|---------------|----------------|----------------|----------------|
| | 152,000 | 120,000 | 272,000 |
| Total: | 152,000 | 120,000 | 272,000 |

SECTION XI. 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 Establish a Historic District Overlay Applied to the 100 Block Broad Street

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-50-2024

Work Session: February 19, 2024

First Reading: February 20, 2024

Final Adoption: March 19, 2024

Staff Work By: Savannah Garland

Presentation By: S. Garland

Recommendation:

Approve ordinance establishing a Historic District Overlay applied to the 100 Block of Broad Street.

Executive Summary:

This is a request from the Downtown Kingsport Association to establish a Historic Overlay District applied to the 100 Block of Broad Street. The zoning area contains 16 parcels and is approximately 3.24+/- acres in size. The overlay district proposal is in addition to the existing B-2, Central Business District that serves as the base zone for the 100 block of Broad Street. Staff conducted a property owner informational meeting that was held on December 11, 2023 at the Kingsport Chamber. Many supportive public comments have been received in favor of approving the proposal. One property owner within the 100 block of Broad Street opposes the request, while acknowledging that the need for the request is understood. During their February 2024 regular meeting, the Historic Zoning Commission voted to send a positive recommendation to the Kingsport Regional Planning Commission in support of approving the Historic District Overlay zone request by a vote of 5-0. During their February 2024 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 Historic District Overlay zone request by a vote of 7-0. The notice of public hearing was published on February 5th, 2024.

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 ESTABLISH A HISTORIC DISTRICT OVERLAY FOR PROPERTY LOCATED ALONG THE 100 BLOCK OF BROAD STREET IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to establish a historic district overlay for property along the 100 block of Broad Street in the 11th Civil District of Sullivan County; said area to be zoned being further and more particularly described as follows:

BEGINNING at a point, said point lying along the centerline of West Market Street, approximately 38 feet north of the northern corner of Tax Map 046P, Group A, Parcel 21.10; thence in an southeasterly direction, following the centerline of West Market Street and transitioning to the centerline of East Market Street, approximately 390 feet to a point, said point lying along the centerline of East Market Street, approximately 39 feet northeast of the eastern corner of parcel 15; thence in a southwesterly direction, crossing over the southern right-of-way of East Market Street, and following the centerline of an unnamed alley, approximately 425 feet to a point, said point lying on the centerline of an unnamed alley, approximately 11 feet south of the southern corner of parcel 8; thence in a northwesterly direction, following the centerline of an unnamed alley, and crossing the right-of-way of Broad Street, approximately 390 feet to a point, said point lying on the centerline of an unnamed alley, approximately 12 feet southwest of the western corner of parcel 30; thence in a northeasterly direction, following the centerline of an unnamed alley, approximately 425 feet to the point of BEGINNING, and being all of parcels 8, 9, 10, 11, 12, 13, 15, 21.10, 22, 23, 24, 25, 27, 28, 29, and 30, Tax Map 046P, Groups A and B, as well as a portion of Broad Street right-of-way, approximately 425 feet in length, a portion of the southern side of East Market Street right-of-way, approximately 195 feet in length, a portion of the southern side of West Market Street right-of-way, approximately 195 feet in length, a portion of an unnamed alley, approximately 425 feet in length, a portion of unnamed alley, approximately 390 feet in length, and a portion of unnamed alley approximately 425 feet in length, being approximately 3.8 acres in size as shown on the April 2023 Sullivan County Tax Maps.

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 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-62-2024

Work Session: February 19, 2024

First Reading: February 20, 2024

Final Adoption: March 19, 2024

Staff Work By: John Morris

Presentation By: Chris McCartt

Recommendation:

Approve the Budget Ordinance.

Executive Summary:

The Water Project Fund is being amended by transferring \$44,844 from the Plant Facility Improvement project (WA2101) and \$26,982 from the Pump Station Improvement project (WA2301) for a total of \$71,826 to the Colonial View Pump Station project (WA2305) in the amount of \$57,000 and to the Pump Station Improvement project (WA2401) in the amount of \$14,826. Closes WA2301.

The Sewer Project Fund is being amended by transferring \$8,309 from the Sewer line Imp project (SW2301), \$161,741 from the Maintenance Facility Improvements project (SW2202), \$61,900 from the South Fork Sewer Basin project (SW2304), and \$22,319 from the Industry Dr Property purchase project (SW2403) for a total of \$254,269 to be transferred to the Sewer I & I Rehab project (SW2203) in the amount of \$7,527, the W KPT Sewer Evaluation project (SW2207) in the amount of \$117,500, and the Main Facility Imp project (SW2402) in the amount of \$129,242. Closes SW2301, SW2403, and SW2203.

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 Water Project Fund be amended by transferring \$44,844 from the Plant Facility Improvement project (WA2101) and \$26,982 from the Pump Station Improvement project (WA2301) for a total of \$71,826 to the Colonial View Pump Station project (WA2305) in the amount of \$57,000 and to the Pump Station Improvement project (WA2401) in the amount of \$14,826. Close WA2301.

SECTION II. That the Sewer Project Fund be amended by transferring \$8,309 from the Sewer line Imp project (SW2301), \$161,741 from the Maintenance Facility Improvements project (SW2202), \$61,900 from the South Fork Sewer Basin project (SW2304), and \$22,319 from the Industry Dr Property purchase project (SW2403) for a total of \$254,269 to be transferred to the Sewer I & I Rehab project (SW2203) in the amount of \$7,527, the W KPT Sewer Evaluation project (SW2207) in the amount of \$117,500, and the Main Facility Imp project (SW2402) in the amount of \$129,242. Close SW2301, SW2403, and SW2203.

Account Number/Description:

Water Project Fund: 451

Plant Facility Imp (WA2101)

Revenues:

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 451-0000-391.05-45 Series 2016 Go (Nov 4) | 31,287 | 0 | 31,287 |
| 451-0000-391.05-56 Series 2019 GO Improvement | 23,862 | | 23,862 |
| 451-0000-391.45-00 From Water Fund | 89,580 | (44,844) | 44,736 |
| Total: | 144,729 | (44,844) | 99,885 |

Expenditures:

| | | | |
|--|----------------|-----------------|---------------|
| | \$ | \$ | \$ |
| 451-0000-605.20-23 Arch/Eng/Landscaping Serv | 128,919 | (29,319) | 99,600 |
| 451-0000-605.90-03 Improvements | 15,810 | (15,525) | 285 |
| Total: | 144,729 | (44,844) | 99,885 |

Pump Station Imp (WA2301)

Revenues:

| | | | |
|------------------------------------|----------------|-----------------|----------------|
| | \$ | \$ | \$ |
| 451-0000-391.45-00 From Water Fund | 143,059 | (26,982) | 116,077 |
| Total: | 143,059 | (26,982) | 116,077 |

Expenditures:

| | | | |
|----------------------------------|----------------|-----------------|----------------|
| | \$ | \$ | \$ |
| 451-0000-605.90-19 Pump Stations | 143,059 | (26,982) | 116,077 |
| Total: | 143,059 | (26,982) | 116,077 |

Colonial View Pump Station (WA2305)**Revenues:**

451-0000-391.45-00 From Water Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ 300,000 | \$ 57,000 | \$ 357,000 |
| Total: | 300,000 | 57,000 | 357,000 |

Expenditures:

451-0000-605.90-03 Improvements

| | | | |
|---------------|----------------|---------------|----------------|
| | \$ 300,000 | \$ 57,000 | \$ 357,000 |
| Total: | 300,000 | 57,000 | 357,000 |

Pump Station Imp (WA2401)**Revenues:**

451-0000-391.45-00 From Water Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ 159,000 | \$ 14,826 | \$ 173,826 |
| Total: | 159,000 | 14,826 | 173,826 |

Expenditures:

451-0000-605.90-19 Pump Stations

| | | | |
|---------------|----------------|---------------|----------------|
| | \$ 159,000 | \$ 14,826 | \$ 173,826 |
| Total: | 159,000 | 14,826 | 173,826 |

Account Number/Description:**Sewer Project Fund: 452****Sewer Line Imp (SW2301)****Revenues:**

452-0000-391.42-00 From Sewer Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ 273,425 | \$ (8,309) | \$ 265,116 |
| Total: | 273,425 | (8,309) | 265,116 |

Expenditures:

452-0000-606.90-01 Land

452-0000-606.90-27 Sewer Taps

452-0000-606.90-28 Sewer Improvements

| | | | |
|---------------|----------------|----------------|----------------|
| | \$ 17 | \$ 0 | \$ 17 |
| | 11,337 | 0 | 11,337 |
| | 262,071 | (8,309) | 253,762 |
| Total: | 273,425 | (8,309) | 265,116 |

Maint Facility Imp (SW2202)**Revenues:**

452-0000-391.42-00 From Sewer Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ 206,954 | \$ (161,741) | \$ 45,213 |
| Total: | 206,954 | (161,741) | 45,213 |

Expenditures:

452-0000-606.20-23 Arch/Eng/Landscaping Serv

452-0000-606.90-03 Improvements

| | | | |
|---------------|----------------|------------------|---------------|
| | \$ 24,000 | \$ 0 | \$ 24,000 |
| | 182,954 | (161,741) | 21,213 |
| Total: | 206,954 | (161,741) | 45,213 |

South Fork Sewer Basin (SW2304)**Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 452-0000-337-16-23 American Rescue Plan | 161,500 | 0 | 161,500 |
| 452-0000-391.42-00 From Sewer Fund | 102,400 | (61,900) | 40,500 |
| Total: | 263,900 | (61,900) | 202,000 |

Expenditures:

| | | | |
|--|----------------|-----------------|----------------|
| 452-0000-606.20-23 Arch/Eng/Landscaping Serv | \$ 263,900 | \$ (61,900) | \$ 202,000 |
| Total: | 263,900 | (61,900) | 202,000 |

Industry Dr Prop Purch (SW2403)**Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 452-0000-391.05-69 GO Bonds Series 2021 | 424,000 | (22,319) | 401,681 |
| Total: | 424,000 | (22,319) | 401,681 |

Expenditures:

| | | | |
|-------------------------|----------------|-----------------|----------------|
| 452-0000-601.90-01 Land | \$ 424,000 | \$ (22,319) | \$ 401,681 |
| Total: | 424,000 | (22,319) | 401,681 |

Sewer I&I Rehab (SW2203)**Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 452-0000-391.05-47 Series 2017 B GO Bonds | 34 | 0 | 34 |
| 452-0000-391.05-69 GO Bonds Series 2021 | 298,249 | 0 | 298,249 |
| 452-0000-391.42-00 From Sewer Fund | 198,477 | 7,527 | 206,004 |
| Total: | 496,760 | 7,527 | 504,287 |

Expenditures:

| | | | |
|--|----------------|--------------|----------------|
| 452-0000-606.20-23 Arch/Eng/Landscaping Serv | \$ 115 | \$ 0 | \$ 115 |
| 452-0000-606.90-01 Land | 460,024 | 0 | 460,024 |
| 452-0000-606.90-03 Improvements | 36,621 | 7,527 | 44,148 |
| Total: | 496,760 | 7,527 | 504,287 |

W KPT Sewer Evaluation (SW2207)**Revenues:**

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|------------------------------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| 452-0000-391.42-00 From Sewer Fund | 213,398 | 117,500 | 330,898 |
| Total: | 213,398 | 117,500 | 330,898 |

Expenditures:

| | | | |
|--|----------------|----------------|----------------|
| 452-0000-606.20-23 Arch/Eng/Landscaping Serv | \$ 213,398 | \$ 117,500 | \$ 330,898 |
| Total: | 213,398 | 117,500 | 330,898 |

Maint Facility Imp (SW2402)

Revenues:

452-0000-391.05-69 GO Bonds Series 2021
452-0000-391.42-00 From Sewer Fund

| | <u>Budget</u> | <u>Incr/(Decr)</u> | <u>New Budget</u> |
|---------------|----------------------|---------------------------|--------------------------|
| | \$ | \$ | \$ |
| | 0 | 22,319 | 22,319 |
| | 100,000 | 106,923 | 206,923 |
| Total: | 100,000 | 129,242 | 229,242 |

Expenditures:

452-0000-606.90-03 Improvements

| | | | |
|---------------|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| | 100,000 | 129,242 | 229,242 |
| Total: | 100,000 | 129,242 | 229,242 |

SECTION III. 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 a Resolution to Purchase One (1) 2024 Ford F-350 4x4 Stake Body Truck from TN State Contract # 80355

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-69-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Committee

Presentation By: R. McReynolds, S. Leonard

Recommendation:

Approve the resolution

Executive Summary:

It is the recommendation of the committee to purchase One (1) 2024 Ford F-350 4x4 Stake Body Truck from Lonnie Cobb Ford utilizing TN State Contract # 80355 for use by the Traffic Department. The Tennessee State Contracts are available for local government agencies to use. The delivery from the dealership to the agency is included in the total price of \$75,817.00. The estimated delivery date is 8-12 months after purchase order is received.

Please see the attached recommendation memo for additional information & TN State Contract information.

This unit is a fleet replacement.

Funding is identified in Project/Account # 51150085019010

Attachments:

1. Resolution
2. Recommendation Memo
3. Quote
4. TN State Contract

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE PURCHASE OF ONE 2024 FORD F-350 4X4 STAKE BODY TRUCK FROM LONNIE COBB FORD UTILIZING TENNESSEE STATE CONTRACT NO.: 80355; AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, staff recommends the purchase of one (1) 2024 Ford F-350 4x4 Stake Body Truck from Lonnie Cobb Ford utilizing a Tennessee State Contract No.: 80355 for a fleet replacement; and

WHEREAS, local governments are allowed to use state contracts to purchase goods and services directly from holders of contracts with the state, as authorized by Tenn. Code Ann. §12-3-1201; and

WHEREAS, the one (1) 2024 Ford F-350 4x4 Stake Body Truck is available pursuant to Tennessee State Contract No.: 80355, the city will need to submit purchase orders to Lonnie Cobb Ford for \$75,817.00; and

WHEREAS, the funding is available in project/account no.: 51150085019010.

Now therefore,

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

SECTION I. That the city manager is authorized to execute a purchase order to Lonnie Cobb Ford for the purchase of one (1) 2024 Ford F-350 4x4 Stake Body Truck in the amount of \$75,817.00.

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

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



FLEET MAINTENANCE DEPARTMENT

City of Kingsport

To: Nikisha Eichmann, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: February 19, 2024
Re: Fleet Replacement of 2087 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of unit # 2087 in the amount of \$75,817.00. The unit bid meets the expectations of the department and will fulfill the requirements of their operational needs. This unit will be purchased utilizing TN State Contract # 80355. A copy of the TN State Contract is attached. The estimated delivery is 8-12 months.

| Item | Quantity | Description | Award to Vendor | Fuel Economy |
|------|----------|--------------------------------------|------------------|----------------|
| 1 | 1 | 2024 Ford F-350 4x4 Stake Body Truck | Lonnie Cobb Ford | 10 City/12 Hwy |

The unit will be a Fleet Replacement

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

The TN State offering was reviewed by Jim Hensley and he is in agreement with this recommendation.

Fuel Economy Improvement

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

TN State Contract 80355

Replacements

| | | | |
|-------------|--------------------------------------|---------|--------------|
| 2087 | 2012 Ford F-350 4x2 Stake Body Truck | Mileage | 112533 miles |
|-------------|--------------------------------------|---------|--------------|

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

Thank you.



625 West Industry Drive

Kingsport
Kingsport – the best Place to Be

Item X11.

7660

(423) 229-9446

SWC 209
Lonnie Cobb Ford Contract # 80355

2024 F-350 Chassis 4x4 SD Regular Cab 169" WB DRW XL (F3H)

Price Level: 420



Client Proposal

Prepared by:
STEVEN BLACKSTOCK

Office: 731-989-2121

Date: 02/16/2024



Lonnie Cobb Ford 1619 Highway 45 North, Henderson, Tennessee, 383404005

Item X11.

Office: 731-989-2121 | Fax: 731-989-3502



Prepared by: STEVEN BLACKSTOCK
02/16/2024

Lonnie Cobb Ford | 1618 Highway 45 North Henderson Tennessee | 383404005

2024 F-350 Chassis 4x4 SD Regular Cab 169" WB DRW XL (F3H)

Price Level: 420

Pricing Summary - Single Vehicle

| | | MSRP |
|----------------------------|--------------------|--------------------|
| <i>Vehicle Pricing</i> | | |
| Base Vehicle Price | | \$52,525.00 |
| Options | | \$1,500.00 |
| Colors | | \$0.00 |
| Upfitting | | \$25,970.00 |
| Fleet Discount | | \$0.00 |
| Fuel Charge | | \$0.00 |
| Destination Charge | | \$1,995.00 |
| Subtotal | | \$81,990.00 |
| <i>Pre-Tax Adjustments</i> | | |
| Code | Description | MSRP |
| fleet discount | fleet discount | -\$6,173.00 |
| Total | | \$75,817.00 |

Customer Signature

Acceptance Date



**STATE OF TENNESSEE, DEPARTMENT OF GENERAL SERVICES
CENTRAL PROCUREMENT OFFICE**

Statewide Multi-Year Contract Issued to:

Lonnie Cobb Ford LLC
1618 Highway 45 N
Henderson, TN 38340

Vendor ID: 0000146108

Contract Number: 0000000000000000000080355

Title: SWC209 Vehicles

Start Date : September 15, 2023 End Date: December 31, 2024

Is this contract available to local government agencies in addition to State agencies?: Yes

Authorized Users. This Contract establishes a source or sources of supply for all Tennessee State Agencies. "Tennessee State Agency" refers to the various departments, institutions, boards, commissions, and agencies of the executive branch of government of the State of Tennessee with exceptions as addressed in Tenn. Comp. R. & Regs. 0690-03-01-.01. The Contractor shall provide all goods or services and deliverables as required by this Contract to all Tennessee State Agencies. The Contractor shall make this Contract available to the following entities, who are authorized to and who may purchase off of this Statewide Contract ("Authorized Users"):

- a. all Tennessee State governmental entities (this includes the legislative branch; judicial branch; and, commissions and boards of the State outside of the executive branch of government);
- b. Tennessee local governmental agencies;
- c. members of the University of Tennessee or Tennessee Board of Regents systems;
- d. any private nonprofit institution of higher education chartered in Tennessee; and,
- e. any corporation which is exempted from taxation under 26 U.S.C. Section 501(c)(3), as amended, and which contracts with the Department of Mental Health and Substance Abuse to provide services to the public (Tenn. Code Ann. § 33-2-1001).

These Authorized Users may utilize this Contract by purchasing directly from the Contractor according to their own procurement policies and procedures. The State is not responsible or liable for the transactions between the Contractor and Authorized Users.

Note: If "no", attach exemption request addressed to the Central Procurement Officer.

Contract Contact Information:

State of Tennessee
Department of General Services, Central Procurement Office
Contract Administrator: Michael Neely
3rd Floor, William R Snodgrass, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102
Phone: 615-741-5971
Fax: 615-741-0684

Line Information

Line 1

Item ID: 1000179934
Police, Vehicles, Ford, Generic SWC209 Asset
Unit of Measure: EA

Line 2

Item ID: 1000179936
Minivan and Full-size Vans, Ford (Passenger, Cargo, Cut-Away), Generic SWC209 Asset
Unit of Measure: EA

Line 3

Item ID: 1000179937
Sport Utility Vehicles, Ford (SUVs), Generic SWC209 Asset
Unit of Measure: EA

Line 4

Item ID: 1000179938
Light Trucks, Ford (Class 1,2,3,4,5) Pickup or Chassis Cab, Generic SWC209 Asset
Unit of Measure: EA

Line 5

Item ID: 1000179939
Medium Trucks, Ford (Class 6,7) Pickup or Chassis Cab, Generic SWC209 Asset
Unit of Measure: EA

Line 6

Item ID: 1000179941
Optional Equipment, Generic SWC209 Asset
Unit of Measure: EA

APPROVED:   Digitally signed by Michael F. Perry
DN: cn=Michael F. Perry, o=State of TN CPO,
ou=Department of General Services,
email=Mike.Perry@tn.gov, c=US
Date: 2023.09.08 08:21:11 -05'00'

CHIEF PROCUREMENT OFFICER

BY:   Digitally signed by Mike Neely
Date: 2023.09.08 08:07:17
-05'00'

PURCHASING AGENT _____
DATE

Item X11.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute All Documents Necessary to Apply and Accept a Section 5339A and 5339B Capital Grant from FTA-033 for Transit Vehicles from the U.S. Department of Transportation

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-71-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Candace Sherer
Presentation By: Candace Sherer

Recommendation:

Approve the Resolution.

Executive Summary:

The BMA approved the resolution authorizing the mayor to execute all documents necessary to enter into a contractual agreement with TDOT (Project No.: 825339-S3-005 Project No. 825339-S3-004)(AF-017-2021) for reimbursement of capital expenses. A portion of 5339A was spent; however, the contract date has expired. KATS will utilize the Federal Transit Administration's (FTA) Section 5339 funding source to replace transit vehicles on the current fleet. FTA considers this a "multisource" grant because it uses both 5339A and 5339B source codes. The table reflects new funding amounts available. Each code has a different matching requirement as shown below in the table. Funding to fulfill the local match was allotted in the City of Kingsport FY20 budget.

| FTA Section 5339 Capital | Local | State | Federal | Total |
|---|-----------------|-----------------|------------------|------------------|
| Section 5339(a) (85%) Federal; (7.5%) Local; (7.5%) State | \$21,126 | \$21,126 | \$239,428 | \$281,680 |
| Section 5339(b) (61%) Federal; (29%) Local; (10%) State | \$12,354 | \$35,830 | \$75,366 | \$123,550 |
| Grand Total | \$33,480 | \$56,956 | \$314,794 | \$405,230 |

Funding is identified in Project/Account #'s 123-5902-602-90.06 FTA033 and 123-5902-602-90.06 FTA034

Attachments:

1. Resolution
2. Contract

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR A FEDERAL TRANSIT ADMINISTRATION 5339 PROGRAM GRANT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, on January 19, 2021, the board authorized the execution of Federal Transit Administration(FTA) Section 5339(a) and 5339(b) contracts with the Tennessee Department of Transportation for the Kingsport Area Transit Service(KATS);(Resolution No. 2021-121) for the purchase of new KATS vehicles; and

WHEREAS, not all the funds allotted to the city were used, and in an effort to allow the city to purchase new vehicles with the funds, the state has merged the two agreements into one, and

WHEREAS, the FTA considers this a "multisource" grant because it uses both 5339(a) and 5339(b) source codes; therefore, each code has a different matching requirement, and the matching funds are still available in Funding is identified in project/account #'s 123-5902-602-90.06 FTA033 and 123-5902-602-90.06 FTA034; and

WHEREAS, in order to accept the state matching grant funds, the city is required to enter into an agreement with the Tennessee Department of Transportation for TDOT Project No. 825339-S3-010.

Now therefore,

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

SECTION I. That an agreement with the Tennessee Department of Transportation for TDOT Project No. 825339-S3-010, 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 Tennessee Department of Transportation for TDOT Project No. 825339-S3-010 ,to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution as set out below:

11-09-23 GG

TDOT PROJECT NO.: 825339-S3-010

FTA PROJECT NO.: TN2020-033

**GRANT CONTRACT BETWEEN THE STATE OF TENNESSEE, DEPARTMENT OF
TRANSPORTATION
AND
CITY OF KINGSFORT**

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport hereinafter referred to as the "Grantee," is for the provision of capital assistance, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.

A.2. The Grantee shall provide all services and deliverables as described in its 5339 Program application as approved by the Federal Transit Administration (FTA).

A.3. The Grantee shall abide by the provisions of FTA Section 5339 Program, codified by 49 U.S.C. § 5339. The 5339 Program provides assistance for capital projects to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities. Specifically, the 5339 funds will be used for capital assistance to include replace, rehabilitate, purchase buses, acquire vans, and related equipment and to construct bus-related facilities.

A.4. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.

a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b., c., and d. below);

b. the 5339 Program application;

c. the most current TDOT State Management Plan approved by FTA; and

d. FTA Circular C 5100.1 Bus and Bus Facilities Program: Guidance and Application Instructions, or the most recently FTA approved updated circular.

B. TERM OF GRANT CONTRACT:

This Grant Contract shall be effective for the period beginning on January 9, 2024 ("Effective Date") and ending on January 8, 2027, ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Fifty-six Thousand, Nine Hundred Fifty-six Dollars and No Cents (\$56,956.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment One, is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.

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

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

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

C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Tennessee Department of Transportation Multimodal Transportation Resources Division
505 Deaderick Street – James K. Polk Building, Suite 1200
Nashville, Tennessee 37243

a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).

(1) Invoice/Reference Number (assigned by the Grantee).

(2) Invoice Date.

(3) Invoice Period (to which the reimbursement request is applicable).

(4) Grant Contract Number (assigned by the State).

(5) Grantor: Tennessee Department of Transportation, Multimodal Transportation Resources Division.

(6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).

(7) Grantee Name.

(8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.

(9) Grantee Remittance Address.

(10) Grantee Contact for Invoice Questions (name, phone, or fax).

(11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:

i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).

ii. The amount reimbursed by Grant Budget line-item to date.

iii. The total amount reimbursed under the Grant Contract to date.

iv. The total amount requested (all line-items) for the Invoice Period.

b. The Grantee understands and agrees to all of the following.

(1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.

(2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.

(3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.

(4) All invoice reimbursement amounts are to be rounded down to the next lowest full dollar of the expense by source of reimbursement and by detail budget line item. If the contract includes funds previously allocated in a previous grant contract or provides for a subsequent phase of work with the same funding as a previous contract, and partial dollars were paid in the previous grant contract, then this Grant Contract's initial reimbursement by source of reimbursement and by detail budget line item shall be to achieve the remaining reimbursements in whole dollars. All remaining reimbursements after the first by source of reimbursement and by detail budget line item are to be rounded down to the next lowest whole dollar by source of reimbursement and by detail budget line item.

C.6. Budget Line-item: Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within ninety (90) days of the Grant Contract end date, in form and substance acceptable to the State.

a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.

i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the State.

ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.

b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.

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

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

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

C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached

Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.

C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Central Procurement Office Policy Statement 2013-007 or any amendments or revisions made to this policy statement during the Term.

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

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

C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.

C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.

a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").

b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

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

D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.

D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a

minimum, sections of this Grant Contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.

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

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

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

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

c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

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

The State:

Brenden Henderson, Transit Grants Financial Analyst
Tennessee Department of Transportation
Multimodal Transportation Resources Division
James K. Polk Building, Suite 1200
505 Deaderick Street
Nashville, Tennessee 37243
Brenden.henderson@tn.gov
Telephone # (615) 253-4942
FAX # (615) 253-1482

The Grantee:

Chris Campbell, AICP
Public Transportation Manager
Kingsport Area Transit Service
900 East Main Street
Kingsport, Tennessee 37660
ChrisCampbell@KingsportTn.gov
Telephone # (423) 224-2857
FAX # (423) 224-2615

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

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

D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this

Grant Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

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

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

a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.

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

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

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

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

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.

D.14. Licensure. The Grantee, its employees, and any approved subcontractor shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.

D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives. The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides.

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

Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.

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

The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee shall incorporate any additional Comptroller of the Treasury directives into its internal control system. Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.

D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.

D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law. At least ninety (90) days before the end of its fiscal year, the Grantee shall complete the Information for Audit Purposes ("IAP") form online (accessible through the Edison Supplier portal) to notify the State whether or not Grantee is subject to an audit. The Grantee should submit only one, completed form online during the Grantee's fiscal year. Immediately after the fiscal year has ended, the Grantee shall fill out the End of Fiscal Year ("EOFY") (accessible through the Edison Supplier portal).

When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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

D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.317—200.327 when procuring property and services under a federal award.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

For purposes of this Grant Contract, the term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).

D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.

D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that

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

D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.

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

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

D.26. **Reserved.**

D.27. State Interest in Equipment or Motor Vehicles. The Grantee shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. The term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00). The term "motor vehicle" shall include any article of tangible personal property that is required to be registered under the "Tennessee Motor Vehicle Title and Registration Law", Tenn. Code Ann. Title 55, Chapters 1-6.

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

The Grantee grants the State a security interest in all equipment or motor vehicles acquired in whole or in part by the Grantee under this Grant Contract. This Grant Contract is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment or motor vehicles herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said

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

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

- a. Description of the equipment or motor vehicles;
- b. Vehicle identification number;
- c. Manufacturer's serial number or other identification number, when applicable;
- d. Acquisition date, cost, and check number;
- e. Fund source, State Grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Grantee's operations where the equipment or motor vehicles is used;
- h. Condition of the property or disposition date if Grantee no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Grantee shall inventory equipment or motor vehicles annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant Contract within thirty (30) days of its end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn.

Code Ann. §§ 9-8-101 through 9-8-408.

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

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

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

D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

D.34. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

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

b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense 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; 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

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

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified, or presently fall under any of the prohibitions of sections a-d.

D.35. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Grant Contract.

D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.

E.2. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).

E.3. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in

which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.

E.4. Personally Identifiable Information. While performing its obligations under this Grant Contract, Grantee may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Grant Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Grantee agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Grantee shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Grantee and in accordance with this Grant Contract, GLBA and Privacy Laws; and

(ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Grantee shall immediately notify State: (1) of any disclosure or use of any PII by Grantee or any of its employees, agents and representatives in breach of this Grant Contract; and

(2) of any disclosure of any PII to Grantee or its employees, agents and representatives where the purpose of such disclosure is not known to Grantee or its employees, agents and representatives. The State reserves the right to review Grantee's policies and procedures used to maintain the security and confidentiality of PII and Grantee shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Grantee is in full compliance with its obligations under this Grant Contract in relation to PII. Upon termination or expiration of the Grant Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Grantee shall immediately return to the State any and all PII which it has received under this Grant Contract and shall destroy all records of such PII.

The Grantee shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Grantee ("Unauthorized Disclosure") that come to the Grantee's attention. Any such report shall be made by the Grantee within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Grantee. Grantee shall take all necessary measures to halt any further Unauthorized Disclosures. The Grantee, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Grantee shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Grant Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Grant Contract.

E.5. Transfer of Grantee's Obligations.

The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.

E.6. T.C.A. Section 13-10-107 Compliance.

1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT ("Commissioner");

2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner's prior written approval;

3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and

4) Grantee agrees to provide Grantee's share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).

E.7. Match/Share Requirement. A Grantee Match/Share Requirement is detailed in the Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract,

as detailed by the "Grant Contract" column in the Grant Budget, shall be reduced by the amount of any Grantee failure to meet the Match/Share Requirement.

E.8. Reimbursements to Reflect Match/Share. Reimbursements to Grantee shall reflect the percentage of Grantee Match/Share detailed in the Grant Budget. Reimbursements are subject to the other provisions of this Grant Contract, including but not limited to, the maximum liability amount in Section C.1.

E.9. Capital Asset. The Grantee shall:

(a) Use one or more vehicles, equipment, or facilities ("Capital Asset") acquired under this Grant Contract only for the purposes and the manner set forth in the Grantee's application.

(b) Certify at the beginning of each calendar year, that the Capital Asset acquired under this Grant Contract is still being used in accordance with the terms and provisions of this Grant Contract.

(c) Pay all fees on the Capital Asset acquired through this Grant Contract, including but not limited to title and registration fees.

(d) Be responsible for all costs and expenses related to the operation, maintenance, and repair of the Capital Asset acquired through this Grant Contract.

(e) Provide licensed drivers, as required by the Tennessee Department of Safety and Homeland Security, for operation of all vehicles or equipment received under this Grant Contract.

(f) Carry insurance on Capital Assets sufficient to cover the State interest, and the Federal interest if applicable, in the Capital Asset.

1. If the Grantee is governed by the Tennessee Governmental Tort Liability Act (Tenn. Code Ann. § 29-20-101 et seq.), then the following insurance coverage is required:

a) Bodily injury or death of any one person in any one accident, occurrence or act at a minimum of \$300,000.00 per person.

b) Bodily injury or death of all persons in any one accident, occurrence or act at a minimum of \$700,000.00 per accident.

c) Injury to or destruction of property of others in any one accident at a minimum of \$100,000.00.

2. If the Grantee is not governed by the Tennessee Governmental Tort Liability Act, then the following insurance coverage is required:

a) Personal Injury Liability – minimum of \$300,000.00 per person and \$1,000,000.00 per incident.

b) Property Damage Liability – minimum of \$300,000.00 per incident.

c) Comprehensive – maximum deductible of \$500.00.

d) Collision – maximum deductible of \$500.00.

e) Uninsured Motorist – minimum of \$50,000.00 per person and \$100,000.00 per incident.

3. Additionally, if applicable, the Grantee shall comply with the provisions of Section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), with respect to any project activity involving construction or an acquisition having an insurable cost of \$10,000.00 or more.

This insurance shall be in effect at all times while the Capital Asset is used for public transportation services or service vehicle purposes in operations. The Grantee shall furnish the State with evidence of such insurance at the time the Capital Asset is delivered to the Grantee and annually on the anniversary date of the delivery of the Capital Asset. Upon demand by the State, the Grantee shall provide proof of insurance at any time during the term of useful life of the Capital Asset.

(g) Ensure that any vehicles received under this Grant Contract will comply with the Federal Motor Vehicle Safety Standards ("FMVSS") as established by the United States Department of Transportation.

(h) Ensure that any Capital Asset received under this Grant Contract shall be used for not less than the useful life, except with the State's prior written approval. The useful life of all Capital Assets purchased under the Grant Contract is as listed in the grant document filed with the Federal Transit Administration ("FTA"). Upon reaching the expiration of the useful life of the Capital Asset, the State may ask the Grantee to provide written notice to the State.

E.10. Vehicle Disposal Process and Proceeds. The Grantee shall adhere to the disposal process described in the State Management Plan for Federal Transit Administration (FTA) Programs of the Tennessee Department of Transportation on file with the FTA, subject to the following exception pursuant to the Infrastructure Investment and Jobs Act (IIJA), 49 U.S.C. § 5334 (h)(4)(8): For rolling stock, equipment, and aggregate supplies that have met their minimum useful life and were (1) purchased with federal assistance, (2) with a fair market value of more than \$5,000, and (3) were sold after November 15, 2021, the Grantee may retain only a portion of the funds, in the amount of \$5,000 plus the percentage of the amount over \$5,000 that is proportional to the percentage of the State's share and the percentage of the local share in the original award. Any remaining federal share must be returned to the FTA and cannot be retained for public transportation use. If this Grant Contract includes federal funds, then the Grantee shall return any such remaining federal share to the State, and the State then will return the funds to FTA.

E.11. No Retainage Allowed. The Grantee may not withhold retainage on progress payments from the prime contractor and the prime contractor may not withhold retainage from their subcontractors.

IN WITNESS WHEREOF,

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

ADOPTED this the 19th day March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

TDOT PROJECT NO.: 825339-S3-010
FTA PROJECT NO.: TN2020-033

| | | | | | |
|---|--------------------|---|--------------------------|---|------------------------------------|
|  GOVERNMENTAL GRANT CONTRACT (cost reimbursement grant contract with a federal or Tennessee local governmental entity or their agents and instrumentalities) | | | | | |
| Begin Date 1/9/2024 | | End Date 1/8/2027 | | Agency Tracking # 40100-51197 | Edison ID |
| Grantee Legal Entity Name City of Kingsport | | | | | Edison Vendor ID 1562 |
| Subrecipient or Recipient <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Recipient | | Assistance Listing Number # Grantee's fiscal year end June 30 | | | |
| Service Caption (one line only) FFY 2017, 2018, 2019 – 5339(a) ADA Bus and Bus Facilities Program – Capital Assistance FFY 2017 – 5339(b) Non-ADA Bus and Bus Facilities Discretionary (Bus) Program – Capital Assistance | | | | | |
| Funding — | | | | | |
| FY | State | Federal | Interdepartmental | Other | TOTAL Grant Contract Amount |
| 2024 | \$21,126.00 | | | | \$21,126.00 |
| 2024 | \$35,830.00 | | | | \$35,830.00 |
| | | | | | |
| | | | | | |
| | | | | | |
| TOTAL: | \$56,956.00 | | | | \$56,956.00 |
| Grantee Selection Process Summary | | | | | |
| <input checked="" type="checkbox"/> Competitive Selection | | 5339(b) applications are submitted to the FTA, which in turn ranks the applications on a competitive basis. The State matches a percentage of these funds, TDOT Multimodal controls the Federal and State funds for Rural Grantees. | | | |
| <input checked="" type="checkbox"/> Non-competitive Selection | | 5339(a) Applications are based on formula, census population, county count, vehicle count, and other probable demographic factors. | | | |
| Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations. | | | | CPO USE – GG | |
| Speed Chart (optional) | | Account Code (optional) 71302000 | | | |

Address # 1

**GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF TRANSPORTATION
AND
CITY OF KINGSPORT**

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Kingsport hereinafter referred to as the "Grantee," is for the provision of capital assistance, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # 1562

A. SCOPE OF SERVICES AND DELIVERABLES:

- A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.
- A.2. The Grantee shall provide all services and deliverables as described in its 5339 Program application as approved by the Federal Transit Administration (FTA).
- A.3. The Grantee shall abide by the provisions of FTA Section 5339 Program, codified by 49 U.S.C. § 5339. The 5339 Program provides assistance for capital projects to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities. Specifically, the 5339 funds will be used for capital assistance to include replace, rehabilitate, purchase buses, acquire vans, and related equipment and to construct bus-related facilities.
- A.4. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.
 - a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b., c., and d. below);
 - b. the 5339 Program application;
 - c. the most current TDOT State Management Plan approved by FTA; and
 - d. FTA Circular C 5100.1 Bus and Bus Facilities Program: Guidance and Application Instructions, or the most recently FTA approved updated circular.

B. TERM OF GRANT CONTRACT:

This Grant Contract shall be effective for the period beginning on January 9, 2024 ("Effective Date") and ending on January 8, 2027, ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Fifty-six Thousand, Nine Hundred Fifty-six Dollars and No Cents (\$56,956.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment One, is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.

- C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Tennessee Department of Transportation
Multimodal Transportation Resources Division
505 Deaderick Street – James K. Polk Building, Suite 1200
Nashville, Tennessee 37243

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
- (1) Invoice/Reference Number (assigned by the Grantee).
 - (2) Invoice Date.
 - (3) Invoice Period (to which the reimbursement request is applicable).
 - (4) Grant Contract Number (assigned by the State).
 - (5) Grantor: Tennessee Department of Transportation, Multimodal Transportation Resources Division.
 - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
 - (7) Grantee Name.
 - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
 - (9) Grantee Remittance Address.
 - (10) Grantee Contact for Invoice Questions (name, phone, or fax).
 - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
 - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
 - ii. The amount reimbursed by Grant Budget line-item to date.
 - iii. The total amount reimbursed under the Grant Contract to date.
 - iv. The total amount requested (all line-items) for the Invoice Period.
- b. The Grantee understands and agrees to all of the following.
- (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget

and any other provision of this Grant Contract relating to allowable reimbursements.

- (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
- (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
- (4) All invoice reimbursement amounts are to be rounded down to the next lowest full dollar of the expense by source of reimbursement and by detail budget line item. If the contract includes funds previously allocated in a previous grant contract or provides for a subsequent phase of work with the same funding as a previous contract, and partial dollars were paid in the previous grant contract, then this Grant Contract's initial reimbursement by source of reimbursement and by detail budget line item shall be to achieve the remaining reimbursements in whole dollars. All remaining reimbursements after the first by source of reimbursement and by detail budget line item are to be rounded down to the next lowest whole dollar by source of reimbursement and by detail budget line item.

C.6. Budget Line-item: Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may request revisions of Grant Budget line-items by letter, giving full details supporting such request, provided that such revisions do not increase total Grant Budget amount. Grant Budget line-item revisions may not be made without prior, written approval of the State in which the terms of the approved revisions are explicitly set forth. Any increase in the total Grant Budget amount shall require a Grant Contract amendment.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within ninety (90) days of the Grant Contract end date, in form and substance acceptable to the State.

- a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.
 - i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the State.
 - ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.
- b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.
- c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
- d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement

under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.

- e. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Central Procurement Office Policy Statement 2013-007 or any amendments or revisions made to this policy statement during the Term.
- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or related matter. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.
- C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following, properly completed documentation.
 - a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").
 - b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Grant Contract, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. This Grant Contract may be modified only by a written amendment signed by all parties and approved by the officials who approved the Grant Contract and, depending upon the specifics of the Grant Contract as amended, any additional officials required by Tennessee laws and regulations (the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. A termination for convenience shall not be a breach of this Grant Contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service that has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. The Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount for the State's exercise of its right to terminate for convenience.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate this Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the exercise of the State's right to terminate this Grant Contract for cause, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.
- D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.
- D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

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

The State:

Brenden Henderson, Transit Grants Financial Analyst
Tennessee Department of Transportation
Multimodal Transportation Resources Division
James K. Polk Building, Suite 1200
505 Deaderick Street
Nashville, Tennessee 37243
Brenden.henderson@tn.gov
Telephone # (615) 253-4942
FAX # (615) 253-1482

The Grantee:

Chris Campbell, AICP
Public Transportation Manager
Kingsport Area Transit Service
900 East Main Street
Kingsport, Tennessee 37660
ChrisCampbell@KingsportTn.gov
Telephone # (423) 224-2857
FAX # (423) 224-2615

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

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

- D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a

breach of this Grant Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

- D.10. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.
- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
 - b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.
 - c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.
- D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

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

The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.

- D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.
- D.14. Licensure. The Grantee, its employees, and any approved subcontractor shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with applicable Tennessee law. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.
- The records shall be maintained in accordance with Governmental Accounting Standards Board (GASB) Accounting Standards or the Financial Accounting Standards Board (FASB) Accounting Standards Codification, as applicable, and any related AICPA Industry Audit and Accounting guides.
- In addition, documentation of grant applications, budgets, reports, awards, and expenditures will be maintained in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- Grant expenditures shall be made in accordance with local government purchasing policies and procedures and purchasing procedures for local governments authorized under state law.
- The Grantee shall also comply with any recordkeeping and reporting requirements prescribed by the Tennessee Comptroller of the Treasury.
- The Grantee shall establish a system of internal controls that utilize the COSO Internal Control - Integrated Framework model as the basic foundation for the internal control system. The Grantee shall incorporate any additional Comptroller of the Treasury directives into its internal control system.
- Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.
- D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used

benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.

- D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law.

At least ninety (90) days before the end of its fiscal year, the Grantee shall complete the Information for Audit Purposes ("IAP") form online (accessible through the Edison Supplier portal) to notify the State whether or not Grantee is subject to an audit. The Grantee should submit only one, completed form online during the Grantee's fiscal year. Immediately after the fiscal year has ended, the Grantee shall fill out the End of Fiscal Year ("EOFY") (accessible through the Edison Supplier portal).

When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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

- D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.317—200.327 when procuring property and services under a federal award.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

For purposes of this Grant Contract, the term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).

- D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.
- D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract,

statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.
- D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.
- D.26. **Reserved.**
- D.27. State Interest in Equipment or Motor Vehicles. The Grantee shall take legal title to all equipment or motor vehicles purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. The term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00). The term "motor vehicle" shall include any article of tangible personal property that is required to be registered under the "Tennessee Motor Vehicle Title and Registration Law", Tenn. Code Ann. Title 55, Chapters 1-6.

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

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

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

- a. Description of the equipment or motor vehicles;
- b. Vehicle identification number;
- c. Manufacturer's serial number or other identification number, when applicable;
- d. Acquisition date, cost, and check number;
- e. Fund source, State Grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Grantee's operations where the equipment or motor vehicles is used;
- h. Condition of the property or disposition date if Grantee no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment or motor vehicles with an identification number which is cross referenced to the equipment or motor vehicle item on the inventory control report. The Grantee shall inventory equipment or motor vehicles annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment or motor vehicles purchased with funding through this Grant Contract within thirty (30) days of its end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment or motor vehicle loss describing the reasons for the loss. Should the equipment or motor vehicles be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment or motor vehicles purchased with Grant funds. All equipment or motor vehicles shall be disposed of in such a manner as the parties may agree from among alternatives approved by the Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

- D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
- D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. §§ 9-8-101 through 9-8-408.
- D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.
- D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.
- D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.34. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
 - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.35. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Grant Contract.

- D.36. State Sponsored Insurance Plan Enrollment. The Grantee warrants that it will not enroll or permit its employees, officials, or employees of contractors to enroll or participate in a state sponsored health insurance plan through their employment, official, or contractual relationship with Grantee unless Grantee first demonstrates to the satisfaction of the Department of Finance and Administration that it and any contract entity satisfies the definition of a governmental or quasigovernmental entity as defined by federal law applicable to ERISA.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.
- E.2. Printing Authorization. The Grantee agrees that no publication coming within the jurisdiction of Tenn. Code Ann. § 12-7-101, *et seq.*, shall be printed pursuant to this Grant Contract unless a printing authorization number has been obtained and affixed as required by Tenn. Code Ann. § 12-7-103(d).
- E.3. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the "Children's Act for Clean Indoor Air of 1995," Tenn. Code Ann. §§ 39-17-1601 through 1606, the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.

- E.4. Personally Identifiable Information. While performing its obligations under this Grant Contract, Grantee may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Grant Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Grantee agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Grantee shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Grantee and in accordance with this Grant Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Grantee shall immediately notify State: (1) of any disclosure or use of any PII by Grantee or any of its employees, agents and representatives in breach of this Grant Contract; and (2) of any disclosure of any PII to Grantee or its employees, agents and representatives where the purpose of such disclosure is not known to Grantee or its employees, agents and representatives. The State reserves the right to review Grantee's policies and procedures used to maintain the security and confidentiality of PII and Grantee shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify or ensure that Grantee is in full compliance with its obligations under this Grant Contract in relation to PII. Upon termination or expiration of the Grant Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Grantee shall immediately return to the State any and all PII which it has received under this Grant Contract and shall destroy all records of such PII.

The Grantee shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Grantee ("Unauthorized Disclosure") that come to the Grantee's attention. Any such report shall be made by the Grantee within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Grantee. Grantee shall take all necessary measures to halt any further Unauthorized Disclosures. The Grantee, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Grantee shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Grant Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Grant Contract.

- E.5. Transfer of Grantee's Obligations. The Grantee shall not transfer or restructure its operations related to this Grant Contract without the prior written approval of the State. The Grantee shall immediately notify the State in writing of a proposed transfer or restructuring of its operations related to this Grant Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving a proposed transfer or restructuring.
- E.6. T.C.A. Section 13-10-107 Compliance.
- 1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT ("Commissioner");
 - 2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner's prior written approval;

- 3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and
 - 4) Grantee agrees to provide Grantee's share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).
- E.7. Match/Share Requirement. A Grantee Match/Share Requirement is detailed in the Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column in the Grant Budget, shall be reduced by the amount of any Grantee failure to meet the Match/Share Requirement.
- E.8. Reimbursements to Reflect Match/Share. Reimbursements to Grantee shall reflect the percentage of Grantee Match/Share detailed in the Grant Budget. Reimbursements are subject to the other provisions of this Grant Contract, including but not limited to, the maximum liability amount in Section C.1.
- E.9. Capital Asset. The Grantee shall:
- (a) Use one or more vehicles, equipment, or facilities ("Capital Asset") acquired under this Grant Contract only for the purposes and the manner set forth in the Grantee's application.
 - (b) Certify at the beginning of each calendar year, that the Capital Asset acquired under this Grant Contract is still being used in accordance with the terms and provisions of this Grant Contract.
 - (c) Pay all fees on the Capital Asset acquired through this Grant Contract, including but not limited to title and registration fees.
 - (d) Be responsible for all costs and expenses related to the operation, maintenance, and repair of the Capital Asset acquired through this Grant Contract.
 - (e) Provide licensed drivers, as required by the Tennessee Department of Safety and Homeland Security, for operation of all vehicles or equipment received under this Grant Contract.
 - (f) Carry insurance on Capital Assets sufficient to cover the State interest, and the Federal interest if applicable, in the Capital Asset.
1. If the Grantee is governed by the Tennessee Governmental Tort Liability Act (Tenn. Code Ann. § 29-20-101 et seq.), then the following insurance coverage is required:
 - a) Bodily injury or death of any one person in any one accident, occurrence or act at a minimum of \$300,000.00 per person.
 - b) Bodily injury or death of all persons in any one accident, occurrence or act at a minimum of \$700,000.00 per accident.
 - c) Injury to or destruction of property of others in any one accident at a minimum of \$100,000.00.
 2. If the Grantee is not governed by the Tennessee Governmental Tort Liability Act, then the following insurance coverage is required:
 - a) Personal Injury Liability – minimum of \$300,000.00 per person and \$1,000,000.00 per incident.
 - b) Property Damage Liability – minimum of \$300,000.00 per incident.
 - c) Comprehensive – maximum deductible of \$500.00.
 - d) Collision – maximum deductible of \$500.00.

- e) Uninsured Motorist – minimum of \$50,000.00 per person and \$100,000.00 per incident.
- 3. Additionally, if applicable, the Grantee shall comply with the provisions of Section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), with respect to any project activity involving construction or an acquisition having an insurable cost of \$10,000.00 or more.

This insurance shall be in effect at all times while the Capital Asset is used for public transportation services or service vehicle purposes in operations. The Grantee shall furnish the State with evidence of such insurance at the time the Capital Asset is delivered to the Grantee and annually on the anniversary date of the delivery of the Capital Asset. Upon demand by the State, the Grantee shall provide proof of insurance at any time during the term of useful life of the Capital Asset.

- (g) Ensure that any vehicles received under this Grant Contract will comply with the Federal Motor Vehicle Safety Standards ("FMVSS") as established by the United States Department of Transportation.
 - (h) Ensure that any Capital Asset received under this Grant Contract shall be used for not less than the useful life, except with the State's prior written approval. The useful life of all Capital Assets purchased under the Grant Contract is as listed in the grant document filed with the Federal Transit Administration ("FTA"). Upon reaching the expiration of the useful life of the Capital Asset, the State may ask the Grantee to provide written notice to the State.
- E.10. Vehicle Disposal Process and Proceeds. The Grantee shall adhere to the disposal process described in the State Management Plan for Federal Transit Administration (FTA) Programs of the Tennessee Department of Transportation on file with the FTA, subject to the following exception pursuant to the Infrastructure Investment and Jobs Act (IIJA), 49 U.S.C. § 5334 (h)(4)(8): For rolling stock, equipment, and aggregate supplies that have met their minimum useful life and were (1) purchased with federal assistance, (2) with a fair market value of more than \$5,000, and (3) were sold after November 15, 2021, the Grantee may retain only a portion of the funds, in the amount of \$5,000 plus the percentage of the amount over \$5,000 that is proportional to the percentage of the State's share and the percentage of the local share in the original award. Any remaining federal share must be returned to the FTA and cannot be retained for public transportation use. If this Grant Contract includes federal funds, then the Grantee shall return any such remaining federal share to the State, and the State then will return the funds to FTA.
- E.11. No Retainage Allowed. The Grantee may not withhold retainage on progress payments from the prime contractor and the prime contractor may not withhold retainage from their subcontractors.

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

PATRICK SHULL, MAYOR

DATE

TDOT PROJECT NO.: 825339-S3-010
FTA PROJECT NO.: TN2020-033

BART ROWLETT, CITY ATTORNEY

DATE

ANGELA MARSHALL, CITY RECORDER

DATE

DEPARTMENT OF TRANSPORTATION:

HOWARD H. ELEY COMMISSIONER

DATE

**JOHN H. REINBOLD, GENERAL COUNSEL
APPROVED AS TO FORM AND LEGALITY**

DATE

TDOT PROJECT NO.: 825339-S3-010
FTA PROJECT NO.: TN2020-033

ATTACHMENT ONE**UNIVERSAL MULTIMODAL TRANSPORTATION RESOURCES BUDGET**

| | STATE SHARE | FEDERAL SHARE* | GRANT CONTRACT | GRANTEE SHARE | TOTAL |
|--|-------------|----------------|----------------|---------------|--------------|
| SCOPE—CAPITAL | | | | | |
| 11.00.S1 Capital Assistance, ADA - TDOT (A1) | \$21,126.00 | \$239,428.00 | \$21,126.00 | \$21,126.00 | \$281,680.00 |
| 11.00.S0 Capital Assistance, Non-ADA - TDOT (A2) | \$35,830.00 | \$75,366.00 | \$35,830.00 | \$12,354.00 | \$123,550.00 |
| 11.1x.xx Revenue Rolling Stock | | | | | |
| 11.2x.xx Transitways / Line | | | | | |
| 11.3x.xx Station Stops & Terminals | | | | | |
| 11.4x.xx Support Equip / Facilities | | | | | |
| 11.5x.xx Electrification / Power Dist. | | | | | |
| 11.6x.xx Signal & Communication Equip | | | | | |
| 11.7x.xx Other Capital Items | | | | | |
| 11.8x.xx State / Programs Administration | | | | | |
| 11.9x.xx Transit Enhancements | | | | | |
| 12.xx.xx Fixed Guideway | | | | | |
| 14.xx.xx New Start | | | | | |
| SCOPE—OPERATING | | | | | |
| 30.00.00 Operating Assistance - TDOT | | | | | |
| 30.xx.xx Operating Assistance | | | | | |
| SCOPE—PLANNING | | | | | |
| 44.00.S0 Planning - TDOT | | | | | |
| 44.xx.xx Planning | | | | | |
| SCOPE—MANAGEMENT TRAINING | | | | | |
| 50.xx.xx Management Training | | | | | |
| SCOPE—OVERSIGHT REVIEWS | | | | | |
| 51.xx.xx Oversight Review | | | | | |
| SCOPE—RESEARCH PROJECTS | | | | | |
| 55.xx.xx Research Projects | | | | | |
| SCOPE—SAFETY & SECURITY | | | | | |
| 57.xx.xx Safety and Security | | | | | |
| SCOPE - UNIVERSITY RESEARCH | | | | | |
| 70.xx.xx | | | | | |
| SCOPE - Non-Add Scope Codes | | | | | |
| 99.xx.xx | | | | | |
| SCOPE - OTHER | | | | | |
| 62.0x.xx - Project Administration | | | | | |
| 63.5x.xx - Rural Technical Assistance Program | | | | | |
| 64.8x.xx - Appalachian | | | | | |
| xx.xx.xx - Other | | | | | |
| GRAND TOTAL | \$56,956.00 | \$314,794.00 | \$56,956.00 | \$33,480.00 | \$405,230.00 |

*Federal share not distributed in this grant contract.

TDOT PROJECT NO.: 825339-S3-010
FTA PROJECT NO.: TN2020-033

GRANT BUDGET LINE-ITEM DETAIL INFORMATION

| Line Item Detail For: CAPITAL | State | Federal | Grant Contract | Grantee | Total Project |
|--|--------------------|---------------------|--------------------|--------------------|---------------------|
| 11.00.S1 Capital Assistance, ADA - TDOT (A1) | \$21,126.00 | \$239,428.00 | \$21,126.00 | \$21,126.00 | \$281,680.00 |
| 11.00.S0 Capital Assistance, Non-ADA - TDOT (A2) | \$35,830.00 | \$75,366.00 | \$35,830.00 | \$12,354.00 | \$123,550.00 |
| TOTAL | \$56,956.00 | \$314,794.00 | \$56,956.00 | \$33,480.00 | \$405,230.00 |



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Mayor to Execute an Agreement to Allow Goodwill Industries of Teneva Area, Inc. to Place a Container at City Convenience Centers to Collect Donated Items

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-72-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Staff

Presentation By: Ryan McReynolds

Recommendation:

Approve the Resolution.

Executive Summary

This resolution authorizes the Mayor to Execute an agreement with Goodwill Industries to continue allowing the placement of a container on city property for the collection of donated textile items/materials.

In March of 2023 Goodwill Industries approached the Public Works Department about placement of their own containers on City property at the convenience centers located on Industry Drive and at the Civic Auditorium. These containers provide City residents greater convenience for the donation of acceptable textile items/materials to Goodwill. Items include but are not necessarily limited to clothing, towels, and bed linens. Goodwill Industries is responsible for emptying the containers as well as maintaining the areas around the bins as noted in the memorandum of understanding.

Staff recommends renewing the agreement for one-year that will allow Goodwill to keep offering these containers as we anticipate them to continue honoring and following the requirements set forth in the memorandum of understanding.

Attachments:

1. Resolution
2. Picture of Container

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

RESOLUTION NO. _____

A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH GOODWILL INDUSTRIES OF TENNEVA AREA, INC., AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, on March 21, 2023, the board approved a Memorandum of Understanding with Goodwill Industries of Tenneva Area, Inc., for one year for the placement of their containers on city property at the convenience centers located on Industry Drive and at the Civic Auditorium (Resolution No. 2023-205); and

WHEREAS, the city, and Goodwill Industries of Tenneva Area, Inc., would like to enter into a Memorandum of Understanding for an additional year.

Now therefore,

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

SECTION I. That the Memorandum of Understanding with Goodwill Industries of Tenneva Area, Inc. for the placement of containers on city properties for one year, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Memorandum of Understanding with Goodwill Industries of Tenneva Area, Inc. for the placement of containers on city properties for one year, to deliver the memorandum of understanding 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 memorandum of understanding and this resolution as set out below:

**MEMORANDUM OF UNDERSTANDING
between GOODWILL INDUSTRIES OF TENNEVA AREA, INC.
and CITY OF KINGSPORT**

This Memorandum of Understanding is entered into as of this _____ day of March, 2024 ("Effective Date"), by and between CITY OF KINGSFORT, TENNESSEE, a Tennessee municipal corporation ("City") and GOODWILL INDUSTRIES OF TENNEVA AREA, INC ("Goodwill"), a Tennessee and Virginia nonprofit corporation; for the placement of a receptacle upon city-owned property for the collection of donated items which Goodwill considers to be beneficial to the citizens of City.

NOW THEREFORE, in consideration of the mutual terms, provisions, covenants, and Agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged between the parties is as follows:

1. **Purpose.** City shall allow Goodwill, or its authorized agent, to place a "roll off" style receptacle ("receptacle") upon real property owned by the City at its convenience centers at civic auditorium and on Industry Drive. Exact placement of the receptacle shall be determined between a designated public works employee of the City in consultation with Goodwill. The receptacle shall arrive between 8:00 a.m. and 12:01 p.m. on _____ and shall be emptied/collected by Goodwill no less than weekly. Goodwill is responsible for maintaining the area around the receptacle in a neat and tidy fashion. If area surrounding receptacle is in need of attention, City will notify Goodwill and Goodwill shall have twenty-four hours to comply. City shall bear no responsibility for the sorting of

materials placed into the receptacle, nor shall City bear any liability for unwanted or improper materials placed in the receptacle.

2. **Damages.** City shall not be liable to Goodwill for any loss; whether such loss is direct, indirect, or incidental resulting in any way from, arising out of, or in connection with performance or a failure to perform any obligation under this Agreement.

3. **Indemnification.** Goodwill shall indemnify and hold City, its elected officials, officers, and employees, harmless from any and all claims, demands or causes of action to include costs and expenses due to personal injury and reasonable attorney's fees that might arise from the placement or existence of said receptacle on city-owned property.

4. **No Automatic Renewal.** The term of this Agreement is for one-year and shall not be renewed or extended beyond the initial term except by written mutual consent of the parties.

5. **Termination.** City or Goodwill may terminate this Agreement at any time for any reason. However, termination shall not take effect until thirty (30) days after written notice is delivered by the party terminating the Agreement to the other party. Upon termination, Goodwill shall immediately remove the receptacle from city property. Notices to the City shall be sent to Office of City Attorney, City of Kingsport, 415 Broad Street, Kingsport, TN 37660. Notices to Goodwill shall be sent to:
Goodwill Industries Home Office
2017 Brookside Drive
Kingsport, TN 37660

6. **Effective Date.** This Agreement shall be effective immediately after the Agreement is executed.

7. **Non-exclusivity.** Nothing in this Agreement shall be construed to prevent City from offering similar services to other vendors at other facilities.

8. **Limitation of Liability.** Any limitation of liability provision is enforceable only to the extent permitted by Tennessee law. No provision of the Agreement shall act or be deemed a waiver by City of any immunity, including its rights or privileges, or of any provision of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 *et seq.*

9. **No Liability of City Officials and Employees.** No official, employee or volunteer, whether disclosed or undisclosed, of City shall be personally liable to Goodwill or any other person or entity, including a third-party beneficiary, in the event any provision of the Agreement is unenforceable or there is any default or breach by City.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



This is the box Goodwill has placed at the Civic Auditorium.

MEMORANDUM OF UNDERSTANDING
between
GOODWILL INDUSTRIES OF TENNEVA AREA, INC. and
CITY OF KINGSPORT

This Memorandum of Understanding is entered into as of this _____ day of March, 2024 (“Effective Date”), by and between CITY OF KINGSPORT, TENNESSEE, a Tennessee municipal corporation (“City”) and GOODWILL INDUSTRIES OF TENNEVA AREA, INC (“Goodwill”), a Tennessee and Virginia nonprofit corporation; for the placement of a receptacle upon city-owned property for the collection of donated items which Goodwill considers to be beneficial to the citizens of City.

NOW THEREFORE, in consideration of the mutual terms, provisions, covenants, and Agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged between the parties is as follows:

1. **Purpose.** City shall allow Goodwill, or its authorized agent, to place a “roll off” style receptacle (“receptacle”) upon real property owned by the City at its convenience centers at civic auditorium and on Industry Drive. Exact placement of the receptacle shall be determined between a designated public works employee of the City in consultation with Goodwill. The receptacle shall arrive between 8:00 a.m. and 12:01 p.m. on _____ and shall be emptied/collected by Goodwill no less than weekly. Goodwill is responsible for maintaining the area around the receptacle in a neat and tidy fashion. If area surrounding receptacle is in need of attention, City will notify Goodwill and Goodwill shall have twenty-four hours to comply. City shall bear no responsibility for the sorting of materials placed into the receptacle, nor shall City bear any liability for unwanted or improper materials placed in the receptacle.
2. **Damages.** City shall not be liable to Goodwill for any loss; whether such loss is direct, indirect, or incidental resulting in any way from, arising out of, or in connection with performance or a failure to perform any obligation under this Agreement.
3. **Indemnification.** Goodwill shall indemnify and hold City, its elected officials, officers, and employees, harmless from any and all claims, demands or causes of action to include

costs and expenses due to personal injury and reasonable attorney's fees that might arise from the placement or existence of said receptacle on city-owned property.

4. **No Automatic Renewal.** The term of this Agreement is for one-year and shall not be renewed or extended beyond the initial term except by written mutual consent of the parties.
5. **Termination.** City or Goodwill may terminate this Agreement at any time for any reason. However, termination shall not take effect until thirty (30) days after written notice is delivered by the party terminating the Agreement to the other party. Upon termination, Goodwill shall immediately remove the receptacle from city property. Notices to the City shall be sent to Office of City Attorney, City of Kingsport, 415 Broad Street, Kingsport, TN 37660. Notices to Goodwill shall be sent to:

Goodwill Industries Home Office
2017 Brookside Drive
Kingsport, TN 37660
6. **Effective Date.** This Agreement shall be effective immediately after the Agreement is executed.
7. **Non-exclusivity.** Nothing in this Agreement shall be construed to prevent City from offering similar services to other vendors at other facilities.
8. **Limitation of Liability.** Any limitation of liability provision is enforceable only to the extent permitted by Tennessee law. No provision of the Agreement shall act or be deemed a waiver by City of any immunity, including its rights or privileges, or of any provision of the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101 *et seq.*
9. **No Liability of City Officials and Employees.** No official, employee or volunteer, whether disclosed or undisclosed, of City shall be personally liable to Goodwill or any other person or entity, including a third-party beneficiary, in the event any provision of the Agreement is unenforceable or there is any default or breach by City.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date written above.

Goodwill Industries of Tennesva Area, Inc.

City of Kingsport, Tennessee

Signature

Patrick W. Shull, Mayor

Date

Date

Printed Name

Attest:

Title

City Recorder

Approved as to form:

Bart Rowlett, City Attorney



AGENDA ACTION FORM

Consideration of a Resolution to Accept a Private Donation to the Kingsport Police Department

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

Action Form No.: AF-68-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Staff
Presentation By: Chief Dale Phipps

Recommendation:

Approve the Resolution.

Executive Summary:

Mr. Bill Weigel, Weigel Foundation, has recently made a generous private donation to the Kingsport Police Department in the sum of \$1000.00. The funds will be appropriated to the police department for use by the department at a later date.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION ACCEPTING A DONATION FROM THE
WEIGEL FOUNDATION TO THE KINGSPORT POLICE
DEPARTMENT

WHEREAS, the Weigel Foundation would like to make a donation to the Kingsport Police Department in the amount of \$1,000.00; and

WHEREAS, the police department will work to determine the best use of the funds for which the necessary appropriation can be made.

Now therefore,

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

SECTION I. That the donation to the city from Weigel Foundation for use by the Kingsport Police Department in the amount of \$1,000.00, is accepted.

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

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

ADOPTED this the 19th day of March, 2024.

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 a Resolution to Accept a Donation of Tempur-Pedic Mattresses

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF- 79-2024

Work Session: March 18, 2024

First Reading: March 19, 2024

Final Adoption: March 19, 2024

Staff Work By: John Hollowell, Scott Boyd

Presentation By: Scott Boyd

Recommendation:

Approve the Resolution

Executive Summary:

Tempur-Pedic Production USA LLC has a donation of forty-six (46) Tempur-Pedic mattresses that they are donating to the Kingsport Fire Department (KFD). The value of the mattresses is \$115,000.00 and they will be given in increments over a period of time.

Please accept this donation of mattresses into the fire department assets.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION ACCEPTING A DONATION OF TEMPUR-PEDIC MATTRESSES FROM TEMPUR-PEDIC PRODUCTION USA, LLC FOR THE KINGSPORT FIRE DEPARTMENT

WHEREAS, Tempur-Pedic Production USA LLC would like to donate 46 Tempur-Pedic mattresses for use by the Kingsport Fire Department; and

WHEREAS, the estimated value of this donation is \$115,000.00, to be donated in increments anticipated over the next two years.

Now therefore,

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

SECTION I. That the donation from Tempur-Pedic Production USA, LLC of 46 Tempur-Pedic mattresses to be utilized by Kingsport Fire Department in the estimated amount of \$115,000.00, is accepted.

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

ADOPTED this the 19th day of March, 2024.

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 a Resolution to Enter into an Agreement with LJA Engineering, Inc. to Provide Inspection and Engineering Services for the West Kingsport Sewer Basin

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-55-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Will Stallard

Presentation By: Ryan McReynolds

Recommendation:

Approve the Resolution

Executive Summary:

In order to properly plan for future capital expenditures, in-depth monitoring of sewer flows during rainy periods is necessary to assess the overall capacity of the sewer system. The West Kingsport Sewer Drainage Basin has seen increased development over the past few years and continued assessment of the sewer system was needed. This flow monitoring assessment was completed in early 2023.

We plan to further investigate in the Ridgefields area of the West Kingsport sewer basin where last year's assessment identified the highest instances of inflow and infiltration from the study. This project will perform/provide manhole inspections, GPS survey and integration, smoke testing, CCTV inspection and cleaning, and engineering summary which will develop rehabilitation projects for the West Kingsport sewer basin.

City staff recommends awarding the contract to LJA Engineering in the amount of \$190,638 in accordance with the attached proposal. Project funding will reside in SW2207.

Attachments:

1. Resolution
2. LJA Proposal
3. Flow Monitoring Results Map

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

RESOLUTION NO. _____

A RESOLUTION ACCEPTING THE PROPOSAL OF LJA ENGINEERING, INC., FOR INSPECTION AND ENGINEERING SERVICES RELATIVE TO THE WEST KINGSPORT SEWER BASIN; AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR THE SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the west Kingsport sewer drainage basin has seen increased development over the past few years which necessitated assessments of the sewer systems capacity and condition; and

WHEREAS, based upon results of capacity and the flow monitoring assessments which were completed in early 2023 staff deem it prudent to further investigate in the Ridgefields area of the west Kingsport sewer basin where the highest instances of inflow and infiltration were identified; and

WHEREAS, this project will perform/provide manhole inspections, GPS survey and integration, smoke testing, CCTV inspection and cleaning, and engineering summary which will develop rehabilitation projects for the west Kingsport sewer basin; and

WHEREAS, staff recommends accepting the proposal from LJA Professional Services, Inc., and entering into a Professional Services Agreement with LJA Engineering, Inc., in the amount of \$190,638.00; and

WHEREAS, funding is available in SW2207.

Now therefore,

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

SECTION I. That the proposal for the inspection and engineering services for the west Kingsport sewer basin from LJA Engineering, Inc. 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 proposal for inspection and engineering services as well as a professional services agreement for the west Kingsport Sewer Basin from LJA Engineering, 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 proposal as set out below and this resolution:

Mr. Chad Austin City of Kingsport
1113 Konnarock Road
Kingsport, Tennessee 37664

RE: Engineering Services as Related to the
Sanitary Sewer Inspection & Rehabilitation Project City of Kingsport, Tennessee
LJA Task Order 20240129 Dear Mr. Austin,

LJA Engineering, Inc. ("LJA") is pleased to provide this Task Order for engineering services associated with the Sanitary Sewer Inspection & Rehabilitation Project for the City of Kingsport ("Client"). This task order is made pursuant to the terms and conditions of the Professional Services Agreement ("PSA") entered into on November 28, 2022, by and between LJA Engineering, Inc. and the City of Kingsport.

Background

The Client is actively working through inflow/infiltration (I/I) correction measures within the sanitary sewer collection system. The Client previously retained LJA to assist with a temporary flow monitoring project within portions of the collection system to identify priority areas in which inspection and rehabilitation efforts should be focused.

The results of the study were presented to the Client and various approaches were discussed. LJA prepared several options to address I/I based on budget and timing. The results indicated that sanitary sewer evaluation survey (SSES) activities should be focused within specified areas of the system. The summary memo outlined the activities that should be completed during wet weather periods or where "wintertime" seasonal patterns are prevalent such that the observance of defects with extraneous flows could be identified. Following the identification of these defects, it was recommended that a rehabilitation project be formulated to address the required repairs. The Client requested the priority work be conducted within Basin 5438_12 which is approximately 100 manholes and 25,000 linear feet. (See Exhibit A)

Approach

It is expected that manhole inspections will begin immediately upon approval of this Task Order and be completed by the end of April 2024. The manhole wet weather inspections will be performed utilizing NASSCO defect criteria such that all defects can be relatively ranked and prioritized. The inspections will provide a condition assessment for each manhole and identify defects to be prioritized. It is critical that these inspections be performed during wetter periods to identify those contributing Rain-dependent inflow & infiltration (RDII) into the system since manhole/line connections are a typical inflow and infiltration (I/I) source. During the manhole inspection process, system connectivity and map verification is also performed which is critical for the next phases of work. Survey grade GPS coordinates will be taken at each manhole during the process of identifying system connectivity. It is imperative to have a corrected map prior to beginning any rehabilitation projects in order to minimize change orders and provide the most efficient repairs.

Smoke testing efforts will be completed during the summer of 2024, approximately between the months of May through June when groundwater levels are at the lowest. This will identify inflow type defects which contribute to the significant peaks observed with intense rainfall events. These type defects also significantly contribute to SSO events due to the quick response during intense storms. CCTV inspections are necessary to identify defects within mainlines and provide a means to formulate a rehabilitation design. Once completed, the CCTV inspection results are analyzed (coupled with the smoke testing and wet weather manhole inspection results) to finalize the priority ranking of work to be performed during rehabilitation.

Upon completion of all field work, LJA staff will compile the findings into a summary spreadsheet to provide a general indication of defects observed. LJA staff would integrate the associated reports from the SSES activities into the Client's current GIS and provide an updated GIS map layer. LJA would work with the Client's GIS staff to incorporate the updated layers into the Client's current GIS system.

The associated Scope of Services outline the tasks to be performed to meet the approach discussed in the above narrative.

Scope of Services

1.0 SSES Activities, Field Services Management, & GIS Integration

SSES field activities performed during this Task include the following with approximate quantities based on Client's current GIS:

- Manhole inspections (approximately 100) – Manhole inspections will be conducted during wet weather periods (~ February through April) to identify I/I sources. Data collected during manhole inspections will include the material of each manhole component (cover, frame, chimney, cone, wall, bench and invert) and will be based on NASSCO coding. The condition of each component will be assessed, defects identified, and pertinent photos will be taken. Additionally, connectivity will be verified with the GIS on each incoming and outgoing pipe segment such that map corrections can be made. A PDF report summarizing the information collected will be provided including photos. A sample is included in Exhibit B.
- GPS Surveying of Manholes (approximately 100) – A GPS survey of each manhole will be performed to obtain x, y, and z coordinates. Each point will be gathered with survey grade accuracy using a Trimble GPS data collector. Manhole GPS work will be performed during the wintertime period (between February through April) when the tree canopy is at a minimum. Any manholes where

survey grade accuracy cannot be obtained will be collected with mapping grade accuracy (+/- 3 feet). At the time a model is formulated utilizing the GPS data, other survey means will be utilized as part of that effort to obtain survey grade data for any locations required. LJA staff will coordinate with the Client to integrate the GPS data and revised sanitary sewer layer into the Client's existing GIS mapping system.

- Smoke testing (approximately 25,000 LF) – Smoke testing will be conducted to identify cross connection defects and severe inflow sources. These activities will be conducted during drier periods of the year (~ May through June) when ground conditions are dry allowing the smoke to permeate through the soil and into the air. Strategic smoke testing points will be identified throughout the project area to accommodate approximately 600-800 foot stretches of sewer mainline. While smoke is being pushed through the mainlines by a smoke blower, GPS points will be taken of each observed defect where smoke is exiting the ground. A photo will be taken of each defect and logged with the associated data collected. A summary report of each segment will be provided detailing the type of leak observed and an aerial map of the marked location. A sample is provided in Exhibit B.

In order to facilitate the field work listed above, LJA staff will perform the following:

- Provide oversight and direct management of subcontractors working on the project performing the above activities including scheduling, coordinating with the Client, coordinating during specific weather periods.
- Track progress throughout the project and provide updates to the Client as requested, including evaluating production logs and "cannot locate" lists for manholes. LJA staff will coordinate with subcontractor and the Client to get necessary access/manholes raised to facilitate work.
- A professional licensed surveyor (PLS) will validate any GPS shots taken to verify accuracy and ensure the points are imported into ESRI platform to be used in the Client's current GIS layer.
- Track progress during the smoke testing phase and provide updates to the Client as requested. Any significant findings will be submitted to the Client as they are identified.
- Perform various site visits during field activities.
- Conduct interim meetings/progress meetings with the Client during work to provide updates and discuss project progress and details.

Throughout the course of each field activity, LJA staff will receive preliminary data cuts of the database deliverable to ensure data is being collected properly, perform QA/QC checks, and verify accuracy. As each type of field work is completed, LJA staff will receive a final database submittal and perform a final review of the information collected. Upon receipt and final review of each dataset, LJA staff will integrate the data collected within the Client's current GIS layer. Using any GPS data collected, LJA staff will initially create the geometric network within the GIS to provide connectivity from manhole to manhole throughout the project area and enable the ability to perform tracing functions within ESRI. The manhole reports and individual data will be linked to each associated manhole within the manhole shape file. The smoke testing reports and individual data will be linked to each associated mainline segment within the sewer line shape file. LJA staff will compile the digital information and create point and linear defect events in personal geodatabases that will contain all the data to be served and queried within the GIS. Specific information about the defect such as type, location and severity score will be available in tabular format via the "Identify Tool" of ArcGIS. LJA staff will provide the Client with a final layer set to be imported into current GIS system. The final layer will contain links to each manhole and smoke testing report submitted.

Upon finalization of the GIS integration, LJA staff will compile the findings and create a list of priority mainline segments to be CCTV inspected. A map book will be created in PDF format, with index pages and map numbering, to be provided to the CCTV subcontractor to complete inspection work. An associated listing of each segment will also be exported from the GIS layer to create an Excel spreadsheet which will also be provided to the subcontractor to be used during the project to facilitate work.

2.0 CCTV Surveys, Field Services Management, & GIS Integration

It is anticipated that approximately 25,000 linear feet will be inspected. Preconditioning (cleaning) will only be conducted when needed. It is not expected that each pipe will need to be cleaned prior to inspections. A budgeted quantity of 60% of the inspected footage will be used for segments to be cleaned. However, this footage is a budgetary number and the segments that need to be cleaned in order to complete the work will be cleaned.

Of the pipe segments on the priority CCTV inspection list, only those mainlines requiring cleaning will be cleaned. It is expected that up to 60% (~15,000 LF) of the mainlines inspected may require preconditioning prior to inspection and 20% (~5,000 LF) of the mainlines may require heavy cleaning. However, should the pipes have a significant amount of debris, the totals could be higher. The projected footage to be cleaned and associated fees are only estimates. Should more cleaning be

required than anticipated, fees will need to be increased appropriately or an associated reduction in scope for the inspection will be necessary. Although the service lateral connections within the mainline will be visible during the mainline inspections, the inspection of each individual service lateral via a lateral launch will not be included as part of the scope of this project. It will be required to inspect each lateral included in the rehabilitation project at the time of construction to verify final rehabilitation once that data becomes available.

CCTV mainline inspections will be performed utilizing NASSCO standards. The camera will stop and pan each defect and tap to record pertinent information. Pre-conditioning of the pipe will be performed as needed to obtain an unobstructed view of the pipe. Heavy cleaning may be required to remove roots, heavy debris/silt, or remove protruding taps. It is estimated/budgeted that approximately 20% of the pipelines will require heavy cleaning. This is only an estimate. Should the actual footage requiring heavy cleaning be higher than the estimated amount, additional monies would be required to complete the work or work would need to be eliminated accordingly. A log will be provided that indicates the footage inspected, the footage preconditioned, and the footage heavy cleaned. A PDF report will be created from the inspection summarizing each item observed along with pictures.

In order to facilitate the CCTV inspections listed above, LJA staff will perform the following:

- Provide oversight and direct management of subcontractors working on the project performing the above activities including scheduling, coordinating with Client, coordinating during specific weather periods
- Track progress throughout the project and provide updates to Client as requested, including evaluating production logs and manholes that have been located and marked for Client to raise.
- Perform various site visits during field activities.
- Conduct interim meetings/progress meetings with Client during work to provide updates and discuss project progress and details as needed.

Throughout the course work, LJA staff will receive preliminary data cuts of the database deliverable to ensure data is being collected properly, perform QA/QC checks, and verify accuracy. As field work is completed, LJA staff will receive a preliminary database submittal and perform a review of the information collected. Upon receipt and final review of each dataset, LJA staff will integrate the data collected within the GIS layer. LJA staff will compile the digital information and create point and linear defect events in personal geodatabases that will contain all the data to be served and queried within the GIS. Specific information about the defect such as type, location and severity score will be available in tabular format via the "Identify Tool" of ArcGIS. LJA staff will provide Client with a final layer set to be imported into Client's current GIS system. The final layer will contain links to the associated inspection report.

3.0 Engineering Summary of Findings

Upon finalization of the GIS integration, LJA staff will perform a general prioritization for each sewer mainline segment, taking into account each SSES activity completed. This summary of information will be shown in ESRI ArcGIS via symbology based on severity of defects or I/I observed. LJA staff will provide a summary spreadsheet with defects prioritized based on the NASSCO scoring system. LJA staff will present the findings to Client staff and discuss the criteria used during the evaluation. LJA staff and Client staff will jointly review the results and findings and discuss steps to perform the next phase of work (rehabilitation).

LJA staff will provide a summary GIS dataset that can be incorporated into Client's existing GIS network. LJA will coordinate with Client's GIS department to facilitate the delivery.

Client's Responsibilities

Client shall be responsible for the following items:

- Provide assistance and coordinate with property owners as needed for property access.
- Assist LJA staff by locating manholes not easily identified both above and below grade.
- Provide access to buried manholes that are below grade (raising manholes to facilitate entry).
- Provide water at no charge during cleaning and CCTV inspections. Contractors will provide an accounting of water used for water loss purposes.
- Provide access at the WWTP to offload debris from the Vac-truck during cleaning and inspections.
- Allow CCTV inspections to be performed during Monday through Saturday if needed to ensure deadlines are met.

Compensation

We propose to provide the specific services described above to be billed as follows:

Task 1.0 SSES Activities, Field Services Management, & GIS Integration

| Item No. | Description | Units | Unit Cost | Total |
|----------|-------------|-------|-----------|-------|
|----------|-------------|-------|-----------|-------|

| |
|-----------|
| Item X16. |
|-----------|

| | | | | |
|------------------|--|--------|-------------|-----------------|
| 1a. | Manhole Inspections | 100 | \$165 | \$16,500 |
| 1b. | Manhole GPS | 100 | \$55 | \$5,500 |
| 1c. | Smoke Testing | 25,000 | \$0.65 | \$16,250 |
| 1d. | Engineering/GIS integration Field/Management | LS | \$15,250.00 | \$15,250 |
| Sub-Total Task 1 | | | | <u>\$53,500</u> |

Task 2.0 CCTV Inspections, Field Services Management, & GIS Integration

| Item No. | Description | Units | Unit Cost | Total |
|------------------|--|--------|-------------|------------------|
| 2a. | Mobilization | 1 | \$4,200 | \$4,200 |
| 2b1. | CCTV Inspection 6-inch to 8-inch | 19,100 | \$1.93 | \$36,901 |
| 2b2. | CCTV Inspection 12-inch | 3,500 | \$2.03 | \$7,098 |
| 2b3. | CCTV Inspection 15-inch | 2,400 | \$2.12 | \$5,098 |
| 2c1. | Preconditioning 6-inch to 8-inch | 11,460 | \$2.07 | \$23,745 |
| 2c2. | Preconditioning 12-inch | 2,100 | \$2.17 | \$4,563 |
| 2c3. | Preconditioning 15-inch | 1,440 | \$2.27 | \$3,274 |
| 2d1. | Heavy Cleaning Adder to Preconditioning 6-inch to 8-inch | 3,820 | \$1.40 | \$5,363 |
| 2d2. | Heavy Cleaning Adder to Preconditioning 12-inch | 700 | \$1.54 | \$1,075 |
| 2d3. | Heavy Cleaning Adder to Preconditioning 15-inch | 480 | \$1.75 | \$841 |
| 2e. | Reverse Setup | 15 | \$210 | \$3,150 |
| 2f. | Locate, Sonde, Mark MH | 10 | \$158 | \$1,580 |
| 2g. | CCTV Reports and Data Delivery | LS | \$6,000 | \$6,000 |
| 2h. | Engineering/GIS CCTV & Management | LS | \$18,750.00 | \$18,750 |
| Sub-Total Task 2 | | | | <u>\$121,638</u> |

Task 3.0 Engineering Summary of Findings

| Item No. | Description | Units | Unit Cost | Total |
|----------|-----------------------|-------|-------------|----------|
| 3 | Engineering Reporting | LS | \$15,500.00 | \$15,500 |

| | |
|----------------------------|------------------------|
| Total Not-to-Exceed | <u>\$190,63</u> |
|----------------------------|------------------------|

Any work not authorized within three (3) months of the date of this agreement will be subject to renegotiations based on current rates.

Schedule

LJA staff would tentatively schedule to begin manhole inspections and manhole GPS work immediately upon approval. It is anticipated the manhole inspections will take approximately 4-5 weeks to complete pending weather conditions. CCTV inspections will begin within 2-3 weeks of authorization. It is anticipated that CCTV inspections will take approximately 3-4 weeks to complete the field portion of the work. It is anticipated that smoke testing would begin in the when groundwater conditions are at the lowest. Timing to complete smoke testing would tentatively be between May 2024 and June 2024. It is anticipated that smoke testing would take approximately 2 weeks to complete pending weather conditions. Upon completion of all field work, LJA staff will present the findings and discuss the recommendations for the rehabilitation project and design parameters. LJA staff will then coordinate with the Client to determine the tentative schedule for advertisement and bidding of the project.

Reimbursables and additional services

Included in the above fees are reimbursable expenses incurred on the project's behalf, including: mileage, printing, plotting, photocopies, reproduction, express mail, and/or courier services. Any regulatory agency review fees associated with plan reviews shall be the responsibility of the Client. Reimbursable expenses will be billed at cost plus ten percent (10%). LJA will bill monthly for all work performed and expenses incurred on the project's behalf. Unpaid invoices after thirty (30) days will accrue service charges at 1-1/2% per month and include any costs of collections and reasonable attorney's fees.

Authorization

If this proposal meets with your approval, your signature below and on the attached Professional Services Agreement will be sufficient authorization for LJA to commence the stated work as indicated in the above Scope of Services.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you have any questions, please contact me at 931.273.8999.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION III. That a Professional Services Agreement with LJA Engineering, Inc. for the inspection and engineering services for the West Kingsport Sewer Basin, is approved.

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

February 2, 2024

TASK ORDER_RV

Mr. Chad Austin
City of Kingsport
1113 Konnarock Road
Kingsport, Tennessee 37664

RE: Engineering Services as Related to the
Sanitary Sewer Inspection & Rehabilitation Project
City of Kingsport, Tennessee
LJA Task Order 20240129

Dear Mr. Austin,

LJA Engineering, Inc. ("LJA") is pleased to provide this Task Order for engineering services associated with the Sanitary Sewer Inspection & Rehabilitation Project for the City of Kingsport ("Client"). This task order is made pursuant to the terms and conditions of the Professional Services Agreement ("PSA") entered into on November 28, 2022, by and between LJA Engineering, Inc. and the City of Kingsport.

Background

The Client is actively working through inflow/infiltration (I/I) correction measures within the sanitary sewer collection system. The Client previously retained LJA to assist with a temporary flow monitoring project within portions of the collection system to identify priority areas in which inspection and rehabilitation efforts should be focused.

The results of the study were presented to the Client and various approaches were discussed. LJA prepared several options to address I/I based on budget and timing. The results indicated that sanitary sewer evaluation survey (SSES) activities should be focused within specified areas of the system. The summary memo outlined the activities that should be completed during wet weather periods or where "wintertime" seasonal patterns are prevalent such that the observance of defects with extraneous flows could be identified. Following the identification of these defects, it was recommended that a rehabilitation project be formulated to address the required repairs. The Client requested the priority work be conducted within Basin 5438_12 which is approximately 100 manholes and 25,000 linear feet. (See Exhibit A)

Approach

It is expected that manhole inspections will begin immediately upon approval of this Task Order and be completed by the end of April 2024. The manhole wet weather inspections will be performed utilizing NASSCO defect criteria such that all defects can be relatively ranked and prioritized. The inspections will provide a condition assessment for each manhole and identify defects to be prioritized. It is critical that these inspections be performed during wetter periods to identify those contributing Rain-dependent inflow & infiltration (RDII) into the system since manhole/line connections are a typical inflow and infiltration (I/I) source. During the manhole inspection process, system connectivity and map verification is also performed which is critical for the next phases of work. Survey grade GPS coordinates will be taken at each manhole during the process of identifying system connectivity. It is imperative to have a corrected map prior to

beginning any rehabilitation projects in order to minimize change orders and provide the most efficient repairs.

Smoke testing efforts will be completed during the summer of 2024, approximately between the months of May through June when groundwater levels are at the lowest. This will identify inflow type defects which contribute to the significant peaks observed with intense rainfall events. These type defects also significantly contribute to SSO events due to the quick response during intense storms.

CCTV inspections are necessary to identify defects within mainlines and provide a means to formulate a rehabilitation design. Once completed, the CCTV inspection results are analyzed (coupled with the smoke testing and wet weather manhole inspection results) to finalize the priority ranking of work to be performed during rehabilitation.

Upon completion of all field work, LJA staff will compile the findings into a summary spreadsheet to provide a general indication of defects observed. LJA staff would integrate the associated reports from the SSES activities into the Client's current GIS and provide an updated GIS map layer. LJA would work with the Client's GIS staff to incorporate the updated layers into the Client's current GIS system.

The associated Scope of Services outline the tasks to be performed to meet the approach discussed in the above narrative.

Scope of Services

1.0 SSES Activities, Field Services Management, & GIS Integration

SSES field activities performed during this Task include the following with approximate quantities based on Client's current GIS:

- Manhole inspections (approximately 100) – Manhole inspections will be conducted during wet weather periods (~ February through April) to identify I/I sources. Data collected during manhole inspections will include the material of each manhole component (cover, frame, chimney, cone, wall, bench and invert) and will be based on NASSCO coding. The condition of each component will be assessed, defects identified, and pertinent photos will be taken. Additionally, connectivity will be verified with the GIS on each incoming and outgoing pipe segment such that map corrections can be made. A PDF report summarizing the information collected will be provided including photos. A sample is included in Exhibit B.
- GPS Surveying of Manholes (approximately 100) – A GPS survey of each manhole will be performed to obtain x, y, and z coordinates. Each point will be gathered with survey grade accuracy using a Trimble GPS data collector. Manhole GPS work will be performed during the wintertime period (between February through April) when the tree canopy is at a minimum. Any manholes where survey grade accuracy cannot be obtained will be collected with mapping grade accuracy (+/- 3 feet). At the time a model is formulated utilizing the GPS data, other survey means will be utilized as part of that effort to obtain survey grade data for any locations required. LJA staff will coordinate with the Client to integrate the GPS data and revised sanitary sewer layer into the Client's existing GIS mapping system.
- Smoke testing (approximately 25,000 LF) – Smoke testing will be conducted to identify cross connection defects and severe inflow sources. These activities will be conducted during drier periods of the year (~ May through June) when ground conditions are dry allowing the smoke to permeate through the soil and into the air. Strategic smoke testing points will be identified throughout the project area to accommodate approximately Item X16. foot stretches of sewer mainline. While

smoke is being pushed through the mainlines by a smoke blower, GPS points will be taken of each observed defect where smoke is exiting the ground. A photo will be taken of each defect and logged with the associated data collected. A summary report of each segment will be provided detailing the type of leak observed and an aerial map of the marked location. A sample is provided in Exhibit B.

In order to facilitate the field work listed above, LJA staff will perform the following:

- Provide oversight and direct management of subcontractors working on the project performing the above activities including scheduling, coordinating with the Client, coordinating during specific weather periods.
- Track progress throughout the project and provide updates to the Client as requested, including evaluating production logs and “cannot locate” lists for manholes. LJA staff will coordinate with subcontractor and the Client to get necessary access/manholes raised to facilitate work.
- A professional licensed surveyor (PLS) will validate any GPS shots taken to verify accuracy and ensure the points are imported into ESRI platform to be used in the Client’s current GIS layer.
- Track progress during the smoke testing phase and provide updates to the Client as requested. Any significant findings will be submitted to the Client as they are identified.
- Perform various site visits during field activities.
- Conduct interim meetings/progress meetings with the Client during work to provide updates and discuss project progress and details.

Throughout the course of each field activity, LJA staff will receive preliminary data cuts of the database deliverable to ensure data is being collected properly, perform QA/QC checks, and verify accuracy. As each type of field work is completed, LJA staff will receive a final database submittal and perform a final review of the information collected. Upon receipt and final review of each dataset, LJA staff will integrate the data collected within the Client’s current GIS layer. Using any GPS data collected, LJA staff will initially create the geometric network within the GIS to provide connectivity from manhole to manhole throughout the project area and enable the ability to perform tracing functions within ESRI. The manhole reports and individual data will be linked to each associated manhole within the manhole shape file. The smoke testing reports and individual data will be linked to each associated mainline segment within the sewer line shape file. LJA staff will compile the digital information and create point and linear defect events in personal geodatabases that will contain all the data to be served and queried within the GIS. Specific information about the defect such as type, location and severity score will be available in tabular format via the “Identify Tool” of ArcGIS. LJA staff will provide the Client with a final layer set to be imported into current GIS system. The final layer will contain links to each manhole and smoke testing report submitted.

Upon finalization of the GIS integration, LJA staff will compile the findings and create a list of priority mainline segments to be CCTV inspected. A map book will be created in PDF format, with index pages and map numbering, to be provided to the CCTV subcontractor to complete inspection work. An associated listing of each segment will also be exported from the GIS layer to create an Excel spreadsheet which will also be provided to the subcontractor to be used during the project to facilitate work.

2.0 CCTV Surveys, Field Services Management, & GIS Integration

It is anticipated that approximately 25,000 linear feet will be inspected. Preconditioning (cleaning) will only be conducted when needed. It is not expected that each pipe will need to be cleaned prior to inspections. A budgeted quantity of 60% of the inspected footage will be used for segments to be cleaned. However, this footage is a budgetary number and the segments that need to be cleaned in order to complete the work will be cleaned.

Of the pipe segments on the priority CCTV inspection list, only those mainlines requiring cleaning will be cleaned. It is expected that up to 60% (~15,000 LF) of the mainlines inspected may require preconditioning prior to inspection and 20% (~5,000 LF) of the mainlines may require heavy cleaning. However, should the pipes have a significant amount of debris, the totals could be higher. The projected footage to be cleaned and associated fees are only estimates. Should more cleaning be required than anticipated, fees will need to be increased appropriately or an associated reduction in scope for the inspection will be necessary. Although the service lateral connections within the mainline will be visible during the mainline inspections, the inspection of each individual service lateral via a lateral launch will not be included as part of the scope of this project. It will be required to inspect each lateral included in the rehabilitation project at the time of construction to verify final rehabilitation once that data becomes available.

CCTV mainline inspections will be performed utilizing NASSCO standards. The camera will stop and pan each defect and tap to record pertinent information. Pre-conditioning of the pipe will be performed as needed to obtain an unobstructed view of the pipe. Heavy cleaning may be required to remove roots, heavy debris/silt, or remove protruding taps. It is estimated/budgeted that approximately 20% of the pipelines will require heavy cleaning. This is only an estimate. Should the actual footage requiring heavy cleaning be higher than the estimated amount, additional monies would be required to complete the work or work would need to be eliminated accordingly. A log will be provided that indicates the footage inspected, the footage preconditioned, and the footage heavy cleaned. A PDF report will be created from the inspection summarizing each item observed along with pictures.

In order to facilitate the CCTV inspections listed above, LJA staff will perform the following:

- Provide oversight and direct management of subcontractors working on the project performing the above activities including scheduling, coordinating with Client, coordinating during specific weather periods
- Track progress throughout the project and provide updates to Client as requested, including evaluating production logs and manholes that have been located and marked for Client to raise.
- Perform various site visits during field activities.
- Conduct interim meetings/progress meetings with Client during work to provide updates and discuss project progress and details as needed.

Throughout the course work, LJA staff will receive preliminary data cuts of the database deliverable to ensure data is being collected properly, perform QA/QC checks, and verify accuracy. As field work is completed, LJA staff will receive a preliminary database submittal and perform a review of the information collected. Upon receipt and final review of each dataset, LJA staff will integrate the data collected within the GIS layer. LJA staff will compile the digital information and create point and linear defect events in personal geodatabases that will contain all the data to be served and queried within the GIS. Specific information about the defect such as type, location and severity score will be available in tabular format via the "Identify Tool" of ArcGIS. LJA staff will provide Client with a final layer set to be imported into Client's current GIS system. The final layer will contain links to the associated inspection report.

3.0 Engineering Summary of Findings

Upon finalization of the GIS integration, LJA staff will perform a general prioritization for each sewer mainline segment, taking into account each SSES activity completed. This summary of information will be shown in ESRI ArcGIS via symbology based on severity of defects or I/I observed. LJA staff will provide a summary spreadsheet with defects prioritized based on the NASSCO scoring system. LJA staff will present the findings to Client staff and discuss the criteria used during the evaluation. LJA staff and Client staff will jointly review the results and findings and discuss steps to perform the next phase of work (rehabilitation).

LJA staff will provide a summary GIS dataset that can be incorporated into Client's existing GIS network. LJA will coordinate with Client's GIS department to facilitate the delivery.

Client's Responsibilities

Client shall be responsible for the following items:

- Provide assistance and coordinate with property owners as needed for property access.
- Assist LJA staff by locating manholes not easily identified both above and below grade.
- Provide access to buried manholes that are below grade (raising manholes to facilitate entry).
- Provide water at no charge during cleaning and CCTV inspections. Contractors will provide an accounting of water used for water loss purposes.
- Provide access at the WWTP to offload debris from the Vac-truck during cleaning and inspections.
- Allow CCTV inspections to be performed during Monday through Saturday if needed to ensure deadlines are met.

Compensation

We propose to provide the specific services described above to be billed as follows:

Task 1.0 SSES Activities, Field Services Management, & GIS Integration

| Item No. | Description | Units | Unit Cost | Total |
|------------------|---|--------|-------------|-----------------|
| 1a. | Manhole Inspections | 100 | \$165 | \$16,500 |
| 1b. | Manhole GPS | 100 | \$55 | \$5,500 |
| 1c. | Smoke Testing | 25,000 | \$0.65 | \$16,250 |
| 1d. | Engineering/GIS integration Field/Management | LS | \$15,250.00 | \$15,250 |
| Sub-Total Task 1 | | | | \$53,500 |

Task 2.0 CCTV Inspections, Field Services Management, & GIS Integration

| Item No. | Description | Units | Unit Cost | Total |
|------------------|---|--------|-------------|------------------|
| 2a. | Mobilization | 1 | \$4,200 | \$4,200 |
| 2b1. | CCTV Inspection 6-inch to 8-inch | 19,100 | \$1.93 | \$36,901 |
| 2b2. | CCTV Inspection 12-inch | 3,500 | \$2.03 | \$7,098 |
| 2b3. | CCTV Inspection 15-inch | 2,400 | \$2.12 | \$5,098 |
| 2c1. | Preconditioning 6-inch to 8-inch | 11,460 | \$2.07 | \$23,745 |
| 2c2. | Preconditioning 12-inch | 2,100 | \$2.17 | \$4,563 |
| 2c3. | Preconditioning 15-inch | 1,440 | \$2.27 | \$3,274 |
| 2d1. | Heavy Cleaning Adder to Preconditioning 6-inch to 8-inch | 3,820 | \$1.40 | \$5,363 |
| 2d2. | Heavy Cleaning Adder to Preconditioning 12-inch | 700 | \$1.54 | \$1,075 |
| 2d3. | Heavy Cleaning Adder to Preconditioning 15-inch | 480 | \$1.75 | \$841 |
| 2e. | Reverse Setup | 15 | \$210 | \$3,150 |
| 2f. | Locate, Sonde, Mark MH | 10 | \$158 | \$1,580 |
| 2g. | CCTV Reports and Data Delivery | LS | \$6,000 | \$6,000 |
| 2h. | Engineering/GIS CCTV & Management | LS | \$18,750.00 | \$18,750 |
| Sub-Total Task 2 | | | | \$121,638 |

Task 3.0 Engineering Summary of Findings

| Item No. | Description | Units | Unit Cost | Total |
|----------|-----------------------|-------|--------------|----------|
| 3 | Engineering Reporting | LS | \$ 15,500.00 | \$15,500 |

Total Not-to-Exceed Amount

Item XI6.

\$190,638

Any work not authorized within three (3) months of the date of this agreement will be subject to renegotiations based on current rates.

Schedule

LJA staff would tentatively schedule to begin manhole inspections and manhole GPS work immediately upon approval. It is anticipated the manhole inspections will take approximately 4-5 weeks to complete pending weather conditions. CCTV inspections will begin within 2-3 weeks of authorization. It is anticipated that CCTV inspections will take approximately 3-4 weeks to complete the field portion of the work. It is anticipated that smoke testing would begin in the when groundwater conditions are at the lowest. Timing to complete smoke testing would tentatively be between May 2024 and June 2024. It is anticipated that smoke testing would take approximately 2 weeks to complete pending weather conditions. Upon completion of all field work, LJA staff will present the findings and discuss the recommendations for the rehabilitation project and design parameters. LJA staff will then coordinate with the Client to determine the tentative schedule for advertisement and bidding of the project.

Reimbursables and additional services

Included in the above fees are reimbursable expenses incurred on the project's behalf, including: mileage, printing, plotting, photocopies, reproduction, express mail, and/or courier services. Any regulatory agency review fees associated with plan reviews shall be the responsibility of the Client. Reimbursable expenses will be billed at cost plus ten percent (10%). LJA will bill monthly for all work performed and expenses incurred on the project's behalf. Unpaid invoices after thirty (30) days will accrue service charges at 1-1/2% per month and include any costs of collections and reasonable attorney's fees.

Authorization

If this proposal meets with your approval, your signature below and on the attached Professional Services Agreement will be sufficient authorization for LJA to commence the stated work as indicated in the above Scope of Services.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you have any questions, please contact me at 931.273.8999.

Sincerely,



Travis E. Wilson, PE
Vice President

TEW

Attachments:

Exhibit A – Basin Maps
Exhibit B – Sample Field Reports

Accepted By:
City of Kingsport

By: _____

Name: _____

Title: _____

Date: _____

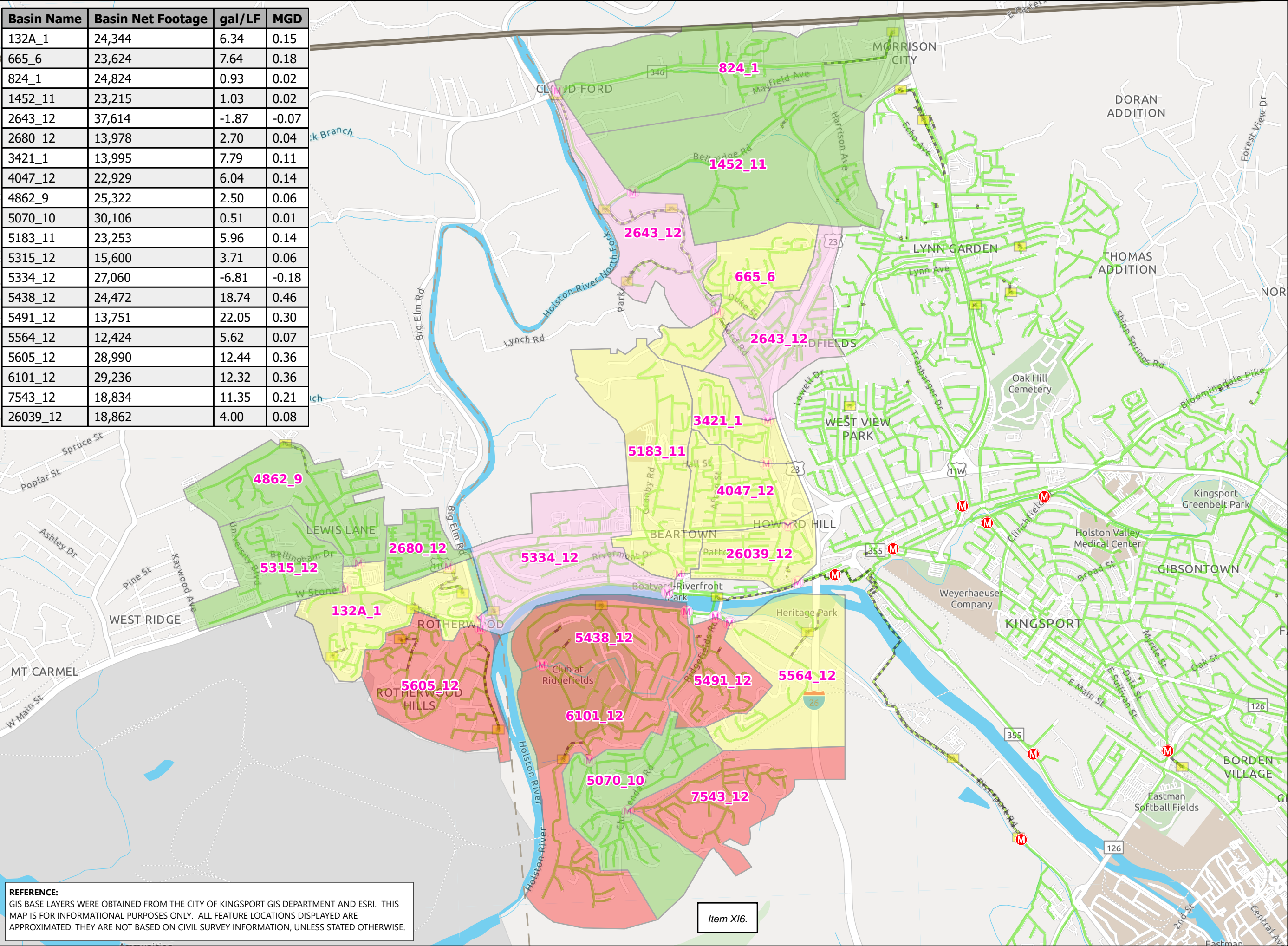
EXHIBITS

EXHIBIT A

Basin Maps

Drawing Path: Z:\SoutheastRegion\Projects\2023\3236-0002- Kingsport 2023 Flow Monitoring-City of Kingsport\GISData\Final Map for Report.aprx plotted by mcrow 07-17-2023

| Basin Name | Basin Net Footage | gal/LF | MGD |
|------------|-------------------|--------|-------|
| 132A_1 | 24,344 | 6.34 | 0.15 |
| 665_6 | 23,624 | 7.64 | 0.18 |
| 824_1 | 24,824 | 0.93 | 0.02 |
| 1452_11 | 23,215 | 1.03 | 0.02 |
| 2643_12 | 37,614 | -1.87 | -0.07 |
| 2680_12 | 13,978 | 2.70 | 0.04 |
| 3421_1 | 13,995 | 7.79 | 0.11 |
| 4047_12 | 22,929 | 6.04 | 0.14 |
| 4862_9 | 25,322 | 2.50 | 0.06 |
| 5070_10 | 30,106 | 0.51 | 0.01 |
| 5183_11 | 23,253 | 5.96 | 0.14 |
| 5315_12 | 15,600 | 3.71 | 0.06 |
| 5334_12 | 27,060 | -6.81 | -0.18 |
| 5438_12 | 24,472 | 18.74 | 0.46 |
| 5491_12 | 13,751 | 22.05 | 0.30 |
| 5564_12 | 12,424 | 5.62 | 0.07 |
| 5605_12 | 28,990 | 12.44 | 0.36 |
| 6101_12 | 29,236 | 12.32 | 0.36 |
| 7543_12 | 18,834 | 11.35 | 0.21 |
| 26039_12 | 18,862 | 4.00 | 0.08 |



REFERENCE:
GIS BASE LAYERS WERE OBTAINED FROM THE CITY OF KINGSFORT GIS DEPARTMENT AND ESRI. THIS MAP IS FOR INFORMATIONAL PURPOSES ONLY. ALL FEATURE LOCATIONS DISPLAYED ARE APPROXIMATED. THEY ARE NOT BASED ON CIVIL SURVEY INFORMATION, UNLESS STATED OTHERWISE.

Item X16.

City of Kingsport

Flow Monitoring Location Map

Page 1 of 1

Legend

- Pump and Lift Stations
- Sewer Force Mains
- Sewer Gravity Mains
- Existing Flow Meters
- Temporary Flow Meters
- Minimal RDII
- Significant RDII
- Severe RDII
- Inconclusive due to Balancing

N

1 inch = 2,500 feet

0 1,250 2,500 Feet

DATE:
7/17/2023

LJA PROJECT NO.
3236-0002

LJA Engineering | 265 Brookview Centre Way
Suite 504 Knoxville, TN 37919 | www.lja.com

EXHIBIT B

Sample Field Reports

Manhole Inspection Report

Date: 01/26/2022

Manhole ID: 906

Crew: UT

Street Address: TN-72

General Location: Center 75 PS Easement

Inspection Type: Internal
Structure Type: Standard
Location: Grass
Surface Type: Dirt/Grass
Weather: Dry

Cover Type: Bolt Down
Cover Fit: Bolts Missing
Holes in Cover: 4
Riser Present?: 0
Riser Height: 0

Ponding Type: None
Ponding Depth: 0
Grade +/-: 2.4 ft
Inflow Dish?: No
Frame Offset: 0 in

Chimney Material: None
Chimney Height: 0
Cone Material: Pre-Cast
Cone Shape: Eccentric

Wall Material: Pre-Cast
Wall Lining Type: None
Wall Length: 0
Wall Width/Dia: 48 in

Bench Type: Poured
Trough Type: Poured
Step Type: Plastic

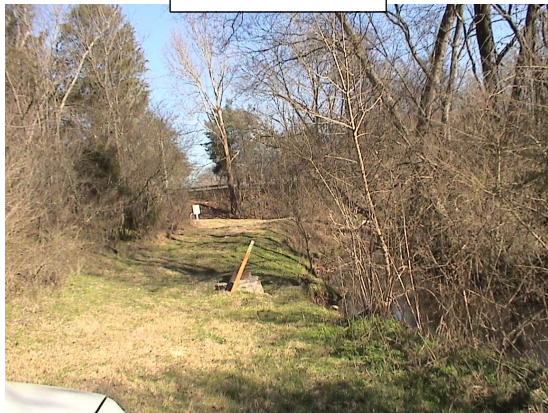
Manhole Depth: 9.2 ft

Evidence of Surcharge?: No

Surcharge Depth: 0

Comments: Lower wall joint weeping at time of inspection. Known to gush after rain event.

Area Photo



Internal Photo



Manhole Defect Information

Components with Defects: Wall

| I/I Code Type | Broken | Lining Failure | Deposits | Roots | Fracture | Crack | Hole | Surface Damage | Brickwork | Joint |
|---------------|--------|----------------|----------|-------|----------|-------|------|----------------|-----------|-------|
| Cover: | | | | | | | | | | |
| Frame: | | | | | | | | | | |
| Frame Seal: | | | | | | | | | | |
| Chimney: | | | | | | | | | | |
| Cone: | | | | | | | | | | |
| Wall: Weeper | | | | | | | | | | |
| Bench: | | | | | | | | | | |
| Trough: | | | | | | | | | | |

Manhole Defect Photos:



Manhole Inspection Report - Pipes

Pipe #: 1
Upstream MH: 906
Downstream MH: 905
Clock Position: 6
Shape of Pipe: Round
Diameter/Height: 15 in

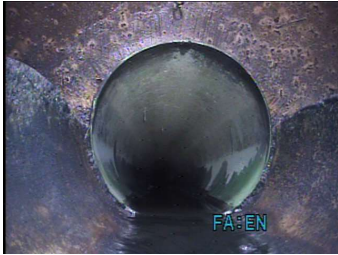
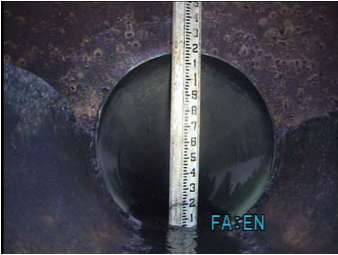
Material: PVC
Rim to Invert: 9.2 ft
Flow Depth: 2 in



Comments: None

Pipe #: 2
Upstream MH: 907
Downstream MH: 906
Clock Position: 11
Shape of Pipe: Round
Diameter/Height: 15 in

Material: PVC
Rim to Invert: 9.1 ft
Flow Depth: 2 in



Comments: None

Smoke Test Inspection Report

Observation : 27-5

Collected By: Utility Technologies

Date Inspected: 12/2/2021

Address: 1150 Carding Machine Rd

Location: Front Yard

Upstream Manhole: 154

Downstream Manhole: 148

Area: Private

Smoke Source: SVC CO Needs Cap/Collar

Smoke Intensity: Heavy

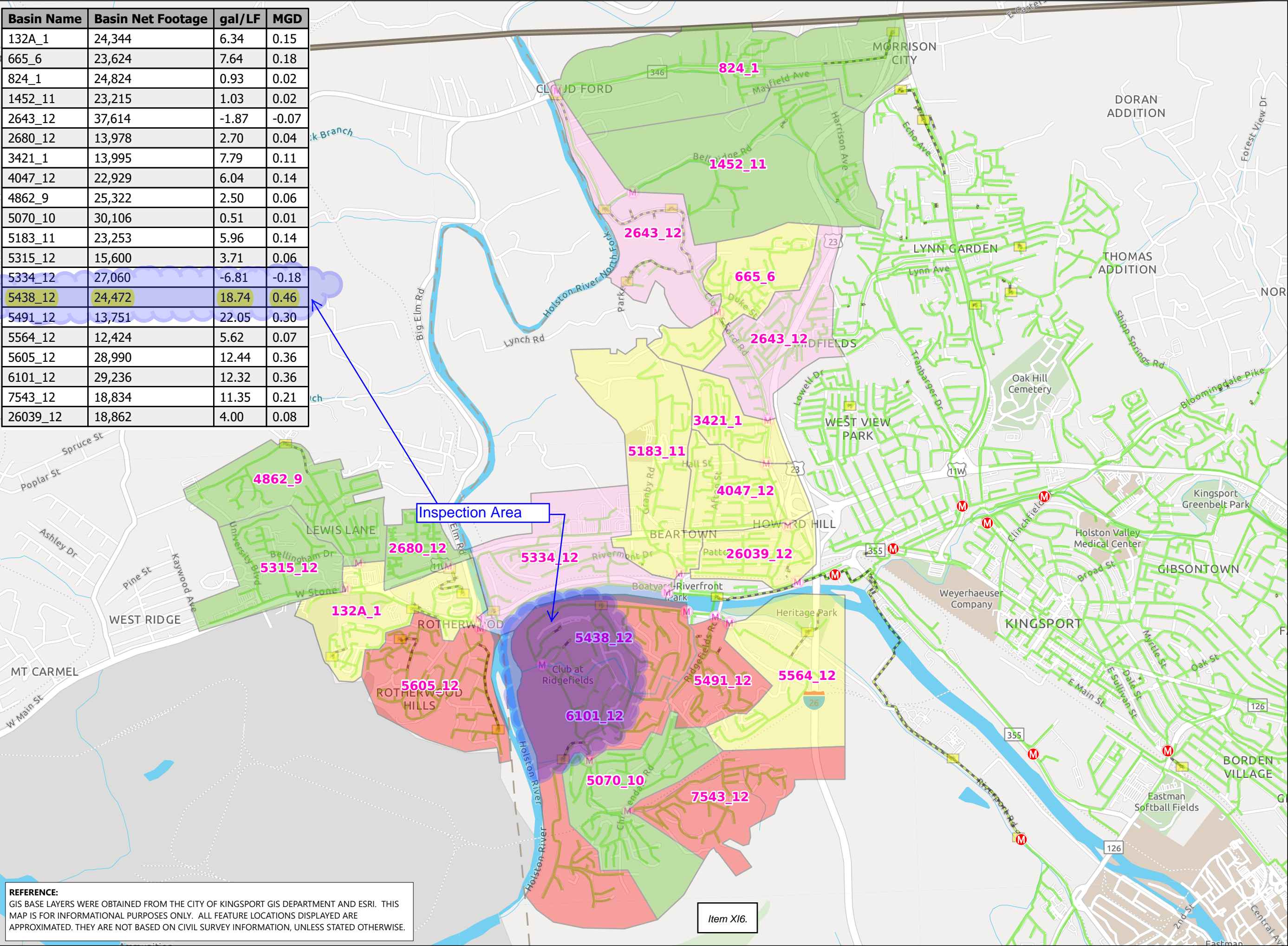
I & I Rating: Mild

Notes: Smoke from open cleanout



Drawing Path: Z:\SoutheastRegion\Projects\2023\3236-0002- Kingsport 2023 Flow Monitoring-City of Kingsport\GISData\Final Map for Report.aprx plotted by mcrow 07-17-2023

| Basin Name | Basin Net Footage | gal/LF | MGD |
|------------|-------------------|--------|-------|
| 132A_1 | 24,344 | 6.34 | 0.15 |
| 665_6 | 23,624 | 7.64 | 0.18 |
| 824_1 | 24,824 | 0.93 | 0.02 |
| 1452_11 | 23,215 | 1.03 | 0.02 |
| 2643_12 | 37,614 | -1.87 | -0.07 |
| 2680_12 | 13,978 | 2.70 | 0.04 |
| 3421_1 | 13,995 | 7.79 | 0.11 |
| 4047_12 | 22,929 | 6.04 | 0.14 |
| 4862_9 | 25,322 | 2.50 | 0.06 |
| 5070_10 | 30,106 | 0.51 | 0.01 |
| 5183_11 | 23,253 | 5.96 | 0.14 |
| 5315_12 | 15,600 | 3.71 | 0.06 |
| 5334_12 | 27,060 | -6.81 | -0.18 |
| 5438_12 | 24,472 | 18.74 | 0.46 |
| 5491_12 | 13,751 | 22.05 | 0.30 |
| 5564_12 | 12,424 | 5.62 | 0.07 |
| 5605_12 | 28,990 | 12.44 | 0.36 |
| 6101_12 | 29,236 | 12.32 | 0.36 |
| 7543_12 | 18,834 | 11.35 | 0.21 |
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City of Kingsport

Flow Monitoring Location Map

Page 1 of 1

Legend

- Pump and Lift Stations
- Sewer Force Mains
- Sewer Gravity Mains
- Existing Flow Meters
- Temporary Flow Meters
- Minimal RDII
- Significant RDII
- Severe RDII
- Inconclusive due to Balancing



1 inch = 2,500 feet
0 1,250 2,500 Feet

DATE:
7/17/2023

LJA PROJECT NO.
3236-0002



LJA Engineering | 265 Brookview Centre Way
Suite 504 Knoxville, TN 37919 | www.lja.com



AGENDA ACTION FORM

Consideration of a Resolution to Ratify the Mayor's Signature and Accept the Assistance to Firefighters (AFG) Grant through the U.S. Fire Administration of the Federal Emergency Management Administration (FEMA) Division of the Department of Homeland Security (DHS)

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-80-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Terry Arnold
Presentation By: Asst Chief Terry Arnold

Recommendation:

Approve the Resolution.

Executive Summary:

This resolution will ratify the Mayor's signature and accept the Assistance to Firefighters Grant (AFG). This grant was applied for on March 8, 2024.

The Kingsport Fire Department (KFD) is eligible to apply for a FEMA Assistance to Firefighters Grant (AFG). This program is designed to meet the firefighting and emergency response needs of fire departments and nonaffiliated emergency medical services organizations. The Grant Programs directorate of the Federal Emergency Management Agency administers the grants in cooperation with the U.S. Fire Administration.

The grant will be for 8 cardiac monitors to replace the outdated monitors with an upgrade in technology and training, and interoperability with other agencies (EMS, Hospitals) at a cost of \$391,091.58. This shall be accomplished with a combination of a grant and funds from project account #GP2208. The grant will be for \$391,091.58 with approximately ten percent (10%) of the matching funds of \$35,000.00.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION RATIFYING THE MAYOR'S SIGNATURE ON ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE AN ASSISTANCE TO FIREFIGHTERS GRANT THROUGH THE UNITED STATES FIRE ADMINISTRATION OF THE FEDERAL EMERGENCY MANAGEMENT DIVISION OF THE DEPARTMENT OF HOMELAND SECURITY

WHEREAS, the city, for its Kingsport Fire Department, applied for an Assistance to Firefighters Grant (AFG) through the U.S. Fire Administration of the Federal Emergency Management Administration Division (FEMA) of the Department of Homeland Security (DHS), which is designed to meet the firefighting and emergency response needs of fire departments and nonaffiliated emergency medical services organizations; and

WHEREAS, if awarded, the grant will provide funding for 8 cardiac monitors to replace the outdated monitors with an upgrade in technology and training, and interoperability with other agencies (EMS, Hospitals) at a cost of \$391,091.58; and

WHEREAS, the grant will be for \$391,091.58 with ten percent (10%) of the matching funds of \$35,000.00, which are available in GP2208.

Now therefore,

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

SECTION I. That the application submitted on March 8, 2024, for an Assistance to Firefighters Grant (AFG) through the U.S. Fire Administration of the Federal Emergency Management Administration Division (FEMA) of the Department of Homeland Security (DHS) is ratified, including the execution of the same by Mayor Patrick W. Shull.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive an Assistance to Firefighters Grant (AFG) through the U.S. Fire Administration of the Federal Emergency Management Administration Division (FEMA) of the Department of Homeland Security(DHS), in the amount of \$391,091.58, with a 10% match for the purchase of 8 cardiac monitors.

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

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

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

ADOPTED this the 19th day of March, 2024.

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 a Resolution Awarding the Bid for the Purchase of Water & Wastewater Chemicals.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-91-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Committee

Presentation By: R. McReynolds

Recommendation:

Approve the Resolution

Executive Summary:

Bids were opened on March 5, 2024 for the purchase of various chemicals for use by the Water and Wastewater Treatment Plant. The advertisement for the Invitation to Bid was published in the Kingsport Times News on February 17, 2024 and placed on our website for 17 calendar days. It is the recommendation of the Water/WW Facilities Managers to award the following chemical purchases for a 12 month period on an as needed basis as follows:

| Chemical | Vendor | Current Pricing / lb | Renewal Pricing / lb | Budget Impact |
|---------------------|-----------------------|--|--|------------------|
| Coagulant | USALCO | \$0.580 (4000 gal) \$0.630 (2000 gal) | \$0.5900 (4000 gal) \$0.6400 (2000 gal) | \$8,052.00 |
| Chlorine | JCI Jones | \$0.96 | \$0.91 | (\$10,785.00) |
| Fluoride | Pencco | \$0.24 | \$0.23 | (\$787.00) |
| Zinc Orthophosphate | Carus Corp | \$1.35 | \$0.77 | (\$45,314.00) |
| Sodium Permanganate | Chem Rite Inc. | \$1.48 | \$1.18 | (\$6,954.00) |
| Polymer | Coastal Water Tech | \$1.68 | \$1.28 | (\$24,800.00) |

The time frame for pricing is May 1, 2024 through April 30, 2025. Please see the attached documents for more information. Funding is identified in water and sewer fund operating expense accounts.

Attachments:

1. Resolution
2. Bid Opening Minutes
3. Recommendation Memo

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

Item XI8.

RESOLUTION NO. _____

A RESOLUTION AWARDED THE BID FOR THE PURCHASE OF CHLORINE TO JCI JONES; FOR ZINC ORTHOPHOSPHATE TO CARUS CORPORATION; FOR COAGULANT TO USALCO; FOR POLYMER TO COASTAL WATER TECHNOLOGY, LLC; FOR FLUORIDE TO PENCCO; AND FOR SODIUM PERMANGANATE TO CHEM RITE, INC., AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR THE SAME

WHEREAS, on March 5, 2024, bids were opened for the purchase of various chemicals for use by the Water and Wastewater Treatment Plant; and

WHEREAS, the city would like to award the bids of particular vendors for the purchase of various chemicals for use by the Water and Wastewater Treatment Plant for the time frame of May 1, 2024, through April 30, 2025, as set out below; and

WHEREAS, upon review of the bids, the board finds JCI Jones 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 purchase chlorine at a cost of \$0.91 per pound, from JCI Jones; and

WHEREAS, upon review of the bids, the board finds Carus Corporation 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 purchase zinc orthophosphate at a cost of \$0.77 per pound, from Carus Corporation; and

WHEREAS, upon review of the bids, the board finds USALCO 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 purchase coagulant at a cost of \$0.59 and \$0.64 per pound, delivered from USALCO; and

WHEREAS, upon review of the bids, the board finds Coastal Water Technology, LLC is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to purchase polymer at a cost of \$1.28 per pound, from Coastal Water Technology, LLC; and

WHEREAS, upon review of the bids, the board finds Pencco 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 purchase fluoride at a cost of \$0.23 per pound, from Pencco; and

WHEREAS, upon review of the bids, the board finds Chem Rite, 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 purchase Sodium Permanganate at a cost of \$1.18 per pound, from Chem Rite, Inc; and

WHEREAS, funding is identified in account water and sewer operating accounts.

Now therefore,

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

SECTION I. That the bids of particular vendors are award for the purchase of various chemicals for use by the Water and Wastewater Treatment Plant for the time frame of May 1, 2024, through April 30, 2025 is approved.

SECTION II. That the bid for chlorine is awarded to JCI Jones at a cost of \$0.91 per pound, for use by the Water Plant and the city manager is authorized to execute purchase orders for the same, as needed.

SECTION III. That the bid for zinc orthophosphate is awarded to Carus Corporation at a cost of \$.77 per pound, for use by the Water Plant and the city manager is authorized to execute purchase orders for the same, as needed.

SECTION IV. That the bid for coagulant is awarded to USALCO for Coagulant at a cost of \$.59 and \$.64 per pound for use by the Water Plant and the city manager is authorized to execute purchase orders for the same, as needed.

SECTION V. That the bid for polymer is awarded to Coastal Water Technology, LLC at a cost of \$1.28 per pound, for use by the Wastewater Plant and the city manager is authorized to execute purchase orders for the same, as needed.

SECTION VI. That the bid for fluoride is awarded to Pencco at a cost of \$0.23 per pound, for use by the Water Plant and the city manager is authorized to execute purchase orders for the same, as needed.

SECTION VII. That the bid for sodium permanganate is awarded to Chem Rite, Inc. at a cost of \$1.18 per pound, for use by the Water Plant and the city manager is authorized to execute purchase orders for the same, as needed

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

BID OPENING MINUTES

March 5, 2024

4:00 P.M.

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

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

| WATER/WASTEWATER CHEMICALS | | | | | | | | |
|----------------------------------|------------------|----------------------|------------------------------|------------------------------|------------------------------|---------------------|--------------------------------------|---------------------------------|
| Vendor: | Liquid Chlorine: | Zinc Orthophosphate: | Hydrofluorosilicic Acid 23%: | Gulbrandsen 6801 2,000 Gal.: | Gulbrandsen 6801 4,000 Gal.: | CWT ST-600 Coastal: | Sodium Permanganate: | Period of Time Prices Firm For: |
| Sterling Technologies Water, LLC | No Bid | \$0.8286/lb | No Bid | No Bid | No Bid | No Bid | No Bid | April 2025 |
| JCI Jones Chemical Co. | \$0.914/lb | No Bid | No Bid | No Bid | No Bid | No Bid | No Bid | 1 Year |
| Shannon Chemical Corp. | No Bid | \$1.17/lb | No Bid | No Bid | No Bid | No Bid | \$1.92/lb | 1 Year |
| Costal Water Technology, LLC | No Bid | No Bid | No Bid | No Bid | No Bid | \$1.28/lb | No Bid | N/A |
| Chem Rite, Inc, | No Bid | \$1.11/lb | No Bid | No Bid | No Bid | No Bid | \$1.18/lb totes 1.43 700 gal bulk | N/A |
| Brenntag Midsouth | \$0.9445/lb | \$0.9370/lb | \$0.3650/lb | No Bid | No Bid | No Bid | \$1.6270/gal | 1 Year |
| Pennco | No Bid | No Bid | \$0.2335/lb | No Bid | No Bid | No Bid | No Bid | 1 Year |
| Univar Solutions USA, LLC | No Bid | No Bid | \$0.2700/lb | No Bid | No Bid | No Bid | No Bid | 1 Year |
| Carus LLC | No Bid | \$0.77/lb | No Bid | No Bid | No Bid | No Bid | No Bid | 1 Year |
| USALCO | No Bid | No Bid | No Bid | \$0.6400/lb | \$0.5900/lb | No Bid | No Bid | 1 Year |

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



WATER & WASTEWATER FACILITIES

City of Kingsport, Tennessee

Memorandum

To: Nikisha Eichmann, Assistant Procurement Manager
From: Kirby Walker, WTP Manager
Date: 3/7/24
Re: W/WW Chemical Bids

Plant Staff has reviewed chemical pricing and recommends purchasing treatment chemicals as described below. New pricing will result in approximately \$80,588 decrease in chemical costs.

| Chemical | Vendor | Current Pricing / lb | Renewal Pricing / lb | Budget Impact |
|---------------------|--------------------|--|--|---------------|
| Coagulant | USALCO | \$0.580 (4000 gal) \$0.630 (2000 gal) | \$0.5900 (4000 gal) \$0.6400 (2000 gal) | \$8,052.00 |
| Chlorine | JCI Jones | \$0.96 | \$0.91 | (\$10,785.00) |
| Fluoride | Pennco | \$0.24 | \$0.23 | (\$787.00) |
| Zinc Orthophosphate | Carus Corp | \$1.35 | \$0.77 | (\$45,314.00) |
| Sodium Permanganate | Chem Rite Inc. | \$1.48 | \$1.18 | (\$6,954.00) |
| Polymer | Coastal Water Tech | \$1.68 | \$1.28 | (\$24,800.00) |

Coagulant (GC6801) – Plant Staff recommends USALCO at \$0.6400/lb & \$0.5900/lb. USALCO (formerly G20/Gulbrandsen) has provided coagulant to our facilities for 20+ years. Water Plant personnel remain pleased with both product and service. This is a \$0.04/lb increase in our operating budget for a total of \$8,052.

Chlorine - Plant Staff recommends JCI Jones Chemical Co at \$0.914/lb. JCI Jones has been a Chlorine provider to the water plant in the past and has met expectations. This is a \$0.05/lb decrease in our operating budget for a savings of \$10,785.

Fluoride – Plant Staff recommends Pennco at \$0.2335/lb. Pennco has been a Fluoride provider to the water plant in the past and met expectations. This is a \$786.00 decrease in our operating budget.

Zinc Orthophosphate – Plant Staff recommends Carus LLC at \$0.77/lb. Carus has been our corrosion inhibitor provider for several years and continuously provided a quality product and stable service. This is a \$0.58/lb decrease in our operating budget for a savings of \$45,314.

Sodium Permanganate – Plant Staff recommends Chem Rite Inc at \$1.18/lb. Chem Rite is a new vendor that came in at \$0.447 less than our current provider. Our staff feels we can build the same working relationship with this new supplier that we have with our current providers. This is a \$0.45 decrease to our operating budget for a savings of \$6,954.

Polymer (Wastewater Plant) – Plant Staff recommends Coastal Water Technology at \$1.28/lb, this is a \$0.40/lb decrease from current pricing. Coastal Water Technology is our current provider. This product has performed well dewatering wastewater sludge and the wastewater sludge & water plant residual blend.

tmpF008



AGENDA ACTION FORM

Consideration of a Resolution Accepting the 2024 Bays Mountain Park Improvement Plan as a Guiding Document

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-90-2024

Work Session: March 18, 2024

First Reading: NA

Final Adoption: March 19, 2024

Staff Work By: Megan Krager

Presentation By: Michael T. Borders

Recommendation:

Approve the Resolution.

Executive Summary:

If approved the City will accept the Bays Mountain Park and Planetarium Park Improvement Plan as a guiding document.

In May of 2023 the Bays Mountain Park Commission engaged with Collective Architecture and Coyle and Caron Landscape Architects (C&C) to develop a Park Improvement Plan (PIP) for the animal habitats at Bays Mountain Park (BMP). C&C has experience developing plans and animal habitats for facilities such as the Smithsonian National Zoo, EcoTarium, Discovery Place Nature (Otter Habitat), Franklin Park Zoo, and many others.

The PIP is a long-term plan and vision for improving the animal habitats at BMP. The PIP incorporates the latest standards for animal care and welfare and expands opportunities for visitor engagement through 6 goals:

- Improve animal habitats in terms of visitor experience and animal care.
- Improve arrival sequence, wayfinding, connectivity, and ADA access.
- Provide two defined entries from the parking area.
- Improve overall park aesthetic while considering staffing resources and long-term maintenance.
- Understand what parks users want through a survey.
- Develop a cohesive and actionable plan that builds on park assets considers the park staffing plan and facilitates advocacy for BMP.

Accepting the plan as a guiding document is a step in applying for the Local Parks and Recreation (LPRF) Grant. Upon approval the PIP will be posted on BMP's website. The BMP Commission approved the plan on 3/14.

Attachments:

1. Resolution
2. Park Improvement Plan: <https://bit.ly/BaysMtnPIP>

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

RESOLUTION NO. _____

A RESOLUTION ACCEPTING THE 2024 BAYS MOUNTAIN PARK
IMPROVEMENT PLAN AS A GUIDING DOCUMENT AND
AUTHORIZING THE MAYOR TO EXECUTE ANY DOCUMENTS
NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE
OF THIS RESOLUTION

WHEREAS, In 2023 the City of Kingsport contracted with Collective Architecture Company to help develop a park improvement plan; and

WHEREAS, over a six month time period, extensive community input was received, existing and future land uses, habitats, and services were reviewed, a staffing plan was developed, and the Bays Mountain Park Commission reviewed and approved a final plan, and then a summary was presented to the BMA in March 2024; and

WHEREAS, the Bays Mountain Park Improvement Plan is a guide to help shape the future of Bays Mountain Park in Kingsport, and the Bays Mountain Commission and staff recommend the Bays Mountain Park Improvement Plan be accepted as a guiding document for planning, staffing planning, improvement of existing, and development of facilities.

Now therefore,

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

SECTION I. That the Bays Mountain Park Improvement Plan is accepted as a guiding document for planning, staffing planning, improvement of existing and development of facilities, program development.

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 any documents necessary and proper to effectuate the purpose of 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 19th day of March, 2024.

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 a Resolution Authorizing the City Manager to Execute a Purchase Order for 2,000 Chromebooks and 1,000 Google Chrome Licenses from Dell Technologies for Kingsport City Schools Students

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-52-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Committee
Presentation By: David Frye

Recommendation:

Approve the Resolution

Executive Summary:

The administration recommends utilizing the Wilson County Schools Cooperative Purchasing Agreement for Chromebooks from Dell Marketing L.P. (Contract C000000381302) to purchase 1,000 Google Chrome licenses at \$32.30 each and 2,000 Chromebook 3110 for \$215.00 each. The total purchase cost from Dell will be \$462,300.00.

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

Funding will be from ESSER 3.0.

Attachments:

Resolution
Quote

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER TO DELL FOR
CHROMEBOOKS FOR KINGSPORT CITY SCHOOLS STUDENTS

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

WHEREAS, T.C.A. § 12-3-1203(b)(2) authorizes any local government in this state to participate in a master agreement adopting a resolution accepting its terms. If a participant to the master agreement is required to advertise and receive bids, it is sufficient that the purchasing entity complied with its own requirements. The participant is required to acquire and maintain documentation that the purchasing entity complied with its own purchasing requirements; and

WHEREAS, Wilson County Schools is a Local Education Agency in the state of Tennessee; and

WHEREAS, by utilizing the Wilson County Board of Education agreement with Dell Marketing L.P. (Contract C000000381302), the city can purchase 1,000 Google Chrome licenses at \$32.30 each and 2,000 Chromebook 3110 for \$215.00 for a total purchase price of \$462,300.00; and

WHEREAS, the Board of Education approved this action on March 12, 2024; and

WHEREAS, funding for this project will be from ESSER 3.0.

Now therefore,

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

SECTION I. That the City Manager is authorized to execute a purchase order to Dell Marketing, L.P. for 1,000 Google Chrome licenses at \$32.30 each and 2,000 Chromebook 3110 for \$215.00 each for a total purchase cost of \$462,300.00, which will be funded by ESSER 3.0, and to execute any and all documents necessary and proper to effectuate the purpose of this resolution.

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

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



Your quote is ready for purchase.

Complete the purchase of your personalized quote through our secure online checkout before the quote expires on **Apr. 03, 2024**.

You can download a copy of this quote during checkout.

[Place your order](#)

| | | | |
|----------------------|---|-------------------|-------------------------|
| Quote Name: | Chromebooks 4 64 version 5 | Sales Rep | Victoria Flynn |
| Quote No. | 3000172528661.5 | Phone | (800) 456-3355, 80000 |
| Total | \$462,300.00 | Email | Victoria_Flynn@Dell.com |
| Customer # | 125498624 | Billing To | ACCOUNTS PAYABLE |
| Quoted On | Mar. 04, 2024 | | KINGSPORT CITY SCHOOLS |
| Expires by | Apr. 03, 2024 | | 415 BROAD ST |
| | Wilson County Schools - | | KINGSPORT, TN 37660 |
| Contract Name | Customer Purchase Agreement for Products and Services | | |
| Contract Code | C000000381302 | | |
| Customer Agreement # | Wilson County Schools | | |
| Deal ID | 26883746 | | |

Message from your Sales Rep

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

Regards,
Victoria Flynn

Additional Comments

DELL BUSINESS CREDIT: ^ If your purchase qualifies for a promotional offer, the promotion will automatically be applied to this quote and will be reflected in your monthly statement. NO INTEREST IF PAID IN FULL WITHIN 90 DAYS: Available at time of purchase on (1) qualifying XPS, Latitude, OptiPlex, Precision, Vostro, Inspiron, G-Series, Alienware \$699 or more, (2) Dell monitors \$199 or more and (3) PowerEdge, PowerVault and Dell Networking, when using Dell Business Credit on November 28, 2022 through December 8, 2022. Minimum purchase amount may be required. Minimum monthly payments are required but may not pay your purchase in full by the end of the promotional period due to purchase amount, promotion length, additional purchases or allocation of payments in excess of the minimum payment. Promotional offer is valid only when account remains in good standing. Accrued Finance Charges will be billed from the transaction posting date, if the purchase balance is not paid in full within 90 days. RESTRICTIONS: Assumes product is available. Any promotional offer is limited-time and intended for qualified customers. Offers, including those at Dell.com may vary, are subject to credit approval and may be changed without notice. PROMOTION DOES NOT INCLUDE printer cables, toner, warranty or any peripheral items. Refurbished and/or used purchases do not qualify for promotions. Promotional financing is made available to Dell Direct customers only and is not combinable with other Dell, DFS or other vendor offers.

Item XI10.

Shipping Group

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


| Product | Unit Price | Quantity | Subtotal |
|--|------------|----------|--------------|
| NEW GOOGLE CHROME EDU PERPETUAL LICENSE (NO RESELLERS) | \$32.30 | 1000 | \$32,300.00 |
| SI# C5T903 Dell Chromebook 3110 | \$215.00 | 2000 | \$430,000.00 |
| Subtotal: | | | \$462,300.00 |
| Shipping: | | | \$0.00 |
| Environmental Fee: | | | \$0.00 |
| Non-Taxable Amount: | | | \$462,300.00 |
| Taxable Amount: | | | \$0.00 |
| Estimated Tax: | | | \$0.00 |
| Total: | | | \$462,300.00 |

License Subtotal for Commitment Term: \$0.00
*Excludes Taxes

Prevent, respond and recover
from cyber threats

Managed Detection and Response Pro Plus

Learn More



Item XI10.

Shipping Group Details

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

| | Unit Price | Quantity | Subtotal |
|---|----------------|-------------|--------------------|
| NEW GOOGLE CHROME EDU PERPETUAL LICENSE (NO RESELLERS) | \$32.30 | 1000 | \$32,300.00 |
| Estimated delivery if purchased today: May. 30, 2024 Contract # C000000381302 Customer Agreement # Wilson County Schools | | | |

| Description | SKU | Unit Price | Quantity | Subtotal |
|--|----------|------------|----------|----------|
| NEW GOOGLE CHROME EDU PERPETUAL LICENSE (NO RESELLERS) | AB543620 | - | 1000 | - |

| | Unit Price | Quantity | Subtotal |
|---|-----------------|-------------|---------------------|
| SI# C5T903 Dell Chromebook 3110 | \$215.00 | 2000 | \$430,000.00 |
| Estimated delivery if purchased today: May. 30, 2024 Contract # C000000381302 Customer Agreement # Wilson County Schools | | | |

| Description | SKU | Unit Price | Quantity | Subtotal |
|---|----------|------------|----------|----------|
| Dell Chromebook 3110 | 210-BCGK | - | 2000 | - |
| Intel Celeron N4500 (Dual Core, up to 2.8GHz, 4M Cache, 6W), 4GB Memory, 64GB Storage | 338-CMWP | - | 2000 | - |
| 4GB 2933MHz LPDDR4 Non-ECC | 370-AGYU | - | 2000 | - |
| 64GB eMMC Hard Drive | 400-BNIB | - | 2000 | - |
| 11.6" HD (1366 x 768) Anti-Glare Non-Touch, Camera & Microphone, WLAN Capable | 391-BGHL | - | 2000 | - |
| Single Pointing Non Backlit, US English | 583-BINI | - | 2000 | - |
| Intel Dual Band Wi-Fi 6 AX201 2x2 802.11ax 160MHz | 555-BHJR | - | 2000 | - |
| 3 Cell 42Whr Longlife Battery | 451-BCWJ | - | 2000 | - |
| 65W TYPE-C EPEAT Adapter | 450-BCPZ | - | 2000 | - |
| E4 Power Cord 1M for US | 537-BBBL | - | 2000 | - |
| Quickstart Guide | 340-CXGY | - | 2000 | - |
| LCD, Non Touch | 320-BENN | - | 2000 | - |
| Not Included | 631-ABBH | - | 2000 | - |
| Fixed Hardware Configuration | 998-GRBM | - | 2000 | - |
| Label C0, Mini Celeron, 4GB,32GB without HDMI + NonTouch LCD | 389-EBXG | - | 2000 | - |
| System Shipment, Chromebook 3110 | 340-CXHC | - | 2000 | - |
| Intel 11th Gen Celeron CPU label. | 389-DYFS | - | 2000 | - |
| BTS/BTP Smart Selection Shipment, Chromebook (VS) | 800-BBQM | - | 2000 | - |
| Bottom Door | 321-BHEO | - | 2000 | - |
| Dell Limited Hardware Warranty Initial Year | 868-9850 | - | 2000 | - |
| Mail In Service after Remote Diagnosis, 1 Year | 868-9852 | - | 2000 | - |

Item XI10.

| | | | | |
|---|----------|---|------|---|
| CFI Routing SKU | 365-0257 | - | 2000 | - |
| Custom Asset Tag | 366-0133 | - | 2000 | - |
| Custom Ship Box Label | 366-0154 | - | 2000 | - |
| Configuration Services, FEE, I NTG, CHROME ENROLLMENT | 366-0217 | - | 2000 | - |
| CFI,Information,CSRouting,Elig ible,Factory Install | 375-3088 | - | 2000 | - |
| CFI,Information,GCS,BOX,ASSET , TAG, Customer Install | 377-4846 | - | 2000 | - |
| CFI,Information,GCS,ITEM,ASSET ,TAG, Customer Install | 377-4847 | - | 2000 | - |
| CFI,Information,GCS,ENT,ENROLL MENT, Customer Install | 377-7823 | - | 2000 | - |
| Futuristic Order Flag SKU | 800-BBCF | - | 2000 | - |

| | |
|---------------------------|---------------------|
| Subtotal: | \$462,300.00 |
| Shipping: | \$0.00 |
| Environmental Fee: | \$0.00 |
| Estimated Tax: | \$0.00 |
| Total: | \$462,300.00 |

Item X110.

Important Notes

Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to Tax_Department@dell.com or ARSalesTax@emc.com, as applicable.

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

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

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

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

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

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

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

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

^DELL BUSINESS CREDIT (DBC): Offered to business customers by WebBank, who determines qualifications for and terms of credit. Taxes, shipping and other charges are extra and vary. The Total Minimum Payment Due is the greater of either \$20 or 3% of the New Balance shown on the statement rounded up to the next dollar, plus all past due amounts. Dell and the Dell logo are trademarks of Dell Inc.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the City Manager to Purchase Two (2) 72-Passenger School Buses from Central States Bus Sales, Inc., Utilizing the Sourcewell Contract

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-86-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Committee

Presentation By: Steve Leonard

Recommendation:

Approve the Resolution

Executive Summary:

The administration recommends the purchase of two (2) 72-passenger Blue Bird Bus school buses utilizing Sourcewell contract number 063020-BBB from Central States Bus Sales, Inc. The unit cost is \$165,404.00 for a total cost of \$330,808.00.

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

Funding will be from the Fleet Maintenance fund.

Attachments:

1. Resolution
2. Recommendations
3. Quotes
4. Sourcewell Contract

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER TO CENTRAL STATES
BUS SALES, INC., FOR TWO 72-PASSENGER SCHOOL
BUSES THROUGH SOURCEWELL COOPERATIVE
PURCHASE AGREEMENT NO. 063020-BBB

WHEREAS, staff recommends the purchase of two (2) 72-passenger Blue Bird Bus school buses for use by Kingsport City Schools from Central States Bus Sales, Inc., utilizing Sourcewell Cooperative Purchase Agreement No. 063020-BBB; and

WHEREAS, the city is a member of Sourcewell Cooperative Purchasing Advantages, a cooperative purchasing group, which allows the city to purchase goods and services directly from holders of contracts with the cooperative without conducting the bidding process, as authorized by Tenn. Code Ann. § 12-3-1205; and

WHEREAS, in order to purchase the buses, a purchase order needs to be issued to Central States Bus Sales, Inc., in the amount of \$330,808.00; and

WHEREAS, funding for this project will be from Fleet Maintenance Funds.

Now therefore,

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

SECTION I. That the City Manager is authorized to execute a purchase order for two (2) 72-passenger Blue Bird Bus school for use by Kingsport City Schools from Central States Bus Sales, Inc., utilizing Sourcewell Cooperative Purchase Agreement No. 063020-BBB for a total purchase cost of \$330,808.00, which will be funded by School General Purpose Funds, and to execute any and all documents necessary and proper to effectuate the purpose of this resolution.

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

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



FLEET MAINTENANCE DEPARTMENT
City of Kingsport

To: Sandra Sloan, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: March 7, 2024
Re: Fleet Replacement units 1799,1857 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement for units 1799,1857 for the total purchase price of \$330,808.00 (\$165,404.00 each). These units meet the expectations of the department and will fulfill the requirements of their operational needs. These units will be purchased through the Sourcwell Contract # 063020-BBB. A copy of the Sourcwell Contract is attached. The estimated delivery is 10 months.

| Item | Quantity | Description | Award to Vendor | Fuel Economy |
|------|----------|--|--------------------------|------------------|
| 1 | 2 | 72 Passenger 2025 Blue Bird School Buses | Central States Bus Sales | N/A City/N/A Hwy |

These unit will be a Fleet Replacements

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

The Sourcwell offerings were reviewed by Tommy Starnes and Dennis Woods who are in agreement with this recommendation.

Fuel Economy Improvement

N/A

Sourcwell Contract # 063020-BBB

Replacements

| | | | |
|------|------------------------|---------|---------|
| 1799 | 2008 Thomas School Bus | Mileage | 110,789 |
| 1857 | 2009 Thomas School Bus | Mileage | 92,467 |

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

Thank you.



Central States Bus Sales, Inc.

303 Business Park Drive, Lebanon TN 37090
615-466-5040 • FAX: 615-466-5045 • 877-307-0322
www.centralstatesbus.com

Sourcewell QUOTE

Sourcewell Contract Number 063020-BBB

SUBMITTED TO: Kingsport City Schools
625 West Industry Drive
Kingsport, Tennessee 37066

BUS TYPE, YEAR, MODEL: 72 Passenger, 2025 Blue Bird All American
Type D, Diesel-Powered School Bus

BID PRICE: Two (2) units at \$165,404.00 each = \$330,808.00 total

BID SUBMITTED BY: Central States Bus Sales, Inc.
303 Business Park Drive
Lebanon, TN 37090

State Dealer License # 14796

Federal ID #: 43-1051799

Contact Name: Ryan Blake
Sales Manager

Phone
Number: 615-466-5040

Signature: Ryan Blake

Date: February 26, 2024

We sincerely appreciate your business!

**Solicitation Number: RFP #063020****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Blue Bird Body Company, 3920 Arkwright Road Suite 200, Macon, GA 31210 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities). Participating Entities will purchase Vendor's equipment, products, or services through an authorized independent dealer of Vendor's products ("Participating Dealer") who will sell to Participating Entities in accordance with this Contract and such additional terms and conditions as may be negotiated between the Participating Entities and the Participating Dealers (such terms and conditions may not be less favorable to the Participating Entity than this Contract and Vendor's Proposal).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires August 15, 2024, unless it is cancelled sooner pursuant to Article 24. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.
- C. **SURVIVAL OF TERMS.** Articles 11 through 16 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Vendor's products and services will only be sold to Participating Entities by and through Participating Dealers. Participating Dealers will provide

the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

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

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

B. **WARRANTY.** Vendor warrants its products to be free from defects in material and workmanship under normal use and service within the limits described in the Standard Warranty statement provided in the Request for Proposal ("RFP"). Participating Dealers must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer of the product or component. Any manufacturer's warranty that is effective past the expiration of the Vendor's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution, Vendor will make available to Sourcwell a means to validate or authenticate Vendor's authorized dealers, distributors, and/or resellers relative to the Equipment, Products, and Services related to this Contract. This list may be updated from time-to-time and is incorporated into this Contract by reference. It is the Vendor's responsibility to ensure Sourcwell receives the most current version of this list and it is understood that Products and Services under this Contract may be purchased only from and through Participating Dealers, and that Participating Entities will submit orders under this contract only to Participating Dealers.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced as stated in Vendor's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location. Shipping costs and sales tax will be determined between Participating Entities and Participating Dealers and will be included in any pricing quote provided by a Participating Dealer.

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

A. DELIVERY AND INSPECTION. Participating Entities and Participating Dealers will determine the time, mode, and location for delivery and inspection of purchased Equipment and Products. The handling of any damage or defects noted by the Participating Entity either during or after the vehicle is delivered to the Participating Entity is the responsibility of the Participating Dealer. Any policy as it relates to returns and return shipping will be determined between the Participating Entity and the Participating Dealer. Regardless of any other agreement, the Vendor does not accept any returns of school buses.

The Participating Dealer has the responsibility to ensure that all Equipment, Products and Services sold under this Contract meet the Participating Entities specifications and/or specifications set by state and local governing bodies, or that exceptions to these specifications have been agreed upon in writing between the Participating Entity and the Participating Dealer. Sourcewell may declare the Vendor in breach of this Contract if the Vendor intentionally delivers substandard or inferior Equipment or Products to its Participating Dealers, who in turn provide the substandard or inferior Equipment or Products to Participating Entities in the same condition provided to it by Vendor.

B. SALES TAX. Each Participating Entity is responsible for supplying the Participating Dealer with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity. Pricing provided in Vendor's Proposal does not include sales tax.

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

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities. Discounts greater than those listed in the Contract may be available for quantity buys, off-peak season buys, or quotes that exceed base option content listed in the contract pricing. Any such discount will be offered by Participating Dealers on a case-by-case basis.

4. PRODUCT AND PRICING CHANGE REQUESTS

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

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

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

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

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

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

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

B. PUBLIC FACILITIES. Participating Dealer's employees may be required to perform work at government-owned facilities, including schools. Participating Dealer's employees and agents

must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. **ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to the Participating Dealer that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell, Vendor and Participating Dealers. Typically, a Participating Entity will issue an order directly to the Participating Dealer. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration of this Contract; however, Vendor or Participating Dealer performance, Participating Entity payment, and any applicable warranty periods or other Vendor, Participating Dealer, or Participating Entity obligations may extend beyond the term of this Contract.

Acceptable forms of payment will be determined between Participating Dealer and Participating Entity. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order may be negotiated between a Participating Entity, Participating Dealer and Vendor, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be worked out directly between the Participating Entity, Participating Dealer and the Vendor. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **PERFORMANCE BOND.** If requested by a Participating Entity, Participating Dealer will provide a performance bond that meets the requirements set forth in the Participating Entity's order. Vendor bears no liability for the Participating Dealer's performance bond and/or its decision to provide a performance bond.

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

E. **TERMINATION OF ORDERS.** Participating Entities and Participating Dealers may enter into a mutual agreement regarding the circumstances under which an order may be terminated.

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

7. CUSTOMER SERVICE

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

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

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

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. **CONTRACT SALES ACTIVITY REPORT.** Each calendar quarter, Vendor must provide a contract sales activity report (Report) to the Sourcewell Contract Administrator assigned to this Contract. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Vendor must submit a report indicating no sales were made).

The Report must contain the following fields:

- Customer Name (e.g., City of Staples Highway Department);
- Customer Physical Street Address;
- Customer City;
- Customer State/Province;
- Customer Zip Code;
- Customer Contact Name;
- Customer Contact Email Address;
- Customer Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;

- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Vendor.

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

The Vendor will submit a check payable to Sourcewell for the administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Sourcewell-assigned contract number in the memo and must be mailed to the address above "Attn: Accounts Receivable." Payments must be received no later than 45 calendar days after the end of each calendar quarter.

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

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

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

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

10. ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. ASSIGNMENT. Neither the Vendor nor Sourcewell may assign or transfer any rights or obligations under this Contract without the prior consent of the other and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

B. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been fully executed by Sourcewell and Vendor.

C. **WAIVER.** If either Sourcewell or Vendor fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

D. **CONTRACT COMPLETE.** This Contract (including all attachments and amendments) contains all negotiations and agreements between Sourcewell and Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

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

11. LIABILITY

Vendor must indemnify, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees, arising out of any manufacturing or design defect that existed when the Product left Vendor's possession; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications and to the extent the manufacturing or design defect existed when the Equipment or Product left Vendor's possession.

12. AUDITS

Sourcewell reserves the right to review the books, records, documents, and accounting procedures and practices of the Vendor relevant to this Contract for a minimum of 6 years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

13. GOVERNMENT DATA PRACTICES

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

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify Sourcewell and Sourcewell will assist with how the Vendor should respond to the request.

14. INDEMNIFICATION

As applicable, Vendor agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Vendor in violation of applicable patent or copyright laws.

15. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Vendor a royalty-free, worldwide, non-exclusive right and license to use the Trademark(s) provided to Vendor by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Vendor.
 - b. Vendor grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Vendor's Trademarks in advertising and promotional materials for the purpose of marketing Vendor's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to its and their respective distributors, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing Sourcewell and Vendor's relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
3. *Use; Quality Control.*
 - a. Sourcewell must not alter Vendor's Trademarks from the form provided by Vendor and must comply with Vendor's removal requests as to specific uses of its trademarks or logos.
 - b. Vendor must not alter Sourcewell's Trademarks from the form provided by Sourcewell and must comply with Sourcewell's removal requests as to specific uses of its trademarks or logos.
 - c. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's Trademarks only in good faith and in a dignified manner consistent with such party's use of the Trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
 - d. Any use of Sourcewell's Intellectual Property by Participating Dealers as described herein must be negotiated between the Participating Dealer and Sourcewell. Vendor bears no responsibility for the act or failure to act of Participating Dealers with respect to Sourcewell's Intellectual Property.

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

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

C. **MARKETING**. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Materials should be sent to the Sourcewell Contract Administrator assigned to this Contract.

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

16. GOVERNING LAW, JURISDICTION, AND VENUE

Minnesota law governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court in Todd County or federal court in Fergus Falls, Minnesota.

17. FORCE MAJEURE

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

18. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

19. PERFORMANCE, DEFAULT, AND REMEDIES

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

1. *Notification.* Sourcewell and Vendor must promptly notify each other of any known dispute with the terms or performance of this Contract and work in good faith to resolve such dispute between Sourcewell and Vendor within a reasonable period of time. If necessary, Sourcewell and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If Sourcewell and Vendor are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Vendor may escalate the resolution of the issue to a higher level of management. The Vendor will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed will be borne by the Vendor.
4. *Participating Dealer.* The provisions of this section apply only to Sourcewell and Vendor. Any dispute between any Participating Entity and any Participating Dealer must be resolved between the Participating Entity and the Participating Dealer. Vendor shall not be held liable for a Participating Dealer's failure to perform in accordance with a Purchase Order or other directive from a Participating Entity.

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

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

Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

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

20. INSURANCE

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

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

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

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

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

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Vendor will maintain umbrella coverage over Workers' Compensation, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

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

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Vendor must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this

Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Contract Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

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

C. Intentionally Omitted.

D. Intentionally Omitted.

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

21. COMPLIANCE

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

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

22. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

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

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

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

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may also require additional requirements of Participating Dealers based on specific funding specifications. Participating Entities will work with Participating Dealers if additional specific funding specifications are required. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Vendor’s Equipment, Products, or Services sold through and by Participating Dealers with United States federal funds. Participating Entities will ensure that Participating Dealers are in compliance with the following provisions, when applicable, and it is not Vendor’s responsibility to ensure that Participating Dealers are in compliance with any such provision.

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

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

each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Vendor must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

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

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

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

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Vendors must file any required certifications. Vendors must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Vendors must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

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

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

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

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

also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents.

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

24. CANCELLATION

Sourcwell or Vendor may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcwell may cancel this Contract immediately upon discovery of a material defect in any certification made in Vendor's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcwell

Blue Bird Body Company

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz
Title: Director of Operations &
Procurement/CPO

Date: 8/27/2020 | 3:11 PM CDT

Approved:

DocuSigned by:
By: Chad Coauette
7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO
Date: 8/31/2020 | 8:59 AM CDT

DocuSigned by:
By: Albert Burleigh
AA417A61C5BC483...
Albert Burleigh
Title: Regional Executive Director

Date: 8/31/2020 | 8:55 AM CDT

RFP 063020 - School Buses with Related Accessories, Supplies, Parts, and Services

Vendor Details

Company Name: BLUE BIRD BODY COMPANY
Address: 3920 Arkwright Rd. Suite 200
Macon, GA 31210
Contact: Albert Burleigh
Email: albert.burleigh@blue-bird.com
Phone: 478-919-7311
HST#:

Submission Details

Created On: Wednesday June 03, 2020 11:08:37
Submitted On: Tuesday June 30, 2020 12:28:33
Submitted By: Albert Burleigh
Email: albert.burleigh@blue-bird.com
Transaction #: f52eb723-f1be-4967-a668-fc9fab2faff9
Submitter's IP Address: 75.38.16.103

Specifications

Table 1: Proposer Identity & Authorized Representatives

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

| Line Item | Question | Response * | |
|-----------|--|---|---|
| 1 | Proposer Legal Name (and applicable d/b/a, if any): | Blue Bird Body Company | * |
| 2 | Proposer Address: | 3920 Arkwright Road, Suite 200 Macon, GA 31210 | * |
| 3 | Proposer website address: | www.blue-bird.com | * |
| 4 | Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract): | Albert Burleigh Regional Executive Director 3920 Arkwright Road, Suite 200, Macon GA 31210 albert.burleigh@blue-bird.com (478) 919-7311 | * |
| 5 | Proposer's primary contact for this proposal (name, title, address, email address & phone): | Albert Burleigh Regional Executive Director 3920 Arkwright Road, Suite 200, Macon GA 31210 albert.burleigh@blue-bird.com (478) 919-7311 | * |
| 6 | Proposer's other contacts for this proposal, if any (name, title, address, email address & phone): | Tim Gordon Regional Executive Director 3920 Arkwright Road, Suite 200, Macon GA 31210 tim.gordon@blue-bird.com (478) 822-2260 | |

Table 2: Company Information and Financial Strength

| Line Item | Question | Response * | |
|-----------|----------|------------|--|
|-----------|----------|------------|--|

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| 7 | Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services. | <p>Blue Bird Corporation has been servicing the school and activity bus industry since 1927. The company was founded by George Luce and his goal for the first bus designed and built was to "build a better bus" and we hold that focus still today. The Luce family managed and operated the business until the early 90's. Since that time, Blue Bird has gone through three ownership changes that were either private equity or a combination of private equity and public ownership as a division of Henly's Group and traded on the London Exchange. In February of 2015, Blue Bird filed an initial public offering on NASDAQ and is publicly traded under the symbol BLBD.</p> <p>We come to work every day with one common goal, to design, build, sell and service the world's finest school bus. That's what we do - no distractions, no competing priorities. We are heirs to a rich legacy, one of listening to our customers, embracing their needs, and delivering innovations that lead the market.</p> <p>We commit ourselves to four driving priorities - safety, quality, durability, and serviceability. We embody the interests of every child that rides us, every driver that drives us, every service technician that services us and every district that buys us. More than a business, this work is our heritage, and we have been at it since 1927 - that's purpose driven.</p> <p>We are singularly focused on building and selling school buses that customers want and value. The safety of schoolchildren is at the center of all that we do and we will strive every day, just as we have since our beginning in 1927, to provide an unparalleled and affordable product in terms of safety, quality, durability, and serviceability.</p> <p>We will be easy to do business with, responsive to our customers' wants and needs, and provide prompt after-sale support in parts and service through a professional, high-qualified distribution network. Customer satisfaction is our top priority.</p> | * |
| 8 | What are your company's expectations in the event of an award? | To make bus purchases easier for school districts Nationwide and bring value from this RFP to participating entities. We will promote this contract as described in our marketing plan and will strive to increase awareness of the Sourcewell contract, grow dealer participation, and increase sales through the use of the contract. | * |
| 9 | Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. | <p>Our 2019 Annual Report has been provided in the document upload section to support the below financial summary.</p> <p>We ended the decade with our best financial performance in more than ten years and are positioned well for future growth. Our fiscal 2019 adjusted EBITDA of \$82 million was 17% above last year and our net sales revenue exceeded \$1 billion for the second consecutive year, setting an all-time record for Blue Bird. We sold more than 11,000 buses for the second year in a row and we grew our alternative-fuel bus sales by more than 20% in a strong, but flat industry.</p> | * |
| 10 | What is your US market share for the solutions that you are proposing? | Our 2019 fiscal year end US market share for school and activity buses is 33.1% | * |
| 11 | What is your Canadian market share for the solutions that you are proposing? | Our 2019 fiscal year end Canadian market share for school and activity buses is 15.8% | * |
| 12 | Has your business ever petitioned for bankruptcy protection? If so, explain in detail. | In January 2006, Blue Bird filed for Chapter 11 bankruptcy. This was a pre-packaged court filing to strengthen our balance sheet through a debt-for-equity conversion plan. The restructuring of our debt provided for a full recovery to the company's general unsecured creditors. | * |

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| 13 | <p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p> | <p>b) Blue Bird is a manufacturer of school buses. In fiscal 2019, we sold approximately 90% of our vehicles through our United States and Canadian dealer network, currently consisting of 47 dealers that, in their territories, are exclusive to us with Type C and D school buses. School buses sold in the United States and Canada through our dealer network are purchased by school districts and private schools, as well as small and medium size contractors that provide services to school districts on a fee basis. Dealers develop collaborative relationships with school districts, district transportation directors, and key officials in their states.</p> <p>Blue Bird has a long history of going to market with the best dealer network in the industry. Although Blue Bird is involved with the customer experience included but not limited to sales, service, and support, the dealers have the day to day responsibility and relationship.</p> <p>The dealer network is a third party and independent businesses with a contractual obligation to Blue Bird and vice versa.</p> |
|----|---|--|

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| 14 | If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP. | <p>Our products must satisfy various legal, environmental, health and safety requirements at federal, state and municipal levels. At the federal level, "FMVSS," or Federal Motor Vehicle Safety Standards, govern the safety of all motor vehicles sold for use in the United States. More than half of the FMVSS regulations apply to school buses. For example, federal regulations require school buses to be painted "school bus yellow" and to be equipped with specific warning and safety devices. School buses are also built with the body on top of chassis frame rails. This so-called "high floor" construction moves the passenger compartment above the typical automotive "crash zone" and therefore provides an added measure of safety should a collision occur. Steel rollover cages and heavy duty bumpers are designed to provide incremental protection, in contrast with standard transit buses with "low floor" construction that offer lower curb height access with limited or no steel reinforcement.</p> <p>All completed vehicles manufactured by Blue Bird Body Company for use in the United States are manufactured in full compliance with all applicable U. S. Federal Motor Vehicle Safety Standards (FMVSS) in effect at the time of manufacture completion.</p> <p>Per U.S. Code of Federal Regulations Title 49, Subtitle B, Chapter V, Part 567 Certification, the U. S. National Highway Traffic Safety Administration (NHTSA) requires that each vehicle manufacturer self-certify their vehicles to be in full compliance with all applicable FMVSS as evidenced by the presence of the compliance label which must comply with their (NHTSA) content requirements. An FMVSS compliance letter is provided in the document upload section.</p> <p>After a school bus is sold, regulation of the operation of the school bus becomes the responsibility of the state in which it operates. Today, each state has its own rules and regulations pertaining to the manufacture, design, operation and safety of the school buses operated in their jurisdictions. As a result, we cannot manufacture to a single set of specifications, but rather must assure that each manufactured bus conforms to the specifications of the particular jurisdiction in which it will be operated.</p> <p>Blue Bird is licensed in each state we operate as required by state law and each dealer holds the normal business licenses and motor vehicle dealer license from their respective State(s) as required. Many of our dealers are also licensed service and warranty repair locations for major suppliers such as Caterpillar, Cummins, Allison, and Ford. These businesses are bonded and insured.</p> <p>We must also consider the rules and regulations of foreign jurisdictions. In Canada, where our Micro Bird joint venture operates, school buses are governed by the Canadian Motor Vehicle Safety Regulations. These regulations are patterned after the FMVSS regulations, although differences do exist between the two regulatory systems.</p> | * |
| 15 | Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years. | This has not applied to our company | * |

Table 3: Industry Recognition & Marketplace Success

| Line Item | Question | Response * |
|-----------|----------|------------|
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| 16 | Describe any relevant industry awards or recognition that your company has received in the past five years | <p>Blue Bird has a reputation for safety, product quality/reliability/durability, and drivability: Our longevity and reputation in the school bus industry have made us an iconic American brand. We are the only principal manufacturer with chassis and body production specifically designed for school bus applications and the only school bus company to offer compliance with industry recognized safety tests-Altoona Testing, Colorado Rack Test and the Kentucky Pole Test-as a standard specification across our entire product line.</p> <p>Alternative fuel leadership: We are the market leader in propane, gasoline, and CNG fuel powered-buses, having sold approximately eight times more alternative fuel school buses than all of our competitors combined from fiscal 2010 through fiscal 2019. In fiscal 2019 we sold 5,343 propane, gasoline, CNG, and electric powered buses, an increase of 20.7% versus the prior year.</p> <p>Innovative product leadership: We have consistently led the school bus industry with innovative product leadership through several industry firsts, including the first Type D CNG school bus, the first unique school bus chassis, and the first OEM-manufactured propane bus. In fiscal 2016, years ahead of our competition, we launched the industry's first gasoline powered Type C bus (utilizing an exclusive Ford and Roush CleanTech powertrain), and we were first-to-market with Electronic Stability Control. Also in 2016, we launched a new CNG product using a Ford engine and transmission and a Roush Clean Tech fuel delivery system to provide CNG in a Type C bus. In fiscal 2018, we sold our first Type D electric vehicles and in fiscal 2019 we introduced our Type C electric vehicle.</p> <p>Strong distribution model. We have built an extensive, experienced network of 47 dealers to distribute our buses across the United States and Canada, and during recent years have significantly enhanced our relationships with large fleet operators. Our dealers have an average tenure of more than 29 years with us and do not sell competing Type C or Type D school bus products in the areas assigned to them by us.</p> <p>Highly-skilled and committed workforce: We benefit from a highly-skilled, committed hourly workforce of approximately 1,853 that support our customized assembly operations at our 900,000 square foot integrated chassis manufacturing and body assembly facility and 340,000 square foot component fabrication facility. Our employees are trained to maximize production efficiency by following customized processes developed by us.</p> <p>Excellence in marketing and promotion of our products: Our recent ad campaign in School Transportation News was the #1, top-rated advertisement in the magazine: https://www.dropbox.com/s/q4ypgb2rwn6clpq/Blue_Bird_Award_STN_March_2020.pdf?dl=0</p> | * |
| 17 | What percentage of your sales are to the governmental sector in the past three years | Approximately 2% | * |
| 18 | What percentage of your sales are to the education sector in the past three years | 96% which consists of sales to school districts and bus contractors that service school districts | * |
| 19 | List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years? | With the exception of the current Sourcewell contract, we do not hold any state, provincial, or cooperative purchasing contracts directly. Throughout the U.S. and Canada, our dealer network holds in total over 20 contracts. Our sales utilizing the Sourcewell contract was approximately 365 units from 2017-2019. | * |

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| 20 | List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years? | GSA contract # GS-30F-DA017. We sell buses through our United States General Services Administration ("GSA") contract, an expedited procurement procedure designed to meet the needs of bus customers authorized to purchase through the GSA contracting offices, including the U.S. Air Force, U.S. Army, Homeland Security and the U.S. Department of Agriculture. Volume over last 3 years was approximately 850 units. | * |
|----|--|--|---|

Table 4: References/Testimonials

Line Item 21. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

| Entity Name * | Contact Name * | Phone Number * | |
|--|------------------|----------------|---|
| Mobile County Public Schools (AL) | Pat Mitchell | (251) 221-5260 | * |
| Independence School District (MO) | Daryl Huddleston | (816) 525-5335 | * |
| BRANDON VALLEY SCHOOL DISTRICT 49-2 (SD) | Wayne Hampton | (605) 582-3514 | * |
| BROOKINGS SCHOOL DISTRICT (SD) | Bill Heldt | 605-696-4750 | |

Table 5: Top Five Government or Education Customers

Line Item 22. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

| Entity Name | Entity Type * | State / Province * | Scope of Work * | Size of Transactions * | Dollar Volume Past Three Years * | |
|--|---------------|--------------------|-----------------------------|------------------------|----------------------------------|---|
| GSA | Government | Georgia - GA | GSA contract # GS-30F-DA017 | 850 units | \$90M | * |
| Northwest Independent School District | Education | Texas - TX | RFP | 205 units | \$16.7M | * |
| Clark County School District | Education | Nevada - NV | RFP | 300 units | \$28M | * |
| Fulton County School District | Education | Georgia - GA | RFP | 164 units | \$13.4M | * |
| Pflugerville Independent School District | Education | Texas - TX | RFP | 154 units | \$12.3M | * |

Table 6: Ability to Sell and Deliver Service

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

| Line Item | Question | Response * | |
|-----------|--------------|---|---|
| 23 | Sales force. | Blue Bird sells and services product through a network of dealers. Blue Bird supports that network with Regional Sales, Service, and Parts Managers that live in the territory they represent. Our dealer network in total has approximately 160 sales representatives that are responsible for school bus sales in their respective territories. | * |

| | | | |
|----|---|---|---|
| 24 | Dealer network or other distribution methods. | We have built an extensive, experienced network of 47 dealers to distribute our buses across the United States and Canada. Our dealers have an average tenure of more than 29 years with us and do not sell competing Type C or Type D school bus products in the areas assigned to them by us. In addition, our dealers have approximately 100 parts and service locations across the U.S. and Canada, as well as relationships with approximately 250 additional 3rd party service provider partners to provide extensive warranty service coverage in all markets. | * |
| 25 | Service force. | Through our dealer's service network, there are over 600 qualified technicians to meet the warranty and retail service needs of our customers. | * |
| 26 | Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises. | <p>Our 47 dealers have approximately 100 parts and service locations across the U.S. and Canada, as well as relationships with approximately 250 additional 3rd party service provider partners to provide extensive warranty service coverage in all markets. In addition, many of these service locations have mobile service capabilities to improve the response time and added convenience for our customers. Blue Bird field service engineers provide technical support to our dealer network. At the end of fiscal 2019, service engineers had an average of over 25 years of experience with our Company and are strategically placed throughout the United States and Canada to better serve both dealers and end-customers. The network leverages our parts inventory, technical training, and online warranty network to address customer service needs.</p> <p>We maintain a parts distribution center in Delaware, Ohio that fills demand for our Company specific and all-makes parts. Additional demand for parts is fulfilled by drop ship and direct sales. To fulfill demand for parts that are not maintained at the distribution center, we are linked to approximately 40 suppliers that ship directly to dealers and independent service centers.</p> <p>This level of support positions us as the school bus industry experts which furthers our ability to be responsive to our customers parts and service needs.</p> <p>We contract with a 3rd party survey company, The Daniels Group, to monitor our customers' satisfaction with the quality of our products and satisfaction with the performance of our dealer network. We monitor customer responses weekly to ensure we are managing and targeting improvements to our products and dealer network.</p> | * |
| 27 | Identify your ability and willingness to provide your products and services to Sourcewell participating entities in the United States. | Our goal is to provide our products to all participating entities by encouraging our U.S. dealer network to participate and actively pursue sales through the Sourcewell contract. With this bid submission, we'll have dealers participating in 37 states. Our goal is to continue to work with the remaining dealers to offer our products to all participating entities in all markets where the contract is allowed. | * |
| 28 | Identify your ability and willingness to provide your products and services to Sourcewell participating entities in Canada. | Our goal is to provide our products to all participating entities by encouraging our dealer network in Canada to participate and actively pursue sales through the Sourcewell contract. With this bid submission, we'll have one dealer participating in 2 provinces and 2 territories. Our goal is to continue to work with the remaining dealers to offer our products to all participating entities in all markets where the contract is allowed. | * |

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| 29 | Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract. | <p>We currently do not have participation from our dealer network in the below states/provinces. If awarded the contract, we will continue to work with our dealers to encourage participation so we can offer our products to all participating entities where the Sourcewell contract is allowed.</p> <p>Currently not participating in the following Canadian Provinces: Manitoba, New Brunswick, Newfoundland & Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec, Saskatchewan *</p> <p>Currently not participating in the following U.S. states: Maine, Alaska, Wyoming, Iowa, California, Hawaii, Arizona, North Carolina, Mississippi, New York, Arkansas, West Virginia, and Kentucky</p> |
| 30 | Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract? | <p>Our existing GSA contract will take precedent as the means for the government to purchase our products.</p> |
| 31 | Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories. | <p>As of this bid submission, we do not have dealer representation in Alaska. When a new dealer is signed, it is our intent to offer our products to participating entities. Currently, our dealer who covers the state of Hawaii is not participating. We will continue to work with our dealer to encourage them to participate. *</p> |

Table 7: Marketing Plan

| Line Item | Question | Response * |
|-----------|--|---|
| 32 | Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response. | <p>In addition to communicating to all dealers through our formal dealer communication process, we plan to announce the contract award through our website and social media platforms. Also, we will encourage all participating dealers to promote their participation through their various communication channels and at local trade shows. In conjunction with Sourcewell, we will provide training to our Regional Sales Managers as well as dealer sales personnel on how to effectively promote the benefits of the Sourcewell contract to their customers.</p> <p>In addition, we will seek out opportunities to partner with other Sourcewell-approved vendors to further improve the value-proposition offered to the Participating Entities. For example, we recently partnered with NCL Government Capital (Sourcewell vendor) to offer a 12-month deferred payment program for our customers. We've included a jointly-developed marketing flyer in the document upload section.</p> <p>Examples of other marketing materials have been provided in the document upload section as well.</p> |
| 33 | Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness. | Our social media presence is, by far, the most popular in our industry. With nearly 50,000 "likes", we have 5 times more followers than our top competitors. Plus, we have a presence on Twitter and LinkedIn. We utilize these digital platforms to bring customers back to our website, www.bluebird.com , and use our Request a Quote form as a measure of success for sales through digital means. We also regularly present digital advertising "whitepapers" through School Bus Fleet magazine's website and School Transportation News' website. |
| 34 | In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process? | We would recommend the use of Sourcewell's website for marketing our partnership. We would request that Sourcewell provide sales training to our Regional Sales Managers and participating dealer sales teams to understand how promote the benefits of this contract to participating entities. |
| 35 | Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it. | Our products are sold through our dealer network. The availability of e-procurement ordering process can be discussed between a Participating Entity and the Participating Dealer. |

Table 8: Value-Added Attributes

| Line Item | Question | Response * |
|-----------|----------|------------|
|-----------|----------|------------|

| | | |
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| 36 | Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply. | <p>In addition to any training available through our dealer network or training coordinated through many of our supplier partners, our Blue Bird Academy also offers web-based, video tutorials, and factory-based training for our customers.</p> <p>Technician Training -Blue Bird Academy offers three types of technician training:</p> <ol style="list-style-type: none"> 1. We recently launched our online Blue Bird Technician Certification program and this is open to all technicians: dealer and customer. <ul style="list-style-type: none"> - Associate Level: 100% web-based - \$650/person - Advanced Level: Live training sessions in Fort Valley, GA or regionally, followed up by online courses for real world application of the knowledge and skills learned in the previous level and workshop – Price TBD - Master Level: Hands-on Factory-based proficiency observation of skills learned through online and live training sessions – Price TBD 2. We also offer factory-based and regional training throughout the year which are typically 4-days in length. When held at the factory location in Fort Valley, a plant tour is included. The cost for this varies depending on location. 3. We also will provide on-site service training at a customer's location, by request. The cost for that is based on travel expenses for our trainer. |
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| 37 | Describe any technological advances that your proposed products or services offer. | <p>Our performance in recent years has been driven by the implementation of repeatable processes focused on product initiatives, continuous improvement of both competitiveness and manufacturing flexibility, as described below:</p> <p>1. Alternative Fuel Initiatives — Blue Bird is the clear leader in alternative fuel school buses (defined as buses that do not operate on diesel fuel) and we continue to introduce new products to support growing consumer demand for these products.</p> <ul style="list-style-type: none"> • Propane — In 2012, we entered into our exclusive relationship with Ford Motor Company and Roush Clean Tech to offer propane-powered Type C school buses. We have continued to lead the industry with this offering. • We launched the industry's first .05g/bhp-hr NOx propane engine in 2017. This engine operates four times cleaner than the current emission standard and is significantly better for the environment than competitors' published offerings. • We launched the industry's first .02g/bhp-hr NOx propane engine in August 2018. This engine complies with Ultra Low NOx classification and has an emissions level at 10% of the current standard and competitive offerings. • CNG — Blue Bird was the first OEM to introduce a CNG powertrain for the Rear Engine Type D bus using Cummins Westport technology. In 2016, we launched a new CNG product using a Ford engine and transmission and a Roush Clean Tech fuel delivery system to provide CNG in a Type C bus. • Electric — Blue Bird is the first major school bus manufacturer to market, and presently the only manufacturer among major OEMs, to have delivered electric school buses. We developed our electric bus with our partner, EDI. EDI was recently acquired by Cummins, one of our long-standing engine suppliers. We offer electric solutions in both our Type C and Type D buses and commenced delivery to customers in 2018. • Gasoline — In 2016, we re-introduced gasoline engines in school buses, again using a Ford engine and transmission and a Roush Clean Tech fuel delivery. This product has been an immediate success and continues to grow the Blue Bird customer base. <p>2. Diesel — Blue Bird works closely with Cummins on diesel engines which continue to be the power source for the majority of school buses sold.</p> <p>3. Product Initiatives — We continue to update and improve our products.</p> <ul style="list-style-type: none"> • Blue Bird introduced the first Electronic Stability Control system on school buses as an optional offering in fiscal 2017, and made it a standard feature in fiscal 2019. We also made rear-view cameras standard in fiscal 2019. <p>4. Manufacturing and Process Initiatives — We have commenced a number of initiatives to continue to build customer loyalty, reduce costs, and enhance competitiveness.</p> <ul style="list-style-type: none"> • We launched our all-new, state-of-the-art paint facility in July 2019. This facility will drive greater reliability, quality, and capacity at a lower cost. • We contracted with industry leaders to revise our production techniques in our plant. |
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| 38 | Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each. | <p>All emission levels mentioned below are certified by CARB (California Air Resources Board) and/or EPA (Environmental Protection Agency).</p> <p>As mentioned above in Line Item 37:</p> <p>Alternative Fuel Initiatives — Blue Bird is the clear leader in alternative fuel school buses (defined as buses that do not operate on diesel fuel) and we continue to introduce new products to support growing consumer demand for these products.</p> <ul style="list-style-type: none"> • Propane — In 2012, we entered into our exclusive relationship with Ford Motor Company and Roush Clean Tech to offer propane-powered Type C school buses. We have continued to lead the industry with this offering. • We launched the industry's first .05g/bhp-hr NOx propane engine in 2017. This engine operates four times cleaner than the current emission standard and is significantly better for the environment than competitors' published offerings. • We launched the industry's first .02g/bhp-hr NOx propane engine in August 2018. This engine complies with Ultra Low NOx classification and has an emissions level at 10% of the current standard and competitive offerings. • CNG — Blue Bird was the first OEM to introduce a CNG powertrain for the Rear Engine Type D bus using Cummins Westport technology. In 2016, we launched a new CNG product using a Ford engine and transmission and a Roush Clean Tech fuel delivery system to provide CNG in a Type C bus. • Electric — Blue Bird is the first major school bus manufacturer to market, and presently the only manufacturer among major OEMs, to have delivered electric school buses. We developed our electric bus with our partner, EDI. EDI was recently acquired by Cummins, one of our long-standing engine suppliers. We offer electric solutions in both our Type C and Type D buses and commenced delivery to customers in 2018. | * |
| 39 | Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors. | <p>Zero Emission Vehicle - Blue Bird is the first major school bus manufacturer to market, and presently the only manufacturer among major OEMs, to have delivered electric school buses. We developed our electric bus with our partner, EDI. EDI was recently acquired by Cummins, one of our long-standing engine suppliers. We offer electric solutions in both our Type C and Type D buses and commenced delivery to customers in 2018.</p> <p>Ultra Low NOx certification - We launched the industry's first .02g/bhp-hr NOx propane engine in August 2018. This engine complies with Ultra Low NOx classification and has an emissions level at 10% of the current standard and competitive offerings.</p> | * |
| 40 | Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response. | TVM DBE Goal Concurrence/Certification Letter (Fiscal Year 2020) has been provided in document upload section | * |

| | | |
|----|---|--|
| 41 | <p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p> | <p>We are the only principal manufacturer with chassis and body production specifically designed for school bus applications and the only school bus company to offer compliance with industry recognized safety tests-Altoona Testing, Colorado Rack Test and the Kentucky Pole Test-as a standard specification across our entire product line.</p> <p>Colorado Rack and Kentucky Pole Tests were not invented by or exclusive to Blue Bird. Some will downplay the importance of these critical structural benefits and will fall back on compliance to Motor Vehicle Safety Standards. When transporting our most precious cargo, our children, Blue Bird does not settle for minimum construction standards. Both Colorado Rack and Kentucky Pole Tests were developed because minimum FMVSS standard testing, according to Blue Bird, should be taken a step further.</p> <p>Colorado Rack Test: The Colorado Rack test verifies structural integrity and crash-worthiness of school bus designs. The test simulates a rollover crash by applying a constant load along the full length of the bus body. This insures that all pushout windows and emergency exits will be fully functional after an accident occurs. Blue Bird feels it is essential that our buses are constructed to meet the Colorado Rack test standards, insuring safe exit in the event of a rollover crash. All Blue Bird buses are Kentucky Pole tested and designed to keep all passengers safe by providing structural integrity to minimize outside intrusion.</p> <p>Kentucky Pole Test: The Kentucky Pole test is designed to verify that the interior panels above the window will not separate and expose sharp edges in the event of a crash. The test involves a rollover simulation, in which the bus strikes a pole-like object, which forces the roof to bend into the passenger compartment. Standards require that separation of body panels must not occur when the roof bends between 8-10 inches. All Blue Bird buses are Kentucky Pole tested and designed to keep all passengers safe by providing structural integrity to minimize outside intrusion.</p> <p>As previously mentioned, we have the widest range of products and fuel types to best meet the needs of customer throughout the industry.</p> |
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Table 9: Warranty

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

| Line Item | Question | Response * | |
|-----------|---|--|---|
| 42 | Do your warranties cover all products, parts, and labor? | Our warranties cover all our products and include parts and labor, however, there are some components covered by the component manufacturer. Some examples of this are Cummins diesel engines and Allison transmissions which are covered by these companies. A copy of our standard warranty is provided in the document upload section. | * |
| 43 | Do your warranties impose usage restrictions or other limitations that adversely affect coverage? | Our warranty has limitations and exclusions that are detailed on our standard warranty statement which is provided in the document upload section. | * |
| 44 | Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs? | Our Blue Bird standard warranties do not cover travel time and mileage, however, many of our dealers cover this expense within certain limits. | * |
| 45 | Are there any geographic regions of the United States (and Canada, if applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair? | Certified technicians are available in all geographic regions of the United States and Canada. | * |
| 46 | Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer? | For those components that are not included in our standard warranty, our Blue Bird dealers can either perform warranty service for those components or can arrange for work to be performed at an authorized warranty repair center. | * |
| 47 | What are your proposed exchange and return programs and policies? | Blue Bird does not offer any exchange or return programs on buses. Any returns or exchanges will be negotiated directly between our dealers and the participating entity. | * |
| 48 | Describe any service contract options for the items included in your proposal. | We offer several service contract options to extend the standard warranty. These include contracts that extend our standard one-year warranty to two, three, five, or six years. We offer tow warranties to provide towing for up to 5 years. We also offer warranties on Roush gas, LPG, and CNG components that extend those warranties up to 10 years. A chart detailing extensions to our standard warranty is provided in the document upload section. Additional service contracts and pricing are provided in our options list. | * |

Table 10: Payment Terms and Financing Options

| Line Item | Question | Response * | |
|-----------|---|---|---|
| 49 | What are your payment terms (e.g., net 10, net 30)? | The payment terms will be provided directly by the participating dealer when a quote is provided to a participating entity. Our dealers' payment terms range from COD to 60 days. | * |
| 50 | Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions? | Blue Bird has a partnership with TCF Capital Solutions to offer leasing and financing options through our dealer network. Our dealers also offer additional options for leasing and financing through 3rd party lending institutions. In addition, we recently developed a joint program with NCL Government Capital (a Sourcewell vendor) to offer a special 12-month deferred payment program to customers. | * |
| 51 | Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell participating entities' purchase orders. | Our dealer network will work directly with participating entities to finalize bus specifications and all other details relating to their bus order. Our dealers will process the participating entities purchase orders and place the bus orders through Blue Bird's online order entry system. We will develop a special option feature to designate the order as a Sourcewell order. We will develop a quarterly report to identify Sourcewell orders by dealer and customer to supply Sourcewell on a quarterly basis. | * |
| 52 | Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process? | This would be a matter to be discussed between the Participating Entity and the Participating Dealer. | * |

Table 11: Pricing and Delivery

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

| Line Item | Question | Response * | |
|-----------|----------|------------|--|
|-----------|----------|------------|--|

| | | | |
|----|---|---|---|
| 53 | Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response. | With this bid proposal, we are providing base content, state-spec products for each market where we've identified a participating dealer. This pricing does not include shipping costs or sales tax (if applicable). Each state/province has its own unique specifications and therefore unique pricing structure. Discounts vary depending on product type, market, and specifications. In addition to these base configurations, we are providing our full list of Blue Bird installed options to allow customers to purchase any option combination that can be validated for their market as well as any fuel type including gasoline, diesel, propane, CNG, and electric (for those products where these options are available). Our option list consists of a list price and a Sourcewell price which is a discount off of list. Additional discounts are available and are generally considered for quantity buys, off-peak season buys, and higher option content buses. These additional discounts generally apply to the base configurations as well as options listed in the Blue Bird option list. To provide the Participating Entity the benefit of these available discounts, we direct our Participating Dealers to submit requests to Blue Bird for additional discount consideration. We will evaluate each quote independently and will return an approved discount and price point to the dealer for submission to the customer. In every case, this price will be as good as or better than the ceiling price provided in this bid. In addition to our available Blue Bird options, Participating Dealers may also offer dealer-installed or vendor-installed options. Those have been included in the pricing file. Those options may also carry an additional discount off of the installed price and, if so, will be detailed in the quote to the Participating Entity. If an option is requested which is not listed, the dealer will provide a quote for this option to the customer. | * |
| 54 | Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range. | The pricing discount off the base bus configuration ranges from 10%-15%. The pricing discount off the available Blue Bird options ranges from 0%-40%. | * |
| 55 | Describe any upcharge and/or discount structure that applies on a State-by-State or Province-by-Province basis for Sourcewell Participating Entities in the US or Canada. Upload relevant pricing materials (if applicable) in the document upload section of your response. | Base bus configurations provided are state/province specific and are noted as such in the pricing file. Each market has unique discounts and pricing which is primarily due to individual market conditions and option content levels. | * |
| 56 | Describe any quantity or volume discounts or rebate programs that you offer. | We offer additional discounts over what's provided in the base bid for quantity buys, off-peak season buys, or higher option content buses. | * |
| 57 | Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request. | Customers, from time to time, request options or brands that are not available as a Blue Bird factory-installed option. In that case, dealers have the ability to offer these options as dealer-installed or vendor-installed options. Many of these available options with installed pricing has been provided in the pricing file. For any requested option not listed, the dealer can provide a quote upon request. | * |
| 58 | Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer. | The costs that are not included in the bid response include shipping cost (both from the factory to the dealer location and from the dealer location to the customer location), and any applicable sales tax. The shipping costs can vary by product type and location. The sales tax (if applicable) will vary by the transaction amount. | * |

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| 59 | If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program. | Blue Bird contracts with a 3rd party delivery company for bus deliveries from the factory to the dealer. Before providing a final quote to the customer, the dealer requests a delivery estimate from Blue Bird to add to the price of the quote. This can vary by fuel type of the product and total distance traveled. In addition, the dealer will also incur a cost to transport the product from their location to the customer location. This can also vary by fuel type and total distance traveled. | * |
| 60 | Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery. | At the time of this bid submission, we are not providing bid prices for Hawaii and Alaska. If these markets are supported during the term of the contract, a price for shipping will be provided to the customer when the bus(s) are quoted. Unlike other U.S. markets, these will include cost to transport over water and will typically be much higher than typical shipping costs. Shipping to Canada is handled in the same manner as described in Line Item 59. | * |
| 61 | Describe any unique distribution and/or delivery methods or options offered in your proposal. | In addition to the unique shipping method for AK and HI mentioned above, there is also a unique method for electric-powered and CNG-powered buses. Because EV charging stations are not available throughout all areas of U.S. and Canada, these products are shipped on a flatbed truck and will have higher shipping costs which will be included in the final quote to the customer. CNG buses, due to similar fueling infrastructure limitations, may be shipped via flatbed for some portion of the delivery and may incur higher shipping costs which will be included in the final quote to the customer. | * |

Table 12: Pricing Offered

| Line Item | The Pricing Offered in this Proposal is: * | Comments |
|-----------|---|--|
| 62 | d. other than what the Proposer typically offers (please describe). | There are some markets where our dealers are listed on existing cooperative contracts. Typically, but not always, there is language prohibiting dealers selling below the contract price. For this reason, in some cases, our pricing will be the same or similar to pricing already established on those contracts. In other markets, pricing will be better or typical to what's offered today in that market. |

Table 13: Audit and Administrative Fee

| Line Item | Question | Response * |
|-----------|--|--|
| 63 | Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. | All pricing requests submitted to Blue Bird by a Participating Dealer for a Participating Entity will require us to review the discounts and final proposed price. We will set up a process to identify these requests as a Sourcewell quote. We will insure that all Sourcewell quotes are priced at or below the contract price. We will track these quotes so we can identify any that become a customer order. We will then verify with dealers on a monthly basis all orders we've identified as Sourcewell orders. This will allow us to verify the correct pricing and reserve the Sourcewell fee for the quarterly payment, as well as collect all the customer detail as required in the reporting process. |
| 64 | Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.) | We are proposing a per-unit fee of \$800 for all products sold under this contract. |

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

| Line Item | Question | Response * |
|-----------|--|---|
| 65 | Provide a detailed description of the equipment, products, and services that you are offering in your proposal. | In this bid proposal, we are including all bus types including Type A Micro Bird, Type C Vision, and Type D (Rear Engine and Front Engine). The Type A Micro Bird includes the G5 model on a Chevrolet 6.0l gas chassis. In the Type C and Type D, we are providing all bus lengths, passenger capacities, and fuel types. The fuel type options are as follows: Type C gas Type C diesel Type C propane Type C electric Type D-FE diesel Type D-RE diesel Type D-RE CNG Type D-RE electric |
| 66 | Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services. | The subcategories would be considered our various bus types and fuel types as described above. |

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

Indicate below if the listed school bus type is offered within your proposal and, for each available bus type, the engine or power alternatives that you offer within the type. Provide additional comments in the text box provided, as necessary.

| Line Item | Bus Type | Offered * | Engine - Gas & Diesel * | Engine - CNG or Propane * | Engine - Hybrid or Alt Fuel * | Electric Powered * | Comments | |
|-----------|---------------------|--|--|--|--|--|---|---|
| 67 | Type A School Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | Type A is being offered in a gas model. We will add additional Type A fuel types during the term of the contract. | * |
| 68 | Type C School Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | In this proposal, are base Type C configurations are in gas or diesel, depending on the market, and we include the options to configure our Type C in any of the following fuel types: gas, diesel, propane, or electric. | * |
| 69 | Type D School Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | In this proposal, we offer a Type D-Rear Engine in diesel with options to upgrade to CNG or Electric. We are also offering a Type D-Front Engine in a diesel. | * |
| 70 | School Activity Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | Activity buses are offered in both Type C, Type D-Rear Engine, and Type D-Front Engine in the fuel types mentioned in the individual product categories in line items 68 & 69. | * |

Table 15: Industry Specific Questions

| Line Item | Question | Response * |
|-----------|--|---|
| 71 | If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract. | <p>Some of the metrics that will be tracked:</p> <ul style="list-style-type: none"> - Number of dealers selling products on the Sourcewell contract vs. a year ago. - Total number of units sold on the Sourcewell contract vs. a year ago. - Number of repeat customers who utilized this contract vs. a year ago - Number of new customers who utilized this contract vs. a year ago |
| 72 | Describe the safety features and innovations incorporated in the manufacturing of your buses that impact student safety. | <p>First, we pride ourselves on having the safest bus on the road today. We build our buses to the highest standard of safety, exceeding the Federal Motor Vehicle Safety Standard. In our mind, safety is not an option; it is the most important and fundamental attribute of a school bus. Every Blue Bird bus is certified to meet the rigorous testing requirements of Colorado Rack and Kentucky Pole certification. These tests are designed to recreate impact scenarios that are only faced in the worst accident situations, such as rollovers and massive impacts, and ensure the maximum protection for the onboard passengers. Children's safety is our business, that's why we build additional strengthening into every Blue Bird bus - standard practice for us, but optional equipment for our competitors.</p> <p>Second, we don't build a chassis for use in both truck and school bus applications, as we believe that could be a compromised solution. Others do that, but we don't. We provide a purpose-built school bus from the ground up, with safety and reliability top of mind. As such, our bus is full of unique features - from the steep rake of our hood that ensures best-in-class forward vision for the driver, to the extensive use of special fasteners that never need torquing throughout the life of the bus. That's safety built-in!</p> <p>Third, we care about the environment and the future of our planet and will continue to invest in innovation that provides a cleaner world for our children. Our leadership in alternative fuels is a testament to this - with our top 10 dealers alone, the propane buses they sold in 2019 reduced NOx emissions by over 1.2 million pounds! What's more, our exclusive propane buses are certified to NOx levels at one tenth of the EPA's and our competitors' standard. With over 40% growth in our propane bus sales last year, our message is being heard - with Blue Bird propane, you can have the safest, cleanest and lowest-cost-of-ownership of any bus in the market. But that's not all. In 2019, we launched the most extensive range of zero-emission, electric-powered school buses in North America covering all body styles, and have secured over 200 orders to date. We believe in providing innovative products that are both affordable and safe.</p> |
| 73 | Identify any bus types, models, configurations, or engine/power alternatives that are not yet available in your bus offerings but that are scheduled to be released during the anticipated term of the Sourcewell contract. | Blue Bird offers the widest range of bus types and fuel types of any school bus manufacturer. We are the only manufacturer to offer electric power in Type A, Type C, and Type D. At this time, we are not announcing any new planned product offerings for the near future but are continuously researching new products and features that meets the emerging demands of our school bus customers. |
| 74 | Describe any options, accessories, supplies, parts, and services that you are proposing that are not described in any other section of your response. Upload relevant pricing materials (as applicable) in the document upload section of your response. | Not applicable |

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
 - [Financial Strength and Stability](#) - Blue Bird_Annual Report_Fiscal Year 2019.pdf - Saturday June 27, 2020 14:14:28
 - [Marketing Plan/Samples](#) - Marketing.zip - Saturday June 27, 2020 14:14:46
 - [WMBE/MBE/SBE or Related Certificates](#) - Blue Bird Body Company_ FY2020 DBE Goal Concurrence Letter.pdf - Saturday June 27, 2020 14:14:57
 - [Warranty Information](#) - Warranty.zip - Saturday June 27, 2020 14:15:10
 - [Pricing](#) - Pricing.zip - Tuesday June 30, 2020 11:23:01
 - Additional Document (optional)

Proposer's Affidavit

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

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

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 - a. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign

Assets Control of the United States Department of the Treasury found at:
<https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;

- b. Included on the government-wide exclusions lists in the United States System for Award Management found at:
<https://www.sam.gov/portal/3>; or
- c. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Albert Burleigh, Regional Executive Director, Blue Bird Body Company

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

☒ Yes ☐ No

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

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

| File Name | I have reviewed the below addendum and attachments (if applicable) | Pages |
|---|--|-------|
| Addendum_3_School Buses_RFP063020 Wed June 17 2020 12:48 PM | <input checked="" type="checkbox"/> | 1 |
| Addendum_2_School Buses_RFP063020 Fri June 12 2020 01:32 PM | <input checked="" type="checkbox"/> | 1 |
| Addendum_1_School Buses_RFP063020 Mon May 18 2020 12:33 PM | <input checked="" type="checkbox"/> | 1 |



CONTRACT EXTENSION

Contract Number: 063020-BBB

| | | |
|---------------------------|-----|---------------------------------|
| Sourcewell | and | Blue Bird Bus |
| 202 12th Street Northeast | | 402 Bluebird Blvd |
| P.O. Box 219 | | |
| Staples, MN 56479 | | Fort Valley, Georgia 31030-5088 |
| (Sourcewell) | | (Vendor) |

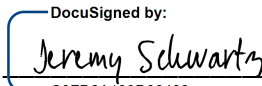
have entered into Contract Number: 063020-BBB
for the procurement of: School Buses with Related Accessories, Supplies, Parts, and Services

The Contract has an expiration date of 2024-08-15 , but the parties may extend the Contract by mutual consent.

Sourcewell and Vendor acknowledge that extending the Contract benefits the Vendor, Sourcewell and Sourcewell’s Members. Vendor and Sourcewell agree to extend the Contract listed above for an additional period, with a new Contract expiration date of 2025-08-15 . All other terms and conditions of the Contract remain in full force and effect.

Sourcewell

DocuSigned by:



C0FD2A139D06489

Authorized Signature

Jeremy Schwartz

Name

Chief Operating and Procurement Officer

Title

2/14/2024 | 8:35 AM CST

Date

DocuSigned by:



A2BB3C60E7C5474...

Authorized Signature

Tim Gordon

Name

VP Sales and Marketing

Title

2/18/2024 | 2:29 PM CST

Date



303 Business Park Drive, Lebanon TN 37090
615-466-5040 • FAX: 615-466-5045 • 877-307-0322
www.centralstatesbus.com

February 26, 2024

Mr. Steve Leonard
Kingsport City Schools
625 West Industry Dr
Kingsport, Tennessee 37660

Dear Mr. Leonard:

Per our conversation, we are currently under contract with Sourcewell for the purpose of supplying Blue Bird buses throughout the State of Tennessee. Using the Sourcewell published pricing, we can provide you with three (2) 72-passenger Blue Bird All American, Type D diesel-powered school buses at \$165,404.00 each for a total of \$330,808.00. Delivery is estimated to be in approximately 8-10 months after receipt of a purchase order.

All you need to do to finalize the transaction is to issue a purchase order to us for the amount stated above and reference the Sourcewell contract number 063020-BBB. We will then order the bus through Sourcewell and provide any documentation necessary to finalize the order.

Regards,

Ryan Blake

Sales Manager

RB/sm



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the City Manager to Purchase One 43-Passenger School Bus from Central States Bus Sales, Inc., Utilizing the Sourcewell Contract

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-88-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Committee

Presentation By: David Frye

Recommendation:

Approve the Resolution

Executive Summary:

The administration recommends the purchase of one (1) 43-passenger Blue Bird Bus school bus utilizing Sourcewell contract number 063020-BBB from Central States Bus Sales, Inc., for a total cost of \$182,027.00.

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

Funding will be from School General Purpose Fund.

This purchase was approved by the Board of Education on March 12, 2024.

Attachments:

Recommendation
Quote
Sourcewell Contract

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE ORDER TO CENTRAL STATES
BUS SALES, INC., FOR ONE 43-PASSENGER SCHOOL
BUS THROUGH SOURCEWELL COOPERATIVE
PURCHASE AGREEMENT NO. 063020-BBB

WHEREAS, staff recommends the purchase of one (1) 43-passenger Blue Bird Bus school bus for use by Kingsport City Schools from Central States Bus Sales, Inc., utilizing Sourcewell Cooperative Purchase Agreement No. 063020-BBB; and

WHEREAS, the city is a member of Sourcewell Cooperative Purchasing Advantages, a cooperative purchasing group, which allows the city to purchase goods and services directly from holders of contracts with the cooperative without conducting the bidding process, as authorized by Tenn. Code Ann. § 12-3-1205; and

WHEREAS, in order to purchase the bus, a purchase order needs to be issued to Central States Bus Sales, Inc., in the amount of \$182,027.00; and

WHEREAS, the Board of Education approved this action on March 12, 2024; and

WHEREAS, funding for this project will be from School General Purpose Funds.

Now therefore,

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

SECTION I. That the City Manager is authorized to execute a purchase order for one (1) 43-passenger Blue Bird Bus for use by Kingsport City Schools from Central States Bus Sales, Inc., utilizing Sourcewell Cooperative Purchase Agreement No. 063020-BBB for a total purchase cost of \$182,027.00, which will be funded by School General Purpose Funds, and to execute any and all documents necessary and proper to effectuate the purpose of this resolution.

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

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY



FLEET MAINTENANCE DEPARTMENT

City of Kingsport

To: Sandra Sloan, Assistant Procurement Manager
From: Steve Leonard, Fleet Manager
Date: March 7, 2024
Re: Fleet Replacement of 1931 Purchase Recommendation

It is the recommendation of this office to purchase the Fleet Replacement of unit # 1931 in the amount of \$182,027.00. The unit bid meets the expectations of the department and will fulfill the requirements of their operational needs. This unit will be purchased utilizing Sourcewell Contract # 063020-BBB. A copy of the Sourcewell Contract is attached. The estimated delivery is 10 months.

| Item | Quantity | Description | Award to Vendor | Fuel Economy |
|------|----------|--|--------------------------|------------------|
| 1 | 1 | 43 Passenger 2025 Blue Bird School Bus | Central States Bus Sales | N/A City/N/A Hwy |

The unit will be a Fleet Replacement

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

The Sourcewell offering was reviewed by Tommy Starnes and Dennis Woods and are in agreement with this recommendation.

Fuel Economy Improvement

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

Sourcewell Contract 063020-BBB

Replacements

| | | | |
|------|--|---------|---------|
| 1931 | 2011 Blue Bird 63 Passenger School Bus | Mileage | 110,275 |
|------|--|---------|---------|

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

Thank you.



Central States Bus Sales, Inc.

303 Business Park Drive, Lebanon TN 37090
615-466-5040 • FAX: 615-466-5045 • 877-307-0322
www.centralstatesbus.com

Sourcewell QUOTE

Sourcewell Contract Number 063020-BBB

SUBMITTED TO: Kingsport City Schools
625 West Industry Drive
Kingsport, Tennessee 37066

BUS TYPE, YEAR, MODEL: 43 Passenger, 2025 Blue Bird All American
Type D, Diesel-Powered School Bus

BID PRICE: One (1) unit at \$182,027.00 with AC

BID SUBMITTED BY: Central States Bus Sales, Inc.
303 Business Park Drive
Lebanon, TN 37090

State Dealer License # 14796

Federal ID #: 43-1051799

Contact Name: Ryan Blake
Sales Manager

Phone
Number: 615-466-5040

Signature: Ryan Blake

Date: February 26, 2024

We sincerely appreciate your business!

**Solicitation Number: RFP #063020****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Blue Bird Body Company, 3920 Arkwright Road Suite 200, Macon, GA 31210 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities). Participating Entities will purchase Vendor's equipment, products, or services through an authorized independent dealer of Vendor's products ("Participating Dealer") who will sell to Participating Entities in accordance with this Contract and such additional terms and conditions as may be negotiated between the Participating Entities and the Participating Dealers (such terms and conditions may not be less favorable to the Participating Entity than this Contract and Vendor's Proposal).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires August 15, 2024, unless it is cancelled sooner pursuant to Article 24. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.
- C. **SURVIVAL OF TERMS.** Articles 11 through 16 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Vendor's products and services will only be sold to Participating Entities by and through Participating Dealers. Participating Dealers will provide

the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

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

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

B. **WARRANTY.** Vendor warrants its products to be free from defects in material and workmanship under normal use and service within the limits described in the Standard Warranty statement provided in the Request for Proposal ("RFP"). Participating Dealers must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer of the product or component. Any manufacturer's warranty that is effective past the expiration of the Vendor's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution, Vendor will make available to Sourcwell a means to validate or authenticate Vendor's authorized dealers, distributors, and/or resellers relative to the Equipment, Products, and Services related to this Contract. This list may be updated from time-to-time and is incorporated into this Contract by reference. It is the Vendor's responsibility to ensure Sourcwell receives the most current version of this list and it is understood that Products and Services under this Contract may be purchased only from and through Participating Dealers, and that Participating Entities will submit orders under this contract only to Participating Dealers.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced as stated in Vendor's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location. Shipping costs and sales tax will be determined between Participating Entities and Participating Dealers and will be included in any pricing quote provided by a Participating Dealer.

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

A. DELIVERY AND INSPECTION. Participating Entities and Participating Dealers will determine the time, mode, and location for delivery and inspection of purchased Equipment and Products. The handling of any damage or defects noted by the Participating Entity either during or after the vehicle is delivered to the Participating Entity is the responsibility of the Participating Dealer. Any policy as it relates to returns and return shipping will be determined between the Participating Entity and the Participating Dealer. Regardless of any other agreement, the Vendor does not accept any returns of school buses.

The Participating Dealer has the responsibility to ensure that all Equipment, Products and Services sold under this Contract meet the Participating Entities specifications and/or specifications set by state and local governing bodies, or that exceptions to these specifications have been agreed upon in writing between the Participating Entity and the Participating Dealer. Sourcewell may declare the Vendor in breach of this Contract if the Vendor intentionally delivers substandard or inferior Equipment or Products to its Participating Dealers, who in turn provide the substandard or inferior Equipment or Products to Participating Entities in the same condition provided to it by Vendor.

B. SALES TAX. Each Participating Entity is responsible for supplying the Participating Dealer with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity. Pricing provided in Vendor's Proposal does not include sales tax.

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

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities. Discounts greater than those listed in the Contract may be available for quantity buys, off-peak season buys, or quotes that exceed base option content listed in the contract pricing. Any such discount will be offered by Participating Dealers on a case-by-case basis.

4. PRODUCT AND PRICING CHANGE REQUESTS

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

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

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

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

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

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

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

B. PUBLIC FACILITIES. Participating Dealer's employees may be required to perform work at government-owned facilities, including schools. Participating Dealer's employees and agents

must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. **ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to the Participating Dealer that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell, Vendor and Participating Dealers. Typically, a Participating Entity will issue an order directly to the Participating Dealer. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration of this Contract; however, Vendor or Participating Dealer performance, Participating Entity payment, and any applicable warranty periods or other Vendor, Participating Dealer, or Participating Entity obligations may extend beyond the term of this Contract.

Acceptable forms of payment will be determined between Participating Dealer and Participating Entity. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order may be negotiated between a Participating Entity, Participating Dealer and Vendor, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be worked out directly between the Participating Entity, Participating Dealer and the Vendor. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **PERFORMANCE BOND.** If requested by a Participating Entity, Participating Dealer will provide a performance bond that meets the requirements set forth in the Participating Entity's order. Vendor bears no liability for the Participating Dealer's performance bond and/or its decision to provide a performance bond.

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

E. **TERMINATION OF ORDERS.** Participating Entities and Participating Dealers may enter into a mutual agreement regarding the circumstances under which an order may be terminated.

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

7. CUSTOMER SERVICE

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

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

B. **BUSINESS REVIEWS.** Vendor must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities by Participating Dealers, pricing and contract terms, administrative fees, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. **CONTRACT SALES ACTIVITY REPORT.** Each calendar quarter, Vendor must provide a contract sales activity report (Report) to the Sourcwell Contract Administrator assigned to this Contract. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Vendor must submit a report indicating no sales were made).

The Report must contain the following fields:

- Customer Name (e.g., City of Staples Highway Department);
- Customer Physical Street Address;
- Customer City;
- Customer State/Province;
- Customer Zip Code;
- Customer Contact Name;
- Customer Contact Email Address;
- Customer Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;

- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Vendor.

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

The Vendor will submit a check payable to Sourcewell for the administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Sourcewell-assigned contract number in the memo and must be mailed to the address above "Attn: Accounts Receivable." Payments must be received no later than 45 calendar days after the end of each calendar quarter.

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

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

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

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

10. ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. ASSIGNMENT. Neither the Vendor nor Sourcewell may assign or transfer any rights or obligations under this Contract without the prior consent of the other and a fully executed assignment agreement. Such consent will not be unreasonably withheld.

B. AMENDMENTS. Any amendment to this Contract must be in writing and will not be effective until it has been fully executed by Sourcewell and Vendor.

C. **WAIVER.** If either Sourcewell or Vendor fails to enforce any provision of this Contract, that failure does not waive the provision or the right to enforce it.

D. **CONTRACT COMPLETE.** This Contract (including all attachments and amendments) contains all negotiations and agreements between Sourcewell and Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

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

11. LIABILITY

Vendor must indemnify, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees, arising out of any manufacturing or design defect that existed when the Product left Vendor's possession; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications and to the extent the manufacturing or design defect existed when the Equipment or Product left Vendor's possession.

12. AUDITS

Sourcewell reserves the right to review the books, records, documents, and accounting procedures and practices of the Vendor relevant to this Contract for a minimum of 6 years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

13. GOVERNMENT DATA PRACTICES

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

If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify Sourcewell and Sourcewell will assist with how the Vendor should respond to the request.

14. INDEMNIFICATION

As applicable, Vendor agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Vendor in violation of applicable patent or copyright laws.

15. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Vendor a royalty-free, worldwide, non-exclusive right and license to use the Trademark(s) provided to Vendor by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Vendor.
 - b. Vendor grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Vendor's Trademarks in advertising and promotional materials for the purpose of marketing Vendor's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to its and their respective distributors, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing Sourcewell and Vendor's relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
3. *Use; Quality Control.*
 - a. Sourcewell must not alter Vendor's Trademarks from the form provided by Vendor and must comply with Vendor's removal requests as to specific uses of its trademarks or logos.
 - b. Vendor must not alter Sourcewell's Trademarks from the form provided by Sourcewell and must comply with Sourcewell's removal requests as to specific uses of its trademarks or logos.
 - c. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's Trademarks only in good faith and in a dignified manner consistent with such party's use of the Trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.
 - d. Any use of Sourcewell's Intellectual Property by Participating Dealers as described herein must be negotiated between the Participating Dealer and Sourcewell. Vendor bears no responsibility for the act or failure to act of Participating Dealers with respect to Sourcewell's Intellectual Property.

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

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

C. **MARKETING**. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Materials should be sent to the Sourcewell Contract Administrator assigned to this Contract.

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

16. GOVERNING LAW, JURISDICTION, AND VENUE

Minnesota law governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court in Todd County or federal court in Fergus Falls, Minnesota.

17. FORCE MAJEURE

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

18. SEVERABILITY

If any provision of this Contract is found to be illegal, unenforceable, or void then both Sourcewell and Vendor will be relieved of all obligations arising under such provisions. If the remainder of this Contract is capable of performance, it will not be affected by such declaration or finding and must be fully performed.

19. PERFORMANCE, DEFAULT, AND REMEDIES

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

1. *Notification.* Sourcewell and Vendor must promptly notify each other of any known dispute with the terms or performance of this Contract and work in good faith to resolve such dispute between Sourcewell and Vendor within a reasonable period of time. If necessary, Sourcewell and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If Sourcewell and Vendor are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Vendor may escalate the resolution of the issue to a higher level of management. The Vendor will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed will be borne by the Vendor.
4. *Participating Dealer.* The provisions of this section apply only to Sourcewell and Vendor. Any dispute between any Participating Entity and any Participating Dealer must be resolved between the Participating Entity and the Participating Dealer. Vendor shall not be held liable for a Participating Dealer's failure to perform in accordance with a Purchase Order or other directive from a Participating Entity.

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

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

Written notice of default and a reasonable opportunity to cure must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

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

20. INSURANCE

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

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

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

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

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

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Vendor will maintain umbrella coverage over Workers' Compensation, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

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

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Vendor must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this

Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Contract Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

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

C. Intentionally Omitted.

D. Intentionally Omitted.

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

21. COMPLIANCE

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

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

22. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

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

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

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

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may also require additional requirements of Participating Dealers based on specific funding specifications. Participating Entities will work with Participating Dealers if additional specific funding specifications are required. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Vendor’s Equipment, Products, or Services sold through and by Participating Dealers with United States federal funds. Participating Entities will ensure that Participating Dealers are in compliance with the following provisions, when applicable, and it is not Vendor’s responsibility to ensure that Participating Dealers are in compliance with any such provision.

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

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

each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Vendor must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Vendor certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Vendor must comply with applicable requirements as referenced above.

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

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

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

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Vendors must file any required certifications. Vendors must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Vendors must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Vendors must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

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

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

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

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

also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents.

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

24. CANCELLATION

Sourcwell or Vendor may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcwell may cancel this Contract immediately upon discovery of a material defect in any certification made in Vendor's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcwell

Blue Bird Body Company

DocuSigned by:
By: Jeremy Schwartz
C0FD2A139D06489...
Jeremy Schwartz
Title: Director of Operations &
Procurement/CPO

Date: 8/27/2020 | 3:11 PM CDT

Approved:

DocuSigned by:
By: Chad Coauette
7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO
Date: 8/31/2020 | 8:59 AM CDT

DocuSigned by:
By: Albert Burleigh
AA417A61C5BC483...
Albert Burleigh
Title: Regional Executive Director

Date: 8/31/2020 | 8:55 AM CDT

RFP 063020 - School Buses with Related Accessories, Supplies, Parts, and Services

Vendor Details

Company Name: BLUE BIRD BODY COMPANY
Address: 3920 Arkwright Rd. Suite 200
Macon, GA 31210
Contact: Albert Burleigh
Email: albert.burleigh@blue-bird.com
Phone: 478-919-7311
HST#:

Submission Details

Created On: Wednesday June 03, 2020 11:08:37
Submitted On: Tuesday June 30, 2020 12:28:33
Submitted By: Albert Burleigh
Email: albert.burleigh@blue-bird.com
Transaction #: f52eb723-f1be-4967-a668-fc9fab2faff9
Submitter's IP Address: 75.38.16.103

Specifications

Table 1: Proposer Identity & Authorized Representatives

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

| Line Item | Question | Response * | |
|-----------|--|---|---|
| 1 | Proposer Legal Name (and applicable d/b/a, if any): | Blue Bird Body Company | * |
| 2 | Proposer Address: | 3920 Arkwright Road, Suite 200 Macon, GA 31210 | * |
| 3 | Proposer website address: | www.blue-bird.com | * |
| 4 | Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract): | Albert Burleigh Regional Executive Director 3920 Arkwright Road, Suite 200, Macon GA 31210 albert.burleigh@blue-bird.com (478) 919-7311 | * |
| 5 | Proposer's primary contact for this proposal (name, title, address, email address & phone): | Albert Burleigh Regional Executive Director 3920 Arkwright Road, Suite 200, Macon GA 31210 albert.burleigh@blue-bird.com (478) 919-7311 | * |
| 6 | Proposer's other contacts for this proposal, if any (name, title, address, email address & phone): | Tim Gordon Regional Executive Director 3920 Arkwright Road, Suite 200, Macon GA 31210 tim.gordon@blue-bird.com (478) 822-2260 | |

Table 2: Company Information and Financial Strength

| Line Item | Question | Response * | |
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| 7 | Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services. | <p>Blue Bird Corporation has been servicing the school and activity bus industry since 1927. The company was founded by George Luce and his goal for the first bus designed and built was to "build a better bus" and we hold that focus still today. The Luce family managed and operated the business until the early 90's. Since that time, Blue Bird has gone through three ownership changes that were either private equity or a combination of private equity and public ownership as a division of Henly's Group and traded on the London Exchange. In February of 2015, Blue Bird filed an initial public offering on NASDAQ and is publicly traded under the symbol BLBD.</p> <p>We come to work every day with one common goal, to design, build, sell and service the world's finest school bus. That's what we do - no distractions, no competing priorities. We are heirs to a rich legacy, one of listening to our customers, embracing their needs, and delivering innovations that lead the market.</p> <p>We commit ourselves to four driving priorities - safety, quality, durability, and serviceability. We embody the interests of every child that rides us, every driver that drives us, every service technician that services us and every district that buys us. More than a business, this work is our heritage, and we have been at it since 1927 - that's purpose driven.</p> <p>We are singularly focused on building and selling school buses that customers want and value. The safety of schoolchildren is at the center of all that we do and we will strive every day, just as we have since our beginning in 1927, to provide an unparalleled and affordable product in terms of safety, quality, durability, and serviceability.</p> <p>We will be easy to do business with, responsive to our customers' wants and needs, and provide prompt after-sale support in parts and service through a professional, high-qualified distribution network. Customer satisfaction is our top priority.</p> | * |
| 8 | What are your company's expectations in the event of an award? | To make bus purchases easier for school districts Nationwide and bring value from this RFP to participating entities. We will promote this contract as described in our marketing plan and will strive to increase awareness of the Sourcewell contract, grow dealer participation, and increase sales through the use of the contract. | * |
| 9 | Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. | <p>Our 2019 Annual Report has been provided in the document upload section to support the below financial summary.</p> <p>We ended the decade with our best financial performance in more than ten years and are positioned well for future growth. Our fiscal 2019 adjusted EBITDA of \$82 million was 17% above last year and our net sales revenue exceeded \$1 billion for the second consecutive year, setting an all-time record for Blue Bird. We sold more than 11,000 buses for the second year in a row and we grew our alternative-fuel bus sales by more than 20% in a strong, but flat industry.</p> | * |
| 10 | What is your US market share for the solutions that you are proposing? | Our 2019 fiscal year end US market share for school and activity buses is 33.1% | * |
| 11 | What is your Canadian market share for the solutions that you are proposing? | Our 2019 fiscal year end Canadian market share for school and activity buses is 15.8% | * |
| 12 | Has your business ever petitioned for bankruptcy protection? If so, explain in detail. | In January 2006, Blue Bird filed for Chapter 11 bankruptcy. This was a pre-packaged court filing to strengthen our balance sheet through a debt-for-equity conversion plan. The restructuring of our debt provided for a full recovery to the company's general unsecured creditors. | * |

| | | |
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| 13 | <p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p> | <p>b) Blue Bird is a manufacturer of school buses. In fiscal 2019, we sold approximately 90% of our vehicles through our United States and Canadian dealer network, currently consisting of 47 dealers that, in their territories, are exclusive to us with Type C and D school buses. School buses sold in the United States and Canada through our dealer network are purchased by school districts and private schools, as well as small and medium size contractors that provide services to school districts on a fee basis. Dealers develop collaborative relationships with school districts, district transportation directors, and key officials in their states.</p> <p>Blue Bird has a long history of going to market with the best dealer network in the industry. Although Blue Bird is involved with the customer experience included but not limited to sales, service, and support, the dealers have the day to day responsibility and relationship.</p> <p>The dealer network is a third party and independent businesses with a contractual obligation to Blue Bird and vice versa.</p> |
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| 14 | If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP. | <p>Our products must satisfy various legal, environmental, health and safety requirements at federal, state and municipal levels. At the federal level, "FMVSS," or Federal Motor Vehicle Safety Standards, govern the safety of all motor vehicles sold for use in the United States. More than half of the FMVSS regulations apply to school buses. For example, federal regulations require school buses to be painted "school bus yellow" and to be equipped with specific warning and safety devices. School buses are also built with the body on top of chassis frame rails. This so-called "high floor" construction moves the passenger compartment above the typical automotive "crash zone" and therefore provides an added measure of safety should a collision occur. Steel rollover cages and heavy duty bumpers are designed to provide incremental protection, in contrast with standard transit buses with "low floor" construction that offer lower curb height access with limited or no steel reinforcement.</p> <p>All completed vehicles manufactured by Blue Bird Body Company for use in the United States are manufactured in full compliance with all applicable U. S. Federal Motor Vehicle Safety Standards (FMVSS) in effect at the time of manufacture completion.</p> <p>Per U.S. Code of Federal Regulations Title 49, Subtitle B, Chapter V, Part 567 Certification, the U. S. National Highway Traffic Safety Administration (NHTSA) requires that each vehicle manufacturer self-certify their vehicles to be in full compliance with all applicable FMVSS as evidenced by the presence of the compliance label which must comply with their (NHTSA) content requirements. An FMVSS compliance letter is provided in the document upload section.</p> <p>After a school bus is sold, regulation of the operation of the school bus becomes the responsibility of the state in which it operates. Today, each state has its own rules and regulations pertaining to the manufacture, design, operation and safety of the school buses operated in their jurisdictions. As a result, we cannot manufacture to a single set of specifications, but rather must assure that each manufactured bus conforms to the specifications of the particular jurisdiction in which it will be operated.</p> <p>Blue Bird is licensed in each state we operate as required by state law and each dealer holds the normal business licenses and motor vehicle dealer license from their respective State(s) as required. Many of our dealers are also licensed service and warranty repair locations for major suppliers such as Caterpillar, Cummins, Allison, and Ford. These businesses are bonded and insured.</p> <p>We must also consider the rules and regulations of foreign jurisdictions. In Canada, where our Micro Bird joint venture operates, school buses are governed by the Canadian Motor Vehicle Safety Regulations. These regulations are patterned after the FMVSS regulations, although differences do exist between the two regulatory systems.</p> | * |
| 15 | Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years. | This has not applied to our company | * |

Table 3: Industry Recognition & Marketplace Success

| Line Item | Question | Response * |
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| 16 | Describe any relevant industry awards or recognition that your company has received in the past five years | <p>Blue Bird has a reputation for safety, product quality/reliability/durability, and drivability: Our longevity and reputation in the school bus industry have made us an iconic American brand. We are the only principal manufacturer with chassis and body production specifically designed for school bus applications and the only school bus company to offer compliance with industry recognized safety tests-Altoona Testing, Colorado Rack Test and the Kentucky Pole Test-as a standard specification across our entire product line.</p> <p>Alternative fuel leadership: We are the market leader in propane, gasoline, and CNG fuel powered-buses, having sold approximately eight times more alternative fuel school buses than all of our competitors combined from fiscal 2010 through fiscal 2019. In fiscal 2019 we sold 5,343 propane, gasoline, CNG, and electric powered buses, an increase of 20.7% versus the prior year.</p> <p>Innovative product leadership: We have consistently led the school bus industry with innovative product leadership through several industry firsts, including the first Type D CNG school bus, the first unique school bus chassis, and the first OEM-manufactured propane bus. In fiscal 2016, years ahead of our competition, we launched the industry's first gasoline powered Type C bus (utilizing an exclusive Ford and Roush CleanTech powertrain), and we were first-to-market with Electronic Stability Control. Also in 2016, we launched a new CNG product using a Ford engine and transmission and a Roush Clean Tech fuel delivery system to provide CNG in a Type C bus. In fiscal 2018, we sold our first Type D electric vehicles and in fiscal 2019 we introduced our Type C electric vehicle.</p> <p>Strong distribution model. We have built an extensive, experienced network of 47 dealers to distribute our buses across the United States and Canada, and during recent years have significantly enhanced our relationships with large fleet operators. Our dealers have an average tenure of more than 29 years with us and do not sell competing Type C or Type D school bus products in the areas assigned to them by us.</p> <p>Highly-skilled and committed workforce: We benefit from a highly-skilled, committed hourly workforce of approximately 1,853 that support our customized assembly operations at our 900,000 square foot integrated chassis manufacturing and body assembly facility and 340,000 square foot component fabrication facility. Our employees are trained to maximize production efficiency by following customized processes developed by us.</p> <p>Excellence in marketing and promotion of our products: Our recent ad campaign in School Transportation News was the #1, top-rated advertisement in the magazine: https://www.dropbox.com/s/q4ypgb2rwn6clpq/Blue_Bird_Award_STN_March_2020.pdf?dl=0</p> | * |
| 17 | What percentage of your sales are to the governmental sector in the past three years | Approximately 2% | * |
| 18 | What percentage of your sales are to the education sector in the past three years | 96% which consists of sales to school districts and bus contractors that service school districts | * |
| 19 | List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years? | With the exception of the current Sourcewell contract, we do not hold any state, provincial, or cooperative purchasing contracts directly. Throughout the U.S. and Canada, our dealer network holds in total over 20 contracts. Our sales utilizing the Sourcewell contract was approximately 365 units from 2017-2019. | * |

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| 20 | List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years? | GSA contract # GS-30F-DA017. We sell buses through our United States General Services Administration ("GSA") contract, an expedited procurement procedure designed to meet the needs of bus customers authorized to purchase through the GSA contracting offices, including the U.S. Air Force, U.S. Army, Homeland Security and the U.S. Department of Agriculture. Volume over last 3 years was approximately 850 units. | * |
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Table 4: References/Testimonials

Line Item 21. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

| Entity Name * | Contact Name * | Phone Number * | |
|--|------------------|----------------|---|
| Mobile County Public Schools (AL) | Pat Mitchell | (251) 221-5260 | * |
| Independence School District (MO) | Daryl Huddleston | (816) 525-5335 | * |
| BRANDON VALLEY SCHOOL DISTRICT 49-2 (SD) | Wayne Hampton | (605) 582-3514 | * |
| BROOKINGS SCHOOL DISTRICT (SD) | Bill Heldt | 605-696-4750 | |

Table 5: Top Five Government or Education Customers

Line Item 22. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

| Entity Name | Entity Type * | State / Province * | Scope of Work * | Size of Transactions * | Dollar Volume Past Three Years * | |
|--|---------------|--------------------|-----------------------------|------------------------|----------------------------------|---|
| GSA | Government | Georgia - GA | GSA contract # GS-30F-DA017 | 850 units | \$90M | * |
| Northwest Independent School District | Education | Texas - TX | RFP | 205 units | \$16.7M | * |
| Clark County School District | Education | Nevada - NV | RFP | 300 units | \$28M | * |
| Fulton County School District | Education | Georgia - GA | RFP | 164 units | \$13.4M | * |
| Pflugerville Independent School District | Education | Texas - TX | RFP | 154 units | \$12.3M | * |

Table 6: Ability to Sell and Deliver Service

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

| Line Item | Question | Response * | |
|-----------|--------------|---|---|
| 23 | Sales force. | Blue Bird sells and services product through a network of dealers. Blue Bird supports that network with Regional Sales, Service, and Parts Managers that live in the territory they represent. Our dealer network in total has approximately 160 sales representatives that are responsible for school bus sales in their respective territories. | * |

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| 24 | Dealer network or other distribution methods. | We have built an extensive, experienced network of 47 dealers to distribute our buses across the United States and Canada. Our dealers have an average tenure of more than 29 years with us and do not sell competing Type C or Type D school bus products in the areas assigned to them by us. In addition, our dealers have approximately 100 parts and service locations across the U.S. and Canada, as well as relationships with approximately 250 additional 3rd party service provider partners to provide extensive warranty service coverage in all markets. | * |
| 25 | Service force. | Through our dealer's service network, there are over 600 qualified technicians to meet the warranty and retail service needs of our customers. | * |
| 26 | Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises. | <p>Our 47 dealers have approximately 100 parts and service locations across the U.S. and Canada, as well as relationships with approximately 250 additional 3rd party service provider partners to provide extensive warranty service coverage in all markets. In addition, many of these service locations have mobile service capabilities to improve the response time and added convenience for our customers. Blue Bird field service engineers provide technical support to our dealer network. At the end of fiscal 2019, service engineers had an average of over 25 years of experience with our Company and are strategically placed throughout the United States and Canada to better serve both dealers and end-customers. The network leverages our parts inventory, technical training, and online warranty network to address customer service needs.</p> <p>We maintain a parts distribution center in Delaware, Ohio that fills demand for our Company specific and all-makes parts. Additional demand for parts is fulfilled by drop ship and direct sales. To fulfill demand for parts that are not maintained at the distribution center, we are linked to approximately 40 suppliers that ship directly to dealers and independent service centers.</p> <p>This level of support positions us as the school bus industry experts which furthers our ability to be responsive to our customers parts and service needs.</p> <p>We contract with a 3rd party survey company, The Daniels Group, to monitor our customers' satisfaction with the quality of our products and satisfaction with the performance of our dealer network. We monitor customer responses weekly to ensure we are managing and targeting improvements to our products and dealer network.</p> | * |
| 27 | Identify your ability and willingness to provide your products and services to Sourcewell participating entities in the United States. | Our goal is to provide our products to all participating entities by encouraging our U.S. dealer network to participate and actively pursue sales through the Sourcewell contract. With this bid submission, we'll have dealers participating in 37 states. Our goal is to continue to work with the remaining dealers to offer our products to all participating entities in all markets where the contract is allowed. | * |
| 28 | Identify your ability and willingness to provide your products and services to Sourcewell participating entities in Canada. | Our goal is to provide our products to all participating entities by encouraging our dealer network in Canada to participate and actively pursue sales through the Sourcewell contract. With this bid submission, we'll have one dealer participating in 2 provinces and 2 territories. Our goal is to continue to work with the remaining dealers to offer our products to all participating entities in all markets where the contract is allowed. | * |

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| 29 | Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract. | <p>We currently do not have participation from our dealer network in the below states/provinces. If awarded the contract, we will continue to work with our dealers to encourage participation so we can offer our products to all participating entities where the Sourcewell contract is allowed.</p> <p>Currently not participating in the following Canadian Provinces: Manitoba, New Brunswick, Newfoundland & Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec, Saskatchewan *</p> <p>Currently not participating in the following U.S. states: Maine, Alaska, Wyoming, Iowa, California, Hawaii, Arizona, North Carolina, Mississippi, New York, Arkansas, West Virginia, and Kentucky</p> |
| 30 | Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract? | <p>Our existing GSA contract will take precedent as the means for the government to purchase our products.</p> |
| 31 | Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories. | <p>As of this bid submission, we do not have dealer representation in Alaska. When a new dealer is signed, it is our intent to offer our products to participating entities. Currently, our dealer who covers the state of Hawaii is not participating. We will continue to work with our dealer to encourage them to participate. *</p> |

Table 7: Marketing Plan

| Line Item | Question | Response * |
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| 32 | Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response. | <p>In addition to communicating to all dealers through our formal dealer communication process, we plan to announce the contract award through our website and social media platforms. Also, we will encourage all participating dealers to promote their participation through their various communication channels and at local trade shows. In conjunction with Sourcewell, we will provide training to our Regional Sales Managers as well as dealer sales personnel on how to effectively promote the benefits of the Sourcewell contract to their customers.</p> <p>In addition, we will seek out opportunities to partner with other Sourcewell-approved vendors to further improve the value-proposition offered to the Participating Entities. For example, we recently partnered with NCL Government Capital (Sourcewell vendor) to offer a 12-month deferred payment program for our customers. We've included a jointly-developed marketing flyer in the document upload section.</p> <p>Examples of other marketing materials have been provided in the document upload section as well.</p> |
| 33 | Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness. | Our social media presence is, by far, the most popular in our industry. With nearly 50,000 "likes", we have 5 times more followers than our top competitors. Plus, we have a presence on Twitter and LinkedIn. We utilize these digital platforms to bring customers back to our website, www.bluebird.com , and use our Request a Quote form as a measure of success for sales through digital means. We also regularly present digital advertising "whitepapers" through School Bus Fleet magazine's website and School Transportation News' website. |
| 34 | In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process? | We would recommend the use of Sourcewell's website for marketing our partnership. We would request that Sourcewell provide sales training to our Regional Sales Managers and participating dealer sales teams to understand how promote the benefits of this contract to participating entities. |
| 35 | Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it. | Our products are sold through our dealer network. The availability of e-procurement ordering process can be discussed between a Participating Entity and the Participating Dealer. |

Table 8: Value-Added Attributes

| Line Item | Question | Response * |
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| 36 | <p>Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.</p> | <p>In addition to any training available through our dealer network or training coordinated through many of our supplier partners, our Blue Bird Academy also offers web-based, video tutorials, and factory-based training for our customers.</p> <p>Technician Training -Blue Bird Academy offers three types of technician training:</p> <ol style="list-style-type: none">1. We recently launched our online Blue Bird Technician Certification program and this is open to all technicians: dealer and customer.<ul style="list-style-type: none">- Associate Level: 100% web-based - \$650/person- Advanced Level: Live training sessions in Fort Valley, GA or regionally, followed up by online courses for real world application of the knowledge and skills learned in the previous level and workshop – Price TBD- Master Level: Hands-on Factory-based proficiency observation of skills learned through online and live training sessions – Price TBD2. We also offer factory-based and regional training throughout the year which are typically 4-days in length. When held at the factory location in Fort Valley, a plant tour is included. The cost for this varies depending on location.3. We also will provide on-site service training at a customer's location, by request. The cost for that is based on travel expenses for our trainer. |
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| 37 | Describe any technological advances that your proposed products or services offer. | <p>Our performance in recent years has been driven by the implementation of repeatable processes focused on product initiatives, continuous improvement of both competitiveness and manufacturing flexibility, as described below:</p> <p>1. Alternative Fuel Initiatives — Blue Bird is the clear leader in alternative fuel school buses (defined as buses that do not operate on diesel fuel) and we continue to introduce new products to support growing consumer demand for these products.</p> <ul style="list-style-type: none"> • Propane — In 2012, we entered into our exclusive relationship with Ford Motor Company and Roush Clean Tech to offer propane-powered Type C school buses. We have continued to lead the industry with this offering. • We launched the industry's first .05g/bhp-hr NOx propane engine in 2017. This engine operates four times cleaner than the current emission standard and is significantly better for the environment than competitors' published offerings. • We launched the industry's first .02g/bhp-hr NOx propane engine in August 2018. This engine complies with Ultra Low NOx classification and has an emissions level at 10% of the current standard and competitive offerings. • CNG — Blue Bird was the first OEM to introduce a CNG powertrain for the Rear Engine Type D bus using Cummins Westport technology. In 2016, we launched a new CNG product using a Ford engine and transmission and a Roush Clean Tech fuel delivery system to provide CNG in a Type C bus. • Electric — Blue Bird is the first major school bus manufacturer to market, and presently the only manufacturer among major OEMs, to have delivered electric school buses. We developed our electric bus with our partner, EDI. EDI was recently acquired by Cummins, one of our long-standing engine suppliers. We offer electric solutions in both our Type C and Type D buses and commenced delivery to customers in 2018. • Gasoline — In 2016, we re-introduced gasoline engines in school buses, again using a Ford engine and transmission and a Roush Clean Tech fuel delivery. This product has been an immediate success and continues to grow the Blue Bird customer base. <p>2. Diesel — Blue Bird works closely with Cummins on diesel engines which continue to be the power source for the majority of school buses sold.</p> <p>3. Product Initiatives — We continue to update and improve our products.</p> <ul style="list-style-type: none"> • Blue Bird introduced the first Electronic Stability Control system on school buses as an optional offering in fiscal 2017, and made it a standard feature in fiscal 2019. We also made rear-view cameras standard in fiscal 2019. <p>4. Manufacturing and Process Initiatives — We have commenced a number of initiatives to continue to build customer loyalty, reduce costs, and enhance competitiveness.</p> <ul style="list-style-type: none"> • We launched our all-new, state-of-the-art paint facility in July 2019. This facility will drive greater reliability, quality, and capacity at a lower cost. • We contracted with industry leaders to revise our production techniques in our plant. |
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| 38 | Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each. | <p>All emission levels mentioned below are certified by CARB (California Air Resources Board) and/or EPA (Environmental Protection Agency).</p> <p>As mentioned above in Line Item 37:</p> <p>Alternative Fuel Initiatives — Blue Bird is the clear leader in alternative fuel school buses (defined as buses that do not operate on diesel fuel) and we continue to introduce new products to support growing consumer demand for these products.</p> <ul style="list-style-type: none"> • Propane — In 2012, we entered into our exclusive relationship with Ford Motor Company and Roush Clean Tech to offer propane-powered Type C school buses. We have continued to lead the industry with this offering. • We launched the industry's first .05g/bhp-hr NOx propane engine in 2017. This engine operates four times cleaner than the current emission standard and is significantly better for the environment than competitors' published offerings. • We launched the industry's first .02g/bhp-hr NOx propane engine in August 2018. This engine complies with Ultra Low NOx classification and has an emissions level at 10% of the current standard and competitive offerings. • CNG — Blue Bird was the first OEM to introduce a CNG powertrain for the Rear Engine Type D bus using Cummins Westport technology. In 2016, we launched a new CNG product using a Ford engine and transmission and a Roush Clean Tech fuel delivery system to provide CNG in a Type C bus. • Electric — Blue Bird is the first major school bus manufacturer to market, and presently the only manufacturer among major OEMs, to have delivered electric school buses. We developed our electric bus with our partner, EDI. EDI was recently acquired by Cummins, one of our long-standing engine suppliers. We offer electric solutions in both our Type C and Type D buses and commenced delivery to customers in 2018. | * |
| 39 | Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors. | <p>Zero Emission Vehicle - Blue Bird is the first major school bus manufacturer to market, and presently the only manufacturer among major OEMs, to have delivered electric school buses. We developed our electric bus with our partner, EDI. EDI was recently acquired by Cummins, one of our long-standing engine suppliers. We offer electric solutions in both our Type C and Type D buses and commenced delivery to customers in 2018.</p> <p>Ultra Low NOx certification - We launched the industry's first .02g/bhp-hr NOx propane engine in August 2018. This engine complies with Ultra Low NOx classification and has an emissions level at 10% of the current standard and competitive offerings.</p> | * |
| 40 | Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response. | TVM DBE Goal Concurrence/Certification Letter (Fiscal Year 2020) has been provided in document upload section | * |

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| 41 | <p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p> | <p>We are the only principal manufacturer with chassis and body production specifically designed for school bus applications and the only school bus company to offer compliance with industry recognized safety tests-Altoona Testing, Colorado Rack Test and the Kentucky Pole Test-as a standard specification across our entire product line.</p> <p>Colorado Rack and Kentucky Pole Tests were not invented by or exclusive to Blue Bird. Some will downplay the importance of these critical structural benefits and will fall back on compliance to Motor Vehicle Safety Standards. When transporting our most precious cargo, our children, Blue Bird does not settle for minimum construction standards. Both Colorado Rack and Kentucky Pole Tests were developed because minimum FMVSS standard testing, according to Blue Bird, should be taken a step further.</p> <p>Colorado Rack Test: The Colorado Rack test verifies structural integrity and crash-worthiness of school bus designs. The test simulates a rollover crash by applying a constant load along the full length of the bus body. This insures that all pushout windows and emergency exits will be fully functional after an accident occurs. Blue Bird feels it is essential that our buses are constructed to meet the Colorado Rack test standards, insuring safe exit in the event of a rollover crash. All Blue Bird buses are Kentucky Pole tested and designed to keep all passengers safe by providing structural integrity to minimize outside intrusion.</p> <p>Kentucky Pole Test: The Kentucky Pole test is designed to verify that the interior panels above the window will not separate and expose sharp edges in the event of a crash. The test involves a rollover simulation, in which the bus strikes a pole-like object, which forces the roof to bend into the passenger compartment. Standards require that separation of body panels must not occur when the roof bends between 8-10 inches. All Blue Bird buses are Kentucky Pole tested and designed to keep all passengers safe by providing structural integrity to minimize outside intrusion.</p> <p>As previously mentioned, we have the widest range of products and fuel types to best meet the needs of customer throughout the industry.</p> |
|----|---|--|

Table 9: Warranty

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

| Line Item | Question | Response * | |
|-----------|---|--|---|
| 42 | Do your warranties cover all products, parts, and labor? | Our warranties cover all our products and include parts and labor, however, there are some components covered by the component manufacturer. Some examples of this are Cummins diesel engines and Allison transmissions which are covered by these companies. A copy of our standard warranty is provided in the document upload section. | * |
| 43 | Do your warranties impose usage restrictions or other limitations that adversely affect coverage? | Our warranty has limitations and exclusions that are detailed on our standard warranty statement which is provided in the document upload section. | * |
| 44 | Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs? | Our Blue Bird standard warranties do not cover travel time and mileage, however, many of our dealers cover this expense within certain limits. | * |
| 45 | Are there any geographic regions of the United States (and Canada, if applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair? | Certified technicians are available in all geographic regions of the United States and Canada. | * |
| 46 | Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer? | For those components that are not included in our standard warranty, our Blue Bird dealers can either perform warranty service for those components or can arrange for work to be performed at an authorized warranty repair center. | * |
| 47 | What are your proposed exchange and return programs and policies? | Blue Bird does not offer any exchange or return programs on buses. Any returns or exchanges will be negotiated directly between our dealers and the participating entity. | * |
| 48 | Describe any service contract options for the items included in your proposal. | We offer several service contract options to extend the standard warranty. These include contracts that extend our standard one-year warranty to two, three, five, or six years. We offer tow warranties to provide towing for up to 5 years. We also offer warranties on Roush gas, LPG, and CNG components that extend those warranties up to 10 years. A chart detailing extensions to our standard warranty is provided in the document upload section. Additional service contracts and pricing are provided in our options list. | * |

Table 10: Payment Terms and Financing Options

| Line Item | Question | Response * | |
|-----------|---|---|---|
| 49 | What are your payment terms (e.g., net 10, net 30)? | The payment terms will be provided directly by the participating dealer when a quote is provided to a participating entity. Our dealers' payment terms range from COD to 60 days. | * |
| 50 | Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions? | Blue Bird has a partnership with TCF Capital Solutions to offer leasing and financing options through our dealer network. Our dealers also offer additional options for leasing and financing through 3rd party lending institutions. In addition, we recently developed a joint program with NCL Government Capital (a Sourcewell vendor) to offer a special 12-month deferred payment program to customers. | * |
| 51 | Briefly describe your proposed order process. Include enough detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell participating entities' purchase orders. | Our dealer network will work directly with participating entities to finalize bus specifications and all other details relating to their bus order. Our dealers will process the participating entities purchase orders and place the bus orders through Blue Bird's online order entry system. We will develop a special option feature to designate the order as a Sourcewell order. We will develop a quarterly report to identify Sourcewell orders by dealer and customer to supply Sourcewell on a quarterly basis. | * |
| 52 | Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process? | This would be a matter to be discussed between the Participating Entity and the Participating Dealer. | * |

Table 11: Pricing and Delivery

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

| Line Item | Question | Response * | |
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| 53 | Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response. | With this bid proposal, we are providing base content, state-spec products for each market where we've identified a participating dealer. This pricing does not include shipping costs or sales tax (if applicable). Each state/province has its own unique specifications and therefore unique pricing structure. Discounts vary depending on product type, market, and specifications. In addition to these base configurations, we are providing our full list of Blue Bird installed options to allow customers to purchase any option combination that can be validated for their market as well as any fuel type including gasoline, diesel, propane, CNG, and electric (for those products where these options are available). Our option list consists of a list price and a Sourcewell price which is a discount off of list. Additional discounts are available and are generally considered for quantity buys, off-peak season buys, and higher option content buses. These additional discounts generally apply to the base configurations as well as options listed in the Blue Bird option list. To provide the Participating Entity the benefit of these available discounts, we direct our Participating Dealers to submit requests to Blue Bird for additional discount consideration. We will evaluate each quote independently and will return an approved discount and price point to the dealer for submission to the customer. In every case, this price will be as good as or better than the ceiling price provided in this bid. In addition to our available Blue Bird options, Participating Dealers may also offer dealer-installed or vendor-installed options. Those have been included in the pricing file. Those options may also carry an additional discount off of the installed price and, if so, will be detailed in the quote to the Participating Entity. If an option is requested which is not listed, the dealer will provide a quote for this option to the customer. | * |
| 54 | Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range. | The pricing discount off the base bus configuration ranges from 10%-15%. The pricing discount off the available Blue Bird options ranges from 0%-40%. | * |
| 55 | Describe any upcharge and/or discount structure that applies on a State-by-State or Province-by-Province basis for Sourcewell Participating Entities in the US or Canada. Upload relevant pricing materials (if applicable) in the document upload section of your response. | Base bus configurations provided are state/province specific and are noted as such in the pricing file. Each market has unique discounts and pricing which is primarily due to individual market conditions and option content levels. | * |
| 56 | Describe any quantity or volume discounts or rebate programs that you offer. | We offer additional discounts over what's provided in the base bid for quantity buys, off-peak season buys, or higher option content buses. | * |
| 57 | Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request. | Customers, from time to time, request options or brands that are not available as a Blue Bird factory-installed option. In that case, dealers have the ability to offer these options as dealer-installed or vendor-installed options. Many of these available options with installed pricing has been provided in the pricing file. For any requested option not listed, the dealer can provide a quote upon request. | * |
| 58 | Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer. | The costs that are not included in the bid response include shipping cost (both from the factory to the dealer location and from the dealer location to the customer location), and any applicable sales tax. The shipping costs can vary by product type and location. The sales tax (if applicable) will vary by the transaction amount. | * |

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| 59 | If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program. | Blue Bird contracts with a 3rd party delivery company for bus deliveries from the factory to the dealer. Before providing a final quote to the customer, the dealer requests a delivery estimate from Blue Bird to add to the price of the quote. This can vary by fuel type of the product and total distance traveled. In addition, the dealer will also incur a cost to transport the product from their location to the customer location. This can also vary by fuel type and total distance traveled. | * |
| 60 | Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery. | At the time of this bid submission, we are not providing bid prices for Hawaii and Alaska. If these markets are supported during the term of the contract, a price for shipping will be provided to the customer when the bus(s) are quoted. Unlike other U.S. markets, these will include cost to transport over water and will typically be much higher than typical shipping costs. Shipping to Canada is handled in the same manner as described in Line Item 59. | * |
| 61 | Describe any unique distribution and/or delivery methods or options offered in your proposal. | In addition to the unique shipping method for AK and HI mentioned above, there is also a unique method for electric-powered and CNG-powered buses. Because EV charging stations are not available throughout all areas of U.S. and Canada, these products are shipped on a flatbed truck and will have higher shipping costs which will be included in the final quote to the customer. CNG buses, due to similar fueling infrastructure limitations, may be shipped via flatbed for some portion of the delivery and may incur higher shipping costs which will be included in the final quote to the customer. | * |

Table 12: Pricing Offered

| Line Item | The Pricing Offered in this Proposal is: * | Comments |
|-----------|---|--|
| 62 | d. other than what the Proposer typically offers (please describe). | There are some markets where our dealers are listed on existing cooperative contracts. Typically, but not always, there is language prohibiting dealers selling below the contract price. For this reason, in some cases, our pricing will be the same or similar to pricing already established on those contracts. In other markets, pricing will be better or typical to what's offered today in that market. |

Table 13: Audit and Administrative Fee

| Line Item | Question | Response * |
|-----------|--|--|
| 63 | Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. | All pricing requests submitted to Blue Bird by a Participating Dealer for a Participating Entity will require us to review the discounts and final proposed price. We will set up a process to identify these requests as a Sourcewell quote. We will insure that all Sourcewell quotes are priced at or below the contract price. We will track these quotes so we can identify any that become a customer order. We will then verify with dealers on a monthly basis all orders we've identified as Sourcewell orders. This will allow us to verify the correct pricing and reserve the Sourcewell fee for the quarterly payment, as well as collect all the customer detail as required in the reporting process. |
| 64 | Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.) | We are proposing a per-unit fee of \$800 for all products sold under this contract. |

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

| Line Item | Question | Response * |
|-----------|--|---|
| 65 | Provide a detailed description of the equipment, products, and services that you are offering in your proposal. | In this bid proposal, we are including all bus types including Type A Micro Bird, Type C Vision, and Type D (Rear Engine and Front Engine). The Type A Micro Bird includes the G5 model on a Chevrolet 6.0l gas chassis. In the Type C and Type D, we are providing all bus lengths, passenger capacities, and fuel types. The fuel type options are as follows: Type C gas Type C diesel Type C propane Type C electric Type D-FE diesel Type D-RE diesel Type D-RE CNG Type D-RE electric |
| 66 | Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services. | The subcategories would be considered our various bus types and fuel types as described above. |

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

Indicate below if the listed school bus type is offered within your proposal and, for each available bus type, the engine or power alternatives that you offer within the type. Provide additional comments in the text box provided, as necessary.

| Line Item | Bus Type | Offered * | Engine - Gas & Diesel * | Engine - CNG or Propane * | Engine - Hybrid or Alt Fuel * | Electric Powered * | Comments | |
|-----------|---------------------|--|--|--|--|--|---|---|
| 67 | Type A School Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | Type A is being offered in a gas model. We will add additional Type A fuel types during the term of the contract. | * |
| 68 | Type C School Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | In this proposal, are base Type C configurations are in gas or diesel, depending on the market, and we include the options to configure our Type C in any of the following fuel types: gas, diesel, propane, or electric. | * |
| 69 | Type D School Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | In this proposal, we offer a Type D-Rear Engine in diesel with options to upgrade to CNG or Electric. We are also offering a Type D-Front Engine in a diesel. | * |
| 70 | School Activity Bus | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | <input type="radio"/> Yes <input checked="" type="radio"/> No | <input checked="" type="radio"/> Yes <input type="radio"/> No | Activity buses are offered in both Type C, Type D-Rear Engine, and Type D-Front Engine in the fuel types mentioned in the individual product categories in line items 68 & 69. | * |

Table 15: Industry Specific Questions

| Line Item | Question | Response * |
|-----------|--|---|
| 71 | If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract. | <p>Some of the metrics that will be tracked:</p> <ul style="list-style-type: none"> - Number of dealers selling products on the Sourcewell contract vs. a year ago. - Total number of units sold on the Sourcewell contract vs. a year ago. - Number of repeat customers who utilized this contract vs. a year ago - Number of new customers who utilized this contract vs. a year ago |
| 72 | Describe the safety features and innovations incorporated in the manufacturing of your buses that impact student safety. | <p>First, we pride ourselves on having the safest bus on the road today. We build our buses to the highest standard of safety, exceeding the Federal Motor Vehicle Safety Standard. In our mind, safety is not an option; it is the most important and fundamental attribute of a school bus. Every Blue Bird bus is certified to meet the rigorous testing requirements of Colorado Rack and Kentucky Pole certification. These tests are designed to recreate impact scenarios that are only faced in the worst accident situations, such as rollovers and massive impacts, and ensure the maximum protection for the onboard passengers. Children's safety is our business, that's why we build additional strengthening into every Blue Bird bus - standard practice for us, but optional equipment for our competitors.</p> <p>Second, we don't build a chassis for use in both truck and school bus applications, as we believe that could be a compromised solution. Others do that, but we don't. We provide a purpose-built school bus from the ground up, with safety and reliability top of mind. As such, our bus is full of unique features - from the steep rake of our hood that ensures best-in-class forward vision for the driver, to the extensive use of special fasteners that never need torquing throughout the life of the bus. That's safety built-in!</p> <p>Third, we care about the environment and the future of our planet and will continue to invest in innovation that provides a cleaner world for our children. Our leadership in alternative fuels is a testament to this - with our top 10 dealers alone, the propane buses they sold in 2019 reduced NOx emissions by over 1.2 million pounds! What's more, our exclusive propane buses are certified to NOx levels at one tenth of the EPA's and our competitors' standard. With over 40% growth in our propane bus sales last year, our message is being heard - with Blue Bird propane, you can have the safest, cleanest and lowest-cost-of-ownership of any bus in the market. But that's not all. In 2019, we launched the most extensive range of zero-emission, electric-powered school buses in North America covering all body styles, and have secured over 200 orders to date. We believe in providing innovative products that are both affordable and safe.</p> |
| 73 | Identify any bus types, models, configurations, or engine/power alternatives that are not yet available in your bus offerings but that are scheduled to be released during the anticipated term of the Sourcewell contract. | Blue Bird offers the widest range of bus types and fuel types of any school bus manufacturer. We are the only manufacturer to offer electric power in Type A, Type C, and Type D. At this time, we are not announcing any new planned product offerings for the near future but are continuously researching new products and features that meets the emerging demands of our school bus customers. |
| 74 | Describe any options, accessories, supplies, parts, and services that you are proposing that are not described in any other section of your response. Upload relevant pricing materials (as applicable) in the document upload section of your response. | Not applicable |

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
 2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
 3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
 4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Financial Strength and Stability](#) - Blue Bird_Annual Report_Fiscal Year 2019.pdf - Saturday June 27, 2020 14:14:28
 - [Marketing Plan/Samples](#) - Marketing.zip - Saturday June 27, 2020 14:14:46
 - [WMBE/MBE/SBE or Related Certificates](#) - Blue Bird Body Company_ FY2020 DBE Goal Concurrence Letter.pdf - Saturday June 27, 2020 14:14:57
 - [Warranty Information](#) - Warranty.zip - Saturday June 27, 2020 14:15:10
 - [Pricing](#) - Pricing.zip - Tuesday June 30, 2020 11:23:01
 - Additional Document (optional)

Proposer's Affidavit

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

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

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 - a. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign

Assets Control of the United States Department of the Treasury found at:
<https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;

- b. Included on the government-wide exclusions lists in the United States System for Award Management found at:
<https://www.sam.gov/portal/3>; or
- c. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Albert Burleigh, Regional Executive Director, Blue Bird Body Company

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

☒ Yes ☐ No

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

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

| File Name | I have reviewed the below addendum and attachments (if applicable) | Pages |
|---|--|-------|
| Addendum_3_School Buses_RFP063020 Wed June 17 2020 12:48 PM | <input checked="" type="checkbox"/> | 1 |
| Addendum_2_School Buses_RFP063020 Fri June 12 2020 01:32 PM | <input checked="" type="checkbox"/> | 1 |
| Addendum_1_School Buses_RFP063020 Mon May 18 2020 12:33 PM | <input checked="" type="checkbox"/> | 1 |



CONTRACT EXTENSION

Contract Number: 063020-BBB

| | | |
|---------------------------|-----|---------------------------------|
| Sourcewell | and | Blue Bird Bus |
| 202 12th Street Northeast | | 402 Bluebird Blvd |
| P.O. Box 219 | | |
| Staples, MN 56479 | | Fort Valley, Georgia 31030-5088 |
| (Sourcewell) | | (Vendor) |

have entered into Contract Number: 063020-BBB
for the procurement of: School Buses with Related Accessories, Supplies, Parts, and Services

The Contract has an expiration date of 2024-08-15 , but the parties may extend the Contract by mutual consent.

Sourcewell and Vendor acknowledge that extending the Contract benefits the Vendor, Sourcewell and Sourcewell’s Members. Vendor and Sourcewell agree to extend the Contract listed above for an additional period, with a new Contract expiration date of 2025-08-15 . All other terms and conditions of the Contract remain in full force and effect.

Sourcewell

DocuSigned by:

C0FD2A139D06489

Authorized Signature

Jeremy Schwartz

Name

Chief Operating and Procurement Officer

Title

2/14/2024 | 8:35 AM CST

Date

DocuSigned by:

A2BB3C60E7C5474...

Authorized Signature

Tim Gordon

Name

VP Sales and Marketing

Title

2/18/2024 | 2:29 PM CST

Date



303 Business Park Drive, Lebanon TN 37090
615-466-5040 • FAX: 615-466-5045 • 877-307-0322
www.centralstatesbus.com

February 26, 2024

Mr. Steve Leonard
Kingsport City Schools
625 West industry Drive
Kingsport, Tennessee 37660

Dear Mr. Leonard:

Per our conversation, we are currently under contract with Sourcewell for the purpose of supplying Blue Bird buses throughout the State of Tennessee. Using the Sourcewell published pricing, we can provide you with One (1) 43-passenger Blue Bird All American, Type D diesel-powered school buses at \$181,702.00 with AC. Delivery is estimated to be in approximately 8-10 months after receipt of a purchase order.

All you need to do to finalize the transaction is to issue a purchase order to us for the amount stated above and reference the Sourcewell contract number 063020-BBB. We will then order the bus through Sourcewell and provide any documentation necessary to finalize the order.

Regards,

Ryan Blake

Sales Manager

RB/sm



AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Apply for and Receive a Law Enforcement Agency Highway Safety Grant from the Tennessee Highway Safety Office (THSO) for FY '25.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF- 63-2024
Work Session: March 18, 2024
First Reading: March 19, 2024

Final Adoption: March 19, 2024
Staff Work By: Captain Chris Tincher
Presentation By: Chief Dale Phipps

Recommendation:

Approve the resolution.

Executive Summary:

The Tennessee Highway Safety Office (THSO) provides grant funding for programs designed to reduce the number of fatalities, injuries and related economic losses that result from traffic crashes on Tennessee's roadways. Local governments can apply for National Highway Safety Transportation Administration pass-through funding for projects related to various areas of highway safety.

The Kingsport Police Department is seeking funding to assist with a Multiple Traffic Violation/Crash Reduction Campaign consisting of overtime enforcement and the purchase of traffic safety equipment.

This grant request is for approximately \$44,000 with no match required. Funding is for a one-year period.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL
DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND
RECEIVE A HIGHWAY SAFETY GRANT FROM THE
TENNESSEE HIGHWAY SAFETY OFFICE

WHEREAS, the city, through the police department, would like to apply for a grant from the Tennessee Highway Safety Office, which will provide funds to support programs designed to reduce the number of fatalities, injuries, and related economic losses that result from traffic crashes on Tennessee's roadways; and

WHEREAS, the maximum amount of the grant award is \$44,000.00, and the grant does not require a local match.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive a Law Enforcement Agency Highway Safety grant from the Tennessee Highway Safety Office in the amount of \$44,000.00, which does not require a local match.

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

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

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

ADOPTED this the 19th day of March, 2024.

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 a Resolution Authorizing the Mayor to Execute a Signature Authority Form Allowing the Chief of Police or His Designee to Complete Grant Reports as Required by the Tennessee Highway Safety Office (THSO) for the Tennessee Highway Safety Office's FY '25 Grant

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF- 64-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Captain Chris Tincher
Presentation By: Chief Dale Phipps

Recommendation:

Approve the Resolution.

Executive Summary:

The Tennessee Highway Safety Office (THSO) requires quarterly reports as well as other grant related documents be signed by a representative of the agency (City of Kingsport) receiving grant funds. To that effect, the THSO will include a Signature Authority Consent Form in the paperwork for the grant acceptance, which allows the mayor to grant signatory authority to sign all grant related documents on behalf of the organization for the FY '25 THSO grant (Community-Based Traffic Safety Enforcement and Education).

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SIGNATURE AUTHORITY CONSENT FORM AND OTHER DOCUMENTS NECESSARY AND PROPER DESIGNATING THE CHIEF OF POLICE AS THE MAYOR'S DESIGNEE TO EXECUTE GRANT REPORTS AND OTHER DOCUMENTS REQUIRED BY GRANTS FROM THE TENNESSEE HIGHWAY SAFETY OFFICE

WHEREAS, the Tennessee Highway Safety Office grant requires a new Signature Authority Consent Form for contracts, invoices, and other documents involved with the grants; and

WHEREAS, the Signature Authority Consent Form authorizes the mayor to execute formal documents, and to designate an individual as signatory authority "to sign grant documents required for reporting as contracted on behalf of the city for a Community-Based Traffic Safety Enforcement and Education Grant.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an Signature Authority Consent Form for contracts, invoices, and other documents with the Tennessee Highway Safety Office for a Community-Based Traffic Safety Enforcement and Education Grant.

SECTION II. That the mayor is authorized to designate the chief of police and/or a police officer of the city with the rank of Captain or higher as his designee to complete and execute grant reports and other reporting documents, as required by the grant from the Tennessee Highway Safety Office.

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the amendment/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 19th day of March, 2024.

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 a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply for and Receive a FY '25 Tennessee Highway Safety Office (THSO) Coordinator Grant for Participation in Their Law Enforcement Liaison (LEL) Program

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-65-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Captain Chris Tincher
Presentation By: Chief Dale Phipps

Recommendation:

Approve the Resolution.

Executive Summary:

The Tennessee Highway Safety Office (THSO) has once again extended the opportunity to the Kingsport Police Department, specifically Corporal Matt McGuire, to be a network coordinator and assist them in their LEL program. The funds provided will pay for Corporal McGuire's travel/training to various traffic related workshops and conferences. Additional funds from this grant may be utilized for traffic enforcement/education items as well as overtime for officers engaged in traffic enforcement activities.

This request is for approximately \$20,000 with no match required. Funding is for a one-year period.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL
DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND
RECEIVE A LAW ENFORCEMENT LIAISON PROGRAM GRANT
FROM THE TENNESSEE HIGHWAY SAFETY OFFICE

WHEREAS, the Tennessee Highway Safety Office has extended the opportunity to the city, through the Kingsport Police Department, specifically Officer Matt McGuire, to apply for a grant to be a network coordinator and assist in the Law Enforcement Liaison (LEL) program; and

WHEREAS, the funds provided will pay for Officer McGuire's travel/training to various traffic related workshops and conferences; and

WHEREAS, additional funds from this grant may be utilized for traffic enforcement/education items as well as overtime for officers engaged in traffic enforcement activities; and

WHEREAS, the grant is for approximately \$20,000.00 with no match required, and the funding is for a one year period.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive grant funds from the Tennessee Highway Safety Office in the amount of \$20,000.00 for the Law Enforcement Liaison program, which requires no match.

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

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

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

ADOPTED this the 19th day of March, 2024.

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 a Resolution Authorizing the Mayor to Execute a Signature Authority Form Allowing the Chief of Police or His Designee to Complete Grant Reports as Required by the Tennessee Highway Safety Office (THSO) for the Tennessee Highway Safety Office's FY '25 Coordinator Grant

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-66-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Captain Chris Tincher
Presentation By: Chief Dale Phipps

Recommendation:

Approve the Resolution.

Executive Summary:

The Tennessee Highway Safety Office (THSO) requires quarterly reports as well as other grant related documents be signed by a representative of the agency (City of Kingsport) receiving grant funds. To that effect, the THSO will include a Signature Authority Consent Form in the paperwork for the grant acceptance, which allows the mayor to grant signatory authority to sign all grant related documents on behalf of the organization for the FY '25 THSO Coordinator grant.

Attachments:

1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SIGNATURE AUTHORITY CONSENT FORM AND OTHER DOCUMENTS NECESSARY AND PROPER DESIGNATING THE CHIEF OF POLICE AS THE MAYOR'S DESIGNEE TO EXECUTE GRANT REPORTS AND OTHER DOCUMENTS REQUIRED BY GRANTS FROM THE TENNESSEE HIGHWAY SAFETY OFFICE

WHEREAS, the Tennessee Highway Safety Office grant requires a new Signature Authority Consent Form for contracts, invoices, and other documents involved with the grants; and

WHEREAS, the Signature Authority Consent Form authorizes the mayor to execute formal documents, and to designate an individual as signatory authority "to sign grant documents required for reporting as contracted on behalf of the city for a Tennessee Highway Safety Office Coordinator Grant.

Now therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an Signature Authority Consent Form for contracts, invoices, and other documents with the Tennessee Highway Safety Office for a Tennessee Highway Safety Office Coordinator Grant.

SECTION II. That the mayor is authorized to designate the chief of police and/or a police officer of the city with the rank of Captain or higher as his designee to complete and execute grant reports and other reporting documents, as required by the grant from the Tennessee Highway Safety Office.

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 19th day of March, 2024.

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 a Resolution Authorizing the Mayor to Execute a CDBG Sub-recipient Agreement with Meals on Wheels of Kingsport, Inc.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF- 61-2024

Work Session: March 19, 2024

First Reading: N/A

Final Adoption: March 19, 2024

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.

In an effort to clean up past projects, staff has determined that there is a balance of unused Public Service dollars from prior years that need to be encumbered. A funding round was opened up for the balance of \$4088.17 from CD1905, CD2105 and CD2205. The CDAC selected Meals on Wheels to receive this funding.

The partner agreements are for one year, starting on March 19, 2024, and ending on February 28, 2025.

Meals on Wheels of Kingsport, Inc. \$4,088.17

Attachments:

1. Resolution
2. Supplemental Information
3. Application
4. Contract

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN
AGREEMENT TO PROVIDE COMMUNITY DEVELOPMENT
BLOCK FUNDING TO MEALS ON WHEELS OF KINGSPORT, INC
DURING FISCAL YEARS 2024 – 2025

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, staff have identified unused funds which were designated for public service programs in the city's Annual Action Plan; and

WHEREAS, the Community Development Advisory Committee has determined Meals on Wheels of Kingsport, Inc. operates a qualifying public service program and recommends awarding the sum of \$4,088.17 from CD1905, CD2105 and CD2205, in CDBG funding.

Now therefore,

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

SECTION I. That the agreement for the provision of public service programs in fiscal year 2024-2025 with Meals on Wheels of Kingsport, Inc., is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an agreement for the provision of public service programs in fiscal year 2024-2025 with Meals on Wheels of Kingsport, 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 as set out below and this resolution:

**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 a subrecipient 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 19th day of March, 2024.

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** was awarded in application round two.

Upon budget review there are some remaining balances from recaptured (unspent community enrichment projects)

| | |
|--------|------------------|
| CD1905 | \$279.00 |
| CD2105 | \$1054.94 |
| CD2205 | <u>\$2665.00</u> |
| Total: | \$4088.17 |

CDBG Second Round of Funding.

- Friends in Need Health Center, Inc. **\$15,700.00**
- Meals on Wheels of Kingsport, Inc. **\$ 4,088.17**

\$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

City of Kingsport - Community Development Block Grant 2023-2024 Subrecipient Program Application

General Information

Please review the questions listed below and provide accurate information.

Organization/Agency Legal Name: Meals on Wheels of Kingsport, Inc.

Organization/Agency Address: PO Box 3346, Kingsport, TN 37664

Organization/Agency Phone Number: 423-247-4511 **Website:**
www.mealsonwheelaskingsport.org

Contact Person: Lisa Tencer **Contact Person Email:** lisaetencer@gmail.com

Select Type of Organization: 501(c)(3) Non-profit **Is this a Faith Based Organization:** No

Days/Hours of Operation: Monday through Friday, 9 a.m. till noon

Agency Unique Entity ID UEI: 018584406 **Federal Tax ID number:** 62-0959844

Project Information

Please review the questions listed below and provide accurate information.

Project Title: Purchase Groceries for Meals on Wheels of Kingsport

Project start date: 1-1-24 **Anticipated end date:** 7-1-24

Project Address(es), if different from agency address:

Please select a CDBG national objective: Benefiting low & moderate income person

Please select a performance objective: Create suitable living environment

Please select a performance outcome: Availability/Accessibility

Please identify the anticipated number of clients to be served: 250

Will the project serve Individual Clients/Persons or Households: Individual Clients

Please select a Beneficiary Classification: Presumed Benefit

If you selected *Presumed Benefit*, please select the item that describes the beneficiaries of the proposed service: Senior Elderly

Please select the applicable eligible activity that the project addresses: 05A Senior Services
Other:

Funding Request

Please review the questions listed below and provide accurate information.

Please identify the project-funding category: Community Enrichment/Public Services

How much total CDBG funding are you requesting in this application? \$4088.17

(Please attach a detailed budget for the project)

What is the estimated total cost to complete proposed project? \$4088.17

Agency Capacity & Experience

Please review the questions listed below and provide brief but detailed and accurate information.

1. Briefly describe your organization's history, mission, year established, and services provided.

Meals on Wheels of Kingsport (MOW) provides hot, nutritious noon-time meals delivered to recipient's homes Monday through Friday throughout the year, including holidays. MOW was established in 1972 as an outreach ministry of Bethany Presbyterian Church and rapidly expanded and incorporated as a 501C3 organization operating out of donated kitchen space at Waverly Road Presbyterian and First Presbyterian churches in Kingsport. MOW is nearly 100% volunteer-led and driven, and employs one part-time paid program administrator as the only paid employee. The mission of MOW is enabled by the work of over 500 volunteers who cook, drive, coordinate, order food and stock the pantries and make certain that the work of the program continues.

2. Who will be the person responsible for the overall oversight of the proposed project?

Lisa Tencer currently serves as Board President and has responsibility for oversight of the project. She has served as a volunteer with Meals on Wheels (MOW) since 1999 and is serving her third year on the board and first year as board president. She will continue in that role in 2024. She has experience managing grants for MOW from United Way of Greater Kingsport and the Federal Emergency Food and Shelter Program

3. Who will be the person(s) responsible for the day-to-day operations and management of your organization?

Brenda Overbey has served as program administrator for Meals on Wheels (MOW) since July of 2017. Brenda is the point of contact for recipients and physicians, processes applications, adds recipients to routes once approved, receives and submits invoices to the MOW bookkeeper for payment, maintains metrics and communicates program needs to the board. She works hand in hand with the board president, kitchen coordinators and volunteer coordinators to ensure that the organization is well-managed and its mission is executed.

4. Please describe your organization's experience and major accomplishments in providing services to LMI residents and/or communities.

Since 1972, MOW has delivered over two million meals without charge to qualified recipients in the greater Kingsport area. Our clients are primarily elderly, disabled and homebound individuals who need a little extra help to remain in their own homes and live independently. Most are over 65 years of age and cannot prepare meals for themselves due to either age, disability, lack of resources or a combination of all of these factors. Over half of our recipients are over 80 years of age. MOW takes referrals from area medical professionals and all recipients must have a medical recommendation to qualify for MOW and receive meals. We have provided a home-delivered meal service for over 50 years without charge to recipients. Simply being able to provide this type of service to our clients without interruption for 50 years

is a major accomplishment and a testament to our community's commitment to helping others. MOW would not be able to achieve its mission without the dedication of 500 volunteer cooks and drivers who give at least two hours every month to help others. MOW continued to deliver meals to recipients throughout the pandemic and was even able to increase services during that time. The demand for MOW has remained high and we have increased our volunteer recruiting efforts and stepped up our volunteer appreciation efforts to attract the additional volunteers that we need.

5. Please describe your organization's overall experience managing Federal grants, particularly CDBG.

Meals on Wheels of Kingsport has managed two Community Development Block grants through the City of Kingsport in 2021-2022. These grants totaled \$11,500. Meals on Wheels regularly receives funding through the Emergency Food and Shelter Program and that funding is administered and allocated through our local United Way.

6. Has your organization carried out or attempted this project before, with, or without the assistance of CDBG funds? If yes, what were the results of the project?
Yes, Meals on Wheels successfully used CDBG funds to purchase groceries that were used for meal preparation in 2021-2022.

Applicant Risk Assessment

All applicants must complete this risk assessment. Please answer all questions. Failure to complete this risk assessment will result in your program not being funded.

MANAGEMENT SYSTEMS

1. Has your organization had any changes to key staff or positions in the past 12 months?

Yes.

If yes, explain.

The President of the Board of Directors position transitioned from Candace Sass to Lisa Tencer. Our program administrator has remained in her position during this transition as well as the majority of the Board of Directors.

2. Has your organization had any changes to *business systems in the past 12 months?

No.

If yes, please explain.

**A business system is a documented procedure that outlines how to do something in your organization to achieve your business goals.*

3. Does your organization have policies and procedures for the following items?

| | |
|--|-----|
| Procurement | No |
| Drug Free Workplace | Yes |
| Conflicts of Interest | Yes |
| Financial Management | Yes |
| Property/Equipment Management Disposition | Yes |
| Retention of Records of Policy | Yes |
| Civil Rights/Equal Opportunity/ Fair Housing | No |

AUDIT REPORTS AND MONITORING

4. Did your organization expend \$750,000 or more in Federal grant funds in the previous fiscal year?

No

5. Has your organization had a Single Audit or other financial audit in the last 12 months?

Yes

6. Does your organization have an accounting system in place to segregate expenditures by funding source?

Yes

7. Does the accounting system produce a budget vs. expenditures report?

Yes

8. Does your organization maintain central files for grants, loans, or other types of financial assistance documentation and records?

Yes

9. Does your organization have a time and effort system that:
- | | |
|---|-----|
| a) Records all time worked, including time not charged to awards? | Yes |
| b) Records employee time specifically by cost objective/activity? | Yes |
| c) Is signed off by the employee and a supervisor? | No |
| d) Complies with the established accounting policies of the organization? | Yes |

PERFORMANCE HISTORY

10. Is your organization presently debarred or suspended by a Federal, State, or Local Agency? No
If yes, please explain.
11. Has your agency received CDBG funding from the City of Kingsport in the past two fiscal years? Yes
12. Has your agency received other federal funds in the past two fiscal years? Yes
13. Has your organization been defunded or had a reduction in a grant, loan, or other type of financial assistance in the past 12 months? No
If yes, please explain.
14. Does your organization obtain prior written approval from a funding agency when:
- | | |
|---|-----|
| a) The scope or objective of the program/project changes? | Yes |
| b) A budget revision or adjustment is desired? | Yes |
15. Has your organization been subject to conditional approvals for a grant due to compliance issues? No

Project Narrative

Please review the questions listed below and provide brief but detailed and accurate information.

1. In no less than one paragraph, please clearly describe the project your organization is proposing.

Our project is to purchase groceries to prepare hot, nutritious home-delivered meals to qualifying residents in the greater Kingsport area Monday through Friday including holidays, at noon. We are requesting funding for the cost of approximately six days worth of groceries. Every meal that is delivered by Meals on Wheels (MOW) is prepared from scratch by a team of volunteer cooks working at either Waverly Road Presbyterian Church or First Presbyterian Church in Kingsport. The cooks begin their work around 8:30 a.m. and use groceries and supplies that have been purchased by MOW to prepare the food. Some cooks develop their own recipes and others rely upon recipes that have been developed by the organization. In general, each meal contains a protein, either two vegetables or a vegetable and a starch, fruit, bread, dessert and milk. The nutritional content of typical MOW menus has been assessed by a licensed dietician and found our meet our goal of providing recipients with one-third of the daily intake requirement as established by the FDA.

Once the meals are prepared, the food is placed into styrofoam trays and sorted according to delivery route. Some recipients require a sugar-free meal, others have food allergies that need to be accommodated. Meals on Wheels delivers to fourteen different routes within the Kingsport City limits, primarily to people living in zip codes 37660, 37664, 37665. Volunteer drivers deliver the meals directly to recipients' homes. At this time, we are continuing to deliver some meals to coolers that have been purchased by MOW and placed outside of a recipient's home. If the recipient prefers to answer the door, we have returned to delivering meals directly to the recipient.

In order to continue to meet our high standards of nutrition and provide our recipients with menu variety, we purchase food from several different sources. Recently, our food costs have skyrocketed and our ability to procure specific menu items has been hindered by supply chain issues. In addition, our grocery costs have increased even as the number of recipients that we serve has remained steady. We served over 300 unique individuals and provided over 53,000 meals each year since 2020.

2. Explain how this project is a new or expanded service.

As explained in the preceding paragraphs, MOW has been serving a consistent number of clients and incurring increased cost due to inflation. The funds that we request will enable MOW to meet the the needs of our recipients while covering the increased cost of groceries. While we are not seeking to expand our service at this time, the funds will permit MOW to continue to serve our clients with nutritious meals during this time of inflation.

3. Does your organization use an intake form to track client information and collect demographic data such as race, income level, disability, age, etc.? If yes, please attach one copy of your intake form. If no, how is demographical data is collected?

We do not track client demographics because the only requirement to obtaining meal service is to be recommended by a physician. Most people who obtain our services are generally lower-income and without financial and/or familial resources and need help to maintain their independence. Our clients are live primarily in lower-income areas of Kingsport.

4. What are your goals and measurable objectives for the project?

Our target is to provide an average of 207 meals per day over the course of a year. This average allows us to meet the needs of our community while allowing flexibility to provide more meals when demand is higher.

A second objective is that the nutritional value of a minimum of 95% of meals served meets 1/3 of the minimum Dietary Reference Intakes (DRI). It would be a mistake for MOW to compromise the nutritional quality of the meals provided in order to meet certain cost objectives. We will continue to offer a variety of menus that supply our recipients with the nutrition they need.

Finally, MOW strives to serve each person that receives a doctor's recommendation and qualifies for meal delivery. We measure the total number of recipients served and seek to serve no fewer than 320 unique individuals in 2023.

Certifications Required of All Recipients of CDBG Funding

Every person or agency awarded a CDBG contract or grant by the City of Kingsport for the provision of services shall be required to certify to the City that they will comply with federal requirements including, but not limited to, those listed below. The person authorized to sign CDBG agreements should initial each certification listed to indicate you or your agency can and will comply with these requirements if funded.

Lobbying Activities -

Initial LET

Certify that no Federal appropriated funds have been paid or will be paid, by or on behalf of the agency, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the 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.

Minority Business Enterprise (MBE), Women's Business Enterprise (WBE), Small Business Contracting

Initial LET

Certify that it will comply with 24 CFR 85.369(E) to take all necessary affirmative steps to assure that minority firms, women business enterprises, and labor surplus area firms are used when possible. Further, certify that it will submit to City of Kingsport at the time of project completion a report of the MBE and WBE status of all subcontractors to be paid with CDBG funds with contracts of \$10,000 or greater, in a format that will be provided by the County.

Real Property

Initial LET

Certify that it will comply with real property standards (24 CFR 570.505) applicable to any property within the owner's control that is acquired or improved in whole or in part using CDBG funds in excess of \$25,000.

Religious Activities

Initial LET

Certify and agree that funds provided to the agency will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

Section 3

Initial LET

Certify and agree to ensure compliance with Section 3, a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low or very-low income residents in connection with projects and activities in their neighborhoods.

Section 504 of the Rehabilitation Act of 1973:

Initial LET

Certify that it has read and understands all of its obligations under Section 504 to prohibit discrimination against persons with disabilities in the operation of programs receiving federal financial assistance.

Americans with Disabilities Act

Initial LET

Certify that this agency has reviewed its projects, programs, and services for compliance with all applicable regulations contained in Title II, Americans with Disabilities Act of 1990.

Audits

Initial LET

Agrees to have an annual audit conducted in accordance with current City of Kingsport policy regarding audits and 2 CFR 200.501, and shall comply with current City of Kingsport policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided through the grant.

Conflict of Interest

Initial LET

Certify and agree that no covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activity, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. A “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the agency. (24 CFR 84.42, 24 CFR 570.611, and 2 CFR 200)

Civil Rights Act

Initial LET

Certify that it complies with and prohibits discrimination in accordance with Title VI of the Civil Rights Act of 1964.

Debarred/Suspended Contractor

Initial LET

Certify that, to the best of its knowledge and belief, that it and its principals will not knowingly enter into any subcontract with a person who is, or organization that is, debarred, suspended, proposed for debarment, or declared ineligible from award of contracts by any Federal agency. <https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>

Drug-Free Workplace

Initial LET

Certify that it will provide a drug-free workplace.

Financial Management

Initial LET

Accounting Standards:

Agrees to comply with 2 CFR 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

Cost Principles:

Shall administer its program in conformance with 2 CFR 200.500.

Procurement Policies:

Certify and agree to procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40-48 and 2 CFR 200.

Designated Authorized Signatures

ORGANIZATION: Meals on Wheels of Kingsport

PROJECT: Purchase Groceries for Meals on Wheels of Kingsport

AUTHORIZED OFFICIAL TO SIGN CDBG AGREEMENTS, PROGRAM REPORTS, AND PAY REQUESTS:

NAME/TITLE (Print):

Lisa Tencer / President of the Board of Directors for Meals on Wheels of Kingsport

SIGNATURE:

Lisa Tencer

Certification

To the best of my knowledge, I certify that the information in this application is true and correct.

I, also acknowledge that any information contained in this application, which is found at any time to be deliberately falsified, will necessarily trigger certain consequences as follows:

- (1) Is falsified information is discovered during application process, then further consideration of the application will cease immediately;
- (2) If falsified information is discovered during program year of approved funding, then all or part of program funds spent year-to-date will be repaid to the City of Kingsport.

Agency/Organization Director:

Print Name: We don't have a director. **Title:** _____

Signature: _____ **Date:** _____

Non-Profit Board Chairman:

Print Name: Lisa Tencer **Title:** _____
President of the Board of Directors for Meals on Wheels of Kingsport

Signature: Lisa Tencer **Date:** 10/25/23

CDBG Application Checklist

Applicants should attach the following documentation:

- Detailed project budget
- List of Board of Directors
- Organizational chart
- List of Program and/or key Volunteer Staff; provide a description of role in organization and past work experience
- Official documentation attesting to your non-profit status (if applicable)
- Your organization's most recently approved budget for program year 2023-2024

Optional:

List any letters of support or additional documentation supplied

If funded, applicants will be asked to provide additional information including but not limited to the following:

- Copy of your organization's Articles of Incorporation and Bylaws
- Your organization's most recent audit (if it has one)
- Your organization's most recent 990 (if applicable)
- Your organization's most current financial statements

Meals on Wheels of Kingsport CDBG 2023-24 Budget

| | Average 2023 grocery cost per meal (through August) | Average 2023 meals per day (through August) | Weekdays per month | Grocery expense per month |
|----------------------|--|---|-----------------------|------------------------------|
| January 2024 | \$3.15 | 213 | 23 | \$15431.85 |
| February 2024 | \$3.15 | 213 | 21 | \$14089.95 |
| March 2024 | \$3.15 | 213 | 21 | \$14089.95 |
| April 2024 | \$3.15 | 213 | 22 | \$14760.90 |
| May 2024 | \$3.15 | 213 | 23 | \$15431.85 |
| June 2024 | \$3.15 | 213 | 20 | \$13419.00 |

| Officers: | | Address and email | ZIP | Phone (423) |
|----------------|---------------|---|-------|------------------------------|
| President | Lisa Tencer | 1209 Sussex Dr, Kpt lisaetencer@gmail.com | 37660 | 276-0860 |
| Vice-President | Jeff Beverly | 5024 Dublin Rd, Kpt jkbeverly@charter.net | 37664 | 742-0551 |
| Secretary | Kristi Ponder | 245 Park Ridge Court, Kpt Ksponder65@gmail.com | 37664 | 292-8300 (C) |
| Treasurer | Marty Polson | 116 Willow Creek, Surgoinsville mpolson@ecu.org | 37873 | 579-2364 (C) 578-7592 (W) |

| |
|----------------------------|
| Board of Directors: |
|----------------------------|

| | | | | |
|---------------------|---------------------------------|--|-------|------------------------------|
| Class of '23 | Rives Deaton (2 nd) | 4913 Preston Park, Kpt Rbdeaton@yahoo.com | 37664 | 276-920-7090 |
| | David Hafele | 3604 Saxon Rd, Kpt david.hafele@charter.net | 37660 | 245-4446 (H) 389-6747 (C) |
| | Lisa Tencer | 1209 Sussex Dr, Kpt lisaetencer@gmail.com | 37660 | 276-0860 |
| | Don Donnellan | 1504 Watauga St, Kpt dondonnellan@hotmail.com | 37664 | 765-6635 |
| | Mandy Bailey | mandybailey06@gmail.com | | 423-737-3573 |
| | Eric Kniedler | 1021 Winchester Ln, Kpt emkniedler@gmail.com | 37660 | 423-967-2289 |

| | | | | |
|---------------------|---------------------------------|--|-------|------------------------------|
| Class of '24 | Jon Peters (2 nd) | 2125 Southcote Dr. Kpt jonrpeters@embarqmail.com | 37660 | 288-4065 (H) 276-2218 (C) |
| | Marty Polson (2 nd) | 116 Willow Creek Surgoinsville mpolson@ecu.org | 37873 | 579-2364 (C) 578-7592 (W) |

| | | | | |
|--|----------------------------------|--|-------|------------------------------|
| | April White (2 nd) | 5417 Canova Court, Kpt awhite@eastman.com awarwhite@yahoo.com | 37664 | 246-7981 (H) 229-5192 (W) |
| | Charlie Foster | 1932 Lamont St., Kpt charlesfost@gmail.com | 37664 | 956-9847 |
| | Kristi Ponder (2 nd) | 245 Park Ridge Court, Kpt Ksponder65@gmail.com | 37664 | 292-8300 (C) |
| | Jeff Beverly | 5024 Dublin Rd, Kpt jkbeverly@charter.net | 37664 | 742-0551 |

| | | | | |
|---------------------|----------------|---|-------|------------------------------|
| Class of '25 | Lynette Reese | 1660 Pineola Ave, Kingsport Reeselynette5@gmail.com | 37664 | 292-7570 |
| | Anne Elpers | 2617 Halifax Dr, Kpt Anne.elpers@charter.net | 37660 | 292-4157 |
| | Carol Garland | 1020 Sheringham Ct, Kpt wacgarland@chartertn.net | 37660 | 423-378-5464 |
| | Cynthia Lewis | 1105 Watauga St., Kpt Cynthialewis75@gmail.com | 37660 | 513-293-8137 |
| | Mandie Metzger | 1004 Stagshaw Lane, Kpt Ametzger621@gmail.com | 37660 | 378-6849 (H) 612-0223 (C) |
| | Beth Witt | 1405 Belmeade Place, Kpt bethwitt@charter.net | 37664 | 384-9050 |

| | | | |
|--|--|-------|------------------------------|
| Serving in an off-board capacity: | | | |
| Dave Lunceford | 1065 Wellington Blvd, Kpt. davejune@charter.net | 37660 | 921-4843 (C) 392-4982 (H) |
| Scott Cleek | tecleek@gmail.com | | 335-1108 |
| Eliza Harmon | 1301 Linville Street Kpt. harmon@chartertn.net | 37660 | 245-8687 (H) 612-8687 (C) |

| | | | |
|--------------|--|-------|------------------------------|
| Candace Sass | 430 Harding Road, Kpt. Candacesass14@gmail.com | 37663 | 677-3946 |
| David Reames | 515 Woodridge Circle, Kpt reamesdc@gmail.com | 37663 | 292-1450 (C) 239-5524 (H) |
| | | | |

(2nd indicates second consecutive 3-year term)

| Meals On Wheels Board Committees 2023 | | | | | | | | | | |
|---|-------------|------------------|---------|----------|-----------|---------|------------|------------|-----------|-----------|
| | Fundraising | Public Relations | Cooking | Delivery | Equipment | Finance | Nominating | Recipients | Volunteer | Officer |
| Mandy Bailey | X | | | | | | X | | | |
| Jeff Beverly | X | | | Chair | | | | X | | VP |
| Rives Deaton | | | X | X | | | | | | |
| Don Donnellan | | X | | | | | X | | | |
| Anne Elpers | | | X | | | | | | X | |
| Charlie Foster | | | | | X | | | Chair | | |
| Carol Garland | | | | | | | Chair | X | | |
| David Hafele | | | | | Chair | | | | | |
| Eric Kniedler | | | Chair | | | | | | X | |
| Cynthia Lewis | Chair | X | | | | | | | | |
| Mandie Metzger | | | | X | | | X | | | |
| Jon Peters | | X | | | | | | | Chair | |
| Marty Polson | | | | | X | Chair | | | | Treasurer |
| Kristi Ponder | | X | | | | X | | | | Secretary |
| Lynette Reese | | | X | | X | | | | | |
| Lisa Tencer | X | | | | | X | X | | | President |
| April White | | Chair | | | | | X | | | |
| Beth Witt | | | | X | | | | | X | |
| * Procedures and Processes committee has been made inactive until needed again. | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Meals on Wheels Committee Responsibilities 2023

Cooking Committee: This Committee oversees/represents issues regarding cooks at Waverly Road and 1st Presbyterian Church kitchens (volunteer needs, training, schedules, communications, supplies, menu issues etc.)

Delivery Committee: Oversees/represents the issues regarding drivers (volunteer needs, delivery routes, route delivery times etc.) and works closely with the Recipients Committee to maximize the number of recipients served.

Equipment Committee: Oversees the maintenance and repair of Meals on Wheels refrigeration and freezer equipment, and when necessary purchases new equipment.

Finance Committee: Oversees the overall financial aspects of Meals on Wheels including budget preparation, financial reporting, state application renewals, and overall money management. Prepares and submits all applications and reports to United Way, FEMA and other grant or funding organizations.

Nominating Committee: Develops a list of appropriate candidates to serve as Directors and officers whether for full or partial terms resulting from vacancies.

Communications Committee: Initiates or assists in communication efforts (newsletters, TV spots, brochures, Facebook information etc.) of Meals on Wheels operations. Develops and presents informational presentations about Meals on Wheels for the purpose of soliciting volunteers, or funding or for greater community awareness of Meals on Wheels activities.

Recipients Committee: Oversees activities concerning recipients including waiting list reviews and status, contacts with recipients regarding “hold status” etc. The Committee works with Brenda Overbey and the Delivery Committee to process appropriate revisions on a monthly basis.

Volunteer Committee: Oversees all activities with regard to the recruitment and training of volunteers. The committee is also tasked with the retention of volunteers through recognition of efforts. They work with head cooks and driver coordinators to ensure all gaps are filled.

Fundraising Committee: Manages the fund-raising letter campaign, oversees the car show, and other fundraising activities.

Other committee(s) currently inactive: *Procedures and Processes Committee*: *Develops and maintains a record of processes that are critical to managing the operations of Meals on Wheels to allow smooth transition for important roles. Oversees the recommendations for modification, when appropriate, of the by-laws or other documents for Board operations.*

Brenda Overbey, Meals on Wheels of Kingsport Program Administrator

Work History

- 1978 – 2005 Worked for 27 years at Tri-City Christian Schools as Administrative Assistant, secretary to the Principal and Admissions Director.
- 2005 -2017 United Way of Greater Kingsport Office Administrator
- 2017 – present Meals on Wheels of Kingsport Program Administrator

Job Duties for Program Administrator, Meals on Wheels of Kingsport

The only paid staff position for Meals on Wheel of Kingsport is that of program administrator. It is a crucial role that requires an individual to possess excellent people skills, tact and discretion. The program administrator works with clients and their families, physicians, nurses, volunteers and board members for the good of the organization. The administrator will:

- Handle all inquiries about Meals on Wheels of Kingsport, from recipients, physicians and the media
- Receive bills and routes to the treasurer and bookkeeper
- Record all donations including PayPal donations, acknowledges donations.
- Receive application approval/denial from physicians' offices. Handle confidential information appropriately.
- Interface with clients, board members and volunteers
- Keep appropriate board committees apprised of concerns and issues as they arise
- Update route sheets, driver and cook schedules monthly as needed. Update master boards monthly or more often as illnesses occur
- Keep organization measures up to date
- Make presentations about Meals on Wheels as requested to civic clubs, churches and other organizations

The program administrator will work 18 hours per week, Monday through Friday.

Volunteer Driver Coordinator Job Description (One for each kitchen)

Experience preferred: - as a driver delivering meals out of specific kitchen
- as a lead driver (optional)

Responsibility: - Insure that a permanent driver is assigned to each route every weekday

- assign new drivers as needed
- assign lead drivers as needed
- explain driver responsibilities in detail to new volunteers
- train new drivers and lead drivers
- assist drivers in finding subs
- communicate with lead drivers / drivers as needed
- willingness to help deliver meals as needed

Time required: - average 1-2 hours per week (does not include delivering)
There are weeks when no time is required if there are no new driver needs.

Volunteer Meals on Wheels Cook Coordinator Responsibilities

(One for each kitchen)

Manage the MOW kitchen

1. Organize and maintain the pantry, freezer and refrigerator; rotate stock as needed.
2. Coordinate Frontier Industry volunteers who put away the PFG food delivery; make sure empty rows are available before they arrive. Weekly on Wednesday.
3. Provide supplies such as menu calendars, pencils, Sharpie markers, paper clips, tape, razor knives, etc. as needed. Submit receipts for reimbursement as appropriate.
4. Obtain food and supplies items to the kitchen not available through PFG (from Walmart, Food City) as needed. Submit receipts for reimbursement as appropriate.
5. Monitor need for additional daily menu sheets and refrigerator/freezer temperature log sheets.
6. Put new route sheets (supplied by Brenda Overbey) on the 'route board' at the end of each month; mark/color code no milk, no dessert, and other restrictions. Discard left over route sheets from ending month. Done once a month.
7. Arrange for return of dented cans to PFG for credit once a month

Act as the contact person for cooking teams

1. Maintain a current list of cook teams and their contact information.
2. Maintain and distribute the substitute cooks list for cooks.
3. Communicate any news, reminders, helpful hints, MOW or host Church policies changes, etc. to cook teams via email and/or phone calls.
4. Post notices and important information such as cook team calendar and cook team contact information, Health Dept regulation info, etc. in the kitchen
5. Make sure system in place to train new cooking volunteers, usually lead cooks take care of this.
6. Inform cook teams of any changes to stocked items in the pantry

Act as Liaison between the cooking committee and the cooking volunteers as needed

1. Identify and report any issues or concerns regarding the kitchen and cooking teams
2. Communicate with the MOW Volunteer committee regarding open cook team volunteer positions
3. Communicate with the Equipment committee regarding large equipment to be purchased or repaired
4. Provide copies of menus for evaluation by MOW Board nutritionist if requested

Act as liaison to host Church and the cooking teams

1. Identify days when Church and/or daycare will be closed and a key and alarm code will be needed to enter the building
2. Determine suitable projects and appropriate days for United Way Day of Caring to clean kitchens in June and provide list of tasks to be completed
3. Work with Church secretary, Church custodians and Church daycare director to maintain a strong partnership.

Important

Address any reply to:

P. O. Box 532, Atlanta, Georgia 30301

Department of the Treasury

District Director

Internal Revenue Service

Date: **DEC 1 1976**

In reply refer to:

EP/EO 7201:JCB:30212

► Meals on Wheels of Kingsport,
Incorporated
c/o Mrs. Carolyn Frazier
221 Brookfield Drive
Kingsport, Tenn. 37663

Gentlemen;

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

~~We have further determined you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 170(b)(1)(A)(vi) and 509(a)(1).~~

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act, (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If your purposes, character, or method of operation is changed, please let us know so we can consider the effect of the change on your exempt status. Also, you should inform us of all changes in your name or address.

(Over)

Form 1-178 (Rev. 8-73)


If your gross receipts each year are normally more than \$5,000, you are required to file Form 990, Return of Organization Exempt From Income Tax, by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, for failure to file a return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Please keep this determination letter in your permanent records.

Sincerely yours,


Exempt Organization Specialist
404-526-4516

This determination letter modifies our letter of June 10, 1976 holding you exempt under section 501(c)(3) to the extent that it is inconsistent with this letter.

| | | | | | | |
|--|--------------|----------------------|--------------|-------------|---------------|----------------|
| Meals on Wheels Financial Report [Prepared Based on Statements Provided by Financial Institutions] | | | | | | |
| As of 8/31/2023 | | | | | | |
| | | | | | | |
| Income: | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Actual 2023 | 2023 Budget |
| | | | | | Totals | |
| United Way Allocation | \$ 30,424.97 | \$ 31,085.01 | \$ 20,352.66 | | \$ 81,862.64 | \$ 122,423.00 |
| Recipients | | | | | \$ - | \$ - |
| Fundraising | | | | | \$ - | \$ 15,000.00 |
| Direct Donations / Memorials | \$ 13,223.04 | \$ 11,414.88 | \$ 13,987.76 | | \$ 38,625.68 | \$ 30,000.00 |
| Milk Reimbursement | | | | | \$ - | \$ - |
| Interest | \$ 2,068.96 | \$ 1,410.52 | \$ 2,246.95 | | \$ 5,726.43 | \$ 7,400.00 |
| Grant/ Awards | | \$ 2,500.00 | | | \$ 2,500.00 | \$ 1,100.00 |
| Transfers from Endowment | | | | | \$ - | \$ - |
| Misc. Income (Amazon/ Paypal) | \$ 3,136.60 | \$ 2,130.61 | \$ 634.59 | | \$ 5,901.80 | \$ 4,500.00 |
| Refund - Phone | | | | | \$ - | |
| Total | \$ 48,853.57 | \$ 48,541.02 | \$ 37,221.96 | \$ - | \$ 134,616.55 | \$ 180,423.00 |
| Expenses: | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Actual 2023 | 2023 Budget |
| | | | | | Totals | |
| Groceries | \$ 41,027.21 | \$ 47,896.03 | \$ 28,011.95 | | \$ 116,935.19 | \$ 206,500.00 |
| Milk for Other Orgs. | | | | | \$ - | \$ - |
| Cleaning | \$ 225.00 | \$ 225.00 | \$ 150.00 | | \$ 600.00 | \$ 900.00 |
| TN Licenses and Fees | | \$ 420.00 | | | \$ 420.00 | \$ 750.00 |
| Equipment / Maintenance | | | \$ 437.55 | | \$ 437.55 | \$ 3,500.00 |
| Office Expenses | \$ 175.15 | \$ 175.08 | \$ 321.30 | | \$ 671.53 | \$ 1,200.00 |
| Postage and Printing | | \$ 97.00 | | | \$ 97.00 | \$ 400.00 |
| Insurance | \$ 969.00 | \$ 529.00 | | | \$ 1,498.00 | \$ 1,575.00 |
| Miscellaneous | | | \$ 1,078.93 | | \$ 1,078.93 | \$ 750.00 |
| Fundraising/ T-Shirts | | | | | \$ - | \$ - |
| Quickbooks - Accounting Software | | | | | \$ - | |
| Payroll Expenditures | \$ 1,807.10 | \$ 3,162.43 | \$ 1,807.08 | | \$ 6,776.61 | \$ 11,500.00 |
| Payroll Processing Fee | \$ 1,735.46 | \$ 874.89 | \$ 499.96 | | \$ 3,110.31 | \$ 3,000.00 |
| Audit Fee/ Legal Fees | \$ 1,930.59 | | | | \$ 1,930.59 | \$ 2,000.00 |
| Total | \$ 47,869.51 | \$ 53,379.43 | \$ 32,306.77 | \$ - | \$ 133,555.71 | \$ 232,075.00 |
| Net Receipts | \$ 984.06 | \$ (4,838.41) | \$ 4,915.19 | \$ - | \$ 1,060.84 | \$ (51,652.00) |
| Meals Provided In Quarter | 13,827 | 14,119 | 9,193 | | 37,139 | |
| Grocery Cost Per Meal | \$ 2.97 | \$ 3.39 | \$ 3.05 | \$ - | \$ 3.15 | |
| Average Meals Per Day in Quarter | 213 | 217 | 209 | 0 | 639 | |
| Meal Cost Through | 8/31/23 | | | | | |
| Meals Provided | 37,139 | | | | | |
| Cost Per Meal for Groceries | \$ 3.15 | Grocery expense only | | | | |
| Total Cost Per Meal | \$ 3.60 | All expenses | | | | |
| Days Meals Served | 174 | | | | | |
| Average Meals Per Day | 213 | | | | | |

MEALS ON WHEELS OF KINGSPORT, INCORPORATED BY-LAWS

Revised: November 11, 2013

ARTICLE 1 - NAME

The name of the Corporation is: MEALS ON WHEELS OF KINGSPORT, INCORPORATED as chartered by the Secretary of State of the State of Tennessee.

ARTICLE II - PURPOSE

The purpose of the Corporation is to provide meals to isolated, incapacitated senior citizens or other disabled persons and to receive and disburse funds to be used for such purposes, including:

- (a) The determination of those persons eligible to receive meals;
- (b) The purchase, preparation and distribution of food to recipients within limitations set by the Corporation;
- (c) The recruitment of people to cook, deliver and assist as needed; and
- (d) The purchase or other provision for food, materials and equipment necessary to accomplish the purposes of the Corporation.

ARTICLE III - BOARD OF DIRECTORS

Section A. Composition, Election, Term. The Board of Directors shall be eighteen (18) in number. The Directors shall be classified with respect to the time for which they shall severally hold office, by dividing them into three (3) classes, each class to consist as nearly as possible, of one-third (1/3) of the number of Directors then constituting the entire Board. Directors shall be elected to serve for a term of three (3) years and may serve no longer than two (2) consecutive terms. The terms of each class of Directors shall be staggered, with the term of office for one class of Directors expiring in each year. For purposes of the consecutive term limitation, a partial term of eighteen (18) months or less does not constitute a term. Former Directors shall be eligible for reelection after a lapse of not less than one (1) year following the expiration of their last term. Each year, one class of Directors shall be elected by the Board of Directors at the meeting of the Board held in the last quarter of the year, those elected to be chosen from among those persons nominated by the Nominating Committee or by nomination from the floor. Those elected to the Board of Directors shall begin their term of service at the beginning of the fiscal year following their election. In the event that a vacancy arises on the Board, a replacement Director shall be elected at the next regularly scheduled meeting of the Board of Directors to fill the remaining portion of the term of the Director being replaced, the person elected to be chosen from among those persons nominated by the Nominating Committee or by nomination from the floor. Ex-officio members of the Board of Directors may be designated from time to time at the Board's discretion.

Section B. Duties. The policy, operation, and funding for the Corporation shall be controlled by the Board of Directors.

Section C. Meetings. The Board of Directors shall meet not less than four (4) times per year, on a quarterly basis. Special meetings may be called from time to time by the President or by any two (2) members of the Board. Written notice of each regularly scheduled meeting of the Board of Directors shall be given by providing the same by United States Mail or by electronic transmission at least seven (7) days in advance of the meeting; notice of special meetings of the Board of Directors may be made in accordance with the provision for notice of regular meetings or may be made by telephone not less than two (2) days before the meeting. In all events, the notice shall state the time and place of the meeting, and in the case of a special meeting, shall state in general terms the purpose or purposes thereof. A simple majority will constitute a quorum.

Section D. Attendance. The term of any Director who is absent from three (3) consecutive regular meetings of the Board of Directors, without notifying an officer of the Board, shall automatically terminate. The Secretary shall monitor and notify the President when absences occur. The President shall ascertain the adequacy of the reasons for absence and make recommendations to the Board of Directors in that connection including re-instatement as appropriate.

Section E. Action by Written Consent. Whenever the Board of Directors is entitled or required to take any action by a vote pursuant to these By-Laws, such action may be taken provided that each and every Director is contacted and agrees to sign a written statement setting forth the action so taken, and such statement is circulated to and signed by all Directors. For the purposes of this Section, an electronic signature will have the same force and effect as a signature by other means.

Section F. Indemnity. To the maximum extent permitted by the provisions of the Tennessee Business Corporation Act, as amended from time to time (provided, however, that if an amendment to such act limits or restricts in any way the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this paragraph which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any officer or director, his heirs, executors and administrators, for the defense of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, including counsel fees actually incurred as a result of such action, suit or proceeding or any appeal thereof, and against all fines, judgments, penalties and amounts paid in settlement thereof, provided that such proceeding or action be instituted by reason of the fact that such person is or was a member of the Corporation. Any repeal or modification of the provisions of this Section F directly or by the Corporation's adoption of an amendment to these By-Laws that is inconsistent with the provisions of this Section F, shall not adversely affect any right or

protection set forth herein existing in favor of a particular individual at the time of such repeal or modification.

Section G. No Personal Liability. No director of the Corporation shall have any personal liability to the Corporation for monetary damages for breach of fiduciary duty as a director. This provision does not eliminate or limit the liability of any director: (a) for any breach of the director's duty of loyalty to the corporation or its shareholders; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or (c) under Tenn. Code Ann. § 48-18-302.

ARTICLE IV - OFFICERS

Section A. Election; Term. The officers of the Board of Directors shall consist of a President, Vice President, Secretary and Treasurer. The term of office for each officer shall be one (1) year. The President, Vice President and Secretary shall not be eligible to serve more than three (3) consecutive one (1) - year terms. The Treasurer shall be eligible to serve not more than six (6) consecutive terms. All officers shall be elected by the Board of Directors at a regularly scheduled meeting of the Board held in the last quarter of the fiscal year. Those elected shall be selected from among those nominated by the Nominating Committee or by nomination from the floor. Newly elected officers shall begin their term of service at the beginning of the fiscal year following their election. Vacancies may be filled for the unexpired portion of the term by action of the Board of Directors at any regularly scheduled meeting, those persons elected to be chosen from among those persons nominated by the Nominating Committee or by nomination from the floor.

Section B. Duties. The duties of the officer shall be those which the Board of Directors shall assign to them, but shall include the following:

- (1). The President shall have overall leadership responsibilities for the Corporation. He/She shall preside at all meetings of the Board of Directors, appoint committees, monitor the work of the committees and perform such other duties as designated in these By-Laws.
- (2). The Vice President shall preside in the absence of the President.
- (3). The Secretary shall keep minutes of the meetings of the Board of Directors, notify members in advance of regular and special meetings.
- (4). The Treasurer shall be responsible for keeping the financial books and records of the Corporation, providing printed financial statements at all meetings of the Board of Directors and arranging for an annual review or audit, based on United Way's requirements. The Treasurer shall direct the processing of all receipts and disbursements, and shall oversee the maintenance of bank accounts. The Treasurer shall also serve as the Chairperson of the Finance Committee.

ARTICLE V - COMMITTEES

Section A. Establishment. The President shall appoint the Chairperson of each Committee (other than the Finance Committee) and the members of all committees at the first meeting of the Board of Directors following the beginning of the Corporation's fiscal year. The President may serve as an ex-officio member of all committees and may participate in committee meetings. The work of each committee may be performed personally by its members, may be carried out by volunteers recruited to perform the work of the committee, or, with the approval of the Board of Directors, may be performed by paid staff.

Section B. The Board shall have the following standing Committees:

(1) Nominating Committee. The Nominating Committee shall nominate persons to serve as Directors and officers, whether for full terms or for partial terms resulting from vacancies. In making nominations, the Nominating Committee shall consider community leaders, volunteers in the Corporation and other interested, able persons.

(2) Finance Committee. The Finance Committee, chaired by the Treasurer, shall prepare the annual budget and make financial presentations to any group offering a present of potential source of funding. Prior to submitting any budget for the purpose of acquiring funding, the Finance Committee shall submit its proposed budget to the Board of Directors for approval.

(3) Public Relations Committee. The Public Relations Committee shall be responsible for publicizing the activity of the Corporation to the general public, preparing a general presentation for funding groups and providing for the on-going recruitment of volunteers.

(4) Recipients Committee. The Recipients Committee shall screen potential recipients based on criteria approved by the Board of Directors, shall see that eligible persons are served promptly and properly, shall maintain a waiting list, and shall periodically review the status of recipient eligibility.

(5) Cooking Committee. The Cooking Committee shall recruit, train and schedule cooks and be responsible for the operation of the kitchens.

(6) Delivery Committee. The Delivery Committee shall recruit, train and schedule drivers and, in close cooperation with the Recipients Committee, establish and revise delivery routes to maximize the number of recipients served.

(7) Inventory Committee. The Inventory Committee shall purchase food and other consumable items on behalf of the Corporation.

(8) Equipment Committee. The Equipment Committee shall determine equipment needs and recommend to the Board of Directors ways to fill them.

Section C. The foregoing listed Committees do not comprise an exclusive listing. The Board may from time to time establish such other committees as it deems appropriate and helpful.

ARTICLE VI - MISCELLANEOUS

Section A. Fiscal Year. The fiscal year of the Corporation shall begin on January 1 and shall end on December 31.

Section B. Fees. All meals shall be delivered to recipients free of charge, and no per meal fee will be established for payment. Those recipients who are able shall be encouraged to make regular financial contributions to the Corporation.

Section C. Employees. In the event that the Board of Directors authorizes the hiring of paid employees, the Board shall adopt specific job descriptions and personnel policies with respect to such employees.

Section D. Rules of Order. Robert's Rules of Order shall be followed in the conduct of the meetings of the Board of Directors unless in conflict with provisions of these By-Laws.

ARTICLE VII - BY-LAW AMENDMENT

The Board of Directors, by majority vote thereof, shall have the power to make, alter, amend or repeal the By-Laws of the Corporation at any regular or special meeting of the Board; provided that a description of or copy of any provision to be made, altered, amended or repealed is provided to each Director by United States Mail or electronic transmission not less than seven (7) days prior to the meeting at which the proposal is to be addressed.

**GRANT CONTRACT
BETWEEN THE CITY OF KINGSPORT, TENNESSEE
AND
Meals on Wheels of Kingsport, INC.**

This Grant Contract, by and between the City of Kingsport, hereinafter referred to as the “City” and **Meals on Wheels of Kingsport, 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: PO BOX 3346 Kingsport, TN 37664
Operating Agency’s Edison Vendor ID #: 62-0959844

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 March 19, 2024 ("Effective Date") and extend for a period of twelve (12) months after the Effective Date to February **28, 2025** ("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 **Four Thousand eighty eight DOLLARS and seventeen cents (\$4,088.17)** ("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:

Meals on Wheels of Kingsport, Inc.

Attn: Lisa Tencer
PO Box 3346, Kingsport, TN 37664
Telephone: 423-247-4511
Email: lisaetencer@gmail.com

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 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, 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

Meals on Wheels of Kingsport, Inc.

Lisa Tencer, Chairperson of the Board

Date

APPROVED AS TO FORM:

Bart Rowlett, City Attorney

Date

ATTACHMENT A

2023 CDBG PROGRAM DESCRIPTION OF OPERATING AGENCY ACTIVITIES

OPERATING AGENCY:

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

A. Purpose of Project.

Our project is to purchase groceries to prepare hot, nutritious home-delivered meals to qualifying residents in the greater Kingsport area Monday through Friday including holidays, at noon. We are requesting funding for the cost of approximately six days' worth of groceries. Every meal that is delivered by Meals on Wheels (MOW) is prepared from scratch by a team of volunteer cooks working at either Waverly Road Presbyterian Church or First Presbyterian Church in Kingsport. The cooks begin their work around 8:30 a.m. and use groceries and supplies that have been purchased by MOW to prepare the food. Some cooks develop their own recipes and others rely upon recipes that have been developed by the organization. In general, each meal contains a protein, either two vegetables or a vegetable and a starch, fruit, bread, dessert and milk. The nutritional content of typical MOW menus has been assessed by a licensed dietician and found our meet our goal of providing recipients with one-third of the daily intake requirement as established by the FDA.

B. Method of Operation.

Once the meals are prepared, the food is placed into Styrofoam trays and sorted according to delivery route. Some recipients require a sugar-free meal, others have food allergies that need to be accommodated. Meals on Wheels delivers to fourteen different routes within the Kingsport City limits, primarily to people living in zip codes 37660, 37664, and 37665. Volunteer drivers deliver the meals directly to recipients' homes. At this time, we are continuing to deliver some meals to coolers that have been purchased by MOW and placed outside of a recipient's home. If the recipient prefers to answer the door, we have returned to delivering meals directly to the recipient.

ATTACHMENT B
2023 CDBG Program
IMPLEMENTATION PLAN FOR CDBG PROJECTS

OPERATING AGENCY: Meals on Wheels of Kingsport, Inc.

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

- | | | |
|----|--|-------------------|
| 1. | Determination of status for Environmental Review | March 19, 2024 |
| 2. | Release of Funds | March 19, 2024 |
| 3. | Begin providing services | March 19, 2024 |
| 4. | Contract complete | February 28, 2025 |

ATTACHMENT C
2023 CDBG PROGRAM
PROJECT BUDGET

OPERATING AGENCY: Meals on Wheels of Kingsport, 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 | \$4088.17 |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| TOTAL | \$4088.17 |

*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 | \$4088.17 |
| Other grants | \$0.00 |
| Other donations | \$86,645 |
| Volunteer Hours | \$ |
| | |
| Private Donations | \$0 |
| | |
| TOTAL | \$90,636.17 |

**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

\$4088.17

ATTACHMENT D

Federal Award Identification Worksheet

| | |
|--|--|
| Operating Agency's name (must match registered name in DUNS) | Meals on Wheels of Kingsport, Inc. |
| Operating Agency's UEI | GA4KTVREE9Z2 |
| 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 | March 19, 2024 |
| Grant contract's end date | February 28, 2025 |
| Amount of federal funds obligated by this grant contract | \$4088.17 |
| Total amount of federal funds obligated to the Operating Agency | \$4088.17 |
| 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 2024.
- ☐ _____ is not subject to an audit for fiscal year 2024.

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. \$4088.17 |
| 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 Authorizing the Mayor's Signature on the Certification of Local Government Approval for the 2024 Emergency Solutions Grant Application

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

Action Form No.: AF-67-2024
Work Session: March 18, 2024
First Reading: N/A

Final Adoption: March 19, 2024
Staff Work By: Michael Price
Presentation By: Michael Price

Recommendation:

Approve the Resolution.

Executive Summary:

The mayor's signature is required on the Certification of Local Government Approval form that will allow The Salvation Army of Kingsport and Family Promise of Greater Kingsport to apply for the 2024 Emergency Solutions Grants. This form is created and required by the Tennessee Housing Development Agency (THDA). THDA is a pass-through agency for the HUD-funded Emergency Solutions Grant. Local government approval of activities is required for applicants providing shelter services in the county of the shelter's physical location.

Attachments:

1. Resolution
2. Certification of Local Government Forms

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CERTIFICATION OF LOCAL GOVERNMENT APPROVAL FOR THE SALVATION ARMY OF KINGSPORT AND FAMILY PROMISE OF GREATER KINGSPORT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the Salvation Army of Kingsport, a program that offers shelter, meals and supportive services to homeless individuals and families, would like to apply for a 2024 Emergency Solutions Grant through the Tennessee Housing Development Agency; and

WHEREAS, Family Promise of Greater Kingsport, a program that offers shelter, meals and supportive services to homeless families with minor children, would like to apply for a 2024 Emergency Solutions Grant through the Tennessee Housing Development Agency; and

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

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, the Certification of Local Government Approval for the Salvation Army of Kingsport and Family Promise of Greater Kingsport to apply for a 2024 Emergency Solutions Grant through the Tennessee Housing Development Agency to deliver the certification 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 certification and this resolution.

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

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

ADOPTED this the 19th day March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGIE MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

CERTIFICATION OF LOCAL GOVERNMENT APPROVAL

**FOR NONPROFIT ORGANIZATIONS APPLYING FOR
EMERGENCY SOLUTIONS GRANT (ESG) FUNDS FOR SHELTER**

| | |
|---|---|
| ESG Nonprofit Recipient: | The Salvation Army, Kingsport |
| ESG Shelter Project: | Emergency Shelter |
| Unit of General Purpose Local Government for the geographic area served (city or county): | Kingsport, TN |
| Project Description (2-3 sentences): | The Salvation Army of Kingsport operates emergency and transitional housing programs in our shelter located at 505 Dale Street in Kingsport, TN. This place of refuge for local unsheltered homeless is the only shelter in Kingsport that serve men, women, as well as families. |

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

By: _____
Signature Date

Printed Name and Title of Signatory Local Official

* This approval is made to carry out 24 CFR Part 576.202(a), which states the following:
"...The recipient must subgrant the remaining funds in its fiscal year grant to:
(1) Units of general purpose local government in the State, which may include metropolitan cities and urban counties that receive ESG funds directly from HUD; or
(2) Private nonprofit organizations, provided that for emergency shelter activities the recipient obtains a certification of approval from the unit of general purpose local government for the geographic area in which those activities are to be carried out."

CERTIFICATION OF LOCAL GOVERNMENT APPROVAL

**FOR NONPROFIT ORGANIZATIONS APPLYING FOR
EMERGENCY SOLUTIONS GRANT (ESG) FUNDS FOR SHELTER**

| | |
|---|--|
| ESG Nonprofit Recipient: | Family Promise of Greater Kingsport |
| ESG Shelter Project: | Shelter for Families with minor children |
| Unit of General Purpose Local Government for the geographic area served (city or county): | Kingsport, TN |
| Project Description (2-3 sentences): | Family Promise of Greater Kingsport has the only shelter program for families with minor children in the Kingsport area. Our shelter program provides temporary shelter for families which also includes case management services, helping each family in the shelter become self-sufficient within 90 days. These services are provided at our Day Center located at 601 Holston St. Kingsport, TN 37660. |

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

By: _____

Signature

Date

Printed Name and Title of Signatory Local Official

* This approval is made to carry out 24 CFR Part 576.202(a), which states the following:
 "...The recipient must subgrant the remaining funds in its fiscal year grant to:
 (1) Units of general purpose local government in the State, which may include metropolitan cities and urban counties that receive ESG funds directly from HUD; or
 (2) Private nonprofit organizations, provided that for emergency shelter activities the recipient obtains a certification of approval from the unit of general purpose local government for the geographic area in which those activities are to be carried out."



AGENDA ACTION FORM

Consideration of a Resolution Ratifying an Agreement to Receive the Tennessee Agriculture Growth Initiative Farmers Market Grant

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-81-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Kristie Leonard

Presentation By: Michael T. Borders

Recommendation:

Approve the Resolution

Executive Summary:

If approved the Mayor's signature will be ratified for the Tennessee Department of Agriculture Promotion and Retail Grant agreement.

The Tennessee Department of Agriculture makes enhancement grants available to local farmers markets to assist in marketing. This Promotion and Retail Grant will assist with marketing efforts for the Kingsport Farmers Market during fiscal year 2025.

The total grant amount is \$1,500. No matching funds are required.

Attachments:

1. Resolution
2. Contract

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

RESOLUTION NO. _____

A RESOLUTION TO RATIFY THE MAYOR'S SIGNATURE ON ALL
DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND
RECEIVE A TENNESSEE DEPARTMENT OF AGRICULTURAL
GROWTH INITIATIVE FARMERS MARKET GRANT

WHEREAS, the city applied for a Tennessee Department of Agriculture Promotion and Retail Grant; and

WHEREAS, the Tennessee Department of Agriculture makes enhancement grants available to local farmers markets to assist in marketing, and this Promotion and Retail Grant will assist with marketing efforts for the Kingsport Farmers Market during fiscal year 2025; and

WHEREAS, the grant, is in the amount of \$1,500.00, with no matching funds required.

Now therefore,

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

SECTION I. That the application submitted on March 6, 2024, for a Tennessee Department of Agriculture Promotion and Retail Grant, in an amount of \$1,500.00 is ratified, including the execution of the same by Mayor Patrick W. Shull.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive grant funds for the Tennessee Department of Agriculture Promotion and Retail Grant, in an amount of \$1,500.00.

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

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

AG GROWTH INITIATIVE - FARMERS MARKETS

Funded by TAEP

AGREEMENT & PAYMENT REQUEST

Deadline: April 15, 2024

| | | | | | |
|--|------------|--|--|-------|--------------------------------|
| | | PARTICIPANT (ORGANIZATION/FARMERS MARKET) | | | |
| ID | 1562 | NAME | City of Kingsport | | |
| DGA | 80338 | | | | |
| INVOICE # | AGI24-FM- | MARKET NAME/DBA | Kingsport Farmers Market | | |
| DEPARTMENT | 3250101008 | MAILING ADDRESS | 415 Broad Street Kingsport TN 37660 | | |
| PROGRAM | 610750 | | | | |
| ACCOUNT | 71302000 | | | | |
| ORGANIZATION CONTACT INFORMATION AND REPRESENTATIVE INFORMATION | | | | | |
| COUNTY | 82000 | PHONE | (423) 224-2821 | EMAIL | kristieleonard@kingsporttn.gov |
| LOCATION | MAIN | NAME | Kristie Leonard | | |
| ADDRESS | 1 | PHONE | (423) 224-2821 | EMAIL | kristieleonard@kingsporttn.gov |

- ☒ Farmers Market listing on PickTNProducts.org is correct.
- ☐ Farmers Market listing on PickTNProducts.org is not correct. Corrections are attached.

AGREEMENT PERIOD: OCTOBER 1, 2023 – APRIL 15, 2024

The maximum amount which can be authorized to reimburse costs associated with promoting, marketing, and improving farmers markets, when approved by the Tennessee Department of Agriculture:

\$1500.00

INSTRUCTIONS:

Review Terms & Conditions on reverse, then sign and date in the shaded box to the right, print name and title below signature.

PARTICIPANT ACCEPTANCE SIGNATURE

Patrick W. Shull *5 March 2024*

SIGN DATE

Patrick W. Shull *Mayor*

NAME TITLE

APPROVED AS TO FORM:

Shirley J. Hester
CITY ATTORNEY

DO NOT WRITE BELOW THIS LINE

STATE AUTHORIZATION SIGNATURE AND DATE

SERVICE DATE

AMOUNT APPROVED

IMPORTANT: SEE TERMS AND CONDITIONS ON REVERSE

Submit form and attachments to: Rachel L Sullivan, TN Department of Agriculture, PO Box 40627, Nashville TN 37204 OR rachel.l.sullivan@tn.gov

TERMS & CONDITIONS OF AGREEMENT & PAYMENT AUTHORIZATION

1. The BUYER (award recipient) warrants that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the BUYER (award recipient) in connection with any work contemplated or performed relative to this Authorization.
2. Notwithstanding the foregoing, the BUYER (award recipient) may be an employee of the State of Tennessee, PROVIDED THAT the BUYER (award recipient) is not employed in one of the following Department of Agriculture positions: Commissioner, Deputy Commissioner, Assistant Commissioner, Assistant Commissioner equivalent including Agriculture Quality and Standards Manager and State Forester, State Veterinarians, Staff Veterinarians, General Council, Executive Administrative Assistant, Environmental Program Manager 2, or an employee having direct oversight or supervisory duties in the approval or administration of award payments, and is not a member of said individuals' immediate household.
3. The STATE may terminate this agreement without cause for any reason, and such termination shall not be deemed a breach of contract by the STATE.
4. The STATE shall have no liability except as specifically provided in this agreement.
5. The BUYER (award recipient) agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of the authorized service or in the employment practices of the BUYER (award recipient) on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee state constitutional, or statutory law.
6. The BUYER (award recipient) agrees to indemnify and hold harmless the State of Tennessee 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 BUYER (award recipient), its employees, or any person acting for or on its or their behalf relating to this purchase. The BUYER (award recipient) further agrees it shall be liable for the reasonable cost of attorneys for the STATE in the event such service is necessitated to enforce the terms of this purchase or otherwise enforce the obligations of the BUYER (award recipient) to the STATE.
7. This agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. The BUYER (award recipient) 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 agreement. The Buyer acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
8. This agreement 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 agreement supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
9. The BUYER (award recipient) shall take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this agreement, subject to the STATE'S equitable interest therein, to the extent of its *pro rata* share, based upon the STATE'S contribution to the purchase price. "Equipment" shall be defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost of which equals or exceeds \$5,000.00.
10. The BUYER (award recipient) will submit reports as required by the STATE, to document agricultural and economic impacts of grant funds.
11. The BUYER (award recipient) signature below certifies that he/she has complied with all requirements of this program, as outlined in 2019 TAEP Application and reimbursement instructions, incorporated herein by reference, and shall utilize funds to be received in the manner authorized by the STATE.
12. The BUYER (award recipient) will submit an invoice and supporting documentation to evidence BUYER (award recipient) payment for qualified purchases in form and substance acceptable to the STATE to effect payment. Such documentation may include but shall not be limited to:
 - a sale or lease receipt with date of purchase/lease, name of seller/lessor, and description of item(s) purchased;
 - a photograph of equipment or facilities purchased and/or installed;
 - a copy of marketing materials purchased with the assistance of awarded funding, and a signed statement from media attesting to advertising activities completed;
 - a copy of certificate from training or educational activity showing successful completion.
13. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
14. The BUYER's (award recipient) activities conducted and records maintained pursuant to this agreement shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.



AGENDA ACTION FORM

Consideration of a Resolution Authorizing the City of Kingsport's Application for and Acceptance of Funding through THDA's 2024 Emergency Solutions Grant

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-74-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Michael Price

Presentation By: Michael Price

Recommendation:

Approve the Resolution.

Executive Summary:

Community Development staff seeks authorization to apply for the Emergency Solutions Grant through the Tennessee Housing Development Agency. The Emergency Solutions Grant (ESG) is funded by the Department of Housing and Urban Development (HUD) specifically to address homelessness. The city currently employs a homeless outreach worker whose role is designed to assist in homeless prevention, street outreach and re-housing. If awarded, the ESG funds will be utilized to hire a homeless outreach worker to assist the homeless outreach coordinator as well as for supplies, case management tools, and other needed goods. The grant request will be for \$117,779.48 and carries a dollar-for-dollar match requirement. Salaries of existing employees and CDBG allocation can be used to meet the in-kind match. The goal is to meet the homeless population where they are, develop relationships and provide needed services and/or referrals. Each element of the grant request will impact our community and help assist those who are currently experiencing homelessness or at-risk for homelessness.

Attachments:

1. Resolution
2. Supplemental Information
3. Matching funds acknowledgement

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN APPLICATION FOR A U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT EMERGENCY SOLUTIONS GRANT, ACCEPTING THE GRANT FUNDS IF AWARDED, AND AUTHORIZING THE MAYOR TO SIGN THE GRANT APPLICATION AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION

WHEREAS, the city seeks to increase services for the homeless population of Kingsport by applying for a U. S. Department of Housing and Urban Development Emergency Solutions Grant administered by the Tennessee Housing Development Agency; and

WHEREAS, the Emergency Solutions Grant (ESG) program provides funding for various activities such as engaging homeless individuals and families, improving the number and quality of emergency shelters; supporting the operation of shelters, providing essential services to shelter residents, and preventing homelessness; and

WHEREAS, currently the city employees a homeless outreach coordinator whose duties and objectives align with many of the activities the ESG funds, if awarded the ESG city will hire a homeless outreach worker to assist and support the homeless outreach coordinator as well as utilize the funds for supplies, case management tools, and other needed goods; and

WHEREAS, the city will apply for \$117,779.48 in ESG funding which does require a dollar for dollar match though under the terms of the ESG salaries of existing qualifying employees and allocated Community Development Block Grant funds will qualify as an “in-kind” match.

Now therefore,

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

SECTION I. That an application for the U. S. Department of Housing and Urban Development Emergency Solutions Grant administered by the Tennessee Housing Development Agency is approved and receipt of the same is authorized if awarded.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an application for as well as all other documents necessary and proper to apply for and receive the Emergency Solutions Grant, to deliver the necessary documents upon execution and to take all actions as may be required on the part of the city to carry out, give effect to, and consummate the actions contemplated by this resolution.

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

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

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

ADOPTED this the 19th day of March, 2024.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

ESG 2024:

Total Grant Award Requested: \$117,779.48

1:1 Match: Match comes from existing salaries and CDBG allocation.

Describe in detail the applicant's mission, types of programs and services currently offered and how homelessness programs fit within that mission.

The City of Kingsport has a long-standing reputation of being community-centered, kind, and home to multiple organizations providing services to homeless individuals including feeding programs, shelters, prevention services, and many ministries. Recently, homelessness has become more prevalent as escalating drug addiction and increasing cases of untreated mental health concerns impact unhoused individuals. Navigating the complexity of shelter regulations and long waiting lists for public housing leaves rising numbers of persons unable to obtain housing. In response to this housing crisis, Kingsport is exhausting efforts to end the homeless epidemic. The City is building momentum to provide accessible and consistent resources to vulnerable populations. To honor The City of Kingsport's long-standing commitment to end homelessness, funding is essential. The City of Kingsport currently offers two primary homeless-centered programs. Kingsport City Schools' Homeless Education program, was established in 1995, and The Kingsport Homeless Coalition was established in 2020. These programs were created to thwart homelessness. The City requests ESG funding to expand the services of both.

Describe the experience of the applicant in assisting to help individuals and families experiencing homelessness.

The City of Kingsport will provide assistance to Kingsport City Schools System in congruence with the Kingsport City Schools Homeless Education program, assisting eligible students qualifying under the McKinney-Vento Homeless Assistance Act, title IX, Part A of Every Student Succeeds Act (ESSA). The program documents 127 families served thus far during the 2022-2023 school year. Demographics include 280 students and 37 siblings living in shelters, doubled up, living in motels, or completely unsheltered. By the end of that school year, 67 students and 6 siblings from 36 families had obtained housing. During the 2023-2024 school year 216 students have been served. Of those, 36 students and 10 siblings from 20 families now have stable housing.

In 2020, the City of Kingsport in partnership created the Kingsport Homeless Coalition. The Coalition's vision is to create a coordinated, compassionate plan to serve the homeless population of the greater Kingsport Area. This collaboration resulting in the creation of a full-time social worker, provided by the Kingsport Police Department, who works with the homeless population to provide better access to community resources. The city social worker engages with multiple community partners to provide coordination of services. The Homeless Coalition served 293 participants in last grant year. 73 of the participants were discharged into permanent housing.

Describe the experience of the applicant's senior staff in providing assistance to help individuals and families experiencing homelessness.

Jonathan Anderson serves as the Homeless Services Liaison, providing expertise collected over 17 years of working in the faith-based and nonprofit communities. Jonathan Anderson is the founder of Engage Tri-Cities and has worked with nonprofit community focused organizations in both, Kingsport and North

Carolina. The Kingsport Police Homeless Outreach Worker is Erin Gray. A lifelong Tri-Cities native, Erin Gray retains a current TN Master License of Social Worker (LMSW) and provides expertise collected over 16 years including employment with the Department of Children's Services and Camelot. Community Development Planner, Michael Price, has administered THDA programs for five years including the Emergency Solutions Grant providing the following: Street Outreach, Shelter Services, Homeless Prevention and Rapid Rehousing. He is certified in HQS, Lead based paint, Property Management, HCV, and LIHTC. Michele Wilder, coordinator of the Homeless Education Program for Kingsport City Schools, has served in this role since Sept. 1999. She also serves as Kingsport City Schools System's Foster Care Point of Contact and Migrant Liaison. Her experience brings 25 years of commitment to ending homelessness.

Describe the applicant's intake process.

Potential clients are identified by Street Outreach worker and subsequently, the Appalachian Regional Coalition on Homelessness (ARCH) is contacted to complete consolidated entry. Vetted applications are provided from ARCH to Kingsport's case managers for guidance through the application process. New applications are underwritten, and fact checked to ensure qualified population requirements are met. Unqualified applicants are given appeals opportunities to ensure due process is applied.

Does your agency currently have participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity? If not, describe how your agency will implement a plan to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under the Emergency Solutions Grant (ESG)?

Yes, the Kingsport Board of Mayor and Aldermen, the Kingsport Homeless Coalition, and the Community Development Advisory Committee consist of diverse individuals with lived experiences. Feedback and public input are frequently sought when policies are made and implemented.

Describe any changes that have been made as a result of participant feedback.

The City of Kingsport's Homeless Coalition and street outreach efforts are structured based on the results of participant feedback. Programs ensure adjustments and adaptability are continuous to provide necessary resources to successfully house individuals in permanent housing options. Referrals to treatment facilities, shelters, and income based housing are guided by participant feedback. Transportation schedules are created modeled and amended based on participant needs.

Describe how your agency makes known that use of facilities, assistance, and services are available to all on a non-discriminatory basis, including steps to make individuals aware of the availability of the facilities, services, and assistance, including those with disabilities. (Applicant should make sure to answer each part of the question)

The City of Kingsport uses a multi-channel approach relative to announcing the availability of assistance and services. First of all, the City of Kingsport's participation in local CoC meetings ensures participating local service agencies and nonprofits are aware of available resources. Secondly, awards and programs are discussed at public hearings and Board of Mayor and Alderman Meetings. Thirdly, the City of

Kingsport uses an array of social media, print media, news outlets, and the City's website to announce all new opportunities. Finally, all City of Kingsport offices are fully accessible to ensure every citizen has an equal opportunity to utilize programs and services.

Describe how your agency assists participants with Limited English Proficiency (LEP). How does the agency make known its services to LEP participants within the service area?

As of June 26, 2023, the city has contracted with Language Line Solutions for our interpretation and language needs. Services included are video/in-person meetings, telephone interpreter services, as well as document translation.

The service is capable of providing deaf or hard-of-hearing translation.

Also, Michele Wilder--Coordinator of the Homeless Education Program for Kingsport City Schools serves as the Migrant Liaison.

Provide information about the board of directors and/or advisory council, such as the regularity of meetings, list of subcommittees, goals and planning, and their involvement in the agency's activities.

The Community Development Advisory Committee was established to oversee the conduct of the Community Development Block Grant (CDBG) from U.S. Housing and Urban Development and other grant-based programs. Kingsport is an entitlement city per the Community Development Block Grant Program which serves to primarily benefit low- and moderate-income persons and aid in the prevention or elimination of slums or blight. The Committee also serves to guide planning and implementation of community service grants. The Community Development Advisory Committee (CDAC) consists of five members. All members are appointed by the Mayor and confirmed by the Board of Mayor and Aldermen. All appointees to the Community Development Advisory Committee shall serve three-year terms. All meetings are open to the public and held every month at City Hall. Meetings are held monthly. The Committee represents members from, the development district, faith-based community, housing, and at large members.

Describe the applicant's process for ensuring project-level and agency-wide data quality in HMIS, or if a victim service provider, the comparable database.

Data quality is the extent to which the information contained in HMIS accurately represents the real-world clients and situations intended to be described. The City's data quality process ensures that information is complete, timely, accurate, consistent, and descriptive of coverage and utilization. HMIS data is reviewed at the COC level by ARCH staff, and errors are quickly addressed to ensure quality data is created.

How does the applicant use data and reporting to inform agency decision making?

The data collected in HMIS and reported by participating agencies guides the City of Kingsport in every aspect of community service. Information collected influences grants applied for, as well as funding levels sought. Accurate numbers of homeless and at-risk individuals help the City know where to apply existing resources and when to invest in additional opportunities.

Describe the CoC top priorities for addressing homelessness.

ARCH CoC's top priorities for addressing homelessness priorities: 1. Ending homelessness for all person by identifying, engaging in, and effectively serving all persons experiencing homelessness (Outreach). 2. Using a Housing First approach that prioritizes rapid placement (RRH) and stabilization (HP) in permanent housing without preconditions or requirements. 3. Reducing unsheltered homelessness by identifying permanent housing options for people who are unsheltered (Coordinated Entry, Housing Navigation, Case Management, etc.) 4. Improving system performance to measure the average length of homeless episodes, rates of return to homelessness, rates of exit to permanent housing determinations, to determine how effectively we are serving people experiencing homelessness. 5. Partner with Housing, Health and Service Agencies to maximize the use of mainstream and other supportive services. 6. Address racial equity to ensure successful outcomes for all persons experiencing homelessness. 7. Improving assistance to LGBTQ+ Individuals. 8. Including Persons with Lived Experience to improve the effectiveness of homelessness assistance programs. 9. Increasing Affordable Housing Supply.

How does the applicant contribute to activities within their CoC? (Committees, subcommittees, CE/By Name List meetings)

City of Kingsport staff serve on the Appalachian Regional Coalition on Homelessness Board of Directors and participate in all monthly meetings. Staff also participates in the annual Point In Time Count and Continuum of Care activities.

Street Outreach services target individuals and families living unsheltered, meaning those who qualify under 21 CFR Part 576.2 paragraph (1)(i) of the definition of "homelessness." Services are described under 21 CFR Part 576.101. Services for eligible program participants are provided on the street or in parks, abandoned buildings, bus stations, campgrounds, and in other such settings where people living unsheltered are staying.

Describe the proposed Street Outreach program to be provided using ESG funds.

The Street Outreach program, to be provided using Emergency Solutions Grant (ESG) funds, aims to address the needs of unsheltered individuals in the City of Kingsport by offering targeted outreach services focused on engagement, support, and ultimately, the transition to permanent housing.

Funding will go to hire a full-time caseworker to be embedded with the Community Policing Department.

Refinement of a dedicated outreach team comprised of individuals with experience and training in social work, mental health, substance abuse counseling, and homelessness services. Ensuring diversity within the team to better connect with individuals from various backgrounds and communities. Conducting comprehensive needs assessments to identify immediate needs such as food, clothing, medical care, mental health support, substance abuse treatment, and access to basic services. Providing direct assistance and referrals to appropriate resources and services based on identified needs.

By implementing this comprehensive Street Outreach program funded through ESG, we aim to effectively engage unsheltered individuals, address their immediate needs, and support their journey towards stable housing and improved quality of life. This program will not only provide vital assistance to those experiencing homelessness but also contribute to the overall well-being and vitality of the City of Kingsport.

Engagement is key to administering the street outreach component with the goal of moving clients from living unsheltered to shelter.

How will the applicant find unsheltered clients? (ex. PIT, visit encampments, community policing, city or county service agency, etc..)

The City of Kingsport Homeless Coalition liaison and outreach worker are in the community five days a week. Coalition team members participate in the PIT count, visit encampments, and work with all local service agencies. The street outreach worker is embedded with the Kingsport City Police Department and spends time with law enforcement to provide assistance and referrals where they are needed the most.

Unsheltered populations may require multiple contacts in order to build a relationship with the goal of moving clients into permanent housing. Outline a clear plan how the applicant will build relationships to engage unsheltered individuals? Building relationships with unsheltered individuals is crucial for effective engagement and eventual transition into permanent housing.

The City of Kingsport's Homeless Coalition has a dedicated street outreach team comprised of individuals with experience and training in social work, mental health, substance abuse counseling, and homelessness services. Outreach team members are trained in trauma-informed care to understand and respond to the unique needs and experiences of unsheltered individuals with empathy and sensitivity. The team conducts regular street outreach sessions at predetermined times and locations known to have high concentrations of unsheltered individuals. They utilize a non-intrusive approach, respecting personal space and boundaries while offering assistance and support. The liaisons show genuine interest in their stories, experiences, and needs without judgment or pressure. By using these interactions as opportunities to listen, understand, and identify support needs. The team demonstrates reliability and consistency in providing support over time. Personalized support plans outlining steps toward housing stability and self-sufficiency are developed based on individual needs.

Efforts are made to facilitate access to a range of support services including healthcare, mental health treatment, substance abuse counseling, employment assistance, and legal aid. Caseworkers accompany individuals to appointments and provide advocacy and support.

Explain service that Applicant will be providing.

Individualized Support Plans:

Conduct comprehensive assessments to understand each individual's circumstances, challenges, and goals. Collaborate with individuals to develop personalized support plans outlining steps towards housing stability and self-sufficiency.

Linkage to Services:

Facilitate access to a range of support services including healthcare, mental health treatment, substance abuse counseling, employment assistance, and legal aid. Accompany individuals to appointments and provide advocacy and support throughout the process.

Housing Navigation Assistance:

Provide intensive support in navigating the housing system, assisting with housing applications, locating affordable housing options, and securing necessary documentation. Offer ongoing guidance and advocacy to address any barriers or challenges encountered during the housing search process. Peer support and mentorship through community engagement and partnerships.

Transportation Services

Explain service that Applicant will be providing.

Transportation is provided by accompanying individuals to appointments and providing advocacy and support throughout the process.

Also, bus passes are provided on a daily and monthly basis to assist in transportation to appointments and employment.

Describe any planned expenses to be paid for with ESG funds during the upcoming program year for equipment, hardware, software, or HUD-approved or HUD-sponsored training related to HMIS.

Of the funding allocated for HMIS, a two percent portion will be paid to the COC lead agency for HMIS access. The remaining funding will go towards the purchase of a laptop, printer and software package for the Homeless Coalition to use exclusively for ESG efforts.

Explain in detail how your agency monitors for data quality. Share details of any Data Quality Plan in place.

Data quality is the extent to which the information contained in HMIS accurately represents the real-world clients and situations intended to be described. The City's data quality process ensures that information is complete, timely, accurate, consistent, and descriptive of coverage and utilization. HMIS data is reviewed at the COC level by ARCH staff, and errors are quickly addressed to ensure quality data is created. Client information must be entered into HMIS in accordance with the data quality, timeliness and additional requirements found in the HMIS Policies and Procedures manual and implemented in the CoC Performance Standards.

Describe any HMIS or data-related training provided within the agency and to CoC partner agencies.

ARCH COC has provided HMIS training in the past. The City of Kingsport Homeless Coalition staff participates in all COC-level HMIS training.

Describe efforts to provide technical assistance to partner agencies, including Victim Service Providers or those agencies who use Comparable Databases.

The Homeless Coalition routinely helps partnering agencies with grant applications, HMIS assistance and other needs as they occur.

CERTIFICATION OF MATCHING FUNDS

The City of Kingsport _____ certifies that the
(Name of Applicant)

Matching supplemental funds or in-kind support contribution required by the State of Tennessee's Emergency Solutions Grants Program will be provided. Included in the application is the match source type, amount and source.

(Name and Title) _____

(Signature) _____

(Date) _____

To be signed by local government official or board chairperson, as applicable.

HOMELESS OUTREACH COORDINATOR

Job Code:33302 / O*Net Code:21-1099

SALARY GRADE: P40

NON-EXEMPT

(The specific statements shown in each section of this description are not intended to be all inclusive. They represent typical elements and criteria considered necessary to successfully perform the job.)

Purpose:

Engage individuals experiencing homelessness and assist them in accessing housing, substance abuse treatment and social services. Will accompany the Kingsport Police Department in street outreach. May engage individuals in poor living conditions and/or hazardous conditions.

Essential Functions:

- Support individuals experiencing homelessness and living in the community through such activities as: - one on one contact with individuals on the streets and in emergency shelters; - advocating on behalf of clients and/or supporting them to advocate for themselves; - collaboration and coordination of services with appropriate community agencies;
- Provide resources and referrals to individuals experiencing homelessness and living in the community by liaising with community agencies and through interactions with the City of Kingsport Homelessness Consortium;
- Identify and conduct outreach in community-based resource centers such as Salvation Army, Local Churches, etc.;
- Ride along with the City of Kingsport Police Department to conduct team outreach;
- Regularly visit homeless service provider agencies to build relationships with agency staff and individuals experiencing homelessness;
- Develops and maintains excellent working relationships with community partners and work together to identify and improve processes that enhance services and outcomes for clients;
- Maintain electronic records, reports, and statistics necessary for program functioning and evaluation;
- Provide limited support to the organization by writing/assisting with grants, grant reports and participating in other fundraising activities;
- Work a flexible schedule to meet the needs of the program and clients and to be responsive to changing environmental conditions which may impact homeless people;
- Demonstrate knowledge of Non-Violent Crisis Intervention or other similar program to safely engage individuals who may be mentally ill, abusing substances or otherwise confused aggressive or hostile;
- Perform additional duties as assigned.

Qualifications:

- An ability to be flexible and empathetic;
- Self-starter and ability to work independently with minimal supervision;
- Experience working with individuals who are homeless or those with multiple barriers to living independently and self-sufficiently;
- Proficiency with Microsoft programs, database tools preferred;
- Proficiency in computer skills, i.e., word processing, and spreadsheets.

Education and Experience:

- Minimum of a bachelor's degree in Human Services, Criminal Justice, Psychology, Counseling or other related emphasis. Experience in counseling the homeless preferred.

HOMELESS OUTREACH COORDINATOR

| Physical Requirements | Amount of time | | | |
|---|----------------|--------------------------------------|----------------------------------|--|
| | None | Occasionally (Up to 33% of the time) | Frequently (33%-66% of the time) | Constantly (More than 66% of the time) |
| Standing | | | X | |
| Walking (including rough/uneven surfaces) | | | X | |
| Sitting | | | X | |
| Fingering or manual dexterity | | | X | |
| Repetitive finger motion | | | X | |
| Lifting or exerting force | | X | | |
| Up to 10 pounds | | X | | |
| Up to 25 pounds | | X | | |
| Up to 50 pounds | X | | | |
| Up to 100 pounds | X | | | |
| Over 100 pounds | X | | | |
| Reaching and stretching | | X | | |
| Climbing and balancing | | X | | |
| Squatting and bending | | X | | |
| Kneeling and crawling | | X | | |
| Speaking | | | | X |
| Hearing | | | | X |
| Tasting | X | | | |
| Smelling | | X | | |
| Seeing (with correction) | | | | X |
| Close vision | | | | X |
| Distance vision | | | | X |
| Color discrimination | | | | X |
| Peripheral vision | | | | X |
| Depth perception | | | | X |
| Focusing ability | | | | X |
| Work Environment | Amount of time | | | |
| | None | Occasionally (Up to 33% of the time) | Frequently (33%-66% of the time) | Constantly (More than 66% of the time) |
| Outdoor weather conditions | | | X | |
| Wet or humid conditions (weather) | | X | | |
| Extreme cold (weather) | | X | | |
| Extreme heat (weather) | | X | | |
| Fumes or air-borne particles | | | X | |
| Toxic or caustic chemicals | X | | | |
| Blood-borne pathogens | | X | | |
| Risk of fire or explosion | X | | | |
| Risk of electric shock | X | | | |
| Risk of radiation | X | | | |
| Risk of drowning | X | | | |
| Prolonged exposure to vibration | X | | | |
| Loud noise level | | | | |

Item XII.B.

HOMELESS OUTREACH COORDINATOR

| | | | | |
|------------------------------------|--|--|---|--|
| Special/Unusual Working Conditions | | | X | |
|------------------------------------|--|--|---|--|



AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Sale of a Surplus Vehicle to PETWORKS

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-89-2024

Work Session: March 18, 2024

First Reading: N/A

Final Adoption: March 19, 2024

Staff Work By: Leonard/Morris

Presentation By: John Morris

Recommendation:

Approve the Resolution.

Executive Summary:

Currently the city has within its fleet a 2014 Ford F-250 2wd pickup truck, VIN 1FTBF2A65EEA04495, with current mileage of 135,612. This vehicle is no longer beneficial to the city's fleet, and it is recommended that the vehicle be declared surplus and removed from the fixed asset register. PETWORKS has expressed a need for this vehicle and Fleet recommends the vehicle be sold to PETWORKS for \$750.

Attachments:

1. Resolution

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

RESOLUTION NO.

A RESOLUTION DECLARING A CERTAIN FLEET VEHICLE AS
SURPLUS, REMOVING SAME FROM THE FIXED ASSET
REGISTER, AND APPROVING THE SALE OF SUCH SURPLUS
VEHICLE TO PETWORKS

WHEREAS, among the city's fleet of vehicles is a 2014 Ford F-250 2wd pickup truck bearing VIN 1FTBF2A65EEA04495, with current mileage of 135,612; and,

WHEREAS, this vehicle is no longer beneficial to the city and the recommendation has been made that it will be removed from the fixed asset register and designated as surplus; and

WHEREAS, PETWORKS has expressed a need for this vehicle and has requested to purchase the same from the city; and

WHEREAS, the Fleet Department recommends the vehicle be sold to PETWORKS for \$750.

Now therefore,

BEIT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the board finds that the 2014 Ford F-250 2wd pickup truck bearing VIN 1FTBF2A65EEA04495, mileage 135,612, is declared surplus and of no use to the city;

SECTION II. That PETWORKS has need of the vehicle and therefore approves the sale of the vehicle to it for \$750, and waives the requirements of the Kingsport City Code of Ordinances 2-571 as it determines it is in the best interest of the city.

SECTION III. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, a bill of sale and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of this resolution.

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 19th day of March, 2024.

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: