BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING AGENDA

Tuesday, September 16, 2025 at 7:00 PM

City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

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

Leadership Team

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

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE TO THE FLAG

1. New Vision Youth

III. INVOCATION

IV. RECOGNITIONS AND PRESENTATIONS

1. Miss Kingsport Abby Utterback and Miss Sullivan County Eliza Faith Sanders (Vice Mayor Duncan)
2. Ken Maness (Mayor Montgomery)
3. Keep Kingsport Beautiful Beautification Awards (Sharon Hayes)
4. Swiftwater Rescue Higgins and Langley Award (Mayor Montgomery)

V. ROLL CALL

VI. COMMENT

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

VII. APPOINTMENTS

1. Consideration of Appointment to the Beverage Board (AF-244-2025) (Mayor Montgomery)

VIII. APPROVAL OF MINUTES

1. August 18, 2025 - Work Session

2. August 19, 2025 - Business Meeting

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

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

1. Conduct Public Hearings and Consideration of a Resolution to Annex and Adopt a Plan of Services for the Bancroft Chapel Annexation; Consideration of an Ordinance to Amend Zoning (AF-262-2025) (Ken Weems)

2. Consideration of an Ordinance to Amend the FY 2026 School General Purpose Fund Budget (AF-265-2025) (David Frye)

3. Consideration of a Budget Adjustment Ordinance for Various Funds in FY26 (AF-261-2025) (John Morris)

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. Consideration of an Ordinance to Amend Zoning of Tax Map 105, Parcel 02.04 and Parcel 02.20 Located along Blakley Drive from the R-1B, Residential District to A-1, Agricultural District (AF-227-2025) (Jessica McMurray)

2. Consideration of an Ordinance to Amend Zoning Chapter 114 by Adding Religious Assembly as a Principal Use in the M-1, M-1R, and MX Zoning Districts (AF-231-2025) (Ken Weems)

3. Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025 (AF-232-2025) (John Morris)

4. Consideration of a Budget Adjustment Ordinance for the General Projects Special Revenue Fund in FY2026 (AF-233-2025) (John Morris)

5. Consideration of an Ordinance to Amend the FY 2026 School Special Projects Fund Budget to Receive Donation (AF-230-2025) (David Frye)

6. Consideration of an Ordinance to Amend the FY 2026 School General Purpose Fund and General Projects Funds Budgets to Fund the Washington Elementary School HVAC Replacement (AF-229-2025) (David Frye)

XI. OTHER BUSINESS

1. Consideration of a Resolution to Enter into an Agreement with TDOT for a Direct Appropriation of Funds for the Pedestrian Bridge Project (AF-221-2025) (Ryan McReynolds)

2. Consideration of a Purchase with Cline Holder Electrical Supply for High Mast Lighting Fixtures at the Interchange of I26 and West Stone Drive (AF-248-2025) (Ryan McReynolds)

3. Consideration of a Resolution Amending the Contract with the Tennessee Department of Transportation (TDOT) for Maintenance Activities Performed on Designated State Highways (AF-258-2025) (Ryan McReynolds)

4. Consideration of a Resolution to Authorize the Mayor to Apply for a Clean Water State Revolving Loan from the State of Tennessee for the Pendragon Sewer Lift Station Replacement (AF-243-2025) (Ryan McReynolds)

5. Consideration of a Resolution to Enter into an Agreement with Coca-Cola Bottling Company for Pouring Rights at Brickyard Park and Domtar Park (AF-206-2025) (Michael T. Borders)

6. Consideration of a Resolution to Authorize the Reimbursement of Materials Agreement Funds to Integrity Building Group, LLC, Related to the Fieldcrest Phase 1 Development (AF-251-2025) (Ryan McReynolds)

7. Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Enter into a Materials Agreement with Integrity Building Group, LLC Related to the Fieldcrest Phase 2 Development (AF-254-2025) (Ryan McReynolds)

8. Consideration of a Resolution to Award the Bid to S.B. White Company, Inc., for the Washington Elementary HVAC Replacement Project and Authorizing the Mayor to Sign all Applicable Documents (AF-252-2025) (David Frye)

9. Consideration of a Resolution Authorizing the Renewal of Aspen Software from Follett Software for Kingsport City Schools Utilizing State Contract NC61797 and Authorizing the Mayor to Sign All Documents (AF-259-2025) (David Frye)

10. Consideration of a Resolution to Utilize City of Oak Ridge Contract FY2025-003 for Emergency Fire Vehicle Inspection, Repair, and Maintenance (AF-255-2025) (Ryan McReynolds)

11. Consideration of a Resolution to Utilize Omnia Partners Contract #16154 for Maintenance, Repair and Operation Supplies (AF-256-2025) (Ryan McReynolds)

12. Consideration of a Resolution to Accept Federal Fiscal Year 2023 Department of Homeland Security State and Local Cybersecurity Grant Program (SLCGP) Funds (AF-266-2025) (Cody Musser)

13. Consideration of a Purchase with Workspace Interiors for Furnishings as Part of the Justice Center Addition and Renovation Project (AF-220-2025) (Ryan McReynolds)

14. Consideration of a Purchase with Patterson Pope, Inc. for Storage Systems as Part of the Justice Center Addition and Renovation Project (AF-234-2025) (Ryan McReynolds)

XII. CONSENT AGENDA

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

1. Consideration of a Resolution Authorizing Official Signatures for the City of Kingsport Police Department Special Investigation Account (AF-239-2025) (Travis Bishop)

2. Consideration of a Resolution to Authorize the Mayor to Execute and Sign All Necessary Documents to Enter into An Agreement with the 2nd Judicial District Drug Task Force (AF-253-2025) (Chief Bellamy)

3. Consideration of Resolution Amending the Contract with the Tennessee Department of Transportation (TDOT) for the Main Street Redevelopment Project (AF-263-2025) (Ryan McReynolds)

4. Consideration of a Resolution to Enter into an Agreement with Ballad Health for a Reset Room at Andrew Jackson Elementary School (AF-224-2025) (David Frye)

5. Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with AccuForce (AF-242-2025) (Tyra Copas)

6. Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with Luttrell (AF-249-2025) (Tyra Copas)

7. Consideration of a Resolution Approving the Niswonger Foundation Project On-Track MOU and Authorizing the Mayor to Sign All Documents (AF-250-2025) (David Frye)

XIII. COMMUNICATIONS

1. City Manager

   a. Auditor Communication with Those Charged with Governance During Planning

   b. Certificate of Compliance for a Retail Food Store Zoomerz #980 to Sell Wine

2. Mayor and Board Members

XIV. ADJOURN

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of Appointment to the Beverage Board

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-244-2025
Work Session: September 15, 2025
First Reading: N/A

Final Adoption: September 16, 2025
Staff Work By: Angie Marshall
Presentation By: Mayor Montgomery

Strategic Focus Area: Efficient & Responsive Government

Recommendation:
Approve the appointment

Executive Summary:
It is recommended to appoint Shelton Clark to the Beverage Board fulfilling an unexpired term through October 31, 2025, and to complete a full three-year term.

If approved by the Board of Mayor and Aldermen, the recommended table reflects term dates. The board is comprised of nine members: Chief of Police, Director of Planning, City Recorder and six residents of Kingsport with one having at least five years' experience in business or administration in ownership or operation of retail enterprise and one licensed to practice law. Terms are three years with no term limit.

Current Board:

Member	Term Expires	No. of Terms	Eligibility
Stephen LaHair	10/31/25	4	KPT Resident; Business Owner
Mike Forrester	10/31/27	2	KPT Resident; Licensed Attorney
John McKinley	10/31/27	1	KPT Resident
Natalie Wells	10/31/26	2	KPT Resident
Jason Sanders	10/31/26	1	KPT Resident
Kevin Mitchell	10/31/28	Fulfilling unexpired term	KPT Resident
Jason Bellamy	Term of position		Police Chief
Ken Weems	Term of position		Dir. Of Planning
Travis Bishop	Term of position		City Recorder

Recommended Board:

Member	Term Expires	No. of Terms	Eligibility
Shelton Clark	10/31/28	1	KPT Resident; Business Owner
Mike Forrester	10/31/27	2	KPT Resident; Licensed Attorney
John McKinley	10/31/27	1	KPT Resident
Natalie Wells	10/31/26	2	KPT Resident
Jason Sanders	10/31/26	1	KPT Resident
Kevin Mitchell	10/31/28	Fulfilling unexpired term	KPT Resident
Jason Bellamy	Term of position		Police Chief
Ken Weems	Term of position		Dir. Of Planning
Travis Bishop	Term of position		City Recorder

Attachments:
1. Shelton Clark Application

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

Monday, July 21, 2025

Volunteer Application

Appointments for the City of Kingsport volunteer boards and commissions take place semi-annually in April and October, with applications being accepted in mid-February for April appointments, and mid-August for October appointments. Applications will only be accepted during these periods and closed at all other times. Applications not selected for a position will be held on file for a period of 1 year in the case of unexpected vacancies.

Name	Shelton Clark
E-mail	[redacted]
Phone Number	[redacted]
Address	[redacted] Kingsport, TN, 37664 United States
Do you live within the Kingsport City Limits?	Yes
Length of Residency:	43 yr
Employer:	Retired/Part Time McGriff Insurance
Employment Status:	Retired

Occupational Background:

48 years Insurance, 6 1/2 years co owner Model City Taphouse

Educational Background:

Dobyns Bennett High School and University of Tennessee

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

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

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Have you ever applied to serve on a Kingsport board or commission?

No

Reason for Applying:

Interest in City of Kingsport and progress of business in the hospitality field

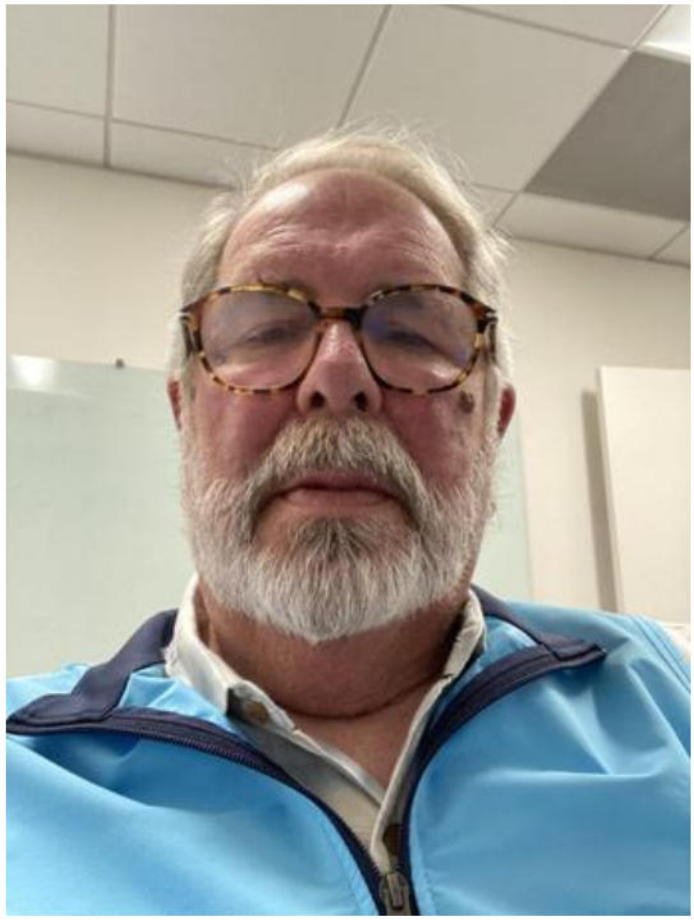
Relevant Experience:

Worked with Model City Taphouse, bringing a good business environment in the restaurant/beverage field

Community Involvement:

Member of Chamber of Commerce, involved with Downtown Kingsport Association, several years involved with Downtown Kingsport Rotary.

Please upload a recent biography and a professional photo.



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BOARD OF MAYOR AND ALDERMEN WORK SESSION MINUTES

Monday, August 18, 2025 at 4:30 PM
City Hall, 415 Broad Street, Montgomery - Watterson Boardroom

Board of Mayor and Aldermen

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

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

II. ROLL CALL by City Recorder Travis Bishop.

III. DISCUSSION ITEMS

1. **Domtar** - Charlie Floyd

   Mr. Floyd gave a presentation on Project Bandit regarding the anaerobic digester installation at the Kingsport Mill. He provided statistics about production and employees. He also talked about local partnerships and community investments. Mr. Floyd pointed out the mill is the largest recycler in the state of Tennessee. He provided details on environmental efforts as well as odor mitigation efforts. Bonnie Depew gave further details and answered questions from the board. Mr. Floyd provided a timeline for this new project, noting demolition has begun and it is scheduled to be completed next October. There will be four miles of piping and 20 miles of electrical wiring once finished. Discussion ensued throughout the presentation.

IV. REVIEW OF BUSINESS MEETING AGENDA

City staff gave a summary for each item on the August 5, 2025 proposed agenda. The following items were discussed at greater length or received specific questions or concerns.

IX.1. Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning of Tax Map 105, Parcel 02.04 and a Portion of Parcel 02.20 Located along Blakley Drive from the R-1B, Residential District to A-1, Agricultural District (AF-227-2025) City Planner Jessica McMurray gave a presentation on this owner requested rezoning.

IX.2. Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning Chapter 114 by Adding Religious Assembly as a Principal Use in the M-1, M-1R, and MX Zoning Districts (AF-231-2025) Planning Manager Ken Weems presented this item, discussing the reasoning behind this change.

XI.4. Consideration of a Resolution to Implement Grace AI Pilot Solution for City Customer Service by Hansen Banner, LLC (AF-236-2025) Floyd Bailey provided information on this item. There was some discussion as staff answered questions from board members.

XI.6. Consideration of a Resolution to Rename "Riverview Park" to "Jack Pierce, Sr. Park at Riverview" (AF-240-2025) Mayor Montgomery commented this is appropriate as Jack Pierce was considered the historian of Riverview

The mayor requested the city manager have staff to evaluate the senior tax relief program to see if the city could assist beyond the existing program. City Recorder Travis Bishop answered questions and provided further details, noting it is income based. Some discussion ensued.

V. ITEMS OF INTEREST

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

VI. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 5:56 p.m.

ANGELA MARSHALL
Deputy City Recorder

PAUL W. MONTGOMERY
Mayor

BOARD OF MAYOR AND ALDERMEN BUSINESS MEETING MINUTES

Tuesday, August 19, 2025 at 7:00 PM
City Hall, 415 Broad Street, Montgomery-Watterson Boardroom

Board of Mayor and Aldermen

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

City Administration

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

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

II. PLEDGE OF ALLEGIANCE TO THE FLAG led by H.O.P.E.

III. INVOCATION led by Alderman Gary Mayes

IV. ROLL CALL by City Recorder Travis Bishop.

V. RECOGNITIONS AND PRESENTATIONS

1. **Keep Kingsport Beautiful Beautification Awards** (Sharon Hayes)

VI. COMMENT

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

Tim Sanders commented on a rate increase by AEP.

VII. APPOINTMENTS None.

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

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

Passed: All present voting "aye."

1. **August 5, 2025 - Work Session**
2. **August 5, 2025 - Business Meeting**

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

1. **Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning of Tax Map 105, Parcel 02.04 and a Portion of Parcel 02.20 Located along Blakley Drive from the R-1B, Residential District to A-1, Agricultural District** (AF-227-2025) (Jessica McMurray)

   PUBLIC HEARING: No one came forward.

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

   AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG BLAKLEY DRIVE FROM THE R-1B, RESIDENTIAL DISTRICT TO A-1, AGRICULTURAL DISTRICT IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

   Passed: All present voting "aye."

2. **Conduct a Public Hearing and Consideration of an Ordinance to Amend Zoning Chapter 114 by Adding Religious Assembly as a Principal Use in the M-1, M-1R, and MX Zoning Districts** (AF-231-2025) (Ken Weems)

   PUBLIC HEARING: No one came forward.

   Motion made by Alderman Phillips, Seconded by Alderman Cooper.

   AN ORDINANCE AMENDING SECTION 114-197(b)3, SECTION 114-197(c), and SECTION 114-353(4) OF CHAPTER 114 OF THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, PERTAINING TO RELIGIOUS ASSEMBLY; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

   Passed: All present voting "aye."

3. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY25** (AF-232-2025) (John Morris)

   Motion made by Alderman Baker, Seconded by Alderman George.

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

Passed: All present voting "aye."

4. **Consideration of a Budget Adjustment Ordinance for the General Projects-Special Revenue Fund in FY26** (AF-233-2025) (Morris)

   Motion made by Alderman George, Seconded by Alderman Mayes.

   AN ORDINANCE TO AMEND THE GENERAL PROJECTSSPECIAL REVENUE FUND BUDGET FOR THE YEAR ENDING JUNE 30, 2026; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

   Passed: All present voting "aye."

5. **Consideration of an Ordinance to Amend the FY 2026 School General Purpose Fund and General Projects Fund Budgets** (AF-229-2025) (David Frye)

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

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

   Passed: All present voting "aye."

6. **Consideration of an Ordinance to Amend the FY 2026 School Special Projects Fund Budget** (AF-230-2025) (David Frye)

   Motion made by Alderman Phillips, Seconded by Alderman George.

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

   Passed: All present voting "aye."

X. BUSINESS MATTERS REQUIRING FINAL ADOPTION

1. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025** (AF-222-2025) (Chris McCartt)

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

   ORDINANCE NO. 7220 AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2025; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

2. **Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026** (AF-223-2025) (Chris McCartt)

   Motion made by Alderman Mayes, Seconded by Alderman Phillips.

   ORDINANCE NO. 7221 AN ORDINANCE TO AMEND VARIOUS FUND BUDGETS FOR THE YEAR ENDING JUNE 30, 2026; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE
   Passed on second reading with a roll call vote: Alderman Baker, Alderman Cooper, Vice Mayor Duncan, Alderman George, Alderman Mayes, Alderman Phillips, Mayor Montgomery

XI. OTHER BUSINESS

1. **Consideration of a Resolution to Authorize the Reimbursement of Materials Agreement Funds to Brickyard TN LLC, Related to the Brickyard Village Phase I Development** (AF-225-2025) (Ryan McReynolds)

   Motion made by Alderman Phillips, Seconded by Alderman George.

   RESOLUTION NO. 2026-038 A RESOLUTION AUTHORIZING REIMBURSEMENT OF MATERIALS AGREEMENT FUNDS TO BRICKYARD TN, LLC RELATED TO THE BRICKYARD VILLAGE PHASE 1 DEVELOPMENT
   Passed: All present voting "aye."

2. **Consideration of a Resolution to Purchase One (1) Ditch Witch JT5 Horizontal Drill Utilizing Sourcewell Cooperative Purchasing Agreement** (AF-215-2025) (Ryan McReynolds)

   Motion made by Alderman Baker, Seconded by Alderman George.

   RESOLUTION NO. 2026-039 A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO DITCH WITCH OF TENNESSEE UTILIZING SOURCEWELL COOPERATIVE PURCHASING AGREEMENT NO. 110421-CMV FOR ONE DITCH WITCH JT5 HORIZONTAL DRILL FOR USE BY PUBLIC WORKS
   Passed: All present voting "aye."

3. **Consideration of a Resolution to Approve a Contract with Esri Small Municipal and County Government Enterprise Agreement for Software Licenses (SGEA)** (AF-235-2025) (Floyd Bailey)

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

   RESOLUTION NO. 2026-040 A RESOLUTION APPROVING AN ENTERPRISE AGREEMENT WITH ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE FOR GIS MAPPING

SOFTWARE 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."

4. **Consideration of a Resolution to Implement Grace AI Pilot Solution for City Customer Service by Hansen Banner, LLC** (AF-236-2025) (Floyd Bailey)

Motion made by Alderman Baker, Seconded by Alderman George.

RESOLUTION NO. 2026-041 A RESOLUTION APPROVING A STATEMENT OF WORK TO THE CONTRACT WITH HANSEN BANNER, LLC FOR THE HANSEN CUSTOMER INFORMATION SYSTEM GRACEAI PILOT PROGRAM AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting "aye."

5. **Consideration of a Resolution to Amend the Scope of Work and Cost for the Hansen CIS Implementation Contract** (AF-237-2025) (Floyd Bailey)

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

RESOLUTION NO. 2026-042 A RESOLUTION APPROVING CHANGE ORDER NUMBER 3 TO THE CONTRACT WITH HANSEN BANNER, LLC FOR THE HANSEN CUSTOMER INFORMATION SYSTEM AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CHANGE ORDER

Passed: All present voting "aye."

6. **Consideration of a Resolution to Rename "Riverview Park" to "Jack Pierce, Sr. Park at Riverview"** (AF-240-2025) (Michael T. Borders)

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

RESOLUTION NO. 2026-043 A RESOLUTION APPROVING THE RENAMING OF RIVERVIEW PARK TO THE JACK PIERCE SR. PARK AT RIVERVIEW

Passed: All present voting "aye."

7. **Consideration of a Resolution to Reject All Bids for the Irrigation Pump Upgrades for Cattails at MeadowView** (AF-238-2025) (Michael T. Borders)

Motion made by Alderman George, Seconded by Alderman Mayes.

RESOLUTION NO. 2026-044 A RESOLUTION REJECTING ALL BIDS RELATED TO THE IRRIGATION PUMP UPGRADES FOR CATTAILS AT MEADOWVIEW

Passed: All present voting "aye."

8. **Consideration of a Resolution to Approve the Rotary Sculpture *Unselfish Service Above All* as Public Art and to Accept the Donation of the Sculpture** (AF-195-2025) (Michael T. Borders)

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

RESOLUTION NO. 2026-045 A RESOLUTION ACCEPTING THE DONATION OF THE ROTARY SCULPTURE UNSELFISH SERVICE ABOVE ALL AND APPROVING THE SCULPTURE AS PUBLIC ART

Passed: All present voting "aye."

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

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

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

1. **Consideration of a Resolution to Apply for and Accept Funding from a Tennessee State Museum Grant** (AF-226-2025) (Michael T. Borders)

RESOLUTION NO. 2026-046 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A TENNESSEE STATE MUSEUM CAPITAL MAINTENANCE AND IMPROVEMENT GRANT FOR IMPROVEMENTS AT THE ALLANDALE ESTATE

2. **Consideration of a Resolution to Approve the Instillation of Five Storm Drain Art Murals from the 8th Annual Storm Drain Art Contest** (AF-228-2025) (Michael T. Borders)

RESOLUTION NO. 2026-047 A RESOLUTION APPROVING FIVE STORM DRAIN ART MURALS FOR THE 8TH ANNUAL STORM DRAIN ART CONTEST

3. **Consideration of a Resolution to Approve a Right-of-Way Easement with Kingsport Power Company** (AF-216-2025) (Bart Rowlett)

RESOLUTION NO. 2026-048 A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A RIGHT-OF-WAY EASEMENT WITH KINGSPORT POWER COMPANY

XIII. COMMUNICATIONS

1. City Manager

Mr. McCartt stated at 11:00 tomorrow morning will be the groundbreaking for IMAX at the Mall, noting this is very exciting for Kingsport and the region. He also mentioned there will only be one meeting in September due to the Labor Day holiday.

2. Mayor and Board Members

Alderman Mayes commented on the IMAX groundbreaking, pointing out many people have been working on this project a long time and it will make Kingsport unique. He commended KCS board members and administration for working hard to get the school year off to a great start. Alderman Cooper noted DB football starts their season this weekend at an away game and the first home game is the 29th. Alderman Baker mentioned the last item on the agenda, noting he has seen the plans and is excited for the work to start as it is a great addition to the city. He also commented on the presentation from Domtar yesterday at the work session, stating they will be working to keep the citizens updated on the progress. Alderman Phillips congratulated Vanessa Bennett for being named Chamber Executive professional of the year. He commented on football season and wished his dad a happy birthday. Vice-Mayor Duncan stated this Saturday kicks off the first fall cleanup for Keep Kingsport Beautiful. He also commented on HOPE and the work Stella Robinette does with that organization.

XIV. ADJOURN

Seeing no other business for consideration, Mayor Montgomery adjourned the meeting at 7:53 p.m.

ANGELA MARSHALL	PAUL W. MONTGOMERY
Deputy City Recorder	Mayor

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Conduct a Public Hearing and Consideration of Accompanying Resolutions and an Ordinance for the Bancroft Chapel Annexation

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-262-2025	Final Adoption:	October 7, 2025
Work Session:	September 15, 2025	Staff Work By:	K. Weems & C. Austin
First Reading:	September 16, 2025	Presentation By:	K. Weems & R. McReynolds

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:

- Conduct Public Hearing for Annexation and Plan of Services
- Approve the Annexation Resolution
- Approve the Plan of Services Resolution
- Approve the Developers Agreement for Sanitary Sewer Resolution
- Conduct Public Hearing for the Zoning Ordinance
- Approve the Zoning Ordinance

Executive Summary:

If approved, this owner-requested annexation will bring 10 acres located along Bancroft Chapel Road into the City limits. The proposed zone for the annexation site is R-1C, Residential District.

The purpose of the annexation is to accommodate construction of 45 single family homes at the annexation site. The sole identified cost of the annexation is a $375,000 sanitary sewer extension of approximately 1,300 feet from its current location along E. Stone Drive to the annexation site. City Water Services worked in conjunction with the City Legal and Planning Departments to create a developer's agreement that will ensure the Sanitary Sewer Enterprise Fund remains whole as the extension is constructed. The agreement requires the developer to build 40 homes within the next 5 years and for the developer to provide a surety for the entire cost of sewer construction. Supplemental information that further examines the developer's agreement is attached.

No public comment has been received for this annexation. During their July regular meeting, the Kingsport Regional Planning Commission voted unanimously to send a favorable recommendation to the Board of Mayor and Aldermen to approve the annexation, zoning, and plan of services for this annexation. The public hearing notice was published on August 25, 2025.

Attachments:

1. Notice of Public Hearing
2. Annexation Resolution
3. Plan of Services Resolution
4. Developer's Agreement Resolution
5. Developer's Agreement
6. Developers Agreement Suppleental Information
7. Zoning Ordinance
8. Staff Report

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

NOTICE OF PUBLIC HEARING

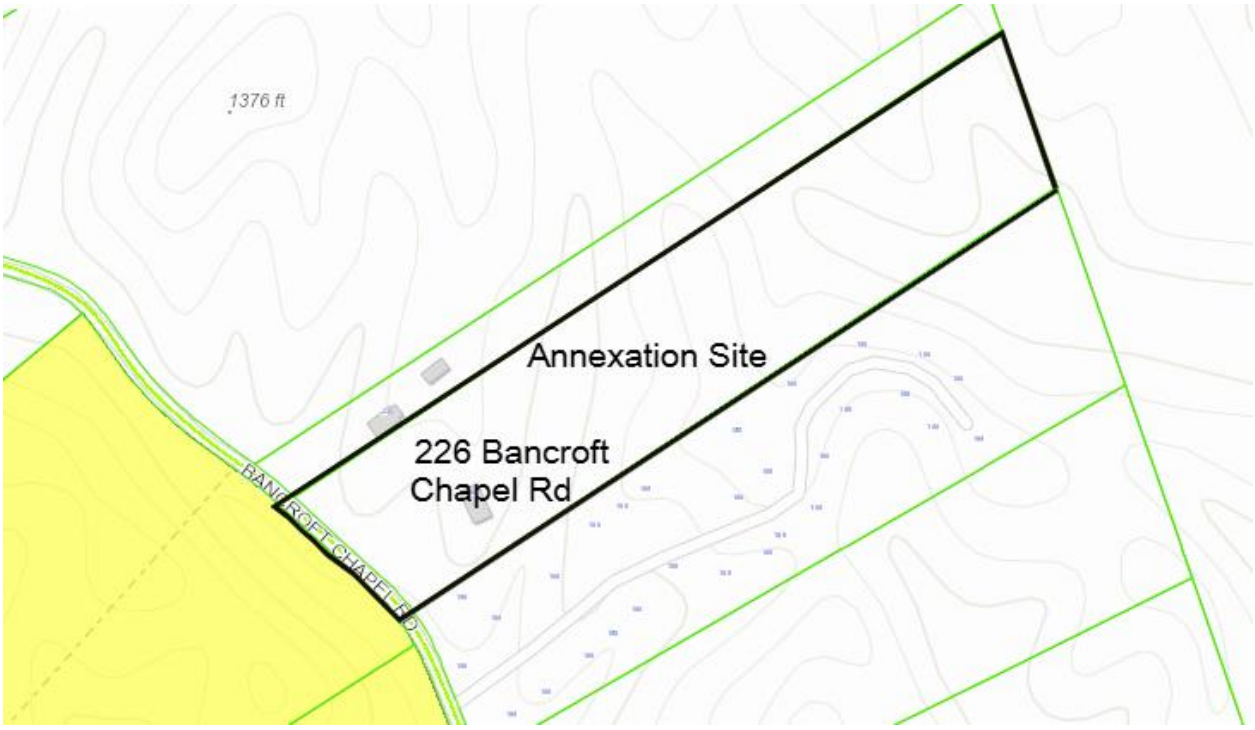
NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on September 16, 2025 to consider the annexation, zoning, and plan of services for the property defined as Sullivan County Tax Maps 032J and 032I, Parcel 0149.00 along Bancroft Chapel Road. The regular business meeting will begin at 7:00 p.m. in the Montgomery-Watterson Boardroom, located on the third floor of City Hall, 415 Broad Street, Kingsport, Tennessee.

The property proposed for annexation and rezoning is generally described as follows:

> BEGINNING at a point, said point being the northern corner of Tax Map 032J, Parcel 149; thence in a southwesterly direction, approximately 1,550 feet to a point, said point being the western most corner of parcel 149 in common with the eastern right-of-way of Bancroft Chapel Road; thence in a southwesterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the western right-of-way boundary of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a southeasterly direction, following the western right-of-way of Bancroft Chapel Road, approximately 300 feet to a point, said point lying along the western right-of-way of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a northeasterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the boundary of Bancroft Chapel Road in common with the southern corner of parcel 149; thence in a northeasterly direction, approximately 1,410 feet to a point, said point being the northern corner of parcel 148; thence in northwesterly direction, approximately 300 feet to the point of BEGINNING, and being all of Tax Maps 032J and 032I, parcel 149, as well as approximately 300 feet of Bancroft Chapel Road as shown on the November 2020 Sullivan County Tax Maps.

All interested persons are invited to attend this meeting and public hearing. A detailed map, annexation resolution, and plan of services resolution is on file in the offices of the City Clerk, Kingsport Chamber of Commerce, Kingsport Public Library, and in the territory that is proposed for annexation for inspection. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division of the Development Services Department, telephone 423-229-9368.

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
Angela Marshall, Deputy City Clerk
PIT: 8/25/2025

RESOLUTION NO._____

A RESOLUTION TO ANNEX CERTAIN TERRITORY UPON WRITTEN CONSENT OF THE OWNERS, ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 10th CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE BANCROFT CHAPEL ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS RESOLUTION

WHEREAS, a public hearing before the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, was held on the 16th day of September 2025, and notice thereof published in the Kingsport Times-News on the 25th day of August 2025; and

WHEREAS, the Board of Mayor and Aldermen finds that the annexation will materially benefit the health, safety, and welfare of the citizens and property owners of the city and the territory annexed; and

WHEREAS, the annexation of such property is deemed necessary for the welfare of the residents and property owners thereof and the city as a whole; and

WHEREAS, pursuant to *Tenn. Code Ann*. § 6-51-104(a) the property owners of the affected territory have requested annexation of their property by the City of Kingsport by submitting written consent signed by the property owners to the city; and

WHEREAS, a plan of services for this area was adopted by resolution on the 16th day of September 2025, as required by *Tenn. Code Ann*. § 6-51-102, *et seq*.

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

SECTION I. Pursuant to the authority conferred by Tennessee Code Annotated §6-51-102 *et seq*. and upon written consent signed by the property owners in the affected territory submitted to the city there is hereby annexed to the City of Kingsport, Tennessee, and incorporated within the corporate boundaries thereof, the following described territory adjoining the present corporate boundaries: embracing that certain part of Civil District No. 10 of Sullivan County, Tennessee, and more fully described to-wit:

BEGINNING at a point, said point being the northern corner of Tax Map 032J, Parcel 149; thence in a southwesterly direction, approximately 1,550 feet to a point, said point being the western most corner of parcel 149 in common with the eastern right-of-way of Bancroft Chapel Road; thence in a southwesterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the western right-of-way boundary of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a southeasterly direction, following the western right-of-way of Bancroft Chapel Road, approximately 300 feet to a point, said point lying along the western

right-of-way of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a northeasterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the boundary of Bancroft Chapel Road in common with the southern corner of parcel 149; thence in a northeasterly direction, approximately 1,410 feet to a point, said point being the northern corner of parcel 148; thence in northwesterly direction, approximately 300 feet to the point of BEGINNING, and being all of Tax Maps 032J and 032I, parcel 149, as well as approximately 300 feet of Bancroft Chapel Road as shown on the November 2020 Sullivan County Tax Maps.

SECTION II. That this resolution shall take effect thirty (30) days from and after the date of its adoption, the public welfare of the citizens of Kingsport, Tennessee requiring it.

ADOPTED this the 16th day of September 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

RESOLUTION NO. ____

A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE BANCROFT CHAPEL ANNEXATION OF THE CITY OF KINGSPORT, TENNESSEE

WHEREAS, before any territories may be annexed under Tennessee Code Annotated §6-51-102, the governing body shall have previously adopted a plan of services setting forth the identification and timing of municipal services; and

WHEREAS, before any such plan of services shall have been adopted, it must have been submitted to the local planning commission for study and a written report; and

WHEREAS, a plan of services for the proposed Bancroft Chapel annexation was submitted to the Kingsport Regional Planning Commission on July 17, 2025, for its consideration and a written report; and

WHEREAS, prior to the adoption of a plan of services, the City shall hold a public hearing; and

WHEREAS, a public hearing was held September 16, 2025; and

WHEREAS, notice of the time and place of the public hearing shall be published in a newspaper of general circulation in the municipality a minimum of twenty-one (21) days prior to the hearing; and

WHEREAS, notice of the time and place of the public hearing was published in the Kingsport Times-News on August 25, 2025; and

WHEREAS, the City of Kingsport, pursuant to the provisions of Tennessee Code Annotated, §6-51-102 has endeavored to annex a portion of the 10th Civil District of Sullivan County, Tennessee, commonly known as the Bancroft Chapel Annexation, said area being bounded and further described as follows:

> BEGINNING at a point, said point being the northern corner of Tax Map 032J, Parcel 149; thence in a southwesterly direction, approximately 1,550 feet to a point, said point being the western most corner of parcel 149 in common with the eastern right-of-way of Bancroft Chapel Road; thence in a southwesterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the western right-of-way boundary of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a southeasterly direction, following the western right-of-way of Bancroft Chapel Road, approximately 300 feet to a point, said point lying along the western right-of-way of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a northeasterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the boundary of Bancroft Chapel Road in common with the southern corner of parcel 149;

thence in a northeasterly direction, approximately 1,410 feet to a point, said point being the northern corner of parcel 148; thence in northwesterly direction, approximately 300 feet to the point of BEGINNING, and being all of Tax Maps 032J and 032I, parcel 149, as well as approximately 300 feet of Bancroft Chapel Road as shown on the November 2020 Sullivan County Tax Maps.

AND WHEREAS, the City of Kingsport deems it advisable to adopt a Plan of Services for the proposed annexation area. Now, therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF KINGSPORT, TENNESSEE, AS FOLLOWS:

SECTION I. That a Plan of Services for the Bancroft Chapel Annexation as bounded and described above is hereby adopted, subject to an enactment of an annexation resolution for the annexation area, the said Plan of Services to be as follows:

Bancroft Chapel Annexation
Plan of Services

1. **Police Protection**

A. On the date of annexation, the Kingsport Police Department will respond to all calls for service for police protection, including criminal calls, traffic accidents and traffic related occurrences, and other prevention and interdiction calls for service.

B. Effective with annexation, all resources currently available within the Kingsport Police Department will become available to the citizens of the area. The Kingsport Police Department has an authorized accredited force of 119 police officers and approximately 43 civilian personnel to provide services 24-hours per day, 365 days a year.

C. The Kingsport Police Department is accredited with the Commission on Accreditation for Law Enforcement Agencies and has met 363 mandatory and 54 other-than mandatory standards in order to attain this status. Kingsport Police Department was only the third accredited department in the State of Tennessee and the first in northeast Tennessee.

D. When needed, the Kingsport Police Department will hire additional police officers to provide more response to annexed areas. The officers will undergo approximately 500 hours of basic recruit training before being certified as a police officer. Upon completion of the classroom training, the officers will undergo approximately 696 hours of field officer training where they will work and be trained by designated training officers.

E. The Kingsport Police Department will provide upon request crime prevention programs, traffic safety education programs and drug education/awareness programs to the citizens of the area. Additional programs include department personnel to address groups on law enforcement topics or concerns, home and business security checks and establishing and maintaining neighborhood watch programs.

F. The Kingsport Police Department currently maintains an approximate 3 minute and 7 second average response time to emergency and urgent calls within the corporate limits.

2. Fire Protection

A. On the operative date of annexation, the City of Kingsport will answer all calls for service for fire, disaster, hazardous materials, special rescue and medical first responder. The Kingsport Fire Department goes beyond the basic fire services required of a City Government.

B. Free fire safety inspections will be available upon request on the effective date of annexation.

C. All structures must be brought into compliance with the City-wide smoke detector ordinance within thirty (30) days of the effective date of annexation. This is strictly to provide residents with the best fire protection service available.

D. The City of Kingsport Fire Department has a Hazardous Materials Response Team, which has state-of-the-art equipment to handle all calls of an emergency nature dealing with incidents relating to hazardous chemicals. The department also has a Technical Rescue Team that has specialized rescue capabilities and equipment for all types of hazards.

E. The City of Kingsport Fire Department provides First Responder emergency medical services to all life-threatening medical emergencies resulting from serious illness or injury. We provide advanced life support (paramedics) for victims until ambulance service arrives for transport.

3. Water

The annexation area is served with public water by Bloomingdale Utility.

4. Electricity

Electric service in this area is currently under the jurisdiction of American Electric Power and is currently available.

5. Sanitary Sewer

A. City of Kingsport sanitary sewer will be installed and extended to the property within five (5) years after the effective date of annexation. Citizens in the annexed territory will be responsible and required to obtain a sewer-tap from the City of Kingsport before connection to the sanitary sewer system.

B. Sanitary sewer fees are based on usage of water and are direct reflection of the amount of water used by the resident.

C. The City of Kingsport operates and maintains a 12.4 MGD wastewater treatment plant, 100 sewer lift stations and approximately 550 miles of sanitary sewer collection lines to provide sewer service to our customers.

D. The City of Kingsport Wastewater Treatment Plant continually invests in improvements to provide a reliable and dependable infrastructure.

E. The wastewater treatment plant is staffed with State Certified Operators 24 hours a day, 365 days a year. Treatment plant operators exceed State of Tennessee training requirements, and the Wastewater Treatment Plant is the recipient of multiple operations excellence awards.

F. The Sewer Collection Division is managed with a professional staff who are members of key professional organizations such as: Water Environment Federation, Tennessee Association of Utility Districts, National Society of Professional Engineers, American Society of Civil Engineers. Several key members of the staff also hold certificates and licenses in the operations of a collection system in the State of Tennessee.

6. Solid Waste Disposal

Sanitation garbage (routine household refuse), trash (grass clippings, tree trimmings, bulky items), and access to recycling centers will be provided to the annexed area on the same basis as that received by properties located within the existing City Limits. Collection will begin within thirty (30) days following the effective date of annexation. Members of the collection crews receive ongoing training in their fields. The City of Kingsport also owns and operates a demolition landfill that residents can use for a fee. That landfill is supervised by a SWANA certified Manager of Landfill Operations. This supervisor also holds other certifications from SWANA and TDEC.

7. Public Road/Street Construction & Repair

A. Emergency and routine maintenance of any future streets and street signs, pavement markings and other traffic control devices will begin on the operative date of annexation and once constructed and accepted by the City. Emergency pothole repairs are generally made within 24 hours of notification. Crews are available on a 24 hour basis for major emergency call-outs.

B. Cleaning of streets of snow and ice clearing on future City streets will begin on the operative date of annexation and once constructed and accepted on the same basis as now provided within the present City limits. This includes major thoroughfares, State highways and emergency route to hospitals as first priority, with secondary/collector streets and finally residential streets in that order as priority II. Snow removal crews receive yearly training to help keep them up to date with changes in procedures and techniques. Snow removal crews also respond on a 24 hour emergency call in basis.

C. Future streets affected by utility construction will be repaired as soon as possible after the utility construction is completed.

D. Routine Right of Way maintenance on any future city streets will also be provided on the effective date of annexation and once constructed and accepted. Tasks include Mowing, Tree Maintenance and Weed Control by certified personnel as needed to respond to routine maintenance requests and emergencies.

E. The Streets and Sanitation Division is managed and supervised by a professional staff who are members in good standing of several Professional Organizations such as the Tennessee Chapter of the American Public Works Association, the national chapter of the American Public Works Association, the Volunteer Chapter of the Solid Waste Association of North America, the national chapter of the Solid Waste Association of North America, the Tennessee Urban Forestry Council, the

Tennessee Nursery and Landscape Association, National Arbor Day Association, Tennessee Vegetation Management Association, and the Keep Kingsport Beautiful Council. The staff receives ongoing training through these Professional Organizations. Members of the staff are active in their respective organizations. Members of the staff also serve as trainers and instructors for various training venues.

8. Recreational Facilities

A. Residents of the annexed area may use existing City recreational facilities, programs, parks, etc. on the effective date of annexation at City rates rather than out of City rates.

B. Residents of the annexed area may use all existing library facilities and will be exempt from the non-residential fee on the effective date of annexation.

C. Residents of the annexed area (50 years or older) will be eligible to use the Senior Citizens Center with no non-residential fees and with transportation provided on the effective date of annexation.

D. The Department of Parks and Recreation has more than 4,800 acres of city-owned land to provide parks and recreation programs to all our citizens. The amenities and programs offered by many of the parks and recreation areas through the Leisure Services Department include playing fields for baseball and softball, basketball courts, play grounds, volley ball, tennis courts, a skate park and concession areas and restrooms to serve these facilities. Other amenities offered include General meeting areas, multi-function areas, Community Centers, senior programs, Theater and Cultural Arts programs. Many of the parks have walking and hiking trails and Bays Mountain, the City's largest park, includes animal habitats, a farm area, camping sites, and a Planetarium.

9. Street Lighting

At the request of the annexation area owner/applicant, street lights will not be installed along Bancroft Chapel Road.

10. Zoning Services

A. The area will be zoned City of Kingsport R-1C (Residential District)

B. The Kingsport Regional Planning Commission is the comprehensive planning agency and administers zoning and land subdivision regulations for the City of Kingsport as provided in State law. The Kingsport Regional Planning Commission consists of nine (9) commissioners appointed by the Mayor of the City of Kingsport.

C. The Kingsport Regional Planning Commission will exercise planning and zoning activities for the area being annexed upon the operative date of annexation.

D. Appeals to the Zoning regulations are heard by the Board of Zoning Appeals and variances are granted if the request meets the criteria established for granting variances under Tennessee Code Annotated.

11. <u>Schools</u>

A. Upon annexation, children currently attending County schools will be allowed to attend City of Kingsport schools or remain in County schools per the prevailing County policy at the time.

B. Tuition paid by non-city residents now attending City schools will cease upon the effective date of annexation and those students may continue to attend City schools without charge until graduation.

The previous sections are titled and listed in the order prescribed by Tennessee Code Annotated 6-51-102(b) (2). The following sections are provided by the City of Kingsport in addition to the minimum requirements.

---

12. <u>Inspection Services</u>

All inspection services now provided by the City on a fee basis (building, electrical, plumbing, gas, housing, sanitation, etc.) will begin in the annexed area on the effective date of annexation. A free safety inspection of plumbing vents will be required at the time sewer connections are made to make sure that proper protection is available to prevent sewer gas from entering houses.

13. Animal Control

Animal control service equivalent to that presently provided within the City will be extended to the annexed area on the effective date of annexation.

14. Storm Sewers

Maintenance of existing storm sewer systems within the public ROW is provided on an as needed basis. Response to emergency storm drainage calls is also provided on a 24 hour call in basis.

15. Leaf Removal

The City will collect loose leaves with the vacuum truck between October 15 and January 15, and it will be provided to the annexation area on the same basis as it is currently provided to other City residents beginning on the effective date of annexation. Bagged leaves are collected year round. Leaves are transported to the City's Demolition Landfill where they are composted and used as an amendment to existing dirt stockpiles. This enhanced dirt is then used on City Projects for backfill and topsoil applications.

16. Graffiti Control

The City's graffiti control program, which is aimed at eliminating graffiti on public rights-of-way such as bridge abutments, street signs, railroad underpasses, and the like, will be extended to the area on the effective date of annexation. It is provided on an "as needed/on call" basis. Response time for "offensive" graffiti removal is generally within 48 hours.

17. Other Services

All other services not classified under the foregoing headings such as Executive, Judicial, Legal, Personnel, Risk Management, Fleet Maintenance, Finance and Administration and other support services will be available upon the effective date of annexation.

SECTION II. This Resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 16th day of September 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGLEA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

RESOLUTION NO. _____

A RESOLUTION APPROVING A DEVELOPER AGREEMENT WITH MICHAEL BARE FOR THE INSTALLATION OF SEWER INFRASTRUCTURE FOR THE BANCROFT CHAPEL ROAD DEVELOPMENT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, Mr. Michael Bare (Developer) has requested annexation of approximately 10 acres located at 226 Bancroft Chapel Road and being more particularly described as Tax Parcel ID No. 032 149.00 in Sullivan County, Tennessee; and

WHEREAS, Developer intends to develop a 45 lot single family subdivision on said property; and

WHEREAS, while the site is currently served by a public water utility there is no sanitary sewer service available, which would need to be extended approximately 1,300 feet from its current terminus near the intersection of Bancroft Chapel Road and East Stone Drive; and

WHEREAS, the cost to extend the sanitary sewer to the property is estimated to be $375,000.00; and

WHEREAS, as this sanitary sewer extension is necessitated by Developer's requested annexation and development of the aforementioned property, Developer has agreed to provide surety to secure the city's costs in extending the sanitary sewer in proportion to the nature and extent of the impact of the development on the city; and

WHEREAS, the amount of surety will be reduced in proportion with the number of residential units issued a certificate of occupancy with the development to be completed within five years unless otherwise agreed to between Developer and city.

Now therefore,

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

SECTION I. That the Subdivision Development Agreement for Utilities with Michael Bare for the provisions of sanitary sewer infrastructure to service his property along Bancroft Chapel Road, 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, Subdivision Development Agreement for Utilities with Michael Bare 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:

SUBDIVISION DEVELOPMENT AGREEMENT
FOR UTILITIES

This Subdivision Development Agreement (hereinafter Agreement) is entered into this ___ day of _____, 2025 by and between _____ (hereinafter Developer) and The City of Kingsport, Tennessee (hereinafter City) relative to the construction of necessary public infrastructure improvements directly related to an approved development more fully described herein.

WITNESSETH:

WHEREAS, Developer is the owner of real property situated along Bancroft Chapel Road in the 10th Civil District of Sullivan County, Tennessee as evidenced by a Warranty Deed recorded in Deed Book 3623, Pages 1485 – 1488 and which is more fully described therein, bearing Tax Parcel ID No. 032 149.00; and

WHEREAS, Developer desires to develop the property as a residential subdivision and in conjunction therewith requested its annexation into the corporate limits of City; and

WHEREAS, Developer's owner requested annexation of the property was approved by the board of mayor and aldermen via Ordinance Number _____; and

WHEREAS, Developers development plan provides for 40 units of single-family housing (hereinafter the Project); and

WHEREAS, the Development Plan for the Project was approved by the City of Kingsport Regional Planning Commission on the _____ day of _____, 2025 pursuant to *Tennessee Code Annotated Title 13, Chapter 3* and the Subdivision Regulations of the City of Kingsport (hereinafter Sub-Regs); and

WHEREAS, in order to provide for the health, safety, and welfare of future residents of the Project, it will be necessary for certain improvements to the City's public infrastructure, including but not limited to its utility system, within and to serve the Project; and

WHEREAS, in addition to those improvements required to be made pursuant to the Sub-Regs this project will require the extension of public sewer to the Project, the site for which is not currently being served as it lies outside of the corporate limits of City; and

WHEREAS, Developer has agreed to not only make those improvements required in the Sub-Regs but to also reimburse City for its costs in extending the necessary sanitary sewer infrastructure to service the Project in accordance with the terms and conditions set forth herein; and

WHEREAS, as City's Utility Division is statutorily required to be self-sustaining its rates, fees, and charges need be necessary so that public works projects be and remain self-sustaining to include costs of operation and maintenance of public works infrastructure; and

WHEREAS, the development of a sufficient number of residential housing units is necessary for the city to recoup through sufficient rates, fees, and charges funds to cover expenses of installation, operation, and maintenance of the sewer lateral main as well as other related infrastructure.

NOW THEREFORE, for good and adequate consideration the sufficiency and exchange of which is hereby acknowledged, Developer and City agree as follows.

1. **INFRASTRUCTURE TO BE CONSTRUCTED:** The parties acknowledge and agree the current site of the Project is not served by sanitary sewer and that based upon surrounding properties there is no immediately foreseeable need for public sewer service to be extended from its nearest terminus to the vicinity of the site. Developer shall therefore be responsible as follows:

a. The necessary sanitary sewer main must be extended roughly 1,300 linear feet from its current terminus at manhole 1741 situated northerly from the intersection of Bancroft Chapel Road and United States Highway 11-W.

b. City reasonably estimates based upon current market prices and its construction standards the cost for the installation of the aforementioned sanitary sewer to be $375,000.

c. Based upon the Project plans Developer will construct 40 single-family units which will provide sufficient service demands to adequately provide for the recoupment of City's cost for the extension of the sanitary sewer main line.

d. For every single-family unit less than the number of units specified on the approved subdivision plans Developer shall pay to City the sum of $9,331.2 for each residential unit constructed less than 40. By way of example, should Developer only construct 39 single-family residential units it shall pay to the City $9,331.20.

2. **DEVELOPER TO PROVIDE SURETY:** Developer agrees to provide surety as follows:

a. To secure through a letter of credit or other acceptable surety as approved by City and as payable to City, sufficient surety for the cost of the sanitary sewer main infrastructure in the amount of $375,000 to be held by City as security until final approval is issued for the Development. (hereinafter Surety).

b. Said Surety shall be provided to City within 5 business days of a contract being let by the board of mayor and aldermen for the construction of the sanitary sewer main.

c. The Surety shall be valid for a minimum period of 5 years with an additional redemption period of six months for City to initiate, if necessary, the collection on the Surety.

d. City will permit Developer to reduce the amount of surety for every ten residential units completed in an amount equal to the pro rata share for each residential unit set forth in Section 1. d. hereinabove. For purposes of this subsection 2.d. a residential unit shall be deemed completed upon the installation and approval of a sewer tap for the residential unit.

e. Upon completion of the Development with the requisite number of residential units and City's approval of the Development and acceptance of all necessary infrastructure accepted, the Surety shall be returned to Developer.

f. If within 5 years of execution of this Agreement Developer shall fail to complete the Development or fails to construct the requisite number of residential units City shall have, at its sole decision the option to either:

i. Pursuant to an amended agreement, extend the Surety on a year-by-year basis to allow for the completion of the Development or construction of the requisite number of residential units; or

ii. Collect the full amount of the Surety for use by City. Should City elect to collect the full amount of the Surety, City shall be allowed to utilize the funds from the Surety to recoup its costs for the installation of the sanitary sewer main or to complete the installation or construction of any other necessary infrastructure within the Development.

g. Upon recoupment of City's costs or completion of necessary work any remaining Surety funds shall be reimbursed to the Developer or indemnitor which paid out the funds.

3. **EASEMENTS:** Developer agrees to execute any easements and/or rights-of-way reasonably required by City in order to perform the work contemplated by this Agreement or otherwise necessary for public infrastructure within the Development or to provide future maintenance on said work within the Development after the work is completed. Said easements will be provided by Developer to City at no cost and shall be made whenever in City's discretion such is deemed necessary, even before City commences any work contemplated by this Agreement. City and Developer agree that City may need further easements and/or rights-of-way that allow for the extension of public infrastructure within the Development. City and Developer agree to negotiate in good faith to allow City to acquire further easements from Developer to extend public infrastructure to adjoining properties in the future.

4. **DEVELOPER'S STIPULATION TO AN ESSENTIAL NEXUS WITH GOVERNMENTAL INTEREST AND PROPORTIONALITY OF PAYMENT TO THE EXTENT OF IMPACT BY THE DEVELOPMENT:** DEVELOPER UNDERSTANDS, AGREES, AND STIPULATES THAT THE SITE OF THE DEVELOPMENT WAS NOT CONTAINED WITHIN THE CORPORATE LIMITS OF THE CITY PRIOR TO DEVELOPER'S REQUEST FOR ANNEXATION. AS SUCH THE SITE WAS NOT SERVED BY CITY SANITARY SEWER SERVICE AND THE ONLY NEED FOR THE EXTENSION OF SANITARY SEWER SERVICE IS THE PROJECT UNDERTAKEN BY DEVELOPER. FURTHERMORE, CITY IS REQUIRED BASED ON THE PUBLIC HEALTH, SAFETY, AND WELFARE TO PROVIDE RESIDENTS OF CITY WITH SANITARY SEWER SERVICE WHICH IS A LEGITIMATE LOCAL GOVERNMENTAL INTEREST. DEVELOPER HAS VOLUNTARILY AGREED TO THE ALLOCATION OF COST FOR THE EXTENSION OF SANITARY SEWER AS PROVIDED FOR IN THIS AGREEMENT AS AN INDUCEMENT TO CITY TO ANNEX THE PROPERTY UPON WHICH THE PROJECT WILL BE SITUATED, AS CITY IS NOT LEGALLY REQUIRED TO ANNEX SAID PROPERTY. AS SUCH, DEVELOPER UNDERSTANDS, AGREES, AND STIPULATES THAT THERE IS AN ESSENTIAL NEXUS BETWEEN THE PAYMENT BY IT PURSUANT TO THIS AGREEMENT WITH A LOCAL GOVERNMENTAL INTEREST AND THE PAYMENT IS PROPORTIONAL IN BOTH NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT. TO THE EXTENT NOT PROHIBITED BY LAW, DEVELOPER WAIVES ANY RIGHT TO CHALLENGE THE ESSENTIAL NEXUS BETWEEN THE PAYMENT REQUIRED HEREIN WITH THE LOCAL GOVERNMENTAL INTEREST OR THE PROPORTIONALITY OF THE PAYMENT. TO THE EXTENT SUCH CLAIM IS DEEMED UNWAIVABLE, THIS PROVISION SHALL BE CONSTRUED AS DEVELOPER'S ADMISSION AND STIPULATION THAT AN ESSENTIAL NEXUS EXISTS BETWEEN THE REQUIRED PAYMENT AND A GOVERNMENTAL INTEREST AND THAT SAID PAYMENT IS PROPORTIONATE TO THE IMPACT OF THE DEVELOPMENT.

5. **DEFAULT BY DEVELOPER AND TERMINATION:** If through any cause, the Developer shall fail to fulfill in timely and proper manner Developer's obligations under this Agreement, become insolvent, or if Developer shall violate any of the covenants, agreements or stipulations of this Agreement, City shall deliver written notice of the same to Developer and if such failure or violation is not cured within ten days thereafter (or such longer period of time as is reasonably necessary so long as Developer begins to cure such failure or violation within such ten-day period and thereafter

diligently pursues the same to completion), City shall thereupon have the right to terminate this Agreement by giving at least five days prior written notice of such termination, specifying the effective date thereof. If City elects to terminate under this provision, City shall have the right to collect on the Surety as provided for herein even if the time for completion has not yet expired.

6. **DEFAULT BY CITY AND TERMINATION:** If through any cause City shall fail to fulfill in timely and proper manner City's obligations under this Agreement, or if City shall violate any of the covenants, agreements or stipulations of this Agreement, the Developer shall deliver written notice of the same to City and if such failure or violation is not cured within ten days thereafter (or such longer period of time as is reasonably necessary so long as City begins to cure such failure or violation with such ten-day period and thereafter diligently pursues the same to completion), the Developer shall thereupon have the right to terminate this Agreement by giving at least five days prior written notice of such termination, specifying the effective date thereof. If developer elects to terminate under this provision, Developer shall be responsible to City for all actual costs in the completion of the sanitary sewer main. Termination of this Agreement shall be the sole and exclusive remedy for any default by City under this Agreement.

7. **SOVEREIGN IMMUNITY:** In no event shall any language or requirement in this Agreement be construed as or constitute a waiver or limitation of City's defenses with regard to sovereign immunity, governmental immunity, or official immunity under federal or state constitutions, statutes, and/or laws.

8. **JURISDICTION AND VENUE:** This Agreement shall be taken and deemed to have been fully executed and made by the Parties herein and governed by the laws of the State of Tennessee for all purposes and intents. Venue under this Agreement or any disputes that come from it shall be in the law court at Kingsport, Tennessee or United States District Court for the Eastern District of Tennessee, Northeastern Division. Further, Developer and City waive any right to a trial by jury.

9. **DISPUTE:** In the event that City is the prevailing party in any litigation arising out of or relating to this Agreement, City shall be entitled to all reasonably attorneys' fees and expenses incurred.

10. **LIABILITY:** Nothing in this Agreement shall be construed to create any liability on behalf of City for any direct, special, indirect, liquidated, or consequential damages.

11. **TRANSFERABILITY:** Developer agrees to not transfer the property on which the Development is to be located without first providing City with written notice. Any transferee shall enter into an assumption agreement with City accepting the terms and conditions set forth herein to include the provision of adequate surety for the costs of extending the sanitary sewer main line. Developer understands and agrees that if Developer transfers the property without notifying City and ensuring transferee enters into an assumption agreement such shall constitute a breach of this Agreement and City may enforce any of its rights hereunder including but not limited to executing on the surety provided. Developer shall be permitted to transfer any subdivided lots upon which a single-family residential unit has been constructed and for which a certificate of occupancy issued by the Building Division of the City of Kingsport.

12. **NO PRESUMPTION AGAINST DRAFTER:** This Agreement shall not be construed for or against any party because that party or that party's legal representative drafted any of its provisions. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the draftsman. For purposes of interpreting this Agreement City and Developer are of equal strength and sophistication with regards to the subject matter of the Agreement and bargaining power. No inferences shall be drawn from the fact that the final, duly executed Agreement differs in any respect from any previous draft hereof.

13. **SEVERABILITY:** Should any part, section, paragraph, sentence, or clause of this agreement be deemed unenforceable or unconstitutional by a court of competent jurisdiction the remainder of the agreement shall remain valid and of full force and effect.

14. **AMENDMENT:** Unilateral modification or amendment of the Agreement by Vendor is prohibited and any provision permitting such by Vendor is not applicable to City. Any amendment or modification of the Agreement or this Addendum is binding only if it is in writing and properly executed by the signatures of authorized representatives of the parties hereto, including attestation by City's city recorder and approved as to form by City's city attorney.

[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 16th day of September, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

SUBDIVISION DELOPMENT AGREEMENT
FOR UTILITIES

This Subdivision Development Agreement (hereinafter Agreement) is entered into this ___ day of _____, 2025 by and between _____ (hereinafter Developer) and The City of Kingsport, Tennessee (hereinafter City) relative to the construction of necessary public infrastructure improvements directly related to an approved development more fully described herein.

WITNESSETH:

WHEREAS, Developer is the owner of real property situated along Bancroft Chapel Road in the 10th Civil District of Sullivan County, Tennessee as evidenced by a Warranty Deed recorded in Deed Book 3623, Pages 1485 – 1488 and which is more fully described therein, bearing Tax Parcel ID No. 032 149.00; and

WHEREAS, Developer desires to develop the property as a residential subdivision and in conjunction therewith requested its annexation into the corporate limits of City; and

WHEREAS, Developer's owner requested annexation of the property was approved by the board of mayor and aldermen via Ordinance Number _____; and

WHEREAS, Developers development plan provides for 40 units of single-family housing (hereinafter the Project); and

WHEREAS, the Development Plan for the Project was approved by the City of Kingsport Regional Planning Commission on the _____ day of _____, 2025 pursuant to *Tennessee Code Annotated Title 13, Chapter 3* and the Subdivision Regulations of the City of Kingsport (hereinafter Sub-Regs); and

WHEREAS, in order to provide for the health, safety, and welfare of future residents of the Project, it will be necessary for certain improvements to the City's public infrastructure, including but not limited to its utility system, within and to serve the Project; and

WHEREAS, in addition to those improvements required to be made pursuant to the Sub-Regs this project will require the extension of public sewer to the Project, the site for which is not currently being served as it lies outside of the corporate limits of City; and

WHEREAS, Developer has agreed to not only make those improvements required in the Sub-Regs but to also reimburse City for its costs in extending the necessary sanitary sewer infrastructure to service the Project in accordance with the terms and conditions set forth herein; and

WHEREAS, as City's Utility Division is statutorily required to be self-sustaining its rates, fees, and charges need be necessary so that public works projects be and remain self-sustaining to include costs of operation and maintenance of public works infrastructure; and

WHEREAS, the development of a sufficient number of residential housing units is necessary for the city to recoup through sufficient rates, fees, and charges funds to cover expenses of installation, operation, and maintenance of the sewer lateral main as well as other related infrastructure.

NOW THEREFORE, for good and adequate consideration the sufficiency and exchange of which is hereby acknowledged, Developer and City agree as follows.

1. **INFRASTRUCTURE TO BE CONSTRUCTED:** The parties acknowledge and agree the current site of the Project is not served by sanitary sewer and that based upon surrounding properties there is no immediately foreseeable need for public sewer service to be extended from its nearest terminus to the vicinity of the site. Developer shall therefore be responsible as follows:

a. The necessary sanitary sewer main must be extended roughly 1,300 linear feet from its current terminus at manhole 1741 situated northerly from the intersection of Bancroft Chapel Road and United States Highway 11-W.

b. City reasonably estimates based upon current market prices and its construction standards the cost for the installation of the aforementioned sanitary sewer to be $375,000.

c. Based upon the Project plans Developer will construct 40 single-family units which will provide sufficient service demands to adequately provide for the recoupment of City's cost for the extension of the sanitary sewer main line.

d. For every single-family unit less than the number of units specified on the approved subdivision plans Developer shall pay to City the sum of $9,331.2 for each residential unit constructed less than 40. By way of example, should Developer only construct 39 single-family residential units it shall pay to the City $9,331.20.

2. **DEVELOPER TO PROVIDE SURETY:** Developer agrees to provide surety as follows:

a. To secure through a letter of credit or other acceptable surety as approved by City and as payable to City, sufficient surety for the cost of the sanitary sewer main infrastructure in the amount of $375,000 to be held by City as security until final approval is issued for the Development. (hereinafter Surety).

b. Said Surety shall be provided to City within 5 business days of a contract being let by the board of mayor and aldermen for the construction of the sanitary sewer main.

c. The Surety shall be valid for a minimum period of 5 years with an additional redemption period of six months for City to initiate, if necessary, the collection on the Surety.

d. City will permit Developer to reduce the amount of surety for every ten residential units completed in an amount equal to the pro rata share for each residential unit set forth in Section 1. d. hereinabove. For purposes of this subsection 2.d. a residential unit shall be deemed completed upon the installation and approval of a sewer tap for the residential unit.

e. Upon completion of the Development with the requisite number of residential units and City's approval of the Development and acceptance of all necessary infrastructure accepted, the Surety shall be returned to Developer.

f. If within 5 years of execution of this Agreement Developer shall fail to complete the Development or fails to construct the requisite number of residential units City shall have, at its sole decision the option to either:

i. Pursuant to an amended agreement, extend the Surety on a year-by-year basis to allow for the completion of the Development or construction of the requisite number of residential units; or

ii. Collect the full amount of the Surety for use by City. Should City elect to collect the full amount of the Surety, City shall be allowed to utilize the funds from the Surety to recoup its costs for the installation of the sanitary sewer main or to complete the installation or construction of any other necessary infrastructure within the Development.

g. Upon recoupment of City's costs or completion of necessary work any remaining Surety funds shall be reimbursed to the Developer or indemnitor which paid out the funds.

3. **EASEMENTS:** Developer agrees to execute any easements and/or rights-of-way reasonably required by City in order to perform the work contemplated by this Agreement or otherwise necessary for public infrastructure within the Development or to provide future maintenance on said work within the Development after the work is completed. Said easements will be provided by Developer to City at no cost and shall be made whenever in City's discretion such is deemed necessary, even before City commences any work contemplated by this Agreement. City and Developer agree that City may need further easements and/or rights-of-way that allow for the extension of public infrastructure within the Development. City and Developer agree to negotiate in good faith to allow City to acquire further easements from Developer to extend public infrastructure to adjoining properties in the future.

4. **DEVELOPER'S STIPULATION TO AN ESSENTIAL NEXUS WITH GOVERNMENTAL INTEREST AND PROPORTIONALITY OF PAYMENT TO THE EXTENT OF IMPACT BY THE DEVELOPMENT:** DEVELOPER UNDERSTANDS, AGREES, AND STIPULATES THAT THE SITE OF THE DEVELOPMENT WAS NOT CONTAINED WITHIN THE CORPORATE LIMITS OF THE CITY PRIOR TO DEVELOPER'S REQUEST FOR ANNEXATION. AS SUCH THE SITE WAS NOT SERVED BY CITY SANITARY SEWER SERVICE AND THE ONLY NEED FOR THE EXTENSION OF SANITARY SEWER SERVICE IS THE PROJECT UNDERTAKEN BY DEVELOPER. FURTHERMORE, CITY IS REQUIRED BASED ON THE PUBLIC HEALTH, SAFETY, AND WELFARE TO PROVIDE RESIDENTS OF CITY WITH SANITARY SEWER SERVICE WHICH IS A LEGITIMATE LOCAL GOVNERMNTAL INTEREST. DEVELOPER HAS VOLUNTARILY AGREED TO THE ALLOCATION OF COST FOR THE EXTENTION OF SANITARY SEWER AS PROVIDED FOR IN THIS AGREEMENT AS AN INDUCEMENT TO CITY TO ANNEX THE PROPERTY UPON WHICH THE PROJECT WILL BE SITUATED, AS CITY IS NOT LEGALLY REQUIRED TO ANNEX SAID PROPERTY. AS SUCH, DEVELOPER UNDERSTANDS, AGREES, AND STIPULATES THAT THERE IS AN ESSENTIAL NEXUS BETWEEN THE PAYMENT BY IT PURSUANT TO THIS AGREEMENT WITH A LOCAL GOVERNMENTAL INTEREST AND THE PAYMENT IS PROPORTIONAL IN BOTH NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT. TO THE EXTENT NOT PROHIBITED BY LAW, DEVELOPER WAIVES ANY RIGHT TO CHALLENGE THE ESSENTIAL NEXUS BETWEEN THE PAYMENT REQUIRED HEREIN WITH THE LOCAL GOVERNMENTAL INTEREST OR THE PROPORTIONALITY OF THE PAYMENT. TO THE EXTENT SUCH CLAIM IS DEEMED UNWAIVABLE, THIS PROVISION SHALL BE CONSTRUED AS DEVELOPER'S ADMISSION AND STIPULATION THAT AN ESSENTIAL NEXUS EXISTS BETWEEN THE REQUIRED PAYMENT AND A GOVERNMENTAL INTEREST AND THAT SAID PAYMENT IS PROPORTIONATE TO THE IMPACT OF THE DEVELOPMENT.

5. **DEFAULT BY DEVELOPER AND TERMINATION:** If through any cause, the Developer shall fail to fulfill in timely and proper manner Developer's obligations under this Agreement, become insolvent, or if Developer shall violate any of the covenants, agreements or stipulations of this Agreement, City shall deliver written notice of the same to Developer and if such failure or violation is not cured within ten days thereafter (or such longer period of time as is reasonably necessary so long as Developer begins to cure such failure or violation within such ten-day period and thereafter diligently pursues the same to completion), City shall thereupon have the right to terminate this Agreement by giving at least five days prior written notice of such termination, specifying the effective date thereof. If City elects to terminate under this provision, City shall have the right to collect on the Surety as provided for herein even if the time for completion has not yet expired.

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7. **SOVEREIGN IMMUNITY:** In no event shall any language or requirement in this Agreement be construed as or constitute a waiver or limitation of City's defenses with regard to sovereign immunity, governmental immunity, or official immunity under federal or state constitutions, statutes, and/or laws.

8. **JURISDICTION AND VENUE:** This Agreement shall be taken and deemed to have been fully executed and made by the Parties herein and governed by the laws of the State of Tennessee for all purposes and intents. Venue under this Agreement or any disputes that come from it shall be in the law court at Kingsport, Tennessee or United States District Court for the Eastern District of Tennessee, Northeastern Division. Further, Developer and City waive any right to a trial by jury.

9. **DISPUTE:** In the event that City is the prevailing party in any litigation arising out of or relating to this Agreement, City shall be entitled to all reasonably attorneys' fees and expenses incurred.

10. **LIABILITY:** Nothing in this Agreement shall be construed to create any liability on behalf of City for any direct, special, indirect, liquidated, or consequential damages.

11. **TRANSFERABILITY:** Developer agrees to not transfer the property on which the Development is to be located without first providing City with written notice. Any transferee shall enter into an assumption agreement with City accepting the terms and conditions set forth herein to include the provision of adequate surety for the costs of extending the sanitary sewer main line. Developer understands and agrees that if Developer transfers the property without notifying City and ensuring transferee enters into an assumption agreement such shall constitute a breach of this Agreement and City may enforce any of its rights hereunder including but not limited to executing on the surety provided. Developer shall be permitted to transfer any subdivided lots upon which a single-

family residential unit has been constructed and for which a certificate of occupancy issued by the Building Division of the City of Kingsport.

12. **NO PRESUMPTION AGAINST DRAFTER:** This Agreement shall not be construed for or against any party because that party or that party's legal representative drafted any of its provisions. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the draftsman. For purposes of interpreting this Agreement City and Developer are of equal strength and sophistication with regards to the subject matter of the Agreement and bargaining power. No inferences shall be drawn from the fact that the final, duly executed Agreement differs in any respect from any previous draft hereof.

13. **SEVERABILITY:** Should any part, section, paragraph, sentence, or clause of this agreement be deemed unenforceable or unconstitutional by a court of competent jurisdiction the remainder of the agreement shall remain valid and of full force and effect.

14. **AMENDMENT:** Unilateral modification or amendment of the Agreement by Vendor is prohibited and any provision permitting such by Vendor is not applicable to City. Any amendment or modification of the Agreement or this Addendum is binding only if it is in writing and properly executed by the signatures of authorized representatives of the parties hereto, including attestation by City's city recorder and approved as to form by City's city attorney.

Michael Bare

Signature

Printed Name

Date

City of Kingsport, Tennessee

Paul W. Montgomery, Mayor

Date

Attest:

Angela Marshall, Deputy City Recorder

Approved as to form:

Rodney B. Rowlett, III, City Attorney

BANCROFT CHAPEL ANNEXATION SUPPLEMENTAL INFORMATION

In November 2024, Michael Bare requested annexation of his property at 226 Bancroft Chapel Rd.

- This property is not currently served by public sanitary sewer.
- To serve this property adequately with sanitary sewer we need to extend the sewer line about 1,300 ft. from the existing system on Bancroft Chapel Rd.

The cost to extend this sewer is estimated at $375,000. The development is planned to have 40-45 homes when fully developed.

- Our anticipated annual sewer revenue per lot is $583.20.
- Using this revenue estimate over 16 years for a reasonable break even period, each new residence would provide $9,331.20 in sewer revenue.

The agreement requires the developer to build at least 40 homes within 5 years, ensuring we receive adequate revenue to cover our costs.

- If fewer than 40 homes are completed, the developer must pay us back for any missing units.
- The developer would need to provide surety for the full estimated cost of construction for a minimum period of 5 years to reimburse the city in case of default.

PRE-FILED
CITY RECORDER

ORDINANCE NO._____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED BANCROFT CHAPEL ROAD FROM COUNTY R-1, LOW DENSITY/SINGLE-FAMILY RESIDENTIAL DISTRICT, TO R-1C, RESIDENTIAL DISTRICT IN THE 10TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property located along Bancroft Chapel Road from County R-1, Low Density/Single-Family Residential District to R-1C, Residential District in the 10th Civil District of Sullivan County; said area to be rezoned being further and more particularly described as follows:

BEGINNING at a point, said point being the northern corner of Tax Map 032J, Parcel 149; thence in a southwesterly direction, approximately 1,550 feet to a point, said point being the western most corner of parcel 149 in common with the eastern right-of-way of Bancroft Chapel Road; thence in a southwesterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the western right-of-way boundary of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a southeasterly direction, following the western right-of-way of Bancroft Chapel Road, approximately 300 feet to a point, said point lying along the western right-of-way of Bancroft Chapel Road in common with the eastern boundary of parcel 15.20; thence in a northeasterly direction, crossing the right-of-way of Bancroft Chapel Road, approximately 30 feet to a point, said point lying on the boundary of Bancroft Chapel Road in common with the southern corner of parcel 149; thence in a northeasterly direction, approximately 1,410 feet to a point, said point being the northern corner of parcel 148; thence in northwesterly direction, approximately 300 feet to the point of BEGINNING, and being all of Tax Maps 032J and 032I, parcel 149, as well as approximately 300 feet of Bancroft Chapel Road as shown on the November 2020 Sullivan County Tax Maps.

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

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

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Kingsport Regional Planning Commission

Annexation Report **File Number ANNEX24-0278**

Property Information	Bancroft Chapel Annexation		
Address	226 Bancroft Chapel Road		
Tax Map, Group, Parcel	a portion of Tax Map 032, Parcel 149.00		
Civil District	10th		
Overlay District	None		
Land Use Plan Designation	Multi-Family		
Acres	10 +/-		
Existing Use	Vacant with existing storage building	**Existing Zoning**	County R-1
Proposed Use	Single Family	**Proposed Zoning**	R-1C

Owner Information	**Owner Information**
Name: Michael Bare **Address: PO Box 3821** **City: Kingsport** **State: TN** **Zip Code:37664** **Email: Mike@BDM-Construction.com** **Phone Number: 423-930-3150**	

Planning Department Recommendation

RECOMMENDATION: APPROVAL to recommend the Annexation, Zoning, and Plan of Services to the BMA

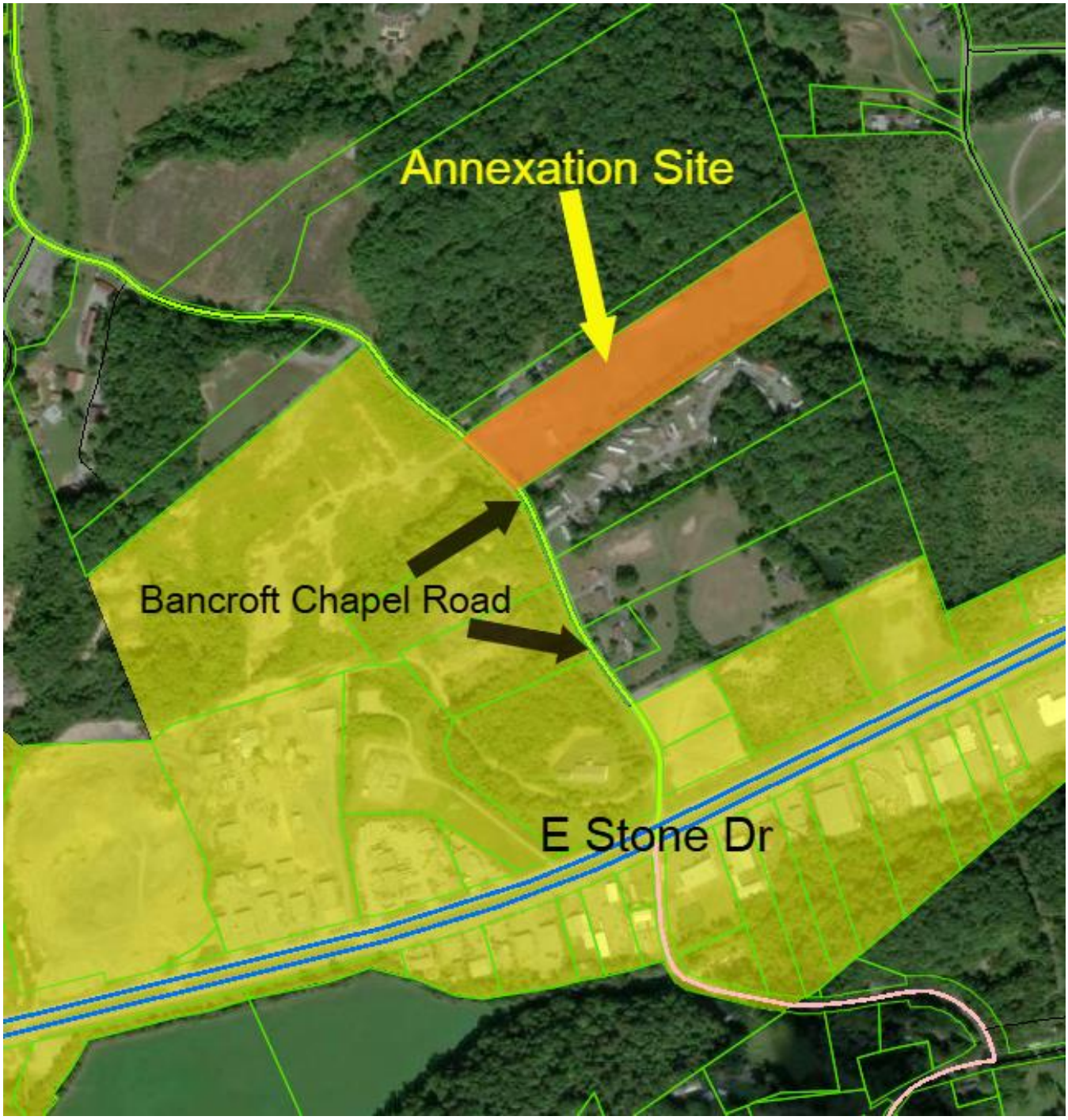
The Kingsport Planning Division recommends approval for the following reasons:

- *The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.*
- *It is reasonably necessary for the welfare of the residents and property owners of the affected territory.*
- *The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the area.*
- *Annexation spurs economic growth by providing basic services at a reasonable cost and allows those costs to be spread fairly to all who enjoy those services.*
- *It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.*

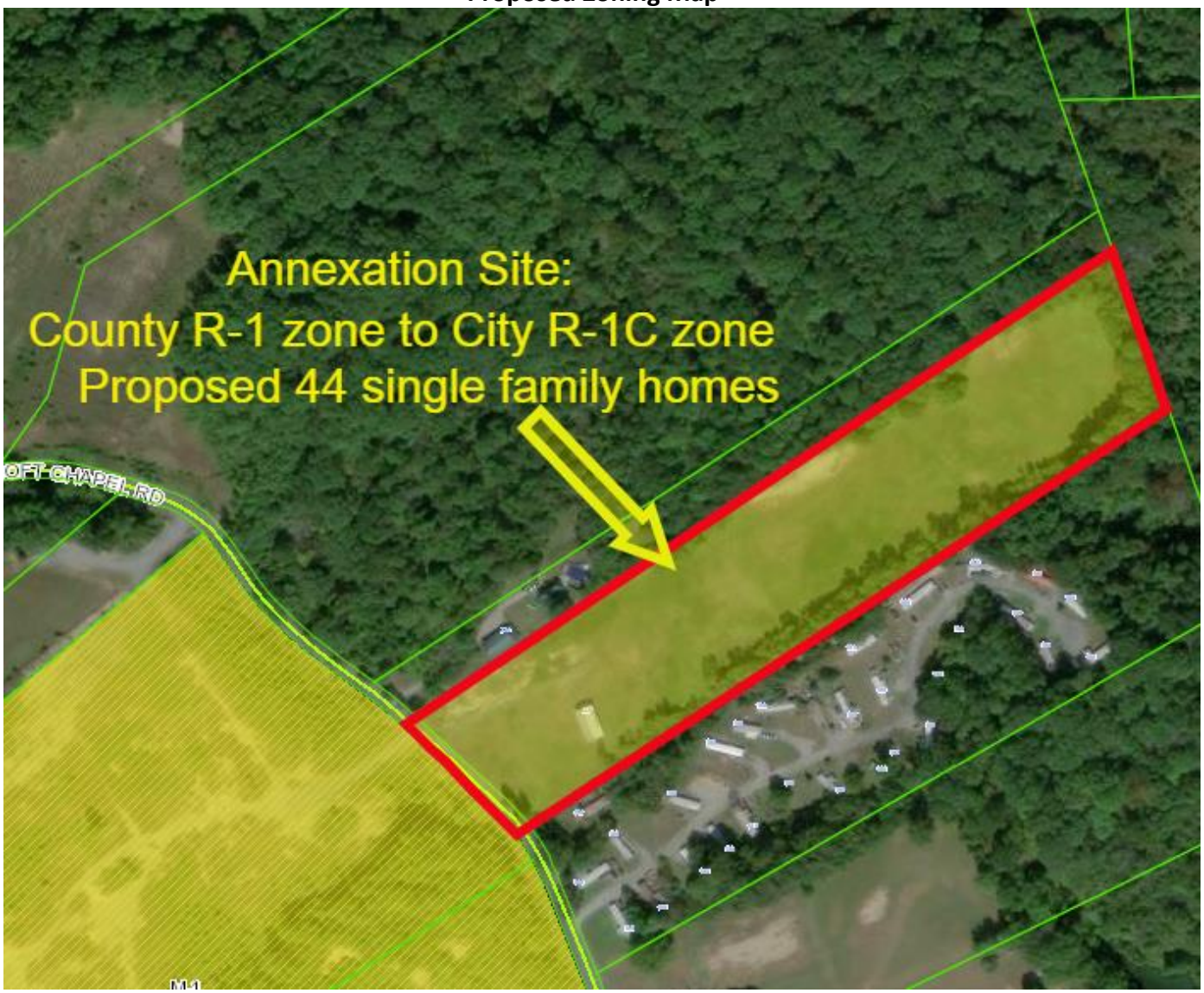
Staff Field Notes and General Comments: This is a property owner-requested annexation of approximately 10 acres into the city to be developed for single family residential use. The owner/developer of the property desires to build a 45 lot, single family subdivision on the property. The annexation area includes the 10 acres of private property (226 Bancroft Chapel Rd) as well as approximately 300 feet of Bancroft Chapel Road. Water is adequate to serve the development and is served at this site by Bloomingdale Utility. Sanitary sewer does not currently serve the site and must be extended approximately 1,300 feet from the vicinity of E Stone Drive. City Water Services has estimated the cost of the extension to be approximately $375,000. Water Services and Planning Staff are working with the City Attorney to draft a developer's agreement to ensure an appropriate rate of return for the sanitary sewer fund.

Planner:	Ken Weems	Date:	July 1, 2025
Planning Commission Action		**Meeting Date:**	**July 17, 2025**

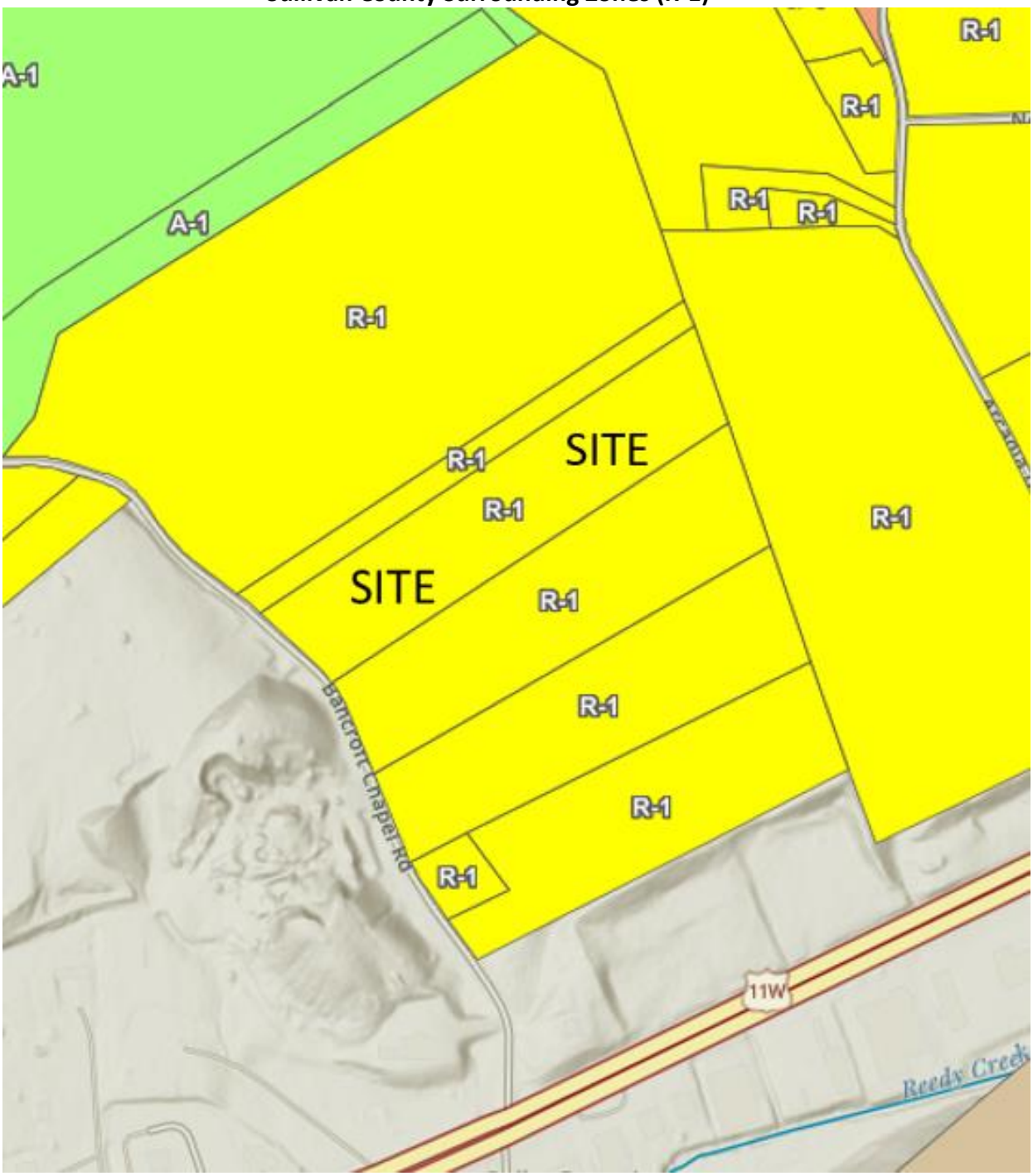
Location Map



Proposed Zoning Map



Sullivan County Surrounding Zones (R-1)



View of Bancroft Chapel Road from Site (Toward E Stone Drive)

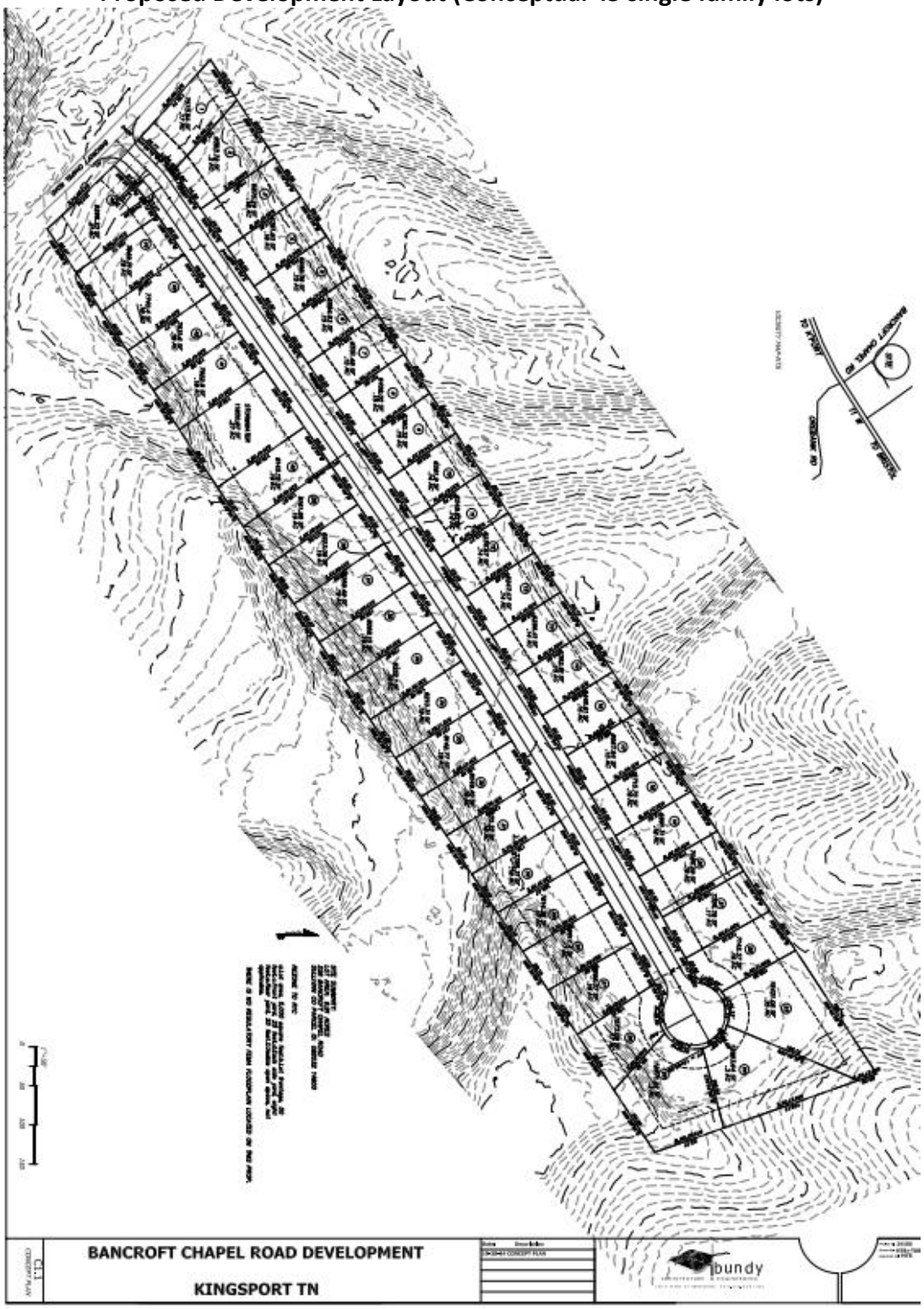
Southern View from Site

Eastern View (Toward Rear of Site)

Northern View from Site

View of Sole Structure on Site (Empty Building to be Razed)

Proposed Development Layout (Conceptual 45 single family lots)



CONCLUSION

The Kingsport Planning Division recommends sending a favorable recommendation to the Board of Mayor and Alderman for the annexation, zoning, and Plan of Services for the Bancroft Chapel Annexation based on the following reasons:

- *The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.*
- *It is reasonably necessary for the welfare of the residents and property owners of the affected territory.*
- *The City of Kingsport already provides services to the properties in this area.*
- *Annexation spurs economic growth by providing basic services at a reasonable cost and allows those costs to be spread fairly to all who enjoy those services.*
- *It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.*

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

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

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-265-2025	Final Adoption:	October 7, 2025
Work Session:	September 15, 2025	Staff Work By:	David Frye
First Reading:	September 16, 2025	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Ordinance.

Executive Summary:
If approved, $369,884 will be appropriated from funds received from Ballad Health ($4,500), the Niswonger Foundation ($115,384), and Medicaid reimbursements ($150,000).

The donation from Ballad Health, of $4,500, will be used to create a reset room at Jackson Elementary School. The reset room will aid in positive mental health and stress reduction for staff and students. Similar reset rooms have been created at Seiver and Robinson Middle Schools.

The funding of $115,384 from the Niswonger Foundation is for the Project On Track tutoring program. This is a high-dosage/low ratio tutoring program for students who are struggling in the mastery of grade level academic skills and standards.

Kingsport City Schools is contracting with Steller Therapy Services to assist with participation in a Medicaid reimbursement program. This program allows Kingsport City Schools to receive Medicaid reimbursements for medical services provided to students that qualify for TN Care. For the 2024-25 school year there was $72,524 received of which Steller Therapy Services receives 30% for their fee, which results in a net amount to Kingsport City Schools of $52,167. It is anticipated that a similar amount will be generated during the 2025-26 school year. The majority of these funds will be allocated to the KCS health services program.

The Board of Education approved this budget amendment at their meeting on September 12, 2025.

Attachments:
1. Ordinance
2. BOE Budget Amendment Number Two – General Purpose School Funds FY26

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

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

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

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

SECTION I. The General Purpose School Fund will be amended by increasing the estimated revenue for Other Local Revenue by $269,884. The expenditure budget will be amended by increasing the appropriations for Jackson Capital Outlay by $4,500; by increasing the appropriations for Johnson, Kennedy, and Roosevelt Teacher Salaries and Benefits and Instructional Supplies and Materials account by $115,384; and by increasing the appropriations for Health Services Contracted Services, Supplies and Materials, and Equipment by $150,000.

Fund 141: General Purpose School Fund

Revenues:		**$**	**$**	**$**
141-0000-369-4990	Other Local Revenue	100,000	269,884	369,884
	Totals	**100,000**	**269,884**	**369,884**

Expenditures:		**$**	**$**	**$**
141-7615-871-0790	Jackson-Non-Inst Equip	13,686	4,500	18,186
141-7125-711-0116	Johnson-Teacher Salaries	1,942,700	26,300	1,969,000
141-7125-711-0201	Johnson-Social Security	131,000	1,631	132,631
141-7125-711-0204	Johnson-St Retirement	145,700	2,367	148,067
141-7125-711-0212	Johnson-Medicare	30,700	382	31,082
141-7125-711-0429	Johnson-Inst Supplies	27,873	300	28,173
141-7116-711-0116	Roosevelt-Teacher Salaries	1,284,200	43,200	1,327,400
141-7116-711-0201	Roosevelt-Social Security	82,900	2,679	85,579
141-7116-711-0204	Roosevelt-St Retirement	97,300	3,888	101,188
141-7116-711-0212	Roosevelt-Medicare	19,400	627	20,027
141-7116-711-0429	Roosevelt-Inst Supplies	12,276	300	12,576
141-7130-711-0116	Kennedy-Teacher Salaries	1,311,500	28,640	1,340,140
141-7130-711-0201	Kennedy-Social Security	84,900	1,776	86,676
141-7130-711-0204	Kennedy-St Retirement	100,800	2,578	103,378
141-7130-711-0212	Kennedy-Medicare	19,800	416	20,216
141-7130-711-0429	Kennedy-Inst Supplies	13,353	300	13,653
141-7250-772-0399	Health Ser-Contracted Ser	18,000	45,000	63,000
141-7250-772-0499	Health Ser-Other Supplies	2,000	50,000	52,000
141-7250-772-0735	Health Ser-Equipment	5,000	55,000	60,000
	Totals	**5,343,088**	**269,884**	**5,612,972**

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHAL, Deputy City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

September 9, 2025

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER TWO

GENERAL PURPOSE SCHOOL FUNDS

ITEM ONE: BALLAD HEALTH DONATION

Ballad Health is donating $4,500 to Kingsport City Schools to create a "Reset Room" at Jackson Elementary School. This project is to aid in positive mental health and stress reduction for students and teachers.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for Jackson Capital Outlay be increased by $4,500.

ITEM TWO: NISWONGER FOUDATION - PROJECT ON TRACK GRANT

Kingsport City Schools has received a Project on Track grant from the Niswonger Foundation for $115,384. These funds are to be used to provide a high dosage/low ratio literacy tutoring program for identified students at Johnson, Kennedy, and Roosevelt Elementary Schools.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for teacher salaries and benefits and Instructional Supplies and Materials be increased by $115,384.

ITEM THREE: MEDICAID REIMBURSEMENT

In FY 2025 we began a program to receive Medicaid reimbursements for medical services provided to students that qualify for TN Care. We are contracting with Steller Therapy Services to assist with these reimbursements. For the school year 2024-25 we have received $72,524 for these services. The contract with Steller Therapy Services requires a 30% fee for their services. The net amount available to Kingsport City Schools for the 2024-25 school year is $52,167. It is estimated that a similar amount will be generated during the 2025-26 school year. While the specific details of how theses funds will be spent has not been determined, it is anticipated that the majority will be programmed towards the health services program. In addition, there won't be any funds spent until the amount to be received is known and the funds are received.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for Health Services Contracted Services, Supplies and Equipment be increased by $150,000.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2026

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-261-2025	Final Adoption:	October 7, 2025
Work Session:	September 15, 2025	Staff Work By:	Morris
First Reading:	September 16, 2025	Presentation By:	Morris

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Budget Ordinance

Executive Summary:
If approved, the City of Kingsport will accept a reimbursement in the amount of $10,260 from Progressive for damages to the wayfinding sign at Wilcox/Lincoln to the General Fund and transfer it to the State Street Aid Fund for sign repairs. in the amount of $10,260 and by transferring $58,237 from the To Gen Proj-Special Revenue line (110-4804-481.70-35) to the To General Project Fund line (110-4804-481.70-36).

The General Projects-Special Revenue Fund is being amended by accepting a donation from Frederick Stewart Baggett in the amount of $4,000 to the K-9 Donation project (NC1808) to assist with the cost of maintaining the K-9 Unit of the Kingsport Police Department, by consolidating the Renaissance Center Improvements project and the Senior Center Improvement project and adding $116,061 from the Senior Center Advisory Board into the Senior Center Improvement project, and closing the Renaissance Center Improvements project. It also transfers $50,000 from the Building Demolition project to a new project for Tree Stump Grinding. It returns $58,237 to the General Fund from the Paramedic Training to be transferred to the General Projects Fund for use in the Fire Facilities/Capital project, which allows the Paramedic Training project to be closed, and the ordinance accepts an Arts Education-Community Learning grant from the Tennessee Arts Commission in the amount of $7,710 and creates the TAC Arts Ed project.

This ordinance also accepts a grant from the Tennessee Department of Transportation in the amount of $500,000 to the Pedestrian Bridge project in the General Projects Fund and accepts an Asset Management grant from the Tennessee Department of Environment and Conservation in the amount of $375,000 to the Hydrant Maintenance project, and accepts a $1,369 donation from the Bays Mountain Park Association into the Bays Mountain Park Commission Fund and transfers $1,300 to the Observation Tower project to replace decking at the tower.

Attachments:
1. Budget Ordinance
2. Ordinance Summary

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO.

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

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

SECTION I. That the General Fund be amended by accepting a reimbursement in the amount of $10,260 from Progressive for damages to the wayfinding sign at Wilcox/Lincoln to the Miscellaneous line (110-0000-368.99-00) and allocated to the To State Street Aid Fund line (110-4804-481.70-23) in the amount of $10,260 and by transferring $58,237 from the To Gen Proj-Special Revenue line (110-4804-481.70-35) to the To General Project Fund line (110-4804-481.70-36).

SECTION II. That the State Street Aid Fund be amended by increasing the From General Fund line (121-0000-391-01-00) by $10,260 and allocated to the Sign Parts & Supplies line (121-4024-461.30-26) in the amount of $10,260.

SECTION III. That the General Projects-Special Revenue Fund be amended by accepting a donation from Frederick Stewart Baggett in the amount of $4,000 to the K-9 Donation project (NC1808) to assist with the cost of maintaining the K-9 Unit of the Kingsport Police Department, by transferring $140,490 from the Renaissance Ctr Imp project (NC2244) to the Senior Center Improvement project (NC2218), by appropriating $116,061 from the Senior Center Advisory Board fund to the Senior Center Improvement project (NC2218), by transferring $50,000 from the Building Demolition project (NC2313) to the Tree Stump Grinding project (NC2602), by returning $58,237 to the General Fund from the Paramedic Training project (NC2321) for use in the Fire Facilities/Capital project (GP2208), by appropriating $1,300 from the Bays Mountain Park Commission Fund to the Observation Tower project (NC2415) and by accepting an Arts Education-Community Learning grant from the Tennessee Arts Commission in the amount of $7,710 to the TAC Arts Ed project (NC2603). Close NC2244 & NC2321.

SECTION IV. That the General Project Fund be amended by accepting a grant from the Tennessee Department of Transportation in the amount of $500,000 to the Pedestrian Bridge project (GP2108) and by appropriating $58,237 from the General Fund to the Fire Facilities/Capital project (GP2208).

SECTION V. That the Water Project Fund be amended by accepting an Asset Management grant from the Tennessee Department of Environment and Conservation in the amount of $375,000 to the Hydrant Maint project (WA2504).

SECTION VI. That the Bays Mountain Park Commission Fund be amended by accepting a donation from the Bays Mountain Park Association in the amount of $1,369 to the From Non-Profit Groups line (612-0000-364.30-00) and appropriating $69 to the Operating Supplies & Tool line (612-4530-473.30-20) and $1,300 to the To Gen Proj-Special Revenue line (612-4804-481.70-35).

SECTION VII. That the Senior Center Advisory Board Fund be amended by appropriating $116,061 from fund balance to the To General Projects-Special Revenue Fund line (616-4804-481.70-35).

General Fund: 110

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
110-0000-368.99-00 Miscellaneous	200,000	12,260	212,260
Total:	**200,000**	**12,260**	**212,260**
Expenditures:	**$**	**$**	**$**
110-4804-481.70-23 To State Street Aid Fund	1,295,700	12,260	1,307,960
110-4804-481.70-35 To Gen Proj-Spec Rev Fund	6,100,000	(58,237)	6,041,763
110-4804-481.70-36 To General Project Fund	0	58,237	58,237
Total:	**7,395,700**	**12,260**	**7,407,960**

State Street Aid Fund: 121

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
121-0000-391.01-00 From General Fund	1,295,700	10,260	1,305,960
Total:	**1,295,700**	**10,260**	**1,305,960**
Expenditures:	**$**	**$**	**$**
121-4024-461.30-26 Sign Parts & Supplies	60,000	10,260	70,260
Total:	**60,000**	**10,260**	**70,260**

General Projects-Special Revenue Fund: 111
K-9 Donation (NC1808)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-364.10-00 From Individuals	36,800	4,000	40,800
Total:	**36,800**	**4,000**	**40,800**
Expenditures:	**$**	**$**	**$**
111-0000-601.30-12 Food	2,000	0	2,000
111-0000-601.30-20 Operating Supplies & Tools	34,800	4,000	38,800
Total:	**36,800**	**4,000**	**40,800**

Renaissance Ctr Imp (NC2244)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-332.69-00 Miscellaneous Other State	100,000	(100,000)	0
111-0000-391.01-00 From General Fund	60,000	(40,490)	19,510
Total:	**160,000**	**(140,490)**	**19,510**
Expenditures:	**$**	**$**	**$**
111-0000-601.90-03 Improvements	160,000	**(140,490)**	19,510
Total:	**160,000**	**(140,490)**	**19,510**

Senior Center Improvements (NC2218)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-331.95-00 American Rescue Plan Act	189,398	0	189,398
111-0000-332.69-00 Miscellaneous Other State	0	100,000	100,000
111-0000-391.01-00 From General Fund	35,602	40,490	76,092
111-0000-391.65-00 From Sr Cit Ad Brd Fund	0	116,061	116,061
Total:	**225,000**	**256,551**	**481,551**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-22 Construction Contracts	200,000	212,718	412,718
111-0000-601.20-23 Arch/Eng/Landscaping Serv	0	8,591	8,591
111-0000-601.90-04 Equipment	25,000	35,242	60,242
Total:	**225,000**	**256,551**	**481,551**

Building Demolition (NC2313)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-391.01-00 From General Fund	1,759,643	(50,000)	1,709,643
Total:	**1,759,643**	**(50,000)**	**1,709,643**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-22 Construction Contracts	1,759,643	(61,790)	1,697,853
111-0000-601.20-23 Arch/Eng/Landscaping Serv	0	11,790	11,790
Total:	**1,759,643**	**(50,000)**	**1,709,643**

Tree Stump Grinding (NC2602)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
111-0000-391.01-00 From General Fund	0	50,000	50,000
Total:	**0**	**50,000**	**50,000**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-23 Arch/Eng/Landscaping Serv	0	50,000	50,000
Total:	**0**	**50,000**	**50,000**

Paramedic Training (NC2321)		**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-391.01-00 From General Fund		140,219	(58,237)	81,982
	Total:	**140,219**	**(58,237)**	**81,982**
Expenditures:		**$**	**$**	**$**
111-0000-601.10-10 Salaries & Wages		47,000	(22,790)	24,210
111-0000-601.10-11 Overtime		25,000	2,358	27,358
111-0000-601.10-20 Social Security		5,000	(1,213)	3,787
111-0000-601.10-30 Group Health Insurance		16,000	(7,724)	8,276
111-0000-601.10-42 TCRS Hybrid Retirement		6,000	(4,520)	1,480
111-0000-601.10-43 ICMA Retirement		0	2,977	2,977
111-0000-601.10-44 TCRS Stabilization %		0	504	504
111-0000-601.10-50 Life Insurance		0	65	65
111-0000-601.10-52 Long Term Disability Ins		0	70	70
111-0000-601.10-60 Workmen's Compensation		1,000	(433)	567
111-0000-601.10-61 Unemployment Insurance		0	6	6
111-0000-601.20-45 Training		40,219	(27,537)	12,682
	Total:	**140,219**	**(58,237)**	**81,982**

Observation Tower (NC2415)				
Account Number/Description:		**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-332.69-00 Miscellaneous Other State		100,000	0	100,000
111-0000-364.30-00 From Non-Profit Groups		61,725	0	61,725
111-0000-391.62-00 Bays Mtn Park Comm Fund		60,000	1,300	61,300
	Total:	**221,725**	**1,300**	**223,025**
Expenditures:		**$**	**$**	**$**
111-0000-601.90-03 Improvements		221,725	1,300	223,025
	Total:	**221,725**	**1,300**	**223,025**

TAC Arts Ed (NC2603)				
Account Number/Description:		**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-332.32-00 TN Arts Commission		0	7,710	7,710
	Total:	**0**	7,710	**7,710**
Expenditures:		**$**	**$**	**$**
111-0000-601.30-20 Operating Supplies & Tool		0	7,710	7,710
	Total:	**0**	7,710	**7,710**

General Project Fund: 311
Pedestrian Bridge (GP2108)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-332.95-00 TN Dept of Transportation	0	500,000	500,000
311-0000-368.10-55 Series 2017 A GO Bonds	16,308	0	16,308
311-0000-368.10-66 Series 2019 GO Improvment	64,145	0	64,145
311-0000-368.10-72 GO Bonds Series 2023	689,329	0	689,329
311-0000-368.21-01 Premium From Bond Sale	28,769	0	28,769
311-0000-391.01-00 From General Fund	7,000	0	7,000
Total:	**805,551**	**500,000**	**1,305,551**
Expenditures:	**$**	**$**	**$**
311-0000-601.20-22 Construction Contracts	716,308	500,000	1,216,308
311-0000-601.40-41 Bond Sale Expense	7,243	0	7,243
311-0000-601.90-03 Improvements	82,000	0	82,000
Total:	**805,551**	**500,000**	**1,305,551**

Fire Facilities/Capital (GP2208)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
311-0000-331.95-00 American Rescue Plan Act	4,955	0	4,955
311-0000-368.10-69 GO Bonds Series 2021	276,150	0	276,150
311-0000-368.21-01 Premium From Bond Sale	27,121	0	27,121
311-0000-391-01.00 From General Fund	40,924	58,237	99,161
Total:	**349,150**	**58,237**	**407,387**
Expenditures:	**$**	**$**	**$**
311-0000-601.40-41 Bond Sale Expense	3,271	0	3,271
311-0000-601.90-03 Improvements	345,879	8,237	354,116
311-0000-601.90-04 Equipment	0	50,000	50,000
Total:	**349,150**	**58,237**	**407,387**

Water Project Fund: 451
Hydrant Maintenance (WA2504)

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
451-0000-337.16-26 TDEC Asset Grant	0	375,000	375,000
451-0000-391.05-56 Series 2019 GO Improve	94,000	0	94,000
Total:	**94,000**	**375,000**	**469,000**
Expenditures:	**$**	**$**	**$**
451-0000-605.90-03 Improvements	94,000	375,000	469,000
Total:	**94,000**	**375,000**	**469,000**

Bays Mtn Pk Comm Fund: 612

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
612-0000-364.30-00 From Non-Profit Groups	0	1,369	1,369
Total:	**0**	**1,369**	**1,369**
Expenditures:	**$**	**$**	**$**
612-4530-473.30-20 Operating Supplies & Tool	40,000	69	40,069
612-4804-481.70-35 To Gen Proj-Special Rev	0	1,300	1,300
Total:	**40,000**	**1,369**	**41,369**

Senior Citizens Advisory Board Fund: 616

Account Number/Description:	Budget	Incr/(Decr)	New Budget
Revenues:	**$**	**$**	**$**
616-0000-392.01-00 Fund Balance Appropriations	1,400	116,061	117,461
Total:	**1,400**	**116,061**	**117,461**
Expenditures:	**$**	**$**	**$**
616-4804-481.70-35 To Gen Proj-Spec Rev Fund	0	116,061	116,061
Total:	**0**	**116,061**	**116,061**

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT III, City Attorney

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

CITY OF KINGSPORT
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER 3

ITEM ONE: Accepts a Reimbursement from Progressive Insurance Company for Damages

Accepts a reimbursement from Progressive Insurance Company for damages to the wayfinding sign at Wilcox/Lincoln to the General Fund and transfers it to the Signage Repairs line in the State Street Aid Fund.

ITEM TWO: Consolidates Fire Projects/Closes Fire Paramedic Training Project

In FY2021-2022, the City received ARPA funding from the Federal Government and ARPA Funds were put towards Paramedic Training. Paramedic Training is an annual operational expenditure and is typically funded by the General Fund and expensed in the Fire & Emergency Services Department. The Ordinance closes the Paramedic Training project and transfers the remaining funds to the Fire Facilities/Capital project in the General Project Fund.

ITEM THREE: Consolidates Renaissance/Senior Center Improvement projects/Closes Renaissance Improvement Project/Adds $116,061 from Senior Center Advisory Board

Future renovations at the Renaissance Center will be focused on the Senior Center portion of the building and consolidating the funds from the two projects will allow us to close the Renaissance Center Improvements project. An additional $116,061 is being added to the Senior Center Improvements project bring the total to $270,500 to be used for alterations at the Senior Center.

ITEM FOUR: Creates a project for Stump Grinding

Transfers $50,000 from the Building Demolition project to create a new project for Stump Grinding.

ITEM FIVE: Accepts a Grant from the Tennessee Arts Commission for Arts Education

Accepts the Arts Education-Community Learning Grant from the Tennessee Arts Commission in the amount of $7,710 into a project.

ITEM SIX: Accepts a Grant from the Tennessee Department of Transportation for the Pedestrian Bridge

Accepts a grant from the Tennessee Department of Transportation in the amount of $500,000 to the Pedestrian Bridge Project.

ITEM SEVEN: Accepts and Asset Management grant from the Tennessee Department of Environment and Conservation

Accepts and Asset Management grant from the Tennessee Department of Environment and Conservation in the amount of $375,000 to the Hydrant Maintenance project.

ITEM EIGHT: Accepts $1,369 from the Bays Mountain Park Association

Accepts $1,369 from the Bays Mountain Park Association to the Bays Mountain Park Commission Fund. $69 will be used to create a new informational sign at the park and $1,300 will be transferred to the Observation Tower project to replace decking at the tower.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning of Tax Map 105, Parcel 02.04 and a Portion of Parcel 02.20 Located along Blakley Drive from the R-1B, Residential District to A-1, Agricultural District.

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.: AF-227-2025
Work Session: August 18, 2025
First Reading: August 19, 2025

Final Adoption: September 16, 2025
Staff Work By: J. McMurray
Presentation By: Jessica McMurray

Strategic Focus Area: 5. Thriving Local Economy

Recommendation:
Approve the Ordinance

Executive Summary:
If approved, this owner-initiated request would **rezone approximately 8.32 acres along Blakley Drive** from the **R-1B, Residential District to the A-1, Agricultural District** for a private recreational area to house approximately 4 cabin/RV sites.

The proposed rezoning to A-1 is well-suited to the surrounding large-lot homes and open land. The use is low-impact and will not create significant noise, traffic, or visual disruption, thereby preserving the area's residential character. While the property could currently be developed for single-family homes under the existing zoning, the A-1 designation better supports the planned recreation use. Additionally, the proposal aligns with the land use plan's goal of maintaining a low-density, residential character, with single-family dwellings as a principal use in the A-1 zone.

Supporting documentation, including standards of review and potential uses within the A-1 zone, is provided in the supplementary information.

No opposition was received to this item.

During their July 2025 regular meeting, the Kingsport Regional Planning Commission **voted to send a positive recommendation** to the Board of Mayor and Aldermen in support of approving the rezoning request by a vote of 9-0.

The notice of public hearing was published on July 28, 2025.

Attachments:
1. Zoning Ordinance
2. Supplementary Information
3. Staff Report

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

PRE-FILED
CITY RECORDER

ORDINANCE NO._____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO REZONE PROPERTY LOCATED ALONG BLAKLEY DRIVE FROM THE R-1B, RESIDENTIAL DISTRICT TO A-1, AGRICULTURAL DISTRICT IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

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

Parcel 1:

To find the point of BEGINNING, commence at an iron pin in the northerly sideline of a county road known as Blakley Drive, corner for Tracts 9 and 10 of the Sara Ann Carroll property, and in the westerly sideline of a SO-foot private right-of-way, and go thence with the divisional line of Tracts 9 and 10, N. 50° 30'00" W. 262.38 feet to a point, and go thence N. 43° 22° 27" E., crossing the 50 foot private right-of-way, 50.11 feet to the northwesterly corner of the 1.109 acre Sara M. Ellis portion of Tract 10, the POINT OF BEGINNING; thence with a line crossing Tract 10, N. 43° 22' 27" E. 457.92 feet, more or less, to a point in the easterly line of Tract 10; thence with the easterly line of Tract 10, N. 50° 17' 19" E. (crossing an iron pin at 523.16 feet) a total distance of 987.00 feet to a point in the easterly sideline of a SO-foot right-of-way, at the point at which the width changes from 50 feet to 60 feet; thence with the easterly sideline of segments of said SO-foot right-of-way three courses as follows: S. 13 °31' 40" W. 286. 78 feet to a point, S. 02° 45' 19" E. 273.85 feet to a point, and S. 50° 30' 00" E. 646.32 feet, more or less, to the point of BEGINNING, and being a portion of the property conveyed to Herbert Hoover Hobbs by deed dated March 21, 1981, from Darrell Winegar and wife, Sara Lynn Winegar, of record in the Register's Office for Sullivan County at Blountville, Tennessee, in Deed Book 277-C, at page 348, and being all of the 3.346 acre parcel and a part of the 6.101 acre parcel of the former Darrell Winegar portion of Tract 10 of the Sara Ann Carroll property, as shown by plat dated March 16, 1981, prepared by Daniel L. Saxon, Surveyor.

Parcel 2:

To find the point of BEGINNING, begin at an iron pin on a county road known as Blakley Drive and southwesterly corner of Tract 10 of the Sarah Ann Carroll property and the northeasterly corner of Tract 9. Thence N. 50° 30' W., 262.38 feet to an iron pin and being the point of BEGINNING. Thence N. 50° 30' W., 190.57 feet to an iron pin. Thence N. 43°22' 27" E., 508.74 feet to an iron pin. Thence S. 50° 17'19 " E., 190.52 feet to an iron pin. Thence S. 43° 22 '27" W., 508.03 feet to the point of BEGINNING and containing 2.219 acres, more or less, as shown on survey by Freddie D. Alley, dated July 2, 1982.

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

PAUL W. MONTGOMERY
Mayor

ATTEST:

ANGELA MARSHALL
Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III
City Attorney

PASSED ON 1ST READING_____
PASSED ON 2ND READING_____

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of an Ordinance to Amend Zoning Chapter 114 by Adding Religious Assembly as a Principal Use in the M-1, M-1R, and MX Zoning Districts

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-231-2025	Final Adoption:	September 16, 2025
Work Session:	August 18, 2025	Staff Work By:	K. Weems
First Reading:	August 19, 2025	Presentation By:	K. Weems

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Ordinance

Executive Summary:
If approved, religious assembly will become a permitted use in the City's M-1, M-1R, and MX (Industrial and Mixed Use) Zoning Districts. Conducting research based upon the need of a local church representative, staff found that religious assembly use would have no adverse impact to existing or allowable uses in the M-1, M-1R, and MX zones. Anecdotally, staff visits to existing City M-1, M-1R, and MX zoning districts during typical Sunday service time frames revealed limited traffic and activity in these zones. Religious assembly is currently a permitted use in the City's general business zones and approved via special exception in the City's general residential zones. On July 17, the Kingsport Regional Planning Commission voted unanimously to recommend approval of the zoning text amendment to the Board of Mayor and Aldermen. To date, no public comment has been received on this item.

Attachments:
1. Notice of Public Hearing
2. Ordinance
3. Staff Report

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

PRE-FILED
CITY RECORDER

ORDINANCE NO._____

AN ORDINANCE AMENDING SECTION 114-197(b)3, SECTION 114-197(c), and SECTION 114-353(4) OF CHAPTER 114 OF THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, PERTAINING TO RELIGIOUS ASSEMBLY; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

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

SECTION I. That Section 114-197(b)3 Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and substituting in its place the following:

(3) Other industrial and manufacturing such as auto parts rebuilding, battery manufacturing; nondairy and nonfood product bottling plants; box and crate assembly; building materials sales; rental and storage yards; bag, carpet and rug cleaning and dyeing; cabinet shops; canneries; caterers; cooperages; crematories; dextrine and starch manufacturing; enameling, lacquering and japanning; felt manufacturing; electric foundry; furniture manufacturing; inflammable underground liquid storage; iron works (ornamental); laboratories (experimental, film or testing); lumber sales and lumberyard; nut and bolt manufacturing and wire drawing; parcel delivery stations; phonograph record manufacturing; public utility service yard; radium extraction; railway or truck terminal; stone monument works; tool manufacturing; vehicle storage yard; welding, other metal working shops, wholesaling, warehousing; breweries, craft breweries, wineries, distilleries; religious assembly.

SECTION II. That Section 114-197(c) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and substituting in its place the following:

(c) *Accessory uses.* Accessory uses which are accessory, incidental and subordinate to principal uses are permitted in the M-1 district as follows: on-site dwelling unit for caretaker; office, recreation and food service for employees; outdoor recreation associated with religious assembly; and incidental retailing of products manufactured on site.

SECTION III. That Section 114-353(4) Code of Ordinances, City of Kingsport, Tennessee is amended by deleting the existing text and substituting in its place the following:

(4) Public uses such as armories, auditoriums, meeting halls, coliseums, recreational facilities, stadiums, governmental uses, religious assembly, public parks and public or private utilities.

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.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

PASSED ON 1ST READING_____
PASSED ON 2ND READING_____

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for Various Funds in FY2025

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-232-2025
Work Session: August 18, 2025
First Reading: August 19, 2025

Final Adoption: September 16, 2025
Staff Work By: John Morris
Presentation By: John Morris

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Ordinance

Executive Summary:
If approved, the General Fund, General Projects-Special Revenue Fund, and the General Projects fund will be amended to transfer $10,100 from the Street Resurfacing project (NC2503) to the Bridge Improvements project (GP2403).

The General Projects-Special Revenue Fund will be amended by transferring $574 in donations from the Friends of the Library from the Parks ADA project (NC2207) to the Library Donation project (NC2514).

The Visitors Enhancement Fund will be amended by increasing the allocation from Fund Balance by $90,000 to help cover expenses in the Meadowview Fund.

The General Project Fund will also be amended by transferring the remaining $9,537 from the Cement Hill Pump Track project (GP2107) to the General Park Improvements project (GP2106) to clean up and close the Cement Hill Pump Track project. Closes GP2107.

The Senior Citizens Advisory Board will be amended by increasing the Trips line (616-0000-341.10-75) by $158,000 and by appropriating the $158,000 to the Senior Trips-Travel line (616-4524-472.20-48) to cover the expenses of Senior Center Trips.

The Retirees Health Insurance Fund will be amended by increasing the Stop Loss Refunds line (626-0000-368.72-35) by $1,105,626 and the From Fund Balance line (626-0000-392.01-00) by $829,959 for a total of $1,935,585 to be allocated to the Insurance Claims line (626-1704-413.51-00).

This ordinance primarily supports the Strategic Plan Focus Area of Efficient and Responsive Government however, parts of it touch almost every other Focus Area in the plan.

Attachments:
1. Budget Ordinance
2. Ordinance Summary

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO.

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

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

SECTION I. That the General Fund be amended by transferring $10,100 from the To Gen Proj-Special Rev line (110-4804-481.70-35) to the To General Project Fund line (110-4804-481.70-36) to be used for design work for upcoming bridge improvements.

SECTION II. That the General Projects-Special Revenue Fund be reduced by returning $10,100 from the Street Resurfacing project (NC2503) to the General Fund for use in the General Projects-Special Revenue Fund for design work for upcoming bridge improvements, and by transferring $574 from the Parks ADA project (NC2207) to the Library Donation project (NC2514).

SECTION III. That the Visitors Enhancement Fund be amended by increasing the From Fund Balance line (135-0000-392.01-00) by $90,000 and allocating the $90,000 to the To Meadowview Fund line (135-4804-481.70-26) to be used to cover expenses in the Meadowview Fund.

SECTION IV. That the General Project Fund be amended by appropriating $10,100 from the General Fund to the Bridge Improvements project (GP2403), and by transferring the remaining $9,537 from the Cement Hill Pump Track project (GP2107) to the General Park Improvements project (GP2106) to clean up and close the Cement Hill Pump Track project. Close GP2107.

SECTION V. That the Senior Center Advisory Board Fund be amended by increasing the Trips line (616-0000-341.10-75) by $158,000 and by appropriating the $158,000 to the Senior Trips-Travel line (616-4524-472.20-48) to cover the expense of Senior Center Trips.

SECTION VI. That the Retirees Health Insurance be amended by increasing the Stop Loss Refunds line (626-0000-368.72-35) by $1,105,626 and the From Fund Balance line (626-0000-392.01-00) by $829,959 for a total of $1,935,585 to be allocated to the Insurance Claims line (626-1704-413.51-00).

Fund 110: General Fund

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Expenditures:	**$**	**$**	**$**
110-4804-481.70-35 To Gen Proj-Special Rev	2,353,123	(10,100)	2,343,023
110-4804-481.70-36 To General Project Fund	7,158,117	10,100	7,168,217
Total:	**9,511,240**	**0**	**9,511,240**

Fund 111: General Proj-Special Revenue Fund

Streets Resurfacing (NC2503)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
111-0000-391.01-00 From General Fund	1,828,445	(10,100)	1,818,345
Total:	**1,828,445**	**(10,100)**	**1,818,345**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-22 Construction Contracts	1,790,774	(10,100)	1,780,674
111-0000-601.20-23 Arch/Eng/Landscaping Serv	37,671	0	37,671
Total:	**1,828,445**	**(10,100)**	**1,818,345**

Parks ADA (NC2207)

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
111-0000-364.30-00 Non-Profit Groups	574	(574)	0
111-0000-391.01-00 From General Fund	322,697	0	322,697
111-0000-391.69-00 Visitors Enhancement Fund	3,457	0	3,457
111-0000-391.62-00 Bays Mountain Commission	40	0	40
Total:	**326,768**	**(574)**	**326,194**
Expenditures:	**$**	**$**	**$**
111-0000-601.20-22 Construction Contracts	326,768	(574)	326,194
Total:	**326,768**	**(574)**	**326,194**

Library Donations (NC2510)	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
111-0000-364.10-00 From Individuals	8,000	0	8,000
111-0000-364.20-00 From Corporations	1,000	0	1,000
111-0000-364.30-00 From Non-Profit Groups	1,000	574	1,574
Total:	**10,000**	**574**	**10,574**
Expenditures:	**$**	**$**	**$**
111-0000-601.30-10 Office Supplies	1,000	0	1,000
111-0000-601.30-14 Computer Supplies	1,000	0	1,000
111-0000-601.30-20 Operating Supplies & Tools	8,000	574	8,574
Total:	**10,000**	**574**	**10,574**

Visitors Enhancement Fund: 135

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
135-0000-392.01-00 Fund Bal Appropriations		0	90,000	90,000
	Total:	**0**	**90,000**	**90,000**
Expenditures:		**$**	**$**	**$**
135-4804-481.70-26 To Meadowview Fund		0	90,000	90,000
	Total:	**0**	**90,000**	**90,000**

Fund 311: General Project Fund

Bridge Improvements (GP2403)		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
311-0000-368.10-72 GO Bonds Series 2023		567,062	0	567,062
311-0000-368.21-01 Premium From Bond Sale		14,146	0	14,146
311-0000-391-01.00 From General Fund		6,870	10,100	16,970
	Total:	**588,078**	**10,100**	**598,178**
Expenditures:		**$**	**$**	**$**
311-0000-601.20-22 Construction Contracts		581,870	0	581,870
311-0000-601.40-41 Bond Sale Expense		6,208	10,100	16,308
	Total:	**588,078**	**10,100**	**598,178**

Cement Hill (GP2107)		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
311-0000-391.01-00 From General Fund		57,962	(9,537)	48,425
	Total:	**57,962**	**(9,537)**	**48,425**
Expenditures:		**$**	**$**	**$**
311-0000-601.90-03 Improvements		57,962	(9,537)	48,425
	Total:	**57,962**	**(9,537)**	**48,425**

General Park Improvements (GP2106)

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
311-0000-364.20-00 From Corporations		2,000	0	2,000
311-0000-364.30-00 From Non-Profit Groups		13,000	0	13,000
311-0000-368.10-55 Series 2017 A GO Bonds		26,950	0	26,950
311-0000-368.10-66 Series 2019 GO Improvement		11,128	0	11,128
311-0000-368.21-01 Premium From Bond Sale		2,104	0	2,104
311-0000-391.01-00 From General Fund		107,277	9,537	116,814
311-0000-391.69-00 Visitor Enhancement Fund		5,824	0	5,824
	Total:	**168,283**	**9,537**	**177,820**
Expenditures:		**$**	**$**	**$**
311-0000-601.90-03 Improvements		168,283	9,537	177,820
	Total:	**168,283**	**9,537**	**177,820**

Senior Center Advisory Board Fund: 616

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
616-0000-341.10-75 Trips		275,000	158,000	433,000
	Total:	**275,000**	**158,000**	**433,000**
Expenditures:		**$**	**$**	**$**
616-4524-472.20-48 Senior Trips-Travel		338,185	158,000	496,185
	Total:	**338,185**	**158,000**	**496,185**

Retirees Health Insurance Fund: 626

Account Number/Description:		Budget	Incr/(Decr)	New Budget
Revenues:		**$**	**$**	**$**
626-0000-368.72-35 Stop Loss Refunds		0	1,105,626	1,105,626
626-0000-392.01-00 Fund Bal Appropriations			829,959	829,959
	Total:	**0**	**1,935,585**	**1,935,585**
Expenditures:		**$**	**$**	**$**
626-1704-413.51-00 Insurance Claims		1,200,000	1,935,585	3,135,585
	Total:	**1,200,000**	**1,935,585**	**3,135,585**

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT III, City Attorney

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

CITY OF KINGSPORT
FISCAL YEAR 2024-2025
BUDGET AMENDMENT NUMBER 27

ITEM ONE: Design for Upcoming Bridge Work

The General Fund, General Projects-Special Revenue Fund, and the General Projects are being amended to transfer $10,100 from the Street Resurfacing project to the Bridge Improvements project.

ITEM TWO: Reallocating Friends of the Library Donation

The General Projects-Special Revenue Fund is being amended by transferring $574 in donations from the Friends of the Library in the Parks ADA project to the Library Donation project.

ITEM THREE: Increase Visitors Enhancement Budget

The Visitors Enhancement Fund is being amended by allocating Fund balance to be appropriated to the Meadowview Fund.

ITEM FOUR: Close Cement Hill Pump Track Project

The General Project Fund is being amended by transferring the remaining $9,537 in the Cement Hill Pump Track Project to the General Park Improvements Project, so the Cement Hill Pump Track Project can be closed in FY2025.

ITEM FIVE: Increasing the Senior Citizens Advisory Board Budget

The Senior Citizens Advisory Board Fund will be increased by $158,000 to accept funds received for Senior Trips and allocated to cover the expenses of the trips.

ITEM SIX: Increasing the Retirees Health Insurance Fund Budget

The Retirees Health Insurance Budget will be amended by increasing the Stop Loss Refunds line by $1,105,626 and increasing the allocation From Fund Balance by $829,959 for a total of $1,935,585 to be allocated to the Insurance Claims line. FY2025 was an abnormal year for Retiree Health Insurance Claims. FY2026 will likely need mid-year increases in the contributions made to the fund. Staff is exploring options to increase funding and recommendations will be brought to the board in FY2026.

AGENDA ACTION FORM

Consideration of a Budget Adjustment Ordinance for the General Projects-Special Revenue Fund in FY2026

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-233-2025
Work Session: August 18, 2025
First Reading: August 19, 2025

Final Adoption: September 16, 2025
Staff Work By: John Morris
Presentation By: John Morris

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Budget Ordinance

Executive Summary:
If approved, the City of Kingsport, Tennessee can accept a donation from Coca Cola to the Coca Cola Project in the amount of $22,950 and appropriate it for future recreational expenditures within the City of Kingsport, Tennessee and, if approved, the City of Kingsport, Tennessee can accept a donation from Steven Harnsberger in the amount of $4,800 for the purchase K-9 Ballistic Vests for the canines serving in the K-9 unit of the Kingsport Police Department.

Staff recommends that the Board of Mayor and Aldermen of the City of Kingsport, Tennessee vote to approve the ordinance allowing the City of Kingsport, Tennessee to accept the above referenced donations into two separate projects in the General Projects-Special Revenue Fund, which have no deadline for expenditures. Approving this ordinance will provide funding for the Leisure Services Department of the City of Kingsport, Tennessee to fund improvements to recreational programming and to provide protective equipment for the safety of the canines in the K-9 unit of the Kingsport Police Department.

The ordinance touches several areas of the Strategic Plan to include Efficient & Responsive Government, but also Exceptional Cultural and Recreational Opportunities and Safe and Welcoming Community.

Attachments:
1. Budget Ordinance
2. Ordinance Summary

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO.

AN ORDINANCE TO AMEND THE GENERAL PROJECTS-SPECIAL REVENUE FUND BUDGET FOR THE YEAR ENDING JUNE 30, 2026; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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

SECTION I. That the General Projects-Special Revenue Fund be amended by accepting a donation from the Coca Cola Corporation in the amount of $22,950 to the Coca Cola project (NC1604) for recreational activities and by accepting a donation from Steven Harnsberger in the amount of $4,800 to the K-9 Donation project (NC1808) for the purchase of ballistic vests for the K-9 Unit.

Gen Proj-Special Rev Fund: 111
Coca Cola Appropriation (NC1604)

Account Number/Description:		**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-364.20-00 From Corporations		114,295	22,950	137,245
111-0000-391.01-00 From General Fund		14,123	0	14,123
	Total:	**128,418**	**22,950**	**151,368**
Expenditures:		**$**	**$**	**$**
111-0000-601.90-04 Equipment		128,418	22,950	151,368
	Total:	**128,418**	**22,950**	**151,368**

K-9 Donation (NC1808)

		Budget	**Incr/(Decr)**	**New Budget**
Revenues:		**$**	**$**	**$**
111-0000-364.10-00 From Individuals		32,000	4,800	36,800
	Total:	**32,000**	**4,800**	**36,800**
Expenditures:		**$**	**$**	**$**
111-0000-601.30-12 Food		2,000	0	2,000
111-0000-601.30-20 Operating Supplies & Tools		30,000	4,800	34,800
	Total:	**32,000**	**4,800**	**36,800**

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT III, City Attorney

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

CITY OF KINGSPORT
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER 2

ITEM ONE: Allocate Donation from Coca Cola for recreational expenditures

Accepts and allocates $22,950 received from the Coca Cola Corporation to the Coca Cola Project (NC1604) for recreational expenditures.

ITEM TWO: Accepts Donation for K-9 Ballistic Vests

Accepts and allocates $4,800 received from Steven Harnsberger to the K-9 Donation Project (NC1808) for the purchase of ballistic vests for the animals.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

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

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-230-2025	Final Adoption:	September 16, 2025
Work Session:	August 18, 2025	Staff Work By:	David Frye
First Reading:	August 19, 2025	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Ordinance

Executive Summary:
If approved, a donation from the "Melissa's Hope Foundation" will be accepted and utilized by John Sevier Middle School and Dobyns-Bennett High School to provide professional development, supplies and equipment to supplement their special education instruction, and School Special Projects Fund budget will be increased by $25,000.

Nathan Morton has made a $25,000 donation on behalf of his sister Melissa Foshee "Melissa's Hope Foundation". Similar donations were made in FY 2024 and FY 2025 for a total of $285,000.

The estimated revenue for Other Local Revenue and the appropriations for the Melissa's Hope project will be increased by $25,000.

The Board of Education approved this budget amendment at their meeting on August 12, 2025.

Attachments:
1. Ordinance
2. BOE Budget Amendment Number One – School Special Projects Fund – FY 2026

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO. ****

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

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

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

Account Number/Description:	**Budget**	**Incr/(Decr)**	**New Budget**
Revenues:	**$**	**$**	**$**
FRC026 Family Resource Center	10,000	0	10,000
HAG026 Homeless Assistance	10,000	0	10,000
KTIP26 Kingsport Truancy Intervention	53,720	0	53,720
PK5126 Pre-K Expansion Grant System-Wide	685,000	0	685,000
SEP026 State Special Ed Pre-School Grant	235,000	0	235,000
HOPE26 Melisa's Hope Grant	0	25,000	25,000
Transfer from General School Fund	140,000	0	140,000
Totals:	**1,133,720**	**25,000**	**1,158,720**

Expenditures:	**$**	**$**	**$**
Instruction	1,005,598	2,500	1,008,098
Support Services	128,122	17,500	145,622
Non-Instructional Services	0	0	0
Capital Outlay	0	5,000	5,000
Other	0	0	0
Totals:	**1,133,720**	**25,000**	**1,158,720**

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

APPROVED AS TO FORM:

_____
ANGELA MARSHALL, Deputy City Recorder

_____
RODNEY B. ROWLETT, III, City Attorney

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

August 12, 2025

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER ONE

SCHOOL SPECIAL PROJECTS FUND

John Sevier Middle School and Dobyns-Bennet High School have received donations of $12,500 each. Nathan Morton is making this $25,000 donation on behalf of his sister Melissa Foshee. There were similar donations made in FY 2024 and FY 2025 for a total of $285,000.

These funds will be utilized by Johns Sevier Middle School and Dobyns-Bennett High School to provide professional development, supplies and equipment to supplement their special education instruction.

A new project will be established to account for a donation from "Melissa's Hope Foundation". It is recommended that the estimated revenue for Other Local Revenue and the appropriations for salaries, benefits, supplies and materials, and equipment be increased by $25,000

AGENDA ACTION FORM

Consideration of an Ordinance to Amend the FY 2026 School General Purpose Fund and General Projects Fund Budgets to Fund the Washington Elementary School HVAC Replacement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-229-2025
Work Session: August 18, 2025
First Reading: August 19, 2025

Final Adoption: September 16, 2025
Staff Work By: David Frye
Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Ordinance

Executive Summary:
If approved, $2,675,000 will be appropriated from the School Fund Unreserved Fund Balance to fund the Washington Elementary School HVAC replacement and the School General Purpose Fund budget will be increased by $2,675,000.

A project for the replacement of the Washington HVAC system was approved in March 2025. Initial project funding was established for $240,000 to fund the architectural contract. The architect has provided an estimate of $2,500,000 for this work. In addition to the funding for the bid amount, there will need to be funding for a 6% contingency or $150,000 and it is recommended to add $25,000 for miscellaneous expenses such as state fire marshal inspections. This brings the additional funding required to $2,675,000.

The City will provide funding for this project when they sell bonds in early 2026. To meet the August 2026 completion, it is necessary to initially fund this project from the school system's Fund Balance and replace these funds when the bonds are sold. These funds will be transferred to the General Project Fund and added to the Washington HVAC replacement project to establish total project funding of $2,915,000.

Bids are scheduled to be opened on August 20, 2025, and the Board of Mayor and Aldermen bid approval is scheduled for September 16. We are anticipating that this project will be completed by the start of school in August of 2026.

The Board of Education approved this budget amendment at their meeting on August 12, 2025.

Attachments:
1. Ordinance
2. BOE Budget Amendment Number One – General Purpose School Funds FY26

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

PRE-FILED
CITY RECORDER

ORDINANCE NO. _____

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

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

SECTION I. The General Purpose School Fund will be amended by increasing the estimated revenue for Fund Balance Appropriations by $2,675,000. The expenditure budget will be amended by increasing the appropriations for Fund transfers by $2,675,000. The General Project Fund budget will be amended by increasing estimated revenue for Transfers from the School Fund and by increasing the appropriations for the Washington Elementary School HVAC Replacement project by $2,675,000.

Fund 141: General Purpose School Fund

Revenues:	**$**	**$**	**$**
141-0000-392-0100 Fund Balance Appropriations	4,135,526	2,675,000	6,810,526
Totals	**4,135,526**	**2,675,000**	**6,810,526**

Expenditures:	**$**	**$**	**$**
141-7950-881-0590 Fund Transfers	205,000	2,675,000	2,880,000
Totals	**205,000**	**2,675,000**	**2,880,000**

Washington HVAC Replacement (GP2512)

Revenues:	**$**	**$**	**$**
311-0000-391-2100 Transfer from School Fund	240,000	2,675,000	2,915,000
Total:	**240,000**	**2,675,000**	**2,915,000**

Expenditures:	**$**	**$**	**$**
311-0000-601-2022 Construction Contracts	0	2,650,000	2,650,000
311-0000-601-2023 Architect/Engineering Serv	240,000	25,000	265,000
Total:	**240,000**	**2,675,000**	**2,915,000**

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

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

APPROVED AS TO FORM:

_____
ANGELA MARSHAL, Deputy City Recorder

_____
RODNEY B. ROWLETT, III, City Attorney

PASSED ON 1ST READING: _____

PASSED ON 2ND READING: _____

August 12, 2025

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER ONE

GENERAL PURPOSE SCHOOL FUNDS

ITEM ONE: WASHINGTON HVAC REPLACEMENT PROJECT

A project for the replacement of the Washington HVAC system was approved in March 2025. Initial project funding was established for $240,000, to fund the architectural contract. The architect has provided an estimate of $2,500,000 for this work. In addition to the funding for the bid amount, there will need to be funding for a 6% contingency or $150,000 and it is recommended to add $25,000 for miscellaneous expenses. This brings the additional funding required to $2,675,000. Bids are scheduled to be opened on August 20, 2025, and the Board of Education bid approval is scheduled for the September Board meeting. We are anticipating that this project will be completed by the start of school in August of 2026.

The City of Kingsport will provide funding for this project when they sell bonds in early 2026. To meet the August 2026 completion, it is necessary to initially fund this project from the school system's Fund Balance and replace these funds when the bonds are sold.

It is recommended that the estimated revenue for Fund Balance Appropriations and the appropriation for Fund Transfers be increased by $2,675,000 to provide initial funding of the Washington HVAC replacement project.

GENERAL PROJECT FUND

WASHINGTON HVAC REPLACEMENT

A project for the replacement of the Washington HVAC system was approved in March 2025. Initial project funding was established for $240,000, to fund the architectural contract. The total project is estimated to be $2,915,000. Initial funding will come from the General Purpose School Fund, Fund Balance. This funding will be replaced by bond funds when the City of Kingsport issues bonds in early 2026.

It is recommended that the estimated revenue for Transfers from the General Purpose School Fund and the appropriation Fees and Construction Contracts be increased by $2,675,000.

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Enter into an Agreement with TDOT for a Direct Appropriation of Funds for the Pedestrian Bridge Project

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-221-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	M. Thompson / S. Catron
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved the city will enter into an agreement with TDOT for a one-time direct appropriation in the amount of $500,000.00 to be used toward construction of the pedestrian bridge.

State Representative Bud Hulsey, R-Kingsport, has secured $500,000.00 in state funding for the city of Kingsport to improve public safety in the downtown and Brickyard areas.

This appropriation is in addition to any other funding or appropriation provided to the city by the State of Tennessee, Section 61, Item 25 of the 2025 Appropriations Act reads as follows:

> Section 61, Item 25 Transportation - City of Kingsport - used as $500,000 matching funds for a TDOT grant to construct a pedestrian bridge to provide safe access from Centennial Park to a new housing development

The projected timeframe for construction of the Pedestrian Bridge Project is spring 2027. The pedestrian bridge will be constructed over the CSX Railroad at Centennial Park connecting downtown Kingsport to the Brickyard Park Development. The connectivity of the pedestrian bridge will provide a much safer route of travel between downtown and Brickyard Park.

Previous funding for this project includes $456,000.00 MPO funds requiring $114,000.00 local match; and $2,625,000.00 Transportation Alternatives Program funds requiring $875,000.00 local match.

Attachments:
1. Resolution
2. Agreement / W-9
3. Location Map / Photos

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR A DIRECT APPROPRIATION TOWARDS CONSTRUCTION OF A DOWNTOWN PEDESTRIAN BRIDGE AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in conjunction with the Brickyard Park Development efforts have been undertaken to improve the connection between downtown and the development for pedestrians and to increase safety; and

WHEREAS, plans have been made to construct a pedestrian bridge over the CSX railway to achieve this goal; and

WHEREAS, The Tennessee Department of Transportation (TDOT) has an appropriation grant in the amount of $500,000.00 which can be used as matching funds for other grants received to construct the project; and

WHEREAS, there is no matching local funds required.

Now therefore,

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

SECTION I. That the Letter of Agreement with TDOT for a direct appropriation of funds for the construction of the pedestrian bridge over the CSX railway connecting Centennial Park with Brickyard Park, 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 Letter of Agreement TDOT, 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:

LETTER OF AGREEMENT:
DIRECT APPROPRIATION GRANT
FOR GOVERNMENTAL ENTITIES

Date: 07/17/2025
To: **Paul W. Montgomery, Mayor**
City of Kingsport
415 Broad Street
Kingsport, TN 37660
From: **Will Reid, Commissioner**
The State's budget for the fiscal year beginning July 1, 2025, includes a direct appropriation grant payable to your organization.
This appropriation is in addition to any other funding or appropriation provided to you by the State of Tennessee. Section 61, Item 25, of the 2025 Appropriations Act reads as follows:
Section 61, Item 25 Transportation - City of Kingsport - used as $500,000 matching funds for a TDOT grant to construct a pedestrian bridge to provide safe access from Centennial Park to a new housing development

If you choose to accept this award:

1. Sign this agreement (include your taxpayer identification number and a daytime phone number) in the space provided as your acceptance of the following terms and conditions:

a) If you fail to fulfill your obligations under this agreement, the State shall have the right to seek restitution, pursuant to the laws of the State of Tennessee, from you for payments made to you under this agreement.

b) Your records and documents, insofar as they relate to the performance of your obligations or to payments received under this agreement, shall be maintained in a manner consistent with the accounting procedures of the Comptroller of the Treasury, pursuant to T.C.A. 4-3-304 and applicable rules and regulations thereunder.

c) The funds received shall be placed in an interest bearing account until such time as they are needed for the purposes set out in the Appropriations Act. In the event that any portion of the funds is not expended, the unexpended portion plus any accrued interest shall be returned to the State.

d) You must complete the attached Substitute W-9 Form and return it with this signed Letter of Agreement. You are responsible for and assume the liability for failure to provide the correct taxpayer identification number for IRS purposes.

2. Return to the State agency head the following materials together:

a) This signed Letter of Agreement; and

b) Substitute W-9 Form.

We encourage you to return these materials as soon as possible. The State is prepared to process this agreement and issue payment in a timely fashion, upon receipt of these materials.

If you should have any questions or comments or need any assistance responding to this request, please contact ***Matt Burcham (615-532-4416)*** ***Matt.burcham@tn.gov***

Please retain a copy of this letter for your records. Payment status and accounting inquiries may be directed to the following staff of this department:

Kenitha Reed, Director of Finance (615-741-7773) Kenitha.Reed@tn.gov

Matt Burcham, Team Lead, Local Programs Community Investments, (615-532-4416) Matt.Burcham@tn.gov

[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 16th day of September, 2025..

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION
COMMISSIONER'S OFFICE
SUITE 700, JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1402
(615) 741-2848

WILL REID
COMMISSIONER

BILL LEE
GOVERNOR

LETTER OF AGREEMENT: DIRECT APPROPRIATION GRANT FOR GOVERNMENTAL ENTITIES

Date: 07/17/2025

To: **Paul W. Montgomery, Mayor**
City of Kingsport
415 Broad Street
Kingsport, TN 37660

From: **Will Reid, Commissioner**

The State's budget for the fiscal year beginning July 1, 2025, includes a direct appropriation grant payable to your organization.

This appropriation is in addition to any other funding or appropriation provided to you by the State of Tennessee. Section 61, Item 25, of the 2025 Appropriations Act reads as follows:

Section 61, Item 25	**Transportation - City of Kingsport - used as matching funds for a TDOT grant to construct a pedestrian bridge to provide safe access from Centennial Park to a new housing development**	**$500,000**

If you choose to accept this award:

1. Sign this agreement (include your taxpayer identification number and a daytime phone number) in the space provided as your acceptance of the following terms and conditions:
    a) If you fail to fulfill your obligations under this agreement, the State shall have the right to seek restitution, pursuant to the laws of the State of Tennessee, from you for payments made to you under this agreement.
    b) Your records and documents, insofar as they relate to the performance of your obligations or to payments received under this agreement, shall be maintained in a manner consistent with the accounting procedures of the Comptroller of the Treasury, pursuant to T.C.A. 4-3-304 and applicable rules and regulations thereunder.
    c) The funds received shall be placed in an interest bearing account until such time as they are needed for the purposes set out in the Appropriations Act. In the event that any portion of the funds is not expended, the unexpended portion plus any accrued interest shall be returned to the State.

d) You must complete the attached Substitute W-9 Form and return it with this signed Letter of Agreement. You are responsible for and assume the liability for failure to provide the correct taxpayer identification number for IRS purposes.

2. Return to the State agency head the following materials together:

a) This signed Letter of Agreement; and

b) Substitute W-9 Form.

We encourage you to return these materials as soon as possible. The State is prepared to process this agreement and issue payment in a timely fashion, upon receipt of these materials.

If you should have any questions or comments or need any assistance responding to this request, please contact ***Matt Burcham (615-532-4416)*** ***Matt.burcham@tn.gov***

Please retain a copy of this letter for your records. Payment status and accounting inquiries may be directed to the following staff of this department:

Kenitha Reed, Director of Finance (615-741-7773) Kenitha.Reed@tn.gov

Matt Burcham, Team Lead, Local Programs Community Investments, (615-532-4416) Matt.Burcham@tn.gov

On behalf of the ***City of Kingsport, TN***, I hereby agree to the aforementioned terms and conditions.

_____	_____
Official's Signature	Date
_____	_____
Official's Name (please print)	Official's Title or Position
_____	_____
Daytime Contact Phone Number	Federal Taxpayer Identification Number

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See ***Specific Instructions*** on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–		–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	**Signature of U.S. person**	**Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid).
- Form 1099-DIV (dividends, including those from stocks or mutual funds).
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).
- Form 1099-NEC (nonemployee compensation).
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).
- Form 1099-S (proceeds from real estate transactions).
- Form 1099-K (merchant card and third-party network transactions).
- Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).
- Form 1099-C (canceled debt).
- Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

Caution: If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);

2. Certify that you are not subject to backup withholding; or

3. Claim exemption from backup withholding if you are a U.S. exempt payee; and

4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and

5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a saving clause. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if their stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first Protocol) and is relying on this exception to claim an exemption from tax on their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester;

2. You do not certify your TIN when required (see the instructions for Part II for details);

3. The IRS tells the requester that you furnished an incorrect TIN;

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only); or

5. You do not certify to the requester that you are not subject to backup withholding, as described in item 4 under "*By signing the filled-out form*" above (for reportable interest and dividend accounts opened after 1983 only).

Item XI1.

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

• **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note for ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

• **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or "doing business as" (DBA) name on line 2.

• **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

• **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

• **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner's name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	Limited liability company and enter the appropriate tax classification: P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

• Generally, individuals (including sole proprietors) are not exempt from backup withholding.

• Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.

• Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.

• Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).

Item XI1.

2—The United States or any of its agencies or instrumentalities.

3—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.

5—A corporation.

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.

7—A futures commission merchant registered with the Commodity Futures Trading Commission.

8—A real estate investment trust.

9—An entity registered at all times during the tax year under the Investment Company Act of 1940.

10—A common trust fund operated by a bank under section 584(a).

11—A financial institution as defined under section 581.

12—A middleman known in the investment community as a nominee or custodian.

13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
• Interest and dividend payments	All exempt payees except for 7.
• Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
• Barter exchange transactions and patronage dividends	Exempt payees 1 through 4.
• Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5.[2]
• Payments made in settlement of payment card or third-party network transactions	Exempt payees 1 through 4.

[1] See Form 1099-MISC, Miscellaneous Information, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have, and are not eligible to get, an SSN, your TIN is your IRS ITIN. Enter it in the entry space for the Social security number. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/EIN*. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third-party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (see Regulations section 1.671-4(b)(2)(i)(B))**	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name on line 1, and enter your business or DBA name, if any, on line 2. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

* **Note:** The grantor must also provide a Form W-9 to the trustee of the trust.

** For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, SSN, or other identifying information, without your permission to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax return preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity, or a questionable credit report, contact the IRS Identity Theft Hotline at 800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 877-777-4778 or TTY/TDD 800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

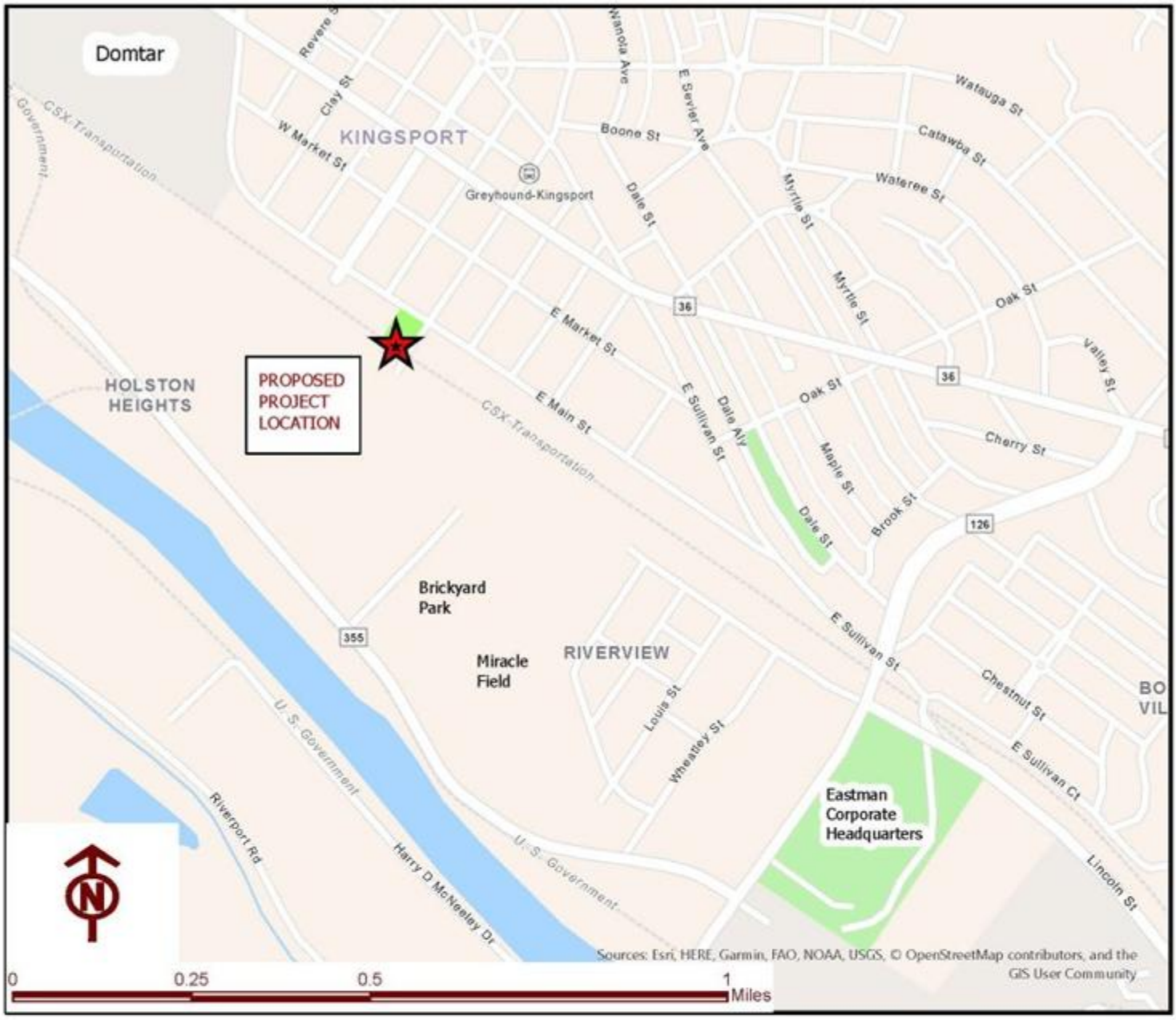
The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Go to *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their laws. The information may also be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.


Domtar
KINGSPORT
HOLSTON HEIGHTS
PROPOSED PROJECT LOCATION
Brickyard Park
Miracle Field
RIVERVIEW
Eastman Corporate Headquarters
Greyhound-Kingsport
CSX Transportation
U.S. Government
E Market St
E Main St
E Sullivan St
Boone St
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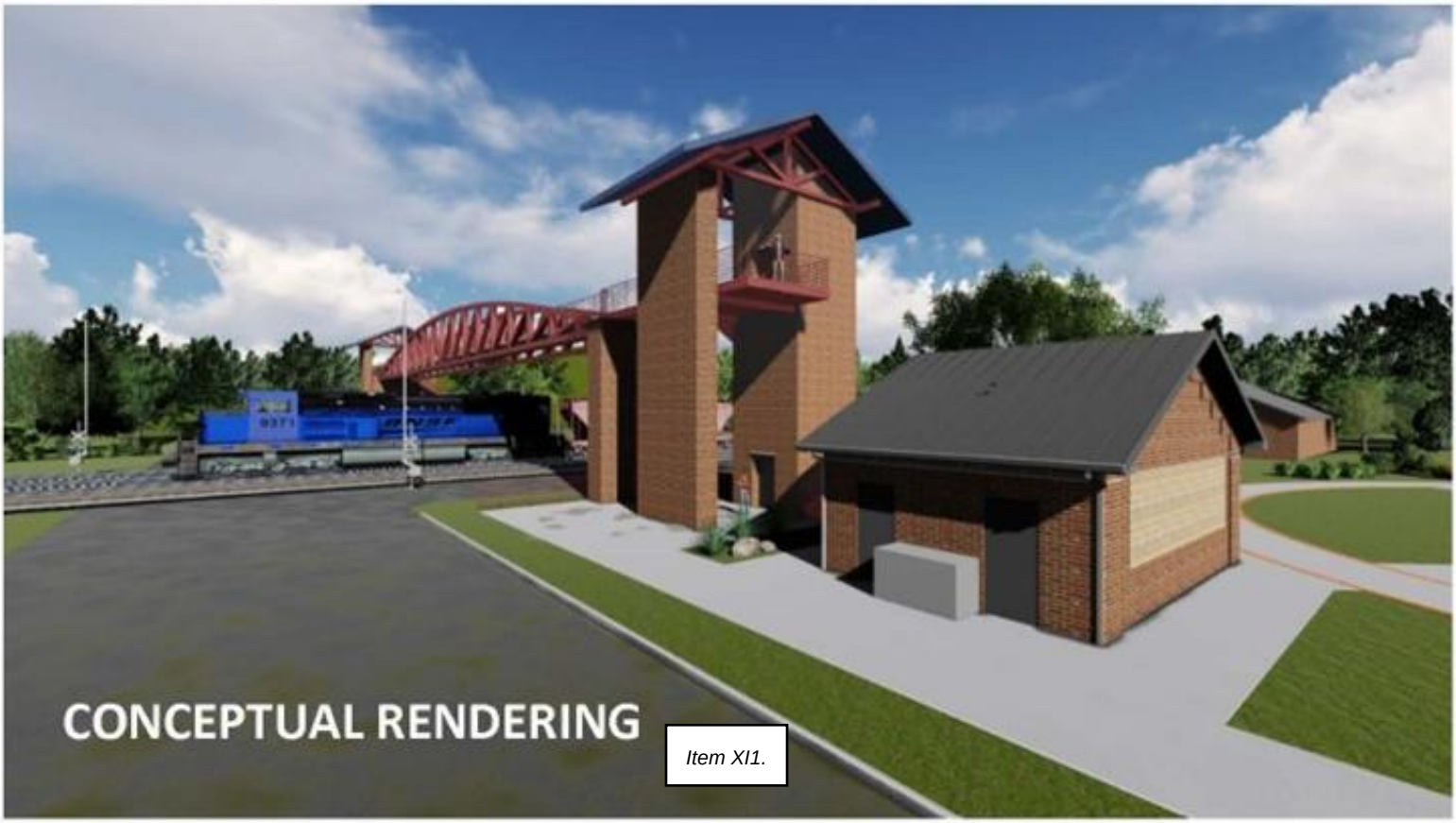
LEGEND
GENERAL SHALE PROPERTY
CONCEPTUAL SITE DEVELOPMENT PLAN
BWSC

KINGSPORT
CENTENNIAL PARK


CONCEPTUAL RENDERING

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Purchase with Cline Holder Electrical Supply for High Mast Lighting Fixtures at the Interchange of I26 and West Stone Drive

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF- 248-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Jim Hensley / Sheila Catron
First Reading:	NA	Presentation By:	Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved the city will issue a purchase order to Cline Holder Electrical Supply for high mast lighting fixtures at the interchange of I26 and West Stone Drive in the amount of $64,166.85.

Due to the lack of replacement parts, we are replacing the existing high pressure sodium fixtures with more energy-efficient and cost-effective LED fixtures. Bids for the high mast lighting fixtures were opened on August 20, 2025. It is recommended to award the bid to Cline Holder Electrical Supply for the Evolve ERHM Gen 03 fixtures. This purchase is for a quantity of 55 fixtures at $1,166.67 each in the total amount of $64,166.85. Once the lighting fixtures are received from Cline Holder Electrical Supply they will be installed by the Traffic Department.

This purchase is one of two to be reimbursed by the Department of Energy's Energy Efficiency and Conservation Block Grant #EECEQ-00598 (AF-128-2024). The total amount of the grant to be reimbursed to the projects is $121,880.00. No match from the city is required.

Funding is available in GP2514.

Attachments:
1. Resolution
2. Bid Minutes
3. Location Map
4. Photos

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

RESOLUTION NO. _____

A RESOLUTION AWARDING THE BID FOR HIGH MAST LIGHTING FIXTURES TO CLINE HOLDER ELECTRICAL SUPPLY AND AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS FOR SAME

WHEREAS, bids were opened August 20,2025, for replacement of existing high mast lighting fixtures at the interchange of I26 and West Stone Drive; and

WHEREAS, upon review of the bids, the board finds Cline Holder Electrical Supply is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract for replacement of existing high mast lighting fixtures from Cline Holder Electrical Supply at an estimated construction cost of $64,166.85; and

WHEREAS, funding is identified in project number GP2514.

Now therefore,

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

SECTION I. That the bid for the high mast lighting replacement project, consisting of replacement of existing high mast lighting fixtures located at I26 and Stone Drive interchange with more energy-efficient and cost-effective LED fixtures at an estimated cost of $64,166.85 is awarded to Cline Holder Electrical Supply, and the city manager is authorized to execute a purchase order for same.

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

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

ADOPTED this the 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

BID OPENING MINUTES
August 20, 2025
4:00 P.M.

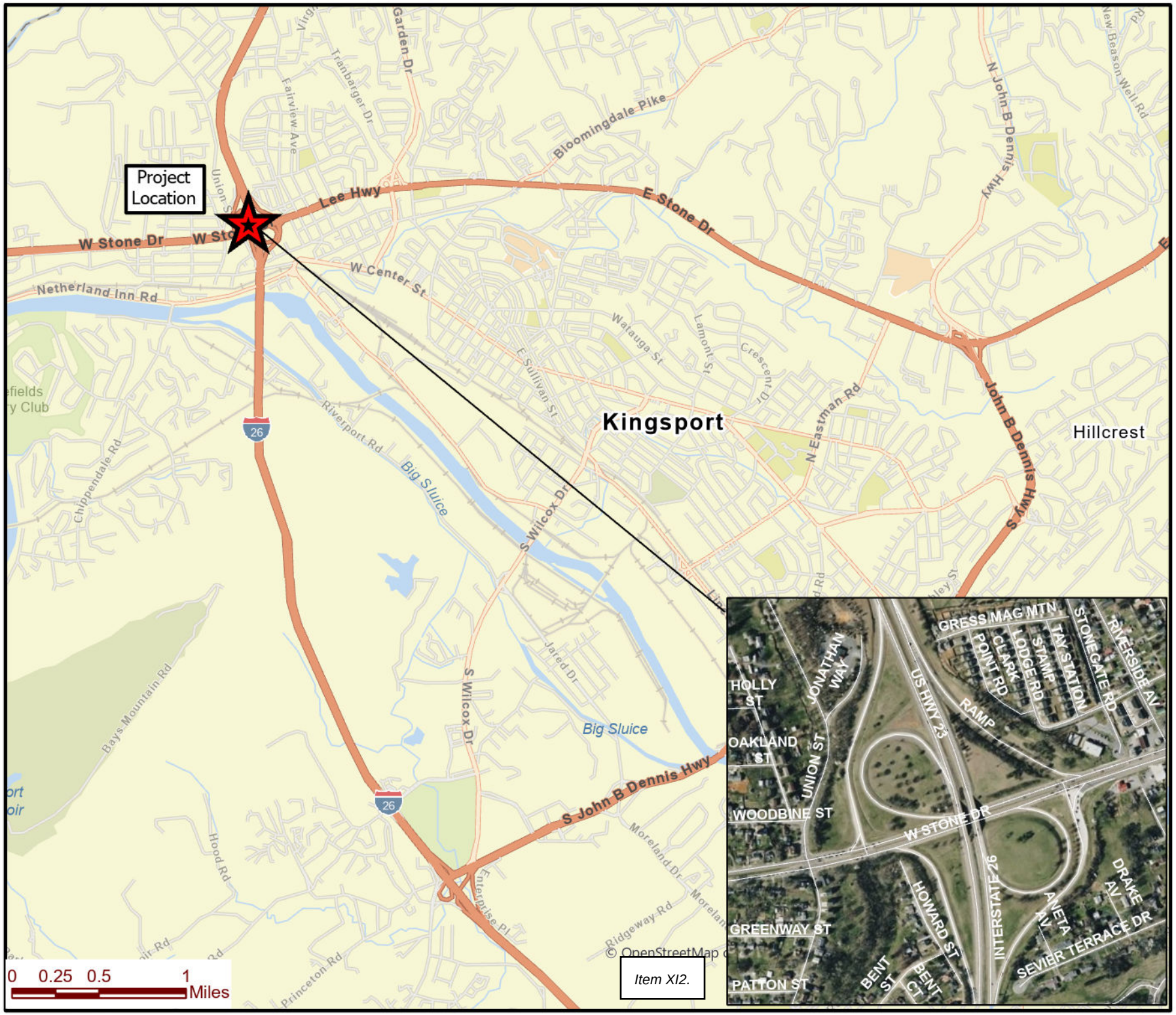
Nikisha Eichmann, Assistant Procurement Manager; Olivia Nickens, Procurement Specialist; Jim Hensley, Traffic Manager

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

The Procurement Manager opened with the following bids:

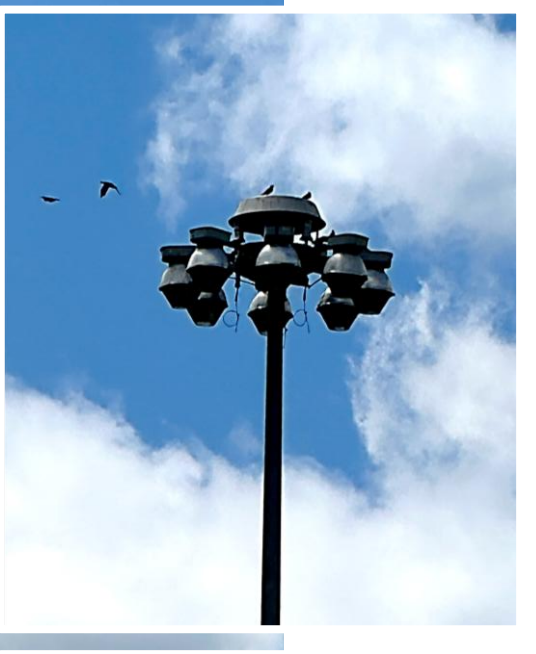
High Mast Lighting Fixtures			
Vendor:	Unit Cost:	Completion/Delivery Time:	Comments:
Border States	$1,342.00	40 days	Bid Expires 10/31/25
Cline Holder Electrical Supply	$1,166.67	90 days	
ESB Light LLC	$3,379.56	35 days	

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

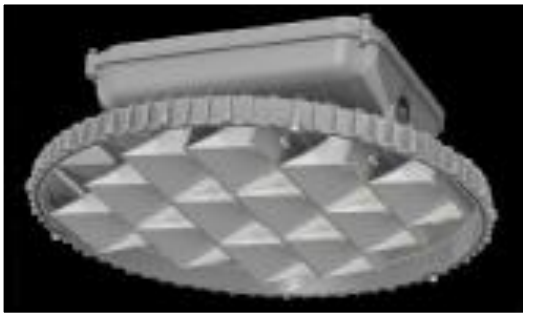


Item XI2.

Project Location Map
High Mast Lighting LED retrofit
I-26 at W. Stone Dr. (State Route 1)



High pressure sodium fixtures



Evolve ERHM Gen 03 fixture

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Amending the Contract with the Tennessee Department of Transportation (TDOT) for Maintenance Activities Performed on Designated State Highways

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-258-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Committee
First Reading:	NA	Presentation By:	Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved Contract CMA 2614 with TDOT for maintenance activities performed on designated state highways will be amended to replace "Exhibit B" Maximum Allowable Equipment Rates for the 2025-2026 fiscal year. This amendment replaces "Exhibit B" in its entirety revising the maximum allowable equipment rates to be used to calculate reimbursement requests.

In May 2025 the city entered into an agreement with the State for reimbursement of maintenance performed on state routes in the city limits (AF-103-2025). Tracked on a monthly basis, these activities are performed by Traffic Engineering, Street Maintenance and Right-of-Way Maintenance. The agreement includes Stone Drive, Center Street, Fort Henry Drive, Lynn Garden Drive, Industry Drive, Wilcox Drive, Memorial Boulevard and limited portions of Rock Springs Road, Rock Springs Drive and Poplar Grove. Maintenance activities for this agreement include: shoulder work, snow removal, spot patching, ditch work, crack sealing, painting and striping, sweeping, mowing and litter control. Most costs are reimbursed at $0.17 per square yard. Reimbursement is limited to 12 litter control cycles and 6 mowing cycles annually. The limiting amount of the contract is $270,691.17 for FY 2026. Total roadway surface equals 1,592,301 square yards. Mowing acreage totals 201 at $50 per acre, and litter control covers 150.72 miles at $60 per mile.

Reimbursement is requested no more than monthly based on the terms of the contract. The reimbursement rates included in each agreement did not change from FY2025 to FY2026.

Attachments:
1. Resolution
2. Amendment

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDMENT TO THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR MAINTENANCE ACTIVITIES ON DESIGNATED STATE HIGHWAYS; AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT; AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on May 6, 2025, the board approved Resolution No.: 2025-223 authorizing the mayor to sign an agreement with the Tennessee Department of Transportation (TDOT) for maintenance activities on state highways; and

WHEREAS, the state would like to amend “Exhibit B” regarding the Maximum Allowable Equipment Rates for the 2025-2026 fiscal year.

Now therefore,

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

SECTION I. That an Amendment 1 to the agreement with the Tennessee Department of Transportation (TDOT) for maintenance activities on state highways, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, Amendment 1 to the agreement with the Tennessee Department of Transportation (TDOT) for maintenance activities on state highways, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said amendment being generally as follows:

AMENDMENT 1
OF CONTRACT CMA 2614

This Amendment is made and entered by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the “State” and City of Kingsport, hereinafter referred to as the “Contractor.” For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:
Contract section Exhibit B is deleted in its entirety and replaced with the following:

"EXHIBIT B"
MAXIMUM ALLOWABLE EQUIPMENT RATES
2025-2026 FISCAL YEAR

ITEM NO.	DESCRIPTION OF EQUIPMENT	RATE	UNIT
1	SEDAN, POLICE OR FULL SIZE	12.00	HR
2	TRUCK, PICKUP	11.00	HR
3	TRUCK, ¾ TO 1 TON LIGHT DUTY	12.00	HR
4	TRUCK, ¾ TO 1 TON 4X4	13.00	HR
5	TRUCK, UTILITY/SERVICE BODY	14.00	HR
6	TRUCK, DUMP UP TO 15,000 GVWR	24.65	HR

7	TRUCK, DUMP OVER 15,000 UP TO 20,000 GVWR	28.12	HR
8	TRUCK, DUMP OVER 20,000 UP TO 40,000 GVWR	42.35	HR
9	TRUCK, DUMP TANDEM AXLE OVER 40,000 GVWR	68.00	HR
10	TRUCK, STAKE OR FLATBED UP TO 10,000 GVWR	17.45	HR
11	TRUCK, STAKE OR FLATBED OVER 10,000 UP TO 20,000 GVWR	26.10	HR
12	TRUCK, STAKE OR FLATBED OVER 20,000	42.00	HR
13	TRUCK, FLATBED OVER 32,500 GVWR	54.00	HR
14	TRUCK, TRACTOR SINGLE AXLE	37.00	HR
15	TRUCK, TRACTOR TANDEM AXLE	40.15	HR
16	TRUCK, SEWER/CULVERT/CATCH BASIN/ CLEANER (VAC-ALL)	82.20	HR
17	SWEEPER, TRUCK MOUNTED	55.89	HR
18	SWEEPER, SELF-PROPELLED	43.71	HR
19	TRUCK, W/STREET FLUSHER	70.16	HR
20	TRUCK, CRANE	28.28	HR
21	TRUCK, EXCAVATOR	64.73	HR
22	TRUCK, REFUSE COLLECTION	30.50	HR
23	TRACTOR, W/SWEEPER	32.68	HR
24	TRACTOR, W/DITCHER	62.12	HR
25	TRACTOR, WHEEL	48.22	HR
26	CHIPPER, BRUSH	36.81	HR
27	TRAILER, TILT	8.04	HR
28	TRAILER, PLATFORM OR GENERAL	10.12	HR
29	TRAILER, LOW BOY TANDEM	20.78	HR
30	JOINT & CRACK SEALING MACHINE	28.55	HR
31	ASPHALT RECLAIMER/RECYCLER MACHINE	135.78	HR
32	PAVER, ASPHALT SELF-PROPELLED	154.53	HR
33	PAVER, ASPHALT PULL TYPE	7.45	HR
34	DISTRIBUTOR, ASPHALT, PULL TYPE	27.37	HR
35	CHIP SPREADER MACHINE	57.42	HR
36	EXCAVATOR, TRACK TYPE (TRACKHOE)	87.31	HR
37	DRAGLINES AND CRANES	75.99	HR
38	TRACTOR, CRAWLER (DOZER)	98.18	HR
39	MOTOR GRADER	65.30	HR
40	BACKHOE	37.90	HR
41	LOADER, FT END RUBBER TIRED (ARTICULATED) UP TO 1 CU. YD.	32.13	HR
42	LOADER, FT END RUBBER TIRED (ARTICULATED) OVER 1 UP TO 1.5 CY	47.50	HR
43	LOADER, FT END RUBBER TIRED (ARTICULATED) OVER 1.5 CU. YD.	59.71	HR
44	LOADER, FRONT END TRACK TYPE	71.50	HR
45	LOADER, SKID-STEER	58.46	HR
46	PROFILER, MILLING MACHINE	305.76	HR
47	ROLLER, WALK BEHIND	4.27	HR

48	ROLLER, STEEL WHEEL, 1 TO 5 TONS	88.84	HR
49	ROLLER, STEEL WHEEL, OVER 5 TONS	41.93	HR
50	GENERATOR, PORTABLE	8.30	HR
51	AIR COMPRESSOR, PORTABLE OR PULL TYPE	36.40	HR
52	WELDER, PORTABLE OR PULL TYPE	5.76	HR
53	CONCRETE MIXER, PORTABLE OR PULL TYPE	32.07	HR
54	CURBING MACHINE	65.74	HR
55	PAINT MACHINE, WALK BEHIND	31.57	HR
56	PAINT MACHINE, TRUCK MOUNTED (LARGE)	84.61	HR
57	THERMOPLASTIC MARKING MACHINE, WALK BEHIND	23.24	HR
58	TRAFFIC LINE REMOVER (WATER BLASTER)	43.68	HR
59	ARROW BOARD, TRAILER OR TRUCK MOUNTED	4.15	HR
60	MESSAGE SIGN, TRAILER MOUNTED	1.14	HR
61	LIGHT TOWER, TRAILER MOUNTED	24.18	HR
62	TRUCK MOUNTED ATTENUATOR	10.00	HR

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

Amendment Effective Date. The revisions set forth herein shall be effective once all required approvals are obtained. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 16th day of September, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

CONTRACT AMENDMENT COVER SHEET

Agency Tracking #	Edison ID	Contract #	Amendment #
-	87557	CMA 2614	1

Contractor Legal Entity Name	Edison Vendor ID
CITY OF KINGSPORT	1562

Amendment Purpose & Effect(s)
REPLACE EXHIBIT B

Amendment Changes Contract End Date:	☐ YES ☒ NO	End Date:	6/30/2026

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **$ 0**

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
TOTAL:					

Budget Officer Confirmation:	CPO USE
Speed Chart (optional) TX00362927 / **Account Code** (optional)	

AMENDMENT 1
OF CONTRACT CMA 2614

This Amendment is made and entered by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" and City of Kingsport, hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

Contract section Exhibit B is deleted in its entirety and replaced with the following:

"EXHIBIT B"

MAXIMUM ALLOWABLE EQUIPMENT RATES

2025-2026 FISCAL YEAR

ITEM NO.	DESCRIPTION OF EQUIPMENT	RATE	UNIT
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60	MESSAGE SIGN, TRAILER MOUNTED	1.14	HR
61	LIGHT TOWER, TRAILER MOUNTED	24.18	HR
62	TRUCK MOUNTED ATTENUATOR	10.00	HR

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

Amendment Effective Date. The revisions set forth herein shall be effective once all required approvals are obtained. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

CITY OF KINGSPORT:

SIGNATURE **DATE**

PRINTED NAME AND TITLE OF SIGNATORY (above)

STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION:

WILL REID, COMMISSIONER **DATE**

APPROVED AS TO FORM AND LEGALITY:

LESLIE SOUTH, GENERAL COUNSEL **DATE**

AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Mayor to Execute Documents to Apply for a Clean Water Revolving Loan from the State of Tennessee for the Pendragon Sewer Lift Station Replacement

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-243-2025
Work Session: September 15, 2025
First Reading: N/A

Final Adoption: September 16, 2025
Staff Work By: Niki Ensor
Presentation By: Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the resolution

Executive Summary:
If approved, the City will apply for a $2,700,000 State Revolving Loan to fund the replacement of the Pendragon sewer lift station.

The Pendragon sewer lift station (#120) serves the western portions of the Ridgefields neighborhood and was originally constructed in 1967. The station has reached the end of its useful life and is in need of replacement due to the condition and capacity concerns.

The project has been included in the multi-year Capital Improvements Plan approved by the BMA. The City of Kingsport wishes to fund these improvements through the State of Tennessee Clean Water Revolving Loan Fund. The City is requesting a loan amount of $2,700,000. If accepted for the loan, we will bring documents before the BMA with terms and conditions for approval.

Attachments:
1. Resolution
2. Mayor's Letter of Request
3. Location Map

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO._____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE LETTER OF CONSENT AND ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR A CLEAN WATER REVOLVING LOAN FROM THE STATE OF TENNESSEE FOR THE PENDRAGON SEWER LIFT STATION REPLACEMENT

WHEREAS, the Pendragon Sewer Lift Station Replacement project (the "Project") is a culmination of efforts to carry out key aspects of the Wastewater System Master Plan developed in 2009 which has been included in the multi-year Capital Improvements Plan approved by the Board of Mayor and Aldermen, which serves the western portions of the Ridgefields neighborhood and was originally constructed in 1967; and

WHEREAS, to fund the Project, the City is requesting a loan in the amount of $2,700,000.00 from the Tennessee Department of Environment & Conservation Clean Water State Revolving Loan Fund (CWSRF); and

WHEREAS, CWSRF provides loans for planning, design, and construction phases of wastewater and stormwater systems; and

WHEREAS, to be considered for the loan, the City must submit a Letter of Request from the Mayor along with copies of the past three financial report and project location map for review.

NOW, THEREFORE, be it resolved as follows:

SECTION I. That the Letter of Request from the Mayor requesting funding for the Pendragon Sewer Lift Station Replacement project from the Clean Water Revolving Loan through the Tennessee Department of Environment and Conservation is approved.

SECTION II. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for a Clean Water Revolving Loan through the Tennessee Department of Environment and Conservation to deliver the documents and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the application and this resolution.

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 loan requirements or its provisions necessary to effectuate the purpose of the loan or this resolution.

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

ADOPTED this the 16th day of September, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE
Office of the Mayor

September 4, 2025

Ms. Vena Jones, PG
Manager, SRF & SWIG
Tennessee Department of Environment & Conservation
Division of Water Resources
500 James Robertson Parkway, 5th Floor
Nashville, TN 37243

Re: City of Kingsport
Pendragon Sewer Lift Station (#120) Replacement
SRF Application ID – 2024-10816

Dear Ms. Jones,

The City of Kingsport requests Clean Water State Revolving Funds for the above-referenced project. The estimated cost for the project is $2,700,000.

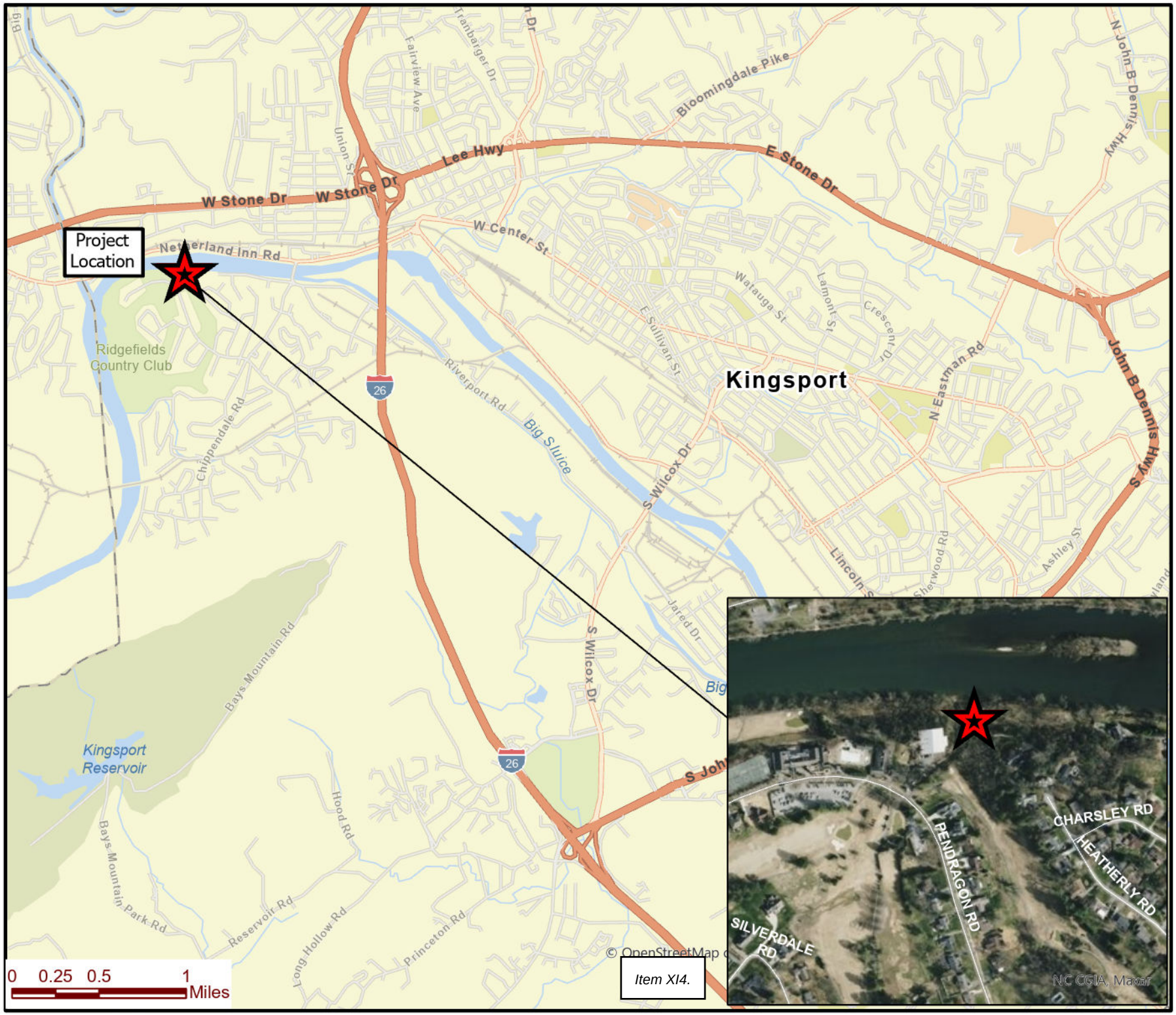
This project is a replacement to the existing Pendragon pump station to provide a 1,000-GPM peak capacity system with three submersible chopper pumps (on VFDs), standby generator and flow meter. Aproximately 70 linear feet of a new 8-inch forcemain coming from the new valve vault and tying into an existing sanitary sewer manhole east of the new pump station. Approximately 29 linear feet of new 12-inch PVC gravity sewer line and three new 5-foot diameter manholes.

Please send the necessary loan application at your convenience.

Sincerely,

Paul W. Montgomery
Mayor, City of Kingsport

cc: Niki Ensor, Utilities Director, City of Kingsport
Tom Hensley, Assistant Utility Director
Reuben Robertson, P.E., Project Manager - LDA



Item XI4.

Project Location Map
Pendragon Sewer Lift Station
(#120) Replacement

AGENDA ACTION FORM

Consideration of a Resolution to Enter into an Agreement with Coca-Cola Bottling Company for Pouring Rights at Brickyard Park and Domtar Park

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-206-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Chassy P. Smiley
First Reading:	N/A	Presentation By:	Michael T. Borders

Strategic Focus Area: Exceptional Cultural & Recreational Opportunities

Recommendation:
Approve the Resolution

Executive Summary:
If approved the city will enter into a 10-year agreement with Coca-Coal Bottling Company (CCBCC) for pouring rights at Brickyard Park and Domtar Park.

On May 1, 2015, the city entered into an agreement for 10 years with CCBCC expiring on May 1, 2025, which provided beverage products through the Spring 2025 baseball season. The agreement provided $20,000 in support funds for the first year, $3,000 annual sponsorship funds, all necessary equipment, and $5/case rebate. Beverage prices could fluctuate based on market conditions. This agreement had no minimum sales requirements during the period of the agreement. Over the previous agreement term the City has received satisfactory services.

The City opened and reviewed proposals from CCBCC and PepsiCo for pouring rights at Brickyard Park and Domtar Park on May 30, 2025. The selection committee recommends CCBCC. CCBCC's proposal provides for greater financial assistance based on the projected number of cases that will be purchased.

The proposal provides for $10,000 initial support funds with annual support funds of $4,000 and $5/case rebate at an estimated value of over $10,000 annually for a potential total support of over $146,000 over the term of the agreement, which is equivalent to the previous agreement. Beverage prices can fluctuate based on market conditions.

The agreement will be for a 10-year period ending in 2035 with a minimum case purchase of 26,500 during the period of the agreement, which staff project we will achieve. If the target is not met a reduction of the annual support funds is calculated based on a percentage formula.

Revenues will be utilized for reinvestment into athletic facilities.

Attachments:
1. Resolution
2. Agreement

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AGREEMENT WITH COCA-COLA BOTTLING COMPANY FOR POURING RIGHTS AT BRICKYARD PARK AND DOMTAR PARK AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT FOR THE SAME AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in May, 2015, (Res, No. 2015-172) the city entered into a ten year agreement with Coca-Cola Bottling Company (CCBCC) for pouring rights at Domtar Park, Brickyard Park and Eastman Park at Horse Creek; and

WHEREAS, with the expiration of the current agreement proposals were solicited for pouring rights in response to which were submissions from CCBCC and PepsiCo that staff reviewed on May 30, 2025;

WHEREAS, based upon the proposals submitted the selection committee recommends accepting the proposal of CCBCC; and

WHEREAS, the agreement as set out below provides for $10,000 in initial support funds with annual support funds of $4,000 and a $5 per case rebate at an estimated value of over $10,000 annually for a potential total support of over $146,000 over the term of the agreement

WHEREAS, the agreement will be for a 10-year period ending in 2035 with a minimum case purchase of 26,500 during the period of the agreement; and

Now therefore,

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

SECTION I. That the proposal of CCBCC for pouring rights at Domtar Park and Brickyard Park, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, an Agreement with CCBCC or pouring rights at Domtar Park and Brickyard Park, 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:

CCBCC OPERATIONS, LLC
CUSTOMER MARKETING AGREEMENT
The City of Kingsport

THIS CUSTOMER MARKETING AGREEMENT (the "**Agreement**") is made and entered into as of the 1st day of May, 2025 (the "**Effective Date**"), by and between CCBCC OPERATIONS, LLC ("**CCBCC**"), and The City of Kingsport ("**Customer**").

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, CCBCC and Customer hereby agree as follows:

1. Product Sale and Distribution.

(a) General. During the Term (as defined in Section 9) of this Agreement, Customer shall (i) merchandise, advertise, display, vend, sell and otherwise distribute, all at retail (collectively,

hereinafter referred to as "**distribute**" or "**distribution**"), sparkling and still non-alcoholic beverages of any kind or form, and all beverage bases from which these can be prepared, including, without limitation, all carbonated soft drinks, noncarbonated drinks, juices and juice drinks, teas and tea drinks, packaged waters, energy drinks, isotonic and sport performance beverages, vitamin/mineral enhanced waters, and nutritional supplement beverages, that are (A) marketed under trademarks or brand names owned or controlled by or licensed for the use of CCBCC or an Affiliate (as defined below) thereof and (B) customarily and regularly distributed by CCBCC in the ordinary course under comparable circumstances at the then subject time (the "**Products**") and (ii) obtain all of its requirements for Products from CCBCC. Customer shall distribute the Products in the manner set forth herein and shall use its best efforts to maximize the sales of, and revenue from, the Products. Such distribution shall be carried out at the locations specified on **Exhibit A** (the "**Locations**"). The brands and package forms for the Products to be distributed shall be determined by CCBCC in its discretion after consultation with Customer. CCBCC is entering into this Agreement with the understanding that it will have the flexibility to sell a range of beverage brands and packages that meet consumer demand and maximize sales volume and revenue, and any restriction on CCBCC's rights to determine brands and package forms, whether as a result of actions or orders by Customer or any third party (including any governmental authority), shall be deemed a material breach of this Agreement. As used herein, "**Affiliate**" means, with respect to any specified entity or person, any other entity or person that, directly or indirectly, controls, is controlled by or is under common control with such specified person or entity, where "**control**" means, as to any entity, the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting equity, by contract or otherwise.

(b) Full Service Vending Machine Sales. With respect to self-operated, coin and bill and/or cashless vending machines placed at the Locations by CCBCC hereunder and identified as "Full Service Vending Machines" on **Exhibit C** ("**Full Service Vending Machines**"), if any, CCBCC shall stock such vending machines in accordance herewith. All Products in such Full Service Vending Machines (and all cash and other proceeds from sales of such Products) shall be at all times the property of CCBCC, and CCBCC shall be responsible for removing from the Full Service Vending Machines all such cash and other proceeds. Customer shall return to CCBCC all such Products and proceeds that might come into Customer's possession. Customer shall have no right to access any internal areas or parts of such Full Service Vending Machines. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, the servicing of Full Service Vending Machines may be provided by a full line operator as set forth in Section 7 of **Exhibit B**.

(c) Direct Sales Vending Machines. Except as provided in Section 1(b) above with respect to Full Service Vending Machines, if any, Customer shall stock all self-operated, coin and bill and/or cashless vending machines, if any, placed at the Locations by CCBCC ("**Direct Sales Vending Machines**" and together with Full Service Vending Machines, "**Vending Machines**") in accordance herewith. Products sold through Direct Sales Vending Machines shall be purchased by Customer from CCBCC as provided herein and resold by Customer only to retail consumers in the ordinary course of Customer's operations. Once delivered to Customer, all Products in such Direct Sales Vending Machines (and all cash and other proceeds from sales of such Products) shall be the property of Customer, with Customer having all attendant risk of loss and ownership obligations.

(d) Delivered Bottle, Can and Fountain Sales. In addition to sales through Vending Machines, Products will also be sold at the Locations through cashier assisted (or comparable) cold cases, kiosks, fountain dispensers, coolers, hawking, vending, shelf displays and/or other nonvending machine vehicles of distribution (collectively, for convenience of reference, "**Cold Cases**"). Products sold through Cold Cases shall be purchased by Customer from CCBCC or an Authorized Distributor (as defined in Section 22) as provided herein and resold by Customer only to retail consumers in the ordinary course of Customer's operations. Once delivered to Customer, any such Products sold to Customer shall become the property of Customer, with Customer having all attendant risk of loss and ownership obligations. Proceeds from the sales of such Products shall be the property of Customer. CCBCC shall sell Products to Customer (in the manner provided herein) in such amounts as are reasonably required by Customer, from time to time, subject to such reasonable caps on such requirements as may be determined, from time to time, by CCBCC, and subject to any Total Purchase Requirements (as defined in Section 1(e)) on **Exhibit B**. CCBCC shall not be liable to Customer for failure to make shipments of Products where such failure is due to any cause or condition beyond the reasonable control of CCBCC.

(e) Minimum Required Sales. CCBCC is entering into this Agreement on the basis that Product sales at the Locations will achieve certain targets. Accordingly, the sales of Products through Full Service Vending Machines and/or to Customer for resale through Direct Sales Vending Machines and Cold Cases shall in no event be less than the minimums set forth on **Exhibit B** (such minimum(s), the "**Total Purchase Requirement(s)**"). Failure to achieve the minimum Total Purchase

Requirements shall constitute an event of Cause (as defined in Section 9) hereunder and CCBCC shall be entitled to the remedies set forth in **Exhibit B**, in addition to any other remedies CCBCC may have hereunder or at law or in equity.

2. Promotional Recognition. Customer hereby grants to CCBCC (and the Products) promotional recognition and the right to promote (and the cooperation and active involvement of Customer in promoting) CCBCC and the Products in connection with Customer, the Locations and any activities, functions and event venues operating under the auspices of Customer ("**Related Activities**"). Promotional recognition benefits include, without limitation, those set forth on **Exhibit A**. CCBCC shall have the right to use any trademark, trade name, service mark, design, logo, slogan, symbol, mascot, character, identification, or other proprietary design now or in the future owned, licensed, or otherwise controlled by Customer (collectively, the "**Customer Marks**") on a royalty-free basis during the Term. Without limiting the generality of the foregoing, CCBCC shall submit to Customer, and Customer shall have the right to approve within ten (10) days of receipt from CCBCC, which approval shall not be unreasonably withheld, conditioned or delayed, (a) any concept for any promotional activity undertaken by CCBCC hereunder with respect to Customer or any Location or Related Activity and (b) any artwork or other items created by CCBCC that incorporate any Customer Marks for use in any such promotional activity. In the event that Customer fails to provide any response to CCBCC within such ten (10) day period, such submission shall be deemed approved by Customer. CCBCC shall have access to the Locations and any Related Activities at all reasonable times for any appropriate purposes hereunder and, with respect to promotions, agrees to comply with any reasonable requirements of Customer regarding operation, placement, set-up and tear-down of CCBCC's promotional materials.

3. Exclusivity. In consideration for, and as a material inducement to, CCBCC entering into this Agreement, Customer expressly agrees that, during the Term, Customer shall not (a) distribute, or allow any others to distribute, to any person in any manner, for compensation or otherwise, directly or indirectly, any products or supplies on or at the Locations or any Related Activities that are similar to, the same as or comparable to or compete with the Products ("**Competing Products**") or (b) grant any similar marketing or sponsorship recognition to any Competing Products (or any distributor of Competing Products). In the event that any third party attempts, without CCBCC's prior written consent, to distribute any Competing Product at the Locations or any Related Activities or to associate any Competing Product with Customer, or to suggest that a Competing Product is endorsed by, or 1 associated with, Customer, then Customer will promptly take any steps necessary to stop and prevent such actions and to protect the exclusive rights granted to CCBCC under this Agreement.

4. Marketing Fees; Rebates. During the Initial Term (as defined in Section 9) of this Agreement, provided that Customer is not in breach of any provision hereunder, CCBCC shall pay to Customer the marketing fees ("**Marketing Fees**") and/or rebates as set forth on **Exhibit A**. In the event of a breach of this Agreement by Customer and while such breach is continuing, (a) CCBCC shall be under no obligation to make any additional Marketing Fees or rebate payments to Customer after the date of such breach, and (b) upon request by CCBCC, Customer shall promptly refund to CCBCC all unearned initial and annual Marketing Fees paid by CCBCC prior to such breach based on the prorated portion of such fees allocable to the period from the date of the breach to the end of the applicable period for which such fees had been provided.

5. Marketing Support. During the Initial Term of this Agreement, so long as Customer is not in breach of any provision hereunder, CCBCC shall endeavor to provide annual marketing support with a value in the amount set forth on **Exhibit A** (the "**Marketing Support**"), provided that CCBCC is not obligated to make cash expenditures up to such amount, and marketing support may include provision of in-kind services or other non-cash assets or benefits or any combination thereof in CCBCC's sole discretion. If, as of the end of any Agreement Year (as defined in Section 9) during the Initial Term of the Agreement, there is any unused Marketing Support specified for such Agreement Year, the difference between the Marketing Support and the amount of the marketing support actually provided for such year shall be forfeited and shall not roll over to the following Agreement Year. If, at the end of the Initial Term, there is any unused Marketing Support, CCBCC shall have no obligation to pay, and shall not pay, the amount of any such unused Marketing Support to Customer. Upon expiration of the Initial Term or termination of this Agreement, the marketing program hereunder (e.g., Marketing Fees and Marketing Support) will no longer be made available to Customer, and CCBCC shall have no further obligations with respect to such marketing program.

6. Product Support. During the Initial Term of this Agreement, provided that Customer is not in breach of any provision hereunder, CCBCC shall, at no cost to Customer, provide Product support (the "**Product Support**") each Agreement Year in the amount set forth on **Exhibit A**; provided, however, that CCBCC shall not be liable to Customer for failure to provide such Product Support where such failure is due to any cause or condition beyond the reasonable control of CCBCC.

Customer shall request Product Support in writing at least fourteen (14) days prior to the desired delivery date, and any such requests shall be for an amount of Product that is equal to or greater than twenty (20) cases. For the avoidance of doubt, if, with respect to any Agreement Year during the Initial Term, Customer fails to request all of the Product Support available for such year, the amount of any Product Support not requested by Customer shall not carry over to the next Agreement Year nor shall Customer be entitled to receive any compensation from CCBCC with respect thereto. Customer shall not, and shall not permit others to, resell any Product provided by CCBCC to Customer pursuant to this Section 6. If, with respect to any Agreement Year during the Initial Term of this Agreement, Customer requires Product Support in excess of the amount set forth on **Exhibit A**, CCBCC shall provide such additional Products to Customer; provided, however, that Customer shall purchase such Products from CCBCC at the then-current prices for the Products.

7. Prices and Commission.

(a) Product Prices. Subject to Sections 21 and 22, CCBCC agrees to sell to Customer Products for resale by Customer through Direct Sales Vending Machines and Cold Cases, in accordance with CCBCC's trade letter pricing in effect from time to time, during the period in which Customer is in full compliance with the terms and conditions of this Agreement.

(b) Commission on Sales. CCBCC shall pay to Customer a commission on CCBCC's sales of Products through any Full Service Vending Machines at the Locations ("**Commission**"), during the period in which Customer is in full compliance with the terms and conditions of this Agreement. Commissions shall be computed and paid in the manner, and subject to the provisions, set forth on **Exhibit B**. Notwithstanding the foregoing, if the servicing of Full Service Vending Machines is transferred to a full line operator pursuant to Section 7 of **Exhibit B**, Commissions will be paid in accordance with the terms thereof.

8. Equipment.

(a) General. CCBCC shall provide and install all Vending Machines, Cold Cases and other equipment necessary and appropriate (as determined by CCBCC in its sole discretion) to distribute the Products at the Locations. Those Vending Machines, along with any Cold Cases and other equipment, if any, provided by CCBCC to Customer (in CCBCC's sole discretion) to assist Customer in Cold Case distribution, are referred to collectively as the "**Equipment**". The initial Equipment at the Effective Date consists of those items set forth on **Exhibit C**. All Equipment is and shall remain the property of CCBCC at all times. Customer shall take no action inconsistent with such ownership and shall cooperate with CCBCC in preserving and evidencing the same, including execution, delivery and filing of financing statements and other documents, as CCBCC may require. Customer agrees that it will (i) maintain a safe environment at the Locations, so as to protect the Equipment from theft and vandalism and (ii) reimburse CCBCC for any loss or damage to any Equipment, other than reasonable wear and tear or loss or damage caused by CCBCC. Customer will not encumber the Equipment in any manner or permit any attachment thereto. No logo, trademark, advertisement or other indication of CCBCC's ownership of the Equipment shall be obstructed, defaced or removed, and no logo, trademark or advertisement other than those of or related to CCBCC or the Products shall be attached to the Equipment. The Equipment shall be used exclusively to merchandise Products and shall not be used for any other purpose, including the storage or merchandising of any other products. Upon expiration or termination of this agreement, Customer shall immediately return all Equipment or other property of CCBCC and provide access to the Locations for CCBCC's removal of the same (and in no event shall Customer remove or attempt to remove any Equipment without the prior written consent of CCBCC). If Equipment is not returned to CCBCC pursuant to the terms of the immediately preceding sentence, then CCBCC shall submit an invoice to Customer setting forth the replacement cost of any such unreturned Equipment and any costs and expenses incurred by CCBCC (including labor and collection costs) in connection with CCBCC's attempt to remove the Equipment from the Locations. Customer shall pay such invoice in accordance with the payment terms set forth in Section 3(b) of **Exhibit B**.

(b) Installation Sites. The Equipment installation sites at the Locations shall be as set forth on **Exhibit C** and as otherwise mutually agreed upon by the parties. The Equipment may not be removed from the installation sites without CCBCC's prior written consent. Customer represents and warrants that electrical service at each installation site is proper and adequate for the Equipment.

(c) Stocking and Maintenance. Subject to Section 7 of **Exhibit B**, CCBCC shall stock the Full Service Vending Machines, if any, with Products through CCBCC's regular, full service delivery drivers or agents, in accordance with CCBCC's delivery policies in effect from time to time. CCBCC shall perform repair services on the Equipment, at its expense, in accordance with CCBCC's repair policies, in effect from time to time, but shall not be liable for damages of any kind arising out of delays in providing service to the Equipment. Customer shall not perform any maintenance or repairs on any Equipment without CCBCC's prior authorization. CCBCC may, at its option, remove, replace or supplement the Equipment at any time during the Term. Customer shall provide CCBCC with

reasonable access to the Equipment in order to allow CCBCC to stock any Full Service Vending Machines, perform any repair services on the Equipment or remove, replace or install Equipment.

9. Term and Termination. As used herein, "**Initial Term**" means the initial term of this Agreement set forth in Section 1 of **Exhibit B**.

This Agreement may be terminated, effective at the end of the Initial Term (as it may be extended pursuant to Section 2 of **Exhibit B**), by either party giving the other party written notice of termination at least thirty (30) days prior to the end of the Initial Term. If not terminated effective at the end of the Initial Term, this Agreement shall continue in full force and effect thereafter until either party gives the other party written notice of termination of this Agreement at least thirty (30) days prior to the effective date of such termination, as specified in such notice; provided, however, that CCBCC shall have no obligation to pay or provide any Marketing Fees, Marketing Support, Product Support or rebates following the Initial Term, except, in the case of rebates, as may be otherwise expressly set forth herein. The Initial Term, together with any such additional period after the Initial Term until the Agreement is terminated, shall be referred to herein as the "**Term**". Each twelve month period during the Term that commences with the Effective Date or each subsequent anniversary thereof shall be referred to herein as an "**Agreement Year**". Notwithstanding the foregoing, this Agreement may be terminated 2 by CCBCC, for Cause, at any time during or after the Initial Term, without notice and effective immediately. "**Cause**" means and refers to (a) a material breach by Customer of this Agreement, including, without limitation, the exclusivity provisions in Section 3, (b) Customer becoming unable to pay its liabilities when due, filing a petition in bankruptcy or being adjudicated bankrupt or insolvent or becoming otherwise subject to bankruptcy, insolvency or other similar proceedings, or (c) Customer engaging in (i) unethical business practices, (ii) conduct that violates widely held public moral beliefs or that brings public disrepute on Customer or CCBCC, or (iii) a misrepresentation of the Products.

10. Damages Relating to Removal of Equipment. If (a) any piece of Equipment is removed from an outlet or other part of a Location at any time without the prior written consent of CCBCC, or (b) if this Agreement is terminated by Customer in violation of this Agreement or terminated by CCBCC for Cause, then Customer will pay CCBCC the actual cost of removal (including standard shipping and handling charges) and any repair, cleaning and/or remanufacturing of the Equipment necessary for reuse of the Equipment, as well as the unamortized portion of the costs of (i) installation and (ii) non-serialized parts (e.g., pumps, racks, and regulators) and other ancillary equipment installed at the Location(s). The remedies provided in this Section 10 are cumulative and not exclusive of any other rights or remedies that may be available to CCBCC under other provisions of this Agreement or at law or in equity.

11. Repayment of Fees Upon Termination. Upon termination of this Agreement, Customer must re-pay to CCBCC any and all paid but unearned funding provided by CCBCC based on the prorated portion of such funding allocable to the period from the date of termination to the end of the period for which such funding had been provided. The remedies provided in this Section 11 are cumulative and not exclusive of any other rights or remedies that may be available to CCBCC under other provisions of this Agreement or at law or in equity.

12. Representations, Warranties and Covenants. Each of the parties represents and warrants that this Agreement is valid and legally binding upon that party and enforceable in accordance with its terms. Customer represents, warrants and covenants that (a) Customer has, and will have throughout the Term, the sole and exclusive authority (i) to distribute, and authorize distribution of, the Products at the Locations and any Related Activities and (ii) to grant the marketing, beverage distribution and promotional rights to CCBCC set forth herein with respect to the Locations and any Related Activities, in each case, without violating the rights of any third party or any agreement or binding obligation to which it is a party or by which it or its assets is bound, (b) Customer has taken all required and advisable action necessary to enter into, and complied with all applicable laws and regulations in entering into, this Agreement and (c) Customer will ensure that any and all of its employees, agents and authorized representatives shall adhere to the terms and conditions of this Agreement.

13. Confidentiality. During the Term of this Agreement and for a period of three (3) years immediately following the expiration or termination of this Agreement (and for such longer period as may be required to protect trade secrets and comparable rights), Customer shall hold, and shall cause its officers, directors, employees, accountants, counsel, consultants, advisors and agents (collectively, "**Designees**") to hold, in confidence, all documents and information concerning the business relationship embodied in this Agreement (including, without limitation, the terms and conditions of this Agreement) or which CCBCC or its Affiliates furnish to Customer in connection with this Agreement, except to the extent that such information can be shown to have been (a) previously known on a nonconfidential basis by Customer, (b) in the public domain through no fault of Customer or (c) later lawfully acquired by Customer from sources other than CCBCC or its Affiliates; provided,

that Customer may disclose such information (x) to its Designees in connection with the business relationship contemplated by this Agreement so long as such Designees are informed by Customer of the confidential nature of such information and agree to treat such information as confidential or (y) if disclosure is compelled by judicial or administrative process or by other requirements of law (in which case Customer shall give CCBCC written notice of the intended disclosure promptly after becoming aware of such disclosure requirement and prior to the actual disclosure, if possible, so that CCBCC may seek a protective order or other appropriate remedy). Upon the expiration or termination of this Agreement, Customer shall, and shall cause its Designees to, destroy or deliver to CCBCC, upon request, all documents and other materials, and all copies thereof, obtained by them or on their behalf from CCBCC or its Affiliates in connection with this Agreement. The provisions of this Section 13 shall survive the expiration or termination of this Agreement, regardless of the date, cause or manner of such termination.

14. Indemnification. CCBCC agrees to indemnify and hold Customer harmless from and against, and to pay to Customer, any and all losses, claims, demands, liabilities and damages incurred by Customer, including, without limitation, reasonable attorneys' fees and court costs, directly arising out of or relating to the defective manufacture of the Products. Customer agrees to indemnify and hold CCBCC and any affiliated entity harmless from and against, and to pay to CCBCC, any and all losses, claims, demands, liabilities and damages incurred by them, including, without limitation, reasonable attorneys' fees and court costs, arising out of or relating to (a) Customer's negligent or wrongful acts or omissions in connection with the distribution of the Products or operation of the Locations, (b) any material breach by Customer of this Agreement or (c) any confiscation or encumbrance of the Equipment.

15. Insurance. During the Term, Customer shall maintain (a) commercial general liability insurance with limits of no less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate, and (b) worker's compensation insurance as is required by applicable law, from an insurer which is A.M. Best Company rated A- or higher. Any such commercial general liability insurance policy shall be endorsed to specifically name CCBCC and its subsidiaries, affiliates, successors and assigns as additional insureds. Customer shall provide any certificates of insurance to CCBCC upon request, and Customer or its insurer shall provide thirty (30) days' prior written notice (or such other notice as may be provided in the policy provisions) to CCBCC of cancellation or non-renewal of such policies.

16. No License. Nothing contained in this Agreement shall be deemed to grant Customer any right in, or license to, any intellectual property owned or controlled by, or licensed for the use of, CCBCC or its Affiliates (collectively, "**CCBCC IP**"), and Customer shall not copy, reproduce, distribute or otherwise use any trademarks, service marks, logos or slogans of CCBCC or its Affiliates or other CCBCC IP, without the prior written consent of CCBCC.

17. Notices. Any and all notices or communications between the parties with respect to this Agreement shall be deemed given when made in writing and delivered by hand or sent by first-class mail (registered or certified, with return receipt requested), overnight courier (guaranteeing next business day delivery) or by email (followed by first-class mail confirmation), to the address of the party appearing under its name on the signature page below (or to such other address as may be designated in a notice given hereunder).

18. Equitable Relief. Customer acknowledges that the rights granted to CCBCC hereunder are special, unique and extraordinary and are of indeterminant value, the loss of which cannot be fully compensated by damages, actions at law or by application of other remedies described herein. Consequently, Customer acknowledges and agrees that, in addition to any other available remedies hereunder, in the event of a breach by Customer of its obligations hereunder, CCBCC shall be entitled to seek and obtain equitable relief, including an injunction requiring the Customer to comply fully with its obligation under this Agreement. Further, CCBCC shall have the right to withhold, and not pay, further Marketing Fees or any other amounts that would otherwise become due and payable to Customer hereunder if, and so long as, Customer is in breach of its obligations hereunder.

19. Right of First Refusal. Prior to, and for a period of sixty (60) days following, expiration or termination of the term of this Agreement, before Customer enters into an agreement with a third party beverage provider or distributor with respect to distribution of non-alcoholic beverages at any of Customer's retail locations following the expiration or termination of the term hereof, Customer shall first offer the proposed beverage arrangement to CCBCC on the same terms and conditions as offered by the third party. CCBCC shall have thirty (30) days during which to accept said offer. If CCBCC does not accept said offer within said period, Customer shall be free to accept the third party offer, provided that Customer shall not enter into a beverage arrangement with such third party or any other third party on terms and conditions more favorable to the third party than the terms and conditions offered to CCBCC.

Transshipping. As a purchaser of Products distributed by CCBCC, and in consideration thereof,

Customer shall comply with the provisions herein with respect to Transshipping. "**Transshipping**" is the act of (a) buying the types of products distributed by CCBCC from outside of CCBCC's beverage distribution territory for re-sale in such territory, (b) the sale of CCBCC's Products outside of such territory, or (c) the sale of such 3 Products within such territory to any third party that intends to ship or sell such Products outside of such territory. Customer shall not engage in Transshipping during the Term. If Transshipping occurs, CCBCC has the right, in addition to any other rights and remedies available to CCBCC under this Agreement or at law or in equity, (x) to discontinue the sale of Products to Customer and/or to terminate this Agreement, (y) to limit the Products purchased by Customer to amounts which CCBCC reasonably determines Customer needs solely for its retail sales in CCBCC's beverage distribution territory, and not for sale to other resellers, and/or (z) to collect from Customer any and all damages incurred by CCBCC as a result of Customer's Transshipping.

21. Concessionaires. To the extent that any concessionaire, provider of managed food/beverage services or other third party (each, a "**Concessionaire**") operates, manages, or leases a Location (or any outlet, portion of or space within a Location), Customer shall cause such Concessionaire to comply with the terms of this Agreement with respect to such Locations (or portions thereof or outlets or spaces therein); provided, however, that if a Concessionaire has a separate agreement with CCBCC or The Coca-Cola Company that includes pricing, rebate, allowance, equipment or service terms, CCBCC may elect in its sole discretion to sell Products to such Concessionaire in accordance with the pricing, rebate and other terms of such other agreement, and there will be no duplication of rebates, allowances, funding or benefits to Customer and the Concessionaire; provided that any purchases of Products by Concessionaire for sale at the Locations will be credited toward any minimum Total Purchase Requirements set forth in **Exhibit B**.

22. Purchases from Food Service Distributors. Notwithstanding any provision of this Agreement to the contrary, CCBCC may elect, in its sole discretion at any time, to permit Customer to purchase Products from either CCBCC and/or from a food service distributor authorized by CCBCC to distribute Products (an "**Authorized Distributor**"). If CCBCC elects to permit Customer to purchase Products from an Authorized Distributor, the following terms and conditions shall apply:

(a) Customer will purchase Products from an Authorized Distributor at the Authorized Distributor's prices and on its pricing terms, not on CCBCC's trade letter pricing or any pricing terms set forth in this Agreement, subject to Section 22(b);

(b) CCBCC will pay Customer rebates for Products purchased from an Authorized Distributor ("**Authorized Distributor Delivered Products**") solely if and to the extent set forth in **Exhibit A**;

(c) In no event will CCBCC pay rebates with respect to any (i) Authorized Distributor Delivered Products other than Products marketed under trademarks or brand names owned or controlled by or licensed for the use of The Coca-Cola Company ("**TCCC Products**") or (ii) Bag-in-Box fountain ("**BIB**") Products purchased through The Coca-Cola Company's national fountain program, including Coca-Cola, Sprite, Fanta, Seagrams, Pibb, Minute Maid, Barq's, Mello Yello, Hi-C, Powerade, Gold Peak, vitaminwater, Fuze, Fresca and any line extensions of those brands;

(d) Purchases by Customer of Authorized Distributor Delivered Products that are TCCC Products will be credited toward any minimum Total Purchase Requirements set forth in **Exhibit B**, but purchases of Authorized Distributor Delivered Products that are not TCCC Products will not be credited; and

(e) All rebates on Authorized Distributor Delivered Products set forth in **Exhibit A** will be paid based solely on sales records reported by the Authorized Distributor, and CCBCC is not obligated to pay rebates on sales not properly reported by the Authorized Distributor.

23. Miscellaneous. This Agreement shall not be assigned or transferred (including, without limitation, by merger or operation of law) by Customer without the prior written consent of CCBCC, and any such attempt to assign or transfer this Agreement without the prior written consent of CCBCC will be null and void. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. To be effective, any waiver of any term or condition in this Agreement must be in writing and signed by the waiving party. No waiver by any party of any breach by another party of any provision hereof shall be deemed to be a waiver of any other breach thereof or as a waiver of any such or other provision of this Agreement. This Agreement is made and executed with the intention that the construction, interpretation and validity hereof shall be determined in accordance with and governed by the laws of the State of North Carolina. This Agreement constitutes the entire contract between the parties with respect to the subject matter hereof and supersedes and cancels all prior or contemporaneous oral or written contracts and understandings with respect to the subject matter hereof. All Exhibits attached hereto are hereby incorporated herein by reference. The headings in this Agreement are solely for convenience of reference and shall not affect in any way the interpretation of this Agreement or limit the generality of any of its provisions. This Agreement may not be changed or modified orally, but only by an instrument in writing, signed by the parties hereto, which instrument states that it is an

amendment to this Agreement. All rights and remedies specified in this Agreement are cumulative and not exclusive of any other rights or remedies that may be available to the parties, whether under this Agreement or at law or in equity. Except as equity may require, should any provision of this Agreement or any part thereof be held to be invalid or unenforceable, the same shall not affect or impair any other provision of this Agreement or any part thereof, and the invalidity or unenforceability of any provision of this Agreement shall not have any effect on or impair the obligations of a party with respect to the remaining provisions of this Agreement. This Agreement may be executed in multiple counterparts (including by signatures in pdf format transmitted by email or by other electronic means agreed by the parties), each of which shall be deemed an original and all of which shall constitute one Agreement

[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 16th day of September, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

CCBCC OPERATIONS, LLC
CUSTOMER MARKETING AGREEMENT
The City of Kingsport

THIS CUSTOMER MARKETING AGREEMENT (the "**Agreement**") is made and entered into as of the 1st day of May, 2025 (the "**Effective Date**"), by and between CCBCC OPERATIONS, LLC ("**CCBCC**"), and The City of Kingsport ("**Customer**").

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, CCBCC and Customer hereby agree as follows:

1. Product Sale and Distribution.

(a) General. During the Term (as defined in Section 9) of this Agreement, Customer shall (i) merchandise, advertise, display, vend, sell and otherwise distribute, all at retail (collectively, hereinafter referred to as "**distribute**" or "**distribution**"), sparkling and still non-alcoholic beverages of any kind or form, and all beverage bases from which these can be prepared, including, without limitation, all carbonated soft drinks, noncarbonated drinks, juices and juice drinks, teas and tea drinks, packaged waters, energy drinks, isotonic and sport performance beverages, vitamin/mineral enhanced waters, and nutritional supplement beverages, that are (A) marketed under trademarks or brand names owned or controlled by or licensed for the use of CCBCC or an Affiliate (as defined below) thereof and (B) customarily and regularly distributed by CCBCC in the ordinary course under comparable circumstances at the then subject time (the "**Products**") and (ii) obtain all of its requirements for Products from CCBCC. Customer shall distribute the Products in the manner set forth herein and shall use its best efforts to maximize the sales of, and revenue from, the Products. Such distribution shall be carried out at the locations specified on **Exhibit A** (the "**Locations**"). The brands and package forms for the Products to be distributed shall be determined by CCBCC in its discretion after consultation with Customer. CCBCC is entering into this Agreement with the understanding that it will have the flexibility to sell a range of beverage brands and packages that meet consumer demand and maximize sales volume and revenue, and any restriction on CCBCC's rights to determine brands and package forms, whether as a result of actions or orders by Customer or any third party (including any governmental authority), shall be deemed a material breach of this Agreement. As used herein, "**Affiliate**" means, with respect to any specified entity or person, any other entity or person that, directly or indirectly, controls, is controlled by or is under common control with such specified person or entity, where "**control**" means, as to any entity, the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting equity, by contract or otherwise.

(b) Full Service Vending Machine Sales. With respect to self-operated, coin and bill and/or cashless vending machines placed at the Locations by CCBCC hereunder and identified as "Full Service Vending Machines" on **Exhibit C** ("**Full Service Vending Machines**"), if any, CCBCC shall stock such vending machines in accordance herewith. All Products in such Full Service Vending Machines (and all cash and other proceeds from sales of such Products) shall be at all times the property of CCBCC, and CCBCC shall be responsible for removing from the Full Service Vending Machines all such cash and other proceeds. Customer shall return to CCBCC all such Products and proceeds that might come into Customer's possession. Customer shall have no right to access any internal areas or parts of such Full Service Vending Machines. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, the servicing of Full Service Vending Machines may be provided by a full line operator as set forth in Section 7 of **Exhibit B**.

(c) Direct Sales Vending Machines. Except as provided in Section 1(b) above with respect to Full Service Vending Machines, if any, Customer shall stock all self-operated, coin and bill and/or cashless vending machines, if any, placed at the Locations by CCBCC ("**Direct Sales Vending Machines**" and together with Full Service Vending Machines, "**Vending Machines**") in accordance herewith. Products sold through Direct Sales Vending Machines shall be purchased by Customer from CCBCC as provided herein and resold by Customer only to retail consumers in the ordinary course of Customer's operations. Once delivered to Customer, all Products in such Direct Sales Vending Machines (and all cash and other proceeds from sales of such Products) shall be the property of Customer, with Customer having all attendant risk of loss and ownership obligations.

(d) Delivered Bottle, Can and Fountain Sales. In addition to sales through Vending Machines, Products will also be sold at the Locations through cashier assisted (or comparable) cold cases, kiosks, fountain dispensers, coolers, hawking, vending, shelf displays and/or other non-vending machine vehicles of distribution (collectively, for convenience of reference, "**Cold Cases**"). Products sold through Cold Cases shall be purchased by Customer from CCBCC or an Authorized Distributor (as defined in Section 22) as provided herein and resold by Customer only to retail consumers in the ordinary course of Customer's operations. Once delivered to Customer, any such Products sold to Customer shall become the property of Customer, with Customer having all attendant risk of loss and ownership obligations. Proceeds from the sales of such Products shall be the property of Customer. CCBCC shall sell Products to Customer (in the manner provided herein) in such amounts as are reasonably required by Customer, from time to time, subject to such reasonable caps on such requirements as may be determined, from time to time, by CCBCC, and subject to any Total Purchase Requirements (as defined in Section 1(e)) on **Exhibit B**. CCBCC shall not be liable to Customer for failure to make shipments of Products where such failure is due to any cause or condition beyond the reasonable control of CCBCC.

(e) Minimum Required Sales. CCBCC is entering into this Agreement on the basis that Product sales at the Locations will achieve certain targets. Accordingly, the sales of Products through Full Service Vending Machines and/or to Customer for resale through Direct Sales Vending Machines and Cold Cases shall in no event be less than the minimums set forth on **Exhibit B** (such minimum(s), the "**Total Purchase Requirement(s)**"). Failure to achieve the minimum Total Purchase Requirements shall constitute an event of Cause (as defined in Section 9) hereunder and CCBCC shall be entitled to the remedies set forth in **Exhibit B**, in addition to any other remedies CCBCC may have hereunder or at law or in equity.

2. Promotional Recognition. Customer hereby grants to CCBCC (and the Products) promotional recognition and the right to promote (and the cooperation and active involvement of Customer in promoting) CCBCC and the Products in connection with Customer, the Locations and any activities, functions and event venues operating under the auspices of Customer ("**Related Activities**"). Promotional recognition benefits include, without limitation, those set forth on **Exhibit A**. CCBCC shall have the right to use any trademark, trade name, service mark, design, logo, slogan, symbol, mascot, character, identification, or other proprietary design now or in the future owned, licensed, or otherwise controlled by Customer (collectively, the "**Customer Marks**") on a royalty-free basis during the Term. Without limiting the generality of the foregoing, CCBCC shall submit to Customer, and Customer shall have the right to approve within ten (10) days of receipt from CCBCC, which approval shall not be unreasonably withheld, conditioned or delayed, (a) any concept for any promotional activity undertaken by CCBCC hereunder with respect to Customer or any Location or Related Activity and (b) any artwork or other items created by CCBCC that incorporate any Customer Marks for use in any such promotional activity. In the event that Customer fails to provide any response to CCBCC within such ten (10) day period, such submission shall be deemed approved by Customer. CCBCC shall have access to the Locations and any Related Activities at all reasonable times for any appropriate purposes hereunder and, with respect to promotions, agrees to comply with any reasonable requirements of Customer regarding operation, placement, set-up and tear-down of CCBCC's promotional materials.

3. Exclusivity. In consideration for, and as a material inducement to, CCBCC entering into this Agreement, Customer expressly agrees that, during the Term, Customer shall not (a) distribute, or allow any others to distribute, to any person in any manner, for compensation or otherwise, directly or indirectly, any products or supplies on or at the Locations or any Related Activities that are similar to, the same as or comparable to or compete with the Products ("**Competing Products**") or (b) grant any similar marketing or sponsorship recognition to any Competing Products (or any distributor of Competing Products). In the event that any third party attempts, without CCBCC's prior written consent, to distribute any Competing Product at the Locations or any Related Activities or to associate any Competing Product with Customer, or to suggest that a Competing Product is endorsed by, or

associated with, Customer, then Customer will promptly take any steps necessary to stop and prevent such actions and to protect the exclusive rights granted to CCBCC under this Agreement.

4. Marketing Fees; Rebates. During the Initial Term (as defined in Section 9) of this Agreement, provided that Customer is not in breach of any provision hereunder, CCBCC shall pay to Customer the marketing fees ("**Marketing Fees**") and/or rebates as set forth on **Exhibit A**. In the event of a breach of this Agreement by Customer and while such breach is continuing, (a) CCBCC shall be under no obligation to make any additional Marketing Fees or rebate payments to Customer after the date of such breach, and (b) upon request by CCBCC, Customer shall promptly refund to CCBCC all unearned initial and annual Marketing Fees paid by CCBCC prior to such breach based on the prorated portion of such fees allocable to the period from the date of the breach to the end of the applicable period for which such fees had been provided.

5. Marketing Support. During the Initial Term of this Agreement, so long as Customer is not in breach of any provision hereunder, CCBCC shall endeavor to provide annual marketing support with a value in the amount set forth on **Exhibit A** (the "**Marketing Support**"), provided that CCBCC is not obligated to make cash expenditures up to such amount, and marketing support may include provision of in-kind services or other non-cash assets or benefits or any combination thereof in CCBCC's sole discretion. If, as of the end of any Agreement Year (as defined in Section 9) during the Initial Term of the Agreement, there is any unused Marketing Support specified for such Agreement Year, the difference between the Marketing Support and the amount of the marketing support actually provided for such year shall be forfeited and shall not roll over to the following Agreement Year. If, at the end of the Initial Term, there is any unused Marketing Support, CCBCC shall have no obligation to pay, and shall not pay, the amount of any such unused Marketing Support to Customer. Upon expiration of the Initial Term or termination of this Agreement, the marketing program hereunder (e.g., Marketing Fees and Marketing Support) will no longer be made available to Customer, and CCBCC shall have no further obligations with respect to such marketing program.

6. Product Support. During the Initial Term of this Agreement, provided that Customer is not in breach of any provision hereunder, CCBCC shall, at no cost to Customer, provide Product support (the "**Product Support**") each Agreement Year in the amount set forth on **Exhibit A**; provided, however, that CCBCC shall not be liable to Customer for failure to provide such Product Support where such failure is due to any cause or condition beyond the reasonable control of CCBCC. Customer shall request Product Support in writing at least fourteen (14) days prior to the desired delivery date, and any such requests shall be for an amount of Product that is equal to or greater than twenty (20) cases. For the avoidance of doubt, if, with respect to any Agreement Year during the Initial Term, Customer fails to request all of the Product Support available for such year, the amount of any Product Support not requested by Customer shall not carry over to the next Agreement Year nor shall Customer be entitled to receive any compensation from CCBCC with respect thereto. Customer shall not, and shall not permit others to, resell any Product provided by CCBCC to Customer pursuant to this Section 6. If, with respect to any Agreement Year during the Initial Term of this Agreement, Customer requires Product Support in excess of the amount set forth on **Exhibit A**, CCBCC shall provide such additional Products to Customer; provided, however, that Customer shall purchase such Products from CCBCC at the then-current prices for the Products.

7. Prices and Commission.

(a) Product Prices. Subject to Sections 21 and 22, CCBCC agrees to sell to Customer Products for resale by Customer through Direct Sales Vending Machines and Cold Cases, in accordance with CCBCC's trade letter pricing in effect from time to time, during the period in which Customer is in full compliance with the terms and conditions of this Agreement.

(b) Commission on Sales. CCBCC shall pay to Customer a commission on CCBCC's sales of Products through any Full Service Vending Machines at the Locations ("**Commission**"), during the period in which Customer is in full compliance with the terms and conditions of this Agreement. Commissions shall be computed and paid in the manner, and subject to the provisions, set forth on **Exhibit B**. Notwithstanding the foregoing, if the servicing of Full Service Vending Machines is transferred to a full line operator pursuant to Section 7 of **Exhibit B**, Commissions will be paid in accordance with the terms thereof.

8. Equipment.

(a) General. CCBCC shall provide and install all Vending Machines, Cold Cases and other equipment necessary and appropriate (as determined by CCBCC in its sole discretion) to distribute the Products at the Locations. Those Vending Machines, along with any Cold Cases and other equipment, if any, provided by CCBCC to Customer (in CCBCC's sole discretion) to assist Customer in Cold Case distribution, are referred to collectively as the "**Equipment**". The initial Equipment at the Effective Date consists of those items set forth on **Exhibit C**. All Equipment is and shall remain the property of CCBCC at all times. Customer shall take no action inconsistent with such ownership and shall cooperate with CCBCC in preserving and evidencing the same, including execution, delivery and filing of financing statements and other documents, as CCBCC may require. Customer agrees that it will (i) maintain a safe environment at the Locations, so as to protect the Equipment from theft and vandalism and (ii) reimburse CCBCC for any loss or damage to any Equipment, other than reasonable wear and tear or loss or damage caused by CCBCC. Customer will not encumber the Equipment in any manner or permit any attachment thereto. No logo, trademark, advertisement or other indication of CCBCC's ownership of the Equipment shall be obstructed, defaced or removed, and no logo, trademark or advertisement other than those of or related to CCBCC or the Products shall be attached to the Equipment. The Equipment shall be used exclusively to merchandise Products and shall not be used for any other purpose, including the storage or merchandising of any other products. Upon expiration or termination of this agreement, Customer shall immediately return all Equipment or other property of CCBCC and provide access to the Locations for CCBCC's removal of the same (and in no event shall Customer remove or attempt to remove any Equipment without the prior written consent of CCBCC). If Equipment is not returned to CCBCC pursuant to the terms of the immediately preceding sentence, then CCBCC shall submit an invoice to Customer setting forth the replacement cost of any such unreturned Equipment and any costs and expenses incurred by CCBCC (including labor and collection costs) in connection with CCBCC's attempt to remove the Equipment from the Locations. Customer shall pay such invoice in accordance with the payment terms set forth in Section 3(b) of **Exhibit B**.

(b) Installation Sites. The Equipment installation sites at the Locations shall be as set forth on **Exhibit C** and as otherwise mutually agreed upon by the parties. The Equipment may not be removed from the installation sites without CCBCC's prior written consent. Customer represents and warrants that electrical service at each installation site is proper and adequate for the Equipment.

(c) Stocking and Maintenance. Subject to Section 7 of **Exhibit B**, CCBCC shall stock the Full Service Vending Machines, if any, with Products through CCBCC's regular, full service delivery drivers or agents, in accordance with CCBCC's delivery policies in effect from time to time. CCBCC shall perform repair services on the Equipment, at its expense, in accordance with CCBCC's repair policies, in effect from time to time, but shall not be liable for damages of any kind arising out of delays in providing service to the Equipment. Customer shall not perform any maintenance or repairs on any Equipment without CCBCC's prior authorization. CCBCC may, at its option, remove, replace or supplement the Equipment at any time during the Term. Customer shall provide CCBCC with reasonable access to the Equipment in order to allow CCBCC to stock any Full Service Vending Machines, perform any repair services on the Equipment or remove, replace or install Equipment.

9. Term and Termination. As used herein, "**Initial Term**" means the initial term of this Agreement set forth in Section 1 of **Exhibit B**. This Agreement may be terminated, effective at the end of the Initial Term (as it may be extended pursuant to Section 2 of **Exhibit B**), by either party giving the other party written notice of termination at least thirty (30) days prior to the end of the Initial Term. If not terminated effective at the end of the Initial Term, this Agreement shall continue in full force and effect thereafter until either party gives the other party written notice of termination of this Agreement at least thirty (30) days prior to the effective date of such termination, as specified in such notice; provided, however, that CCBCC shall have no obligation to pay or provide any Marketing Fees, Marketing Support, Product Support or rebates following the Initial Term, except, in the case of rebates, as may be otherwise expressly set forth herein. The Initial Term, together with any such additional period after the Initial Term until the Agreement is terminated, shall be referred to herein as the "**Term**". Each twelve month period during the Term that commences with the Effective Date or each subsequent anniversary thereof shall be referred to herein as an "**Agreement Year**". Notwithstanding the foregoing, this Agreement may be terminated

by CCBCC, for Cause, at any time during or after the Initial Term, without notice and effective immediately. "**Cause**" means and refers to (a) a material breach by Customer of this Agreement, including, without limitation, the exclusivity provisions in Section 3, (b) Customer becoming unable to pay its liabilities when due, filing a petition in bankruptcy or being adjudicated bankrupt or insolvent or becoming otherwise subject to bankruptcy, insolvency or other similar proceedings, or (c) Customer engaging in (i) unethical business practices, (ii) conduct that violates widely held public moral beliefs or that brings public disrepute on Customer or CCBCC, or (iii) a misrepresentation of the Products.

10. Damages Relating to Removal of Equipment. If (a) any piece of Equipment is removed from an outlet or other part of a Location at any time without the prior written consent of CCBCC, or (b) if this Agreement is terminated by Customer in violation of this Agreement or terminated by CCBCC for Cause, then Customer will pay CCBCC the actual cost of removal (including standard shipping and handling charges) and any repair, cleaning and/or remanufacturing of the Equipment necessary for reuse of the Equipment, as well as the unamortized portion of the costs of (i) installation and (ii) non-serialized parts (e.g., pumps, racks, and regulators) and other ancillary equipment installed at the Location(s). The remedies provided in this Section 10 are cumulative and not exclusive of any other rights or remedies that may be available to CCBCC under other provisions of this Agreement or at law or in equity.

11. Repayment of Fees Upon Termination. Upon termination of this Agreement, Customer must re-pay to CCBCC any and all paid but unearned funding provided by CCBCC based on the prorated portion of such funding allocable to the period from the date of termination to the end of the period for which such funding had been provided. The remedies provided in this Section 11 are cumulative and not exclusive of any other rights or remedies that may be available to CCBCC under other provisions of this Agreement or at law or in equity.

12. Representations, Warranties and Covenants. Each of the parties represents and warrants that this Agreement is valid and legally binding upon that party and enforceable in accordance with its terms. Customer represents, warrants and covenants that (a) Customer has, and will have throughout the Term, the sole and exclusive authority (i) to distribute, and authorize distribution of, the Products at the Locations and any Related Activities and (ii) to grant the marketing, beverage distribution and promotional rights to CCBCC set forth herein with respect to the Locations and any Related Activities, in each case, without violating the rights of any third party or any agreement or binding obligation to which it is a party or by which it or its assets is bound, (b) Customer has taken all required and advisable action necessary to enter into, and complied with all applicable laws and regulations in entering into, this Agreement and (c) Customer will ensure that any and all of its employees, agents and authorized representatives shall adhere to the terms and conditions of this Agreement.

13. Confidentiality. During the Term of this Agreement and for a period of three (3) years immediately following the expiration or termination of this Agreement (and for such longer period as may be required to protect trade secrets and comparable rights), Customer shall hold, and shall cause its officers, directors, employees, accountants, counsel, consultants, advisors and agents (collectively, "**Designees**") to hold, in confidence, all documents and information concerning the business relationship embodied in this Agreement (including, without limitation, the terms and conditions of this Agreement) or which CCBCC or its Affiliates furnish to Customer in connection with this Agreement, except to the extent that such information can be shown to have been (a) previously known on a nonconfidential basis by Customer, (b) in the public domain through no fault of Customer or (c) later lawfully acquired by Customer from sources other than CCBCC or its Affiliates; provided, that Customer may disclose such information (x) to its Designees in connection with the business relationship contemplated by this Agreement so long as such Designees are informed by Customer of the confidential nature of such information and agree to treat such information as confidential or (y) if disclosure is compelled by judicial or administrative process or by other requirements of law (in which case Customer shall give CCBCC written notice of the intended disclosure promptly after becoming aware of such disclosure requirement and prior to the actual disclosure, if possible, so that CCBCC may seek a protective order or other appropriate remedy). Upon the expiration or termination of this Agreement, Customer shall, and shall cause its Designees to, destroy or deliver to CCBCC, upon request, all documents and other materials, and all copies thereof, obtained by them or on their behalf from CCBCC or its Affiliates in connection with this Agreement. The provisions of this Section 13 shall survive the expiration or termination of this Agreement, regardless of the date, cause or manner of such termination.

14. Indemnification. CCBCC agrees to indemnify and hold Customer harmless from and against, and to pay to Customer, any and all losses, claims, demands, liabilities and damages incurred by Customer, including, without limitation, reasonable attorneys' fees and court costs, directly arising out of or relating to the defective manufacture of the Products. Customer agrees to indemnify and hold CCBCC and any affiliated entity harmless from and against, and to pay to CCBCC, any and all losses, claims, demands, liabilities and damages incurred by them, including, without limitation, reasonable attorneys' fees and court costs, arising out of or relating to (a) Customer's negligent or wrongful acts or omissions in connection with the distribution of the Products or operation of the Locations, (b) any material breach by Customer of this Agreement or (c) any confiscation or encumbrance of the Equipment.

15. Insurance. During the Term, Customer shall maintain (a) commercial general liability insurance with limits of no less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate, and (b) worker's compensation insurance as is required by applicable law, from an insurer which is A.M. Best Company rated A- or higher. Any such commercial general liability insurance policy shall be endorsed to specifically name CCBCC and its subsidiaries, affiliates, successors and assigns as additional insureds. Customer shall provide any certificates of insurance to CCBCC upon request, and Customer or its insurer shall provide thirty (30) days' prior written notice (or such other notice as may be provided in the policy provisions) to CCBCC of cancellation or non-renewal of such policies.

16. No License. Nothing contained in this Agreement shall be deemed to grant Customer any right in, or license to, any intellectual property owned or controlled by, or licensed for the use of, CCBCC or its Affiliates (collectively, "**CCBCC IP**"), and Customer shall not copy, reproduce, distribute or otherwise use any trademarks, service marks, logos or slogans of CCBCC or its Affiliates or other CCBCC IP, without the prior written consent of CCBCC.

17. Notices. Any and all notices or communications between the parties with respect to this Agreement shall be deemed given when made in writing and delivered by hand or sent by first-class mail (registered or certified, with return receipt requested), overnight courier (guaranteeing next business day delivery) or by email (followed by first-class mail confirmation), to the address of the party appearing under its name on the signature page below (or to such other address as may be designated in a notice given hereunder).

18. Equitable Relief. Customer acknowledges that the rights granted to CCBCC hereunder are special, unique and extraordinary and are of indeterminant value, the loss of which cannot be fully compensated by damages, actions at law or by application of other remedies described herein. Consequently, Customer acknowledges and agrees that, in addition to any other available remedies hereunder, in the event of a breach by Customer of its obligations hereunder, CCBCC shall be entitled to seek and obtain equitable relief, including an injunction requiring the Customer to comply fully with its obligation under this Agreement. Further, CCBCC shall have the right to withhold, and not pay, further Marketing Fees or any other amounts that would otherwise become due and payable to Customer hereunder if, and so long as, Customer is in breach of its obligations hereunder.

19. Right of First Refusal. Prior to, and for a period of sixty (60) days following, expiration or termination of the term of this Agreement, before Customer enters into an agreement with a third party beverage provider or distributor with respect to distribution of non-alcoholic beverages at any of Customer's retail locations following the expiration or termination of the term hereof, Customer shall first offer the proposed beverage arrangement to CCBCC on the same terms and conditions as offered by the third party. CCBCC shall have thirty (30) days during which to accept said offer. If CCBCC does not accept said offer within said period, Customer shall be free to accept the third party offer, provided that Customer shall not enter into a beverage arrangement with such third party or any other third party on terms and conditions more favorable to the third party than the terms and conditions offered to CCBCC.

20. Transshipping. As a purchaser of Products distributed by CCBCC, and in consideration thereof, Customer shall comply with the provisions herein with respect to Transshipping. "**Transshipping**" is the act of (a) buying the types of products distributed by CCBCC from outside of CCBCC's beverage distribution territory for re-sale in such territory, (b) the sale of CCBCC's Products outside of such territory, or (c) the sale of such

Products within such territory to any third party that intends to ship or sell such Products outside of such territory. Customer shall not engage in Transshipping during the Term. If Transshipping occurs, CCBCC has the right, in addition to any other rights and remedies available to CCBCC under this Agreement or at law or in equity, (x) to discontinue the sale of Products to Customer and/or to terminate this Agreement, (y) to limit the Products purchased by Customer to amounts which CCBCC reasonably determines Customer needs solely for its retail sales in CCBCC's beverage distribution territory, and not for sale to other resellers, and/or (z) to collect from Customer any and all damages incurred by CCBCC as a result of Customer's Transshipping.

21. Concessionaires. To the extent that any concessionaire, provider of managed food/beverage services or other third party (each, a "**Concessionaire**") operates, manages, or leases a Location (or any outlet, portion of or space within a Location), Customer shall cause such Concessionaire to comply with the terms of this Agreement with respect to such Locations (or portions thereof or outlets or spaces therein); provided, however, that if a Concessionaire has a separate agreement with CCBCC or The Coca-Cola Company that includes pricing, rebate, allowance, equipment or service terms, CCBCC may elect in its sole discretion to sell Products to such Concessionaire in accordance with the pricing, rebate and other terms of such other agreement, and there will be no duplication of rebates, allowances, funding or benefits to Customer and the Concessionaire; provided that any purchases of Products by Concessionaire for sale at the Locations will be credited toward any minimum Total Purchase Requirements set forth in **Exhibit B**.

22. Purchases from Food Service Distributors. Notwithstanding any provision of this Agreement to the contrary, CCBCC may elect, in its sole discretion at any time, to permit Customer to purchase Products from either CCBCC and/or from a food service distributor authorized by CCBCC to distribute Products (an "**Authorized Distributor**"). If CCBCC elects to permit Customer to purchase Products from an Authorized Distributor, the following terms and conditions shall apply:

(a) Customer will purchase Products from an Authorized Distributor at the Authorized Distributor's prices and on its pricing terms, not on CCBCC's trade letter pricing or any pricing terms set forth in this Agreement, subject to Section 22(b);

(b) CCBCC will pay Customer rebates for Products purchased from an Authorized Distributor ("**Authorized Distributor Delivered Products**") solely if and to the extent set forth in **Exhibit A**;

(c) In no event will CCBCC pay rebates with respect to any (i) Authorized Distributor Delivered Products other than Products marketed under trademarks or brand names owned or controlled by or licensed for the use of The Coca-Cola Company ("**TCCC Products**") or (ii) Bag-in-Box fountain ("**BIB**") Products purchased through The Coca-Cola Company's national fountain program, including Coca-Cola, Sprite, Fanta, Seagrams, Pibb, Minute Maid, Barq's, Mello Yello, Hi-C, Powerade, Gold Peak, vitaminwater, Fuze, Fresca and any line extensions of those brands;

(d) Purchases by Customer of Authorized Distributor Delivered Products that are TCCC Products will be credited toward any minimum Total Purchase Requirements set forth in **Exhibit B**, but purchases of Authorized Distributor Delivered Products that are not TCCC Products will not be credited; and

(e) All rebates on Authorized Distributor Delivered Products set forth in **Exhibit A** will be paid based solely on sales records reported by the Authorized Distributor, and CCBCC is not obligated to pay rebates on sales not properly reported by the Authorized Distributor.

23. Miscellaneous. This Agreement shall not be assigned or transferred (including, without limitation, by merger or operation of law) by Customer without the prior written consent of CCBCC, and any such attempt to assign or transfer this Agreement without the prior written consent of CCBCC will be null and void. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. To be effective, any waiver of any term or condition in this Agreement must be in writing and signed by the waiving party. No waiver by any party of any breach by another party of any provision hereof shall be deemed to be a waiver of any other breach thereof or as a waiver of any such or other provision of this Agreement. This Agreement is made and executed with the intention that the construction, interpretation and validity hereof shall be determined in accordance with and governed by the laws of the State of North Carolina. This Agreement constitutes the entire contract between the parties with respect to the subject matter hereof and supersedes and cancels all prior or contemporaneous oral or written contracts and understandings with respect to the subject matter hereof. All Exhibits attached hereto are hereby incorporated herein by reference. The headings in this Agreement are solely for convenience of reference and shall not affect in any way the interpretation of this Agreement or limit the generality of any of its provisions. This Agreement may not be changed or modified orally, but only by an instrument in writing, signed by the parties hereto, which instrument states that it is an amendment to this Agreement. All rights and remedies specified in this Agreement are cumulative and not exclusive of any other rights or remedies that may be available to the parties, whether under this Agreement or at law or in equity. Except as equity may require, should any provision of this Agreement or any part thereof be held to be invalid or unenforceable, the same shall not affect or impair any other provision of this Agreement or any part thereof, and the invalidity or unenforceability of any provision of this Agreement shall not have any effect on or impair the obligations of a party with respect to the remaining provisions of this Agreement. This Agreement may be executed in multiple counterparts (including by signatures in pdf format transmitted by email or by other electronic means agreed by the parties), each of which shall be deemed an original and all of which shall constitute one Agreement.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the Effective Date.

"CCBCC"

CCBCC OPERATIONS, LLC

By:_____
Name: Jesse Mittelsteadt
Title: Local Sales rep.

By:_____
Name:
Title:

Date: _____

4100 Coca-Cola Plaza
Charlotte, NC 28211
Attention:
Email:

"Customer"

The City of Kingsport

By:_____
Name:
Title:

By:_____
Name:
Title:

Date: _____

Address 415 Broad Street
City, State, Zip Kingsport, TN 37660
Attention: Paul Montgomery
Email: Brentmorelock@kingsportTN.gov

CCBCC OPERATIONS, LLC
CUSTOMER MARKETING AGREEMENT
The City of Kingsport

LOCATIONS, MARKETING FEES, MARKETING SUPPORT, PRODUCT SUPPORT, MARKETING BENEFITS AND PARTNERSHIP ELEMENTS

1. Locations

Customer #	Name	Address	City	State	Zip
501499969	Kingsport PR Brick Yard	100 Hill st	Kingsport	TN	37660
501500424	Kingsport PR Domtar Left	1414 Riverport Rd	Kingsport	TN	37660
501500485	Kingsport PR Domtar Right	1414 Riverport Rd	Kingsport	TN	37660

If, at any time during the Term, any Customer or any Affiliate thereof creates or establishes a new retail location in the beverage distribution territory of CCBCC, then, at the option of CCBCC in its sole discretion, such newly created or established retail location shall be added automatically as a Location hereunder owned or operated by Customer (or its Affiliate) and such new Location and Customer (or Affiliate thereof) with respect to such Location shall be subject to the terms of this Agreement during the Term in all respects. If CCBCC exercises such option, the parties agree to execute any documents, and to take any actions, reasonably requested by a party to further evidence or effectuate the addition of such new retail locations as Locations subject to this Agreement for all purposes hereunder.

2. Marketing Fees

One-Time Initial Marketing Fee

CCBCC shall pay a one-time, initial Marketing Fee to Customer in the amount of Ten Thousand and 00/100 Dollars ($10,000.00), which amount shall be due and payable in full by October 01, 2025, subject to submission of an invoice by Customer to CCBCC. Notwithstanding the foregoing, payment will not be made until after initial delivery is made.

Annual Marketing Fee

The annual Marketing Fee during the Initial Term of this Agreement shall be Four Thousand and 00/100 Dollars ($4,000.00), subject to the provisions of Section 2 of **Exhibit B**, which amount shall be paid in arrears after each Agreement Year. Subject to submission of an invoice by Customer to CCBCC (and the provisions of Section 2 of **Exhibit B**), the annual Marketing Fee shall be payable in equal installment(s) by the applicable payment due dates following each Agreement Year set forth in the chart below. Notwithstanding the foregoing, payment for the first Agreement Year will not be made until after initial delivery is made.

Agreement Year	Payment Due Dates
Year 1	10/01/2025
Year 2	10/01/2026
Year 3	10/01/2027
Year 4	10/01/2028
Year 5	10/01/2029
Year 6	10/01/2030
Year 7	10/01/2031
Year 8	10/01/2032
Year 9	10/01/2033
Year 10	10/01/2034

Rebates

During the Initial Term of this Agreement and subject to Section 22, CCBCC will pay Customer a rebate for each case and/or gallon of TCCC Products (excluding any BIB juice Products or Freestyle BIB, sweetener or cartridges) sold to Customer by CCBCC as set forth below. Rebates shall be computed by CCBCC in accordance with the payment policies of CCBCC in effect from time to time, based on rebate and payment timing below:

Bottle & Can Packages	Units Per Case	Rebate Per Case	Payment Timing
20 oz. CSD	24	$5.00	Annually
20 oz. PowerAde	24	$5.00	Annually
20 oz. Dasani	24	$5.00	Annually

B&C Rebate Begin Date	B&C Rebate End Date
May 01, 2025	May 01, 2035

3. Marketing Support

The annual Marketing Support during each Agreement Year of the Initial Term shall have a value of Two Hundred and Fifty and 00/100 Dollars ($250.00). CCBCC is not obligated to make cash expenditures up to such amount, and marketing support may include provision of in-kind services or other non-cash assets or benefits or any combination thereof, as determined by CCBCC in its sole discretion.

4. Product Support

For each Agreement Year during the Initial Term of the Agreement, CCBCC will provide Thirty (30) cases of Product in [12 oz. cans or 16.9 oz. Dasani] at no additional cost to Customer. In the event that Customer does not achieve the minimum Total Purchase Requirements set forth in Section 2 of **Exhibit B** and CCBCC elects to extend the Term of this Agreement as a result thereof, or if the term of this Agreement is extended pursuant to Section 9 of the Agreement, CCBCC will not be required to provide any additional Product Support after the Initial Term.

5. Marketing and Promotional Benefits

CCBCC shall receive the following marketing and promotional rights, recognition and support from Customer free of charge, without further payment from CCBCC:

1. **Sampling**. The exclusive right to sample Products at the Locations or Related Activities to the exclusion of Competing Products and any distributors of Competing Products.

2. **Advertising**. The exclusive right to market, promote and/or advertise the Products at the Locations and any Related Activities and CCBCC's status as the exclusive non-alcoholic beverage provider of Customer and any Related Activities in the marketplace.

3. **Trademarks**. The right to have all Vending Machines, Cold Cases and other Equipment display the trademarks or the brand names of Products owned or controlled by or licensed for the use of CCBCC or an Affiliate.

4. **Entertainment Inventory**. **[TBD]**

6. Initial Mandatory Brands and Packages

The brands and packages to be initially distributed at the Locations (such brands and packages, the "**Mandatory Brands**" and the "**Mandatory Packages**", respectively), along with any mandatory ancillary products or equipment to be used at the Locations, are marked with an (X) as set forth below. The Mandatory Brands and Mandatory Packages may be modified during the Term by CCBCC in its discretion after consultation with Customer.

	MANDATORY BRANDS			MANDATORY PACKAGES			MANDATORY ANCILLARY			MANDATORY EQUIPMENT
x	Carbonated Drinks		x	20 oz			Trademark Cups		x	Cooler
x	Dasani Water			Fountain			Lids			Vendor
x	Powerade Isotonic			12 oz Cans			CO2			Fountain
x	Gold Peak Tea			2 Liter			Brewed Tea			Barrel
x	Monster Energy			Glass Bottle			Brewed Coffee			Rack
	Vitaminwater						Tumblers			
	Smartwater									
x	Body Armor									
	Minute Maid									
	Dunkin Donuts									

7. Menu Benefits

Subject to Section 16 of this Agreement, CCBCC and Customer hereby acknowledge and agree that CCBCC shall have the following marketing, promotion, and advertising rights, free of charge, with respect to Customer's menus:

1. Print Menus. If Customer utilizes print menus at any Location, Customer shall, on the face of each print menu, (i) list each Mandatory Brand available for purchase (or any Product to be sold from time to time as determined in accordance with Section 1(a) of this Agreement) at such Location (such list, as may be updated from time to time, the "**Approved Brand List**") and (ii) conspicuously display an approved trademark or logo for each Product (such approved trademarks or logos, which may be obtained at www.coketogo.com, the "**Approved Logos**") included in the Approved Brand List.

2. Digital Menus. If Customer utilizes digital menus at any Location or online via Customer's website or any third party platform such as Instagram, Facebook, DoorDash, Grubhub, etc., Customer shall conspicuously display on each digital menu (i) the Approved Brand List and (ii) an Approved Logo for each Product included in the Approved Brand List.

3. Wall-Mounted Menus. If Customer utilizes menu boards, menu displays, or any other style of wall-mounted menu, Customer shall conspicuously display on each wall-mounted menu (i) the Approved Brand List and (ii) an Approved Logo for each Product included in the Approved Brand List.

4. Inability to Accommodate Logo. In the event Customer's menu(s) cannot accommodate the Approved Logos, Customer shall not be in breach of this Agreement if, and only if, Customer includes the Approved Brand List on the face (or equivalent thereof) of its menu(s).

5. CCBCC Approval. After Customer selects the Approved Logos, but prior to publication, in any form, of Customer's menu displaying the Approved Logos and/or the Approved Brand List, Customer shall submit to CCBCC, and CCBCC shall have the right to approve within ten (10) days of receipt from Customer, which such approval shall not be unreasonably withheld, conditioned, or delayed, its menu concept displaying the Approved Logos and/or the Approved Brand List. In the event CCBCC fails to provide any response to Customer within such ten (10) day period, such submission shall be deemed approved by CCBCC, and Customer may proceed to publish such menu concept.

6. Limitations. Customer shall not modify, copy, re-produce, transmit or re-transmit or otherwise distribute any menus bearing any Approved Logos and/or the Approved Brand List other than as distributed at or in connection with the Locations, and Customer shall not permit the distribution of any such menus by anyone other than Customer or CCBCC. Upon the expiration or termination of this Agreement, Customer shall promptly cease use of any Approved Logos and menus, in any form, that bear such Approved Logos and/or the Approved Brand List.

CCBCC OPERATIONS, LLC
CUSTOMER MARKETING AGREEMENT
The City of Kingsport

INITIAL TERM, TOTAL PURCHASE REQUIREMENTS, PRICES, DELIVERY FEE, VEND RATES AND COMMISSIONS

1. Initial Term

Agreement Start Date: 05/01/2025 **Agreement End Date: 05/01/2035**

Total Number of Years: 10 Years

2. Total Purchase Requirements

The minimum amount of Products to be (a) purchased by Customer from CCBCC (and from an Authorized Distributor to the extent provided in Section 22(d)), and/or (b) sold through Full Service Vending Machines, in each case, during each Agreement Year of the Initial Term and during the Initial Term as a whole, shall be as follows:

Distribution/Sales Method	Total Cases/Gallons Required During Each Agreement Year	Total Cases/Gallons Required During Initial Term
Direct Sales (Products Purchased by Customer)	2,650	26,500
TOTAL PURCHASE REQUIREMENTS	**2,650**	**26,500**

The minimum Total Purchase Requirements set forth above must be fulfilled based off of sales made from CCBCC or through Full Service Vending Machines, as applicable. If the minimum Total Purchase Requirements above for any Agreement Year is not achieved for any reason (each such year, a "**Shortfall Year**"), then, in addition to any other remedies CCBCC may have hereunder or at law or in equity, the Marketing Fee payable by CCBCC for such Agreement Year shall be reduced to an amount equal to the product of (A) the amount of the annual Marketing Fee for the Shortfall Year specified in **Exhibit A**, multiplied by (B) a fraction, the denominator of which is the minimum Total Purchase Requirements for the Shortfall Year, and the numerator of which is the actual amount of cases and gallons sold during the Shortfall Year. If there have been any Shortfall Years during the Initial Term, but as of the end of the Initial Term, the Customer has attained the Total Purchase Requirements for the Initial Term, then CCBCC shall pay Customer an amount equal to the aggregate reductions of the annual Marketing Fees during the Initial Term.

If Customer received a one-time initial Marketing Fee in addition to annual Marketing Fees, and the minimum Total Purchase Requirements for the Initial Term is not achieved, then, in addition to any other remedies CCBCC may have hereunder or at law or in equity (including the remedy set forth in the preceding paragraph), CCBCC may elect, in its sole discretion, to extend the term of the Agreement until the minimum Total Purchase Requirements for the Initial Term is achieved. For the avoidance of doubt, if CCBCC elects to extend the term as set forth above, then CCBCC shall not be required to pay any additional Marketing Fees, or provide any additional Marketing Support or Product Support, but will continue to pay any rebates set forth in **Exhibit A**.

3. Prices

(a). Prices and Adjustments. During the term of this Agreement, CCBCC will sell to Customer the Products, for purposes of Customer reselling such Products through Direct Sales Vending Machines and Cold Cases in accordance with CCBCC's trade letter pricing in effect from time to time. The prices for the Products may be adjusted by CCBCC, from time to time, during the Term. Any such adjustment shall be made by CCBCC in good faith and may take into account, among other things, increases in any prices, costs, fees, charges or taxes associated with or applicable to CCBCC's production, transportation, acquisition, distribution or sale of the Products. Except with respect to prices for Products distributed through Full Service Vending Machines, if applicable, retail prices for sales of Products to consumers at the Locations shall be determined by Customer (or any Concessionaire of Customer) in its discretion.

(b). Invoices and Payment. CCBCC shall invoice Customer for Products sold to Customer, and Customer shall make payment, in accordance with CCBCC's usual and customary practices in effect from time to time. If Customer fails to pay such amounts as provided herein, Customer shall pay interest on all overdue amounts at the rate of one and one-half percent (1.5%) per month compounded monthly (or the maximum amount permitted by applicable law, if less). Customer agrees that it shall pay all of CCBCC's costs and expenses (including reasonable attorney's fees and court costs) incurred by CCBCC in collecting any amount not paid when due hereunder and in otherwise enforcing the terms and conditions of this Agreement. Any failure by Customer to pay an invoice shall constitute a material breach of this Agreement. CCBCC may offset against any Commission, Marketing Fees, Marketing Support or other amounts otherwise due from CCBCC hereunder, any such amounts, costs and expenses due to CCBCC in conjunction with such Product sales. Any claims by Customer of discrepancies or errors in pricing or funding must be submitted to CCBCC no later than one (1) year from the date of invoice; any such claims received by CCBCC after such date shall be deemed null and void, and CCBCC shall have no liability or obligation related to such claims.

CCBCC OPERATIONS, LLC
CUSTOMER MARKETING AGREEMENT
The City of Kingsport

EQUIPMENT

Full Service Vending Machine Listing	**Installation Site at the Locations**

Other Equipment Listing	**Installation Site at the Locations**
14 Coolers	1414 Riverport Rd. Kingsport TN 37660 100 Hill St. Kingsport, TN 37660

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Reimbursement of Materials Agreement Funds to Integrity Building Group, LLC, Related to the Fieldcrest Phase 1 Development

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-251-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Garret Burton
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City will reimburse funds to Integrity Building Group, LLC in the amount of $198,627.03 pursuant to a materials agreement based upon the approved installation of water and sewer infrastructure for Fieldcrest Phase 1.

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

Pursuant to this policy, a Materials Agreement was entered into with Integrity Building Group, LLC related to the Fieldcrest Phase 1 Development, in the amount of $217,288.70 for the development of Seventy (70) lots. After the construction adjustment due to sales tax, and close out of the necessary materials, the developer is due $198,627.03.

To date, including this development, the program has supported 1,684 new/proposed lots within the City of Kingsport.

Attachments:
1. Resolution
2. Closeout Worksheet
3. Location Map
4. As-Built Drawing

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Phillips			
Mayes			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING REIMBURSEMENT OF MATERIALS AGREEMENT FUNDS TO INTEGRITY BUILDING GROUP, LLC RELATED TO THE FIELDCREST PHASE 1 DEVELOPMENT

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, a Materials Agreement was entered into with Integrity Building Group, LLC related to the Fieldcrest Phase 1 Development, in the total amount of $217,288.70 for the development of seventy (70) lots; and

WHEREAS, after the construction adjustment due to sales tax, and close out of the necessary materials, the developer is due reimbursement funds in the amount of $198,627.03 related to the Fieldcrest Phase 1 Development.

Now, therefore,

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

SECTION I. That reimbursement of Material Agreement funds to Integrity Building Group, LLC in the amount of $198,627.03 related to the Fieldcrest Phase 1 Development, is approved.

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

ADOPTED this the 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

Materials Agreement

Project: Fieldcrest Phase 1 File No.: 2024-D16
Date: August 22, 2025
Developer: Integrity Building Group, LLC

Water line

Item #	Item description		U/M	Price	Total
41810	6"x 18' D.I. Pipe	2.00	jt	$444.60	$889.20
41864	8" x 18' DI Pipe	154.00	jt	$585.54	$90,173.16
42120	4' bury hydrant	4.00	ea	$2,870.00	$11,480.00
42325	MJ Gate valve 6"	5.00	ea	$852.00	$4,260.00
43031	8x8x6 Anchor Tee	4.00	ea	$204.00	$816.00
42845	MJ Anchor coupling 6 x 18	4.00	ea	$178.22	$712.88
41794	8" plug w/2" tap	1.00	ea	$100.12	$100.12
42015	8x6 MJ Tee	1.00	ea	$172.45	$172.45
42149	8" DI sleeve w/2" tap	1.00	ea	$193.95	$193.95
42335	8" Gate Valve	5.00	ea	$1,357.05	$6,785.25
42100	8x8x8 MJ TEE	1.00	ea	$208.32	$208.32
Project #	**WA2551**				
	Expensed To:				
Project total:	451-0000-605-9003				$115,791.33
Sales Tax:	451-0000-207-0201			9.50%	$11,000.18
	Total Cost Including Tax				$126,791.51
	Amount paid and Receipted To:				
Contractor Paid:	451-0000-208-1250				$117,111.33
Sales Tax:	451-0000-207-0201			9.50%	$11,125.58
	Total Cost Including Tax				$128,236.91
	Sales Tax Adjustment				**-$125.40**
Water	**Refund Due Developer**				**$117,236.73**

Materials Agreement

Project: Fieldcrest Phase 1 File No.: 2024-D16
Date: August 22, 2025
Developer: Integrity Building Group, LLC

Sanitary sewer

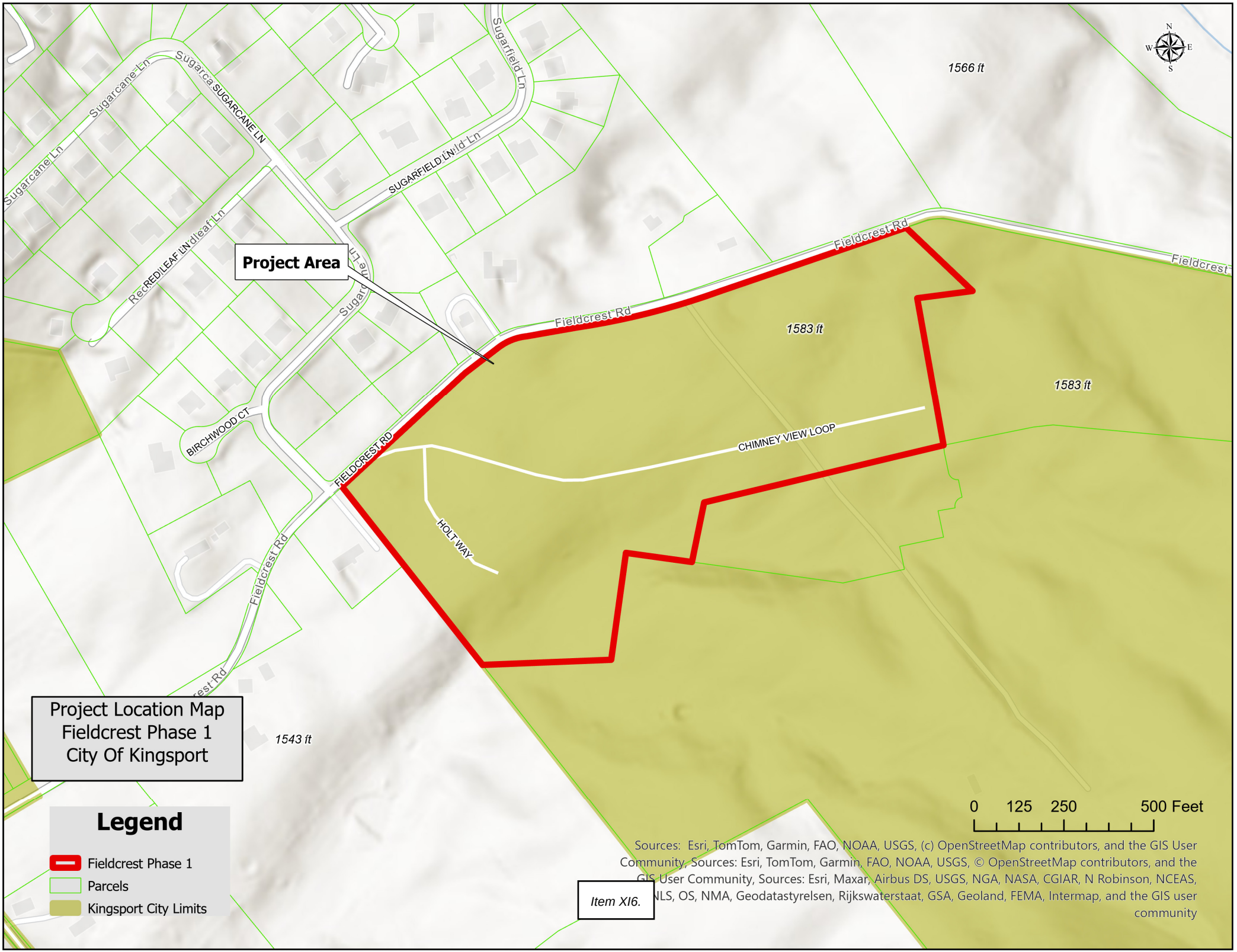
Item #	Item description		U/M	Price	Total
45003	PIPE PVC 8" X 14' SDR-35	189.00	jt	$113.54	$21,459.06
45057	TEE WYE SDR-35 8" X 6"	58.00	each	$61.33	$3,557.14
45004	PIPE PVC 10" X 14' SDR-35	58.00	JT	$182.98	$10,612.84
NONSTOCK	10X6 SDR-35 TEE WYE	8.00	each	$266.58	$2,132.64
45112	MANHOLE COVERS JBS 1268	22.00	each	$429.89	$9,457.58
	MANHOLE TOTAL ESTIMATE	1.00	EA	$33,428.00	$33,428.00
Project #	**SW2551**				
	Expensed To:				
Project total:	452-0000-606-9003				$80,647.26
Sales Tax:	452-0000-207-0201			9.50%	$7,661.49
	Total Cost Including Tax				$88,308.75
	Amount Paid and Receipted To:				
Contractor Paid:	452-0000-208-1250				$81,325.84
Sales Tax:	452-0000-207-0201			9.50%	$7,725.95
	Total Cost Including Tax				$89,051.79
	Sales Tax Adjustment				**-$64.46**
Sewer	**Refund Due Developer**				**$81,390.30**
				Total Refund	**$198,627.03**

All parties signing this document agree that the items listed, along with their quantities, were received, used and/or returned as shown on this document. Any items due to the City of Kingsport must be received before the materials agreement between the City of Kingsport and the developer is closed out.

City of Kingsport Warehouse: Donna Lipsman
Date: Aug 25, 2025

City of Kingsport Inspector:
Date: Aug 25, 2025

Developer:
Date: 8/26/25


Project Area
Fieldcrest Rd
Fieldcrest
SUGARCANE LN
Sugarcane Ln
SUGARFIELD LN
Sugarfield Ln
RED LEAF LN
BIRCHWOOD CT
FIELDCREST RD
CHIMNEY VIEW LOOP
HOLT WAY
1566 ft
1583 ft
1583 ft
1543 ft
Project Location Map
Fieldcrest Phase 1
City Of Kingsport
Legend
Fieldcrest Phase 1
Parcels
Kingsport City Limits
0 125 250 500 Feet
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Sources: Esri, Maxar, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap, and the GIS user community

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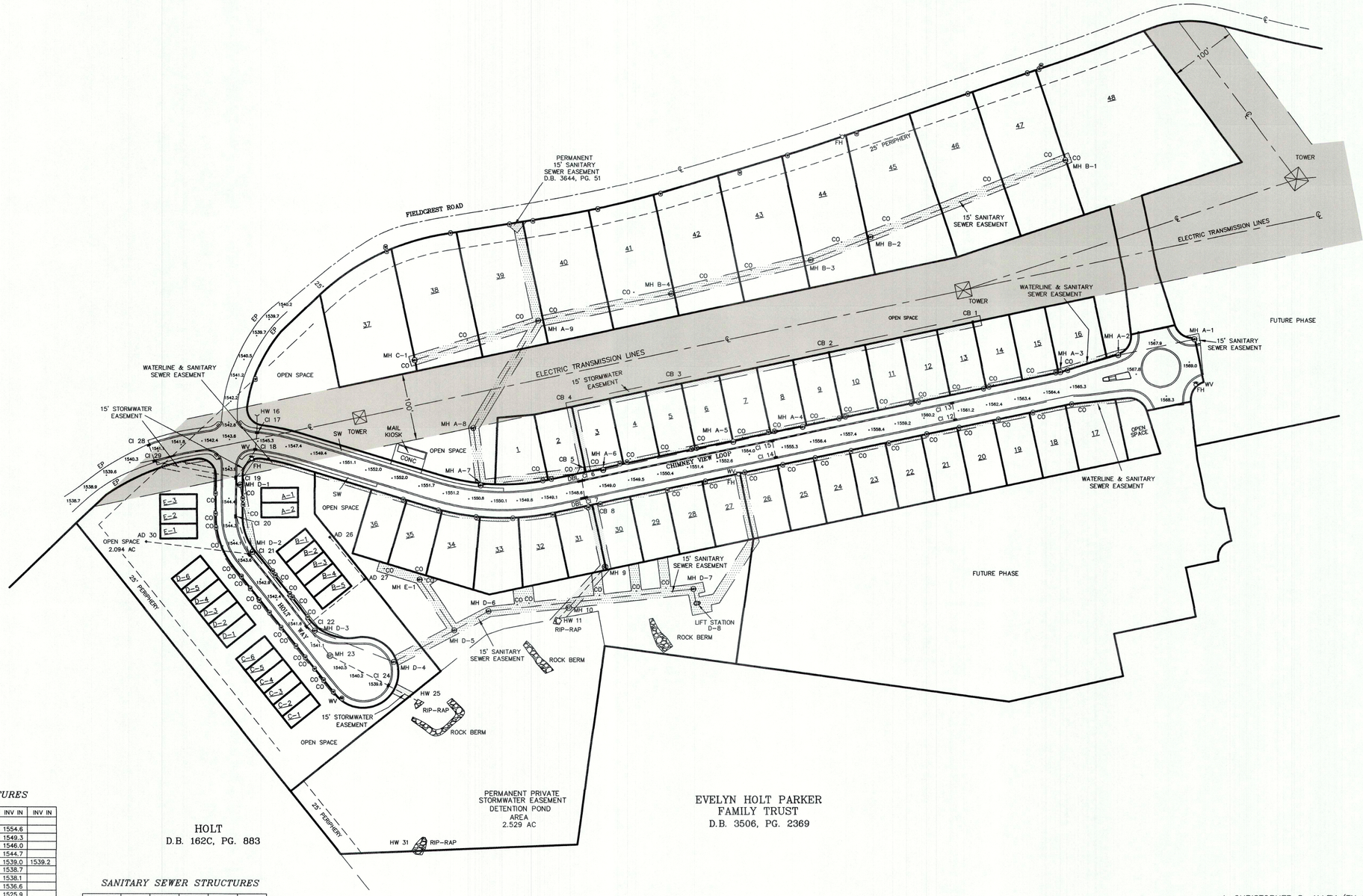
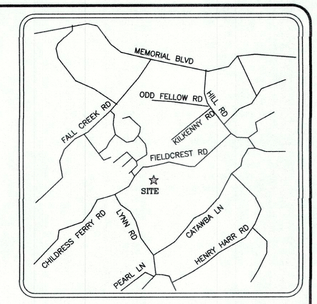
THIS MAP CANNOT BE USED FOR ANY OTHER PURPOSE THAN IS INTENDED ON THIS DATE.





LOCATION MAP
N.T.S.

LEGEND

HW	*HEAD WALL*
INV	*INVERT*
MH	*MANHOLE*
CO	*CLEAN OUT*
AD	*AREA DRAIN*
CB	*CATCH BASIN*
CI	*CURB INLET*
FH	*FIRE HYDRANT*
WV	*WATER VALVE*
CONC	*CONCRETE*
SW	*SIDEWALK*
EP	*EDGE OF PAVEMENT*
D.B.	*DEED BOOK*
PG	*PAGE*
℄	*CENTERLINE*
(W)	*WATER METER*
(ST)	*STORM MANHOLE*
(MH)	*SEWER MANHOLE*
+ 1234.0	*SPOT ELEVATION*

STORM STRUCTURES

STRUCTURE	TOP	INV OUT	INV IN	INV IN
CB 1	1562.5	1559.8		
CB 2	1557.4	1554.5	1554.6	
CB 3	1552.2	1549.2	1549.3	
CB 4	1549.2	1545.9	1546.0	
CB 5	1548.6	1539.5	1544.7	
DBL CI 6	1548.1	1538.7	1539.0	1539.2
DBL CI 7	1548.0	1538.6	1538.7	
CB 8	1547.5	1538.0	1538.1	
MH 9	1544.8	1536.5	1536.6	
MH 10	1531.0	1525.0	1525.9	
HW 11		1524.3		
CI 12	1560.6	1556.3		
CI 13	1560.7	1551.5	1556.0	
CI 14	1554.3	1550.0		
CI 15	1554.3	1545.1	1545.2	1549.5
CI 14	1554.3	1550.0		
CI 15	1554.3	1545.1	1545.2	
HW 16		1537.5		
CI 17	1544.5	1537.1	1537.2	
CI 18	1544.9	1536.8	1536.8	
CI 19	1543.6	1535.3	1534.4	1535.5
CI 20	1543.8	1534.7	1534.8	
CI 21	1543.0	1534.1	1534.4	1536.4
CI 22	1540.9	1532.1	1532.3	1537.7
MH 23	1540.7	1531.6	1531.8	
CI 24	1539.2	1530.0	1530.1	
HW 25		1525.1		
AD 26	1543.8	1540.1		
AD 27	1542.6	1539.5	1539.5	
CI 28	1540.1	1536.5		
CI 29	1540.2	1536.0	1536.0	
AD 30	1543.3	1540.2		
HW 31		1540.2		
RISER				

SANITARY SEWER STRUCTURES

STRUCTURE	TOP	INV OUT	INV IN	INV IN	INV IN
MH A-1	1568.4	1560.1			
MH A-2	1567.0	1559.2	1559.3		
MH A-3	1564.9	1558.9	1559.0		
MH A-4	1555.9	1549.7	1549.8		
MH A-5	1553.2	1547.2	1547.2	1547.2	
MH A-6	1548.6	1544.0	1544.1		
MH A-7	1550.3	1543.4	1543.4		
MH A-8	1549.9	1543.1	1543.2		
MH A-9	1553.8	1542.3	1542.4	1542.4	1542.4
MH B-1	1575.7	1570.5	1570.6		
MH B-2	1577.0	1568.7	1568.8		
MH B-3	1573.8	1565.9	1566.0		
MH B-4	1562.3	1552.3	1552.4		
MH C-1	1548.4	1544.0	1544.1		
MH D-1	1544.2	1538.0			
MH D-2	1543.3	1537.3	1537.4		
MH D-3	1541.4	1535.1	1535.2		
MH D-4	1539.5	1533.6	1533.7		
MH D-5	1538.6	1532.8	1532.9	1533.0	
MH D-6	1536.3	1527.7	1527.8		
MH D-7	1529.5	1521.7	1521.8	1521.9	
MH D-8	1528.6		1521.4		
MH E-1	1549.3	1543.4	1543.6	1543.6	

80 40 0 80 160
SCALE IN FEET

I, MATTHEW STRICKLER (RLS #22950), HEREBY CERTIFY THAT I AM A LAND SURVEYOR REGISTERED IN THE STATE OF TENNESSEE. I HAVE LOCATED ALL VISIBLE, MANMADE WATERLINE AND SANITARY SEWER FEATURES SHOWN ON THIS PLAN ON AUGUST 4, 2025. I CERTIFY THE LOCATION, ELEVATION AND DESCRIPTION OF THESE FEATURES.

MATTHEW STRICKLER, PLS
ALLEY & ASSOCIATES, INC.

I, CHRISTOPHER D. ALLEY (TN PE #103754), HEREBY CERTIFY THAT I AM AN ENGINEER LICENSED IN THE STATE OF TENNESSEE. I HAVE REVIEWED THE INFORMATION BASED ON FIELD SURVEY DATA PROVIDED TO ME BY MATTHEW STRICKLER, A STATE OF TENNESSEE REGISTERED LAND SURVEYOR (TN RLS #2950).

BASED ON THE AFOREMENTIONED SURVEY AND TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SANITARY SEWER, WATERLINE, & STORM SEWER IMPROVEMENTS SHOWN ON THIS PLAN FUNCTION AS INTENDED ON THE APPROVED DESIGN FOR THIS DEVELOPMENT.

8/19/2025

BY:
DATE:
REVISIONS:

STORM, SANITARY SEWER & WATER AS-BUILT
FIELDCREST ACRES PHASE 1
KINGSPORT, TENNESSEE

ALLEY & ASSOCIATES, INC.
• SURVEYORS •
422 E. MARKET STREET KINGSPORT, TENNESSEE 37660
TELEPHONE (423) 392-8696
E-MAIL: tlingerfelt@alleyassociates.com

ACAD FILE: 24-13234 KARST FIELDCREST PH1 ASBUILT.DWG

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Enter into a Materials Agreement with Integrity Building Group, LLC Related to the Fieldcrest Phase 2 Development

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-254-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Garret Burton
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: 6. Strong & Vibrant Neighborhoods

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City will enter into a Materials Agreement with Integrity Building Group, LLC related to the Fieldcrest Phase 2 Development in the amount of $127,541.14.

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

Pursuant to this policy, Integrity Building Group, LLC has requested that the proposed Fieldcrest Phase 2, be allowed to participate in the Materials Agreement Program. The total amount of the agreement is proposed at $127,541.14 for a new development with Forty-one (41) lots.

To date, including this development, the program has supported 1725 new/proposed lots within the City of Kingsport.

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

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Phillips			
Mayes			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A MATERIALS AGREEMENT WITH INTEGRITY BUILDING GROUP, LLC RELATED TO THE FIELDCREST PHASE 2 DEVELOPMENT AND AUTHORIZING THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, pursuant to the Materials Agreement Policy as set forth in Resolution 2007-084, Integrity Building Group, LLC has requested to enter into a Materials Agreement for the provision of certain water and sewer materials by the city for the Fieldcrest Phase 2 Development, a 41 lot development in the city; and

WHEREAS, the total amount of the agreement as proposed is $127,541.14;

Now, therefore,

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

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney, a Materials Agreement with Integrity Building Group, LLC to provide certain water and sewer materials by the city for Fieldcrest Phase 2 Development, in the amount of $127,541.14, and the mayor is further authorized and directed to execute all documents necessary and proper to effectuate the purpose of the agreement, said agreement being as follows:

MATERIALS AGREEMENT

This AGREEMENT made and entered into on this 29th day of August, 2025, by and between Integrity Building Group, LLC hereinafter “Developer", and the City of Kingsport, Tennessee, a municipal corporation, hereinafter “City".

WITNESSETH:

1. . The Developer has subdivided a tract of land known as Fieldcrest Phase 2, and preliminary approval having been heretofore granted by the Planning Commission.

2. The plans for the proposed water and sewer line improvement of the subdivided property have been submitted to and approved by the City of Kingsport, City Engineer and will require 1530 LFT of Waterline and 1694 LFT of Sanitary Sewer Line to construct.

3. The estimated cost of the materials listed in paragraph 2 above is approximately $127,541 .14. The Developer will purchase this material from the City for use for construction pursuant to this contract only.

4. The Developer will install the lines according to City’s specifications and will pay all costs for installation of all mains, valves, hydrants and other appurtenances, and will furnish the City “as built” drawings showing the cost lists of all pipe fittings, as well as their exact location.

5. The Developer, upon completion of the work and acceptance by the City, will tender to the City an instrument conveying unencumbered ownership of the lines and easement over and under the land where said lines are laid. Once this conveyance has been made and all the permits needed have been issued, all the inspections completed and passed, and all the payments have been made to the City by the Developer, the City will cause the said line to be connected to the main distribution line of the City.

6. The Developer will reimburse the City for any materials or engineering work required not covered by this agreement.

7. Prior to any reimbursement by the City to the Developer, the Developer will cause the property to be completely annexed
into the corporate limits of the City.

8. The Developer will save the City harmless from any and all responsibility for laying any lines, etc., on or across any private premises not dedicated to public use.

9. The Developer will pay the City for the materials listed above and supplied by the City, and upon completion of the laying of water and sewer lines according to specification o fand the plans approved by the City, and upon the Developer fully performing all the requirements contained in this agreement the City will reimburse the Developer for the amount paid to the City for the pipe purchased and used in the subdivision, less state and local sales tax.

10. The purpose of this agreement is to reimburse the Developer for 100% of cost of the water and sewer material, less state and local sales tax, with said materials being purchased from the City, and reimbursement for the cost of the materials being made to the Developer subject to the satisfactory completion of all terms of this agreement including complete annexation of the property into the corporate limits of the City.

11. It is understood that the Developer will do any and all ditching, laying of the pipelines, and any and all other work that may be necessary to meet the specifications of the City.

12. Any unused materials other than described in item number 12 acquired by the Developer from the City will be returned to the City and the costs of such material, if returned undamaged, will be credited to the Developer.

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

SECTION II. That the board finds that this materials agreement promotes the use of high-quality and uniform materials in the construction of certain water and sanitary sewer infrastructure in new residential development in the city, which infrastructure will be a part of the city owned water and sanitary sewer systems as publicly owned infrastructure, and this will reduce future maintenance costs for the city's water and sanitary sewer systems caused by the use of substandard materials, and that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

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

ADOPTED this the 16th day of September, 2025.

_____

PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY

MATERIALS AGREEMENT

This AGREEMENT made and entered into on this 29th day of August, 2025, by and between Integrity Building Group, LLC hereinafter "Developer", and the City of Kingsport, Tennessee, a municipal corporation, hereinafter "City".

WITNESSETH:

1. The Developer has subdivided a tract of land known as Fieldcrest Phase 2, and preliminary approval having been heretofore granted by the Planning Commission.

2. The plans for the proposed water and sewer line improvement of the subdivided property have been submitted to and approved by the City of Kingsport, City Engineer and will require 1530 LFT of Waterline and 1694 LFT of Sanitary Sewer Line to construct.

3. The estimated cost of the materials listed in paragraph 2 above is approximately $127,541.14. The Developer will purchase this material from the City for use for construction pursuant to this contract only.

4. The Developer will install the lines according to City's specifications and will pay all costs for installation of all mains, valves, hydrants and other appurtenances, and will furnish the City "as built" drawings showing the cost lists of all pipe fittings, as well as their exact location.

5. The Developer, upon completion of the work and acceptance by the City, will tender to the City an instrument conveying unencumbered ownership of the lines and easement over and under the land where said lines are laid. Once this conveyance has been made and all the permits needed have been issued, all the inspections completed and passed, and all the payments have been made to the City by the Developer, the City will cause the said line to be connected to the main distribution line of the City.

6. The Developer will reimburse the City for any materials or engineering work required not covered by this agreement.

7. Prior to any reimbursement by the City to the Developer, the Developer will cause the property to be completely annexed into the corporate limits of the City.

8. The Developer will save the City harmless from any and all responsibility for laying any lines, etc., on or across any private premises not dedicated to public use.

9. The Developer will pay the City for the materials listed above and supplied by the City, and upon completion of the laying of water and sewer lines according to specification of and the plans approved by the City, and upon the Developer fully performing all the requirements contained in this agreement the City will reimburse the Developer for the amount paid to the City for the pipe purchased and used in the subdivision, less state and local sales tax.

10. The purpose of this agreement is to reimburse the Developer for 100% of cost of the water and sewer material, less state and local sales tax, with said materials being purchased from the City, and reimbursement for the cost of the materials being made to the Developer subject to the satisfactory completion of all terms of this agreement including complete annexation of the property into the corporate limits of the City.

11. It is understood that the Developer will do any and all ditching, laying of the pipelines, and any and all other work that may be necessary to meet the specifications of the City.

12. Any unused materials other than described in item number 12 acquired by the Developer from the City will be returned to the City and the costs of such material, if returned undamaged, will be credited to the Developer.

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

Developer

Paul Montgomery, Mayor

Attest:

Angela Marshall, Deputy City Recorder

Approved as to form:

Rodney B. Rowlett, III, City Attorney

Materials Agreement

Project: Fieldcrest Phase 2 File No.: 2025-D30
Date: August 26, 2025
Developer: Integrity Building Group, LLC

	Water Line	Anticipated		Estimated	
Item #	Item Description	Units	U/M	Price	Total
41810	6"x 18' D.I. Pipe	3.00	jt	$459.00	$1,377.00
41864	8" x 18' DI Pipe	82.00	jt	$604.08	$49,534.56
42120	4' bury hydrant	3.00	ea	$2,707.73	$8,123.19
42325	MJ Gate valve 6"	3.00	ea	$897.00	$2,691.00
43031	8x8x6 Anchor Tee	3.00	ea	$220.00	$660.00
42845	MJ Anchor coupling 6 x 18	3.00	ea	$191.04	$573.12
42335	8" Gate Valve	6.00	ea	$1,382.55	$8,295.30
42100	8x8x8 MJ TEE	1.00	ea	$228.52	$228.52
40595	8" DI Cap	2.00	ea	$70.87	$141.74
42525	8" 45 MJ Bend	2.00	ea	$125.79	$251.58
42535	8" 90 MJ Bend	1.00	ea	$153.48	$153.48
42149	8x8x2 MJ TEE	1.00	ea	$212.63	$212.63
Building Code					
	Receipt To:				
Subtotal:	**451-0000-208-1250**				$72,242.12
Sales Tax:	**451-0000-207-0201**			9.50%	$6,863.00
Project #	**WA2651**			Water Total:	$79,105.12
	Expense To:				
Water Acct. #	**451-0000-605-9003**				

KINGSPORT
TENNESSEE

Item XI7.

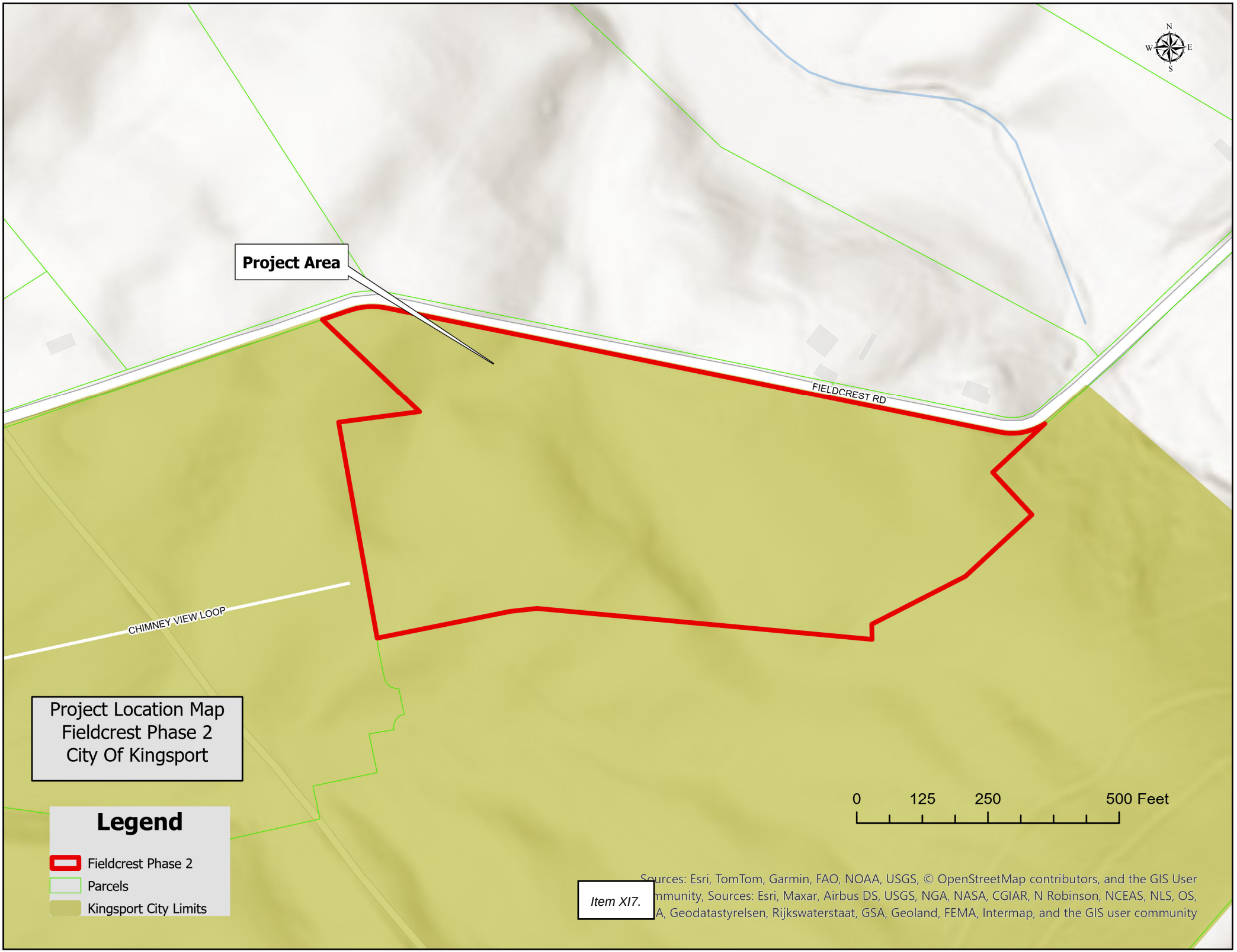
Materials Agreement

Project: Fieldcrest Phase 2 File No.: 2025-D30
Date: August 26, 2025
Developer: Integrity Building Group, LLC

Sanitary Sewer		Anticipated		Estimated	
Item #	Item Description	Units	U/M	Price	Total
45003	PIPE PVC 8" X 14' SDR-35	121.00	jt	$115.53	$13,979.13
45057	TEE WYE SDR-35 8" X 6"	41.00	each	$65.08	$2,668.28
45112	MANHOLE COVERS JBS 1268	12.00	each	$436.70	$5,240.40
	MANHOLE TOTAL ESTIMATE	1.00	EA	$22,346.00	$22,346.00
Building Code					
	Receipt To:				
Subtotal:	**452-0000-208-1250**				$44,233.81
Sales Tax:	**452-0000-207-0201**			9.50%	$4,202.21
Project #	**SW2651**			Sewer Total:	$48,436.02
	Expense To:				
Sewer Acct #	**452-0000-606-9003**				
				Grand Total:	$127,541.14

KINGSPORT
TENNESSEE

Item XI7.


Project Area
FIELDCREST RD
CHIMNEY VIEW LOOP
Project Location Map
Fieldcrest Phase 2
City Of Kingsport
Legend
Fieldcrest Phase 2
Parcels
Kingsport City Limits
0
125
250
500 Feet
N
W
E
S
Item XI7.
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User
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File No.	Developer	Development	Proposed Lots / Development	Agreement Amount	Date	Reimbursed to Developer	Status
2006-D23	Edinburgh Group, LLC	Edinburgh Phase IA, Section 1	32	$ 42,867.62	2/19/2007	$ 39,474.82	Closed
2006-D8	Jeff McKee	Settler's Ridge Phase I	41	$ 45,344.29	3/20/2007	$ 41,214.30	Closed
2006-D23	Edinburgh Group, LLC	Edinburgh Phase IA, Section 2	15	$ 25,205.92	4/17/2007	$ 23,273.53	Closed
2006-D19	Butch Rose	Hillcrest Heights	6	$ 5,140.09	6/19/2007	$ 4,636.74	Closed
2006-D19	Harold Slemp & Jack McMurray	Villas at Andover - Polo Fields	104	$ 76,522.72	8/7/2007	$ 70,722.51	Closed
2006-D23	Jeff McKee	Settler's Ridge Phase II	7	$ 18,822.89	11/6/2007	$ 17,439.89	Closed
2008-D2	Butch Rose	Windridge Phase IV	40	$ 92,202.29	4/15/2008	$ 85,648.47	Closed
2007-D7	Jim Nottingham	Riverwatch	29	$ 47,605.13	4/15/2008	$ 44,680.99	Closed
2007-D26	George Hunt	Hunts Crossing Phase II	22	$ 18,375.20	4/15/2008	$ 16,883.63	Closed
2007-D16	Jerry Petzoldt	Old Island Phase II	59	$ 118,027.86	5/6/2008	$ 111,538.58	Closed
2007-D13	Rob McLean	Anchor Point	80	$ 72,552.51	7/15/2008	$ 66,603.46	Closed
2008-D1	Ken Bates	Chase Meadows Phase I (reim for 1)	15	$ 39,418.91	7/15/2008	$ 31,518.06	Closed
2007-D13	Rob McClean	Anchor Point – Topsail Court (incl in Anchor Point	0	$ 3,816.08	8/5/2008	$ -	Closed
2008-D17	Rob McClean	Stapleton Dr Phase I	7	$ 8,757.81	8/19/2008	$ 8,203.18	Closed
-	Ken Bates	Chase Meadows Phase II (amt not paid)	87		8/19/2008	$ -	Closed
2008-D21	Terry Orth	Autumn Woods Phase I	19	$ 30,628.25	10/7/2008	$ 28,588.47	Closed
2008-D10	Gary Alexander	Riverbend Phase I	15	$ 32,767.17	2/3/2009	$ 26,351.32	Closed
2009-D15	Terry Orth	Autumn Woods Phase II	51	$ 97,091.46	9/1/2009	$ 91,166.09	Closed
2010-D19	Edinburgh Group, LLC	Edinburgh Phase 2, Section 1A	6	$ 2,852.48	2/2/2010	$ 2,659.62	Closed
2009-D18	Leonard & Cynthia Gerber	St. Andrew's Garth Phase I	40	$ 34,049.03	3/16/2010	$ 30,938.04	Closed
2011-D5	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2	6	$ 11,976.02	11/16/2010	$ 11,116.69	Closed
-	Gary Alexander	Riverbend - Epcon Phase II (tabled 1/10/11)	9		2/1/2011	$ -	Closed
-	Jane Karst	Jane Karst Subdivision	4	$ 4,100.78	9/20/2011	$ 3,799.14	Closed
2010-D21	M & M Builders	Brookton Park Subdivision	7	$ 2,145.88	9/20/2011	$ 1,959.94	Closed
2011-D5	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2B	11	$ 9,472.85	10/18/2011	$ 8,770.02	Closed
2011-D5	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2C	14	$ 20,128.29	4/3/2012	$ 18,549.10	Closed
2012-D9	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2E	8	$ 25,177.34	10/2/2012	$ 23,403.87	Closed
2012-D10	Edinburgh Group, LLC	Edinburgh Phase 2, Section 2F	9	$ 19,382.60	5/7/2013	$ 17,792.14	Closed
2012-D12	Edinburgh Group, LLC	Edinburgh Phase 4	17	$ 65,033.97	7/24/2013	$ 60,735.18	Closed
2008-D32	Vic Davis	The Summitt at Preston Park Ph. 3	20	$ 79,327.82	12/3/2013	$ 70,967.77	Closed
2014-D15	Edinburgh Group, LLC	Edinburgh Phase V	12	$ 51,965.42	10/7/2014	$ 48,501.91	Closed
2014-D24	Edinburgh Group, LLC	Edinburgh Phase VII	20	$ 27,552.51	6/2/2015	$ 25,162.11	Closed
2016-D2	Edinburgh Group, LLC	Edinburgh Phase 9	6	$ 5,917.93	5/5/2016	$ 5,386.74	Closed
2016-D12	Edinburgh Group, LLC	Edinburgh South PH 2 (listed as PH1)	23	$ 36,694.42	11/15/2016	$ 33,722.81	Closed

File No.	Developer	Development	Proposed Lots / Development	Agreement Amount	Date	Reimbursed to Developer	Status
2016-D7	Edinburgh Group, LLC	Edinburgh Phase 10	10	$ 38,265.22	3/1/2017	$ 34,953.21	Closed
2018-D3	Edinburgh Group, LLC	Edinburgh Phase 11	14	$ 26,250.40	6/19/2018	$ 23,984.14	Closed
2019-D5	Edinburgh Group, LLC	Edinburgh Phase 12	13	$ 12,752.16	7/23/2019	$ 11,619.92	Closed
2019-D18	Edinburgh Group, LLC	Gibson Springs PH1 (Edinburgh South PH3)	19	$ 38,378.10	10/15/2019	$ 35,631.30	Closed
2020-D19	Integrity Group	Miller Parke Phase 1	54	$ 81,823.42	1/19/2020	$ 73,989.19	Closed
2018-D17	School House, LLC	Cherokee Bend Phase 2	13	$ 23,332.69	1/21/2020	$ 21,177.45	Closed
2020-D7	Edinburgh Group, LLC	Gibson Springs Phase 2	24	$ 28,924.56	5/5/2020	$ 26,415.12	Closed
2020-D7	Edinburgh Group, LLC	Gibson Springs Phase 3	18	$ 16,261.96	9/22/2020	$ 14,851.10	Closed
2020-D23	Landstar, LLC	West Gate Phase 1	28	$ 33,454.08	3/2/2021	$ 30,551.67	Closed
2021-D1	Landstar, LLC	West Gate Phase 2	26	$ 42,710.15	7/6/2021	$ 39,026.03	Closed
2018-D10	Vic Davis	Frylee Court	40	$ 39,320.60	8/10/2021	$ 35,286.65	Closed
2021-D7	Orth Construction	Hunts Crossing Phase 1	22	$ 39,751.16	8/10/2021	$ 35,885.38	Closed
2021-D21	HVP, LLC	Caymus Yards	28	$ 15,844.63	8/22/2021	$ 14,362.93	Closed
2021-D15	Landstar, LLC	West Gate Phase 3	23	$ 49,433.21	9/17/2021	$ 45,709.99	Closed
2021-D5	Edinburgh Group, LLC	Evarts Valley (formerly Edinburgh Ph 6)	50	$ 88,826.99	11/2/2021	$ 78,968.39	Closed
2021-D7	Orth Construction	Hunts Crossing Phase 2	21	$ 41,526.07	10/22/2021	$ 37,898.13	Closed
2021-D7	Orth Construction	Hunts Crossing Phase 3	17	$ 37,073.45	10/22/2021	$ 33,742.02	Closed
2021-D22	Ken Bates	Magnolia Ridge Phase 1	41	$ 110,747.35	12/21/2021	$ 100,715.69	Closed
2021-D23	Integrity Building Group	Miller Parke Ph 2 (formerly Phase 3)	40	$ 58,858.82	1/18/2022	$ 52,384.53	Closed
2021-D25	Carla Karst	Cox Valley (Birdwell Place)	58	$ 153,830.48	4/19/2022	$ 139,078.33	Closed
2021-D32	TS Designs (Todd Stevens)	St. Andrews Garth Phase 2	25	$ 41,312.60	2/3/2023	$ 37,848.08	Closed
2021-D22	Magnolia Ridge Development, LLC	Magnolia Ridge Phase 2	51	$ 47,936.03	9/13/2023	$ 43,787.28	Closed
2023-D23	Landstar, LLC	Riverbend Townhomes	45	$ 48,558.97	3/4/2024	$ 44,402.14	Closed
2023-D28	JTB Construction	Lebanon Meadows	14	$ 45,899.72	3/25/2024	$ 41,854.88	Closed
2024-D4	Brickyard TN, LLC	Brickyard Village Phase 1	32	$ 118,338.91	9/5/2024	$ 108,330.93	Closed
2024-D16	Integrity Building Group, LLC	Fieldcrest Phase 1	70	$ 217,288.70	12/11/2024		Open
2025-D5	Landstar, LLC	Riverbend Townhomes (The Arbor) Ph. 2	47	$ 74,697.83	6/4/2025		Open
2025-D30	Integrity Building Group, LLC	Fieldcrest Phase 2	41	$ 127,541.14	9/2/2025		Open
		TOTAL	**1,725**	**$ 2,869,862.94**		**$ 2,233,863.60**	

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Award the Bid to S.B. White Company, Inc., for the Washington Elementary HVAC Replacement Project and Authorizing the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-252-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Staff
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Resolution

Executive Summary:
Approval of the accompanying resolution awards the bid for the HVAC replacement project at Washington Elementary School to S.B. White Company, Inc., in the amount of $1,998,000.00 and establishes a 6% contingency for the project.

Bids were opened on August 27, 2025, for the Washington Elementary School HVAC Replacement. Three bids were received. Holston Engineering reviewed the bids and recommended awarding the bid to the lowest compliant bidder, S. B. White Company, Inc., in the amount of $1,998,000.00

The total cost of this project will be $2,262,760.00. (details below). Funding will be available in GP2512.

Architect Fee	$ 119,880.00
Construction Cost	1,998,000.00
Contingency 6%	119,880.00
Miscellaneous Costs	25,000.00
Total Cost	$ 2,262,760.00

The project will be completed by August 1, 2026.

Attachments:
1. Resolution
2. Bid Opening Minutes
3. Holston Engineering Recommendation Letter

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

RESOLUTION NO. _____

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

WHEREAS, bids were opened on August 26, 2025, for the Washington Elementary School HVAC replacement project; and

WHEREAS, upon review of the bids, the board fins S.B. White Company, Inc., is the lowest responsible compliant bidder meeting specifications for the particular grade or class of material, work or service desired and is in the best interest and advantage to the City, and the City of Kingsport desires to enter into an agreement for the Washington Elementary School HVAC replacement with S.B. White Company, Inc., at a construction cost of $1,998,000.00; and

WHEREAS, a 6% contingency fund will be established in the amount of $119,880.00; and

WHEREAS, the Board of Education approved this motion on September 9, 2025; and

WHEREAS, funding will be available in GP2512.

Now therefore,

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

SECTION I. That the bid for the Washington Elementary School HVAC Replacement, at a cost of $1,998,000.00, is awarded to S. B. White Company, Inc.

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

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreement 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 16th day of September 2025.

PAUL W. MONTGOMERY, Mayor

ATTEST

ANGIE MARSHALL, Deputy City Recorder

RODNEY B. ROWLETT, III, City Attorney

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

Present: Brent Morelock, Procurement Manager; Sandra Sloan, Asst. Procurement Manager, Schools; David Sewell, Maintenance Director, Schools; Andy True, Asst. Superintendent, Schools; Travis Bishop, CFO City of Kingsport; Joe Riggs, Holston Engineering; Peyton Millhorn, Holston Engineering; Derwin Cartmel, Holston Engineering

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

The Procurement Manager opened with the following bids:

Washington Elementary School HVAC Replacement		
Vendor:	Lump Sum:	Completion/Delivery Time:
HVAC, Inc.	$2,180,000.00	Commence 90 days Complete August 2026
SB White Co., Inc.	$1,998,000.00	Commence 60 days Complete 8/1/2026
Nor-Well	$2,217,810.00	Commence 10 days Complete 8/7/2026

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

HOLSTON ENGINEERING, INC.
301 Montgomery Street, Suite #4
Johnson City, TN 37604
(423) 926-5991
e-mail: Holston.Engineering@holsteng.com
August 26, 2025

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

Re: George Washington Elementary HVAC replacement

Dear Sandra:

Regarding the accepted bids for the George Washington Elementary HVAC replacement, Holston Engineering, Inc. recommends awarding the bid to S.B. White Company, Inc. for $1,998,000 (one million nine hundred ninety eight thousand dollars) dated 8/26/2025.

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

Sincerely,
HOLSTON ENGINEERING, INC.

Derwin E. Cartmel, PE
President

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Authorizing the Renewal of Aspen Software from Follett Software for Kingsport City Schools Utilizing State Contract NC61797 and Authorizing the Mayor to Sign All Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-259-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Resolution

Executive Summary:
If approved, Kingsport City Schools will renew the Aspen Student Information System from Follett Software using the Tennessee statewide contract NC61797 for a total cost of $62,191.40 and the Mayor will execute the Task Order between Kingsport City Schools and Follett Software, LLC and any other documents necessary.

The school system has been utilizing the State of TN Contract # NC 61797 to renew the Aspen Student Information System since the 2020-2021 school year. Unless amended, the contract ends on June 30, 2026.

Funding is in the school technology account 141-7250-785.05-99.

Attachments:
Resolution
Contract
Task Order
Quote

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE RENEWAL OF THE ASPEN STUDENT INFORMATION SYSTEM FROM FOLLETT SOFTWARE, LLC, UTILIZING THE STATE OF TN CONTRACT # NC 61797 AND AUTHORIZING THE MAYOR TO SIGN THE TASK ORDER AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THIS RESOLUTION AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, pursuant to TCA § 12-3-1201, Kingsport City Schools would like to renew the software for the Aspen Student Information System utilizing the State of TN Contract# NC 61797 with Follett Software, LLC; and

WHEREAS, the Aspen Student Information System is a platform used to help Kingsport City Schools manage student data, such as attendance and grades; and

WHEREAS, the total purchase cost is $62,191.40; and

WHEREAS, funding is identified in School Technology GP account 141-7250-785.05-99.

Now therefore,

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

SECTION I. That the renewal of the Follett Aspen Student Information System from Follett Software, LLC, utilizing the State of TN Contract# NC 61797 is approved, and the City Manager is authorized to execute a purchase order for the same in the amount of $62,191.40.

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 Task Order between Kingsport City Schools and Follett Software, LLC, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said agreement being as follows:

TASK ORDER
BETWEEN
KINGSPORT CITY SCHOOLS
and
FOLLETT SOFTWARE, LLC

This Task Order (TO), by and between the CITY OF KINGSPORT FOR ITS KINGSPORT CITY SCHOOL DISTRICT #822, hereinafter referred to as the "EA" and FOLLETT SOFTWARE, LLC, hereinafter referred to as the "Contractor" is as follows:

The Contractor understands and agrees that this TO is governed by the provisions of Edison Contract Number 61797, hereinafter referred to as the "Master Contract". In the provision of services pursuant to this TO, the Contractor will conform to these provisions in their entirety. In the event of a conflict between the TO and the Master Contract, the documents shall govern in the order of preference given in the Master Contract.

This TO shall be effective for the period commencing on JULY 1, 2025, and ending on JUNE 30, 2026, unless amended.

In no event shall the maximum liability of the EA under this TO exceed $62,191.40 For the services provided pursuant to this TO, this amount shall constitute the TO Project Price and the entire potential compensation due to the Contractor for the goods and/or services and all of the Contractor's obligations hereunder regardless of the difficulty, travel, administrative fees, or materials/equipment required. The Contractor shall be compensated as specified in the associated Statement of Work at the fixed-prices and/or hourly rate(s) quoted in the Contractor's Project Quote and transcribed here:

Service Description	Amount (per compensable increment)
Student ADM	$36,093.40
Hosting	$3,683.00
Training Environment	$2,500.00
Webinar Subscription	$1,500.00
Online Registration	$18,415.00

Payments to the Contractor pursuant to this TO will be made in accordance with the Tennessee Prompt Payment Act. Invoices shall be submitted to:

CITY OF KINGSPORT
FINANCE DEPARTMENT – ACCOUNTS PAYABLE
415 BROAD STREET
KINGSPORT, TN 37660
ap@kingsporttn.gov (invoice email)

CITY OF KINGSPORT FOR ITS KINGSPORT CITY SCHOOL DISTRICT #822, The EA may, at any time and for any reason, terminate this TO in accordance with Contract Section A.7.b.

This TO may be modified only by a written amendment in accordance with Contract

[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 16th day of September 2025.

_____
PAUL W. MONTGOMERY, Mayor

ATTEST

_____
ANGIE MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, City Attorney

CONTRACT

(no cost contract , involving no monetary obligation between the parties, with an individual, business, non-profit, or government entity of another state or country)

Begin Date	End Date	Agency Tracking#	Edison ID
07.01.2019	06.30.2024	33104-00219	61797

Contractor Legal Entity Name	Edison Vendor ID (optional)
Follett School Solutions, Inc.	0000057540

Service Caption

Aspen Student Information System (SIS) solution

Ownership/Control

O Minority Business Enterprise (MBE):

O African American O Asian American O Hispanic American O Native American

O Woman Business Enterprise (WBE)

O Service-Disabled Veteran Enterprise (SDVBE)

O Disabled Owned Businesses (DSBE)

O Small Business Enterprise (SBE): $10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees.

O Government Non-Minority/Disadvantaged O Other:

Selection Method & Process Summary (mark the correct response to confirm the associated summary)

ORFP	The procurement process was completed in accordance with the approved RFP document and associated regulations.
O Competitive Negotiations	The predefined, competitive, impartial, negotiation process was completed in accordance with the associated, approved procedures and evaluation criteria.
O Alternative Competitive Method	The predefined, competitive, impartial, procurement process was completed in accordance with the associated, approved procedures and evaluation criteria.
Non-Competitive Negotiation	The non-competitive contractor selection was completed as approved, and the procurement process included a negotiation of best possible terms & price.
O Other	The contractor selection was directed by law, court order, settlement agreement, or resulted from the state making the same agreement with ill! interested parties or ill! parties in a predetermined "class."

CPO USE-NC

CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF EDUCATION
AND
FOLLETT SCHOOL SOLUTIONS, INC.

This Contract, by and between the State of Tennessee, Department of Education ("State") and Follett School Solutions, Inc. ("Contractor") is for the provision of Aspen Student Information System (SIS) Solution, as further defined in the "SCOPE OF SERVICES." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is a For-Profit Corporation
Contractor Place of Incorporation or Organization: State of Illinois
Contractor Edison Registration ID # 0000057450

A. SCOPE OF SERVICES:

A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.

A.2. Definitions shall be as follows and as set forth in the Contract:

a) Average Daily Membership ("ADM"): Average Daily Membership refers to the average number of students enrolled within a school or district each day over a specific time period.

b) Application Programming Interface ("API"): An Application Programming Interface is a set of subroutine definitions, communication protocols, and tools for building software.

c) Achievement School District ("ASD"): As defined in Tenn. Code Ann.§ 49-1-614, the Achievement School District is a school system in Tennessee, managed and operated by the State, providing academic intervention in the lowest performing schools in Tennessee, with the goal of increasing student achievement in those schools.

d) Amazon Web Services ("AWS"): Amazon Web Services is a comprehensive, evolving cloud computing platform provided by Amazon. It provides a mix of infrastructure as a service ("IaaS"), platform as a service ("PaaS"), and packaged software as a service ("SaaS") offerings.

e) Base Functionality ("Base Functionality"): Base Functionality is the sum or any aspect of what a product, such as a software application or computing device, can do for a user.

f) Basic Education Program ("BEP"): The Basic Education Program is the funding formula through which state education dollars are generated and distributed to Tennessee schools. The Board annually reviews and approves school system allocations generated through the ("BEP") formula.

g) Change Control Protocol ("Change Control Protocol"): Change Control Protocol is a Systematic approach to managing all changes made to a product or system. The purpose is to ensure that no unnecessary changes are made, that all changes are documented, that services are not unnecessarily disrupted and that resources are used efficiently.

h) Contractor Hosting ("Contractor Hosting"): Contractor Hosting is where the Contractor provides a turnkey software as a service (SaaS) solution from a data center or hosting facility.

i} Customer-Relationship Management ("CRM"): Customer-Relationship Management is an approach to manage a company's interaction with current and potential customers allowing data analysis about customer's history to improve business relationship.

j) Customer Support Response ("Customer Support Response"}: Customer Support Response is defined as the Contractor attempting to contact a designated support person or persons at the EA by phone call, email, or through the Contractor's ticketing system.

k) Database Management System ("DBMS"): Database Management System is software that handles the storage, retrieval, and updating of data in a computer system.

l) Domain Name Service ("DNS"): The Internet's system for converting alphabetic names into numeric IP addresses.

m) Denial of Service ("DoS"/"DDoS"): A Denial of Service or Distribution Denial of Service is any type of attack where the attackers (hackers) attempt to prevent legitimate users from accessing the service. In a ("DoS") attack, the attacker usually sends excessive messages asking the network or server to authenticate requests that have invalid return addresses.

n) Domain Administrator Account ("Domain Administrator Account"): Domain Administrator Account is a member to the group that has full control of the domain. By default, this group is a member of the Administrators group on all domain controllers, all domain workstations, and all domain member servers at the time they are joined to the domain.

o} Education Agency ("EA"): For the purposes of this Contract, Education Agency is the term used to collectively refer to all Tennessee public local Education Agencies, and charter schools, excluding State Special Schools and the Achievement School District which are covered by a separate Contract.

p) Ed-Fi Alliance data standard (Ed-Fi", "EDFI 3.x"): The Ed-Fi Data Standard is a set of rules that allow educational data systems to transmit data between each other without the need for translation of that data. The term shall be used to connote the current version of EdFi, which is 3.X and all future versions as may be adopted by the State from time to time.

q) Education Information System ("EIS"): An Education Information System is an organized group of information and documentation services that collects and stores processes that analyze and disseminates information for educational planning and management.

r) Exceptional Student Education ("ESE"}: The purpose of Exceptional Student Education is to facilitate opportunities to help each child with an exceptionality to progress in public school and prepare for life after school.

s) Family Educational Rights and Privacy Act of 1974 ("FERPA"): Family Educational Rights and Privacy Act of 1974 is federal legislation in the United States that protects the privacy of students' personally identifiable information. The act applies to all educational institutions that receive federal funds.

t) Federal Risk and Authorization Management Program ("FedRAMP"): The Federal Risk and Authorization Management Program is an assessment and authorization process which U.S. federal agencies have been directed by the Office of Management and Budget to ensure security is in place when accessing cloud computing products and services.

u) Federal Information Processing Standards ("FIPS"): Federal Information Processing Standards are a set of standards that describe document processing, encryption algorithms, and other information technology standards for use within non-military

government agencies and by government contractors and vendors who work with the agencies.

v) Identity Management System: ("Identity Management System"): Identity Management System in computer security, is the security and business discipline that "enables the right individuals to access the right resources at the right times and for the right reasons".

w) International Standards Organization ("ISO"): The International Organization for Standardization is an international standard-setting body composed of representatives from various national standards organization. Founded in 1947, the organization promotes worldwide proprietary, industrial, and commercial standards.

x) Infrastructure as a Service ("IaaS"): Infrastructure as a Service is a highly scalable form of cloud computing that provides virtualized computing resources over the internet.

y) Microsoft Azure Active Directory ("AAD"): Azure Active Directory is a fully managed multi-tenant service from Microsoft that offers identity and access capabilities for applications running in Microsoft Azure and for applications running in an on-premises environment.

z) Microsoft Azure Virtual Machine ("Azure VM"): Azure Virtual Machines ("VM") is one of several types of on-demand, scalable computing resources giving flexibility of virtualization without having to buy and maintain the physical hardware that runs it.

aa) Open Authorization ("OAuth"): Open Authorization is an open standard for token-based authentication and authorization on the Internet. OAuth allows an end user's account information to be used by third-party services without exposing the user's password..

bb) OpeniD Connect ("OpeniD Connect"): OpeniD Connect is a protocol which allows developers to authenticate their users across website and applications without having to own and manage password files.

cc) Remote Desktop Protocol ("RDP"): Remote Desktop Protocol is a proprietary protocol developed by Microsoft, which provides a user with a graphical interface to connect to another computer over a network connection.

dd) Risk Assessment ("Risk Assessment"): Risk Assessment is a systematic process of evaluating the potential risks that may be involved in a projected activity or undertaking.

ee) Self Hosting ("Self Hosting"): Self Hosting is where the EA provides the data center or server environment for hosting their Student Information System.

ff) Software as a Service ("SaaS"): Software as a Service is a software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted.

gg) State Hosting ("State Hosting"): The vendor deploying the Student Information System to a ("Microsoft Azure") subscription owned by the State. .

hh) Student Information System ("SIS"): Student Information System is a web-based application software designed to introduce a conducive and structured information exchange environment for integrating students, parents, teachers, and the administration of a school.

ii) Service and Organization Controls Report ("SOC"): Service and Organization Controls Report is a report on controls at a service organization which are relevant to user entities' internal control over financial reporting.

jj) Structured Query Language ("SOL"): Structure Query Language is a domain-specific language used in programming and designed for managing data held in a relational database management system, or for stream processing in a relational data stream management system.

kk) Single Sign On ("SSO"): Single Sign On is a session and user authentication service that permits a user to use one set of login credentials (e.g., name and password) to access multiple applications.

ll) System ("System"): System is the Contractor's software solution in its entirety.

mm) System Verification ("System Verification"): System Verification testing is the process of checking that a software system meets specifications and that it fulfills its intended purpose.

nn) Third (3rd) Party Integration ("Third 3rd Party Integration"): A Third 3rd Party Integration is API(s) that are developed by a Third 3rd Party hired by the Contractor meeting requirements and regulations through which partial access to Contractor's Systems or programs can be gained.

oo) Transmission Protocol ("Transmission Protocol"): Transmission Protocol is the design and method by which information is sent and received in the EdFi data system.

pp) Transport Layer Security ("TTL"): Transport Layer Security is a standard security protocol for establishing encrypted links between a web server and a browser in an online communication. The usage of TTL technology ensures that all data transmitted between the web server and the browser remains encrypted.

qq) Uniform Resource Locater ("URL"): Uniform Resource Locater provides a way to locate a resource on the web, the hypertext that operates over the internet.

A.3. Functional Requirements.

A.3.1. Provision of SIS Functionality.

a) As requested by the State, the Contractor shall provide the SIS software and related services commonly known to the market as "As en SIS" to all public EA's in Tennessee, including those operated by the State, in accordance with the terms and conditions set forth in this Contract and for the Contract Term.

b) The System shall provide at a minimum, the functional capabilities of version "5.10" of the System currently in service in Tennessee for the 2018/2019 school year and as documented in Attachment A, Base Functionality.

c) The Contractor may not reduce, rescope or otherwise alter the Base Functionality of the System without the written approval of the State.

d) The Contractor shall not modify Base Functionality, workflows, or operating processes in a manner that may negate or diminish an EA's existing investment in human capital skills and training without the written approval of the State:

e) The Contractor shall make available to all EA's at the latest released and supported version of the System throughout the life of this Contract at no additional cost to the EA. A reciprocal requirement will be placed on EA's by the State to accept upgrades as needed for the Contractor to comply with this requirement.

f) The Contractor shall not customize the System for any EA in any manner that changes the operation of State Reporting.

g) The Contractor may undertake other forms of customization of the System requested by an EA, whether at additional cost or not, that do not impact State Reporting without the requirement to obtain approval by the State providing such customization does not prevent that EA from upgrading the System to the next supported version when released.

h) No customization of the System shall in any way replace, redefine, or invalidate any other clause within this Contract.

i) The Contractor may offer EA's additional products, services, or feature packages at additional cost providing such offerings are clearly in addition to the Base Functionality. Any such additional products, services, or feature packages shall be provided to EA's under a separate Contract between Contractor and EA.

A.3.2. Onboarding New Customers and Offboarding Existing Customers.

a) The Contractor is permitted to market the System to any EA in Tennessee providing such marketing is conducted in a professional manner and does not include misleading representations or denigration of competitor products.

b) The Contractor shall provide EA's considering moving to the System a comprehensive proposal that clearly outlines;

i. Features and functionality that are included in the base licensing fee that are offered over and above that which is stipulated as "base functionality".
ii. Features and functionality that are offered at additional cost
iii. Installation and setup considerations
iv. Data migration and import considerations
v. Training and support considerations

Additional requirements are stipulated in Section A.6. Cost and Other Requirements.

c) EAs may cease usage of the System by advising the Contractor ninety (90) days prior to the start of the next fiscal year of such intent in writing prior to the end of the school year in which they plan to cease use. Payments to the Contractor shall cease at the last date of access of the System by the EA.

d) Contractor's obligation to meet student privacy, including FERPA requirements, shall survive Contract termination.

e) The Contractor shall respond to an EA support request to offboard from the System including the repatriation of data, within thirty (30) days of receipt of that request at no additional cost to the EA.

A.3.3. State Reporting.

a) The Contractor shall support collection by the State of all SIS reported data through policy or legislation that must be collected by the State Reporting. State Reporting guidelines can be found here https://www.tn.gov/education/lea-operations/education-information-system-eis.html.

b) The Contractor shall support the transmission of data to the State using the protocols and standards as outlined in the following table and in accordance with the requirements set forth below under "Alignment with State Technology"

Time Frame	("EIS"	Ed-Fi 3.x
Jan 2019- June 2019	PRIMARY	TRANSITIONAL
July 2019- June 2020	PRIMARY	SECONDARY
July 2020 – Onwards		PRIMARY

c) The Contractor shall support the transmission of data in accordance with the minimum frequency objectives set forth by the State at the commencement of each new school year, which in general will be:

Protocol	Frequency
EIS	Batch – Daily, Weekly, As Needed
Ed-Fi	Transactional – Minimum Four times Daily

d) The Contractor shall support the transmission of data in accordance with the timing and completeness of data objectives set forth by the State at the commencement of each new school year, and which will be linked to the due date for specific business processes within the State, including federal reporting requirements.

e) The Contractor shall support the transmission of data in accordance with the accuracy and quality of data objectives set forth by the State at the commencement of each new school year.

f) The Contractor shall align with, and where applicable assist EA's aligning with, the schedule published annually by the State for major events related to State Reporting and the transmission of data, including:

i. School year rollover
ii. New school year data uptake and readiness
iii. Data publishing start and end dates for a given School year
iv. Specific dates provided for State business processes, such as BEP payment processing and enrollment processing

g) At no additional charge, the Contractor shall accept and implement change requests to transmitted data elements in base functionality, including the addition, removal, or modification of data elements by the stipulated date to support compliance, policy, or legislative changes that occur from time to time. In general, such changes shall not occur more than once per year and will be advised prior to the commencement of a new school year. The State will endeavor to give Contractors a minimum of one hundred twenty (120) days' notice for required changes to transmitted data but notes that this may not always be possible due to factors outside of the control of the State. No penalties shall be levied on the Contractor for any requirements due prior to one hundred twenty (120) days' notice.

h) The Contractor shall accept and implement change requests to the transmission protocol, including: version updates, communications protocol updates, and interface definition changes by the stipulated date for implementation of the change. The State will endeavor to give Contractors a minimum of twelve (12) months' notice of required changes to the transmission protocol but notes that this may not always be possible due to factors outside of the control of the State. No penalties shall be levied on the Contractor for any requirements due prior to twelve (12) months' notice.

i) The Contractor shall accept and implement change requests to support the importation or conversion of data stored in the System to support specific State initiatives, such as updating course codes or reseeding identity values. The State will endeavor to give Contractors a minimum of six (6) months' notice of these requirements but notes that this may not always be possible due to factors outside of the control of the State. No penalties shall be levied on the Contractor for any requirements due prior to six (6) months' notice.

j) The Contractor shall remedy any requests to correct any aspect of the State Reporting protocol or data elements deemed non-functional and preventing forward movement of a critical business process, or which is deemed by the State to be insecure or non-compliant with State or federal policy or legislation.

A.3.4. Alignment with State Technology.

a) The Contractor shall align with the technology direction set forth by the State and as specified below to support the integration of the System with appropriate State information systems, including those associated with State Reporting, Authentication, Security and Error Management. Alignment with State Technology shall include:

i. Participating in proofs of technology and quality assurance programs as needed to ensure the smooth introduction of new technologies

ii. Participating in workshops and advisory councils aimed at ensuring technology decisions are thoughtfully implemented and minimize EA impact

iii. Meeting agreed timelines for enablement of the technology as set forth in advance by the State

iv. Attaining compatibility with the technology in accordance with technical specifications provided by the State

b) The Contractor shall maintain compatibility with the State EIS specification for batch reporting until such time as the State declares the end-of-life of this System. The EIS specification for batch reporting and the specification for data extracts can be found here https://www.tn.gov/education/lea-operations/education-information-system-eis.html. The Contractor is notified that maintaining EIS batch reporting will be required in conjunction with other protocols during a period of transition from EIS to the Ed-Fi standard.

c) The Contractor shall attain compatibility with the Ed-Fi 3.x standard in the time frame outlined above in section A.3.3 State Reporting and in accordance with this standard as published by the Ed-Fi Alliance https://www.ed-fi.org/.

d) All Ed-Fi data transmissions shall use the Ed-Fi transactional interface whereby the State provides an API endpoint that can be reached electronically by the System to support transmission of data at agreed frequencies and to provide detailed response codes which must be interpreted by the System (see error protocols as describe in Section A.3.3.(1)).

e) The Contractor shall attain compatibility with the extensions defined by the State to the Ed-Fi standard to support business processes that require data elements not supported by the Ed-Fi standard within the timeline published by the State.

f) The Contractor shall provide assistance to EAs for the transition from EIS batch reporting to Ed-Fi reporting at no additional cost to the EA.

g) The Contractor shall attain compatibility with the IDMS specification provided by the State.

h) The Contractor shall support the implementation of data-crosswalks and other data conversion activities as required to seed and convert existing staff and student identity values for use within the new IDMS.

i) The Contractor shall meet all timeframes set forth by the State for the introduction of the new IDMS, which is currently scheduled for December 2019.

j) The Contractor shall support the SSO solution developed by the State to authenticate EA users into the System. The State's SSO solution is based on industry standard OAuth protocols and is implemented using the Microsoft AAD framework. Documentation on AAD can be found here https://docs.microsoft.com/en-us/azure/active-directory-domain-services/.

k) SSO support is required in the System by the commencement of the 2019 / 2020 school year.

l) The Contractor shall support new machine-to-machine error protocols defined by the State as extensions to the Ed-Fi standard. These error protocols provide explicit diagnostic data to the Contractor's calling system in the event of a problem at the time the API provided by the State information system is called by the Contractor's calling system. The diagnostic data should be used by the Contractor's calling system to support correction of the error in conjunction with EA staff and prior to retransmission of the data transaction.

m) The Contractor shall support the validation of user entries in the SIS against permissible values for that data element published by the State prior to transmission of the data to the State. Permissible values for specific data elements shall be obtained from the State via a web application programming interface ("Web API") in real time or in advance and may be cached locally within the System once obtained. The State has not yet published a date for the implementation of this feature and will provide the Contractor a minimum of twelve (12) months' notice prior to this requirement.

n) The Contractor shall support the integration of the System with an online error correction portal specification published by the State. The State shall provide a minimum of twelve (12) months' notice prior to this requirement.

o) The Contractor shall support the importation of new data elements designed to improve the content, alignment and accuracy of the K-12 student transcript to the extent the architecture of the System reasonably accommodates this. The State has not yet published a date for the implementation of this feature and will provide Contractors a minimum of twelve (12) months' notice prior to its requirement.

A.4. Operational Requirements.

a) The Contractor shall make all three different hosting models available to EA's.

A.4.1. State Hosting.

a) The Contractor shall deploy the System to an infrastructure as a service IaaS platform provided by the State within a Microsoft Azure subscription owned by the State. State Hosting and provided to the Contractor at no cost.

b) The Contractor shall make available to EA's utilizing the State Hosting version of the System deployed to the Contractor's own hosting environment (see section A.4.2 Contractor Hosting below) and which is offered to EA's under this Contract.)

c) The Contractor shall provide the System from the State Hosting platform to any EA requesting this at the licensing cost defined in Section A.6. Cost and Other Requirements and shall not charge any hosting fee or other fee that is specific to the delivery of the service from the State Hosting platform.

d) The State's obligations in respect to State Hosting are strictly limited to:

i. Provision of the Azure VM or Application Service instances required to support the System and its intended usage which shall be based initially on the level of computer

resources in use by the System during the 2018 /2019 school year and reviewed annually.

ii. Provision and deployment of the basic server Operating System requested by the Contractor for each VM instance providing such server Operating System is supported by Microsoft as a standard Azure server image and shall exclude configuration of that Operating System.

iii. Provision and maintenance of appropriate anti-malware software to each VM or vulnerable endpoint. *Note that this provision does not negate Contractor obligations to ensure end-point protection is in place and appropriate across all aspects the System, its components, and configurations that the State may not be party to.*

iv. Execution and storage for sixty (60) days of daily backups of all VM images and associated drives in the storage account configured by the State. *Note that this is a backup of the infrastructure components provisioned by the State only and is intended to recover the platform infrastructure not the SIS application or application data associated with the System. The Contractor must implement a robust backup and disaster recovery strategy for the volatile components of the System deployed to the infrastructure provided by the State.*

v. Assignment of a unique URL to each EA user of the System with appropriate maintenance of associated DNS records.

vi. Provision and maintenance of a Transport Layer Security TTL certificate for each instance of the System provisioned for each EA user within the "TNK12.GOV" domain.

vii. Configuration of RDP access for the Contractor to each VM instance. *Note that the Contractor must enact policies for safe connection and usage of RDP access in accordance with the Technical Requirements outlined section A.5 and section E.*

viii. Configuration of a single Domain Administrator Account for use by the Contractor. *Note that the Contractor must enact policies for password management, including change frequency and complexity in accordance with the Technical Requirements outlined below for any local account created by the Contractor.*

e) The Contractor shall be responsible for all aspects of the provision of the System and related services in accordance with this Contract to EA users located in State Hosting other than those defined in A.4.1.(d) as responsibilities of the State.

f) The Contractor may request a waiver from the State for the requirement to provide a State Hosting option in situations where the Contractor can demonstrate that no EA's require this service, or the Contractor can demonstrate that they have an equivalent infrastructure, providing the Contractor's hosting facility meets all State requirements. Any such alternative hosting shall be provided free of charge to the State and EA. Granting of a waiver shall be at the sole discretion of the State and if granted will be provided in writing.

g) Upon Contractor request, the State shall provision an additional hosted database service for the Contractor to utilize in training activities with its contracted EA's.

A.4.2. Contractor Hosting.

a) The Contractor shall provide the System to EA's as a turnkey software as a service SaaS solution from a data center or hosting facility of the Contractor's choosing, providing such facility meets all State requirements, to any EA requesting Contractor Hosting and in consideration of the licensing and hosting cost defined in Section A.6. Cost and Other Requirements.

b) The Contractor shall be solely responsible for delivering all aspects of the System and related services in accordance with this Contract toEA's using Contractor Hosting.

c) The Contractor may request a waiver from the State for the requirement to provide a Contractor Hosting option in situations where the Contractor can demonstrate that no EA's require this service. Granting of a waiver shall be at the sole discretion of the State and if granted will be provided in writing.

A.4.3. Self-Hosting.

a) The Contractor shall provide the System as a deployable package to EA's wishing to deploy to on-premise infrastructure Self-Hosting at the licensing cost defined in Section A.6. Cost and Other Requirements. Self-Hosting is an accommodation intended to grandfather in EA's who currently self-host. The Contractor shall not provide the System for Self-Hosting to any EA who did not self-host in the 2018 /2019 school year without State approval.

b) The Contractor shall provide self-hosted EA's with upgrades as needed to ensure parity of the on-premise system with hosted versions. The Contractor shall conduct testing on upgrade packages prior to release to the EA and shall provide adequate documentation and technical detail to allow patching to occur by EA staff without the need for paid Contractor support.

c) The Contractor shall negotiate additional costs for support with the installation of the System and other tasks that are applicable to on-premise deployment only, directly with the EA. All other features of the System and related services shall be supplied in accordance with the terms of this Contract.

d) The Contractor shall not provide the System to any EA who wishes to self-host off-premise or with a third-party data center or hosting facility, including Microsoft Azure and Amazon AWS without State approval.

A.4.4. Customer Support.

a) The Contractor shall provide a named account manager to the state and EA's with contact information who will be available by telephone or email during normal business hours to handle business related issues and as a point of escalation for support and other concerns that may arise from time to time.

b) The Contractor shall ensure sufficient technical staff is available to the State account to meet contract requirements for timely response and resolution to technical issues that may arise in relation to the System, including:

i. Security vulnerabilities, FERPA violations and data breaches
ii. Malware detection
iii. System outages
iv. Data correction or loss
v. Transfer protocol incompatibility
vi. Authentication and authorization
vii. System performance

c) The Contractor shall provide a suitable representative to join State personnel for a bi-weekly (twice monthly) telephone calls to discuss current work items, schedules, future initiatives and other issues of relevance to the System. The State will provide advance notification of the schedule for these calls.

d) The Contractor shall maintain an account in the State's Customer Relationship Management system ("CRM") and shall accept and address support tickets assigned via the CRM for any EA issues reported directly to the State.

e) The Contractor shall provide bi-annually (two (2) times annually) to the State an electronic report of all EA support tickets received during that period. The report should be emailed to the State contact in section D.2. At a minimum, the report shall include for each incident the reporting EA name, the subject/category of the incident, a summary of the incident, and the status of the incident. The State is responsible for PII that it receives as part of these reports.

A.5. Technical and Operational Requirements.

A.5.1 State Hosting

a) The Contractor shall ensure that the System is maintained at the latest supported Tennessee version of the System throughout the Contract Term and in accordance with a maintenance window established through coordination with each EA and the State.

b) The contractor shall ensure that all changes to the system arising through State Reporting requirements and Technology alignment are applied to the environment in a timeframe consistent with those set forth by the State in accordance with this contract.

c) Sixty days prior to the commencement of each school year and upon first knowledge of acquisition of a new EA customer, the Contractor shall engage in a review of current system capacity and conduct forward-looking capacity planning exercises to determine required levels of compute resources needed to support expected user numbers in the upcoming school year. Where additional resources are deemed necessary the Contractor shall communicate this requirement to the State with supporting technical data.

d) The Contractor shall implement proactive monitoring of the performance of their System, processes, transactions and data flows, and notify the State promptly of any anomalies detected that may negatively impact EA's. The Contractor is not required to monitor the Azure infrastructure provided by the State.

e) The Contractor shall implement industry best practice end-point protection, including anti-virus, anti-malware, and intruder detection for all vulnerable System end points not provided by the State as part of the Infrastructure service and for any, which may include end point devices downstream of a Virtual Private Network connection.

f) The Contractor shall develop a data breach and incident response protocol that can be rapidly enacted if an anomaly is detected in relation to the System or the data that is contained within the System for EA's hosted by the Contractor. The protocol shall include actions for responding to cyber-attacks, exploits, vulnerabilities, reported threats, and system intrusions of any kind whether real or potential, and shall also include actions for responding to System outages, overloads, capacity deficiencies, performance degradation and other events that could impact the EA's ability to use the System. The protocol shall emphasize measures to protect Confidential State Data and include steps for immediate notifications to the State of any such anomaly detected whether actual or potential. The Contractor shall provide the State with a copy of its data breach and incident response protocol within thirty (30) days of Contract Effective Date and thereafter upon any change to this protocol.

g) The Contractor shall publish a schedule to the State and all relevant EA's for all planned maintenance of the System where that maintenance will result in a system outage or reduced performance of the System to the Customer a minimum of five (5) business days prior to the scheduled event, except in the case of a pre-determined incident response where a more timely solution is believed to be in the best interest of the EA. The Contractor shall ensure

that maintenance is planned for execution outside of normal school business hours and for periods of low business impact.

h) The Contractor shall ensure that upgrades for EA's hosted by the Contractor are planned for execution outside of normal school business hours and for periods of low business impact.

i) The Contractor shall develop and adhere to a Change Control Protocol designed to minimize risk and ensure professional rigor exists in the process of releasing software, ensuring the quality of that software and deployment of that software to production environments. The Change Control Protocol shall emphasize stage gates and other physical and operational measures that prevent unauthorized changes to any aspect of the System's production environment. The Contractor shall provide the State with a copy of the Change Control Protocol within thirty (30) days of the Contract Effective Date and thereafter upon any change to the Change Control Protocol Change Control protocols shall include an option for EA's who have customizations to verify the impact of the change on those customizations prior to deployment to production.

j) The Contractor shall conduct annual Risk Assessment planning designed to anticipate and mitigate potential risks to Confidential State Data, continuity of business operations within EA's, risks to meeting technical alignment requirements with the State, and risks to the quality, completeness, or timeliness of data being transmitted to the State. The Contractor shall provide the State with a copy of the Risk Assessment within ninety (90) days of Contract Effective Date, and thereafter prior to the commencement of each new school year.

k) The Contractor shall participate in System verification events (collaborative test cases) scheduled in advance from time-to- time by the State. These events are intended to ensure the smooth operation of the System for EA's with emphasis placed on verifying interactions between Contractor and State systems following the introduction of new technologies or changes to protocols for system interactions.

A.5.2 Contractor Hosting.

a) The Contractor shall ensure that the System is maintained at the latest supported Tennessee version of the System throughout the Contract Term and in accordance with a maintenance window established through coordination with each EA.

b) The contractor shall ensure that all changes to the system arising through State Reporting requirements and Technology alignment are applied to the environment in a timeframe consistent with those set forth by the State in accordance with this contract.

c) The Contractor shall periodically engage in a review of system capacity and conduct capacity planning exercises designed to proactively ensure sufficient compute resources are assigned to Tennessee EA's to deliver optimum performance of the system.

d) The Contractor shall implement industry best practice approaches to mitigating DoS and DDoS attacks against the System and in all cases shall notify the State immediately of any actual or evidence of an attack against the System whether or not the attack was successful

e) The Contractor shall implement real-time System monitoring and threat analytics such that any System outage, System anomaly, potential exploit, or cyber-attack against the System are detected quickly. Upon detection of any such event the Contractor shall immediately notify the State and enact the pre-defined incident response protocol.

f) The Contractor shall implement industry best practice end-point protection, including anti-virus,

anti-malware, and intruder detection for all server resources and vulnerable end points.

g) The Contractor shall develop a data breach and incident response protocol that can be rapidly enacted if an anomaly is detected in relation to the System or the data that is contained within the System for EA's hosted by the Contractor. The protocol shall include actions for responding to cyber-attacks, exploits, vulnerabilities, reported threats, and system intrusions of any kind whether real or potential, and shall also include actions for responding to System outages, overloads, capacity deficiencies, performance degradation and other events that could impact the EA's ability to use the System. The protocol shall emphasize measures to protect Confidential State Data and include steps for immediate notifications to the State of any such anomaly detected whether actual or potential. The Contractor shall provide the State with a copy of its data breach and incident response protocol within thirty (30) days of Contract Effective Date and thereafter upon any change to this protocol.

h) The Contractor shall publish a schedule to the State and all relevant EA's for all planned maintenance of the System where that maintenance will result in a system outage or reduced performance of the System to the Customer a minimum of five (5) business days prior to the scheduled event, except in the case of a pre-determined incident response where a more timely solution is believed to be in the best interest of the EA. The Contractor shall ensure that maintenance is planned for execution outside of normal school business hours and for periods of low business impact.

i) The Contractor shall ensure that upgrades for EA's hosted by the Contractor are planned for execution outside of normal school business hours and for periods of low business impact.

j) The Contractor shall develop and adhere to a Change Control Protocol designed to minimize risk and ensure professional rigor exists in the process of releasing software, ensuring the quality of that software and deployment of that software to production environments. The Change Control Protocol shall emphasize stage gates and other physical and operational measures that prevent unauthorized changes to any aspect of the System's production environment. The Contractor shall provide the State with a copy of the Change Control Protocol within thirty (30) days of the Contract Effective Date and thereafter upon any change to the Change Control Protocol. Change Control protocols shall include an option for EA's who have customizations to verify the impact of the change on those customizations prior to deployment to production.

k) The Contractor shall conduct annual Risk Assessment planning designed to anticipate and mitigate potential risks to Confidential State Data, continuity of business operations within EA's, risks to meeting technical alignment requirements with the State, and risks to the quality, completeness, or timeliness of data being transmitted to the State. The Contractor shall provide the State with a copy of the Risk Assessment within ninety (90) days of Contract Effective Date, and thereafter prior to the commencement of each new school year.

l) The Contractor shall participate in System verification events (collaborative test cases) scheduled in advance from time-to- time by the State. These events are intended to ensure the smooth operation of the System for EA's with emphasis placed on verifying interactions between Contractor and State systems following the introduction of new technologies or changes to protocols for system interactions.

A.5.3 Self Hosting.

a) The contractor shall provide installation files that allow the EA to apply all changes to the system arising through State Reporting requirements and Technology alignment in a timeframe consistent with those set forth by the State in accordance with this contract.

A.6. Cost and Other Requirements.

a) This Contract renders null and void any previous contracts, agreements or memorandums of understanding in relation to the product between the Contractor and the State and the Contractor and an EA, including previous State contracts and contracts written at the EA level unless this protection is waived in writing by the EA.

b) This Contract defines the entire agreement between the Contractor and State and the terms and conditions by which the Contractor may offer the product to an EA. The sole mechanism by which an EA may engage the Contractor is through a Task Order ("TO") which will be provided by the State for execution by the Contractor and EA (see A.B. and Attachment B).

c) The Contractor is advised that the financial liability associated with use of the System by an EA under this Contract rests solely with that EA. The State assumes no liability in this regard and does not act as a financial guarantor on behalf of any EA under this Contract.

d) The Contractor shall offer the System and all associated services and requirements defined within this Contract, unless specifically defined as "at additional cost", for an inclusive, per-student maximum licensing cost of $4.90 per student per annum for State Hosted, Contractor Hosted, or Self Hosted deployments for the Term of the Contract.

e) The Contractor shall offer the option for State Hosting of the System for a hosting fee of zero (0) dollars in addition to the licensing cost defined in Section A.6.(d).

f) The Contractor shall offer Contractor Hosting of the System for a hosting fee of $0.50 per student per annum in addition to the licensing cost defined in Section A.6.(d).

g) The Contractor shall offer the option for EA Self Hosting of the System for a hosting fee of zero (0) dollars in addition to the licensing cost defined in Section A.6.(d).

h) The Contractor shall negotiate directly with the EA to determine the terms and conditions, and associated cost for any product or service not covered within this Contract providing the EA receives a detailed proposal outlining scope of work and all associated costs in advance of the cost being incurred by the EA, including:
   i. New EA onboarding costs
   ii. Data conversion costs
   iii. Training costs
   iv. Non-standard support costs (additional support to that which is defined herein)
   v. Local deployment support costs
   vi. System customization costs

i) The Contractor shall generate an invoice for each EA for use of the System and associated services bi-annually (two (2) times annually) in accordance with the terms and conditions of this Contract. Invoices shall specify payment terms in accordance with the Tennessee Prompt Pay Act and shall be submitted directly to the EA with a copy emailed to the State's contact in Section 0.2.

j) The Contractor shall participate in a bi-annually performance review conducted by the State coinciding with each invoice period. The performance review is intended to assess the Contractor's overall performance and compliance with the terms and conditions of this Contract. If any concern is revealed through this review the Contractor shall be advised of such concern in writing and provided with a statement of the required cure and timeframe for implementation of that cure. The State will share results of this review with the Contractor's EA customers.

A.7. Task Order- General Instructions.

a. Task Order- General Instructions.

(1) After the procuring EA has determined the selected Contractor for the SOW, the State will develop a Task Order (TO) binding the Contractor to the terms of the Contract. No terms and conditions shall be added to the TO, as outlined in Attachment B. Prior to the Contractor delivering goods/services, all required signatures must be obtained for the TO, including Contractor TO signatory(ies) and the State's signatory(ies). The State will only sign the TO and will not sign any Contractor documents related to the project. A fully executed TO, containing all required signatures, authorizes the Contractor to provide the requested services. The State shall not be liable to pay the Contractor for any work performed prior to the Contractor's receipt of a fully executed TO. The TO will fix the maximum amount of money to be paid in compensation for the services requested on a particular SOW (the "TO Project Price"). This amount cannot be exceeded without a TO amendment. Such a TO amendment, must be within the scope of the associated SOW. The TO amendment will increase the maximum potential compensation due the Contractor for the work in question, and possibly extend the SOW Project End Date. The TO amendment will require the same signatures as the original TO.

(2) The TO Project Price shall cover all costs, including, but not limited to, manpower, administrative costs, and travel, required to complete the services and deliverables in the project as specified. The TO Project Price can only be increased by TO amendment, and the total increase, whether increased by a single TO amendment or multiple TO amendments cannot exceed seven percent (7%) of the original TO Project Price.

(3) The State signatories shall vary based on the associated SOW. The State reserves the right to modify the format of the TO at any time during the term of the Contract.

b. Task Order- Termination.

(1) The procuring EA may immediately terminate for convenience any or all of the TOs entered into by the State and the Contractor pursuant to this Contract by giving the Contractor ninety (90) days written notice. The Contractor shall be entitled to receive equitable compensation for satisfactory authorized services completed as of the termination date.

i. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate the TO for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.

(2) If the Contractor, or Contractor-provided personnel, fail to properly perform their obligations under any TO entered into by the State and the Contractor pursuant to this Contract, or violate any of the terms of this Contract, the State shall have the right to terminate for cause any or all of the Contractor's TOs, and to withhold payments in excess of fair compensation for completed services. The State will provide notification of termination for cause in writing. This notice will: (1) specify in reasonable detail the nature of the breach; (2) provide the Contractor with an opportunity to cure, which must be requested in writing no less than 10 days from the date of the termination notice; and (3) shall specify the effective date of termination in the event the Contractor fails to correct the breach. The Contractor must present the State with a written request detailing the efforts it will take to

resolve the problem and the time period for such resolution. The Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.

(3) This section shall not limit the State's right to terminate the Contract for convenience or cause in accordance with Contract Section D.3 and Contract Section *D.4.*

(4) The State will advise if the termination is due to non-appropriations/non-funding. The State shall pay all amounts due until the equipment is returned to the Contractor in addition to any unpaid invoices that are not in dispute.

c. Invoicing and Payments for Services.

The services shall be provided and invoiced as described in the SOW and Contract Section C, not to exceed the TO Project Price stated in the TO. Depending upon the specific needs and life-cycle of the project in question, the State may pay the TO Project Price as phase/deliverable/lump-sum payment(s), with each payment predicated upon the completion of deliverable(s), or as a lump-sum payment upon completion of the entire project, including all deliverable(s) associated therewith. The payment method to be used in any case will be described in the SOW and shall always be for completed deliverable(s).

A.8. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be the greater of the Term of this Contract or any other warranty generally offered by Contractor, its suppliers, or manufacturers to customers of its goods or services. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.
Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

A9. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.

B. TERM OF CONTRACT:

This Contract shall be effective on July 1, 2019 ("Effective Date") and ending on June 30, 2024 ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

C. PAYMENT TERMS AND CONDITIONS:

C.1 There shall be no cost to the State for the performance of services under this Contract. Payment will be made by the EA pursuant to a TO between the EA and Contractor. The TO incorporates the Terms of this Contract. The State will have no payment obligation under this contract.

D. MANDATORY TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.

0.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this 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. Any such communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:
Steven Sanders, Director of District Technology
Department of Education
710 James Robertson Parkway, 10ih Floor
Nashville, TN 37243
Steven.Sanders@tn.gov
Telephone# 615.399.4244

The Contractor:

Beth Ferrigno
Follett School Solutions, Inc.
1391 Corporate Drive
McHenry, IL 60050
BFerrigno@Follett.com
Telephone# 423.912.1959

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

D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.

D.4. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. Upon such termination, the Contractor shall have no

right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.5. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for beach of this Contract.

D.6. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part of the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

D.7. Conflicts of Interest. The Contractor 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 Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

D.8. Nondiscrimination. The Contractor 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 Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.9. Prohibition of Illegal Immigrants. The requirements of Tennessee Code Ann. §12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

a. The Contractor hereby agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment C, hereto, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.

b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the

services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.

c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.

d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tennessee Code Ann.§ 12-3-309 for acts or omissions occurring after its effective date. This law requires the Chief Procurement Officer to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.

e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

D.10. Records. The Contractor shall maintain documentation of services rendered under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed under this Contract, shall be maintained for a period of five (5) full years from the final date of this Contract and shall be subject to audit, at any reasonable time and upon reasonable notice, by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.11. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.

D.13. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.

D.14. Independent Contractor. The Parties shall riot act as employees, partners, joint ventures, or associates of one another. It is expressly acknowledged by the Parties that such Parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee 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 Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

D.15. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself

and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.

D.16. State Liability. The State shall have no liability except as specifically provided in this Contract.

D.17. Limitation of Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the total value of the Contract as measured by the value of purchase orders issued under this Contract, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.

D.18. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.

D.19. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.

D.20. Governing Law. This 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 Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tennessee Code Ann.§§ 9-8-101-408.

D.21. Completeness. This 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 Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.22. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.

D.23. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

D.24. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance of this Contract, these items shall govern in the order of precedence below:

a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes [Attachment A, B, and C]
c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
d. the State solicitation, as may be amended, requesting responses in competition for this Contract;

e. any technical specifications provided to proposers during the procurement process to award this Contract; and
f. the Contractor's response seeking this Contract.

D.25. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) acceptable to the State; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"): and (c) rated A-/ VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must conta.in an endorsement for a waiver of subrogation in favor of the State. The Contractor agrees that the amount of any deductible and/or self-retention ("SIR") will be the sole responsibility of the Contractor. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars ($2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars ($1,000,000) combined with an umbrella policy for an additional one million dollars ($1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory-Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee-CPO Risk Manager, 312 Rosa L. Parks Ave., 3'd floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again thirty (30) calendar days before renewal or replacement of coverage. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required is a material breach of this Contract. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that

the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

The insurance obligations under this Contract shall be: (1) **all** the insurance coverage and policy limits carried by the Contractor; or (2) **the** minimum insurance coverage requirements and policy limits shown in this Contract; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and minimum required policy limits, which are applicable to a given loss, shall be available to the State. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability ("CGL") Insurance

1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).
The Contractor shall maintain single limits not less than one million dollars ($1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this policy or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.

b. Workers' Compensation and Employer Liability Insurance

1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
   i. Workers' compensation in an amount not less than one million dollars ($1,000,000) including employer liability of one million dollars ($1,000,000) per accident for bodily injury by accident, one million dollars ($1,000,000) policy limit by disease, and one million dollars ($1,000,000) per employee for bodily injury by disease.

2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 – 103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:

   i. The Contractor employs fewer than five (5) employees;
   ii. The Contractor is a sole proprietor;
   iii. The Contractor is in the construction business or trades with no employees;
   iv. The Contractor is in the coal mining industry with no employees;
   v. The Contractor is a state or local government; or
   vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).

2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars ($1,000,000) per occurrence or combined single limit.

d. Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance

1) The Contractor shall maintain technology professional liability (errors & omissions)/cyber liability insurance appropriate to the Contractor's profession in an amount not less than ten million dollars ($10,000,000) per occurrence or claim and ten million dollars ($10,000,000) annual aggregate, covering all acts, claims, errors, omissions, negligence, infringement of intellectual property (including copyright, patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, information theft, damage to destruction of or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, collection, or other negligence in the handling of confidential information, and including coverage for related regulatory fines, defenses, and penalties.

2) Such coverage shall include data breach response expenses, in an amount not less than ten million dollars ($10,000,000) and payable whether incurred by the State or Contractor, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services and expenses in the performance of services for the State or on behalf of the State hereunder.

e. Crime Insurance

1) The Contractor shall maintain crime insurance, which shall be written on a "loss sustained form" or "loss discovered form" providing coverage for third party fidelity, including cyber theft and extortion. The policy must allow for reporting of circumstances or incidents that may give rise to future claims, include an extended reporting period of no less than two (2) years with respect to events which occurred but were not reported during the term of the policy, and not contain a condition requiring an arrest or conviction.

2) Any crime insurance policy shall have a limit not less than one million dollars ($1,000,000) per claim and one million dollars ($1,000,000) in the aggregate. Any crime insurance policy shall contain a Social Engineering Fraud Endorsement with a limit of not less than two hundred and fifty thousand dollars ($250,000). This insurance may be written on a claims-made basis, but in the event that coverage is cancelled or non-renewed, the Contractor shall purchase an extended reporting or "tail coverage" of at least two (2) years after the Term.

D.26. Hold Harmless. The Contractor 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 Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor,

through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

D.27. HIPAA Compliance. The State and Contractor 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 Contract.

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

b. Contractor 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 the Contract so that both parties will be in compliance with the Privacy Rules.

c. The State and the Contractor 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 Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this 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 such document.

d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor 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 State because of the violation.

D.28. Tennessee Department of Revenue Registration. The Contractor 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 Contract.

D.29. Debarment and Suspension. The Contractor 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 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 Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor 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, disqualified, or presently fall under any of the prohibitions of sections a-d.

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 Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.

E.2. 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 Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

E.3. Prohibited Advertising or Marketing. The Contractor shall not suggest or imply in advertising in advertising or marketing materials that the Contractor's goods or services are endorsed by the State. The restrictions on Contractor advertising or marketing materials under this section shall survive the termination of this Contract.

E.4 Transfer of Contractor's Obligations.

a. The Contractor shall immediately notify the State in writing of a proposed merger, acquisition or sale of its business operation, or the part of its business operation that provides services under this Contract, or that this Contract will be sold to or assumed by another entity. The entity that is proposed to assume the Contractor's duties under this Contract, whether through merger, acquisition, sale or other transaction, will be hereinafter described as the "New Entity".

b. The Contractor (or, if the Contractor no longer exists as a legal entity, the New Entity) will provide to the State within a reasonable time, information that the State may require about the merger, acquisition or sale, which may include:

i. the date and terms of the merger, acquisition or sale, including specifically, but not limited to, adequate documentation of the financial solvency and adequate capitalization of the proposed New Entity

ii. evidence of financial solvency and adequate capitalization of the proposed New Entity which may consist of,

(1) Debt;
(2) Assets;
(3) Liabilities;
(4) Cash flow
(5) Percentage of the total revenues of the company that are represented by this Contract;
(6) The most recent annual financial reports;
(7) The most recent annual financial reports filed with government agencies, if applicable.

iii. a complete description of the relationship of any New Entity to any parent company or subsidiary or division resulting from the merger, acquisition or sale of the original Contractor's business or the part of the original Contractor's business that provides services under this Contract or from assumption by, or sale to, another entity of the contract itself, including:

(1) the names and positions of corporate or company officers, project managers, other Contractor management staff with responsibilities under the Contract, and numbers and the type of technical or other personnel who will be responsible for fulfilling the obligations of the Contract, and any subcontracts that will be used to provide any personal or other services under the Contract by the New Entity and,

(2) an organizational chart clearly describing the organizational structure of the New Entity, parent company, subsidiary, division or other unit of the entity or parent company with which it has merged or by which it, or the Contract, has been acquired.

iv. such additional evidence of financial solvency, adequate capitalization and information regarding corporate organizational and personnel assigned to the Contract as the State determines is necessary to evaluate the status of the proposed or consummated merger, acquisition or sale.

c. The original Contractor shall immediately notify the State in writing in the event of a change in its legal name and/or Federal Employer Identification Number (FEIN). The Contractor shall comply with State requests for copies of any documents that have been filed with state corporate records officials or other officials in the state of its incorporation that verify the name change and a narrative description of the reasons for the name change. If a New Entity has succeeded to the interest of the original Contractor, it shall immediately provide the State written notification of its Federal Employer Identification Number (FEIN), its complete corporate name, State of incorporation, and other documentation required to effectuate the transfer.

d. Notwithstanding any other provisions of this Contract to the contrary, the State may immediately terminate this Contract in whole or in stages in the event that it determines that the New Entity

i. has been debarred from State or Federal contracting in the past five years

ii. has had a contract terminated for cause by the State of Tennessee within the past five years.

The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor or New Entity for compensation for any service which has not been rendered. Upon such termination, the

Contractor or New Entity shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

e. The New Entity shall provide to the State within ten (10) business days of the State's request, a notarized statement signed by an individual authorized to bind the New Entity certifying that all liabilities and obligations incurred by the former Contractor are assumed by the New Entity.

f. If the New Entity owes money to the State of Tennessee, it acknowledges that Tennessee Code Ann. § 9-4-604 requires repayment of these funds and will enter into a legally binding agreement for repayment.

E.5. Contractor Hosted Services Confidential Data, Audit, and Other Requirements.

a. "Confidential State Data" is defined as data deemed confidential by State or Federal statute or regulation. The Contractor shall protect Confidential State Data as follows:

(1) The Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data.

(2) The Contractor shall encrypt Confidential State Data at rest and in transit using the current version of Federal Information Processing Standard ("FIPS") 140-2 validated encryption technologies.

(3) The Contractor and the Contractor's processing environment containing Confidential State Data shall either (1) be in accordance with at least one of the following security standards: (i) International Standards Organization ("ISO") 27001; (ii) Federal Risk and Authorization Management Program ("FedRAMP"); or (2) be subject to an annual engagement by a CPA firm in accordance with the standards of the American Institute of Certified Public Accountants ("AICPA") for a System and Organization Controls for service organizations ("SOC") Type II audit. The State shall approve the SOC audit control objectives. The Contractor shall provide proof of current ISO certification or FedRAMP authorization for the Contractor and Subcontractor(s), or provide the State with the Contractor's and Subcontractor's annual SOC Type II audit report within 30 days from when the CPA firm provides the audit report to the Contractor or Subcontractor. The Contractor shall submit corrective action plans to the State for any issues included in the audit report within 30 days after the CPA firm provides the audit report to the Contractor or Subcontractor.

If the scope of the most recent SOC audit report does not include all of the current State fiscal year, upon request from the State. The Contractor must provide to the State a letter from the Contractor or Subcontractor stating whether the Contractor or Subcontractor made any material changes to their control environment since the prior audit and, if so, whether the changes, in the opinion of the Contractor or Subcontractor, would negatively affect the auditor's opinion in the most recent audit report.

No additional funding shall be allocated for these certifications, authorizations, or audits as these are included in the Maximum Liability of this Contract.

(4) The Contractor must annually perform Penetration Tests and Vulnerability Assessments against its Processing Environment. "Processing Environment" shall mean the combination of software and hardware on which the Application runs. "Application" shall mean the computer code that supports and accomplishes the State's requirements as set forth in this Contract. "Penetration Tests" shall be in the form of attacks on the Contractor's computer system, with the purpose of discovering security weaknesses which have the potential to gain access to the Processing

Environment's features and data. The "Vulnerability Assessment" shall be designed and executed to define, identify, and classify the security holes (vulnerabilities) in the Processing Environment. The Contractor shall allow the State, at its option, to perform Penetration Tests and Vulnerability Assessments on the Processing Environment.

(5) Upon State request, the Contractor shall provide a copy of all Confidential State Data it holds. The Contractor shall provide such data on media and in a format determined by the State

(6) Upon termination of this Contract and in consultation with the State, the Contractor shall destroy all Confidential State Data it holds (including any copies such as backups) in accordance with the current version of National Institute of Standards and Technology ("NIST") Special Publication 800-88. The Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction.

b. Minimum Requirements

(1) The Contractor and all data centers used by the Contractor to host State data, including those of all Subcontractors, must comply with the State's Enterprise Information Security Policies as amended periodically. The State's Enterprise Information Security Policies document is found at the following URL: https://www.tn.gov/finance/strategic-technology-solutions/strategic-technology-solutions/sts-security-policies.html.

(2) The Contractor agrees to maintain the Application so that it will run on a current, manufacturer-supported Operating System. "Operating System" shall mean the software that supports a computer's basic functions, such as scheduling tasks, executing applications, and controlling peripherals.

(3) If the Application requires middleware or database software, Contractor shall maintain middleware and database software versions that are at all times fully compatible with current versions of the Operating System and Application to ensure that security vulnerabilities are not introduced.

c. Comptroller Audit Requirements

Upon reasonable notice and at any reasonable time, the Contractor and Subcontractor(s) agree to allow the State, the Comptroller of the Treasury, or their duly appointed representatives to perform information technology control audits of the Contractor and all Subcontractors used by the Contractor. Contractor will maintain and cause its Subcontractors to maintain a complete audit trail of all transactions and activities in connection with this Contract. Contractor will provide to the State, the Comptroller of the Treasury, or their duly appointed representatives access to Contractor and Subcontractor(s) personnel for the purpose of performing the information technology control audit.

The information technology control audit may include a review of general controls and application controls. General controls are the policies and procedures that apply to all or a large segment of the Contractor's or Subcontractor's information systems and applications and include controls over security management, access controls, configuration management, segregation of duties and contingency planning. Application controls are directly related to the application and help ensure that transactions are complete, accurate, valid, confidential, and available. The audit shall include the Contractor's and Subcontractor's compliance with the State's

Enterprise Information Security Policies and all applicable requirements, laws, regulations or policies.

The audit may include interviews with technical and management personnel, physical inspection of controls, and review of paper or electronic documentation.

For any audit issues identified, the Contractor and Subcontractor(s) shall provide a corrective action plan to the State within 30 days from the Contractor or Subcontractor receiving the audit report.

Each party shall bear its own expenses incurred while conducting the information technology controls audit.

d. Business Continuity Requirements. The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:

(1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:

i. Recovery Point Objective ("RPO"). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: 24 hours

ii. Recovery Time Objective ("RTO"). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity: 24 hours

(2) The Contractor and the Subcontractor(s) shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A "Disaster Recovery Test" shall mean the process of verifying the success of the restoration procedures that are executed after a critical IT failure or disruption occurs. The Disaster Recovery Test shall use actual State Data Sets that mirror production data, and success shall be defined as the Contractor verifying that the Contractor can meet the State's RPO and RTO requirements. A "Data Set" is defined as a collection of related sets of information that is composed of separate elements but can be manipulated as a unit by a computer. The Contractor shall provide written confirmation to the State after each Disaster Recover Test that its Disaster Recovery Capabilities meet the RPO and RTO requirements.

E.6. Family Educational Rights and Privacy Act & Tennessee Data Accessibility, Transparency and Accountability Act. The Contractor shall comply with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232(g)) and its accompanying regulations (34 C.F.R. § 99) ("FERPA"). The Contractor warrants that the Contractor is familiar with FERPA requirements and that it will comply with these requirements in the performance of its duties under this Contract. The Contractor agrees to cooperate with the State, as required by FERPA, in the performance of its duties under this Contract. The Contractor agrees to maintain the confidentiality of all education records and student information. The Contractor shall only use such records and information for the exclusive purpose of performing its duties under this Contract.

The Contractor shall also comply with Tenn. Code Ann. § 49-1-701, *et seq.*, known as the "Data Accessibility, Transparency and Accountability Act," and any accompanying administrative rules

or regulations (collectively "DATAA"). The Contractor agrees to maintain the confidentiality of all records containing student and de-identified data, as this term is defined in DATAA, in any databases, to which the State has granted the Contractor access, and to only use such data for the exclusive purpose of performing its duties under this Contract.

Any instances of unauthorized disclosure of data containing personally identifiable information in violation of FERPA or DATAA that come to the attention of the Contractor shall be reported to the State within twenty-four (24) hours. Contractor shall indemnify and hold harmless State, its employees, agents and representatives, from and against any and all claims, liabilities, losses, or causes of action that may arise, accrue, or result to any person or entity that is injured or damaged as a result of Contractor's failure to comply with this section.

E.7 Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this 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"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor 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 Contractor and in accordance with this 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. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor 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 Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, 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 Contractor 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 Contract or otherwise available at law.

E.8. National School Lunch Act Compliance. The State and Contractor shall comply with the National School Lunch Act (79 P.L. 396, 60 Stat. 230) and accompanying regulations. Contractor warrants that it is familiar with requirements of National School Lunch Act and its accompanying regulations and that it will comply with all applicable National School Lunch Act requirements in

the performance of its duties in this contract. Contractor agrees to cooperate with the State as required by National School Lunch Act and its regulations in the performance of its duties in this contract. Contractor agrees to maintain the confidentiality of all education records and student information and use such records and information for the exclusive purpose of performing its duties in this contract.

E.9. Intellectual Property Indemnity. The Contractor 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 or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor; through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

E.10. Software License Warranty. Contractor grants a license to the State to use all software provided under this Contract in the course of the State's business and purposes.

E.11. Software Support and Maintenance Warranty. Contractor shall provide to the State all software upgrades, modifications, bug fixes, or other improvements in its software that it makes generally available to its customers.

E.12. Extraneous Terms and Conditions. Contractor shall fill all orders submitted by the State under this Contract. No purchase order, invoice, or other documents associated with any sales, orders, or supply of any good or service under this Contract shall contain any terms or conditions other than as set forth in the Contract. Any such extraneous terms and conditions shall be void, invalid and unenforceable against the State. Any refusal by Contractor to supply any goods or services under this Contract conditioned upon the State submitting to any extraneous terms and conditions shall be a material breach of the Contract and constitute an act of bad faith by Contractor.

IN WITNESS WHEREOF,

FOLLETT SCHOOL SOLUTIONS, INC.:

Robert B Ferris 6/28/2019

CONTRACTOR SIGNATURE **DATE**

Robert B. Ferris Controller

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

TENNESSEE DEPARTMENT OF EDUCATION:

Dr. Penny Schwinn_jc

Digitally signed by Dr. Penny Schwinn_jc
DN: cn=Dr. Penny Schwinn_jc, o, ou, email=joanna.collins@tn.gov, c=US
Date: 2019.06.28 15:58:51 -05'00'

DR. PENNY SCHWINN, COMMISSIONER **DATE**

Attachment A – Base Functionality

Base Functionality for Follett School Solutions, Inc. includes, but is not limited to the state exports as required by EIS and TN Director reports. In addition, Aspen 5.9 and 5.10 are certified to support Ed-Fi 2.0 based on the Ed-Fi 2.0 specifications and the Aspen 6.0 version (Summer 2019) will be certified to support Ed-Fi 3.0.

- Enrollment Management
- Pages & Groups
- Scheduling
- State Reporting
- Gradebook
- Assessments,
- Attendance Management
- Grades Management
- Conduct Management
- Workflows ·
- Professional Development
- Student Programs
- Graduation Requirements
- Student and Family Portal
- Staff Management

Attachment 8 [Task Order (TO)]

TASK ORDER
BETWEEN

THE [INSERT EA NAME]

and

[INSERT CONTRACTOR NAME]

This Task Order (TO), by and between the [INSERT EA NAME], hereinafter referred to as the "EA" and [INSERT CONTRACTOR NAME], hereinafter referred to as the "Contractor" is as follows:

The Contractor understands and agrees that this TO is governed by the provisions of Edison Contract Number [INSERT CONTRACTOR EDISON CONTRACT NUMBER], hereinafter referred to as the "Master Contract". In the provision of services pursuant to this TO, the Contractor will conform to these provisions in their entirety. In the event of a conflict between the TO and the Master Contract, the documents shall govern in the order of preference given in the Master Contract.

This TO shall be effective for the period commencing on [INSERT START DATE], and ending on [INSERT END DATE], unless amended.

In no event shall the maximum liability of the EA under this TO exceed [INSERT DOLLAR AMOUNT]. For the services provided pursuant to this TO, this amount shall constitute the TO Project Price and the entire potential compensation due the Contractor for the goods and/or services and all of the Contractor's obligations hereunder regardless of the difficulty, travel, administrative fees, or materials/equipment required. The Contractor shall be compensated as specified in the associated Statement of Work at the fixed-prices and/or hourly rate(s) quoted in the Contractor's Project Quote and transcribed here:

Service Description	Amount (per compensable increment)
DELIVERABLE	$Number
JOB TITLE	$Number per hour
Use & Repeat Rows Above as Necessary	

Payments to the Contractor pursuant to this TO will be made in accordance with the Tennessee Prompt Payment Act. Invoices shall be submitted to:

[INSERT AGENCY NAME AND BILLING ADDRESS FROM THE SOW]

The EA may, at any time and for any reason, terminate this TO in accordance with Contract Section A.7.b.

This TO may be modified only by a written amendment in accordance with Contract

INSERT EA AND CONTRACTOR SIGNATURE LINES

ATTACHMENT C

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	61797
CONTRACTOR LEGAL ENTITY NAME:	Follett School Solutions; Inc_
EDISON VENDOR IDENTIFICATION NUMBER:	0000057450

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

Robert B. Ferris

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

Robert B. Ferris, Controller

PRINTED NAME AND TITLE OF SIGNATORY

CONTRACT AMENDMENT COVER SHEET

Agency Tracking #	Edison ID	Contract #	Amendment #
33104-00019-01	61797	61797	01

Contractor Legal Entity Name	Edison Vendor ID
Follett School Solutions, LLC	0000057540

Amendment Purpose & Effect(s)

To extend the contract term for two (2) additional years & Add Section A.10.

Amendment Changes Contract End Date:	End Date:
☒ YES ☐ NO	June 30, 2026

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): $0.00

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2020	$0.00				$0.00
2021	$0.00				$0.00
2022	$0.00				$0.00
2023	$0.00				$0.00
2024	$0.00				$0.00
2025	$0.00				$0.00
2026	$0.00				$0.00
TOTAL:	**$0.00**				**$0.00**

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

Maryanne Durski

Digitally signed by Maryanne Durski
Date: 2024.06.13 17:05:30 -05'00'

CPO USE

Speed Chart (optional)	Account Code (optional)
Various	N/A

AMENDMENT #01
OF CONTRACT #61797

This Amendment is made and entered by and between the State of Tennessee, Department of Education, hereinafter referred to as the "State" and Follett School Solutions, LLC, hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

1. The following is added as Contract section A.10.

   A.10. Offshore Resources Statement:

   All State data must remain in the United States, regardless of whether the data is processed, stored, in-transit, or at rest.

   Access to State data shall be limited to US-based (onshore) resources only.

   Configuration or development of software and code is permitted outside of the United States. However, software applications designed, developed, manufactured, or supplied by persons owned or controlled by, or subject to the jurisdiction or direction of, a foreign adversary, which the U.S. Secretary of Commerce acting pursuant to 15 CFR 7 has defined to include the People's Republic of China, among others are prohibited.

   Any testing of code outside of the United States must use fake data. A copy of production data may not be transmitted or used outside the United States.

2. Contract section B is deleted in its entirety and replaced with the following:

   B. TERM OF CONTRACT:

   This Contract shall be effective for the period beginning on July 1, 2019 ("Effective Date") and ending on June 30, 2026, ("Term"). The State shall have no obligation for goods delivered or services provided by the Contractor prior to the Effective Date.

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

Amendment Effective Date. The revisions set forth herein shall be effective once all required approvals are obtained. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

FOLLETT SCHOOL SOLUTIONS, LLC:

06-17-2024 10:47:04 CDT

SIGNATURE **DATE**

Christine Mills

Sr. Manager - Contract Support

PRINTED NAME AND TITLE OF SIGNATORY (above)

TENNESSEE DEPARTMENT OF EDUCATION:

Lizzette Reynolds kdm

Digitally signed by Lizzette Reynolds kdm
Date: 2024.06.20 16:39:02 -05'00'

LIZZETTE REYNOLDS, COMMISSIONER **DATE**

Signature Properties

Signature is VALID, signed by OneSpan (TM) <cloud_operations@onespan.com>.

Signing Time: 2024/06/17 10:47:05 -05'00'

Reason: E-SIGNED by Christine Mills (csmills@follettlearning.com), ID: 2e596c20-af3d-4c90-9f6d-d2ec7d698912

Location: Client IP: 66.191.92.58, Transaction ID: duEbzw9Z5QKVM21HIAqSOelebqo=

Validity Summary

The Document has not been modified since this signature was applied.

The certifier has specified that Form Fill-in, Signing and Commenting are allowed for this document. No other changes are permitted.

The signer's identity is valid.

Signing time is from the clock on the signer's computer.

Signature was validated as of the signing time: 2024/06/17 10:47:05 -05'00'

Signer Info

The path from the signer's certificate to an issuer's certificate was successfully built.

The signer's certificate is valid and has not been revoked.

Show Signer's Certificate...

TASK ORDER

BETWEEN

KINGSPORT CITY SCHOOLS

and

FOLLETT SOFTWARE, LLC

This Task Order (TO), by and between the **CITY OF KINGSPORT FOR ITS KINGSPORT CITY SCHOOL DISTRICT #822**, hereinafter referred to as the "EA" and **FOLLETT SOFTWARE, LLC**, hereinafter referred to as the "Contractor" is as follows:

The Contractor understands and agrees that this TO is governed by the provisions of Edison Contract Number **61797**, hereinafter referred to as the "Master Contract". In the provision of services pursuant to this TO, the Contractor will conform to these provisions in their entirety. In the event of a conflict between the TO and the Master Contract, the documents shall govern in the order of preference given in the Master Contract.

This TO shall be effective for the period commencing on **JULY 1, 2025**, and ending on **JUNE 30, 2026**, unless amended.

In no event shall the maximum liability of the EA under this TO exceed **$62,191.40** For the services provided pursuant to this TO, this amount shall constitute the TO Project Price and the entire potential compensation due to the Contractor for the goods and/or services and all of the Contractor's obligations hereunder regardless of the difficulty, travel, administrative fees, or materials/equipment required. The Contractor shall be compensated as specified in the associated Statement of Work at the fixed-prices and/or hourly rate(s) quoted in the Contractor's Project Quote and transcribed here:

Service Description	**Amount** (per compensable increment)
Student ADM	$36,093.40
Hosting	$3,683.00
Training Environment	$2,500.00
Webinar Subscription	$1,500.00
Online Registration	$18,415.00

Payments to the Contractor pursuant to this TO will be made in accordance with the Tennessee Prompt Payment Act. Invoices shall be submitted to:

CITY OF KINGSPORT

FINANCE DEPARTMENT – ACCOUNTS PAYABLE

415 BROAD STREET

KINGSPORT, TN 37660

ap@kingsporttn.gov (invoice email)

CITY OF KINGSPORT FOR ITS KINGSPORT CITY SCHOOL DISTRICT #822
The EA may, at any time and for any reason, terminate this TO in accordance with Contract Section A.7.b.

This TO may be modified only by a written amendment in accordance with Contract

CITY OF KINGSPORT FOR ITS KINGSPORT CITY SCHOOL DISTRICT #822:

District Signature Date

FOLLETT SOFTWARE, LLC

Contractor Signature Date

ATTEST:

CITY RECORDER

APPROVED AS TO FORM:

CITY ATTORNEY

RENEWAL QUOTE

Page	1
Quote#	4037138.01
Issue Date	08/21/2025
Expiration Date	11/30/2025
Customer#	4139052
Customer	KINGSPORT CY SCHS

KINGSPORT CY SCHS
400 CLINCHFIELD ST
KINGSPORT TN 37660

Quote Summary	Payable in USD
Quote Total	**$62,191.40**

Applicable taxes are NOT included
Service Expiration Dates are displayed at each line item below

Order Instructions:

Please email Purchase order, referencing Quote number, to FSSOrders@follettsoftware.com, fax to 800.365.5399 or mail Purchase Order to:

X2 Development, LLC.
1340 Ridgeview Drive
McHenry, IL 60050 USA

An invoice will be generated upon receipt of the Purchase Order. If you have any questions, contact Customer Service – 800.323.3397, Option 1 or email softwarecs@follettsoftware.com.

Quote Details

Item Number / Description		Renewal Months	Current Expiration Date	New Expiration Date	Amount
KINGSPORT CY SCHS - 4139052					
95622P	ASPEN HOSTED TRAINING ENVIRONMENT (RENEWAL)	12	06/30/2025	06/30/2026	$2,500.00
95208P	ASPEN ONLINE REGISTRATION-SAAS (RENEWAL)	12	06/30/2025	06/30/2026	$18,415.00
95722P	ASPEN ONLINE WEBINAR SUBSCRIPTION PER CONNECTION (RENEWAL)	12	06/30/2025	06/30/2026	$1,500.00
95201P	ASPEN STUDENT INFORMATION (RENEWAL)	12	06/30/2025	06/30/2026	$36,093.40
95550P	FOLLETT HOSTING (RENEWAL)	12	06/30/2025	06/30/2026	$3,683.00
				Site Total	**$62,191.40**

End of Quote

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Utilize City of Oak Ridge Contract FY2025-003 for Emergency Fire Vehicle Inspection, Repair, and Maintenance

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-255-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Steve Leonard
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution authorizes utilization of City of Oak Ridge Contract FY2025-003 for Emergency Fire Vehicle Inspection, Repair, and Maintenance for our Fleet Maintenance Department in the estimated amount of $300,000 with Siddons Martin Emergency Group, LLC.

The City of Kingsport currently has 11 pumper trucks, 3 ladder trucks, 1 tele squirt truck, 1 rescue truck, and 1 hazmat truck that require inspections, repairs, and maintenance as needed. The contract between City of Oak Ridge and Siddons Martin Emergency Group, LLC was amended to be renewed for an additional year through June 30, 2026. The utilization of this contract will allow the City to have a fixed cost for inspections, full services, pump testing, aerial truck testing, hourly labor rates, 10% discount off the price list for parts, and 90-day warranty for parts and labor.

TCA §§ 12-3-1203 (c) states any municipality, county, utility district, or other local governmental unit of this state may purchase supplies, goods, equipment, and services under contracts or price agreements entered into by any other local governmental unit of this state. Such purchases shall be made on the same terms and under the same rules and regulations as regular purchases of the purchasing entity.

Funding is identified in Project/Account # 51150085012023

Attachments:
1. Resolution
2. Memo
3. City of Oak Ridge Contract and Amendments

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE PURCHASE OF EMERGENCY FIRE VEHICLE INSPECTION, REPAIR AND MAINTENANCE TO SIDDONS MARTIN EMERGENCY GROUP, LLC UTILIZING THE CITY OF OAK RIDGE CONTRACT FY2025-003; AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER FOR THE SAME

WHEREAS, the city currently has 11 pumper trucks, 3 ladder trucks, 1 tele squirt truck, 1 rescue truck, and 1 hazmat truck that require inspections, repairs, and maintenance as needed; and

WHEREAS, staff recommends entering into a contract with Siddons Martin Emergency Group, LLC, utilizing the City of Oak Ridge contract FY2025-003 for Emergency Fire Vehicle Inspection, Repair, and Maintenance for use by the Fleet maintenance Department in an amount not to exceed $300,000.00; and

WHEREAS, local governments may purchase goods and services under contacts or agreements entered into by other local governmental unit of the state so long as such purchases are made on the same terms and under the same rules and regulations as regular purchases of the purchasing entity, as authorized by Tenn. Code Ann. §12-3-1203(c); and

WHEREAS, the utilization of this contract will allow the city to have a fixed cost for inspections, full services, pump testing, aerial truck testing, hourly labor rates, 10% discount off the price list for parts, and 90-day warranty for parts and labor; and

WHEREAS, the funding is available in project/account no.: 51150085012023.

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 Siddons Martin Emergency Group, LLC, utilizing the City of Oak Ridge contract FY2025-003, for the purchase of emergency vehicle inspection, repair and maintenance in an amount not to exceed $300,000.00.

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

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

ADOPTED this the 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, CITY ATTORNEY

City of Kingsport

Memo

To: BMA

From: Steve Leonard

cc: Mike Thompson

Date: September 4,2025

Re: Siddons Martin

All,

This memo is in regard to the City of Kingsport utilizing the City of Oak Ridge Contract with Siddons Martin for inspections on all our Fire unit's and will include repair/maintenance work on our Pierce Fire units. We currently have 6 Pierce units in our fleet and have 2 ordered. Due to time constraints on Siddons Martin they were unable to submit a bid which limited us to $49,999.99 per fiscal year in inspection, repair and maintenance for the next 3 years. With the assistance of our purchasing department and Siddons Martin we were able to benefit using the City of Oak Ridge contract which increased our fiscal year spend limit to $300,000.

Thank you for your consideration on this matter.

CITY OF
OAK RIDGE

CITY ATTORNEY'S OFFICE
Telephone: (865) 425-3530
Email: trackard@oakridgetn.gov

POST OFFICE BOX 1 • OAK RIDGE, TENNESSEE 37831-0001

Via Email: jgilbert@siddons-martin.com
legal@siddons-martin.com

July 26, 2024

Jason Gilbert, Regional Service Manager
Siddons Martin Emergency Group, LLC
1362 East Richey Road
Houston, Texas 77073

RE: FY2025-003 – Emergency Fire Vehicle Inspection, Repair, and Maintenance Contract – Notice to Proceed

Dear Mr. Gilbert:

Attached is a fully executed copy of the above-referenced contract for your files. This letter shall serve as your official notice to proceed. The Fire Department will be in contact with you regarding the services to be provided.

Sincerely,

Tammy M. Rackard

Tammy M. Rackard
City Attorney

Attachment: Contract (FY2025-003)

cc: Travis Solomon, Fire Chief
Jody Durham, Deputy Fire Chief of Operations
Beth Hickman, City Clerk

CONTRACT

This Contract entered into this 8th day of July 2024, by and between the City of Oak Ridge, Tennessee, a municipal corporation, hereinafter called the "City," and Siddons-Martin Emergency Group LLC, 1362 E. Richey Road, Houston, Texas 77073, a Texas LLC, hereinafter called the "Contractor."

WITNESSETH

In consideration of the mutual promises of the parties hereto, the parties do hereby agree as follows:

ARTICLE 1 – Scope of This Contract

The work to be done consists of furnishing all labor, materials, supplies, tools, equipment and other incidentals necessary to perform all work and services required for the Emergency Fire Vehicle Inspections, Repair, and Maintenance project in accordance with the attached Specifications. All work performed under this Contract shall be in strict accordance with the terms and provisions of this Contract, the Scope of Work, and the bid of the Contractor, all attached hereto and incorporated herein by reference.

In performance of this Contract, the Contractor binds himself to the City to comply fully with all provisions, undertakings, and obligations hereinafter set forth.

ARTICLE 2 – Term and Renewal Options

This Contract shall become effective upon its execution and shall continue in full force and effect through June 30, 2025. Work shall commence after the Contractor's receipt of the Notice to Proceed and the initial semi-annual inspections shall be completed by December 31, 2024, and the second semi-annual inspections shall be completed by June 30, 2025. Repairs and preventative maintenance shall occur as agreed to between the parties. Jody Durham, Deputy Chief of Operations, is the City's contact for this project and can be reached at (856) 776-9678 or jdurham@oakridgetn.gov.

This Contract may be renewed at the City's sole option for up to five (5) additional fiscal-year periods (July 1 – June 30). Starting with the second renewal, unit prices may be adjusted by one hundred percent (100%) of the Consumer Price Index for the month of January upon renewal with said adjustment capped at three percent (3%).

ARTICLE 3 – Changes

A. City may, by written order, and without notice to the Sureties, make changes in the specifications of this Contract within the general scope thereof. If any such changes cause an increase or decrease in the scope of this Contract or in the time required for its performance, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly.

B. Should the Contractor encounter conditions materially different from those shown in the specifications, the City shall be notified in writing immediately of such conditions before they are disturbed. The City shall thereupon promptly investigate the conditions and if it finds that they do so materially differ from those specified, this Contract shall be modified to provide for any increase or decrease of cost and difference in time resulting from the conditions so found.

ARTICLE 4 – Inspections and Defective Work

All workmanship and services shall be subject to inspections, examinations, and tests by the City at any and all times during the performance of this Contract. The City shall have the right to reject defective workmanship and to require correction. Rejected workmanship shall be satisfactorily corrected without charge therefore. If the Contractor fails to proceed within 48 hours to correct such defective workmanship, the City may proceed with such corrective work and the Contractor shall be liable for all direct costs occasioned in the performance therefore.

This provision does not negate, modify, or replace any warranties contained elsewhere in this Contract. This provision shall survive the termination or suspension of this Contract.

Neither payment nor any provisions in the Contract document shall relieve the Contractor of responsibility for faulty materials or defective workmanship. The City shall give notice of observed defects with reasonable promptness. The deterioration due to ordinary use and normal wear is excepted from this guarantee.

The Contractor shall reimburse the City for the cost of damage, if any, as well as the cost of replacing defective materials or workmanship. If replacements are not made within ten (10) days after notice is given of such defect in workmanship, or thirty (30) days in case of materials, then the City shall have the right to make replacements and charge the cost of same to Contractor or the Contractor's surety.

ARTICLE 5 – Site Investigation

The Contractor represents that it has visited the site and determined the nature of the work and the difficulties and facilities attending execution of the work, and all other matters, which can in any way affect the work under this Contract.

ARTICLE 6 – Delays, Damages

If the Contractor refuses or fails to prosecute the work with such diligence as will ensure its completion within the time specified in Article 2, or fails to complete the work within such time, the City may terminate this Contract. In such event, the City may take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the City for any excess cost occasioned thereby. If this Contract is so terminated, the City may take possession of and utilize in completing the work such materials, appliances, tools and equipment as may be on the site of the work and necessary therefore.

ARTICLE 7 – Payment

A. Total Maximum Compensation. The total cost of performance and completion of all work under this Contract shall not exceed $200,000.00, without further written authorization by the City to exceed such amount and as associated contract amendment signed by both parties.

1. *Semi-Annual Inspections*. The City agrees to pay the Contractor for the required semi-annual inspections of the Fire Department emergency vehicles/apparatus in accordance with the Contractor's bid sheet, which is incorporated by reference into this Contract. The total compensation available for semi-annual inspections is $20,060.00 for the fiscal year.

2. *Semi-Annual Full Service*. The City agrees to pay the Contractor for the required semi-annual full service of the Fire Department emergency vehicles/apparatus in accordance

with the Contractor's bid sheet, which is incorporated by reference into this Contract. The total compensation available for semi-annual full service is $68,260.00 for the fiscal year.

3. *Annual Pump Testing*. The City agrees to pay the Contractor for the annual pump testing in accordance with the Contractor's bid sheet, which is incorporated by reference into this Contract. The total compensation available for annual pump testing is $360.00 each vehicle for the fiscal year.

4. *Annual Performance Testing of Aerial Trucks*. The City agrees to pay the Contractor for the annual performance testing of aerial trucks in accordance with the Contractor's bid sheet, which is incorporated by reference into this Contract. The total compensation available for annual performance testing of aerial trucks is $3,200.00 each vehicle for the fiscal year.

5. *Repairs and Preventive Maintenance*. Repairs and preventive maintenance shall be paid based upon the hourly rates and parts discount set forth in the Contractor's bid sheet, which is incorporated by reference into this Contract. Such repairs and preventative maintenance shall be completed upon agreement by the parties both as to the work to be completed and the timeframe for completion.

B. Invoicing and Payment. The Contractor shall submit invoices to the City for work completed and payment shall be made by the City after the City's final inspection of the work. The City shall pay the Contractor within thirty (30) days of receipt of the Contractor's invoice for satisfactory work completed. Prior to any payment, the Contractor must furnish evidence to satisfy the City that all suppliers of materials used and all labor and other employees working for the Contractor pursuant to this Contract have been fully paid. Upon payment, the City is to be released from all liability whatsoever growing out of this Contract.

ARTICLE 8 – Indemnification by Contractor

To the fullest extent permitted by all applicable laws and regulations, the Contractor hereby agrees to protect, indemnify and hold harmless the City and their consultants, agents and employees from and against any and all claims, loss, expense, damage, charges and costs direct, indirect or consequential (including but not limited to fees and charges of engineers, architects, attorneys and other professional and court costs), collectively referred to as "claims," for injury to or death of persons and injury to or destruction of property suffered or alleged to have been suffered as a result of any act or omission on the part of the Contractor, any of the Contractor's subcontractors, anyone for whose acts any of them may be liable, or others whose services are engaged by the Contractor or anyone directly or indirectly employed or controlled by either of them in the course of the performance of the work provided for in the Contract, except such injury, destruction or death as may be caused by the sole negligence or fault of the City.

When the City submits notice, the Contractor shall promptly defend any aforementioned action. In any and all claims against the City or any of their consultants, agents or employees by any employee of the Contractor, any of the Contractor's subcontractors, anyone for whose acts any of them may be liable, or others whose services are engaged by the Contractor or anyone directly or indirectly employed or controlled by either of them in the course of the performance of the work provided for in the Contract, the indemnification obligation described herein shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts. The limits of insurance required in this Contract shall not limit the Contractor's obligations under this article.

The terms of this article shall survive the termination or suspension of this Contract.

~~ARTICLE 9 – Completion and Performance Bond and Labor and Material Bond~~ (Not Applicable)

~~A. Completion and Performance Bond~~

~~Prior to commencing work under this Contract, the Contractor agrees to furnish and to maintain during the term of this Contract a Completion and Performance Bond in the amount of twenty-five percent (25%) of the Contract price with good and sufficient surety or sureties acceptable to the City in connection with the performance of the work under this Contract, including any amendments or extensions hereof. The form and conditions of said Performance Bond shall be as prescribed by the City. The bond will be required at the beginning of each contract term and will be in an amount equal to the contract price for that year.~~

~~In lieu of a Performance Bond, the City will accept other suitable Securities agreed upon by both parties. At all times during the term of this Contract, the Contractor shall provide the City with evidence that the Contractor has obtained such Performance Bond or Securities. A certificate from the surety showing that the bond premiums have been paid by the Contractor shall accompany the bond.~~

~~B. Labor and Material Bond~~

~~Prior to commencing work under this Contract, the Contractor agrees to furnish and to maintain during the term of this Contract a Labor and Material Bond in the amount of twenty-five percent (25%) of the Contract price with good and sufficient surety or sureties acceptable to the City, conditioned that the Contractor shall promptly make payments to the persons supplying labor, material, or supplies to the Contractor or subcontractors in the performance of the work under this Contract and any amendment or extension thereof. The form and conditions of this bond shall be as prescribed by the City. The bond will be required at the beginning of each contract term and will be in an amount equal to the contract price for that year.~~

~~In lieu of a Labor and Material Bond, the City will accept other suitable Securities agreed upon by both parties. At all times during the term of this Contract, the Contractor shall provide the City with evidence that the Contractor has obtained such Labor and Material Bond or Securities. A certificate from the surety showing that the bond premiums have been paid by the Contractor shall accompany the bond.~~

ARTICLE 10 – Rate of Progress

Notwithstanding any other provisions in this Contract, the Contractor shall furnish sufficient labor, materials, supplies, tools, and equipment, and shall work such hours, including overtime, Sundays, and/or Holidays, as may be necessary to carry out the work in accordance with the approved schedules for its completion not later than the respective times allowed for completion set forth in these Contract Documents. Should the Contractor refuse or fail to comply with its obligations set forth in the preceding sentence after receipt of any written directive or request by the City that the Contractor furnish additional labor, materials, supplies, tools, and equipment, and/or work additional hours, including overtime, Sundays, and/or Holidays, the City may terminate the Contractor's right to proceed with the whole or any part of the work under this Contract.

ARTICLE 11 – Compliance with All Laws, Ordinances, Statutes, and Regulations

The Contractor shall comply with all federal, state, county and local laws, ordinances, statutes, and regulations.

ARTICLE 14 – Insurance

The Contractor shall at all times during the Contract maintain in full force and effect Comprehensive General Liability, Workers' Compensation and Property Damage Insurance in the amounts set forth below. **The Contractor shall name the City of Oak Ridge, Tennessee as an additional insured.**

The Contractor shall maintain policies providing the following insurance protection, each policy containing a requirement that, in the event of change or cancellation, thirty (30) days' prior written notice be sent by mail to the City. Certificates of Insurance describing the coverage shall be furnished by the Contractor and shall contain the following express obligation:

"This is to certify that the policies of insurance described herein have been issued to the insured for whom this certificate is issued and are in force at this time. In the event of cancellation or material change in a policy affecting the certificate holder, thirty (30) days' prior written notice will be given the certificate holder."

1. Comprehensive General Liability:

Bodily Injury	$1,000,000	each occurrence
	$2,000,000	aggregate
Property Damage	$2,000,000	each occurrence
Or Combined Single Limit of	$3,000,000	

2. Workers' Compensation and Employer's Liability as provided for in applicable statutes.

3. Comprehensive Automobile Liability (Including all owned, non-owned and hired vehicles)

Bodily Injury	$1,000,000	each person
	$2,000,000	each occurrence
Property Damage	$2,000,000	each occurrence
Or Combined Single Limit of	$3,000,000	

The Contractor may purchase at its own expense such additional or other insurance protection as it may deem necessary. Maintenance of the required minimum insurance protection does not relieve the Contractor of responsibility for any losses not covered by the above-required policies.

Before commencement of work hereunder, the Contractor agrees to furnish to the City of Oak Ridge (Legal Department, P.O. Box 1, Oak Ridge, Tennessee 37831-0001) a Certificate of Insurance or other evidence satisfactory to the City to the effect that such insurance has been procured and is in force.

ARTICLE 13 – Permits and Licenses

The Contractor shall obtain, at the Contractor's expense, all permits, licenses and bonds required by law or ordinance and maintain the same in full force and effect.

ARTICLE 14 – Subcontracting and Assignment

A. The Contractor may utilize the services of specialty subcontractors on those parts of the work which, under normal contracting practices, are performed by specialty subcontractors.

B. The Contractor shall not award, assign, transfer or pledge any work to any subcontractor without prior written approval of the City, which approval will not be given until the Contractor submits to the city a written statement concerning the proposed award to the subcontractor, which statement shall contain such information as the City may require.

C. The Contractor shall be as fully responsible to the City for the acts and omissions of subcontractors, and of persons either directly or indirectly employed by said subcontractors, as the Contractor is for the acts and omissions of persons directly employed by the Contractor.

D. The Contractor shall make a condition of all subcontracts and/or cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractors to the Contractor by the terms of the General Conditions and other Contract Documents insofar as applicable to the work of subcontractors and to give the Contractor the same power as regards terminating any subcontract that the City may exercise over the Contractor under any provision of the Contract Documents.

E. Nothing contained in this Contract shall create any contractual relation between any subcontractor and the City.

ARTICLE 15 – Superintendence by the Contractor

The Contractor shall give its personal superintendence to the work or have a competent foreman or superintendent satisfactory to the City on the site at all times during the progress of the work, with authority to act on behalf of the Contractor.

ARTICLE 16 – Termination

The City and the Contractor may terminate this Contract as follows:

A. *For Cause*. Either party may terminate this Contract by written notice immediately upon the occurrence of any one or more of the following events:

1. Failure of a party to cure any material breach of this Contract within ten (10) days of written notice from the non-breaching party. The notice of the breach shall describe the breach in reasonable detail.

2. Deception, fraud, misrepresentation, or dishonesty by the other party, or any act of omission that unreasonably interferes with the other party's business.

3. The filing of any voluntary or involuntary petition with respect to the other party under the United States Bankruptcy Code, insolvency of the other party, an assignment for the benefit of creditors, or liquidation of the other party's business.

B. *Without Cause*. The City may terminate this Contract at any time upon written notice to the Contractor.

C. *Lack of Funds*. This Contract is subject to appropriation and availability of funds. In the event that the funds are not appropriated or are otherwise unavailable, the City reserves the right to terminate this Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of this Contract. Upon receipt of the written notice, the Contractor shall cease all work associated with this Contract. Should such an event occur, the Contractor shall be

entitled to compensation for all satisfactory and authorized work/services completed as of the termination date. Upon such termination, the Contractor 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. The City will give the Contractor as much notice as feasible when terminating this Contract under this provision.

In the event of termination, any and all reports and other documentation prepared by the Contractor under this Contract shall, at the option of the City, become the City's property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by the Contractor, and the City may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the City from the Contractor is determined.

Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by the Contractor, and the City may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the City from the Contractor is determined.

ARTICLE 17 – Anti-Discrimination

The Contractor, in performing the work or furnishing the services covered by this Contract, shall not discriminate against any person because of race, creed, color, national origin, age, sex, sexual orientation, disability, religion or other legally protected status. The City of Oak Ridge encourages the utilization of minority and women-owned businesses in its contracting and subcontracting projects and the Contractor is encouraged to actively solicit the participation of these businesses. The Contractor shall inform all of its subcontractors and vendors providing work or services under this Contract of this requirement and shall ensure compliance therewith.

ARTICLE 18 – Personnel

A. The Contractor represents that it has, or will, secure at the Contractor's expense, all personnel required to perform the work and services outlined in this Contract. Such personnel shall not be employees of or have any contractual relationship with the City.

B. All of the services required hereunder will be performed by the Contractor or under the Contractor's supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local laws to perform such services.

ARTICLE 19 – Reports and Information

At such times and in such forms as the City may require, the Contractor shall furnish to the City such periodic reports as are requested by the City pertaining to the work and services covered by this Contract, the costs and obligations incurred or to be incurred in connection herewith, and any other matters covered by this Contract. The City can audit the Contractor’s and the Contractor’s subcontractors’ financial records pertaining to this project.

ARTICLE 20 – Non-Waiver

It is further agreed that one or more instances of forbearance by the City or the Contractor in the exercise of its rights herein shall in no way constitute a waiver thereof.

ARTICLE 21 – Headings

The headings of this Contract are for the convenience of reference only and shall not affect any of the terms and conditions hereof in any manner.

ARTICLE 22 – Incorporation of Provisions Required by Law

Each provision and clause required by law to be inserted into this Contract shall be deemed to be enacted herein and this Contract shall be read and enforced as though each were included herein. If through mistake or otherwise any such provision is not inserted or is not correctly inserted, this Contract shall be amended to make such insertion on application by either party.

ARTICLE 23 – Mandatory Non-Boycott of Israel

The Contractor acknowledges that this Contract will be terminated and void, and payment withheld, if this certification is inaccurate:

> Pursuant to Tennessee law (Tennessee Code Annotated §12-4-119), the Contractor certifies that it is not currently engaged in, and will not be engaged in, a boycott of the State of Israel and Israeli-controlled territories for the duration of the term(s) of this Contract.

This provision is not applicable to contracts with a total potential value of less than $250,000.00 or to contractors with less than ten (10) employees.

ARTICLE 24 – Iran Divestment

The Contractor acknowledges that this Contract will be void at initio, and payment withheld, if this certification is inaccurate:

> Pursuant to Tennessee law (Tennessee Code Annotated §12-12-101 et. seq, known as the Iran Divestment Act), the Contractor certifies that it is not on the list of persons engaging in investment activities in Iran as described in Tennessee's Iran Divestment Act and, therefore, ineligible to contract with the State of Tennessee. Further, the Contractor certifies that it will not utilize the services of any subcontractor for services under this Contract that is identified by the State of Tennessee as engaging in investment activities in Iran in violation of the Iran Divestment Act.

This provision is not applicable to contracts with a total potential value of less than $1,000.00.

ARTICLE 25 – Severability

If any of the terms, provisions, covenants, conditions, or any other part of this Contract are for any reason held to be invalid, void, or unenforceable, the remainder of the terms, provisions, covenants, conditions, or any other part of this Contract shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

ARTICLE 26 – Entire Agreement

This Contract, including all exhibit and appendices attached and incorporated by reference, embodies the complete and whole agreement of the parties. There are no prior oral or written representations, terms, conditions, promises, or agreements between the parties relating to matters herein, and except as otherwise provided herein. This Contract cannot be modified except by a written amendment(s) signed by the parties.

ARTICLE 27 – Venue

The parties to this Contract agree and covenant that this Contract will be enforceable in Oak Ridge, Tennessee; and that if legal action is necessary to enforce this Contract, exclusive venue will lie in Anderson County, Tennessee, or in the United states District Court for the Eastern District of Tennessee, Knoxville Division.

ARTICLE 28 – Independent Contractors

The parties acknowledge that the relationship created under this Contract is that of independent contracting parties and this Contract does not create a general agency, joint venture, partnership, employment relationship or franchise between the parties. Neither party shall represent itself to be an agent of the other, nor shall it execute any documents or make any commitments to any contractual or other obligations with third parties.

ARTICLE 29 – Governing Law

This Contract is governed by the laws of the State of Tennessee.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written, the City of Oak Ridge, by its City Manager, by authority duly given.

APPROVED AS TO FORM AND LEGALITY:

Tammy M. Rackard

Tammy M. Rackard, City Attorney

CITY OF OAK RIDGE, TENNESSEE

Randall W. Hemann, City Manager

SIDDONS-MARTIN EMERGENCY GROUP LLC

Signature

Jason Gilbert

(Printed or Typed Name and Title)

Attachments: Specifications (Attachment A)
Bid Documents
Contractor's Bid

Approved by Resolution 7-99-2024

EMERGENCY VEHCILE INSPECTIONS, REPAIR, AND MAINTENANCE FY2025-003

From:

Siddons-Martin Emergency Group LLC
1362 E Richey Rd
Houston, TX 77073

Attention:

Lyn Majeski
Finance Department
City of Oak Ridge
100 Woodbury Lane
Oak Ridge, TN 37830

FY2025-003 BID FORM

Project: Emergency Fire Vehicle Inspections, Repair, and Maintenance

In compliance with the Invitation for Bids, dated April 23, 2024, the undersigned Bidder:

Siddons Martin Emergency Group, LLC

* a corporation organized and existing under the laws of the State of: Texas LLC

* a partnership consisting of: _____

_____

_____

*an individual trading as: _____

_____

(*fill in as appropriate)

of the City of Houston, in the State of Texas, agrees that if this bid is accepted as hereinafter provided, it will furnish all labor, materials, supplies, tools, and equipment necessary to perform all work and services described in the Invitation for Bid and Instructions to Bidders, in strict accordance with the terms and provisions of the Contract attached thereto.

If written Notice of Award is received, the Bidder agrees to furnish to the City of Oak Ridge, within ten (10) working days after receipt of said Notice of Award; the Completion and Performance Bond; Labor and Material Bond or other suitable securities; and required insurance certificates naming the City of Oak Ridge as an additional insured.

Bidder understands that the City reserves the right to reject any or all bids and to waive any informality in the bidding.

Bidder agrees that this bid shall be good for a period of ninety (90) days from the date of opening.

(Continued)

Pricing

Semi-Annual Inspections Bid Price

The Bidder provides the following unit prices for semi-annual inspections of the following types of Fire Department vehicles/apparatus. These unit prices are per inspection (to occur every six months), and not the unit price for the cost of inspections on an annual basis.

Vehicle Type	Unit Price	Number of Vehicles	Total
Pumper	$ 740.00	7	$ 5,180.00
Aerial Tower	$ 1,350.00	1	$ 1,350.00
Brush Truck	$ 370.00	1	$ 370.00
Light Rescue	$ 550.00	2	$ 1,100.00
Medium Rescue	$ 550.00	1	$ 550.00
Heavy Rescue	$ 740.00	1	$ 740.00
Heavy Hazmat	$ 740.00	1	$ 740.00
		Grand Total Inspection	$ 10,030.00
			x 2
		Grand Total of Semi-Annual Inspections per Fiscal Year	$ 20,060.00

Grand Total for Semi-Annual Inspections per Fiscal Year (from above totals):

Twenty Thousand Sixty Dollars and Zero Cents ($ 20,060.00)
(written words and numbers)

Semi-Annual Full Service Bid Price

The Bidder provides the following unit prices for semi-annual full service of the following types of Fire Department vehicles/apparatus in accordance with the manufacturer's recommendations and NFPA 1911, whichever is more stringent. These unit prices are per inspection (to occur every six months), and not the unit price for the cost of inspections on an annual basis.

Vehicle Type	Unit Price	Number of Vehicles	Total
Pumper	$ 2,995.00	7	$ 20,965.00
Aerial Tower	$ 5,995.00	1	$ 5,995.00
Brush Truck	$ 1,195.00	1	$ 1,195.00
Light Rescue	$ 1,195.00	2	$ 2,390.00
Medium Rescue	$ 1,195.00	1	$ 1,195.00
Heavy Rescue	$ 1,195.00	1	$ 1,195.00
Heavy Hazmat	$ 1,195.00	1	$ 1,195.00
		Grand Total Inspection	$ 34,130.00
			x 2
		Grand Total of Semi-Annual Full Service per Fiscal Year	$ 68,260.00

Grand Total for Semi-Annual Full Service per Fiscal Year (from above totals):

Sixty Eight Thousand Two Hundered Sixty Dollars and Zero Cents ($ 68,260.00)
(written words and numbers)

Annual Pump Testing Bid Price

The Bidder provides the following unit price for annual pump testing (price per vehicle):

Three Hundered Sixty Dollars and Zero Cents ($ 360.00 Each)
(written words and numbers)

Annual Performance Testing of Aerial Truck Bid Price

The Bidder provides the following unit price for annual performance testing of Aerial Truck (one vehicle) in accordance with NFPA 1911:

Three Thousand Two Hundered Dollars and Zero Cents ($ 3,200.00 Each)
(written words and numbers)

Parts

The Bidder provides the following discount off the price list (lowest manufacturer's published list price available at the time parts of needed) for parts: 10% %

Warranty

The Bidder provides the following warranty (insert days or months or years) for parts and labor:

Labor 90 days Parts 90 days

Hourly Rates for Repairs and Preventive Maintenance

The Bidder provides the following hourly rates, both regular and emergency hourly rates, for the following Emergency Vehicle Technicians (EVT) that are available by the Bidder to provide the required services under this Contract.

NFPA Certification	# of Employees Certified	Hourly Labor Rate
EVT 1	One	165.00
EVT 2 (if different from above)		
EVT 3 ((if different from above)		
Emergency Hourly Labor Rate		
EVT 1	One	185.00
EVT 2 (if different from above)		
EVT 3 (if different from above)		

The above rates are the rates for both repairs and preventative maintenance.

Bidder acknowledges receipt of the following addenda:

Addendum No. 1	Date: 5/7/2024	Addendum No. _____	Date: _____
Addendum No. 2	Date: 5/15/2024	Addendum No. _____	Date: _____
Addendum No. _____	Date: _____	Addendum No. _____	Date: _____

Bidder attests that no officers or employees of the City of Oak Ridge are members of, or have financial interest in, the business submitting this bid.

By: Jason Gilbert
Signature

Telephone #: 870-375-0012

Name: Jason Gilbert

Fax #: _____

Title: Regional Service Manager

Email: jgilbert@siddons-martin.com

Business Name: Siddons Martin Emergency Group, LLC

Date: _____

Mailing Address: 1362 E. Richey Rd
Houston, TX 77073

Physical Address: 2812 John Deere Dr
Knoxville, TN 37917

Tax ID Number: 27-4333590

TN Contractor's License Number: N/A
(if applicable)

NOTE: In accordance with the Invitation to Bid, the following attachments are required: a Bid Bond in the amount of ten percent (10%) of the bid price (for initial year of inspections), the Drug Free Workplace Affidavit, at least three (3) references, the Compliance with Iran Divestment Act form, and the Safety Sheet.

BID BOND

Nationwide Mutual Insurance Company
1100 Locust St., Dept 2006
Des Moines, IA 50391-2006
(866) 387-0457

CONTRACTOR:
Siddons Martin Emergency Group, LLC
1362 E Richey Rd
Houston, TX 77073

SURETY:
Nationwide Mutual Insurance Company
1100 Locust Street, Department 2006
Des Moines, IA 50391

OWNER: City of Oak Ridge
100 Woodbury Lane
Oak Ridge, TN 37830

BOND AMOUNT: Ten percent of bid amount (10% of bid amount)

PROJECT:
Emergency Fire Vehicle Inspections, Repair, and Maintenance - Contract FY 2025-003

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof: or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be a Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 28th day of May 2024

Lawton McCoy
(Witness)

Siddons Martin Emergency Group, LLC
(Principal) *(Seal)*

Kathryn Vice President
(Title)

Nationwide Mutual Insurance Company
(Surety) *(Seal)*

William Wayne Siddons
(Witness)

(Title) WILLIAM WAYNE SIDDONS Attorney-in-Fact

SEAL

This document conforms to American Institute of Architects Document A310, 2010 edition

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

WILLIAM WAYNE SIDDONS

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

Five hundred thousand dollars and no/100 ($500,000.00)

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

SEAL

STATE OF NEW YORK COUNTY OF KINGS: ss

On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Leburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026

Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chimienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 28th day of May, 2024.

Assistant Secretary

BDJ 1(04-24)00

DRUG-FREE WORKPLACE AFFIDAVIT

STATE OF Texas)
)
COUNTY OF Harris)

The undersigned principal officer of Siddons Martin Emergency Group, LLC, contracting with the City of Oak Ridge, Tennessee, to provide services, hereby states under oath as follows:

1. That the undersigned is a principal officer of Siddons Martin Emergency Group, LLC (hereinafter referred to as the "Company"), and is duly authorized to execute this Affidavit on behalf of the Company.

2. The Company submits this Affidavit stating that such employer has a drug-free workplace program that complies with Tennessee law.

Further affiant saith not.

Principal Officer

State of Texas)
) ss.
County of Harris)

Before me personally appeared Kathryn Williams, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that such person executed the foregoing Affidavit for the purposes therein contained.

Witness my hand and official seal this 15th day of May, 2024.

Notary Public

My Commission Expires: 9/8/2026.

DEBORAH HORTON LANGSTON
Notary Public, State of Texas
Comm. Expires 09-08-2026
Notary ID 133950991

COMPLIANCE WITH IRAN DIVESTMENT ACT

By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief, each bidder is not on the list created pursuant to Tennessee Code Annotated § 12-12-106.

Bidder: Siddons Martin

By: Jason Gilbert
(Signature)

Jason Gilbert
(Name – Printed)

Title: Regional Service Manager

Date: 5/30/2024

SAFETY SHEET

Injury Statistics

	2024	2023	2022	2021
Total Recordable Incidents:	4	11	5	5
Fatalities:	0	0	0	0

Citations

Has you company received any citations, notice of violations, or other penalties relative to safety, health, or environmental within the last four years?

Yes _____ No ✓

If Yes, provide detailed explanation:

_____

_____

_____

_____

References

- Tony Watson
  Fire Chief @ Pigeon Forge Fire Dept.
  865-257-5911

- Jay Gregory
  Maintenance Admin Captain @ Karns Fire Dept.
  865-314-4782

- Dusty Sharpe
  Fire Chief @ Claxton Fire Dept.
  865-566-4446

INVITATION TO BID AND INSTRUCTIONS TO BIDDERS

EMERGENCY FIRE VEHICLE INSPECTIONS, REPAIR, AND MAINTENANCE
FY2025-003

MANDATORY ON-SITE VISIT AND PRE-BID CONFERENCE
Tuesday, May 7, 2024
10:00 a.m., Local Time
Central Services Complex Multi-Purpose Room
100 Woodbury Lane
Oak Ridge, Tennessee 37830

BID OPENING

Thursday, May 30, 2024
2:00 p.m., Local Time

at the
Central Services Complex Multi-Purpose Room
City of Oak Ridge
100 Woodbury Lane
P. O. Box 1
Oak Ridge, Tennessee 37831-0001

Telephone: (865) 425-1819
Email: lmajeski@oakridgetn.gov
Attn: Lyn Majeski

CITY OF OAK RIDGE, TENNESSEE
Invitation to Bid and Instructions to Bidders

FY2025-003 **April 23, 2024**

Project: Emergency Fire Vehicle Inspections, Repair, and Maintenance

Invitation

Bids will be received by the City of Oak Ridge until 2:00 p.m., local time, May 30, 2024, then publicly opened in the Central Services Complex Multi-Purpose Room at 100 Woodbury Lane, Oak Ridge, Tennessee 37830, for furnishing all labor, materials, supplies, tools, and equipment necessary to perform all work and services described in the Contract attached hereto, in strict accordance with the terms and provisions of said Contract and any attachments thereto. (See attached Specifications)

This is an annual agreement with renewal options.

All bids must be completed and submitted on the Bid Form provided. The bids shall be submitted on or before the time set for the opening of bids. Bids received after the time so set are late bids and will not be considered. Late bids, unmarked envelopes, and incorrectly marked envelopes will not be opened. Electronic bids are not accepted.

General Scope of Work

The scope of work is set forth in the attached Specifications and sample contract. This project involves semi-annual inspections of certain Oak Ridge Fire Department emergency vehicles, along with needed repairs and preventative maintenance. The vehicles are set forth in the attached Specifications. The initial term of the Contract will be July 1, 2024 through June 30, 2025 with up to five (5) renewal options.

Mandatory On-Site Visit and Pre-Bid Conference

A mandatory on-site visit and pre-bid conference is scheduled for May 7, 2024, at 10:00 a.m. local time, at the Central Services Complex Multi-Purpose Room located at 100 Woodbury Lane, Oak Ridge, Tennessee 37830. All prospective bidders must attend this meeting in order to submit a bid for this project. Please contact Lyn Majeski at lmajeski@oakridgetn.gov if directions to the on-site meeting and pre-bid conference are needed.

Discrepancies

Should the Bidder find any discrepancies in, or omission from, the bid documents, or should the Bidder be in doubt as to their meaning, the Bidder shall at once notify Lyn Majeski at lmajeski@oakridgetn.gov and obtain an interpretation or clarification prior to submitting a bid. Any interpretation or clarification given in accordance with this provision shall be in writing and will be distributed to all known Bidders. Only questions answered in writing will be binding. Oral and other interpretations or clarifications will be without legal effect. All questions must be submitted to Lyn Majeski no later than Thursday, May 14, 2024, at 12:00 p.m., local time, in order to give sufficient time for responses to be sent to all prospective bidders.

Prices

The Bidder shall submit bid pricing as specified on Bid Form. It is agreed that this bid document in its entirety is included in and made a part of the contract between the City and the successful Bidder.

If applicable, discrepancies between the multiplication of units of work and unit prices will be resolved in favor of the unit prices. If applicable, discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum. If applicable, discrepancies between words and figures will be resolved in favor of the words.

Withdrawal of Bids

Bids may be withdrawn on written or telegraphic request received from Bidders prior to the time fixed for opening the bids. Such written request must be on company letterhead signed by a company official and must indicate the specific bid project and bid price to be withdrawn in order to verify the identity of the bidder.

Rejection of Bids

The City reserves the right to reject any and all bids when such rejection is in the best interest of the City of Oak Ridge; to reject the bid of a Bidder who has previously failed to perform properly or complete on time jobs of a similar nature; to reject the bid of a Bidder who is not, in the opinion of the City, in a position to perform the Contract; and to reject the bid of a Bidder not submitted in accordance with this Invitation to Bid.

Examination of Specifications and Contract Documents

Each bidder shall carefully examine the Specifications and all other proposed contract documents before submitting a bid. Each bidder shall fully inform itself before bidding about all existing conditions and limitations under which the work will be performed. The bidder shall include a sum to cover all costs of all items necessary to perform the work as outlined in the proposed contract documents. No allowance will be made to any bidder because of a lack of such examination or knowledge. The submission of a bid will be construed as conclusive evidence that the bidder has made such examinations.

Proof of Competency of Bidder

All bidders shall be duly licensed contractors in the State of Tennessee. This requirement extends to all subcontractors and others herein as such licensing laws apply.

References

With the bid, each Bidder shall furnish at least three (3) references for whom work similar to that covered by the specifications herein was performed, the year in which such work was performed and the manner of its execution, and giving such other information as will tend to show the Bidder's ability to perform the required work.

Equipment

The Bidder shall have available under Bidder's control, tools, and equipment of the type, character, and amount required to complete the proposed work within the specified time. Each Bidder shall furnish a list of the tools and equipment proposed for use on the work if requested.

Personnel

Each Bidder shall have available, or shall agree to have available under Bidder's control, sufficient equipment and personnel to complete the proposed work within the specified time.

Method of Work

Upon request, each Bidder shall describe the method or methods to be used in the performance of the required work.

Bidders Interested in More than One (1) Bid

A party who has quoted prices to a Bidder is not thereby disqualified from quoting prices to other Bidders or from submitting a bid directly for the work; however, more than one (1) bid for the same work from an individual or entity under the same or different name will not be considered.

Bid Surety

Each bid shall be accompanied by a bid guarantee payable to the City in the amount of ten percent (10%) of the total bid amount. The form of the bid guarantee shall be a bid bond or other suitable instrument (i.e., cashier's check, certified check, or Letter of Credit). The bid guarantees of unsuccessful Bidders shall be returned to them by the City within fifteen (15) consecutive calendar days after execution of the Contract. The bid bond shall be based upon the total cost for inspections of all the vehicles/apparatus for the initial first year of the Contract (City's Fiscal Year 2025: July 1, 2024 through June 30, 2025).

Drug-Free Workplace Affidavit Form

A Drug-Free Workplace Affidavit form is included in this bid package and must be submitted with the bid.

Insurance

The successful Bidder will be required to maintain Worker's Compensation, Comprehensive General Liability, and Comprehensive Automobile Liability and Property Damage Insurance in accordance with the provisions of the Contract Documents. The City of Oak Ridge, Tennessee, shall be named as an additional insured in addition to a certificate holder.

Award of Contract

The City will make the award as soon as practicable to the lowest responsible Bidder, price and other factors considered, provided it is reasonable and in the best interest of the City. The anticipated date of City Council approval of this Contract is June 10, 2024. The City reserves the right to award the contract to more than one (1) bidder if in the best interest of the City. The successful Bidder(s) shall be required to execute the Contract attached hereto.

Commencement and Completion of Work

The selected bidder shall commence work after receipt of the notice to proceed. The initial inspections of all vehicles shall by December 31, 2024. All work shall be completed within the timeframes agreed to by the parties in the contract.

City Officers and Employees Not To Have Financial Interest

No contract shall be made with any officer or employee of the City, or any firm or corporation in which any officer or employee of the City has financial interest.

Compliance with All Laws, Ordinances, Statutes, and Regulations

The Contractor shall comply with all federal, state, county, and local laws, ordinances, statutes, and regulations. Pursuant to City Code § 5-413, the City may not accept bids from Bidders in default of any payment of any nature due to the City, including, but not limited to, taxes, licenses, and fees.

Anti-Discrimination

The selected Bidder, in performing the work or furnishing the services covered by this project, shall not discriminate against any person because of race, creed, color, national origin, age, sex, sexual orientation, disability, religion, or other legally protected status. The City of Oak Ridge encourages the utilization of minority and women-owned businesses in its contracting and subcontracting projects.

Iran Divestment Act

All bidders shall complete and submit with their bid the Compliance with the Iran Divestment Act form as set forth in the bid package (Tennessee Code Annotated § 12-12-101 et. seq.).

No Boycott of Israel

Pursuant to Tennessee Code Annotated § 12-4-119, by signing and submitting the attached Bid Form, bidder certifies that it is not engaged in a boycott of the State of Israel and shall not boycott the State of Israel through the term of any contract based on this bid. For purposes of this certification, "boycott of Israel" shall be statutorily defined by Tennessee Code Annotated § 12-4-119(a). If the value of any contract based on this bid is less than $250,000.00, or if bidder employs less than ten (10) employees, then this certification shall not apply.

Tobacco Products

The selected Bidder and its employees/subcontractors shall comply with all building policies, regulations, schedules, and rules as set out and required by the City. Please note that smoking and the use of tobacco products (chewing and vaping) is prohibited in City facilities. For any work done at City facilities, any smoking occurring outside of the buildings must occur at least twenty (20) feet away from any entrance, open window, or other opening into which smoke could infiltrate into the building. Spent smoking materials are to be properly discarded and not littered on the grounds.

Competency/Behavior of Employees

The selected Bidder shall only furnish employees who are competent and skilled for work under this Contract. If, in the opinion of the City, an employee of the selected Contractor is incompetent or disorderly, refuses to perform in accordance with the terms and conditions of the Contract, threatens or uses abusive language while on City property, or is otherwise unsatisfactory, that employee shall be removed from all work under this Contract. The selected Contractor's employees working on this project may be subject to police background checks at the sole discretion of the City.

Emergency Vehicle Technician Certified

The selected Bidder shall provide persons who are Emergency Vehicle Technician (EVT) certified to work on fire vehicles and apparatus. The Bidder shall provide the number of EVT persons available on the Bid Form.

Bid Submittal Instructions

Pursuant to Tennessee Code Annotated § 62-6-119, each bid must be submitted in an opaque sealed envelope marked and addressed on the outside as follows:

From: Bidder's Name
Bidder's Address
*General Contractor's State of Tennessee License Number
*Bidder's License Date of Registration
*Bidder's License Category or Classification
*Bidder's License Expiration Date

*If bid equals or exceeds Twenty-Five Thousand Dollars ($25,000.00), include this information if a contractor's license is required for this project per the State of Tennessee's Contractors Licensing Board. (The same information must also be provided for major subcontractors.)

To:

In Person or By Overnight Delivery	Regular Mail
Attn: Lyn Majeski Finance Department City of Oak Ridge 100 Woodbury Lane Oak Ridge, TN 37830	Attn: Lyn Majeski Finance Department City of Oak Ridge P.O. Box 1 Oak Ridge, TN 37831-0001

If the bid is submitted by mail rather than by hand-delivery, the sealed envelope containing the bid must be enclosed in another envelope addressed as stated above. Bids submitted by mail should indicate on the outside envelope, lower left corner, the following: "Sealed bid for FY2025-003: Emergency Fire Vehicle Inspections, Repair, and Maintenance to be opened May 30, 2024, at 2:00 p.m. local time" to ensure the bid is delivered to the appropriate person at the City in a timely fashion.

Late bids are not accepted and will not be opened.

FY2025-003 BID FORM

Project: Emergency Fire Vehicle Inspections, Repair, and Maintenance

In compliance with the Invitation for Bids, dated April 23, 2024, the undersigned Bidder:

_____

* a corporation organized and existing under the laws of the State of: _____

* a partnership consisting of: _____

_____

_____

*an individual trading as: _____

_____

(*fill in as appropriate)

of the City of _____, in the State of _____, agrees that if this bid is accepted as hereinafter provided, it will furnish all labor, materials, supplies, tools, and equipment necessary to perform all work and services described in the Invitation for Bid and Instructions to Bidders, in strict accordance with the terms and provisions of the Contract attached thereto.

If written Notice of Award is received, the Bidder agrees to furnish to the City of Oak Ridge, within ten (10) working days after receipt of said Notice of Award; the Completion and Performance Bond; Labor and Material Bond or other suitable securities; and required insurance certificates naming the City of Oak Ridge as an additional insured.

Bidder understands that the City reserves the right to reject any or all bids and to waive any informality in the bidding.

Bidder agrees that this bid shall be good for a period of ninety (90) days from the date of opening.

(Continued)

Pricing

Semi-Annual Inspections Bid Price

The Bidder provides the following unit prices for semi-annual inspections of the following types of Fire Department vehicles/apparatus. These unit prices are per inspection (to occur every six months), and not the unit price for the cost of inspections on an annual basis.

Vehicle Type	Unit Price	Number of Vehicles	Total
Pumper	$	7	$
Aerial Tower	$	1	$
Brush Truck	$	1	$
Light Rescue	$	2	$
Medium Rescue	$	1	$
Heavy Rescue	$	1	$
Heavy Hazmat	$	1	$
		Grand Total Inspection	$
			x 2
		Grand Total of Semi-Annual Inspections per Fiscal Year	$

Grand Total for Semi-Annual Inspections per Fiscal Year (from above totals):

_____ ($ _____)

(written words and numbers)

Semi-Annual Full Service Bid Price

The Bidder provides the following unit prices for semi-annual full service of the following types of Fire Department vehicles/apparatus in accordance with the manufacturer's recommendations and NFPA 1911, whichever is more stringent. These unit prices are per inspection (to occur every six months), and not the unit price for the cost of inspections on an annual basis.

Vehicle Type	Unit Price	Number of Vehicles	Total
Pumper	$	7	$
Aerial Tower	$	1	$
Brush Truck	$	1	$
Light Rescue	$	2	$
Medium Rescue	$	1	$
Heavy Rescue	$	1	$
Heavy Hazmat	$	1	$
		Grand Total Inspection	$
			x 2
		Grand Total of Semi-Annual Full Service per Fiscal Year	$

Grand Total for Semi-Annual Full Service per Fiscal Year (from above totals):

_____ ($ _____)

(written words and numbers)

Annual Pump Testing Bid Price

The Bidder provides the following unit price for annual pump testing (price per vehicle):

_____($_____)
(written words and numbers)

Annual Performance Testing of Aerial Truck Bid Price

The Bidder provides the following unit price for annual performance testing of Aerial Truck (one vehicle) in accordance with NFPA 1911:

_____($_____)
(written words and numbers)

Parts

The Bidder provides the following discount off the price list (lowest manufacturer's published list price available at the time parts of needed) for parts: _____%

Warranty

The Bidder provides the following warranty (insert days or months or years) for parts and labor:

Labor _____ Parts _____

Hourly Rates for Repairs and Preventive Maintenance

The Bidder provides the following hourly rates, both regular and emergency hourly rates, for the following Emergency Vehicle Technicians (EVT) that are available by the Bidder to provide the required services under this Contract.

NFPA Certification	**# of Employees Certified**	**Hourly Labor Rate**
EVT 1		
EVT 2 (if different from above)		
EVT 3 ((if different from above)		
Emergency Hourly Labor Rate		
EVT 1		
EVT 2 (if different from above)		
EVT 3 (if different from above)		

The above rates are the rates for both repairs and preventative maintenance.

Bidder acknowledges receipt of the following addenda:

Addendum No. _____ Date: _____ Addendum No. _____ Date: _____
Addendum No. _____ Date: _____ Addendum No. _____ Date: _____
Addendum No. _____ Date: _____ Addendum No. _____ Date: _____

Bidder attests that no officers or employees of the City of Oak Ridge are members of, or have financial interest in, the business submitting this bid.

By:_____ Telephone #:_____
Signature

Name:_____ Fax #_____

Title: _____ Email: _____

Business
Name:_____ Date:_____

Mailing
Address:_____ Physical
Address:_____

_____ _____

Tax ID Number:_____ TN Contractor's License Number: _____
(if applicable)

NOTE: In accordance with the Invitation to Bid, the following attachments are required: a Bid Bond in the amount of ten percent (10%) of the bid price (for initial year of inspections), the Drug Free Workplace Affidavit, at least three (3) references, the Compliance with Iran Divestment Act form, and the Safety Sheet.

BID BOND

FY2025-003

KNOW ALL MEN BY THESE PRESENTS,

That we, _____,

(hereinafter called the "Principal"), as Principal, and the _____ , of

_____ a

corporation duly organized under the laws of the State of _____

(hereinafter called the "Surety"), as Surety, are held and firmly bound unto the City of Oak Ridge, Tennessee, (hereinafter called the "Obligee"), as Obligee, in the sum of ten percent (10%) of the bid price for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for:

_____.

NOW THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the Invitation to Bid and Instructions to Bidders with good and sufficient surety for the faithful performance of such Contract, or in the event of the failure of the Principal to enter such Contract and give such bond, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this _____ day of _____ A.D. 2024.

IN THE PRESENCE OF:

_____(Seal)
Principal

_____ _____
Witness Title

_____ _____(Seal)
Witness Surety

_____
Title

COMPLIANCE WITH IRAN DIVESTMENT ACT

By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief, each bidder is not on the list created pursuant to Tennessee Code Annotated § 12-12-106.

Bidder: _____

By: _____
(Signature)

_____
(Name – Printed)

Title: _____

Date: _____

DRUG-FREE WORKPLACE AFFIDAVIT

STATE OF_____)
)
COUNTY OF _____)

The undersigned principal officer of _____, an employer of five (5) or more employees, contracting with the City of Oak Ridge, Tennessee, to provide construction services, hereby states under oath as follows:

3. That the undersigned is a principal officer of _____ _____ (hereinafter referred to as the "Company"), and is duly authorized to execute this Affidavit on behalf of the Company.

2. The Company submits this Affidavit pursuant to Tennessee Code Annotated § 50-9-113, which requires each employer with no less than five (5) employees receiving pay who contracts with the state or any local government to provide construction services, or who is awarded a contract to provide construction services, or who provides construction services to the state or local government, to submit an Affidavit stating that such employer has a drug-free workplace program that complies with Title 50, Chapter 9 of the Tennessee Code.

3. The Company is in compliance with Tennessee Code Annotated § 50-9-113.

Further affiant saith not.

_____
Principal Officer

State of _____)
) ss.
County of _____)

Before me personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that such person executed the foregoing Affidavit for the purposes therein contained.

Witness my hand and official seal this _____ day of _____, 2024.

_____
Notary Public

My Commission Expires:_____.

SAFETY SHEET

Injury Statistics

	2024	2023	2022	2021
Total Recordable Incidents:	_____	_____	_____	_____
Fatalities:	_____	_____	_____	_____

Citations

Has you company received any citations, notice of violations, or other penalties relative to safety, health, or environmental within the last four years?

Yes _____ No _____

If Yes, provide detailed explanation:

_____

_____

_____

_____

CONTRACT

FY2025-003

This Contract entered into this _____ day of _____, 2024, by and between the City of Oak Ridge, Tennessee, a municipal corporation, hereinafter called the "City," and

_____,

a _____, hereinafter called the "Contractor."

WITNESSETH

In consideration of the mutual promises of the parties hereto, the parties do hereby agree as follows:

ARTICLE 1 – Scope of This Contract

The work to be done consists of furnishing all labor, materials, supplies, tools, equipment, and other incidentals necessary to perform all work and services required for the Emergency Fire Vehicle Inspections, Repair, and Maintenance project in accordance with the attached Specifications. All work performed under this Contract shall be in strict accordance with the terms and provisions of this Contract, the Scope of Work, and the bid of the Contractor, all attached hereto and incorporated herein by reference.

In performance of this Contract, the Contractor binds himself to the City to comply fully with all provisions, undertakings, and obligations hereinafter set forth.

ARTICLE 2 – Term and Renewal Options

This Contract shall become effective upon its execution and shall continue in full force and effect through June 30, 2025. Work shall commence after the Contractor's receipt of the Notice to Proceed and the initial semi-annual inspections shall be completed by December 31, 2024 and the second semi-annual inspections shall be completed by June 30, 2025. Repairs and preventative maintenance shall occur as agreed to between the parties. Jody Durham, Deputy Chief of Operations, is the City's contact for this project and can be reached at (865) 776-9678 or jdurham@oakridgetn.gov.

This Contract may be renewed at the City's sole option for up to five (1) additional fiscal-year periods (July 1 – June 30).

ARTICLE 3 – Changes

A. The City may, by written order, and without notice to the Sureties, make changes in the specifications of this Contract within the general scope thereof. If any such changes cause an increase or decrease in the scope of this Contract or in the time required for its performance, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly.

B. Should the Contractor encounter conditions materially different from those shown in the specifications, the City shall be notified in writing immediately of such conditions before they are disturbed. The City shall thereupon promptly investigate the conditions and if it finds that they do so materially differ from those specified, this Contract shall be modified to provide for any increase or decrease of cost and difference in time resulting from the conditions so found.

C. Except as otherwise herein provided, no charge for any extra work or material will be allotted unless the same has been approved in writing by the City, and the price stated.

D. Any changes must be confirmed with the engineering firm of Falconnier Design Co. for approval.

ARTICLE 4 – Inspections and Defective Work

All workmanship and services shall be subject to inspections, examinations, and tests by the City at any and all times during the performance of this Contract. The City shall have the right to reject defective workmanship and to require correction. Rejected workmanship shall be satisfactorily corrected without charge therefore. If the Contractor fails to proceed at once to correct such defective workmanship, the City may proceed with such corrective work and the Contractor shall be liable for all direct costs occasioned in the performance therefore.

This provision does not negate, modify, or replace any warranties contained elsewhere in this Contract. This provision shall survive the termination or suspension of this Contract.

Neither payment nor any provisions in the Contract document shall relieve the Contractor of responsibility for faulty materials or defective workmanship. The City shall give notice of observed defects with reasonable promptness. The deterioration due to ordinary use and normal wear is excepted from this guarantee.

The Contractor shall reimburse the City for the cost of damage, if any, as well as the cost of replacing defective materials or workmanship. If replacements are not made within ten (10) days after notice is given of such defect in workmanship, or thirty (30) days in case of materials, then the City shall have the right to make replacements and charge the cost of same to Contractor or the Contractor's surety.

ARTICLE 5 – Site Investigation

The Contractor represents that it has visited the site and determined the nature of the work and the difficulties and facilities attending execution of the work, and all other matters, which can in any way affect the work under this Contract.

ARTICLE 6 – Delays, Damages

If the Contractor refuses or fails to prosecute the work with such diligence as will ensure its completion within the time specified in Article 2, or fails to complete the work within such time, the City may terminate this Contract. In such event, the City may take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the City for any excess cost occasioned thereby. If this Contract is so terminated, the City may take possession of and utilize in completing the work such materials, appliances, tools, and equipment as may be on the site of the work and necessary therefore.

ARTICLE 7 – Payment

As consideration for performing all work and services set forth in this Contract, and as full consideration thereof, the City agrees to pay Contractor $_____ for the required semi-annual inspections of the Fire Department emergency vehicles/apparatus in accordance with Contractor's bid sheet, which is incorporated by reference into this Contract. Payment shall be made after completion of the work and the City's final inspection of the work. The City shall pay the Contractor within thirty (30) days of receipt of the Contractor's invoice for satisfactory work completed. Any work or fees beyond the scope of the attached quotation shall be by written authorization by the City.

Repairs and preventative maintenance shall be paid based upon the hourly rates and parts discount set forth in the Contractor's bid sheet. Such repairs and preventative maintenance shall be completed upon

agreement by the parties both as to the work to be completed and the timeframe for completion. Upon completion of a repair or preventative maintenance on a vehicle/apparatus, the Contractor shall invoice the City and the City shall pay the invoice within thirty (30) days of receipt for all work satisfactorily performed.

Prior to any payment, the Contractor must furnish evidence to satisfy the City that all suppliers of materials used and all labor and other employees working for the Contractor pursuant to this Contract have been fully paid. Upon payment, the City is to be released from all liability whatsoever growing out of this Contract.

ARTICLE 8 – Indemnification by Contractor

To the fullest extent permitted by all applicable laws and regulations, the Contractor hereby agrees to protect, indemnify and hold harmless the City and their consultants, agents, and employees from and against any and all claims, loss, expense, damage, charges, and costs direct, indirect, or consequential (including, but not limited to, fees and charges of engineers, architects, attorneys, and other professional and court costs), collectively referred to as "claims," for injury to or death of persons and injury to or destruction of property suffered or alleged to have been suffered as a result of any act or omission on the part of the Contractor, any of the Contractor's subcontractors, anyone for whose acts any of them may be liable, or others whose services are engaged by the Contractor, or anyone directly or indirectly employed or controlled by either of them in the course of the performance of the work provided for in the Contract, except such injury, destruction, or death as may be caused by the sole negligence or fault of the City.

When the City submits notice, the Contractor shall promptly defend any aforementioned action. In any and all claims against the City or any of their consultants, agents, or employees by any employee of the Contractor, any of the Contractor's subcontractors, anyone for whose acts any of them may be liable, or others whose services are engaged by the Contractor, or anyone directly or indirectly employed or controlled by either of them in the course of the performance of the work provided for in the Contract, the indemnification obligation described herein shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor or any subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts. The limits of insurance required in this Contract shall not limit the Contractor's obligations under this article.

The terms of this article shall survive the termination or suspension of this Contract.

~~ARTICLE 9 – Completion and Performance Bond and Labor and Material Bond~~ (Not Applicable)

~~A. Completion and Performance Bond~~

~~Prior to commencing work under this Contract, the Contractor agrees to furnish and to maintain during the term of this Contract a Completion and Performance Bond in the amount of one hundred percent (100%) of the Contract price with good and sufficient surety or sureties acceptable to the City in connection with the performance of the work under this Contract, including any amendments or extensions hereof. The form and conditions of said Performance Bond shall be as prescribed by the City. The bond will be required at the beginning of each contract term and will be in an amount equal to the contract price for that year.~~

~~In lieu of a Performance Bond, the City will accept other suitable Securities agreed upon by both parties. At all times during the term of this Contract, the Contractor shall provide the City with evidence that the Contractor has obtained such Performance Bond or Securities. A certificate from the surety showing that the bond premiums have been paid by the Contractor shall accompany the bond.~~

~~B. Labor and Material Bond~~

~~Prior to commencing work under this Contract, the Contractor agrees to furnish and to maintain during the term of this Contract a Labor and Material Bond in the amount of one hundred percent (100%) of the Contract price with good and sufficient surety or sureties acceptable to the City, conditioned that the Contractor shall promptly make payments to the persons supplying labor, materials, or supplies to the Contractor or subcontractors in the performance of the work under this Contract and any amendment or extension thereof. The form and conditions of this bond shall be as prescribed by the City. The bond will be required at the beginning of each contract term and will be in an amount equal to the contract price for that year.~~

~~In lieu of a Labor and Material Bond, the City will accept other suitable Securities agreed upon by both parties. At all times during the term of this Contract, the Contractor shall provide the City with evidence that the Contractor has obtained such Labor and Material Bond or Securities. A certificate from the surety showing that the bond premiums have been paid by the Contractor shall accompany the bond.~~

ARTICLE 10 – Rate of Progress

Notwithstanding any other provisions in this Contract, the Contractor shall furnish sufficient labor, materials, supplies, tools, and equipment, and shall work such hours, including overtime, Sundays, and/or Holidays, as may be necessary to carry out the work in accordance with the approved schedules for its completion not later than the respective times allowed for completion set forth in these Contract Documents. Should the Contractor refuse or fail to comply with its obligations set forth in the preceding sentence after receipt of any written directive or request by the City that the Contractor furnish additional labor, materials, supplies, tools, and equipment, and/or work additional hours, including overtime, Sundays, and/or Holidays, the City may terminate the Contractor's right to proceed with the whole or any part of the work under this Contract.

ARTICLE 11 – Compliance with All Laws, Ordinances, Statutes, and Regulations

The Contractor shall comply with all federal, state, county, and local laws, ordinances, statutes, and regulations.

ARTICLE 12 – Insurance

The Contractor shall at all times during the Contract maintain in full force and effect Comprehensive General Liability, Workers' Compensation, and Property Damage Insurance in the amounts set forth below. **The Contractor shall name the City of Oak Ridge, Tennessee, as an additional insured.**

The Contractor shall maintain policies providing the following insurance protection, each policy containing a requirement that, in the event of change or cancellation, thirty (30) days' prior written notice be sent by mail to the City. Certificates of Insurance describing the coverage shall be furnished by the Contractor and shall contain the following express obligation:

"This is to certify that the policies of insurance described herein have been issued to the insured for whom this certificate is issued and are in force at this time. In the event of cancellation or material change in a policy affecting the certificate holder, thirty (30) days' prior written notice will be given the certificate holder."

1. Comprehensive General Liability:

Bodily Injury	$1,000,000	each occurrence
	$2,000,000	aggregate

Property Damage	$2,000,000	each occurrence
Or Combined Single Limit of	$3,000,000	

2. Workers' Compensation and Employer's Liability as provided for in applicable statutes.

3. Comprehensive Automobile Liability (Including all owned, non-owned, and hired vehicles)

Bodily Injury	$1,000,000 $2,000,000	each person each occurrence
Property Damage	$2,000,000	each occurrence
Or Combined Single Limit of	$3,000,000	

The Contractor may purchase, at its own expense, such additional or other insurance protection as it may deem necessary. Maintenance of the required minimum insurance protection does not relieve the Contractor of responsibility for any losses not covered by the above-required policies.

Before commencement of work hereunder, the Contractor agrees to furnish to the City of Oak Ridge (Legal Department, P.O. Box 1, Oak Ridge, Tennessee 37831-0001) a Certificate of Insurance or other evidence satisfactory to the City to the effect that such insurance has been procured and is in force.

ARTICLE 13 – Permits and Licenses

The Contractor shall obtain, at the Contractor's expense, all permits, licenses, and bonds required by law or ordinance and maintain the same in full force and effect.

ARTICLE 14 – Subcontracting and Assignment

A. The Contractor may utilize the services of specialty subcontractors on those parts of the work which, under normal contracting practices, are performed by specialty subcontractors.

B. The Contractor shall not award, assign, transfer, or pledge any work to any subcontractor without prior written approval of the City, which approval will not be given until the Contractor submits to the City a written statement concerning the proposed award to the subcontractor, which statement shall contain such information as the City may require.

C. The Contractor shall be as fully responsible to the City for the acts and omissions of subcontractors, and of persons either directly or indirectly employed by said subcontractors, as the Contractor is for the acts and omissions of persons directly employed by the Contractor.

D. The Contractor shall make a condition of all subcontracts and/or cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractors to the Contractor by the terms of the General Conditions and other Contract Documents insofar as applicable to the work of subcontractors and to give the Contractor the same power as regards terminating any subcontract that the City may exercise over the Contractor under any provision of the Contract Documents.

E. Nothing contained in this Contract shall create any contractual relation between any subcontractor and the City.

ARTICLE 15 – Superintendence by the Contractor

The Contractor shall give its personal superintendence to the work or have a competent foreman or superintendent satisfactory to the City on the site at all times during the progress of the work, with authority to act on behalf of the Contractor.

ARTICLE 16 – Termination

The City and the Contractor may terminate this Contract as follows:

A. *For Cause.* Either party may terminate this Contract by written notice immediately upon the occurrence of any one or more of the following events:

1. Failure of a party to cure any material breach of this Contract within ten (10) days of written notice from the non-breaching party. The notice of the breach shall describe the breach in reasonable detail.

2. Deception, fraud, misrepresentation, or dishonesty by the other party, or any act of omission that unreasonably interferes with the other party's business.

3. The filing of any voluntary or involuntary petition with respect to the other party under the United States Bankruptcy Code, insolvency of the other party, an assignment for the benefit of creditors, or liquidation of the other party's business.

B. *Without Cause.* The City may terminate this Contract at any time upon written notice to the Contractor.

C. *Lack of Funds*. This Contract is subject to appropriation and availability of funds. In the event that the funds are not appropriated or are otherwise unavailable, the City reserves the right to terminate this Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of this Contract. Upon receipt of the written notice, the Contractor shall cease all work associated with this Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized work/services completed as of the termination date. Upon such termination, the Contractor 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. The City will give the Contractor as much notice as feasible when terminating this Contract under this provision.

In the event of termination, any and all reports and other documentation prepared by the Contractor under this Contract shall, at the option of the City, become the City's property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by the Contractor, and the City may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the City from the Contractor is determined.

ARTICLE 17 – Anti-Discrimination

The Contractor, in performing the work or furnishing the services covered by this Contract, shall not discriminate against any person because of race, creed, color, national origin, age, sex, sexual orientation, disability, religion, or other legally protected status. The City of Oak Ridge encourages the utilization of minority and women-owned businesses in its contracting and subcontracting projects, and the Contractor is encouraged to actively solicit the participation of these businesses. The Contractor shall inform all of its subcontractors and vendors providing work or services under this Contract of this

requirement and shall ensure compliance therewith.

ARTICLE 18 – Personnel

A. The Contractor represents that it has or will secure, at the Contractor's expense, all personnel required to perform the work and services outlined in this Contract. Such personnel shall not be employees of or have any contractual relationship with the City.

B. All of the services required hereunder will be performed by the Contractor or under the Contractor's supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local laws to perform such services.

ARTICLE 19 – Reports and Information

At such times and in such forms as the City may require, the Contractor shall furnish to the City such periodic reports as are requested by the City pertaining to the work and services covered by this Contract, the costs and obligations incurred or to be incurred in connection herewith, and any other matters covered by this Contract. The City can audit the Contractor's and the Contractor's subcontractors' financial records pertaining to this project.

ARTICLE 20 – Non-Waiver

It is further agreed that one or more instances of forbearance by the City or the Contractor in the exercise of its rights herein shall in no way constitute a waiver thereof.

ARTICLE 21 – Headings

The headings of this Contract are for the convenience of reference only and shall not affect any of the terms and conditions hereof in any manner.

ARTICLE 22 – Incorporation of Provisions Required by Law

Each provision and clause required by law to be inserted into this Contract shall be deemed to be enacted herein and this Contract shall be read and enforced as though each were included herein. If through mistake or otherwise any such provision is not inserted or is not correctly inserted, this Contract shall be amended to make such insertion on application by either party.

ARTICLE 23 – Mandatory Non-Boycott of Israel

The Contractor acknowledges that this Contract will be terminated and void, and payment withheld, if this certification is inaccurate:

> Pursuant to Tennessee law (Tennessee Code Annotated §12-4-119), the Contractor certifies that it is not currently engaged in, and will not be engaged in, a boycott of the State of Israel and Israeli-controlled territories for the duration of the term(s) of this Contract.

This provision is not applicable to contracts with a total potential value of less than $250,000.00 or to contractors with less than ten (10) employees.

ARTICLE 24 – Iran Divestment

The Contractor acknowledges that this Contract will be void at initio, and payment withheld, if this certification is inaccurate:

Pursuant to Tennessee law (Tennessee Code Annotated §12-12-101 et. seq, known as the Iran Divestment Act), the Contractor certifies that it is not on the list of persons engaging in investment activities in Iran as described in Tennessee's Iran Divestment Act and, therefore, ineligible to contract with the State of Tennessee. Further, the Contractor certifies that it will not utilize the services of any subcontractor for services under this Contract that is identified by the State of Tennessee as engaging in investment activities in Iran in violation of the Iran Divestment Act.

This provision is not applicable to contracts with a total potential value of less than $1,000.00.

ARTICLE 25 – Severability

If any of the terms, provisions, covenants, conditions, or any other part of this Contract are for any reason held to be invalid, void, or unenforceable, the remainder of the terms, provisions, covenants, conditions, or any other part of this Contract shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

ARTICLE 26 – Entire Agreement

This Contract, including all exhibit and appendices attached and incorporated by reference, embodies the complete and whole agreement of the parties. There are no prior oral or written representations, terms, conditions, promises, or agreements between the parties relating to matters herein, and except as otherwise provided herein. This Contract cannot be modified except by a written amendment(s) signed by the parties.

ARTICLE 27 – Venue

The parties to this Contract agree and covenant that this Contract will be enforceable in Oak Ridge, Tennessee; and that if legal action is necessary to enforce this Contract, exclusive venue will lie in Anderson County, Tennessee, or in the United states District Court for the Eastern District of Tennessee, Knoxville Division.

ARTICLE 28 – Governing Law

This Contract is governed by the laws of the State of Tennessee.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written, the City of Oak Ridge, by its Mayor or City Manager, by authority duly given.

(Signature page follows)

APPROVED AS TO FORM AND LEGALITY:

Tammy M. Rackard, City Attorney

CITY OF OAK RIDGE, TENNESSEE

Signature

(Printed or Typed Name and Title)

(CONTRACTOR)

Signature

(Printed or Typed Name and Title)

Attachments: Specifications (Attachment A)
Bid Documents
Contractor's Bid

Approved by Resolution _____

SPECIFICATIONS

PROJECT: EMERGENCY FIRE VEHICLE INSPECTIONS, REPAIRS, AND MAINTENANCE

The City is seeking qualified vendor(s) with five (5) or more years of experience to provide semi-annual inspections, repair, and maintenance (including a comprehensive preventative maintenance program) for the following Fire Department emergency vehicles:

Shop ID No.	Equip ID No.	Vehicle Designation	Year	Make / Model	Assignment	Assigned Station	Engine Model	Trans.	Pump	GPM
471	FD024	Engine 1	Aug-14	Sutphen Engine	Pumper	Station 1	Cummins ISX 12 500 HP	Generation 5 Alison EVS4000 6 spd.	Hale Qmax 150	1500
474	FD027	Engine 2	00/2017	Sutphen Engine	Pumper	Station 2	Cummins ISX 12 500 HP	Generation 5 Alison EVS4000 6 spd.	Hale Qmax 150	1500
473	FD026	Engine 3	Aug-14	Sutphen Engine	Pumper	Station 3	Cummins ISX 12 500 HP	Generation 5 Alison EVS4000 6 spd.	Hale Qmax 150	1500
472	FD025	Engine 4	Aug-14	Sutphen Engine	Pumper	Station 4	Cummins ISX 12 500 HP	Generation 5 Alison EVS4000 6 spd.	Hale Qmax 150	1500
330	FD018	Tower 10	Jan-98	Sutphen Aerial Truck	Aerial Tower	Station 2	60 Series Detroit 470 HP	Allison HT-740-D 4 Speed Auto	Hale	1500
329	FD017	Engine 6	Jan-98	Sutphen Engine	Pumper	Station 3	60 Series Detroit	Allison HD 460 P	Hale	1500
327	FD015	Engine 7	Jan-98	Sutphen Engine	Pumper	Station 1	60 Series Detroit	Allison HD 460 P	Hale	1500
328	FD016	Engine 8	Jan-98	Sutphen Engine	Pumper	Station 4	60 Series Detroit	Allison HD 460 P	Hale	1500
478	FD028	Brush Truck	Sep-20	Dodge 5500/Anchor Richey	Brush	Station 1	Cummins 6.7 Liter Turbo	Aisin 6 spd Auto	Hale 28 hp Kubota	290
322	FD013	Rescue 11	2001	Ford F-450	Lt. Rescue	Station 1	7.3 Ford Diesel		N/A	N/A
375	FD022	Rescue 30	May-13	Sutphen / Dodge 5500	Lt. Rescue	Station 3	6.7L L6 Cummins Turbo Diesel	Aisin6-Speed Auto Trans W/OD: aux trans cooler	N/A	N/A
361	FD020	Rescue 40	00/1993	International / Pierce	Hvy. Rescue	Station 4	DTA 466	Allison 643 Transmission	N/A	N/A
390	FD023	Rescue 390	Jan-94	Navistar 4900 Rescue	Med. Rescue	Station 4	DTA 466	MD3060-CR Alison 6 spd. Automatic	N/A	N/A
365	FD021	Hazmat	00/1991	Chevrolet	Hvy. Hazmat	Station 4	Cat 3116 6.6 liter diesel	MT 643 Alison Automatic	N/A	N/A

The successful bidder shall meet the following requirements:

- Provide a complete NFPA 1911 preventative maintenance inspection twice a year on Fire Department vehicles/apparatus listed above with dates to be established between the successful bidder and the City.

- Provide full service twice a year on Fire Department vehicles/apparatus listed above with dates to be established between the successful bidder and the City.

- Provide annual pump testing on Fire Department vehicles/apparatus listed above with dates to be established between the successful bidder and the City.

- Provide a NFPA 1071 technician at least two (2) days a week for repairs and preventative maintenance at one (1) of the city-owned facilities, with days to be determined by the Fire Department. All bidders must have technicians that are Emergency Vehicle Technician (EVT) certified in order to work on these vehicles.

City facilities are:

- Fire Station #1 – 2097 Oak Ridge Turnpike, Oak Ridge, Tennessee 37830
- Fire Station #2 – 609 Oak Ridge Turnpike, Oak Ridge, Tennessee 37830
- Fire Station #3 – 333 Tuskegee Drive, Oak Ridge, Tennessee 37830
- Fire Station #4 – 652 Enrichment Street, Oak Ridge, Tennessee 37830

- Meet all requirements of NFPA standards, including but not limited to:
  - 1911 – Standards for the Inspection, Testing, and Retirement of In-Service Automative Fire Apparatus
  - 1071 – Emergency Vehicle Technician Professional Qualifications
- Must have the capability to perform maintenance and repairs to all aspects of emergency vehicles (pump, engine, transmission, electrical, etc.)
- Must be on-site of an emergency breakdown of a vehicle/apparatus within four (4) hours from the time of contact or leaving a voicemail message to, at a minimum, diagnose the problem.
- Must supply all tools and equipment required to perform service and repairs.
- Must provide the City's Project Manager with an estimate of repair cost and estimated completion time prior to any work. The City's Project Manager will give authorization to proceed with, or may disapprove of, the proposed repair(s).
- Must notify the City if hidden damage is found once the repair has started stating the extent of the damage and provide the City with a written estimated and pictures (if possible) of the additional repairs needed. The additional repairs must also be approved by the City's Project Manager. Should the damage be of exceptional proportions continually, the City shall have the right to audit the Contractor.
- The same technician shall be made available each visit if at all possible.

- The Contractor shall be responsible for faulty labor or workmanship and shall promptly correct improper work, without cost to the City, within forty-eight (48) hours after receipt of notification of such faulty labor or workmanship. If the Contractor fails within forty-eight (48) hours to correct defects, the City shall be entitled to have such work remedied and the Contractor shall be fully liable for all costs and expenses reasonably incurred by the City. If faulty labor or workmanship becomes excessive in the opinion of the City the Contract will be subject to cancellation and awarded to the next lowest bidder or rebid at the City's sole discretion.

- All invoicing presented to the City shall have the vehicle/apparatus identification number, work completed, cost, and warranty information on the invoice prior to submittal for payment.

- All of the Contractor's employees must wear a uniform or company shirt and a badge with the employee's name and company name when performing work for the City under this Contract.

- The Contractor agrees to accept such work as may be determined by the City's Project Manager as an emergency, and further agrees to give such emergency work priority over all other work of the Contractor.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 07/25/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	**CONTACT NAME:** Kathi Mauzy
Jacobs-Weber, Inc. P.O. Box 67 Yoakum, TX 77995	**PHONE (A/C, No, Ext):** 361-298-1050 **FAX (A/C, No):** 361-293-3074 **E-MAIL ADDRESS:** KMauzy@jacobs-weber.com
	INSURER(S) AFFORDING COVERAGE — **NAIC #**
	INSURER A : Hartford Fire Insurance Company — 19682
INSURED Siddons-Martin Emergency Group, LLC 1362 East Richey Road Houston, Texas 77073	**INSURER B :** Hartford Casualty Insurance Company — 29424
	INSURER C : Hartford Underwriters Insurance Company — 30104
	INSURER D : Navigators Specialty Insurance Company — 36056
	INSURER E :
	INSURER F :

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	✔ **COMMERCIAL GENERAL LIABILITY** ☐ CLAIMS-MADE ✔ OCCUR ✔ Includes Garage Operations ☐ GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ✔ LOC ☐ OTHER:	Y	Y	41 UEN OI8044	03/01/2024	03/01/2025	EACH OCCURRENCE	$	1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$	300,000
							MED EXP (Any one person)	$	10,000
							PERSONAL & ADV INJURY	$	1,000,000
							GENERAL AGGREGATE	$	2,000,000
							PRODUCTS - COMP/OP AGG	$	2,000,000
								$	
A	**AUTOMOBILE LIABILITY** ✔ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY ☐ ☐	Y	Y	41 UEN OI8045	03/01/2024	03/01/2025	COMBINED SINGLE LIMIT (Ea accident)	$	1,000,000
							BODILY INJURY (Per person)	$	
							BODILY INJURY (Per accident)	$	
							PROPERTY DAMAGE (Per accident)	$	
								$	
B	✔ **UMBRELLA LIAB** ✔ OCCUR **EXCESS LIAB** ☐ CLAIMS-MADE ☐ DED ✔ RETENTION $ 10,000	Y	Y	65 HHU OP0037	03/01/2024	03/01/2025	EACH OCCURRENCE	$	5,000,000
							AGGREGATE	$	5,000,000
								$	
C	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	41 WE OI8H2N	03/01/2024	03/01/2025	✔ PER STATUTE ☐ OTH-ER		
							E.L. EACH ACCIDENT	$	1,000,000
							E.L. DISEASE - EA EMPLOYEE	$	1,000,000
							E.L. DISEASE - POLICY LIMIT	$	1,000,000
A	Customers Autos/Stock Autos			65 UUN SV6BYH	03/01/2024	03/01/2025	Limit of Insurance		$45,587,500
D	Pollution Liability	Y	Y	NY21ESPZ07GB3IC	03/02/2021	03/02/2026	Occ/Agg Limit		$5MIL/$5MIL

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Oak Ridge, Tennessee is an additional insured including primary noncontributory and waiver of subrogation when required by a written contact or agreement.

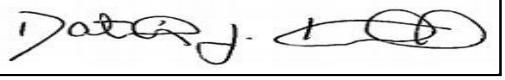
CERTIFICATE HOLDER

City of Oak Ridge
Legal Department
PO Box 1
Oak Ridge, TN 378310001

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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Amendment #1

This Amendment #1 ("Amendment") entered into this 18th day of June, 2025, by and between the City of Oak Ridge, Tennessee, a municipal corporation ("City"), and Siddons-Martin Emergency Group LLC, 1362 Richey Road, Houston, Texas 11073, a Texas limited liability company registered with the Tennessee Secretary of State ("Contractor").

WITNESSETH

WHEREAS, on July 8, 2024, the City and Contractor entered into a Contract ("Contract") for emergency fire vehicle inspections, repair and maintenance in an amount not to exceed $200,000.00; and

WHEREAS, the parties now desire to amend the Contract to change the compensation to an amount not to exceed $300,000.00.

NOW, THEREFORE, in consideration of the foregoing, the parties do hereby agree as follows:

1. Article 7, Section A, is hereby amended to change the total cost of performance and completion of all work under the Contract from $200,000.00 to a new not to exceed amount of $300,000.

2. All other terms and conditions of the Contract, as amended, and not in conflict with this Amendment #1 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment # 1 as of the day and year first above written.

APPROVED AS TO FORM AND LEGALITY:

Tammy M. Rackard

Tammy M. Rackard, City Attorney

CITY OF OAK RIDGE, TENNESSEE:

Randall W. Hemann, City Manager

SIDDONS-MARTIN EMERGENCY GROUP LLC

Marc Bane

Signature

Marc Bane

(Printed or Typed Name and Title)

Approved by Resolution 2-18-2025

Amendment #2

This Amendment #2 entered into this ___ day of _____, 2025, by and between the City of Oak Ridge, Tennessee, a municipal corporation ("City"), and Siddons-Martin Emergency Group LLC, 1362 Richey Road, Houston, Texas 11073, a Texas limited liability company registered with the Tennessee Secretary of State ("Contractor").

WITNESSETH

WHEREAS, on July 8, 2024, the City and Contractor entered into a Contract ("Contract") for fire and emergency vehicle inspections, repair, and maintenance; and

WHEREAS, on June 18, 2025, the parties executed Amendment #1, changing the compensation to an amount not to exceed $300,000.00 for Fiscal Year 2025 (July 1, 2024 – June 30, 2026); and

WHEREAS, the Contract is set to expire on June 30, 2025; and

WHEREAS, the Contract allows for five (5) additional fiscal year renewal periods at the City's sole option; and

WHEREAS, on June 9, 2025, by Resolution 6-69-2025, City Council approved the first renewal of the Contract for Fiscal Year 2026 (July 1, 2025 – June 30, 2026); and

WHEREAS, the parties desire to change the compensation for Fiscal Year 2026 to an amount not to exceed $300,000.00.

NOW, THEREFORE, in consideration of the foregoing, the parties do hereby agree as follows:

1. The City hereby exercises its renewal option to extend the Contract for Fiscal Year 2026 (July 1, 2026 – June 30, 2026.

2. Article 7, Section A, is hereby amended to change the total cost of performance and completion of all work under the Contract to a not to exceed amount of $300,000.00 for Fiscal Year 2026 (July 1, 2025 – June 30, 2026).

3. All other terms and conditions of the Contract, as amended, and not in conflict with this Amendment #2 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment #2 as of the day and year first above written.

APPROVED AS TO FORM AND LEGALITY:

Tammy M. Rackard

Tammy M. Rackard, City Attorney

CITY OF OAK RIDGE, TENNESSEE:

Randall W. Hemann, City Manager

SIDDONS-MARTIN EMERGENCY GROUP LLC

Marc Bane
Marc Bane (Jul 9, 2025 05:57 CDT)

Signature

Marc Bane, Regional Service Director

(Printed or Typed Name and Title)

Approved by Resolution 6-69-2025

Oak Ridge, City of Amendment 2

Final Audit Report 2025-07-09

Created:	2025-07-08
By:	Debbie Langston (dlangston@siddons-martin.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAkT9WxEDCYZDchVsZDd3TtGNE4fziZuW-

"Oak Ridge, City of Amendment 2" History

Document created by Debbie Langston (dlangston@siddons-martin.com)
2025-07-08 - 9:47:58 PM GMT

Document emailed to mbane@siddons-martin.com for signature
2025-07-08 - 9:48:48 PM GMT

Email viewed by mbane@siddons-martin.com
2025-07-09 - 10:56:28 AM GMT

Signer mbane@siddons-martin.com entered name at signing as Marc Bane
2025-07-09 - 10:57:38 AM GMT

Document e-signed by Marc Bane (mbane@siddons-martin.com)
Signature Date: 2025-07-09 - 10:57:40 AM GMT - Time Source: server

Agreement completed.
2025-07-09 - 10:57:40 AM GMT

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Utilize Omnia Partners Contract #16154 for Maintenance, Repair and Operation Supplies

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-256-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Tom Hensley
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: Efficient and Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution authorizes the use of Omnia Partners Contract #16154 with HD Supply Facilities Maintenance, LTD (d/b/a USABlueBook) for maintenance, repair, and operation supplies at an estimated annual cost of $80,000.

The contract has been renewed through December 31, 2026 and provides discounts of 5–20% on the full catalog, free shipping on in-stock items, and free technical support. While various City departments purchase from USABlueBook, the Utilities Department is the primary user of their products.

With Omnia Partners, agencies can utilize competitively solicited contracts to help save time and resources while still meeting purchasing requirements. All cooperative purchasing contracts from Omnia Partners have been competitively solicited by a lead public agency and meet rigorous cooperative standards and supplier commitments.

Funding is identified in various City accounts

Attachments:
1. Resolution
2. Letter of Participation & Additional Information
3. Contract & Renewal Amendment

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE PURCHASE ORDERS WITH HD SUPPLY FACILITIES MAINTENANCE, LTD (d/b/a USABLUEBOOK) FOR VARIOUS MAINTENANCE, REPAIR AND OPERATION SUPPLIES AND EQUIPMENT UTILIZING OMNIA PARTNERS CONTRACT #16154

WHEREAS, staff recommends purchasing products from HD Supply Facilities Maintenance, LTD (d/b/a USABlueBook) pursuant to Omnia Partners Contract for Maintenance, Repair, & Operations (MRO) Supplies, #16154; and

WHEREAS, the city is a member of Omnia Partners, a cooperative purchasing group network that allows the city to purchase goods and services directly from holders of contracts with the network without conducting the bidding process, as authorized by T.C.A. Section 12-3-1205; and

WHEREAS, the estimated annual cost for the services and supplies is not to exceed $80,000.00. and funding is identified in various city accounts.

Now therefore,

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

SECTION I. That the city manager is authorized to execute purchase orders to HD Supply Facilities Maintenance, LTD (d/b/a USABlueBook) utilizing Omnia Partners Contract for Maintenance, Repair, & Operations (MRO) Supplies, and Equipment – Contract #16154, in an estimated annual amount not to exceed $80,000.00.

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

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

ADOPTED this the 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

LETTER OF PARTICIPATION

DATE: _____

COOPERATIVE PURCHASING ORGANIZATION: OMNIA Partners ("Cooperative")

CONTRACT DESCRIPTION:
Agreement Name: Maintenance, Repair, Operating Supplies, Industrial Supplies and Related Products and Services
Agreement Number: 16154
Lead Agency: Maricopa County AZ
Products: Waste Water Products

SUPPLIER: HD SUPPLY FACILITIES MAINTENANCE, LTD. [D/B/A USABLUEBOOK]

PARTICIPATING PUBLIC AGENCY: City of Kingsport ("Agency")

Effective as of the date set forth above, the undersigned Agency hereby affirms that it is currently registered with the Cooperative and eligible to participate under the Contract by and between Supplier and Lead Agency as administered by the Cooperative. Supplier has agreed to provide certain Products to eligible Cooperative participants under the terms and conditions set forth in the Contract. Agency agrees to purchase Products from the Supplier according to the terms and conditions of the Contract.

Participation in the Contract will be effective on the date noted above and will run coterminous with the Contract, including any extensions thereof, until such time as Supplier receives written revocation from Agency.

Agency agrees that upon signing this Letter of Participation, Agency is bound by the terms and conditions of the Contract, and the Contract supersedes all previous communications, representations, understandings, and agreements, either oral or written, with respect to said specific matters. The Contract shall exclusively govern the purchases of Products by Agency that occur during the term of the Contract.

AGENCY

Approved as to Form:

Signature: _____ _____

Name: _____ Attest:

Title: _____ _____

Upon signature, please send a copy by email to HD Supply Facilities Maintenance, Ltd.:

Email: _____ **Attn**: _____

USABlueBook® | OMNIA® PARTNERS

Your Water/Wastewater MRO Supplier Dedicated to Your Success

Compliant Purchasing At Your Fingertips

As a valued partner of OMNIA, you have access to:

- Discounted pricing on 55,000 items for water/wastewater MRO
- Free shipping on stocked items*
- Free Technical Support
- Dedicated Account Representative to assist with product selection, order assistance, technical advice and more

Competitive Solicitation Awarded By A Lead Public Agency

OMNIA® PARTNERS

Lead Agency: Maricopa County, AZ

Contract Number: 16154

Term: Feb. 1, 2017 to Dec. 31, 2026

Discounts On Our Water/Wastewater MRO Assortment†

For help with orders, information, and more, contact your USABlueBook Representative (listed at right) or contact customer service at **800.548.1234**.

Name
Title
Phone
Email

* Items shipping directly from manufacturer incur shipping charges.

† No source code needed. Tax, freight and special orders are excluded. Pricing subject to change. Sign in to usabluebook.com to access property-specific pricing. Registration may be required. Discount calculated on list price at time of publication and may vary based on customer-specific pricing.

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SERIAL 16154 RFP MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES (U.S. Communities) Contract - Home Depot U.S.A., Inc.

DATE OF LAST REVISION: November 21, 2019 CONTRACT END DATE: December 31, 2026

CONTRACT PERIOD THROUGH DECEMBER 31, ~~2021~~ 2026

TO: All Departments

FROM: Office of Procurement Services

SUBJECT: Contract for **MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **January 11, 2017 (Eff. 02/01/17).**

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Kevin Tyne

Kevin Tyne, Chief Procurement Officer
Office of Procurement Services

SA/mm
Attach

Copy to: Office of Procurement Services
Erick Blue, Facilities Management
Beth Cressman, Facilities Management

CONTRACT PURSUANT TO RFP

SERIAL 16154-RFP

This Contract is entered into this 11th day of January, 2017 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Home Depot U.S.A., Inc., a Delaware corporation ("Contractor") for the purchase of Maintenance Repair and Operating Supplies and Services.

1.0 CONTRACT TERM:

1.1 This Contract is for a term of Five (5) years, beginning on the 1st day of February, 2017 and ending the 31st day of December, ~~2021~~ **2026**.

1.2 The County may, at its option and with the agreement of the Contractor, renew the term of this Contract for additional terms up to a maximum of five (5) additional years, (or at the County's sole discretion, extend the contract on a month-to-month bases for a maximum of six (6) months after expiration). The County shall notify the Contractor in writing of its intent to extend the Contract term at least sixty (60) calendar days prior to the expiration of the original contract term, or any additional term thereafter.

1.3 **CONTRACT COMPLETION:**

The Contractor shall make all reasonable efforts for an orderly transition of its duties and responsibilities to another provider and/or to the County. This may include, but is not limited to preparation of a transition plan and cooperation with the County or other providers in the transition. The transition includes the transfer of all records, and other data in the possession, custody or control of Contractor required to be provided to the County either by the terms of this agreement or as a matter of law. The provisions of this clause shall survive the expiration or termination of this agreement

2.0 FEE ADJUSTMENTS:

2.1 Any request for a fee or rebate offering adjustment must be submitted sixty (60) days prior to the current Contract expiration. Requests for adjustment in cost of labor and/or materials not identified in the awarded proposal must be supported by appropriate documentation. If County agrees to the adjusted fee or rebate offering, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the (Consumer Price Index) or by performing a market survey if the offering was awarded on a fixed price basis.

3.0 PAYMENTS:

3.1 As consideration for performance of the duties described herein, County shall pay Contractor the prices based on the discounts stated in Exhibit "A." or Task Order.

3.2 For non-procurement card transactions, Payment shall be made upon the County's receipt of a properly completed invoice.

3.3 INVOICES (NON-PROCUREMENT CARD TRANSACTIONS):

3.3.1 The Contractor shall submit one (1) legible copy of their detailed invoice before payment(s) can be made. Incomplete invoices will not be processed. At a minimum, the invoice must provide access to the following information:

- Company name, address and contact
- County bill-to name and contact information
- Contract Serial Number or
- County purchase order number
- Invoice number and date
- Payment terms
- Date of service or delivery
- Quantity (number of days or weeks)
- Contract Item number(s)
- Description of Purchase (product or services)
- Pricing per unit of purchase
- Freight (if applicable)
- Extended price
- Mileage w/rate (if applicable)
- Arrival and completion time (if applicable)
- Total Amount Due

3.3.2 Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

3.3.3 Payment shall be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Vendor Registration Form located on the County Department of Finance Vendor Registration Web Site (http://www.maricopa.gov/Finance/Vendors.aspx).

3.3.4 Discounts offered in the contract shall be calculated based on the date a properly completed invoice is received by the County (ROI).

3.3.5 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

3.3.6 Invoices are required to contain access to the following information: (Maricopa County Facilities Management)

- Company name, address and contact
- County bill-to name and contact information
- Building Name and Building Number
- Contract Serial Number or
- County purchase order number
- Maximo (FMD) service call number
- Invoice number and date
- Date of service or delivery
- Description of Purchase (services performed)
- Pricing per unit of purchase
- Extended price
- Arrival and completion time
- Total Amount Due

3.3.7 Discounts offered in the contract shall be calculated based on the date a properly completed invoice is received by the County (ROI).

3.3.8 Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

3.3.9 Payment shall be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Vendor Registration Form located on the County Department of Finance Vendor Registration Web Site (**http://www.maricopa.gov/Finance/Vendors.aspx**).

3.3.10 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

3.4 PAYMENT RETENTION: (By Task Order/Project if required)

3.4.1 Ten percent (10%) of monies paid for Project Management and Project Labor earned by CONTRACTOR related to work under this agreement may be retained by COUNTY until Final Completion of the services if mutually agreed to for a specific project. COUNTY may elect to release specific retention payments based on mutually agreed milestones, but in no case shall retention be released prior to Final Completion. All other payment terms and conditions shall not be affected by the retention. In the event of termination or cancellation of this contract by County through no fault of CONTRACTOR, CONTRACTOR shall be entitled to the refund of any funds in the retention account.

3.4.2 The CONTRACTOR shall have the right, pursuant to Arizona Revised Statues, to submit securities in lieu of retention for all work completed. The CONTRACTOR is required to request this option at least ten (10) business days prior to submission of first Application for Payment to allow time for preparation of forms. The CONTRACTOR shall request and obtain securities forms through COUNTY. The COUNTY must identify either securities option or retention option prior to first Application for Payment.

3.5 APPLICABLE TAXES:

3.5.1 **Payment of Taxes:** The Contractor shall pay all applicable taxes. With respect to any installation labor on items that are not attached to real property performed by Contractor under the terms of this Contract, the installation labor cost and the gross receipts for materials provided shall be listed separately on the Contractor's invoices.

3.5.2 **State and Local Transaction Privilege Taxes:** Maricopa County is subject to all applicable state and local transaction privilege taxes. To the extent any state and local transaction privilege taxes apply to sales made under the terms of this contract it is the responsibility of the seller to collect and remit all applicable taxes to the proper taxing jurisdiction of authority.

3.5.3 **Tax Indemnification:** Contractor and all subcontractors shall pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold Maricopa County harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

3.6 TAX: (SERVICES)

~~No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.~~

No tax shall be invoiced or paid against Contractor's labor. It is the responsibility of the Contractor to determine any and all applicable taxes and include the cost in the proposal price.

3.7 TAX (COMMODITIES):

~~Tax shall not be levied against labor. Sales/use tax will be determined by County. Tax will not be used in determining low price.~~

Tax shall not be invoiced against Contractor's labor. Sales/use tax will be determined by County. Tax will not be used in determining low price.

3.8 STRATEGIC ALLIANCE for VOLUME EXPENDITURES ($AVE):

3.8.1 The County is a member of the $AVE cooperative purchasing group. $AVE includes the State of Arizona, many Phoenix metropolitan area municipalities, and many K-12 unified school districts. Under the $AVE Cooperative Purchasing Agreement, and with the concurrence of the successful Respondent under this solicitation, a member of $AVE may access a contract resulting from a solicitation issued by the County. If you **do not** want to grant such access to a member of $AVE, **please so state** in your proposal. In the absence of a statement to the contrary, the County will assume that you do wish to grant access to any contract that may result from this Request for Proposal.

3.9 INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS (ICPA's)

3.9.1 County currently holds ICPA's with numerous governmental entities throughout the State of Arizona. These agreements allow those entities, with the approval of the Contractor, to purchase their requirements under the terms and conditions of the County Contract. Please indicate on Attachment A, your acceptance or rejection regarding such participation of other governmental entities. Your response will not be considered as an evaluation factor in awarding a contract

3.10 VOLUNTARY EMPLOYEE DISCOUNTS

3.10.1 Vendors may voluntarily offer discounts to County employees for products or services provided under this contract. Whether a vendor offers or does not offer an employee discount is not a factor in nor considered in the evaluation of responses to this solicitation.

3.10.2 Any discount offered is part of a commercial transaction between the vendor and individual County employees and the County is not a party to the transaction. Any disputes or issues arising from an individual commercial transaction between the vendor and an individual County employee are a matter between the vendor and the employee. If a discount is offered, the terms will be announced to County employees.

4.0 AVAILABILITY OF FUNDS:

4.1 The provisions of this Contract relating to payment for services shall become effective when funds assigned for the purpose of compensating the Contractor as herein provided are actually available to County for disbursement. The County shall be the sole judge and authority in determining the availability of funds under this Contract. County shall keep the Contractor fully informed as to the availability of funds.

4.2 If any action is taken by any state agency, Federal department or any other agency or instrumentality to suspend, decrease, or terminate its fiscal obligations under, or in connection with, this Contract, County may amend, suspend, decrease, or terminate its obligations under, or in connection with, this Contract. In the event of termination, County shall be liable for payment only for services rendered prior to the effective date of the termination, provided that such services are performed in accordance with the provisions of this Contract. County shall give written notice of the effective date of any suspension, amendment, or termination under this Section, at least ten (10) days in advance.

5.0 DUTIES:

5.1 The Contractor shall perform all duties stated in Exhibit "B", Task Order or as otherwise directed in writing by the Procurement Officer.

6.0 TERMS and CONDITIONS:

6.1 INDEMNIFICATION AND LIMITATION OF LIABILITY:

To the fullest extent permitted by law, and to the extent that claims, damages, losses or expenses are not covered and paid by insurance purchased by the Contractor, the Contractor shall defend indemnify and hold harmless the County (as Owner), its agents, representatives, agents, officers, directors, officials, and employees from and against all claims, damages, losses, and expenses (including, but not limited to attorneys' fees, court costs, expert witness fees, and the costs and attorneys' fees for appellate proceedings) arising out of, or alleged to have resulted from the negligence or willful misconduct relating to the performance of this Contract.

Contractor's duty to defend, indemnify, and hold harmless the County, its agents, representatives, agents, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss, or expense that is attributable to bodily injury, sickness, disease, death or injury to, impairment of, or destruction of tangible property, including loss of use resulting there from, caused by gross negligence or willful misconduct in the performance of this Contract, but only to the extent caused by the negligent acts or omissions of the Contractor, a subcontractor, any one directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

CONTRACTOR WILL NOT BE LIABLE TO COUNTY FOR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, LIQUIDATED, EXEMPLARY, MORAL, OR CONSEQUENTIAL DAMAGES, EXPENSES, COST, PROFITS, LOST SAVINGS OR EARNINGS, LOST OR CORRUPTED DATA, OR OTHER LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT.

6.2 INSURANCE**.**

6.2.1 Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

6.2.2 All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily

completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

6.2.3 Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

6.2.4 Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

6.2.5 The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

6.2.6 Notwithstanding anything to the contrary contained herein, **CONTRACTOR** shall have the right to self-insure part or all of any of the insurance it is required to maintain hereunder in its sole discretion so long as **CONTRACTOR** maintains a net worth of not less than One Hundred Million ($100,000,000) Dollars. Such net worth shall be documented to **COUNTY** and **COUNTY** shall be advised in writing in the event such net worth requirement is not met. In the event that **CONTRACTOR** elects to self-insure all or any part of any risk that would be insured under the policies and limits described herein, and an event occurs where insurance proceeds would have been available but for the election to self-insure, **CONTRACTOR** shall make funds available to the same extent that they would have been available had such insurance policy been carried, unless specifically provided to the contrary herein.

6.2.7 The policies required hereunder, except Workers' Compensation and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

6.2.8 **Commercial General Liability.**

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than $2,000,000 for each occurrence, $4,000,000 Products/Completed Operations Aggregate, and $4,000,000 General Aggregate Limit. The policy shall include coverage for premises liability, bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provisions which would serve to limit third party action over claims. There shall be no endorsement or modifications of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

6.2.9 **Automobile Liability.**

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than $1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services or use or maintenance of the Premises under this Contract.

6.2.10 **Workers' Compensation.**

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than

$1,000,000 for each accident, $1,000,000 disease for each employee, and $1,000,000 disease policy limit.
Contractor, its contractors and its subcontractors waive all rights against Contract and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor, its contractors and its subcontractors pursuant to this Contract.

6.2.11 **Errors and Omissions (Professional Liability) Insurance.**

Errors and Omissions (Professional Liability) insurance and, if necessary, Commercial Umbrella insurance, which will insure and provide coverage for errors or omissions or professional liability of the **CONTRACTOR**, with limits of no less than $2,000,000 for each claim.

6.2.12 **Builder's Risk (Property) Insurance.**

CONTRACTOR shall purchase and maintain, on a replacement cost basis, Builders' Risk insurance and, if necessary, Commercial Umbrella insurance in the amount of the initial Contract amount as well as subsequent modifications thereto for the entire work at the site. Such Builders' Risk insurance shall be maintained until final payment has been made or until no person or entity other than COUNTY has an insurable interest in the property required to be covered, whichever is earlier. This insurance shall include interests of COUNTY, CONTRACTOR, and all subcontractors and sub-subcontractors in the work during the life of the Contract and course of construction, and shall continue until the work is completed and accepted by COUNTY. For new construction projects, CONTRACTOR agrees to assume full responsibility for loss or damage to the work being performed and to the structures under construction. For renovation construction projects, CONTRACTOR agrees to assume responsibility for loss or damage to the work being performed at least up to the full Contract amount, unless otherwise required by the Contract documents or amendments thereto. Builders' Risk insurance shall be on a special form and shall also cover false work and temporary buildings and shall insure against risk of direct physical loss or damage from external causes including debris removal, demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for architect's service and expenses required as a result of such insured loss and other "soft costs" as required by the Contract. Builders' Risk insurance must provide coverage from the time any covered property comes under CONTRACTOR'S control and/or responsibility, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation site, and while on the construction or installation site awaiting installation. The policy will provide coverage while the covered premises or any part thereof are occupied. Builders' Risk insurance shall be primary and any insurance or self-insurance maintained by the County is not contributory. If the Contract requires testing of equipment or other similar operations, at the option of COUNTY, CONTRACTOR will be responsible for providing property insurance for these exposures under a Boiler Machinery insurance policy or the Builders' Risk Insurance policy.

6.2.13 Certificates of Insurance.

6.2.13.1 Prior to Contract **AWARD,** Contractor shall furnish the County with valid and complete certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title. Alternatively the County will accept an insurance industry recognized Memorandum of Insurance

6.2.13.2 In the event any insurance policy (ies) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

6.2.13.3 If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

6.2.14 Cancellation and Expiration Notice.

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to Maricopa County. Contractor must provide to Maricopa County, within 2 business days of receipt, if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to Maricopa County Office of Procurement Services and shall be mailed or hand delivered to **160 South 4th Avenue** ~~320 West Lincoln Street~~, Phoenix, AZ 85003, or emailed to Procurement Officer noted in solicitation.

6.3 BOND REQUIREMENT: (If required by an individual Project/Task Order)

6.3.1 If requested for an individual Order and concurrently with the submittal of the proposal associated with the Order, the Contractor shall furnish the Contracting Agency the following bonds, which shall become binding upon the award of the contract to the Contractor

6.3.1.1 A Performance Bond equal to the full Contract amount ($_____or as specified) conditioned upon the faithful performance of the Order in accordance with plans, specifications and conditions thereof. Such bond shall be solely for the protection of the Contracting Agency awarding the Order.

6.3.1.2 A Payment Bond equal to the full contract amount ($_____or as specified) solely for the protection of claimants supplying labor and materials to the Contractor or his Subcontractors in the prosecution of the work provided for in such Order.

6.3.2 Each such bond shall include a provision allowing the prevailing party in a suit on such bond to recover as a part of his judgment such reasonable attorney's fees as may be fixed by a judge of the court.

6.3.3 Each bond shall be executed by a surety company or companies holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance. The bonds shall not be executed by an individual surety or sureties. The bonds shall be made payable and acceptable to the Contracting Agency. The bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the State of Arizona or whose principal office is maintained in this state, as by law required, and the bonds shall have attached thereto a certified copy of the Power of Attorney of the signing official. In addition, said company or companies shall be rated "Best-A" or better as required by the Contracting Agency, as currently listed in the most recent Best Key Rating Guide, published by the A.M. Best Company.

6.4 FORCE MAJEURE

6.4.1 Neither party shall be liable for failure of performance, nor incur any liability to the other party on account of any loss or damage resulting from any delay or failure to perform all or any part of this Contract if such delay or failure is caused by events, occurrences, or causes beyond the reasonable control and without negligence of the parties. Such events,

occurrences, or causes will include Acts of God/Nature (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, riots, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, lockout, blockage, embargo, labor dispute, strike, interruption or failure of electricity or telecommunication service.

6.4.2 Each party, as applicable, shall give the other party notice of its inability to perform and particulars in reasonable detail of the cause of the inability. Each party must use best efforts to remedy the situation and remove, as soon as practicable, the cause of its inability to perform or comply.

6.4.3 The party asserting *Force Majeure* as a cause for non-performance shall have the burden of proving that reasonable steps were taken to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

6.4.4 The County shall reserve the right to terminate this Contract and/or any applicable order or contract release purchase order upon non-performance by Contractor. The County shall reserve the right to extend the Contract and time for performance at its discretion.

6.5 WARRANTY OF SERVICES:

6.5.1 The Contractor warrants that all services provided hereunder will conform to the requirements of the Contract, including all descriptions, specifications and attachments made a part of this Contract. County's acceptance of services or goods provided by the Contractor shall not relieve the Contractor from its obligations under this warranty.

6.5.2 In addition to its other remedies, County may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein for one year following the performance of those services. Services corrected by the Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished hereunder.

6.5.3 DISCLAIMER OF WARRANTIES FOR PRODUCTS. COUNTY'S SOLE AND EXCLUSIVE WARRANTY FOR PRODUCTS, IF ANY, IS THAT PROVIDED BY THE PRODUCT MANUFACTURER. CONTRACTOR DISCLAIMS ALL EXPRESSED, IMPLIED OR STATUTORY WARRANTIES, WHETHER IMPLIED BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE LANGUAGE OF THIS PARAGRAPH SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT

6.6 INSPECTION OF SERVICES:

6.6.1 The Contractor shall provide and maintain an inspection system acceptable to County covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to County during contract performance and for as long afterwards as the Contract requires.

6.6.2 County has the right to inspect and test all services called for by the Contract, to the extent practicable at all times and places during the term of the Contract. County shall perform inspections and tests in a manner that will not unduly delay the work.

6.6.3 If prior to completion of an Order any of the services required by that Order do not conform to Contract requirements, County may require the Contractor to perform the services again in conformity with Contract requirements, at no cost to the County. When the defects in services cannot be corrected by re-performance, County may:

6.6.3.1 Require the Contractor to take necessary action to ensure that future performance conforms to Contract requirements; and

6.6.3.2 Reduce the Contract price to reflect the reduced value of the services performed.

6.6.4 If the Contractor fails to promptly perform the services again as provided in Section 6.6.3 or to take the necessary action to ensure future performance in conformity with Contract requirements, County may:

6.6.4.1 By Contract or otherwise, perform the services and charge to the Contractor, through direct billing or through payment reduction, any cost incurred by County that is directly related to the performance of such service; or

6.6.4.2 Terminate the Contract for default.

~~6.7 REQUIREMENTS CONTRACT:~~

~~6.7.1 Contractors signify their understanding and agreement by signing a bid submittal, that the Contract resulting from the bid is a requirements contract. However, the Contract does not guarantee any minimum or maximum number of purchases will be made. It only indicates that if purchases are made for the materials or services contained in the Contract, they will be purchased from the Contractor awarded that item if the Contractor can meet all the delivery requirements of the County. Orders will only be placed when the County identifies a need and proper authorization and documentation have been approved.~~

~~6.7.2 County reserves the right to cancel Purchase Orders within a reasonable period of time after issuance. Should a Purchase Order be canceled, the County agrees to reimburse the Contractor for actual and documentable costs incurred by the Contractor in response to the Purchase Order. The County will not reimburse the Contractor for any costs incurred after receipt of County notice of cancellation, or for lost profits, shipment of product prior to issuance of Purchase Order, etc.~~

~~6.7.3 Contractors agree to accept verbal notification of cancellation of Purchase Orders from the County Procurement Officer with written notification to follow. By submitting a bid in response to this Invitation for Bids, the Contractor specifically acknowledges to be bound by this cancellation policy.~~

6.8 BACKGROUND CHECK:

Contractors need to be aware that there may be multiple background checks (Sheriff's Office, County Attorney's Office, Courts as well as Maricopa County general government) to determine if the respondents employees are acceptable for the contractor to do business with the County. This applies to (but is not limited to) the company and sub-contractors. Employees or others who fail to pass these checks shall not be allowed to work on County projects. Failure to meet these requirements may lead to termination of the contract.

6.9 SUSPENSION OF WORK

The Procurement Officer may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Procurement Officer determines appropriate for the convenience of the County. No adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor. No request for adjustment under this clause shall be granted unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the contract.

6.10 STOP WORK ORDER

The Procurement Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of 90 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Procurement Officer shall either—

6.10.1 Cancel the stop-work order; or

6.10.2 Terminate the work covered by the order as provided in the Default, or the Termination for Convenience of the County, clause of this contract.

6.10.3 The Procurement Officer may make an equitable adjustment in the delivery schedule and/or contract price, or otherwise, and the contract shall be modified, in writing, accordingly, if the Contractor demonstrates that the stop work order resulted in an increase in costs to the Contractor.

6.11 UNCONDITIONAL TERMINATION FOR CONVENIENCE:

Maricopa County may terminate the resultant Contract for convenience by providing sixty (60) calendar days advance notice to the Contractor.

6.12 TERMINATION FOR DEFAULT:

The County may, by written notice of default to the Contractor, terminate this contract in whole or in part if the Contractor fails to:

6.12.1 Deliver the supplies or to perform the services within the time specified in this contract or any extension;

6.12.2 Make progress, so as to endanger performance of this contract; or

6.12.3 Perform any of the other provisions of this contract.

6.12.4 The County's right to terminate this contract under these subparagraph may be exercised if the Contractor does not cure such failure within 10 days (or more if authorized in writing by the County) after receipt of the notice from the Procurement Officer specifying the failure.

6.13 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel any Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

6.14 CONTRACTOR LICENSE REQUIREMENT:

6.14.1 The Respondent shall procure all permits, insurance, licenses and pay the charges and fees necessary and incidental to the lawful conduct of his/her business, and as necessary complete any required certification requirements, required by any and all governmental or non-governmental entities as mandated to maintain compliance with and in good standing for all permits and/or licenses. The Respondent shall keep fully informed of existing and future trade or industry requirements, Federal, State and Local laws, ordinances, and regulations which in any manner affect the fulfillment of a Contract and shall comply with the same. Contractor shall immediately notify both Office of Procurement Services and the using agency of any and all changes concerning permits, insurance or licenses.

6.14.2 Respondents furnishing finished products, materials or articles of merchandise that will require installation or attachment as part of the Contract, shall possess any licenses required. A Respondent is not relieved of its obligation to posses the required licenses by subcontracting of the labor portion of the Contract. Respondents are advised to contact the Arizona Registrar of Contractors, Chief of Licensing, at (602) 542-1525 to ascertain licensing requirements for a particular contract. Respondents shall identify which license(s), if any, the Registrar of Contractors requires for performance of the Contract.

6.15 SUBCONTRACTING:

6.15.1 The Contractor may not assign to another Contractor or Subcontract to another party for performance of the terms and conditions hereof without the written consent of the County. All correspondence authorizing subcontracting must reference the Bid Serial Number and identify the job project. The County hereby consents to Contractor's subcontracting work to Authorized Service Providers under contract with Contractor.

6.15.2 The Subcontractor's rate for the job shall not exceed that of the Prime Contractor's rate, as bid in the pricing section, unless the Prime Contractor is willing to absorb any higher rates or the County has approved the increase. The Subcontractor's invoice shall be invoiced directly to the Prime Contractor, who in turn shall pass-through the costs to the County, without mark-up. A copy of the Subcontractor's invoice must accompany the Prime Contractor's invoice.

6.16 AMENDMENTS:

All amendments to this Contract shall be in writing and approved/signed by both parties. Maricopa County Office of Procurement Services shall be responsible for approving all amendments for Maricopa County.

6.17 ADDITIONS/DELETIONS OF SERVICE:

6.17.1 The County reserves the right to add and/or delete materials and services to a Contract. If a service requirement is deleted, payment to the Contractor will be reduced proportionately, to the amount of service reduced in accordance with the bid price. If additional materials or services are required from a Contract, prices for such additions will be negotiated between the Contractor and the County.

~~6.17.2 The County reserves the right of final approval on proposed staff for all Task Orders. Also, upon request by the County, the Contractor will be required to remove any employees working on County projects and substitute personnel based on the discretion of the County within two business days, unless previously approved by the County.~~

6.18 VALIDITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of the Contract.

6.19 SEVERABILITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

6.20 RIGHTS IN DATA:

The County shall have the use of data and reports resulting from a Contract without additional cost or other restriction except as may be established by law or applicable regulation. Each party shall supply to the other party, upon request, any available information that is relevant to a Contract and to the performance thereunder.

6.21 NON-DISCRIMINATION:

~~CONTRACTOR agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 including flow down of all provisions and requirements to any subcontractors. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website http://azmemory.azlibrary.gov/cdm/singleitem/collection/execorders/id/680/rec/1 which is hereby incorporated into this contract as if set forth in full herein. During the performance of this contract, CONTRACTOR shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.~~

Contractor agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 including flow down of all provisions and requirements to any subcontractors. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Arizona State Library Research website (http://azmemory.azlibrary.gov/cdm/singleitem/collection/execorders/id/680/rec/1) which is hereby incorporated into this contract as if set forth in full herein. During the performance of this Contract, Contractor shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

~~6.22 ISRAEL BOYCOTT:~~

~~By signing this Contract, the Contractor certifies that they are in compliance with Article 9, Arizona Revised Statutes Section 35-393 *et seq*.~~

6.23 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

~~The undersigned (authorized official signing for the Contractor) certifies to the best of his or her knowledge and belief, that the Contractor~~

~~is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;~~

~~have not within 3 year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statues 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 enumerated in paragraph (2) of this certification; and~~

~~have not within a 3 year period preceding this Contract had one or more public transaction (Federal, State or local) terminated for cause of default.~~

~~The Contractor agrees to include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.~~

6.23.1 **The undersigned (authorized official signing on behalf of the Contractor) certifies to the best of his or her knowledge and belief that the Contractor, its current officers and directors;**

6.23.1.1 **are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from being awarded any contract or grant by any United States Department or Agency or any state, or local jurisdiction;**

6.23.1.2 **have not within three (3) year period preceding this Contract;**

6.23.1.2.1 **been convicted of fraud or any criminal offense in connection with obtaining, attempting to obtain, or as the result of performing a government entity (Federal, State or local) transaction or contract; and**

6.23.1.2.2 **been convicted of violation of any Federal or State antitrust statues or conviction for embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property regarding a government entity transaction or contract; and**

6.23.1.2.3 **are not presently indicted or criminally charged by a government entity (Federal, State or local) with commission of any criminal offenses in connection with obtaining, attempting to obtain, or as the result of performing a government entity public (Federal, State or local) transaction or contract; and are not presently facing any civil charges from any governmental entity regarding obtaining, attempting to obtain, or from performing any governmental entity contract or other transaction; and have not within a three (3) year period preceding this Contract had any public transaction (Federal, State or local) terminated for cause or default.**

6.23.1.3 **If any of the above circumstances described in the paragraph are applicable to the entity submitting a bid for this requirement, include with your bid an explanation of the matter including any final resolution.**

6.23.2 **The Contractor shall include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.**

6.24 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §41-4401 AND FEDERAL IMMIGRATION LAWS AND REGULATIONS:

6.24.1 By entering into the Contract, the Contractor warrants compliance with the Immigration and Nationality Act (INA using e-verify) and all other federal immigration laws and regulations related to the immigration status of its employees and A.R.S. §23-214(A). The contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the Immigration Reform and Control Act of 1986, as amended from time to time, for all

employees performing work under the Contract and verify employee compliance using the E-verify system and shall keep a record of the verification for the duration of the employee's employment or at least three years, whichever is longer. I-9 forms are available for download at USCIS.GOV.

6.24.2 The County retains the legal right to inspect contractor and subcontractor employee documents performing work under this Contract to verify compliance with paragraph 6.24.1 of this Section. Contractor and subcontractor shall be given reasonable notice of the County's intent to inspect and shall make the documents available at the time and date specified. Should the County suspect or find that the Contractor or any of its subcontractors are not in compliance, the County will consider this a material breach of the contract and may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

6.25 INFLUENCE

As prescribed in ~~MC1-1202~~ **MC1-1203** of the Maricopa County Procurement Code, any effort to influence an employee or agent to breach the Maricopa County Ethical Code of Conduct or any ethical conduct may be grounds for Disbarment or Suspension under MC1-902.
An attempt to influence includes, but is not limited to:

6.25.1 A Person offering or providing a gratuity, gift, tip, present, donation, money, entertainment or educational passes or tickets, or any type valuable contribution or subsidy,

6.25.2 That is offered or given with the intent to influence a decision, obtain a contract, garner favorable treatment, or gain favorable consideration of any kind.

If a Person attempts to influence any employee or agent of Maricopa County, the Chief Procurement Officer, or his designee, reserves the right to seek any remedy provided by the Maricopa County Procurement Code, any remedy in equity or in the law, or any remedy provided by this contract.

6.26 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS.

6.26.1 The Parties agree that this Contract and employees working on this Contract will be subject to the whistleblower rights and remedies in the pilot program on contractor employee whistleblower protections established at 41 U.S.C. § 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112–239) and section 3.908 of the Federal Acquisition Regulation;

6.26.2 Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. § 4712, as described in section 3.908 of the Federal Acquisition Regulation. Documentation of such employee notification must be kept on file by Contractor and copies provided to County upon request.

6.26.3 Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold ($150,000 as of September 2013).

6.27 ACCESS TO AND RETENTION OF RECORDS FOR THE PURPOSE OF AUDIT AND/OR OTHER REVIEW:

6.27.1 In accordance with section MCI 371 of the Maricopa County Procurement Code the Contractor agrees to retain all books, records, accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract for six (6) years after

final payment or until after the resolution of any audit questions which could be more than six (6) years, whichever is latest. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

6.27.2 If the Contractor's books, records , accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

6.27.3 If at any time it is determined by the County that a cost for which payment has been made is a disallowed cost, the County shall notify the Contractor in writing of the disallowance. The course of action to address the disallowance shall be at sole discretion of the County, and may include either an adjustment to future invoices, request for credit, request for a check or deduction from current billings Submitted by the Contractor by the amount of the disallowance, or to require reimbursement forthwith of the disallowed amount by the Contractor by issuing a check payable to Maricopa County.

6.28 AUDIT DISALLOWANCES:

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

6.29 OFFSET FOR DAMAGES;

In addition to all other remedies at Law or Equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance of the contract.

6.30 PUBLIC RECORDS:

Under Arizona law, all Offers submitted and opened are public records and must be retained by the Records Manager at the Office of Procurement Services. Offers shall be open to public inspection and copying after Contract award and execution, except for such Offers or sections thereof determined to contain proprietary or confidential information. by the Office of Procurement Services. If an Offeror believes that information in its Offer or any resulting Contract should not be released in response to a public record request under Arizona law, the Offeror shall indicate the specific information deemed confidential or proprietary and submit a statement with its offer detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise from disclosure. The Records Manager of the Office of Procurement Services shall determine whether the identified information is confidential pursuant to the Maricopa County Procurement Code.

6.31 PRICES:

Contractor warrants that prices extended to County under this Contract are no higher than those paid by any other similar customer for these or similar services under similar terms.

6.32 INTEGRATION:

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

6.33 RELATIONSHIPS:

~~In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, co-employee, partnership, principal and agent, or joint venture between the County and the Contractor.~~

6.33.1 **In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, co-employee, partnership, principal and agent, or joint venture between the County and the Contractor.**

6.33.2 **The County reserves the right of final approval on proposed staff for all Task Orders. Also, upon request by the County, the Contractor will be required to remove any employees working on County projects and substitute personnel based on the discretion of the County within two business days, unless previously approved by the County.**

6.34 GOVERNING LAW:

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

6.35 ORDER OF PRECEDENCE:

In the event of a conflict in the provisions of this Contract and Contractor's license agreement, if applicable, the terms of this Contract shall prevail.

6.36 **ORDERING AUTHORITY:**

Any request for purchase shall be accompanied by a valid purchase order, issued by Office of Procurement Services, a Purchase Order issued by the using Department or direction by a Certified Agency Procurement Aid (CAPA) with a Purchase Card for payment.

6.37 **NO MINIMUM OR MAXIMUM PURCHASE OBLIGATION:**

6.37.1 **This Contract does not guarantee any minimum or maximum purchases will be made. Orders will only be placed under this Contract when the County identifies a need and proper authorization and documentation have been approved.**

6.37.2 **Contractors agree to accept verbal notification of cancellation of Purchase Orders from the County Procurement Officer with written notification to follow. Contractor specifically acknowledges to be bound by this cancellation policy.**

6.38 **PURCHASE ORDERS:**

County reserves the right to cancel Purchase Orders within a reasonable period of time after issuance. Should a Purchase Order be canceled, the County agrees to reimburse the Contractor for actual and documentable costs incurred by the Contractor in response to the Purchase Order. The County will not reimburse the Contractor for any costs incurred after receipt of County notice of cancellation, or for lost profits, shipment of product prior to issuance of Purchase Order, etc.

6.39 **UNIFORM ADMINISTRATIVE REQUIREMENTS:**

By entering into this Contract, the Contractor agrees to comply with all applicable provisions of Title 2, Subtitle A, Chapter II, PART 200—UNIFORM ADMINISTRATIVE

REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS contained in Title 2 C.F.R. § 200 et seq.

For purchases of $50,000 or greater under this agreement, the applicable participating entity must disclose to THD when it is receiving any federal funds related to that requested purchase prior to THD agreeing to that purchase.

6.40 **CONFIDENTIAL INFORMATION:**

Any information obtained in the course of performing this Contract may include information that is proprietary or confidential to the County. This provision establishes the Contractor's obligation regarding such information.

The Contractor shall establish and maintain procedures and controls that are adequate to assure that no information contained in its records and/or obtained from the County or from others in carrying out its functions (services) under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. The Contractor's procedures and controls at a minimum must be the same procedures and controls it uses to protect its own proprietary or confidential information. If, at any time during the duration of the Contract, the County determines that the procedures and controls in place are not adequate, the Contractor shall institute any new and/or additional measures requested by the County within fifteen (15) calendar days of the written request to do so.

Any requests to the Contractor for County proprietary or confidential information shall be referred to the County for review and approval, prior to any dissemination.

6.41 INCORPORATION OF DOCUMENTS:

The following are to be attached to and made part of this Contract:

6.41.1 Exhibit A, Pricing;

6.41.2 Exhibit B, Scope of Work;

6.41.3 Exhibit C Facilities Management Requirements

NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Office of Procurement Services
ATTN: Contract Administration
~~320 West Lincoln Street~~ **160 South 4th Avenue**
Phoenix, Arizona 85003-2494

For Contractor:
Home Depot U.S.A., Inc.
~~2455 Paces Ferry Road~~ **PO BOX 193176,**
~~Atlanta, GA. 30339~~ **Columbus, OH 43218**
ATTN: Contract Administration

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

CONTRACTOR

AUTHORIZED SIGNATURE

J. T. Rieves, Vice President, Pro Business
PRINTED NAME AND TITLE

2455 Paces Ferry Road Atlanta, GA 30339
ADDRESS

1-4-2017
DATE

MARICOPA COUNTY

CHAIRMAN, BOARD OF SUPERVISORS

JAN 17 2017
DATE

ATTESTED:

CLERK OF THE BOARD 01/17

JAN 17 2017
DATE

APPROVED AS TO FORM:

DEPUTY COUNTY ATTORNEY

Jan 12, 2017
DATE

EXHIBIT A
PRICING

SERIAL 16154-RFP	
NIGP CODE: 45041	
RESPONDENT'S NAME:	Home Depot U.S.A., Inc.
COUNTY VENDOR NUMBER :	W000001453
ADDRESS:	~~2455 Paces Ferry Road~~ **PO BOX 193176,**
	A~~tlanta, GA 30339~~ **Columbus OH 43218**
P.O. ADDRESS:	Each local The Home Depot stores
TELEPHONE NUMBER:	866-589-0690
FACSIMILE NUMBER:	866-589-0691
WEB SITE:	www.homedepot.com
CONTACT (REPRESENTATIVE):	Richard Nyberg
REPRESENTATIVE'S E-MAIL ADDRESS:	richard_nyberg@homedepot.com

	YES
WILL ALLOW OTHER GOVERNMENTAL ENTITIES TO PURCHASE FROM THIS CONTRACT	[X]
WILL ACCEPT PROCUREMENT CARD FOR PAYMENT:	[X]

PAYMENT TERMS. [X] NET 30 DAYS (See Below)

Note: Net 30 is for Home Depot Account transactions only. Payment is required at the time of each transaction.

Note: Net 60 payment terms for Home Depot Accounts may be available upon review of a customer's account information.

1.0 PRICING:

1.1	Do you offer a Rebate in lieu of a discount			Yes
	Details of your Rebate Program			
	· **At least $10,000 to $25,000 Annual Net Sales (Pretax) = 1% Rebate**			
	· **At least $25,000 to $100,000 Annual Net Sales (Pretax) = 2% Rebate**			
	· **Over $100,000 Annual Net Sales (Pretax) = 5% Rebate**			
1.2	**Pro Rewards Paint Program**			
	Level	**Discount %**	**Minimum Annual Spend on Paint**	
	Gold	**20%**	**$ 7,500**	
	Silver	**15%**	**$ 4,000**	
	Bronze	**10%**	**$ 2,000**	
1.3	**Volume Pricing Program**			
	For any purchase over $1,500 more aggressive pricing may be available through the Volume Pricing Program.			
	For any planned order over $1,500, call in the request for quote to the ProDesk of your local The Home Depot			
	store and ask for it to be submitted for volume pricing consideration.			

EXHIBIT B
STATEMENT OF WORK

CONTRACT FOR MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES (U.S. Communities)

1.0 INTENT:

The Contractor shall have a strong national presence for a vast array of supplies and equipment necessary for maintenance and repair in residential, commercial and industrial environments for use by various public entities nationwide.

Other governmental entities under agreement with the County may have access to services provided hereunder.

The County reserves the right to award in whole or in part, by item or group of items, by section or geographic area, or make multiple awards, where such action serves the County's best interest.

The County reserves the right to add additional contractors, at the County's sole discretion, in cases where the currently listed contractors are of an insufficient number or skill-set to satisfy the County's needs or to ensure adequate competition on any project or task order work.

1.1 INTRODUCTION, BACKGROUND AND INTENT: MASTER AGREEMENT

Maricopa County, AZ (herein "Lead Public Agency" on behalf of itself and all states, local governments, school districts, and higher education institutions in the United States of America, and other government agencies and nonprofit organizations (herein "Participating Public Agencies") is awarding a contract to a qualified supplier to enter into a Master Agreement for a complete line of Maintenance, Repair and Operating (MRO) Supplies and Industrial Supplies in a Retail and Wholesale environment; and Related Products and Services (herein "Products and Services").

1.2 GENERAL DEFINITION OF PRODUCTS AND/OR SERVICES

Contractors are to have the broadest possible selection of MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES AND RELATED PRODUCTS AND SERVICES they offer. The intent of this contract is to provide Participating Public Agencies with a comprehensive offering of products and services to meet their various needs.

1.2.1 **Maintenance, Repair, Operating (MRO) Supplies and Related Services (Installation, Repair and Renovation)** – A complete and comprehensive offering of wholesale and/or retail MRO supplies such as appliances, building materials, hardware, HVAC, kitchen and bath cabinets, janitorial supplies, landscaping equipment and supplies, motors, pumps, paints and coatings, plumbing, pool chemicals and supplies, hand-held general purpose tools, power tools, flooring, window coverings, and any other miscellaneous MRO supplies offered by Supplier.

In addition, a complete range of services available through the Supplier such as, but not limited to, installation, renovation services, repair services, training services and any other related services offered by Supplier.

1.2.2 **Related Products and Services (Including Installation, Repair and Renovation Services) –** A complete range of related products and services offered by Supplier including, but not limited to, installation, repair and renovation services for replacements, upgrades, and remodeling in the residential, commercial and industrial environments relating to any of the following (non-inclusive): roofing, gutters, downspouts, HVAC, plumbing, electrical, exterior decks, patios and porches, exterior siding, windows and

doors, interior and exterior painting, weatherization, ADA improvements, hose fabrication, hydraulic repairs, gearbox repairs, conveyor system repairs, vulcanizing, rubber fabrication, and any other types of residential, commercial and industrial environments.

2.0 SCOPE OF WORK:

2.1 MAINTENANCE, REPAIR, OPERATING SUPPLIES (MRO) AND RELATED SERVICES (INSTALLATION, REPAIR AND RENOVATION):

Provide a complete and comprehensive offering of Retail MRO supplies such as appliances, building materials, hardware, HVAC, kitchen and bath cabinets, janitorial supplies, landscaping equipment and supplies, motors, pumps, paints and coatings, plumbing, pool chemicals and supplies, hand-held general purpose tools, power tools, flooring, window coverings, and any other miscellaneous MRO supplies offered by Supplier.

In addition, a complete range of services available through the Supplier such as, but not limited to, installation, renovation services, repair services, training services and any other related services offered by Supplier.

2.2 RELATED PRODUCTS AND SERVICES (INSTALLATION, REPAIR AND RENOVATION SERVICES)**:**

2.2.1 Any related products offered by Supplier.

2.2.2 Services may also include replacements, upgrades, remodeling; and product, turnkey and major category installations.

2.2.3 Services performed shall be non-structural in nature.

2.2.4 Products used in performing these services shall be procured under the awarded contract, at contract prices.

2.2.5 These services may be required in the residential and commercial environments and may be any of the following (non-inclusive):

2.2.5.1 Roofing, Gutters, Downspouts
2.2.5.2 HVAC
2.2.5.3 Plumbing
2.2.5.4 Electrical
2.2.5.5 Exterior decks, patios and porches
2.2.5.6 Exterior Siding
2.2.5.7 Windows, Doors
2.2.5.8 Interior/Exterior Painting
2.2.5.9 Weatherization – Storm Windows/Doors, Insulation, Weather Stripping
2.2.5.10 ADA Improvements

2.2.6 Services:

2.2.6.1 Providing and managing qualified contractors

2.2.6.2 Budget management in keeping projects on budget

2.2.6.3 Project management services in design, planning, organizing, scheduling and managing all stages of a project.

2.2.7 Service Providers (Labor):

2.2.7.1 Contractor shall serve as the single point of contact between Participating Public Agencies and Service Providers.

2.2.7.2 Contractor shall verify that all Service Providers are fully licensed for the type of work being performed in the respective state(s).

2.2.7.3 Contractor shall verify each Service Provider maintains at a minimum, the levels of insurance specified under in draft contract.

2.2.7.4 Contractor shall perform a background screen of all Service Providers consisting of (at a minimum):

2.2.7.4.1 National Employee Database
2.2.7.4.2 SSN Verification
2.2.7.4.3 National Criminal Database Check
2.2.7.4.4 Two County Search
2.2.7.4.5 Sex Offender Search
2.2.7.4.6 Annual Review (National Criminal Database)
2.2.7.4.7 Two (2) Year Complete Re-Screen and Renewal
2.2.7.4.8 Financial Background

2.2.7.5 All Service Provider employees shall wear a Service Provider's issued picture identification badge at all times.

2.3 PRODUCT CATEGORIES:

This Agreement is to establish a nationwide purchasing agreement for the acquisition of MRO and related products/services. The category descriptive examples below are not to be considered restrictive, but rather, provide a general, non-inclusive, description of the category. These are standard use in the residential, commercial, and industrial environments. .

All products offered shall be new, unused and of the latest design and technology.

The intent is for each Proposer to submit their complete product line so that Participating Public Agencies may order a wide array of product as appropriate for their needs. You may subcontract items your firm does not supply.

2.3.1 CATEGORY 1: APPLIANCES
Large appliances: refrigerators, washers, dryers, dishwashing machines, stoves, cooktops, range hoods and ovens; TVs, DVR's, small appliances: mixers, toasters, microwave ovens, food processors, disposals, trash compactors, and all ancillary supplies, tools, and components.

2.3.2 CATEGORY 2: BUILDING MATERIALS
Lumber (dimensional and timber), millwork, roofing, siding, plywood, paneling, hardwood, trim, molding, fencing, decking, gates, brick, block, doors, windows, bagged goods (concrete, mortar, sand, or asphalt), drywall, rebar, acoustical tiles, rain gutters, garage door openers, insulation, and all ancillary supplies, tools, and components.

2.3.3 CATEGORY 3: HARDWARE
Fasteners (nuts/bolts, screws, washers, rivets, nails), builders hardware (hinges, gate hardware, barrel bolts/hasps, corner braces, shelf brackets, closet hardware, springs), threaded rod/steel shapes, anchors, padlocks, lock sets, wheels, casters, ball bearings, rope, chain, metal stock, dry cell batteries, fire extinguishers, signs, cabinet hardware, mail boxes, safes, drop boxes, weatherization products, and all ancillary supplies, tools, and components.

2.3.4 CATEGORY 4: HEATING, VENTILATION, AND AIR CONDITIONING (HVAC)
Equipment, package units, evaporative coolers, tools, parts, ducting, air filtration, thermostats, portable and fixed heaters, fans, and all ancillary supplies, tools, and components.

2.3.5 CATEGORY 5: KITCHEN AND BATH CABINETS
Kitchen cabinets, bath vanities, countertops, medicine cabinets, mirrors, and all ancillary supplies, tools, and components.

2.3.6 CATEGORY 6: JANITORIAL SUPPLIES
Cleaners, soaps, waxes, strippers, polishes, vacuums, brooms, mops, buckets, gloves, carts, paper goods, and all ancillary supplies, tools, and components.

2.3.7 CATEGORY 7: LANDSCAPING EQUIPMENT AND SUPPLIES
Lawn and landscape equipment (gasoline and electric), shovels, rakes, axes, hoes, hoses, nozzles, insect control, herbicides, fertilizers, plants, trees, sprinkler/irrigation equipment and supplies and all ancillary supplies, tools, an components.

2.3.8 CATEGORY 8: MOTORS/PUMPS
Fractional and full horse, starters, pulleys, belts, fans, motor controls, and all ancillary supplies, tools, and components.

2.3.9 CATEGORY 9: PAINTS AND COATINGS
All types of paints and coatings, wall paper, caulking, spray equipment, aerosol paints, pressure washers, sand blasters, finishes, abrasives, epoxy, cleaners, drywall supplies, tarps, compounds, adhesives, accessories, and all ancillary supplies, tools, and components.

2.3.10 CATEGORY 10: PLUMBING
Equipment, parts, piping and fittings, water heaters, furnaces, disposals, pneumatic piping, filters, commodes, sinks, bathtubs, showers, shower doors, faucets, water conditioning equipment, water dispensing equipment, salt, and all ancillary supplies, tools, and components.

2.3.11 CATEGORY 11: POOL SUPPLIES
Pool chemicals, tools, timers, pump/motor units, vacuum equipment, patio furniture, parts, and all ancillary supplies, tools, and components.

2.3.12 CATEGORY 12: TOOLS, HAND-HELD GENERAL PURPOSE
Hand-held (electric, battery, or pneumatic operated), including accessories, automotive type tools, welding equipment, testing and measuring tools, carts and hand trucks, work benches, tool cabinets, ladders, and all ancillary supplies and components.

2.3.13 CATEGORY 13: TOOLS, POWER TYPE
Electric or gas operated, mobile or stationary, bench or floor mounted, including accessories, and all ancillary supplies and components.

2.3.14 CATEGORY 14: FLOORING AND WINDOW COVERINGS
All flooring, including but not limited to, vinyl plank, VCT, vinyl tile, ceramic tile, hardwood, carpet tile, carpet and cove base; blinds, shades, screens, window glass, mirrors, parts, and all ancillary supplies, tools, and components.

2.3.15 CATEGORY 15: HOSPITALITY

Guest room supplies and appliances, personal care amenities, telephones, bed and bath linens, housekeeping cleaning supplies, public restroom supplies, carts, banquet and conference room supplies, guest room and suite furniture, fixtures, and equipment, pool and patio equipment, and other hospitality supplies.

2.3.16 CATEGORY 16: WATER AND WASTE WATER TREATMENT

Aeration, chart and data recorders, chemical feed, collection systems, flow metering, gauges, grounds maintenance, hose, hydrants, lab chemicals, equipment, and testing, location and leak detection, level and pressure, pipe, plugs, process analysis, pumps, sampling equipment, storm water, tanks, tools, valves, and water treatment.

2.3.17 CATEGORY 17: MISCELLANEOUS

Including, but not limited to: shelving (metal or wood composite), safety and emergency equipment, first aid supplies, conditioning salt, scaffolding (purchased), packaging supplies, communication supplies, electrical supplies, lighting supplies, office products, and property management products.

2.3.18 CATEGORY 18: IN STORE SERVICES

Including, but not limited to: glass cutting, pipe threading, planning services (flooring and cabinet), verbal technical advice, special orders, rental equipment, etc.

2.4 PRODUCT ORDERING:

2.4.1 Contractor's limited product line (Wholesale or Retail) shall be available for internet ordering 24/7.

2.4.2 Products may be ordered by any of the following methods:

2.4.2.1 Retail Stores (Point of Sale)
2.4.2.2 Internet (Homedepot.com)
2.4.2.3 Other eProcurement options
2.4.2.4 Will Call (Phone or FAX order)

2.5 PRODUCT PRICING:

Retail:

Products shall be sold at their retail price. An annual volume rebate will be paid to Participating Public Agencies (see Exhibit A). For any purchase over $1,500, more aggressive pricing may be available through the Volume Pricing Program. The discount offered through this program will depend on dollar value, quantity and type of material. In addition, the Pro Rewards Paint program offers Participating Public Agencies further discounts on their paint only purchases (see Exhibit A).

2.6 ON-LINE CATALOG DISCOUNT PRICING:

Presently, the capability exists to access a limited on-line catalog reflecting contract pricing of products.

2.7 RELATED PRODUCTS AND SERVICES (INSTALLATION, REPAIR AND RENOVATION SERVICES) PRICING**:**

2.7.1 All Participating Public Agencies shall receive a detailed written quotation for all services to be performed, and product(s) to be provided.

2.7.2 All quotations shall be for a "not to exceed" amount.

2.7.3 As an audit tool, the Contractor(s) shall provide a copy of the most current R.S. Means Bare Cost Data (including any city cost index adjustment) pertaining to all written quotations.

2.7.4 Spending on services shall be included in the annual volume rebate (see Exhibit A).

2.8 SALES REPORTING:

2.8.1 Sales Dollars
2.8.2 Sales histories by manufacturer, item description, part number, quantity, NIGP codes
2.8.3 Procurement card (MasterCard or Visa brand)

2.9 BRAND NAMES:

The County reserves the right to request samples to determine quality and acceptability of materials bid by Contractor. . Materials substantially equivalent to those designated shall qualify for consideration of an order.

2.10 DELIVERY, FREIGHT REQUIREMENTS:

2.10.1 All domestic ground shipments shall be FOB Destination, Freight Prepaid and Included. Any handling fees shall also be included in the pricing.

2.10.2 Any requests for local delivery of orders placed at local stores shall be subject to local delivery fees, if applicable.

2.10.3 Shipping and handling fees are allowable to destinations outside the continental U.S.

2.10.4 A packing list or other suitable shipping document shall accompany each shipment and shall include the following:

2.10.4.1 Contract Serial number
2.10.4.2 Contractor's name and address
2.10.4.3 Participating Public Agency's name and address
2.10.4.4 Participating Public Agency's purchase order number
2.10.4.5 A description of product(s) shipped, including item number(s), quantity (is), number of containers and package number(s), as applicable

3.0 PROCUREMENT REQUIREMENTS:

3.1 SHIPPING TERMS:

Bid price(s) and terms shall be F.O.B. Destination at ordering Agencies locations for those items requested to be delivered. Delivery charges may apply based on location.

3.2 OPERATING MANUALS (If required):

Upon delivery, Contractor shall provide comprehensive operational manuals, service manuals and schematic diagrams, if required by the Using Agency.

3.3 INSTALLATION: (If required):

The Contractor's price shall include delivery and installation of all equipment in a complete operating condition.

3.4 ACCEPTANCE: (If required):

Upon delivery and successful installation, the material(s) shall be deemed accepted and the warranty period shall begin. All documentation shall be completed prior to final acceptance.

3.5 CONTRACTOR EMPLOYEE MANAGEMENT:

3.5.1 Contractor shall endeavor to maintain the personnel proposed in their offer throughout the implementation of the Agreement. In the event that Contractor personnel's employment status changes, Contractor shall provide County a list of replacement personnel. . Under no circumstances is it acceptable for the implementation schedule to be impacted by a personnel change on the part of the Contractor.

3.5.2 County reserves the right to immediately remove from its premises any Contractor personnel it determines is a risk to County operations.

3.5.3 County reserves the right to request the replacement of Contractor personnel at any time, for any reason.

3.6 WARRANTY:

Home Depot SOW Information: All repair and renovation services performed by Home Depot carries a one (1) year workmanship warranty and all manufacturers' product warranties shall be passed on to the end customer as further detailed in Contract section 6.5. Home Depot also offers a robust return policy on product purchases, whereas (most) returns within 90 days of purchase are accommodated with a valid sales receipt for exchange, refund, credited to an associated Home Depot

3.6.1 All items furnished under this Contract shall conform to the requirements of this Contract and shall be free from defects in design, materials and workmanship.

3.6.2 The warranty period for workmanship shall be for an initial period of twelve (12) months and commence upon acceptance by County.

3.6.2.1 The Contractor agrees that he will, at his own expense, provide all labor and parts required to remove, repair or replace, and reinstall any such defective workmanship and/or materials which becomes or is found to be defective during the term of this warranty. The Contractor shall guarantee the equipment to be supplied complies with all applicable regulations.

3.7 FACTORY AUTHORIZED SERVICE AVAILABILITY (if required):

The Contractor shall have and maintain a local factory authorized service facility within the Phoenix, Arizona metropolitan area. The facility shall be capable of supplying and installing component parts, troubleshooting, repairing and maintaining the products. Minimum service hours shall be from 8:00 A.M. through 5:00 P.M., Arizona Time, Monday through Friday.

3.8 USAGE REPORT:

The Contractor shall furnish the County a usage report upon request delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

16154 EXHIBIT C

FACILITIES MANAGEMENT REQUIREMENTS

Maricopa County Facilities Management operation requirements.

1.0 HOURS OF SERVICE:

1.1 REGULAR HOURS are between 6:00 AM and 6:00 PM, Monday through Friday, excluding County holidays.

1.2 AFTER HOURS is after 6:00 PM and prior to 6:00 AM, Monday through Friday.

1.3 WEEKENDS are anytime Saturday or, Sunday.

1.4 HOLIDAYS are County Holidays (See County holiday schedule attachment).

1.5 Services shall be available 24 hours per day, 7 days per week, 365 days per year.

1.6 Contractor shall provide 24 hours per day, 7 days per week, 365 days per year telephone access, and strive to respond to a call for services within thirty (30) minutes of receipt.

2.0 RESPONSE TIMES:

2.1 During REGULAR HOURS, AFTER HOURS, WEEKEND or HOLIDAYs, Contractor shall strive to respond on site within four (4) hours of receipt of a service request if a site visit is mutually determined to be required.

2.2 If the request is designated by the County as an EMERGENCY, the contractor shall strive to respond on site within two (2) hours of receipt of a service request regardless of the time of day, WEEKEND or HOLIDAY if a site visit is mutually determined to be required.

3.0 TRIP CHARGE:

Trip charges are permitted when time and material work is requested at the following sites only:

3.1 MCSO Lake Aid Stations (Apache, Bartlett, Blue Point, Canyon and Saguaro)

3.2 County offices located in Gila Bend, AZ

3.3 County offices located in Buckeye, AZ

3.4 County offices located in Aguila, AZ

3.5 Only one trip charge may be charged per service call.

3.6 If the contractor arrives onsite and is unable to locate a County representative familiar with the work or unable to gain access to the work site, the Contractor may only bill for a trip charge (maximum one time daily trip charge not to exceed $50.00). The Contractor is not authorized to incur nor will the County accepting billing for any labor charges.

4.0 CONTRACTOR REQUIREMENTS:

4.1 Contractor(s) shall supply all labor, supervision, materials, tools, equipment, and effort necessary to perform the Scope of Work presented.

4.2 The Contractor's service truck fleet and/or warehouse shall carry sufficient supply of repair parts and equipment to perform services per Scope of Work presented.

4.3 The Contractor agrees to utilize only experienced, responsible and capable people in the performance of the work.

4.4 All employees of the Contractor shall wear a company uniform identified with the company name that may include one of the following:

4.4.1 Shirt/blouse

4.4.2 Vest

4.4.3 Cap

4.4.4 Badging that identifies the business they work for

4.5 No one except authorized employees of the Contractor is allowed on the premises of Maricopa County. Contractor's employees are NOT to be accompanied in their work area by acquaintances, family members, assistants, or any other person unless said person is an authorized employee of the Contractor.

4.6 The Contractor shall perform the work in a way to minimize disruption to the normal operation of building occupants. Upon completion of work the Contractor shall clean and remove from the job site all debris, materials and equipment associated with the work performed.

4.7 Contractor shall adhere to all regulations, rules, ordinances, and standards set by Federal, State, County, and Municipal governments pertaining to safety on the job site.

5.0 BUILDING SECURITY (KEYS):

5.1 The Contractor may be provided keys to required County Facilities at the discretion of FMD. Keys may be acquired by:

5.2 The Contractor being provided permanent key(s), wherein the Contractor verifies receipt of and accepts responsibility for keys. The keys must be returned at the completion of the work or at the direction of FMD. Keys not returned may cause the County to re-key the ENTIRE building or locations that the set of keys opened with the cost being borne by the Contractor.

5.3 In lieu of or in addition to keys, the Contractor may be provided card access badges at the discretion of FMD.

5.4 The Contractor shall notify FMD within twenty four (24) hours if any keys are lost, misplaced, stolen or otherwise not within the Contractor's control.

6.0 Once the Purchase Order is complete, expired, or terminated the Contractor shall immediately return all badges and keys to FMD.SALVAGE:

Salvage rights shall be evaluated on a project by project basis by the County and shall be determined prior to incorporation in the contractor's bid price. Salvage rights automatically apply for all work if in the best interest to the County. Salvageable materials without pre approved contractor salvage rights shall be securely stored and are not to be transported off the site without written permission from Maricopa County. If contractor is given salvage rights, salvageable materials shall be removed daily. No on site storage of contractor's salvaged materials will be permitted.

7.0 INVOICES AND PAYMENTS:

For transactions using a Home Depot Net 30 Account, Invoices are required to contain the following information and should be e-mailed to FMD-ACCOUNTSPAYABLE@MAIL.MARICOPA.GOV If invoices cannot be e-mailed, U.S. Mail is acceptable to Maricopa County Facilities Management, Accounts Payable, 401W. Jefferson, Phoenix, Arizona 85003 – or to the address that was used in establishing the associated Home Depot Account.

7.1 Company name, address and contact information

7.2 County bill-to name and contact/requestor information

7.3 Building Name and Building Number

7.4 County purchase order number

7.5 County contract number

7.6 Maximo (FMD) service call number

7.7 Invoice number and date

7.8 Date of service or delivery

7.9 Description of Purchase (services performed)

7.10 Labor breakdown: rate per hour x no. of hours by personnel type (time & materials)

7.11 Material breakdown: itemized parts list to contain unit price x quantity, indicating mark-ups as contracted (time & materials)

7.12 Arrival and completion time

7.13 Total Amount Due with tax amounts separated. Must also clearly indicate the tax rate being applied

7.14 Payment Terms

For Time & Material work, Contractor(s) must provide, all equipment, expendable shop supplies (rags, cleaners, solvents, gasses, etc.), miscellaneous parts (screws, bolts nuts, small items etc.), tools, etc. necessary to perform all the required services. Contractor(s) are allowed a one time Misc. Shop fee charge of up to $25.00 per work order to cover these type of expenses. Anything beyond the $25 limit, will be provided at the contractor's own expense.

8.0 CONTRACTOR EMPLOYEE BACKGROUND CHECK:

A background check is required for all Contractor employees providing services to the County. The cost of this service shall be incurred by the County. No Contractor employee may access County property without approval of FMD.

16154 EXHIBIT C

FACILITIES MANAGEMENT REQUIREMENTS

Maricopa County Facilities Management operation requirements.

1.0 **HOURS OF SERVICE (any fluctuations to these hours will be handled in the Solicitation):**

1.1 **REGULAR HOURS are between the hours of 6:00 a.m. and 6:00 p.m., Monday through Friday, excluding County holidays.**

1.2 **AFTER HOURS are between the hours of 6:00 p.m. and prior to 6:00 a.m., Monday through Friday.**

1.3 **WEEKENDS are anytime on a Saturday or a Sunday.**

1.4 **HOLIDAYS are County holidays.**

1.5 **Services shall be available 24 hours per day, 7 days per week, 365 days per year.**

1.6 **The Facilities Management Parts Warehouse is open for deliveries between the hours of 7:00 a.m. to 3:00 p.m. weekdays except for County holidays.**

2.0 **BEGINNING OF WORK:**

2.1 **Contractor shall provide 24 hours per day, 7 days per week, 365 days per year telephone access, and use best efforts to respond to a call for services within thirty (30) minutes of receipt via phone or email.**

2.2 **During REGULAR HOURS, AFTER HOURS, WEEKEND or HOLIDAYs, Contractor shall strive to respond on-site to begin work within four (4) hours of receipt of a service request unless arranged for a later date/time with the County per the work order or notice to proceed.**

2.3 **The four (4) hour response time shall carryover to the next working day if called into Contractor's office as a non-emergency call after 2:00 p.m. The Contractor will be required to begin work by 8:00 a.m. the following day, as mutually agreed to by the Parties.**

2.4 **Contractors shall strive to respond to EMERGENCY requests immediately and report on-site to begin work within two (2) hours service call request regardless of the time of day, WEEKEND or HOLIDAY.**

3.0 **TRIP CHARGE:**

One-time trip charges of $50.00, or other amount only if previously identified to the Maricopa County contact and agreed to by them (one per work order), are permitted when Time and Materials work is requested at the following sites ONLY:

3.1 **MCSO Lake Aid Stations (Apache, Bartlett, Blue Point, Canyon and Saguaro)**

3.2 **County offices located in Gila Bend, AZ**

3.3 **County offices located in Buckeye, AZ**

3.4 **County offices located in Aguila, AZ**

4.0 **DEAD END CHARGE:**

If the Contractor is unable to locate a County representative familiar with the work or is unable to gain access to the work site, the Contractor shall call the County Boiler Room (602-506-3310). The Boiler Room technician will give Contractors further instruction at this time. If the Contractor is delayed or turned away, a $50.00 trip charge shall be authorized by the County.

5.0 **CONTRACTOR REQUIREMENTS:**

5.1 **Contractor shall provide and maintain during the entire period of this contract, all labor, supervision, materials, effort, tools, and equipment sufficient in number, condition and capacity to efficiently perform the work and render the services required by this contract. Contractor shall provide evidence of his ability to furnish equipment and personnel. The Contractor's service truck fleet and/or warehouse shall carry sufficient supply of repair parts and equipment to perform services per Scope of Work presented.**

5.2 **The Contractor shall perform the work in such a way as to minimize disruption to the normal operation of the County site and building occupants. Upon completion of work, the Contractor is responsible for cleaning and removing from the job site; all debris, materials, and equipment associated with the work performed and County property is restored to the same condition prior to start of the job. Such disturbances may include, but are not limited to: loose dirt, dislocated gravel; removed vegetation; footprints; old asphalt/concrete; etc. Documentation will be performed through an audit and feedback system of contract administration. If an inspection reveals that the Contractor failed to clean up after work has been performed, the County will notify the Contractor of the discrepancy and the Contractor will have twenty-four (24) hours to make the needed correction. Should the Contractor fail to correct noted issues, the County reserves the right to make other arrangements to have the area cleaned and the cost of such work shall be offset from any monies due the Contractor.**

5.3 **The Contractor shall perform all services in such a manner that does not damage County property. In the event damage occurs to Maricopa County property, or any adjacent property due to any services performed under this contract, the Contractor shall notify the County representative immediately of damages and replace or repair the same at no cost to the County. If damage caused by the Contractor has to be repaired or replaced by the County, and the cost of such work shall be deducted from the monies due the Contractor.**

5.4 **Contractor's bidding on this solicitation may visit the sites to determine conditions that would affect prices and work performance. As some sites do have internal restrictions, a site visit may be scheduled if necessary. See GIS link for site directions: https://gisportal.maricopa.gov/FMD/Facility/Index.html.**

5.5 **Contractors must have a facility sufficient to support the work contemplated by this contract within fifty (50) miles of 401 W. Jefferson St., Phoenix AZ 85003.**

5.6 **The Contractor agrees to utilize only experienced, responsible, and capable people in the performance of the work.**

5.7 **All vehicles used by Contractor shall be clearly identified with the name of the company on each side of the equipment, including personnel transportation vehicles, or consistent with the Contractor's business practices. The letters shall be of such size that they are distinguishable from a reasonable distance or consistent with the Contractor's business practices.**

5.8 **All employees of the Contractor shall wear a company uniform identified with the company name that may include of one of the following:**

- **Shirt/blouse**

- **Vest**
- **Cap**

5.9 **Only authorized employees of the Contractor are allowed on the premises of Maricopa County. Contractor's employees are NOT to be accompanied in their work area by acquaintances, family members, assistants, or any other person unless said person is an authorized employee of the Contractor.**

5.10 **All work must comply with EPA, OSHA, and any State, County, or local regulations in effect at each service location. Contractor shall adhere to all regulations, rules, ordinances, and standards set by Federal, State, County, and Municipal governments pertaining to safety on the jobsite. If the Contractor is found not to be in compliance with Federal, State, County, and/or Municipal safety rules, ordinances, policy, procedure, or codes, the County may, in accordance with the "Suspension of Work" clause of the contract, suspend the work without cost to the County until such non-compliant issues are rectified to the satisfaction of the Using Agency. Continued non-compliance may result in termination.**

6.0 **BUILDING ACCESS:**

6.1 **The Contractor may be provided access to County Facilities at the discretion of Facilities Management. keys, badges, or access cards will be provided per the following guidelines:**

6.2 **Contractor employees may sign out a set of keys (all looped on a single key ring) upon arrival at site, and must turn-in key set after completion of duties unless they are issued a permanent key.**

6.3 **Permanent keys may be provided to Contractor employees on a case-by-case basis. Should an employee leave the Contractor's work force, Contractor must immediately notify the County and keys, badges, and access cards must be returned to the County.**

6.4 **The Contractor shall notify the County within twenty-four (24) hours if any keys, badges, or access cards are lost, misplaced, stolen or otherwise not within the Contractor's control.**

6.5 **Once this agreement is complete, expired, or terminated, the Contractor shall immediately return all keys, badges, or access cards to the County.**

6.6 **Failure to comply with these requirements may result in the Contractor being assessed the cost of replacing keys or access cards and any associated cost to ensure the security of County facilities including but not limited to, re-keying the ENTIRE building at the expense of the Contractor.**

7.0 **CANCELLATION COST:**

Any scheduled work cancelled without a minimum of 48 hours prior notice to the County will be rescheduled with the Contractor and is subject up-to a 25% reduction of the cost.

8.0 **SALVAGE:**

Salvage and trade-in rights shall be evaluated on a project-by-project basis by the County and shall be determined prior to incorporation in the Contractor's bid price. Salvageable materials without pre-approved Contractor salvage rights shall be securely stored and are not to be transported off the site without written permission from Maricopa County. If Contractor is given salvage rights, salvageable materials shall be removed daily. On-site storage of Contractor's salvaged materials is not permitted.

9.0 **DELIVERY:**

9.1 **Delivery shall be made to the County no later than 3:00 p.m. on the seventh (7th) calendar day after order is received.**

9.2 **Exceptions to delivery schedule will be special order items that must be identified to the County.**

9.3 **Maricopa County reserves the right to obtain material on the open market in the event vendors fail to make delivery and charge any price differential to the vendor.**

9.4 **Delivery will be made to the following address:**

FACILITIES MANAGEMENT DIVISION (FMD) WAREHOUSE
2401 S. 28th Dr.
Phoenix, AZ 85009

Warehouse Manager: 602-506-1935
Warehouse Specialist: 602-506-1943
Receiving hours: 7:00 a.m. – 3:00 p.m.

10.0 **FACILITIES MANAGEMENT INVOICES AND PAYMENTS:**

10.1 **Payment terms shall be calculated based on the date a properly completed invoice is received by the County.**

10.2 **For transactions using a Home Depot Net 30 Account, Contractors shall provide the County with invoices no later than fourteen (14) days after all services and delivery of goods are complete and accepted by the County rendered final.**

10.3 **Home Depot Account invoices should contain access to the following information:**

- **Company name, address and contact information**
- **County bill-to name and contact/requestor information**
- **Building name and building number**
- **County purchase order number**
- **Contract or BidSync agreement number**
- **Maximo (Facilities Management) work order number**
- **Invoice number and date**
- **Date of service or delivery (for Project work: use "Completion date")**
- **Description of services performed**
- **Line item description of parts and materials (Time and Materials work)**
- **Line item labor breakdown: arrival and completion time, rate per hour x no. of hours by personnel type (Time & Materials work)**
- **Total amount due with tax amounts separated (Time and Materials work).**
  ***On a separate line, clearly indicate the tax rate being applied**

- **Payment Terms as stated in the agreement**

10.4 **Questions regarding billing or invoicing shall be directed to the email address below.**

10.5 **Invoices shall be e-mailed to: FMD-ACCOUNTSPAYABLE@MAIL.MARICOPA.GOV**

10.6 **If invoices cannot be e-mailed, send by mail to:**

Maricopa County Facilities Management – Accounts Payable
401 W. Jefferson St.
Phoenix, Arizona 85003

10.7 **Payment shall be made to the Contractor by the Accounts Payable/Finance department through an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Contractor Registration Form located on the County Department of Finance Contractor Registration Web Site (http://www.maricopa.gov/922/Vendors).**

10.8 **EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.**

HOME DEPOT U.S.A., INC., PO BOX 193176, COLUMBUS OH 43218
~~2455 PACES FERRY ROAD, ATLANTA, GA. 30339~~

PRICING SHEET: NIGP CODE 45041

Terms:	NET 30
Vendor Number:	VC0000005735
Certificates of Insurance	Required
Contract Period:	To cover the period ending **December 31,** ~~2021~~ **2026.**

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Accept Federal Fiscal Year 2023 Department of Homeland Security State and Local Cybersecurity Grant Program (SLCGP) Funds

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-266-2025
Work Session: September 15, 2025
First Reading: N/A

Final Adoption: September 16, 2025
Staff Work By: Cody Musser
Presentation By: Cody Musser

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City of Kingsport will apply for and receive a Fiscal Year 2023 Department of Homeland Security State and Local Cybersecurity Grant Program (SLCGP) which includes acceptance of 600 free CrowdStrike security software licenses and $69,000 in federal grant funds.

The City of Kingsport has identified critical needs in its technology infrastructure. To protect and improve our defenses, the IT Department pursued funding opportunities through the SLCGP.

SLCGP is a grant program established by the U. S. Department of Homeland Security to address cybersecurity risks and threats. Particularly those faced by state and local governments.

The city has been notified of its eligibility to receive $69,000 in SLCGP funding to replace outdated servers and to renew and enhance CrowdStrike 24/7 security monitoring services. In addition, the city will receive 600 no charge (free) CrowdStrike Endpoint Detection and Response (EDR) licenses free of charge. These licenses will be deployed across City servers and computers to provide real-time monitoring for malicious activity such as viruses, ransomware, and unauthorized access attempts.

Implementation of the software and installation of modern servers will significantly enhance the city's cybersecurity defenses, protect government services, public safety, utilities, and citizen information.

Attachments:
1. Resolution
2. Award Letter
3. Local Consent Agreement

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A DEPARTMENT OF HOMELAND SECURITY STATE AND LOCAL CYBERSECURITY GRANT

WHEREAS, in order to address cybersecurity risks and threats the U.S. Department of Homeland Security has established the State and Local Cybersecurity Grant Program (SLCGP) that provides funds to state and local governments; and

WHEREAS, city staff have been notified by the Tennessee Department of Finance & Administration, which assists in the administration of the SLCGP of its eligibility to receive managed services and funding through the SLGCP; and

WHEREAS, the managed services consist of 600 CrowdStrike licenses which will provide endpoint detection and response; and

WHEREAS, additionally city is eligible to receive $69,000 in grant funds for the replacement of outdated servers and to purchase CrowdStrike Falcon ITDR; and

WHEREAS, implementation of the aforementioned software and the replacement of outdated servers will enable the city to significantly enhance cybersecurity defenses, protecting government services, public safety, utilities, and citizen information..

Now therefore,

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

SECTION I. That the application for and receipt of the SLCGP grant is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized to execute, in a form approved by the city attorney, and subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport, and all documents necessary and proper to apply for and receive grant funds from the Department of Homeland Security State and Local Cybersecurity Grant Program (SLCGP) to deliver the necessary documents, and to take all actions necessary and proper 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 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 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

April 14th, 2025

Subject: Federal Fiscal Year 2023 DHS State and Local Cybersecurity Grant Program (SLCGP)

Dear City of Kingsport,

CyberSafeTN is pleased to inform you that your organization has been awarded the following items through the United States Department of Homeland Security State and Local Cybersecurity Grant Program.

Managed Services	Requested Licenses	Awarded Licenses
Endpoint Detection and Response (CrowdStrike)	600	600
End User Cybersecurity Awareness Training (InfoSec IQ)	0	0

In lieu of direct funding, the software type and quantity of licensing in the table above shall be provided on behalf of the State and shall not be purchased separately by the awarded grantee. The awarded licensing shall only be deployed once a signed contract between the State of Tennessee and the grantee is executed. The CrowdStrike and InfoSec IQ licensing must be implemented within the first three (3) months after you receive your fully executed contract. If not deployed within the first three (3) months of the contract execution date, the state may revoke your licensing award and reallocate the unused licensing to alternate grantees.

If you have more than one project approved for funding in the table below, you must select which project(s) you want funded and the amount of funding per project. The cumulative amount of funding per project cannot exceed the total amount of funds awarded. Please respond by April 28, 2025, so that we can ensure that you receive your contract in a timely manner.

Projects Approved

#	Project Title	Funds Requested	Funds Awarded
1	Onprem Security Project: replacement of outdated servers	$50,000.00	$69,000.00
2	CrowdStrike Falcon ITDR (listed price)	$40,000.00	

The SLCGP is a federal and state funded reimbursement grant awarded through the State of Tennessee. This award notice does not guarantee any grant funding will be provided. Grant funding may only be awarded once a signed contract between the State of Tennessee and the grantee is executed. You will receive an email from CyberSafeTN regarding next steps for the contract process and installation of services.

If you have any questions or concerns regarding this correspondence and/or process, please contact CyberSafeTN@tn.gov

State of Tennessee

Federal Fiscal Year 2023
State and Local Cybersecurity Grant Program
Local Consent Agreement

This Local Consent Agreement is made between the Tennessee Department of Finance and Administration, Strategic Technology Solutions Division (STS) and City of Kingsport, shall be effective on the date signed by the authorized official of the Local Government Entity.

By my signature below, I attest that I have the authority to sign on behalf of the Local Government Entity, and to bind the Local Government Entity to the selection below:

(Initial your selection:)

_____1. The Local Government Entity does not consent to STS retaining the entity's portion of funding as part of the Federal Fiscal Year (FFY) 2023 SLCGP.

_____2. The Local Government Entity consents to STS, as Tennessee's grant authority, undertaking the following acts in accordance with the State and Local Cybersecurity Grant Program (SLCGP) for Federal Fiscal Year (FFY) 2023, Funding Opportunity Number DHS-22-137- 000-01, as authorized by Section 2220A of the Homeland Security Act of 2002, as amended (Pub. L. No. 107-296) (6 U.S.C. § 665g):

a. Retaining and passing through to local government entities at least 80% of the State of Tennessee's FFY 2023 SLCGP grant award of $ 4,076,082 in the form of services and related activities; and
b. Utilizing $30,600 of the $4,076,082 in SLCGP funds for FFY 2023 as follows:
   (1) $30,600 for Project 1: Cybersecurity Detection and Response-Endpoint Detection and Response (EDR)
   (2) $0.00 for Project 2: Cybersecurity Training
c. Utilizing $69,000 of the $4,076.082 in SLCGP funds for FFY2023 as true pass-through to the local entities.

I also agree that this Local Consent Agreement is only effective for the Federal Fiscal Year (FFY) 2023 SLCGP Funds, and this Local Consent Agreement and receipt of funds, under either selection above, are contingent upon submission and approval of a project that aligns with the State's approved Cybersecurity Plan.

I can be contacted at (Daytime Phone Number): _____

I authorize receipt of notices by emailing CyberSafeTN@tn.gov.

City of Kingsport

Signature

Name

Title

Date

State of Tennessee Department of Finance and Administration, Strategic Technology Solutions (STS)

Signature

Name

Title

Date

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Purchase with Workspace Interiors for Furnishings as Part of the Justice Center Addition and Renovation Project

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-220-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: 4. Safe & Welcoming Community

Recommendation:
Approve the Resolution

Executive Summary:
If approved the city will issue a purchase order to Workspace Interiors for furniture in the first-floor addition of the Justice Center in the amount of $301,409.28.

Workspace Interiors will provide and install new Steelcase furniture using the Source Well Cooperative Agreement #091423 as referenced in their proposal letter dated August 8, 2025, and quotation #47890 in the amount of $301,409.28.

As a member of the National Joint Powers Alliance, the City of Kingsport can take advantage of nationally leveraged competitively solicited purchasing contracts as allowed by TCA 12-3-1205, Cooperative Purchasing Agreements.

Funding is available in GP2402.

Attachments:
1. Resolution
2. Proposal

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO WORKSPACE INTERIORS UTILIZING SOURCEWELL COOPERATIVE PURCHASING AGREEMENT NO. 091423 FOR FURNISHINGS AS PART OF THE JUSTICE CENTER RENOVATION PROJECT

WHEREAS, staff recommends the purchase of furnishings for the Justice Center addition and renovations utilizing Sourcewell Cooperative Purchasing Agreement # 091423; and

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

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

WHEREAS, in order to purchase the furnishings, a purchase order needs to be issued to Workspace Interiors**,** in the amount of $301,409.28; and

WHEREAS, funding for is available in project # GP2402.

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 Workspace Interiors for furnishings as part of the Justice Center addition and renovation project utilizing Sourcewell Cooperative Purchasing Agreement # 091423, in the amount of $301.409.28.

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 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

workspace interiors

Success begins inside.

Tri-Cities WorkLife Center
200 E. Main St., Ste 300
Kingsport, TN 37660

T: 423.392.2600
F: 423.392.2601
www.workspaceinteriors.com

August 8, 2025

Dawn Melton

City of Kingsport Engineering Division

200 Shelby St

Kingsport TN

RE: Provide and Install New Furniture using the Sourcewell Contract RFP #091423.

Dear Ms. Melton,

On behalf of Workspace Interiors, we appreciate the opportunity to submit the proposal for Contract furniture and installation furniture for the Justice Center Expansion.

Furniture:

- Provide new Steelcase Furniture.
- Provide Installation Services for the new furniture
- First floor new addition spaces

Cost for Above Products and Services:

WorkSpace Interiors is pleased to propose the above service for the lump sum (not to exceed) price of **$301,409.28.**

The above price is contingent upon there being a dedicated working elevator, all construction work being complete and a single mobilization schedule with product shipping directly to the job site each day the area of work is made available. Install pricing is based on normal business hours of 7-4, M-F.

On behalf of Workspace Interiors, Inc., we appreciate this opportunity and look forward to discussing in more detail. Please do not hesitate to contact us directly should you have any questions.

Respectfully,

Wesley Jones
Sales Executive
423.794.8191 mobile

Buzz 2
Navy

Merle

Virginia
Walnut

Black
Ballistic
Nylon

workspace
interiors

workspace interiors

Buzz 2
Navy

Merle

Virginia
Walnut

Black
Ballistic
Nylon

workspace
interiors

Verve Shadow | Buzz 2 Navy | Code Tussah | Merle | Virginia Walnut | Black Ballistic Nylon

workspace interiors

Shield Chair
w/ Drop away arms

Buzz 2
Navy

Merle

Virginia
Walnut

Black
Ballistic
Nylon

workspace
interiors

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Purchase with Patterson Pope, Inc. for Storage Systems as Part of the Justice Center Addition and Renovation Project

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-234-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	Ryan McReynolds

Strategic Focus Area: 4. Safe & Welcoming Community

Recommendation:
Approve the Resolution

Executive Summary:
If approved the city will issue a purchase order to Patterson Pope, Inc. for storage systems at the Justice Center in the amount of $916,788.50.

The Justice Center Addition and Renovation Project is designed to improve security and safety while increasing the footprint for the present as well as for the future. Patterson Pope, Inc. is a trusted resource for the unique requirements for this project to include delivery and installation of mobile high-density storage systems, freestyle personal duty lockers, pass-through evidence lockers, and shelving for the various areas of the Police Department (1st floor of the Justice Center).

Patterson Pope, Inc. will provide and install new Spacesaver storage systems using the Source Well Cooperative Agreement #110923-SPC as referenced in their proposal letter dated August 7, 2025, and quote #Q-73967-1 in the amount of $916,788.50.

As a member of the National Joint Powers Alliance, the City of Kingsport can take advantage of nationally leveraged competitively solicited purchasing contracts as allowed by TCA 12-3-1205, Cooperative Purchasing Agreements.

Funding is available in GP2402.

Attachments:
1. Resolution
2. Proposal

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER TO PATTERSON POPE, INC. UTILIZING SOURCEWELL COOPERATIVE PURCHASING AGREEMENT NO. 110923-SPC FOR STORAGE SYSTEMS AS PART OF THE JUSTICE CENTER RENOVATION PROJECT

WHEREAS, staff recommends the purchase of various storage systems and related components for the Justice Center addition and renovations utilizing Sourcewell Cooperative Purchasing Agreement # 110923-SPC; and

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

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

WHEREAS, in order to purchase the storage systems and related components, a purchase order needs to be issued to Patterson-Pope, Inc**,** in the amount of $916,788.50; and

WHEREAS, this purchase price includes the cost of the actual materials as well as installation of the same by Patterson-Pope, Inc.

WHEREAS, funding for this equipment is available in project # GP2402.

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 Patterson-Pope, Inc for the purchase of storage systems and related components as well as installation of the same for the Justice Center addition and renovations utilizing Sourcewell Cooperative Purchasing Agreement # 110923-SPC, in the amount of $916,788.50.

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 16th day of September, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

SPACE MADE SIMPLE

City of Kingsport Justice Center Expansion Project

Patterson Pope Inc.
Proposal
Scott Bertini
August 7th, 2025

SPACE MADE SIMPLE

patterson·pope
SPACE MADE SIMPLE.

August 7th, 2025

Dawn Melton
City of Kingsport
130 Shelby St.
Kingsport, TN 37660

Dear Dawn,

Thank you very much to you and all of the involved staff for allowing us to provide our proposal for the City of Kingsport Justice Center Expansion Project. We greatly appreciate all of the thought and effort that has been put into this throughout the design process over the past couple of years, and we are confident this project will be highly successful due to the groundwork we have laid together.

The following proposal is based upon a comprehensive design including mobile high-density storage systems for both records and evidence areas, freestyle personal duty lockers, pass-through evidence lockers, and custom designed shelving for additional areas. We have done our best to detail this design through the enclosed scope of work as well as the attached layouts. In addition, this proposal includes Tennessee project reference lists, case studies and brochures to highlight and illustrate the planned equipment and who we are as a company.

We sincerely appreciate the opportunity to be a trusted resource for the unique requirements this project requires, and we look forward to partnering with the City of Kingsport on this project!

Sincerely,
Scott Bertini

Scott Bertini
Patterson Pope

865-898-4421
www.pattersonpope.com

SPACE MADE SIMPLE

patterson·pope
SPACE MADE SIMPLE.

DESCRIPTION & SCOPE OF WORK

PATTERSON POPE PROPOSAL

SOURCEWELL CONTRACT DOCUMENTATION

SPACE MADE SIMPLE

patterson·pope
SPACE MADE SIMPLE.

Room 184 (Records)

* Spacesaver - Powered High Density System / 3 Stationary Rows & 12 Mobile Ranges
* Various Depths For Letter Sized Records & Boxes / Adjustable Shelves & Dividers
* Touchpad Controls / Aisle Entry and Photosweep Sensors
* Battery Back Up / (1) Locking Tambour Door
* Recessed In Concrete Rail System

Room 157 (Evidence Processing)

* (4) Spacesaver - Pass Through Keyless Evidence Lockers w/ Trim

Rooms 165 & 166 (Men's & Women's Locker Room)

* Spacesaver - Personnel Duty Lockers
* 32 Women's Lockers & 158 Men's Lockers
* 15" Wide x 24" Deep x 84" High - Solid Doors
* Shelf With Hanger / 3 Hook Hanger Assembly
* Adjustable Shelf / Perforated Adjustable Shelf / Hanging Bar With Shelf / 3 Hook Bracket
* External Drawer With Hardwood Bench

Room 160 (Evidence)

* Spacesaver - Powered High Density System / 3 Stationary Rows & 6 Large Mobile Ranges
* Various Depths For Weapons, Drugs, General Evidence
* Touchpad Controls / Aisle Entry and Photosweep Sensors
* Battery Back Up / (2) Locking Tambour Door
* Surfaced Mounted Rails & Flooring System (Client Responsible For Final Floor Covering)
* Oversized Widespan Bulk Storage Shevling Along Walls

Room 162 (Quartermasters Storage)

* Spacesaver 4 Post Shelving Sections
* Sections For Hanging Items / Sections For General Misc. Storage

Room 179 (Cybersecurity)

* Spacesaver 4 Post Shelving Sections
* Back Panels & Perforated Hinged Doors

Room 127 (Conference Room)

* Spacesaver Case Type Shelving Sections
* Back Panels / (2) Solid Hinged Doors At Ends

TURNKEY PROPOSAL INCLUDES

FREIGHT, INSIDE DELIVERY, FULL INSTALLATION, TRAINING & TRASH DISPOSAL

* CLIENT RESPONSIBLE FOR FLOOR COVERING AND FINAL ELECTRICAL CONNECTIONS

Proposal

patterson·pope
SPACE MADE SIMPLE.

Quote #:	Q-73967-1
Drawing Ver:	33164 1F Sourcewell
Date:	08/07/2025
Expires On:	10/23/2025

Mailing Address:
PO BOX 790138
CHARLOTTE, NC 28206
See invoice for remit to address.

Install To
Dawn Melton
City of Kingsport, TN - Police Department
200 Shelby St
Kingsport, TN 37660
(423) 343-9792
dawnmelton@kingsporttn.gov

Bill To

SALESPERSON	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Scott Bertini	sbertini@pattersonpope.com		Deposit/Progress Payments

Proposal Includes The Following:

Room 184 (Records)
Room 157 (Evidence Processing)
Room 165 (Women's Locker Room)
Room 166 (Men's Locker Room)
Room 160 (Evidence)
Room 162 (Quartermasters Storage)
Room 179 (Cyber Security)
Room 127 (Conference Room)

Pricing Per Spacesaver Sourcewell Contract - Attached #: 110923-SPC

Turnkey Pricing Includes All Materials, Freight, Inside Delivery, Installation, Training and Trash Disposal

* Client Responsible For Final Floor Covering & Electrical Connections To Mobile Systems
* Any Applicable Taxes To Be Added To Final Invoice

* Estimated Lead Time 12 Weeks For Majority of Materials / 18+ Weeks For Hinged Doors & Evidence Lockers
* Standard Color Options Only - To Be Provided To Client
* Payment Terms: 40% Deposit, 30% At Material Shipment, 30% Net 10 Days

Sub Total:	$916,788.50
Estimated Total Tax:	
Grand Total:	**$916,788.50**

Important Quote Notes
Applicable sales tax and final shipping charges will be added to the invoice if not indicated above.

ESTIMATED TARIFF: If your order includes items that has tariffs associated with purchase, we are including the estimated tariff (duty/tax) as of this proposal. If at time of entry into the US there is no additional tariff, you will not be charged.

If TAX EXEMPT - Please provide Tax Exemption Certificate along with Purchase Order or Signed Quote

INFO REGARDING STORAGE FEES: The customer acknowledges that they will be responsible for Storage Fees of $50 per pallet, per month, incurred 30 days after the ship date that are related to a delay in an installation date due to a customer's request or a site related project delay

Patterson Pope requires a purchase order (or signed quote) for each individual accepted quote.

Please provide sign off on final drawing(s). Indicate color choices on your PO.

Proposal

Quote #:	Q-73967-1
Drawing Ver:	33164 1F Sourcewell
Date:	08/07/2025
Expires On:	10/23/2025

Mailing Address:
PO BOX 790138
CHARLOTTE, NC 28206
See invoice for remit to address.

Patterson Pope offers custom manufactured solutions to fit your unique space. For this reason no product can be ordered until a representative from Patterson Pope is able to field verify all dimensions.

Signature below indicates acceptance of this proposal and of the attached terms and conditions.

Signature: _____ **Effective Date:** _____/_____/_____

Name (Print): _____ **Title:** _____

Please sign and email to Scott Bertini at sbertini@pattersonpope.com.

THANK YOU FOR YOUR BUSINESS!

Patterson Pope Terms and Conditions The following terms and conditions shall apply to any Deliverables (defined herein) provided by Patterson Pope, Inc. ("Company") to Client.

1. **Acceptance and Agreement:** The provisions on the pricing page, the purchase order and these Terms and Conditions (collectively, the "Agreement") constitute the entire agreement between Company and Client and supersede all other communications between the parties, whether written or oral, regarding the products and services described in this Agreement ("Deliverables"). The terms of this Agreement are expressly limited to those provided herein, and no purported modification, addition, or waiver of the provisions hereof shall be binding on Company for any purposes unless contained in writing, signed by an authorized representative of Company. The provisions hereof shall be deemed to have been accepted by Client's acceptance of all or any part of the Deliverables. All orders or any changes to such orders shall be subject to acceptance by Company. Change orders requested after receipt of Client purchase order may also incur additional charges. If, for any reason, Client cancels the order, any cancellation, restocking and handling charges will be invoiced. Future purchase orders (or similar engagement documents) and associated pricing pages may reference these Terms and Conditions, and by such reference, these Terms and Conditions shall be incorporated therein.

2. **Payment and Pricing:** Pricing quoted on the pricing page supersedes all previously quoted prices and is good for 60 days from the date of this Agreement. The pricing page may or may not include applicable sales or other taxes required by law; such taxes will be billed to Client and are Client's sole responsibility. This system has been custom designed and will be specially manufactured for your unique requirements. A non-refundable down payment of 40% is due upon order, 30% is due at the time of shipment and 30% is due at the time of completion. Client shall have no authority to assert any offsets or discounts against any payment due, except as expressly agreed to by Company in the pricing page or other signed writing. Client represents and warrants to Company that it is solvent at the time this Agreement is made. Client hereby grants a security interest in the product Deliverables to secure payment to Company and consents to Company filing a financing statement to perfect such security.

3. **Space Requirements:** This system has been specially designed to meet Client's specific requirements; as such, most of the equipment is manufactured on a "per job" basis. Client shall allow Company's representative(s) reasonable access to Client's facilities to confirm whether the space where the Deliverables will be installed matches Client's representations. In the event that the space cannot be field verified before the Deliverables must be ordered and the actual space does not match what had been previously represented, Client is responsible for any delays and additional costs incurred to reconfigure the Deliverables to fit actual space (i.e. extra material, labor, and freight). Notwithstanding any field verification by Company, it is Client's responsibility to be certain the space is suitable for the installation of this equipment (i.e. adequate fire protection and floor load capacity).

4. **Acceptance:** Client shall accept the Deliverables which conform to the requirements of specifications under this Agreement. All claims for errors, shortages, or damage ("Non-conformance") must be made in writing to the respective Account Representative within ten (10) days of Client's receipt of any Deliverables, and Company shall have a reasonable period of time, based on the severity and complexity of the Non-conformance, to correct the Non-conformance. If Client uses the Deliverables before acceptance or fails to promptly notify Company of any Non-conformance then the Deliverables shall be considered accepted by the Client.

5. **Freight and Shipping:** Freight and shipping terms are detailed on the pricing page. In the event that Client or one of its agents refuses delivery for whatever reason on or after the estimated delivery date, Client will be responsible for the payments in accordance to Section 2 and the pricing page in addition to any supplemental storage charges incurred by Company as a result of the delay *unless* the delay is caused by Company, one of its manufacturers, freight carriers, subcontractors, and/or any other agent acting on Company's behalf.

6. **Storage Fees:** As part of the Sales Agreement, Patterson Pope agrees to provide 30 days of storage at no cost. After 30 days storage fees will accrue and become billable to customers for any customer related delay or site related delay that results in a change in the installation date.

7. **Limited Warranty:** Company warrants its installation services under the Agreement shall be performed with reasonable care in a diligent and competent manner. Company's sole obligation under this warranty shall be to correct any Non-conformance, provided that Client gives Company written notice within ten (10) days after installation is completed. Company does not warrant and is not responsible for any product Deliverables or third party services. Client agrees to look to the third party manufacturer or vendor (and not Company) with respect to all claims regarding such third party products or services as its sole and exclusive remedy. *This section is Company's only warranty concerning the product and service Deliverables, and is made expressly in lieu of, and to disclaim, all other warranties and representations, express or implied, including any implied warranties of merchantability, non-infringement, or fitness for a particular purpose, or otherwise.*

8. **Limitation of Remedy and Liability:** *The maximum liability of Company and Company's principals, directors, officers, agents, employees, personnel, affiliates and their partners shall be the fees Company actually receives under the Agreement for the portion of work giving rise to the liability. In no event shall any of the above be liable to Client or any third party for any indirect, special, incidental, consequential, exemplary or punitive damages of any kind whatsoever in connection with the agreement, including but not limited to lost profits, loss of business opportunity, lost savings, and loss of business information.* Client will bear the risk of loss or damage to, or theft of, any Deliverables once delivery has been made to the Client. Any action against Company must be brought within twelve (12) months after the cause of action arises. Neither party shall be liable for any delays or failures in performance due to circumstances beyond its reasonable control, including but not limited to, strikes, riot, war, fire, flood, storm, explosion, accident, or other acts of God. This contract shall be construed in accordance with the laws of the State of North Carolina (without regard to its choice of law provisions). Claims arising out of or requiring the interpretation of this Agreement shall be brought and litigated exclusively in courts located within Mecklenburg County, North Carolina, or if a federal court, the court whose district includes Mecklenburg County, North Carolina. This Agreement may not be assigned without prior written consent; provided, however, Company may assign this Agreement in whole or in part, without the Client's consent, in connection with a merger, acquisition, corporate reorganization, or sale of substantially all of the Company's assets, and Client agrees that Company shall be released from any further obligations under this Agreement upon such assignment.

Patterson Pope, Inc. Date

CLIENT Date

(This Agreement may be signed in counterparts and by facsimile or electronic signature by an authorized representative.)

Purchase Order #_____

patterson·pope
pattersonpope.com

Sourcewell
Awarded Contract
Contract # 110923-SPC

Spacesaver

INFO SHEET

SOURCEWELL

Spacesaver Corporation proudly partners with Sourcewell, a government agency serving the United States and Canada, to offer Sourcewell members a competitive bid contract. Sourcewell is a cooperative contract for state and local agencies, K-12, universities and colleges, nonprofits, and tribal government to purchase from awarded vendors. As a cooperative contract, Sourcewell is working for both buyers (members) and vendors.

Spacesaver is the innovator in storage solutions from high-density mobile and secure storage for government and public safety, to new ideas that can streamline library and museum operations and campus solutions. Join Sourcewell at no cost and access Spacesaver's competitively-priced storage solutions to start saving time, money, and resources today.

To learn more about Spacesaver or to find a local authorized dealer, visit **www.spacesaver.com**.

To learn more about Sourcewell or to become a member, visit **www.sourcewell-mn.gov**.

SPACESAVER'S SOURCEWELL CONTRACT INFORMATION

CONTRACT NUMBER: 110923-SPC

EFFECTIVE DATE: 12/21/2023 -12/29/2027

PRODUCTS: All Spacesaver Manufactured Products; excluding ActivRAC® Stainless Steel

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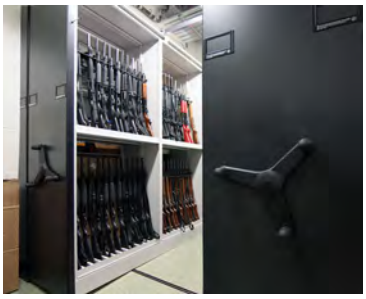

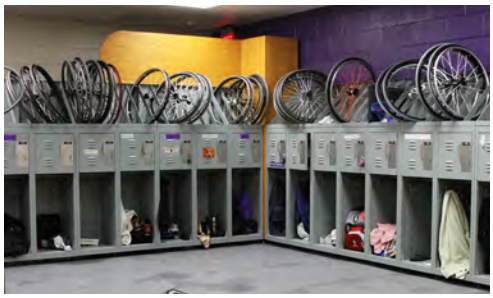

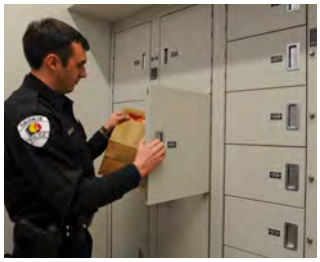

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AGENDA ACTION FORM

Consideration of a Resolution Authorizing Official Signatures for the City Of Kingsport Police Department Special Investigation Account

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-239-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Staff
First Reading:	NA	Presentation By:	Travis Bishop

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution changes the signature authority on the Kingsport Police Department Special Investigation Account. T.C.A. 39-17-420 requires the establishment of a Drug Fund to account for special revenue such as fines received from drug offenses, forfeited cash and proceeds from sale of forfeited property. Expenditures from this fund can be spent on drug education programs, drug treatment programs, drug enforcement, nonrecurring law enforcement expenditures, and confidential expenditures relating to undercover operations.

To administer the confidential expenditures, the City maintains a police department special investigation bank account on deposit with First Horizon Bank. This account is under the control of the Police Chief or his designee. As a result of recent personnel changes, it is necessary to provide a new resolution to First Horizon Bank in order to designate authorized official signatures and designate officials to execute banking transactions.

Attachments:
1. Resolution

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING OFFICIAL SIGNATURES FOR THE CITY OF KINGSPORT POLICE DEPARTMENT SPECIAL INVESTIGATION ACCOUNT ON DEPOSIT WITH FIRST HORIZON BANK NATIONAL ASSOCIATION

BE IT RESOLVED by the Board of Mayor and Aldermen as follows:

SECTION I. That First Horizon Bank National Association (hereinafter referred to as the "Bank") be and is hereby designated as a depository of this municipal police department, and that accounts established at the Bank, for and on behalf of this municipal police department shall be identified in the accounts and on the records of the Bank in the name of the City of Kingsport Police Department as well as by account name/description, account number and/or any other means as the Bank and/or municipal police department may determine to be necessary to appropriately identify, track and account for said account or accounts in the Bank's records, and that account currently established at the Bank in the name of, for and on behalf of this municipal police department, is identified as follow:

NAME	ACCOUNT NUMBER
City of Kingsport- Police Department KDA	187469157

SECTION II. That delivery to the Bank of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to the Bank to place the same to the credit of the municipal police department, and such credits may be withdrawn by check, draft or instrument executed for the municipal police department by the duly appointed Police Chief or Deputy Police Chief as herein identified:

TITLE	TYPED NAME	SIGNATURE
Police Chief	Jason G. Bellamy	
OR		
Deputy Police Chief	Sean E. Chambers	
OR		
City Recorder	Travis Bishop	

SECTION III. That the Bank shall be under no obligation to see or make inquiry as to the application of any funds withdrawn from said account, even though the withdrawal order may be payable to the agent of the municipal police department executing the same, and the funds be withdrawn for his individual use or credit.

SECTION IV. That this resolution shall supersede all previous resolutions on file with the Bank from and after its adoption, and that the Bank shall recognize only those signatures of officials designated herein as authorized signatures on behalf of the City of Kingsport Police

Department, and that the Bank shall delete from its records any previously authorized signatures that do not appear herein.

SECTION V. That the accounts established at the Bank in the name of, for and on behalf of this municipal police department shall be classified and identified on the accounts and in the records of the Bank as public funds

SECTION VI. That no official correspondence and /or official notice from the Bank shall be effective unless directed to the office of the City of Kingsport Police Chief at the following address:

Jason G. Bellamy, Police Chief
City of Kingsport Police Department
200 Shelby Street
Kingsport, Tennessee 37660

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

ADOPTED this the 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Authorize the Mayor to Execute and Sign All Necessary Documents to Enter into An Agreement with the 2nd Judicial District Drug Task Force

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-253-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Commander Chris Tincher
First Reading:	N/A	Presentation By:	Chief Jason Bellamy

Strategic Focus Area: Safe & Welcoming Community

Recommendation:
Approve the Resolution

Executive Summary:
If approved, this resolution will execute an agreement and renew our participation in an Interlocal Cooperation Agreement allowing the city's police department to be a member of the Second Judicial District Drug Task Force.

The Kingsport Police Department has had a long and successful partnership as a Second Judicial Drug Task Force (DTF) member. The Task Force is comprised of selected officers within the Sullivan County Sheriff's Office, Bristol, Tennessee Police Department, and Kingsport Police Department. The purpose of the DTF is to consolidate the effort, information, experience, and resources of member agencies for the effective investigation of drug cases.

The DTF is governed by the Interlocal Cooperation Agreement and a board of directors comprised of the chief law enforcement officer for each participating city and Sullivan County.

This agreement will continue to allow KPD to be a member of the Task Force, consolidating efforts, information, experience, and resources within the district to investigate drug cases effectively. It does not prohibit KPD from investigating drug cases within the city limits.

Attachments:
1. Resolution
2. Interlocal Cooperation Agreement

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AN INTERLOCAL COOPERATION AGREEMENT AUTHORIZING THE KINGSPORT POLICE DEPARTMENT TO BE A MEMBER OF THE SECOND JUDICIAL DISTRICT DRUG TASK FORCE, AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, pursuant to an interlocal cooperation agreement there is established the Second Judicial District Drug Task Force (DTF), whose purpose is to consolidate the effort, information, experience and resources of member agencies for the effective investigation of drug cases; and

WHEREAS, the Kingsport Police Department (KPD) has been a longtime member of the DTF that has benefitted the department in the interdiction of illegal drugs and prosecution of offenders; and

WHEREAS, the Task Force is comprised of selected officers from the Sullivan County Sheriff's Office, Bristol, Tennessee Police Department, Bluff City Police Department and Kingsport Police Department; and

WHEREAS, the Office of Criminal Justice Programs (OCJP) has mandated that each agency submit an Inter-local Agreement to the District Attorney General for the judicial district to meet the requirements set forth in T.C.A. 12-9-101, as they provide partial funding for DTFs to operate through grants; and

WHEREAS, this agreement will continue to allow KPD to be a member of the DTF while still permitting KPD to investigate drug cases within the city limits separate from DTF investigations.

Now therefore,

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

SECTION I. That the Interlocal Cooperation Agreement authorizing KPD's membership in the DTF 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 interlocal cooperation agreement, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said agreement being as follows:

INTERLOCAL COOPERATION AGREEMENT
2nd JUDICIAL DISTRICT DRUG TASK FORCE

This Agreement is entered into by the undersigned parties on behalf of the governing bodies such parties represent by virtue of the office the individual holds at the time this Agreement is signed. The governing bodies represented herein are part of the 2nd Judicial District of the State of Tennessee.

WHEREAS, Tennessee Code Annotated, Section 12-9-101, *et seq.,* authorizes public agencies to enter into inter-local cooperation agreements; and

WHEREAS, Tennessee Code Annotated, Section 8-7-110, as amended by the Public Acts of 2004, authorizes any law enforcement officer or assistant district attorney general or district attorney general criminal investigator hired or assigned to a drug task force to enforce the laws of the State of Tennessee related to the investigation and prosecution of drug cases by conferring the same rights, powers, duties and immunities in every jurisdiction within the judicial district as such officer has within the officer's own jurisdiction; and

WHEREAS, the local governments that are parties to this Agreement are to avail themselves of all authority conferred by these statutes, and any other provisions of law, to create and operate a drug task force for the 2nd Judicial District; and

WHEREAS, it is deemed in the public interest by the parties hereto that such a multi- jurisdictional drug task force is created.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. **PURPOSE:** The purpose of the 2nd Judicial District Drug Task Force (hereinafter "DTF") is to consolidate the effort, information, experience and resources of the individual law enforcement agencies within the district in order to effectively investigate drug cases. This Agreement does not prohibit, or otherwise restrict the law enforcement agencies which are parties to this Agreement, from continuing to investigate drug cases within the jurisdiction in which such agency operates.

2. **BOARD OF DIRECTORS:** The DTF shall be governed by the Board of Directors (hereinafter "Board"). The Board shall be comprised of the chief law enforcement officer for each city and/or county within the 2nd Judicial District that is a party to this Agreement. Other local governmental entities within the 2nd Judicial District may become a party to this Agreement through written notification to the Board of Directors, and approval by the governing body of the entity and acceptance of this Agreement's terms and conditions. Such added parties may then designate a representative for the Board according to the provisions outlined herein. The District Attorney General for the 2nd Judicial District shall also be a voting member of the Board.

Meetings. The Board will establish the time, date and place for its regular meetings. Regular meetings shall be held monthly. Special meetings of the Board shall be called upon the request of the Chairman or of one-third of the Board members. Notices of all meetings of the Board shall be sent by DTF personnel by e-mail or by regular mail at least five (5) business days prior to the meeting. Notice of any particular meeting may be given to some Board members in one manner and to the remaining Board members in a different manner.

Quorum. Except as otherwise provided herein, a majority of the Board members in person or by proxy shall constitute a quorum for the transaction of business. Except as otherwise provided herein, a majority of the quorum will rule.

Compensation. Members of the Board will serve without additional compensation.

Authority, The Board is responsible for the overall policy and direction of the DTF. The duties of the Board include, but are not limited to, the following:

1. Selecting a DTF Director. Such person will be assigned from one of the participating law enforcement agencies that are party to this Agreement.
2. Approving assignment, discharge, suspension, or transfer of DTF personnel.
3. Overseeing the finances of the DTF to ensure compliance with the procedures required by the State Comptroller, federal grants and any internal financial policies established by the Board.
4. Review annually all Memorandums of Understandings, Interagency Agreements and Inter-local Agreements.

Officers of the Board. The District Attorney General shall be designated Chairman of the Board and will hold said position for the duration of their tenure in office.

Voting. Each member of the Board will have an equal vote in the conduct of its business. Voting by proxy or thru an assigned designate will be allowed if the Board member elects this option at any time prior to the date a vote of the Board is taken. A vote by a proxy or assigned designate of a Board member will have the same force and effect as a vote by such Board member in person. Any action authorized in writing by all of the Board shall be an act of the Board with the same force and effect as if the same had been passed by unanimous vote of a duly called meeting of the Board.

Nonliability of Board members. The Board members shall not be personally liable for the debts, liabilities, or other obligations of the DTF.

3. **DRUG TASK FORCE DIRECTOR:** The Board shall assign a Director to supervise the day-to-day business of the DTF. The Director shall be responsible for implementing policies approved by the Board and for reporting to the Board at each meeting. The Director's compensation and authority shall be determined by the Board. The Director shall not be entitled to vote at Board meetings. The duties of the Director include, but are not limited to, the following:

1. Select a DTF Office Manager, and/or other necessary office personnel, and receive approval from the Board for such selection(s).
2. Approve expenditure of DTF funds and maintain account of such funds as required by the State Comptroller, federal grant and internal financial procedures established by the Board.
3. Ensure the timely preparation of all reports on DTF activities.
4. Prepare policies and procedures for DTF personnel, and receive approval from the Board for the implementation of such policies and procedures.
5. Enter into agreements, leases, and/or contracts on behalf of the DTF. The Director does not have to seek approval from the Board for agreements, leases and/or contracts pertaining to the day-to-day operations of the DTF; however, such agreements, leases and/or contracts must be accounted for within the budget and/or quarterly financial statement provided to the Board. The Board may set a maximum financial obligation which may be implemented through the authority of the Director, to set a standard by which approval must be sought prior to the implementation of agreements, leases and/or contracts pertaining to the DTF.

4. **FINANCES:** The financial matters of the DTF shall be conducted in accordance with all applicable state and federal laws.

Judicial District Drug Fund. A joint fund shall be established for the monies necessary for DTF operations. Such fund shall be maintained in the office of the Trustee in the county designated by the Board. This fund shall be known as the "Judicial District Drug Fund." All monies including, but not limited to, local government contributions, fines, grant proceeds, seizures and forfeitures for the benefit of the DTF shall be deposited in this fund.

Disbursement of Judicial District Drug Fund. Monies from the Judicial District Drug Fund may be disbursed upon request by the DTF Director. Disbursements shall, be subject to the limitations established by the Board in accordance with state and federal law.

Contributions and Distribution of Income: All contributions by individual agencies that are members of the DTF along with any individualized agreements relating to the distribution of income and/or seized assets between the DTF and individual agencies, will be pursuant to Memorandums of Understanding between the DTF and the respective individual agencies. These agreements will be approved by the District Attorney General and the chief law enforcement officer of the respective agency. All distribution of income and/or seized property will comply with any and all applicable Tennessee state law.

Budget. The DTF Director shall prepare an annual budget on or before April 1st of each year designating the manner in which the Judicial District Drug Fund shall be disbursed. Such budget shall be approved by the Board prior to disbursement.

Purchasing. The Board may adopt policies and procedures concerning purchasing. The purchasing procedure of the DTF must comply with the purchasing procedure of the county wherein the DTF headquarters is located as well as any other applicable state and/or federal law.

Accounting and Reporting. The DTF must maintain the finances and records pertaining to such finances in accordance with state and federal law. The DTF Director shall file a monthly financial report with the Board.

Audit. An annual audit shall be conducted of the funds maintained by the DTF. The audit will be made by the State Comptroller or a private accountant employed via a majority vote of the Board.

5. **PROPERTY OF THE DTF:** The DTF shall have the authority to maintain control over personal and real property.

Personal Property and Equipment. The personal property and equipment contributed to or purchased by the DTF shall remain the property of the DTF for so long as the DTF is operational. The property and equipment supplied through employees assigned to the DTF that remain employees of a law enforcement agency and/or governmental entity shall remain the property of the law enforcement agency and/or governmental entity unless otherwise designated in writing.

Real Property'. The DTF has the authority to purchase real property and hold such property in the name of the DTF. Any purchase of real property made by the DTF must be made with the authorization of the Director after receipt of approval by a majority of the Board.

Disposal of DTF Property. Obsolete or surplus property of the DTF may be disposed of at the discretion of the DTF Director. In the event the DTF is dissolved or disbanded, real and personal property in the custody and control of the DTF shall be disposed of by the Board to the law enforcement agencies and/or governmental entities that are parties to this agreement or in accordance with state law as a Court of competent jurisdiction in any county in which the DTF operates within the 2nd Judicial District shall direct.

6. **PERSONNEL:** Any assignment of a law enforcement officer, assistant district attorney general, or district attorney general investigator assigned to the DTF shall have such assignment in writing provided by the chief law enforcement official of the assigning jurisdiction; including, but not

limited to, sheriff departments, police departments, task forces, state law enforcement agencies and district attorney general's office, and shall not become effective until approved by the Board. Non-Commissioned employees may be assigned to the DTF by agencies pursuant to Memorandums of Understanding between the DTF and respective agencies; such assignments shall be made in writing and shall not become effective until approved by the board. Pursuant to Tennessee Code Annotated, Section 8-7-110, any law enforcement officer employed by or assigned to the DTF must meet the minimum certification requirements of the peace officers standards and training commission; provided, however, that such officer shall not be entitled to receive a police pay supplement for that certification.

Commission. The Director of the DTF shall have the authority to commission personnel assigned to or hired by the DTF with the approval of the District Attorney General for the 2nd Judicial District.

Status and Benefits. Any law enforcement officer or non-commissioned employee assigned to the DTF shall remain an employee of the agency making the assignment for the purpose of compensation and benefits. Salaries of such officers shall be paid by the respective law enforcement agency making the assignment. A law enforcement officer assigned to the DTF shall retain all rights, privileges and benefits including, but not limited to, insurance, retirement, seniority, promotional consideration and Worker's Compensation with the assigning agency.

Assignment and Transfer. Each law enforcement agency and/or governmental entity that is a party to this Agreement may recommend law enforcement officers or non-commissioned personnel for assignment to the DTF. The officer or noncommissioned person, the assigning agency, the Director or the Board may request assignment changes regarding the officer's position or non-commissioned person's position with the DTF. Any assignment or change in assignment pertaining to personnel with respect to the DTF shall be subject to Board approval. Any law enforcement officer or non-commissioned person assigned by the DTF shall follow the policies and procedures of the assigning agency as well as those established by the Director for the DTF.

7. **AUTHORITY OF DTF AGENTS:** Any law enforcement officer or assistant district attorney general or district attorney general criminal investigator assigned to or hired by the DTF shall have the same rights, powers, duties and immunities in every jurisdiction within the judicial district as such officer has within the officer's own jurisdiction. Such individuals shall also have the same rights, powers, duties and immunities statewide as such officer has within the 2nd
Judicial District; provided, that investigations conducted outside the officer's jurisdiction originated within the officer's own jurisdiction and is immediately necessary to an ongoing investigation; or by working in cooperation with another judicial district or multi-judicial district task force or law enforcement agency; or where there exists a mutual aid agreement between the judicial districts or multijudicial district task forces approved by each district attorney general. *See* Tennessee Code Annotated, Section 8-7-110. Any law enforcement officer, who is employed directly by the 2nd Judicial District Drug Task Force and has been conferred law enforcement powers, shall have all the police powers necessary to enforce all State laws, including all traffic laws, the power to serve and execute warrants, arrest offenders and issue citations.

8. **IMMUNITIES OF DTF AGENTS:** Notwithstanding any other provision of law to the contrary, concerning members of judicial district task forces relating to the investigation and prosecution of alleged drug violations, if a claim or suit should be filed against an individual and it is proven that: (1) at the time of the alleged incident the individual was a member of the DTF who was properly certified to the board of claims pursuant to state law; and (2) the alleged liability arose out of the individual's activities as a DTF member; then it shall be conclusively deemed that the individual was not an employee, agent or servant of a local government but was a volunteer to the state. To the extent any conflict exists concerning liability or jurisdiction of the members of the DTF relating to the investigation and prosecution of, but not limited to, drug cases between the provisions established by state law and any mutual aid or interlocal agreement entered into by the DTF, then state law shall take precedence over any such agreement. *See* Tennessee Code Annotated, Section 8-7-110.

9. **QUALIFICATIONS FOR CERTIFYING MEMBERS OF THE TASK FORCE AND MEMBERS OF THE BOARD OF DIRECTORS: QUALIFICATIONS FOR CERTIFYING MEMBERS OF THE TASK FORCE AND MEMBERS OF THE BOARD OF DIRECTORS:** Pursuant to Tennessee Code Annotated Section 8-42-101(3)(C), the 2nd DTF will comply with all requirements of Chapter 0620-3-5 of the Rules of the Tennessee Department of Finance and Administration relating to the qualifications for certifying members and board of directors of judicial drug task forces relating to the investigation and prosecution of drug cases for the purpose of state liability protection.

10. **DURATION AND TERMINATION OF AGREEMENT:** The duration of this Agreement is perpetual. A party to this Agreement may withdraw at any time by providing written notice to the Board at least sixty (60) days prior to such withdrawal. The DTF may be dissolved upon the vote of a majority of the Board and the approval of the District Attorney General of the 2nd Judicial District. Upon such vote, the DTF will wind up its affairs in accordance with the provisions outlined herein.

11. **CONSTRUCTION:** Should any of the provisions or portions of this Agreement be held unenforceable or invalid for any reason, the remaining provisions and portions of the Agreement shall be unaffected by such holding.

12. **EFFECT:** This Agreement shall take effect as of June 1, 2015, upon the adoption of the terms of this Agreement by the Board in existence prior to such effective date. Such entities seeking to be parties to this Agreement shall be made such upon receipt by the Board of the minutes of the meeting of the governing body of such party showing agreement to the terms outlined herein. If a participating entity does not seek approval of this Agreement prior to June 1, 2015, such entity will be removed from participation on the Board or as an assigning agency of the DTF. The members of the Board and parties to this Agreement will be determined by the signatures affixed hereto by the representative assigned by the governmental agency after approval by the government body of the terms of this Agreement. If a signature and date does not appear by a party's agency, then such agency is not represented on the Board.

IN WITNESS WHEREOF, the parties by their duly authorized representatives designated by the following signatures:

[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 16th day of September, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

INTERLOCAL COOPERATION AGREEMENT
2nd JUDICIAL DISTRICT DRUG TASK FORCE

This Agreement is entered into by the undersigned parties on behalf of the governing bodies such parties represent by virtue of the office the individual holds at the time this Agreement is signed. The governing bodies represented herein are part of the 2nd Judicial District of the State of Tennessee.

WHEREAS, Tennessee Code Annotated, Section 12-9-101, *et seq.*, authorizes public agencies to enter into inter-local cooperation agreements; and

WHEREAS, Tennessee Code Annotated, Section 8-7-110, as amended by the Public Acts of 2004, authorizes any law enforcement officer or assistant district attorney general or district attorney general criminal investigator hired or assigned to a drug task force to enforce the laws of the State of Tennessee related to the investigation and prosecution of drug cases by conferring the same rights, powers, duties and immunities in every jurisdiction within the judicial district as such officer has within the officer's own jurisdiction; and

WHEREAS, the local governments that are parties to this Agreement are to avail themselves of all authority conferred by these statutes, and any other provisions of law, to create and operate a drug task force for the 2nd Judicial District; and

WHEREAS, it is deemed in the public interest by the parties hereto that such a multi-jurisdictional drug task force is created.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. **PURPOSE:** The purpose of the 2nd Judicial District Drug Task Force (hereinafter "DTF") is to consolidate the effort, information, experience and resources of the individual law enforcement agencies within the district in order to effectively investigate drug cases. This Agreement does not prohibit, or otherwise restrict the law enforcement agencies which are parties to this Agreement, from continuing to investigate drug cases within the jurisdiction in which such agency operates.

2. **BOARD OF DIRECTORS:** The DTF shall be governed by the Board of Directors (hereinafter "Board"). The Board shall be comprised of the chief law enforcement officer for each city and/or county within the 2nd Judicial District that is a party to this Agreement. Other local governmental entities within the 2nd Judicial District may become a party to this Agreement through written notification to the Board of Directors, and approval by the governing body of the entity and acceptance of this Agreement's terms and conditions. Such added parties may then designate a representative for the Board according to the provisions outlined herein. The District Attorney General for the 2nd Judicial District shall also be a voting member of the Board.

Meetings. The Board will establish the time, date and place for its regular meetings. Regular meetings shall be held monthly. Special meetings of the Board shall be called upon the request of the Chairman or of one-third of the Board members. Notices of all meetings of the Board shall be sent by DTF personnel by e-mail or by regular mail at least five (5) business days prior to the meeting. Notice of any particular meeting may be given to some Board members in one manner and to the remaining Board members in a different manner.

Quorum. Except as otherwise provided herein, a majority of the Board members in person or by proxy shall constitute a quorum for the transaction of business. Except as otherwise provided herein, a majority of the quorum will rule.

Compensation. Members of the Board will serve without additional compensation.

Authority. The Board is responsible for the overall policy and direction of the DTF. The duties of the Board include, but are not limited to, the following:

1. Selecting a DTF Director. Such person will be assigned from one of the participating law enforcement agencies that are party to this Agreement.

2. Approving assignment, discharge, suspension, or transfer of DTF personnel.

3. Overseeing the finances of the DTF to ensure compliance with the procedures required by the State Comptroller, federal grants and any internal financial policies established by the Board.

4. Review annually all Memorandums of Understandings, Inter-agency Agreements and Inter-local Agreements.

Officers of the Board. The District Attorney General shall be designated Chairman of the Board and will hold said position for the duration of their tenure in office.

Voting. Each member of the Board will have an equal vote in the conduct of its business. Voting by proxy or thru an assigned designate will be allowed if the Board member elects this option at any time prior to the date a vote of the Board is taken. A vote by a proxy or assigned designate of a Board member will have the same force and effect as a vote by such Board member in person. Any action authorized in writing by all of the Board shall be an act of the Board with the same force and effect as if the same had been passed by unanimous vote of a duly called meeting of the Board.

Nonliability of Board members. The Board members shall not be personally liable for the debts, liabilities, or other obligations of the DTF.

3. **DRUG TASK FORCE DIRECTOR:** The Board shall assign a Director to supervise the day-to-day business of the DTF. The Director shall be responsible for implementing policies approved by the Board and for reporting to the Board at each meeting. The Director's compensation and authority shall be determined by the Board. The Director shall not be entitled to vote at Board meetings. The duties of the Director include, but are not limited to, the following:

    1. Select a DTF Office Manager, and/or other necessary office personnel, and receive approval from the Board for such selection(s).

    2. Approve expenditure of DTF funds and maintain account of such funds as required by the State Comptroller, federal grant and internal financial procedures established by the Board.

    3. Ensure the timely preparation of all reports on DTF activities.

    4. Prepare policies and procedures for DTF personnel, and receive approval from the Board for the implementation of such policies and procedures.

    5. Enter into agreements, leases, and/or contracts on behalf of the DTF. The Director does not have to seek approval from the Board for agreements, leases and/or contracts pertaining to the day-to-day operations of the DTF; however, such agreements, leases and/or contracts must be accounted for within the budget and/or quarterly financial statement provided to the Board. The Board may set a maximum financial obligation which may be implemented through the authority of the Director, to set a standard by which approval must be sought prior to the implementation of agreements, leases and/or contracts pertaining to the DTF.

4. **FINANCES:** The financial matters of the DTF shall be conducted in accordance with all applicable state and federal laws.

Judicial District Drug Fund. A joint fund shall be established for the monies necessary for DTF operations. Such fund shall be maintained in the office of the Trustee in the county designated by the Board. This fund shall be known as the "Judicial District Drug Fund." All monies including, but not limited to, local government contributions, fines, grant proceeds, seizures and forfeitures for the benefit of the DTF shall be deposited in this fund.

Disbursement of Judicial District Drug Fund. Monies from the Judicial District Drug Fund may be disbursed upon request by the DTF Director. Disbursements shall be subject to the limitations established by the Board in accordance with state and federal law.

Contributions and Distribution of Income: All contributions by individual agencies that are members of the DTF along with any individualized agreements relating to the distribution of income and/or seized assets between the DTF and individual agencies, will be pursuant to Memorandums of Understanding between the DTF and the respective individual agencies. These agreements will be approved by the District Attorney General and the chief law enforcement officer of the respective agency. All distribution of income and/or seized property will comply with any and all applicable Tennessee state law.

Budget. The DTF Director shall prepare an annual budget on or before April 1st of each year designating the manner in which the Judicial District Drug Fund shall be disbursed. Such budget shall be approved by the Board prior to disbursement.

Purchasing. The Board may adopt policies and procedures concerning purchasing. The purchasing procedure of the DTF must comply with the purchasing procedure of the county wherein the DTF headquarters is located as well as any other applicable state and/or federal law.

Accounting and Reporting. The DTF must maintain the finances and records pertaining to such finances in accordance with state and federal law. The DTF Director shall file a monthly financial report with the Board.

Audit. An annual audit shall be conducted of the funds maintained by the DTF. The audit will be made by the State Comptroller or a private accountant employed via a majority vote of the Board.

5. **PROPERTY OF THE DTF:** The DTF shall have the authority to maintain control over personal and real property.

Personal Property and Equipment. The personal property and equipment contributed to or purchased by the DTF shall remain the property of the DTF for so long as the DTF is operational. The property and equipment supplied through employees assigned to the DTF that remain employees of a law enforcement agency and/or governmental entity shall remain the property of the law enforcement agency and/or governmental entity unless otherwise designated in writing.

Real Property. The DTF has the authority to purchase real property and hold such property in the name of the DTF. Any purchase of real property made by the DTF must be made with the authorization of the Director after receipt of approval by a majority of the Board.

Disposal of DTF Property. Obsolete or surplus property of the DTF may be disposed of at the discretion of the DTF Director. In the event the DTF is dissolved or disbanded, real and personal property in the custody and control of the DTF shall be disposed of by the Board to the law enforcement agencies and/or governmental entities that are parties to this agreement or in accordance with state

law as a Court of competent jurisdiction in any county in which the DTF operates within the 2nd Judicial District shall direct.

6. **PERSONNEL:** Any assignment of a law enforcement officer, assistant district attorney general, or district attorney general investigator assigned to the DTF shall have such assignment in writing provided by the chief law enforcement official of the assigning jurisdiction; including, but not limited to, sheriff departments, police departments, task forces, state law enforcement agencies and district attorney general's office, and shall not become effective until approved by the Board. Non-Commissioned employees may be assigned to the DTF by agencies pursuant to Memorandums of Understanding between the DTF and respective agencies; such assignments shall be made in writing and shall not become effective until approved by the board. Pursuant to Tennessee Code Annotated, Section 8-7-110, any law enforcement officer employed by or assigned to the DTF must meet the minimum certification requirements of the peace officers standards and training commission; provided, however, that such officer shall not be entitled to receive a police pay supplement for that certification.

Commission. The Director of the DTF shall have the authority to commission personnel assigned to or hired by the DTF with the approval of the District Attorney General for the 2nd Judicial District.

Status and Benefits. Any law enforcement officer or non-commissioned employee assigned to the DTF shall remain an employee of the agency making the assignment for the purpose of compensation and benefits. Salaries of such officers shall be paid by the respective law enforcement agency making the assignment. A law enforcement officer assigned to the DTF shall retain all rights, privileges and benefits including, but not limited to, insurance, retirement, seniority, promotional consideration and Worker's Compensation with the assigning agency.

Assignment and Transfer. Each law enforcement agency and/or governmental entity that is a party to this Agreement may recommend law enforcement officers or non-commissioned personnel for assignment to the DTF. The officer or non-commissioned person, the assigning agency, the Director or the Board may request assignment changes regarding the officer's position or non-commissioned person's position with the DTF. Any assignment or change in assignment pertaining to personnel with respect to the DTF shall be subject to Board approval. Any law enforcement officer or non-commissioned person assigned by the DTF shall follow the policies and procedures of the assigning agency as well as those established by the Director for the DTF.

7. **AUTHORITY OF DTF AGENTS:** Any law enforcement officer or assistant district attorney general or district attorney general criminal investigator assigned to or hired by the DTF shall have the same rights, powers, duties and immunities in every jurisdiction within the judicial district as such officer has within the officer's own jurisdiction. Such individuals shall also have the same rights, powers, duties and immunities statewide as such officer has within the 2nd

Judicial District; provided, that investigations conducted outside the officer's jurisdiction originated within the officer's own jurisdiction and is immediately necessary to an ongoing investigation; or by working in cooperation with another judicial district or multi-judicial district task force or law enforcement agency; or where there exists a mutual aid agreement between the judicial districts or multi-judicial district task forces approved by each district attorney general. *See* Tennessee Code Annotated, Section 8-7-110. Any law enforcement officer, who is employed directly by the 2nd Judicial District Drug Task Force and has been conferred law enforcement powers, shall have all the police powers necessary to enforce all State laws, including all traffic laws, the power to serve and execute warrants, arrest offenders and issue citations.

8. **IMMUNITIES OF DTF AGENTS:** Notwithstanding any other provision of law to the contrary, concerning members of judicial district task forces relating to the investigation and prosecution of alleged drug violations, if a claim or suit should be filed against an individual and it is proven that: (1) at the time of the alleged incident the individual was a member of the DTF who was properly certified to the board of claims pursuant to state law; and (2) the alleged liability arose out of the individual's activities as a DTF member; then it shall be conclusively deemed that the individual was not an employee, agent or servant of a local government but was a volunteer to the state. To the extent any conflict exists concerning liability or jurisdiction of the members of the DTF relating to the investigation and prosecution of, but not limited to, drug cases between the provisions established by state law and any mutual aid or interlocal agreement entered into by the DTF, then state law shall take precedence over any such agreement. *See* Tennessee Code Annotated, Section 8-7-110.

9. **QUALIFICATIONS FOR CERTIFYING MEMBERS OF THE TASK FORCE AND MEMBERS OF THE BOARD OF DIRECTORS: QUALIFICATIONS FOR CERTIFYING MEMBERS OF THE TASK FORCE AND MEMBERS OF THE BOARD OF DIRECTORS:** Pursuant to Tennessee Code Annotated Section 8-42-101(3)(C), the 2nd DTF will comply with all requirements of Chapter 0620-3-5 of the Rules of the Tennessee Department of Finance and Administration relating to the qualifications for certifying members and board of directors of judicial drug task forces relating to the investigation and prosecution of drug cases for the purpose of state liability protection.

10. **DURATION AND TERMINATION OF AGREEMENT:** The duration of this Agreement is perpetual. A party to this Agreement may withdraw at any time by providing written notice to the Board at least sixty (60) days prior to such withdrawal. The DTF may be dissolved upon the vote of a majority of the Board and the approval of the District Attorney General of the 2nd Judicial District. Upon such vote, the DTF will wind up its affairs in accordance with the provisions outlined herein.

11. **CONSTRUCTION:** Should any of the provisions or portions of this Agreement be held unenforceable or invalid for any reason, the remaining provisions and portions of the Agreement shall be unaffected by such holding.

12. **EFFECT:** This Agreement shall take effect as of June 1, 2015, upon the adoption of the terms of this Agreement by the Board in existence prior to such effective date. Such entities seeking to be parties to this Agreement shall be made such upon receipt by the Board of the minutes of the meeting of the governing body of such party showing agreement to the terms outlined herein. If a participating entity does not seek approval of this Agreement prior to June 1, 2015, such entity will be removed from participation on the Board or as an assigning agency of the DTF. The members of the Board and parties to this Agreement will be determined by the signatures affixed hereto by the representative assigned by the governmental agency after approval by the government body of the terms of this Agreement. If a signature and date does not appear by a party's agency, then such agency is not represented on the Board.

IN WITNESS WHEREOF, the parties by their duly authorized representatives designated by the following signatures:

_____ **DATE:** 8-19-25
***Barry Staubus*, DISTRICT ATTORNEY GENERAL, 2nd JUDICIAL DISTRICT**

CITY OF KINGSPORT

_____ **DATE:** _____
Jason Bellamy*, CHIEF OF POLICE, *City of Kingsport

_____ **DATE:** _____
APPROVED, *Paul W. Montgomery*, MAYOR, *City of Kingsport*

_____ **DATE:** _____
APPROVED AS TO FORM, *Bart Rowlett*, CITY ATTORNEY, *City of Kingsport*

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of Resolution Amending the Contract with the Tennessee Department of Transportation (TDOT) for the Main Street Redevelopment Project

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-263-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	M. Thompson / S. Catron
First Reading:	NA	Presentation By:	Ryan McReynolds

Strategic Focus Area: 2. Sustainable Infrastructure

Recommendation:
Approve the Resolution

Executive Summary:
If approved the contract with TDOT for the Main Street Redevelopment Project will be amended to extend the completion date to December 30, 2025.

The requested time extension is needed to allow for final landscape items to be planted in the fall for maximum survivability. Delays in the underground utility work of the project caused these plantings to not be accomplished this spring.

Agreement Number: 160028; Federal Project Number: STP-M-9108(48); State Project Number: 82LPLM-F3-071; Project Identification Number: 123325.00.

Attachments:
1. Resolution
2. Amendment

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

RESOLUTION NO. _____

A RESOLUTION APPROVING AMENDMENT NUMBER 3 TO AGREEMENT NUMBER 160028 WITH THE TENNESSEE DEPARTMENT OF TRANSPORTATION FOR THE MAIN STREET REDEVELOPMENT PROJECT; AUTHORIZING THE MAYOR TO EXECUTE ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AMENDMENT OR THIS RESOLUTION

WHEREAS, in March, 2016, the board approved a resolution authorizing the mayor to sign an agreement with the Tennessee Department of Transportation (TDOT) for the Main Street Redevelopment Project, which involves rebuilding Main Street from Sullivan Street to Market Street (Res 2016-123).

WHEREAS, Amendment 1 to the agreement was approved on March 16, 2021 (Res. 2021-174, as the completion date for this project was changed to April 1, 2024 project completion date.

WHEREAS, Amendment 2 to the agreement was approved on August 20, 2024 (Res. 2025-043, as the completion date for this project was changed to April 3, 2025 project completion date

WHEREAS, this third amendment to this agreement will extend the completion date to December 30, 2025.

Now therefore,

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

SECTION I. That Amendment 3 to the Tennessee Department of Transportation Agreement Number 160028 for the Main Street Redevelopment Project is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is further 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 other documents necessary and proper to effectuate the purpose of Amendment 3 to the Tennessee Department of Transportation Agreement Number 160028 for the Main Street Redevelopment Project and all other documents necessary and proper to effectuate the purpose of this resolution, the amendment being generally as follows:

Amendment Number:	3
Agreement Number:	1 60028
Project Identification Number:	123325.00
Federal Project Number:	STP/TAP/CRP-M/HIP-91 08(48)
State Project Number:	82LPLM-F3-071

THIS AGREEMENT AMENDMENT is made and entered into this_____day of _____, 20__ by and between the STATE OF TENNES SEE DEPARTMENT OF TRANSPORTATION, an agency of the State of Tennessee (hereinafter called the "Department") and the CITY OF KINGSPORT (hereinafter called the "Agency"), for the purpose of providing an understanding among the parties of their respective obligations related to the management of the project described as:

Main Street, from Sullivan Street to Market Street

1 . The language of Agreement # 1 60028 A2 dated August 21, 2024 Section B.2 a) is hereby deleted in its entirety.

2 . The following is added as B.2 a) .

B.2 a) The Agency agrees to complete the herein assigned phases of the Project on or before December 30, 2025. If the Agency does not complete the herein described phases of the Project within this time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work perform ed after the expiration date of the Agreement will not be reimbursed by the Department.

All provisions of the original contract not expressly amended hereby shall remain in full force and effect.

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

Amendment Effective Date. The revisions set forth herein shall be effective once all required approvals are obtained. All other terms and conditions of this Grant Contract not expressly amended herein shall remain in full force and effect.

[Acknowledgements Deleted for Inclusion in this Resolution]

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

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

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

ADOPTED this the 16th day of September, 2025.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY

Amendment Number: 3

Agreement Number: 160028

Project Identification Number: 123325.00

Federal Project Number: STP/TAP/CRP-M/HIP-9108(48)

State Project Number: 82LPLM-F3-071

THIS AGREEMENT AMENDMENT is made and entered into this _____ day of _____, 20___ by and between the STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION, an agency of the State of Tennessee (hereinafter called the "Department") and the CITY OF KINGSPORT (hereinafter called the "Agency"), for the purpose of providing an understanding among the parties of their respective obligations related to the management of the project described as:

Main Street, from Sullivan Street to Market Street

1. The language of Agreement # 160028 A2 dated August 21, 2024 Section B.2 a) is hereby deleted in its entirety.

2. The following is added as B.2 a) .

B.2 a) The Agency agrees to complete the herein assigned phases of the Project on or before **December 30, 2025**. If the Agency does not complete the herein described phases of the Project within this time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed after the expiration date of the Agreement will not be reimbursed by the Department.

All provisions of the original contract not expressly amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their respective authorized officials on the date first above written.

CITY OF KINGSPORT

By: _____ _____
Paul W. Montgomery **Date**
Mayor

STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION

By: _____ _____
Will Reid **Date**
Commissioner

APPROVED AS TO
FORM AND LEGALITY

By: _____ _____
Rodney B. Rowlett, III **Date**
Attorney

APPROVED AS TO
FORM AND LEGALITY

By: _____ _____
Leslie South **Date**
General Counsel

ATTESTED BY:

_____ _____
Angie Marshall **Date**
Deputy City Recorder

By: _____ _____
Steve Allen **Date**
Director, Local Programs
& Community Investments
Division

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Enter into a Donation Agreement with Ballad Health for a Reset Room at Andrew Jackson Elementary School

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager CM

Action Form No.:	AF-224-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Committee
First Reading:	N/A	Presentation By:	David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Resolution

Executive Summary:
If approved, the City will enter into a donation agreement for $4,500 donation from Ballad Health to create a "reset room" at Andrew Jackson Elementary School.

Examples of items for the "reset room" may include coloring books, Play-Doh and fidget toys to aid in positive mental health and stress reduction for students and staff.

Ballad donated funds in 2023 for a "reset room" at Sevier Middle School and in 2024 for a "reset room" at Robinson Middle School.

Attachments:
1. Resolution
2. Agreement

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. ____

A RESOLUTION TO ENTER INTO A DONATION AGREEMENT WITH BALLAD HEALTH FOR A RESET ROOM AT ANDREW JACKSON ELEMENTARY SCHOOL

WHEREAS, staff recommends entering into a donation agreement with Ballad Health wherein Ballad Health will donate funds in the amount of $4,500.00 to the city for the benefit of Andrew Jackson Elementary School; and

WHEREAS, the funds will be used to create a “reset room” to aid in positive mental health and stress reduction for students and staff.

Now therefore,

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

SECTION I. That the donation agreement with Ballad Health for the amount of $4,500.00 is accepted on behalf of Andrew Jackson Elementary School.

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 Donation Agreement with Ballad Health, to deliver the agreement and take any and all action as may be required on the part of the city to carry out, give effect to, and consummate the transactions contemplated by the agreement and this resolution, said agreement being as follows:

Donation Agreement
between
Ballad Health
and
City of Kingsport for its Kingsport City Schools

WHEREAS, Ballad Health is a non-profit healthcare organization committed to improving the health andwellness of citizens in its service areas of Northeast TN and Southwest VA; and

WHEREAS, City of Kingsport for its Kingsport City Schools operates the **Andrew Jackson Elementary School** (“School”); and

WHEREAS School wishes to create “reset rooms” to aid in positive mental health and stress reduction for students and teachers; and

WHEREAS Ballad Health believes this will improve the mental health and wellness of members of the community in keeping with its charitable purposes and is willing to assist School in creating such resetrooms by providing a monetary donation to be used for this purpose;

NOW, THEREFORE, the purpose of this agreement is to formalize the supportive relationship betweenBallad Health and School for this purpose.

Under this agreement:

Ballad Health agrees to provide a one-time grant to School in the amount of **Four Thousand Five Hundred Dollars** ($4,500) to be paid by **10/1/25**. Ballad Health has no obligation beyond providing the monetary support.

The School agrees to use the funds only for the purchase of items and equipment related the reset

roomproject.

The School will display a sign to be provided by Ballad that is reasonably acceptable to the School indicating the equipment in the room has been provided by Ballad Health. Ballad hereby grants a license to the School to display this signage at the School for the duration of this Agreement.

School agrees to provide the following initial data points to Ballad regarding room utilization monthly. School acknowledges that Ballad may request the data points or frequency of reporting may be changedin the future by Ballad. School will use reasonable efforts to meet any modified data points or reportingfrequency. Initial Data reporting:

1. Date of visit
2. Time of visit
3. Grade level of student
4. Items used
5. Reason/Catalyst for visit

[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 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 16th of September, 2025.

_____
PAUL W. MONTGOMERY, MAYOR

ATTEST:

_____
ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

_____
RODNEY B. ROWLETT, III, CITY ATTORNEY

Donation Agreement
between
Ballad Health
and
City of Kingsport for its Kingsport City Schools

WHEREAS, Ballad Health is a non-profit healthcare organization committed to improving the health and wellness of citizens in its service areas of Northeast TN and Southwest VA; and

WHEREAS, City of Kingsport for its Kingsport City Schools operates the Andrew Jackson Elementary ("School"); and

WHEREAS School wishes to create "reset rooms" to aid in positive mental health and stress reduction for students and teachers; and

WHEREAS Ballad Health believes this will improve the mental health and wellness of members of the community in keeping with its charitable purposes and is willing to assist School in creating such reset rooms by providing a monetary donation to be used for this purpose;

NOW, THEREFORE, the purpose of this agreement is to formalize the supportive relationship between Ballad Health and School for this purpose.

Under this agreement:

Ballad Health agrees to provide a one-time grant to School in the amount of Four Thousand Five Hundred Dollars ($ 4,500) to be paid by 10/1/25. Ballad Health has no obligation beyond providing the monetary support.

The School agrees to use the funds only for the purchase of items and equipment related the reset room project.

The School will display a sign to be provided by Ballad that is reasonably acceptable to the School indicating the equipment in the room has been provided by Ballad Health. Ballad hereby grants a license to the School to display this signage at the School for the duration of this Agreement.

School agrees to provide the following initial data points to Ballad regarding room utilization monthly. School acknowledges that Ballad may request the data points or frequency of reporting may be changed in the future by Ballad. School will use reasonable efforts to meet any modified data points or reporting frequency. Initial Data reporting:

1. Date of visit
2. Time of visit
3. Grade level of student
4. Items used
5. Reason/Catalyst for visit

(Signatures next page)

Signed and agreed to by:

City of Kingsport for its Kingsport City Schools <SYSTEM>

Ballad Health

_____ (Date)

_____ (Date)

_____ Name

_____ Name

_____ Title

_____ Title

APPROVED BY BALLAD LEGAL DEPARTMENT As To Form

C:\Users\U19097\Downloads\Donation-Agreement-Ballad-provides-monetary-support.docx

ATTEST:

_____
CITY RECORDER

APPROVED AS TO FORM:

_____
CITY ATTORNEY

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with AccuForce

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-242-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Tonya Fletcher
First Reading:	N/A	Presentation By:	Tyra Copas

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
The City utilizes temporary staff to fill seasonal roles, temp-to-hire positions, and other short-term employment needs.

In September of 2022 the City of Kingsport conducted a Request for Proposals from Staffing Agencies for providing temporary employees with the City of Kingsport. There were four proposals submitted and out of the four two Temporary Employment Services contracts were awarded due to fitting the best needs of the City and having the lowest costs. The contracts went to **AccuForce** and Luttrell. The contracts were made effective January 1, 2023, for a term of three years and to be completed on December 31, 2025, with a renewal option in annual increments after the initial term has expired.

After reviewing the service level and partnership over the past three years with AccuForce, the Human Resources department, with endorsement by the Procurement Department, **request an extension for the Temporary Employment Services agreement with AccuForce** for another year **beginning January 1, 2026**. The extension will be at **no additional cost to the City**, with all pricing and service levels remaining unchanged. Pricing: 20.75% for City referral / 24% vendor referral

Funding for these positions is already included in departmental budgets; therefore, no additional costs will be incurred.

Attachments:
1. Resolution
2. Accuforce letter of extended agreement

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION RENEWING THE AGREEMENT FOR TEMPORARY EMPLOYMENT SERVICES WITH ACCUFORCE AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in February, 2023, the board approved an agreement with Accuforce for temporary employment services; and

WHEREAS, the agreement was for three years effective January 1, 2023, with a renewal option in annual increments after the initial term has expired; and

WHEREAS, the city would like to renew the agreement for the term of January 1, 2026 through December 31, 2026, with no increase in cost or change to the services for the requested extension for 2026; and

WHEREAS, funding is identified various city accounts.

Now therefore,

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

SECTION I. That the renewal of the agreement with Accuforce for temporary employment services for the Aquatic Center, parks and recreation, and public works for calendar year 2026, 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 city's renewal of the Agreement for Services and all documents necessary and proper to effectuate the purpose of the agreement.

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 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____

ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

_____

RODNEY B. ROWLETT, III, City Attorney

1567 N Eastman Rd, Ste 2, Kingsport, TN 37664

To Whom It May Concern:

AccuForce HR Solutions is pleased to express our interest in extending our agreement with the City of Kingsport for a one-year period beginning January 1, 2026 in regards to the hiring and placement of temporary and contingent workers.

We would like to continue providing staffing services at the previously agreed-upon and contracted rates:

- A 24% markup for workers recruited directly by AccuForce
- A 20.75% markup for workers referred to AccuForce by the City of Kingsport

We greatly value our working relationship with the City and look forward to another successful year of collaboration. Should you have any questions or require further information, please don't hesitate to contact us at (423) 247-1835.

Sincerely,

Kim Muncy
Director of Business Development
AccuForce
kimm@accuforce.com

AGENDA ACTION FORM

Consideration of a Resolution to Extend Current Temporary Employment Services Agreement with Luttrell

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.:	AF-249-2025	Final Adoption:	September 16, 2025
Work Session:	September 15, 2025	Staff Work By:	Tonya Fletcher
First Reading:	N/A	Presentation By:	Tyra Copas

Strategic Focus Area: 1. Efficient & Responsive Government

Recommendation:
Approve the Resolution

Executive Summary:
If adopted, the accompanying resolution approves renewing the temporary employment services agreement with Luttrell for calendar year 2026.

The City utilizes temporary staff to fill seasonal roles, temp-to-hire positions, and other short-term employment needs.

In September of 2022 the City of Kingsport conducted a Request for Proposals from Staffing Agencies for providing temporary employees with the City of Kingsport. There were four proposals submitted and out of the four two Temporary Employment Services contracts were awarded due to fitting the best needs of the City and having the lowest costs. The contracts went to **Luttrell** and AccuForce. The contracts were made effective January 1, 2023, for a term of three years and to be completed on December 31, 2025, with a renewal option in annual increments after the initial term has expired.

After reviewing the service level and partnership over the past three years with Luttrell, the Human Resources department, with endorsement by the Procurement Department, **request an extension for the Temporary Employment Services agreement with Luttrell** for another year **beginning January 1, 2026**. The extension will be at **no additional cost to the City**, with all pricing and service levels remaining unchanged. Pricing: 23% with City referral / 27% vendor referral / 26% when 76+ hires are reached.

Funding for these positions is already included in departmental budgets; therefore, no additional costs will be incurred.

Attachments:
1. Resolution
2. Luttrell letter of extended agreement

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION RENEWING THE AGREEMENT FOR TEMPORARY EMPLOYMENT SERVICES WITH LUTTRELL AND AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR THE SAME AND ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, in February, 2023, the board approved an agreement with Luttrell for temporary employment services; and

WHEREAS, the agreement was for three years effective January 1, 2023, with a renewal option in annual increments after the initial term has expired; and

WHEREAS, the city would like to renew the agreement for the term of January 1, 2026 through December 31, 2026, with no increase in cost or change to the services for the requested extension for 2026; and

WHEREAS, funding is identified various city accounts.

Now therefore,

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

SECTION I. That the renewal of the agreement with Luttrell for temporary employment services for calendar year 2026, 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 city's renewal of the Agreement for Services and all documents necessary and proper to effectuate the purpose of the agreement.

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 16th day of September, 2025.

_____
PAUL W. MONTGOMERY, Mayor

ATTEST:

_____
ANGELA MARSHALL, Deputy City Recorder

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, City Attorney

LUTTRELL
STAFFING GROUP

Professional Personnel Service, Inc.
724 W. Center Street Suite B Kingsport, TN 37660
423.765-2628

August 8, 2025

To Whom it may concern,

On behalf of Luttrell Staffing Group, I would like to formally request a one-year extension of our current staffing agreement with the City of Kingsport.

This extension would continue under the same terms, conditions, and scope of service as outlined in the existing agreement.

We value the opportunity to support the City's staffing needs and look forward to maintaining our successful partnership.

Please let us know if any additional documentation or formal approvals are needed to move forward with this extension.

We appreciate your continued trust in our services.

Thanks,

Jake Jennings, CSP | *Business Development Manager*
151 East Main St, Suite 5 | Kingsport, TN 37660
C 423-440-4752 | O 423-765-2628 | F 423-765-2630

LUTTRELL
STAFFING GROUP

Professional Personnel Service, Inc.
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Jake Jennings, CSP | *Business Development Manager*
151 East Main St, Suite 5 | Kingsport, TN 37660
C 423-440-4752 | O 423-765-2628 | F 423-765-2630

KINGSPORT
TENNESSEE

AGENDA ACTION FORM

Consideration of a Resolution Approving the Niswonger Foundation Project On-Track MOU and Authorizing the Mayor to Sign All Documents

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager

Action Form No.: AF-250-2025
Work Session: September 15, 2025
First Reading: N/A

Final Adoption: September 16, 2025
Staff Work By: Committee
Presentation By: David Frye

Strategic Focus Area: World-Class Education

Recommendation:
Approve the Resolution

Executive Summary:
If approved, Kingsport City Schools will have an additional $87,640.00 to provide high-dosage/low-ratio literacy tutoring at three elementary schools for students who are struggling in the mastery of grade level academic skills and standards.

The City has an ongoing relationship with Niswonger Foundation for the Project On-Track program which utilizes the TN All Corps Community Partner Grant to supply high-dosage/low-ratio tutoring for students who are struggling in the mastery of grade level academic skills and standards. During the 2025-2026 school year, the focus will be on literacy tutoring for grades 1-4. Students will be provided with the opportunity to attend a minimum of 30 minutes at least two times a week for 12 weeks each semester.

A budget of $87,640.00 has been established. The allocation is listed below. A Budget Ordinance will be forthcoming upon execution of the agreement.

School	Tutor Allocation	Site Coordinator Stipend	Supply Fee
Roosevelt Elementary	$36,400.00	$3,000.00	$300.00
Johnson Elementary	$19,500.00	$3,000.00	$300.00
Kennedy Elementary	$21,840.00	$3,000.00	$300.00
Totals	$77,740.00	$9,000.00	$900.00

Attachments:
Resolution

	Y	N	O
Baker			
Cooper			
Duncan			
George			
Mayes			
Phillips			
Montgomery			

RESOLUTION NO. _____

A RESOLUTION APPROVING THE NISWONGER FOUNDATION PROJECT ON-TRACK MOU AND AUTHORIZING THE MAYOR TO SIGN THE MOU AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE MOU

WHEREAS, Kingsport City Schools has partnered with Niswonger Foundation in the past years for the Project On-Track Tutoring Program; and

WHEREAS, the administration would like to continue the literacy tutoring for students in grades 1-4 at Roosevelt Elementary, Johnson Elementary, and Kennedy Elementary; and

WHEREAS, funding will be provided by Niswonger Foundation in accordance with established guidelines by the TN All Corps Community Partner Grant; and

WHEREAS, the total budget allocation is $87,640.00.

Now therefore,

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

SECTION I. That a Memorandum of Understanding with Niswonger Foundation for Project On-Track 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 MOU with Niswonger Foundation and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the MOU or this resolution, said MOU being as follows:

Project On-Track: High-Dosage/Low-Ratio Tutoring Program
TN ALL Corps Community Partner Grant – TN Department of Education
Memorandum of Understanding for the 2025-2026 School Year

NISWONGER FOUNDATION Contact Person: Dr. Debra Bentley, Project Director

PARTNER/Contact Person(s): Kingsport City Schools, Dr. Holly Flora and Dr. Brian Cinnamon

This agreement between the NISWONGER FOUNDATION and the City of Kingsport for its Kingsport City Schools (hereinafter "Kingsport City Schools") is in accordance with guidelines established by the TN ALL Corps Community Partner Grant.

The project partner, Niswonger Foundation, agrees to provide the following services in accordance with the attached budget.

Statement of Work for Kingsport City Schools:

1. Scope of Project – Kingsport City Schools will serve as an operational partner of ProjectOn-Track. This partnership is expected to extend from August 1, 2025, through May 31,2026.

2. Personnel – Dr. Holly Flora and Dr. Brian Cinnamon will serve as the overall project coordinators for Project On-Track activities. The last page of this document describes the approved allocation.
3. Working Relationship – Debra Bentley, as Project Director, will serve as the primary point of contact between Niswonger Foundation and program partners. The project director will ensure this point of contact remains abreast of all developments and events.

Work to be performed

A. Collaborate with Niswonger Foundation to develop strategies and procedures for a successful implementation of high dosage/high impact literacy tutoring for grades 1-4 at identified site(s) during the 2025-2026 school year.
    1. The district will determine site(s) where students will work with trained tutors.
    2. Site coordinator(s) will be selected to oversee project operations, participate in professional training, and supervise trained tutors. Site coordinators will receive a document “Site Coordinator’s Essential Functions” and are required to attend informational and training meetings as scheduled by the Project On-Track team.
    3. Tutors will be selected to work with students per Project On-Track guidelines at designatedtimes determined by the school district. Tutors will receive a document “Academic Tutor’sEssential Functions.”
    4. Project On-Track staff members will provide all training for selected tutors in literacy.
    5. Tutor training sessions will be 2-7 hours in length depending on the grade level. Tutors will becompensated at their agreed upon rate of pay for completing training sessions.
    6. Site coordinators, district personnel, and Project On-Track staff members will provide coaching support for tutors in the areas of time management, classroom management, and communicationso that tutoring sessions meet the needs of all students in an efficient manner.
    7. PROJECT ON-TRACK shall comply with T.C.A. § 49-5-413, which requires a criminal history records check conducted by the Tennessee Bureau of Investigation and the Federal Bureau of Investigation for any person prior to permitting that person having contact with students or entering school grounds when students are present. PROJECT ON-TRACK hereby certifies that PROJECT ON-TRACK will prior to having contact with students or entering on school grounds when children are present successfully completed the required background check or otherwise complied with T.C.A. § 49-5-413(d) and have no disqualifications under T.C.A. § 49-5-413(d).
B. The district will identify and select students in grades 1-3 who are struggling in the mastery of grade level academic skills and standards in literacy. **Tutors are expected to provide the opportunity for each student to attend a minimum of 30 minutes at least two times a week for 12 weeks each semester.** Sites may serve only 4th grade students who are required to receive high-dosage tutoring based on T.C.A. § 49-6-3115.
    1. The district will use multiple sources of data and information in selecting the students who will be part of the tutoring program which may include but not limited to 2024-2025 state assessment results, beginning-of-year universal screening results (prefer students below the 40th %ile), beginning-of-year assessments, district benchmark results, and teacher recommendations.
    2. Multiple data points may be collected and analyzed for each student during the length of the tutoring program though mCLASS Intervention for grades 1-2 literacy. Students receiving tutoring support in grades 3-4 literacy will be assessed through multiple measures based on theinstructional materials used. District benchmark/interim assessment scores will be collected bytutors.

3. Instructional activities will be tailored and adjusted based on student performance on previous items and assessments. Each student's family will receive a mid-term progress report from the tutor identifying areas of strength and areas for focus.

C. Establish budget and financial oversight procedures regarding compensation for sitecoordinator(s) and tutors for the 2025-2026 school year.

1. Niswonger Foundation and the district's leadership will agree to payment and compensation processes and procedures. Project On-Track requires tutors to be financially compensated asdetermined by each finance department.
2. Tutors will maintain time records to be used for compensation and/or other requirements to show evidence of work per school district's policies. Tutor timesheets are to be submitted with district invoices.

The following stipulations shall apply:

1. The Niswonger Foundation shall approve the purpose, administration, and supervision of all phases of the services to be provided under all parts of this agreement.
2. This agreement may be terminated by either party upon receipt of 30 days' written notice. Any change to this agreement requires an amendment with the same authoritative signatures as the original. Neither party shall have the right to assign or transfer its rightsor obligations under this MOU without written consent of the other party. This agreement shall not be subject to modification or amendment except by written agreement with the appropriate authorized signatures.

Payment for Services

The funds awarded under the Project On-Track grant are available on a reimbursement basis and in accordance with payment schedule agreed to by the school district and the Niswonger Foundation. Social Security and Medicare will be reimbursed at 7.65% and retirement will be reimbursed at the actual cost. The reimbursement schedule can be monthly, quarterly, or at end of each semester. Sitecoordinators and tutors will maintain time sheets as required by the district partner. Kingsport City Schools will send Niswonger Foundation **digital invoices** with detailed documentation to the following individual using the contact information provided:

Dr. Debra Bentley
Cell: 423-791-4317
Email: dbentley@niswongerfoundation.org

Proposed Budget:

Site Name	Literacy tutors	Hours per tutor per week (including planning)	Rate of pay	Total hours (including planning)	Tutor Allocation	Site Coordinator Stipend	Supply Fee
Roosevelt Elementary	2	20	$35.00	1040	$36,400.00	$3,000.00	$300.00
Andrew Johnson Elementary	10	3	$25.00	780	$19,500.00	$3,000.00	$300.00
John F. Kennedy Elementary	8	3	$35.00	624	$21,840.00	$3,000.00	$300.00
					$77,740.00	**$9,000.00**	**$900.00**

{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 16th day of September 2025.

_____
PAUL W. MONTGOMERY, Mayor

ATTEST

_____
ANGIE MARSHALL, Deputy City Recorder

_____
RODNEY B. ROWLETT, III, City Attorney

BROWNEDWARDS
certified public accountants

Communication with Those Charged with Governance During Planning

To the Board of Mayor and Alderman, City Manager, and the Industrial Development Board of the City of Kingsport, Tennessee:

We are engaged to audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units (except for the Emergency Communications District, which is audited by other auditors), each major fund, and the aggregate remaining fund information of City of Kingsport, Tennessee (the "City") for the year ended June 30, 2025. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you at your request to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, and the Uniform Guidance

As stated in our engagement letter dated June 23, 2025, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the governmental entity's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the governmental entity's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about the governmental entity's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the governmental entity's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the governmental entity's compliance with those requirements.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI referenced in our engagement letter, which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the supplementary information referenced in our engagement letter, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited and we will not express an opinion or provide any assurance on it.

Planned Scope and Timing of the Audit, Significant Risks, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

While planning has not concluded and modifications may be made, we have identified the following significant risk of material misstatement as part of our audit planning:

- Management override: management and/or those charged with governance are in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding internal controls, even where such internal controls might otherwise appear to be operating effectively. Although the level of risk of

management override of internal controls will vary from entity to entity, the risk is, nevertheless, present in all entities.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Our review and understanding of the governmental entity's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control. Management is responsible for designing and maintaining an effective internal control environment.

We expect to begin our audit at a mutually agreed upon time and issue our report by December 31, 2025. John Aldridge is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

The Concept of Materiality in Planning and Executing the Audit

In planning the audit, the materiality limit is viewed as the maximum aggregate amount of misstatements, which if detected and not corrected, would not cause us to modify our opinion on the financial statements. The materiality limit is an allowance not only for misstatements that will be detected and not corrected but also for misstatements that may not be detected by the audit. Our assessment of materiality throughout the audit will be based on quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. At the end of the audit, we will inform you of all individual unrecorded misstatements aggregated by us unless clearly inconsequential in connection with your evaluation of our audit test results.

Inquiries Concerning Fraud

As part of the planning process, we assess the risk of misstatements in the financial statements, whether from fraud or error. Your consideration of the following questions is valuable in planning our engagement.

- Are you aware of any fraud, suspected fraud, or allegations of fraud?
- Are there departments or processes where you think fraud could easily occur and remain undetected?
- Are you comfortable with the integrity of management?
- Are you aware of any illegal acts or noncompliance with laws or grant agreements?
- Are you confident that personnel possess appropriate skill sets, and are committed to providing high quality financial information?
- Are there particular areas in the financial statements where you have concern that misstatements could occur?
- Are there any circumstances that you believe should be of interest to your auditors, but of which management is unaware or might have reason to not fully disclose to us?
- Are you satisfied that those charged with governance are actively involved in the governmental entity's assessment of the risks of fraud and the programs and controls established to mitigate those risks?
- Are there any significant unusual transactions that the entity entered into during the year?
- Do you have any concerns about the entity's related-party relationships and transactions?

If your consideration of these questions yields no concerns, we do not require that you respond to us. However, if you have any concerns or would like to simply discuss these (or any other) issues relating to the audit, please contact us at:

John Aldridge	David Elkins
(540) 345-0936	(423) 797-5564
jaldridge@becpas.com	delkins@becpas.com

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. We are not aware of any circumstances that have impaired our independence with respect to our engagement as described in our engagement letter.

This information is intended solely for the use of those charged with governance and management and is not intended to be and should not be used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Kingsport, Tennessee
June 23, 2025

Memorandum

To: Chris McCartt, City Manager

From: Travis Bishop, CFO

Date: Sept. 16, 2025

Copy: Angie Marshall, Deputy City Clerk

Re: Certificate of Compliance

Certificate of Compliance to CAPL Retail, LLC dba Zoomerz #980 located at 1331 John B. Dennis Highway

A retail food store is required to file an application with the City Recorder to obtain a Certificate of Compliance. This Certificate, which must be issued and signed by the mayor, is a required attachment to the application that is submitted by the business to the Tennessee Alcoholic Beverage Commission to obtain a license to sell wine in a retail food store.

Tennessee Code Annotated, Section 57-3-806 directs municipalities that the Certificate must state:

1. The applicant in charge of the business has not been convicted of a felony within the past ten years; and
2. The applicant's business location complies with local zoning laws.

These applications have met the requirements of TCA 57-3-806. A police background check has been conducted with nothing found that would prevent the applicant from receiving these certificates. Planning has also verified the businesses are properly zoned.