

**AGENDA  
CITY OF MORRISTOWN, TENNESSEE  
CITY COUNCIL MEETING  
JULY 7, 2015 – 5:00 P.M.**

**1. CALL TO ORDER**

Mayor Gary Chesney

**2. INVOCATION**

Mark Campbell, Chaplain Morristown Police Department

**3. PLEDGE OF ALLEGIANCE**

**4. ROLL CALL**

**5. APPROVAL OF MINUTES**

1. June 16, 2015

2. June 26, 2015

**6. PROCLAMATIONS/PRESENTATIONS**

Presentation of GFOA Certificate of Achievement for Excellence in Financial Reporting.

**7. CITIZEN COMMENTS ABOUT AGENDA ITEMS ONLY  
(Other than items scheduled for public hearing.)**

**8. OLD BUSINESS**

**8-a. Public Hearings & Adoption of Ordinances/Resolutions**

1. Ordinance No. 3521

An Ordinance to close and vacate certain rights-of-way within the City of Morristown. *{Portion of Lennie Avenue right-of-way between Crescent Street at South Henry Street.}*

2. Ordinance No. 3522

An Ordinance Setting the Tax Rate at \$1.114 for the Fiscal Year 2015-2016.

3. Ordinance No. 3504.10

An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$1,027,825 for Year End Budget Amendment of the General Fund.

4. Ordinance No. 3504.11  
An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$160,000 for Year End Budget Amendment of the CDBG Fund.
5. Ordinance No. 3504.12  
An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$17,000 for Year End Budget Amendment of the Narcotics Fund.
6. Ordinance No. 3504.13  
An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$1,153,500 for Year End Budget Amendment for the Self-Insurance Fund.

**9. NEW BUSINESS**

**9-a. Resolutions**

**9-b. Introduction and First Reading of Ordinances**

**9-c. Awarding of Bids/Contracts**

1. Grant Contract from the State of Tennessee, Department of Transportation Aeronautics Division in the amount of \$19,800 for airport general maintenance; this grant is a 50% local match.
2. HOME Federal Grant Program Contract from the State of Tennessee Housing Development Agency in the amount of \$375,000 for low income family rehab, no local match required.
3. Agreement between the State of Tennessee Department of Transportation and the City of Morristown for Resurfacing of West Andrew Johnson Hwy from North Fairmont Ave to West Morris Blvd. PIN#121752.00, State Project # 32LPLM-F3-053, this is a 20% local match.
4. Approval of Amendment #1 to General Engineering Services agreement with McGill & Associates for continuation of professional engineering services in the additional amount of \$40,000.
5. Approval of Proposal from LDA Engineering for quality control testing and observation services during construction for the Vantage View/Havley Springs Stormwater Project in the budgeted amount of \$32,200.

5. Approve Purchase from GameTime for playground equipment to be located at Rotary Place in Fred Miller Park and supervision of installation in the amount of \$57,073.

**9-d. Board/Commission Appointments**

**9-e. New Issues**

**10. CITY ADMINISTRATOR'S REPORT**

1. Report on Recycling.

**11. COMMUNICATIONS/PETITIONS**

**This is the portion of the meeting where members of the audience may speak subject to the guidelines provided.**

**12. COMMENTS FROM MAYOR/COUNCILMEMBERS/COMMITTEES**

**13. ADJOURN**

**City Council Meeting/Holiday Schedule:**

Regular City Council Meeting with Work Session

July 21, 2015	(Tues) 4:00 p.m.
July 21, 2015	(Tues) 5:00 p.m.
August 4, 2015	(Tues) 5:00 p.m.
August 7-8, 2015	(Fri. – Sat) noon-noon

August 18, 2015	(Tues) 4:00 p.m.
August 18, 2015	(Tues) 5:00 p.m.
September 1, 2015	(Tues) 5:00 p.m.
September 7, 2015	(Monday)
September 15, 2015	(Tues) 4:00 p.m.
September 15, 2015	(Tues) 5:00 p.m.

Finance Committee Meeting
Regular City Council Meeting with Work Session
Regular City Council Meeting with Work Session
City Council Annual Planning Retreat
Meadowview Conference Center, Kingsport, TN
Finance Committee Meeting
Regular City Council Meeting with Work Session
Regular City Council Meeting with Work Session
City Employee's Holiday (Labor Day)
Finance Committee Meeting
Regular City Council Meeting with Work Session

**WORK SESSION AGENDA**  
**JULY 7, 2015**  
**5:00 p.m.**

1. Police Department Report on Community Relations.

**STATE OF TENNESSEE  
COUNTY OF HAMBLLEN  
CORPORATION OF MORRISTOWN  
JUNE 16, 2015**

The City Council for the City of Morristown, Hamblen County, Tennessee, met in regular session at the regular meeting place of the Council in the Morristown City Center at 5:00 p.m., Tuesday, June 16, 2015, with the Honorable Mayor Gary Chesney, presiding and the following Councilmembers present; Bob Garrett, Chris Bivens, Kay Senter, Dennis Alvis, Ken Smith and Tommy Pedigo.

Tom Miles, Chaplain Morristown Police Department, led in the invocation and Councilmember Alvis led in the "Pledge of Allegiance".

Councilmember Alvis made a motion to approve the June 2, 2015 minutes as circulated and to adopt the June 16, 2015 Agenda. Councilmember Smith seconded the motion and upon roll call; all voted "aye".

Councilmember Pedigo made a motion to remove the following items: 9.a. 2 & 3; 9.d. 1 & 2 from the agenda. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

Mayor Chesney presented a Proclamation to Rachel Jarnigan designating June, 2015 as Dairy Month.

A Public Hearing was held regarding Ordinance No. 3520.

Councilmember Senter made a motion to approve Ordinance No. 3520 on second and final reading. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3520**

**An Ordinance of the City of Morristown, Tennessee Adopting the Annual Budget for the Fiscal Year Beginning July 1, 2015 and Ending June 30, 2016.**

Councilmember Senter made a motion to approve Resolution No. 09-15. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**Resolution No. 09-15**

**A Resolution Authorizing the Disbursement to ALPS, Boys & Girls Club of Morristown, Inc., CEASE, Inc., The Child Advocacy Center, Girls, Inc., Helping Hands Clinic, Inc., KAB, M-H Child Care Centers, Helen Ross McNabb Center (New Hope Recovery), Rose Center, Senior Citizens Center, Senior Citizens Home Assistance Service, Stepping Out, Helen Ross McNabb Center (Youth Emergency Shelter), Boys & Girls Club Swim**

**Team, tnAchieves, Diversity Task Force, HC\*Excell, Economic Development, Crockett Tavern, Workforce Development, and of those funds allocated to these Non-Profit, Charitable and Civic Organizations in the City of Morristown's 2015/2016 Fiscal Year Budget.**

WHEREAS, as a part of its annual budget process the City of Morristown allocates to be disbursed to deserving non-profit charitable and civic organizations; and,

WHEREAS, as a part of the City of Morristown's budget adopted for the 2015/2016 fiscal year three hundred twenty-one thousand five hundred dollars (\$321,500) were allocated to be disbursed to the ALPS, Boys & Girls Club of Morristown Inc., CEASE Inc., the Child Advocacy Center, Girls Inc., Helping Hands Clinic, Inc., KAB, Morristown-Hamblen Child Care Centers, Helen Ross McNabb Center (New Hope Recovery), Rose Center, Senior Citizens Center, Senior Citizens Home Assistance Service, Stepping Out, Helen Ross McNabb Center (Youth Emergency Shelter), Boys & Girls Club Swim Team, tnAchieves, Diversity Task Force, HC\*EXCELL, Economic Development, Crockett Tavern, and Workforce Development; and,

WHEREAS, the City of Morristown in accordance with Tennessee Code Annotated 6-54-111 does hereby pass this Resolution authorizing the disbursement to these non-profit charitable and civic organizations of the funds appropriated and budgeted for their use and benefit in the City of Morristown's 2015/2016 fiscal year budget; and,

WHEREAS, it is in the best interest and welfare of the citizens and residents of the City of Morristown that this Resolution shall be passed.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morristown, Tennessee, meeting in regular session on this the 16<sup>st</sup> day of June, 2015, with a lawful quorum of said Council being present and with a majority of said Council voting in the affirmative as follows:

1. That the three hundred twenty-one thousand five hundred dollars (\$321,500) appropriated and budgeted by the City of Morristown Council in its 2015/2016 fiscal year budget for the use and benefit of deserving non-profit charitable and civic organizations shall be disbursed and is authorized to be disbursed as follows:

ALPS	\$	10,625
Boys & Girls Club of Morristown, Inc.		16,500
CEASE, Inc.		17,750
The Child Advocacy Center		1,000
Girls Inc.		12,500
Helping Hands Clinic, Inc.		7,125
KAB		19,950

Morristown-Hamblen Child Care Centers	23,925
Helen Ross McNabb Center (New Hope Recovery)	5,000
Rose Center	13,000
Senior Citizens Center	48,625
Senior Citizens Home Assistance Service	5,000
Stepping Out	5,000
Helen Ross McNabb Center (Youth Emergency Shelter)	30,875
Boys & Girls Club Swim Team	10,000
tnAchieves	6,125
Diversity Task Force	7,000
HC*EXCELL	10,000
Economic Development	54,000
Crockett Tavern	7,500
Workforce Development	10,000
	<u>\$ 321,500</u>

2. This Resolution shall be effective from and after its adoption.

PASSED on the 16<sup>th</sup> day of June, 2015.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY ADMINISTRATOR/RECORDER

Councilmember Pedigo made a motion to approve Ordinance No. 3521 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 7, 2015. Councilmember Garrett seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3521**

**An Ordinance to close and vacate certain rights-of-way within the City of Morristown. *{Portion of Lennie Avenue right-of-way between Crescent Street at South Henry Street.}***

Councilmember Senter made a motion to approve Ordinance No. 3504.10 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 7, 2015. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".



**Ordinance No. 3504.10**

**An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$1,027,825 for Year End Budget Amendment of the General Fund.**

Councilmember Alvis made a motion to approve Ordinance No. 3504.11 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 7, 2015. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3504.11**

**An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$160,000 for Year End Budget Amendment of the CDBG Fund.**

Councilmember Smith made a motion to approve Ordinance No. 3504.12 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 7, 2015. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3504.12**

**An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$17,000 for Year End Budget Amendment of the Narcotics Fund.**

Councilmember Senter made a motion to approve Ordinance No. 3504.13 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 7, 2015. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 3504.13**

**An Ordinance to Amend Ordinance Number 3504, The City of Morristown, Tennessee Annual Budget for the Fiscal Year 2014-2015 and Appropriate the Sum of \$1,153,500 for Year End Budget Amendment for the Self-Insurance Fund.**

Councilmember Senter made a motion to award the bid/contract in the amount of \$311,091.25 to Andrews Construction, Inc. for Hangar Rehabilitation at Morristown Regional Airport. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

Councilmember Smith made a motion to approve the agreement between the City of Morristown Parks & Recreation Department and Murrell Burglar Alarms for Burglar Alarm Monitoring System(s) at Wayne Hansard Park in the amount of \$38 a month or \$426 a year, Frank Lorino Concessions in the amount of \$38 a month or \$426 a year and Frank Lorino Maintenance Building in the amount of \$38 a month or \$426 a year. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".



Councilmember Alvis made a motion to approve Change Order #3 to Summers-Taylor, Inc. for Paving Project (work added on Walters Drive); net increase of this change order \$72,616.36 bringing total contract price from \$803,970.45 to \$876,586.81. Councilmember Smith seconded the motion and upon roll call; all voted "aye".

Councilmember Smith made a motion to approve Task Order #004-A to Kimley-Horn in the lump sum amount of \$17,050. This is an amendment to Task Order 004 for the Lincoln Heights Safe Route to School Project. This amendment will serve as Phase 2 of the design services. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Bivens made a motion to approve the Police Departments promotion of Sgt. Todd King to Lieutenant in the Training Division. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

City Administrator Tony Cox reported the following line item transfer(s) to Council:

General Fund

- Transfer of \$425 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-134 (City Administrator – Christmas Bonus & Longevity).
- Transfer of \$6,000 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-214 (City Administrator – Health Insurance).
- Transfer of \$1,100 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-219 (City Administrator – Workers Compensation Insurance).
- Transfer of \$345 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-343 (City Administrator – Natural Gas & Propane).
- Transfer of \$500 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-345 (City Administrator – Telephone Services).
- Transfer of \$750 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-378 (City Administrator – Education Seminars & Training).
- Transfer of \$6,000 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-399 (City Administrator – Other Contracted Services).
- Transfer of \$70 from 110-41200-801 (City Administrator – Grants & Other Subsidies) to 110-41200-510 (City Administrator – Insurance).
- Transfer of \$650 from 110-41610-111 (Purchasing – Wages) to 110-41610-411 (Purchasing – Office Supplies & Materials).
- Transfer of \$250 from 110-41610-111 (Purchasing – Wages) to 110-41610-413 (Purchasing – Office Equipment).
- Transfer of \$165 from 110-41610-111 (Purchasing – Wages) to 110-41610-510 (Purchasing – Insurance).
- Transfer of \$500 from 110-41640-134 (Computer Operations – Christmas Bonus & Longevity) to 110-41640-111 (Computer Operations – Wages).

- Transfer of \$730 from 110-41640-964 (Computer Operations – Office Equipment) to 110-41640-330 (Computer Operations – Legal Notices).
- Transfer of \$1,000 from 110-41640-964 (Computer Operations – Office Equipment) to 110-41640-345 (Computer Operations – Telephone).
- Transfer of \$1,500 from 110-41640-964 (Computer Operations – Office Equipment) to 110-41640-433 (Computer Operations – Vehicle Parts).
- Transfer of \$750 from 110-41640-964 (Computer Operations – Office Equipment) to 110-41640-510 (Computer Operations – Insurance).
- Transfer of \$3,350 from 110-41650-111 (Human Resources – Wages) to 110-41650-219 (Human Resources – Workers Compensation Insurance).
- Transfer of \$250 from 110-41650-111 (Human Resources – Wages) to 110-41650-310 (Human Resources – Postage).
- Transfer of \$5,400 from 110-41650-111 (Human Resources – Wages) to 110-41650-300 (Human Resources – Legal Notices).
- Transfer of \$2,600 from 110-41650-289 (Human Resources – Tuition Reimbursement) to 110-41650-330 (Human Resources – Legal Notices).
- Transfer of \$1,400 from 110-41650-289 (Human Resources – Tuition Reimbursement) to 110-41650-371 (Human Resources – Subscriptions & Books).
- Transfer of \$600 from 110-41650-378 (Human Resources – Education Seminars & Training) to 110-41650-371 (Human Resources – Subscriptions & Books).
- Transfer of \$2,500 from 110-41650-378 (Human Resources – Education Seminars & Training) to 110-41650-383 (Human Resources – Travel).
- Transfer of \$1,200 from 110-41650-378 (Human Resources – Education Seminars & Training) to 110-41650-411 (Human Resources – Office Supplies & Materials).
- Transfer of \$1,200 from 110-41650-378 (Human Resources – Education Seminars & Training) to 110-41650-499 (Human Resources – Other Supplies & Materials).
- Transfer of \$500 from 110-41650-378 (Human Resources – Education Seminars & Training) to 110-41650-533 (Human Resources – Equipment Rental/Lease).
- Transfer of \$11,000 from 110-41700-399 (Planning – Other Contracted Services) to 110-41700-213 (Planning – Health Insurance).
- Transfer of \$120 from 110-41700-399 (Planning – Other Contracted Services) to 110-41700-219 (Planning – Workers Compensation Insurance).
- Transfer of \$1,000 from 110-41700-399 (Planning – Other Contracted Services) to 110-41700-310 (Planning – Postage).
- Transfer of \$2,100 from 110-41700-399 (Planning – Other Contracted Services) to 110-41700-355 (Planning – Computer/Data Processing).
- Transfer of \$750 from 110-41700-399 (Planning – Other Contracted Services) to 110-41700-411 (Planning – Office Supplies & Materials).
- Transfer of \$510,000 from 110-41700-399 (Planning – Other Contracted Services) to 110-41700-801 (Planning – Grants & Other Subsidies).
- Transfer of \$5,500 from 110-41710-111 (Codes Enforcement – Wages) to 110-41710-112 (Codes Enforcement – Overtime).

- Transfer of \$3,500 from 110-41800-111 (Engineering – Wages) to 110-41800-112 (Engineering – Overtime).
- Transfer of \$2,100 from 110-41800-533 (Engineering – Equipment Rental/Lease) to 110-41800-355 (Engineering – Computer/Data Processing).
- Transfer of \$750 from 110-41800-533 (Engineering – Equipment Rental/Lease) to 110-41800-431 (Engineering – Gasoline & Diesel Fuel).
- Transfer of \$550 from 110-42210-111 (Fire Supervision – Wages & Salaries Perm.) to 110-42210-134 (Fire Supervision – Christmas Bonus & Longevity).
- Transfer of \$1,100 from 110-42210-111 (Fire Supervision – Wages & Salaries Perm.) to 110-42210-219 (Fire Supervision – Workers Compensation Ins).
- Transfer of \$4,000 from 110-42210-378 (Fire Supervision – Education Seminars & Trng.) to 110-42210-219 (Fire Supervision – Workers Compensation Ins).
- Transfer of \$1,900 from 110-42210-431 (Fire Supervision – Gasoline & Diesel Fuel) to 110-42210-219 (Fire Supervision – Workers Compensation Ins).
- Transfer of \$600 from 110-42210-431 (Fire Supervision – Gasoline & Diesel Fuel) to 110-42210-411 (Fire Supervision – Office Supplies and Materials).
- Transfer of \$500 from 110-42220-115 (Fire Inspections – Other Salaries & Wages) to 110-42220-115 (Fire Inspections – Wages).
- Transfer of \$170 from 110-42220-115 (Fire Inspections – Other Salaries & Wages) to 110-42220-134 (Fire Inspections – Christmas Bonus & Longevity).
- Transfer of \$100 from 110-42220-115 (Fire Inspections – Other Salaries & Wages) to 110-42220-219 (Fire Inspections – Workers Compensation Ins.).
- Transfer of \$1,130 from 110-42220-115 (Fire Inspections – Other Salaries & Wages) to 110-42220-355 (Fire Inspections – Computer/Data Processing).
- Transfer of \$500 from 110-42220-371 (Fire Inspections – Subscriptions & Books) to 110-42220-355 (Fire Inspections – Computer/Data Processing).
- Transfer of \$440 from 110-42220-378 (Fire Inspections – Education Seminars & Training) to 110-42220-355 (Fire Inspections – Computer/Data Processing).
- Transfer of \$360 from 110-42220-378 (Fire Inspections – Education Seminars & Training) to 110-42220-510 (Fire Inspections – Insurance).
- Transfer of \$2,210 from 110-42220-971 (Fire Inspections – Motor Equipment) to 110-42220-510 (Fire Inspections – Insurance).
- Transfer of \$1,025 from 110-42400-111 (Inspections – Wages & Salaries Permanent) to 110-42400-219 (Inspections – Workers Compensation Ins.).
- Transfer of \$2,070 from 110-42400-111 (Inspections – Wages & Salaries Permanent) to 110-42400-355 (Inspections – Computer/Data Processing).
- Transfer of \$50,000 from 110-42400-111 (Inspections – Wages & Salaries Permanent) to 110-42400-399 (Inspections – Other Contracted Services).
- Transfer of \$2,500 from 110-42400-111 (Inspections – Wages & Salaries Permanent) to 110-42400-533 (Inspections – Equipment Rental/Lease).
- Transfer of \$6,000 from 110-43110-413 (Public Works Supervision – Office Equipment) to 110-43110-111 (Public Works Supervision – Wages & Salaries).
- Transfer of \$1,000 from 110-43110-413 (Public Works Supervision – Office Equipment) to 110-43110-213 (Public Works Supervision – TCRS).

- Transfer of \$1,000 from 110-43110-413 (Public Works Supervision – Office Equipment) to 110-43110-214 (Public Works Supervision – Health Insurance).
- Transfer of \$1,000 from 110-43110-413 (Public Works Supervision – Office Equipment) to 110-43110-219 (Public Works Supervision – Workers Compensation).
- Transfer of \$14,650 from 110-43120-226 (PW Building & Grounds – Clothing/Uniform/Shoes) to 110-43120-114 (PW Building & Grounds – Wages-Temp).
- Transfer of \$350 from 110-43120-226 (PW Building & Grounds – Clothing/Uniform/Shoes) to 110-43120-210 (PW Building & Grounds – FICA).
- Transfer of \$100 from 110-43120-226 (PW Building & Grounds – Clothing/Uniform/Shoes) to 110-43120-212 (PW Building & Grounds – Medicare).
- Transfer of \$1,175 from 110-43120-226 (PW Building & Grounds – Clothing/Uniform/Shoes) to (PW Building & Grounds – Workers Comp.).
- Transfer of \$11,725 from 110-43120-226 (PW Building & Grounds – Clothing/Uniform/Shoes) to (110-43120-341 (PW Building & Grounds – Electricity).
- Transfer of \$10,275 from 110-43120-999 (PW Building & Grounds – Other Capital Outlay) to (110-43120-341 (PW Building & Grounds – Electricity).
- Transfer of \$5,000 from 110-43120-999 (PW Building & Grounds – Other Capital Outlay) to 110-43120-342 (PW Building & Grounds – Water & Sewer).
- Transfer of \$1,000 from 110-43120-999 (PW Building & Grounds – Other Capital Outlay) to 110-43120-345 (PW Building & Grounds – Telephone Services).
- Transfer of \$4,000 from 110-43120-999 (PW Building & Grounds – Other Capital Outlay) to 110-43120-362 (PW Building & Grounds – Repair/Maint Operations Equip).
- Transfer of \$5,000 from 110-43120-999 (PW Building & Grounds – Other Capital Outlay) to 110-43120-429 (PW Building & Grounds – General Operating Supplies).
- Transfer of \$4,000 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-112 (PW Street Repairs & Maint. Overtime).
- Transfer of \$6,000 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-219 (PW Street Repairs & Maint. – Workers Comp Ins).
- Transfer of \$1,500 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-345 (PW Street Repairs & Maint. – Telephone Services).
- Transfer of \$45,000 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-362 (PW Street Repairs & Maint. – Repair/Maint. Operations).
- Transfer of \$4,000 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-419 (PW Street Repairs & Maint. – Small Tools & Equipment).
- Transfer of \$10,000 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-433 (PW Street Repairs & Maint. – Vehicle Parts).
- Transfer of \$1,500 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-451 (PW Street Repairs & Maint. – Concrete Products).



- Transfer of \$15,000 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-455 (PW Street Repairs & Maint. – Crushed Stone).
- Transfer of \$2,000 from 110-43140-111 (PW Street Repairs & Maint. – Wages) to 110-43140-510 (PW Street Repairs & Maint. – Insurance).
- Transfer of \$7,500 from 110-44420-111 (Park & Rec Playground & Prog – Wages & Sal.) to 110-44420-114 (Park & Rec Playground & Prog. – Wages-Temp).
- Transfer of \$4,750 from 110-44420-399 (Parks & Rec Playground & Prog – Other Contracted Serv.) to 110-44420-429 (Park & Rec Playground & Prog – General Operating).
- Transfer of \$5,250 from 110-44420-960 (Park & Rec Playground & Prog – Machinery & Equipment) to 110-44420-429 (Park & Rec Playground & Prog – General Operating).
- Transfer of \$4,000 from 110-44420-960 (Park & Rec Playground & Prog – Machinery & Equipment) to 110-44420-510 (Park & Rec Playground & Prog – Insurance).
- Transfer of \$4,750 from 110-44420-960 (Park & Rec Playground & Prog – Machinery & Equipment) to 110-44420-689 (Park & Rec Playground & Prog – Other Misc).
- Transfer of \$110 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-226 (Fixed Base Operations – Clothing/Uniform/Shoes).
- Transfer of \$750 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-330 (Fixed Base Operations – Legal Notices).
- Transfer of \$4,000 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-341 (Fixed Base Operations – Electricity).
- Transfer of \$2,000 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-342 (Fixed Base Operations – Water & Sewer).
- Transfer of \$5,000 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-343 (Fixed Base Operations – Natural Gas & Propane).
- Transfer of \$2,700 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-359 (Fixed Base Operations – Other Professional Services).
- Transfer of \$175 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-375 (Fixed Base Operations – Membership & Dues).
- Transfer of \$500 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-383 (Fixed Base Operations – Travel).
- Transfer of \$300 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-413 (Fixed Base Operations – Office Equipment).
- Transfer of \$425 from 110-48100-999 (Fixed Base Operations – Other Capital Outlay) to 110-48100-455 (Fixed Base Operations – Crushed Stone & Sand).
- Transfer of \$60,000 from 110-48100-731 (Debt Interest) to 110-49100-798 (Debt – Paying Agent Fees).
- Transfer of \$32,364 from 110-81000-617 (Special Appropriations – Industrial Parks) to 110-81000-612 (Special Appropriations – E911 District).
- Transfer of \$60,000 from 110-81000-617 (Special Appropriations – Industrial Parks) to 110-81000-616 (Special Appropriations – Economic Development).

CDBG Fund

- Transfer of \$500 from 124-46110-359 (CDBG Administration – Other Professional Services) to 124-46110-111 (CDBG Administration – Wages).
- Transfer of \$10 from 124-46110-359 (CDBG Administration – Other Professional Services) to 124-46110-134 (CDBG Administration – Christmas Bonus & Longevity).
- Transfer of \$2,070 from 124-46110-359 (CDBG Administration – Other Professional Services) to 124-46110-355 (CDBG Administration – Computer/Data Processing).

Narcotics Fund

- Transfer of \$1,000 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-219 (Narcotics/Vice – Workers Compensation Insurance).
- Transfer of \$1,500 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-226 (Narcotics/Vice – Clothing/Uniforms/Shoes).
- Transfer of \$300 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-310 (Narcotics/Vice – Postal Service).
- Transfer of \$2,000 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-345 (Narcotics/Vice – Telephone).
- Transfer of \$4,000 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-433 (Narcotics/Vice – Vehicle Parts).
- Transfer of \$2,000 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-510 (Narcotics/Vice – Insurance).
- Transfer of \$2,700 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-533 (Narcotics/Vice – Equipment Rental/Lease).
- Transfer of \$4,500 from 126-42170-111 (Narcotics/Vice – Salaries & Wages) to 126-42170-695 (Narcotics/Vice – K9 Dogs and Supplies).

LAMTPO Fund

- Transfer of \$500 from 172-41761-383 (Administration – Travel) to 172-41761-111 (Administration – Wages).
- Transfer of \$1,325 from 172-41761-383 (Administration – Travel) to 172-41761-219 (Administration – Workers Compensation Ins.).
- Transfer of \$500 from 172-41761-383 (Administration – Travel) to 172-41761-330 (Administration – Legal Notices).
- Transfer of \$30 from 172-41761-383 (Administration – Travel) to 172-41761-351 (Administration – Medical Services).
- Transfer of \$1,500 from 172-41761-355 (Other MTPO Programs – Computer/Data Processing) to 172-41761-399 (Other MTPO Programs – Other Contracted Services).

Solid Waste Fund

- Transfer of \$6,000 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-43210-111 (Sanitation Department – Wages).
- Transfer of \$10,000 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-43210-214 (Sanitation Department – Health

Insurance).

- Transfer of \$1,250 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-43210-219 (Sanitation Department – Workers Compensation Ins.).
- Transfer of \$700 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-43210-330 (Sanitation Department – Legal Notices).
- Transfer of \$500 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-43210-345 (Sanitation Department – Telephone).
- Transfer of \$10,000 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-43210-433 (Sanitation Department – Vehicle Parts).
- Transfer of \$1,800 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-43210-510 (Sanitation Department – Insurance).
- Transfer of \$150 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-44500-134 (Curbside Recycling – Christmas Bonus & Longevity).
- Transfer of \$30,000 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-44500-510 (Curbside Recycling – Health Insurance).
- Transfer of \$350 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-44500-510 (Curbside Recycling – Insurance).
- Transfer of \$850 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-49180-711 (Debt Principal).
- Transfer of \$1,000 850 from 435-43210-399 (Sanitation Department – Other Contracted Services) to 435-49180-731 (Debt Interest).

#### Stormwater Fund

- Transfer of \$3,000 from 440-43292-399 (Administration – Other Contracted Services) to 440-43292-111 (Administration – Wages).
- Transfer of \$850 from 440-43292-399 (Administration – Other Contracted Services) to 440-43292-112 (Administration – Overtime).
- Transfer of \$500 from 440-43292-399 (Administration – Other Contracted Services) to 440-43292-321 (Administration – Printing Services).
- Transfer of \$200 from 440-43292-399 (Administration – Other Contracted Services) to 440-43292-378 (Administration – Education Seminars & Training).
- Transfer of \$350 from 440-43292-399 (Administration – Other Contracted Services) to 440-43292-510 (Administration – Insurance).
- Transfer of \$26,000 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-111 (Drainway Maintenance – Wages).
- Transfer of \$450 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-134 (Drainway Maintenance – Christmas Bonus & Longevity).
- Transfer of \$650 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-210 (Drainway Maintenance – FICA).
- Transfer of \$200 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-212 (Drainway Maintenance – Medicare).
- Transfer of \$3,000 from 440-43293-952 (Drainway Maintenance – Stormwater



- Maintenance) to 440-43293-219 (Drainway Maintenance – TCRS Contributions).
- Transfer of \$10,000 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-214 (Drainway Maintenance – Health Insurance).
  - Transfer of \$150 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-351 (Drainway Maintenance – Medical Services).
  - Transfer of \$50 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-411 (Drainway Maintenance – Office Supplies & Materials).
  - Transfer of \$7,500 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-451 (Drainway Maintenance – Concrete Products).
  - Transfer of \$25,000 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-455 (Drainway Maintenance – Crushed Stone).
  - Transfer of \$900 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-510 (Drainway Maintenance – Insurance).
  - Transfer of \$50 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-533 (Drainway Maintenance – Equipment Rental/Lease).
  - Transfer of \$24,500 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-43293-913 (Drainway Maintenance – Easements).
  - Transfer of \$2,500 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-49190-731 (Debt Interest).
  - Transfer of \$250 from 440-43293-952 (Drainway Maintenance – Stormwater Maintenance) to 440-49190-798 (Paying Agent Fees).

Mayor Chesney adjourned the June 2, 2015 City Council meeting at 5:32 p.m.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY ADMINISTRATOR

**STATE OF TENNESSEE  
COUNTY OF HAMBLLEN  
CORPORATION OF MORRISTOWN  
JUNE 26, 2015**

The City Council for the City of Morristown, Hamblen County, Tennessee, met in a special called session at the regular meeting place of the Council in the Morristown City Center at 12:00 p.m., Friday, June 26, 2015, with the Honorable Mayor Gary Chesney, presiding and the following named Councilmembers present: Chris Bivens, Ken Smith, Dennis Alvis, Bob Garrett and Tommy Pedigo, absent; Kay Senter.

Mayor Chesney led in the invocation and Councilmember Alvis led in the "Pledge of Allegiance".

Councilmember Pedigo made a motion to approve Resolution No. 10-15. Councilmember Alvis seconded the motion and upon roll call; all voted "aye".

**RESOLUTION NO. 10-15**

**INITIAL RESOLUTION AUTHORIZING THE INCURRENCE OF INDEBTEDNESS BY THE CITY OF MORRISTOWN, TENNESSEE, IN THE AMOUNT OF NOT TO EXCEED \$10,000,000, BY THE EXECUTION WITH THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, OF A LOAN AGREEMENT TO PROVIDE FUNDING FOR CERTAIN WASTEWATER SYSTEM IMPROVEMENTS, AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO.**

**WHEREAS**, it is necessary and in the public interest of the City of Morristown, Tennessee (the "Municipality"), to incur indebtedness (the "Indebtedness"), through the execution with The Public Building Authority of the City of Clarksville, Tennessee (the "Authority"), of a loan agreement (a "Loan Agreement"), for the purpose of financing certain wastewater system projects, as hereinafter more fully described.

**NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morristown, Tennessee, as follows:**

**SECTION 1.** For the purpose of financing all or a portion of the costs of certain public works projects, consisting of the extension, construction, improvement, and equipping of the wastewater system of the Municipality, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, reimbursement for expenditures related to the foregoing project, and to pay costs incident to incurring the Indebtedness (collectively, the "Project"), the Municipality is hereby authorized to incur Indebtedness in the amount of not to exceed Ten Million Dollars (\$10,000,000), for the financing of the Project through the execution of a Loan Agreement with the Authority. The rate of interest payable pursuant to the provisions of a Loan Agreement shall be a fixed rate which rate shall not exceed the maximum rate of interest permitted under the laws of the State of Tennessee.

**SECTION 2.** The indebtedness evidenced by the Loan Agreement shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad

valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Loan Agreement, the full faith and credit of the Municipality will be irrevocably pledged. The indebtedness evidenced by the Loan Agreement shall be additionally payable from, but not secured by, the revenues of the wastewater system and rates adopted by the Morristown Utilities Commission subject only to the payment of reasonable and necessary costs of operating, maintaining, repairing, and insuring such wastewater system and to a prior pledge of such revenues in favor of other obligations of the Municipality payable from revenues of the wastewater system.

SECTION 3. The Loan Agreement shall be executed pursuant to the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), and Title 12, Chapter 10, Tennessee Code Annotated, as amended.

SECTION 4. After the adoption of this Resolution, the City Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

SECTION 5. This Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this the 26<sup>th</sup> day of June, 2015.

---

MAYOR

ATTEST:

---

CITY RECORDER

#### NOTICE

The foregoing Resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition, signed by at least ten percent (10%) of the registered voters of the City of Morristown, Tennessee, shall have been filed with the City Recorder of the City of Morristown, Tennessee, protesting the incurrence of the Indebtedness by the execution of the Loan Agreement, such Loan Agreement will be executed, as proposed.

Councilmember Alvis made a motion to approve Resolution No. 11-15. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

**RESOLUTION NO. 11-15**

**RESOLUTION AUTHORIZING A LOAN PURSUANT TO A LOAN AGREEMENT BETWEEN THE CITY OF MORRISTOWN, TENNESSEE, AND THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,000,000; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH LOAN AGREEMENT AND OTHER DOCUMENTS RELATING TO SAID LOAN; APPROVING THE ISSUANCE OF A BOND BY SUCH PUBLIC BUILDING AUTHORITY; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID LOAN AND THE PAYMENT OF SUCH INDEBTEDNESS; AND, CONSENTING TO THE ASSIGNMENT OF THE CITY'S OBLIGATION UNDER SUCH LOAN AGREEMENT; AND CERTAIN OTHER MATTERS**

**WHEREAS**, the City Council (the "Council"), of the City of Morristown, Tennessee (the "Municipality" or the "City"), *has* determined that it is necessary to finance the costs of certain "public works projects", as defined in Title 9, Chapter 21, Tennessee Code Annotated, as from time to time amended and supplemented, consisting of the extension, construction, improvement, and equipping of the wastewater system of the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, reimbursement for expenditures related to the foregoing projects, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City (collectively, the "Project"), by obtaining a loan from The Public Building Authority of the City of Clarksville, Tennessee (the "Authority");

**WHEREAS**, it has been determined by the Council of the Municipality to be in the best interests of the Municipality to finance the Project through The Tennessee Municipal Bond Fund fixed rate loan program;

**WHEREAS**, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended, to borrow funds and incur indebtedness for the purpose of financing the Project;

**WHEREAS**, the Authority has been established pursuant to the provisions of Title 12, Chapter 10, Tennessee Code Annotated, as amended (the "Act"), and is authorized pursuant to the provisions of the Act to issue its bonds from time to time, in one more series, and to loan the proceeds thereof to the Municipality for the above described purposes;

**WHEREAS**, in order to effectuate the program, the Authority has authorized and approved by its Resolution, adopted November 5, 2013, the issuance of its Local Government Loan Program Bonds, in an aggregate principal amount not to exceed \$300,000,000;

**WHEREAS**, the Authority will issue its Local Government Loan Program Bond, Series 2015 (City of Morristown Wastewater System Loan) (the "Bond"), in the principal amount of not to exceed Ten Million Dollars (\$10,000,000), and loan the proceeds thereof to the Municipality pursuant to the provisions of a Loan Agreement, between the Municipality and the Authority, to be dated the date of issuance and delivery (the "Loan Agreement");

**WHEREAS**, the Municipality had adopted on the date hereof, an Initial Resolution authorizing the borrowing of funds and the incurring of indebtedness for the purpose of financing the Project in the amount of not to exceed \$10,000,000, and the City Recorder of the Municipality has been instructed to publish such Initial Resolution together with the Notice required by Section 9-21-206 of Tennessee Code Annotated, as amended, in a local newspaper in the Municipality;

**WHEREAS**, the indebtedness evidenced by the Loan Agreement shall be payable from any and all funds of the Municipality legally available therefor, including, but not necessarily limited to, ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Loan Agreement, the full faith and credit of the Municipality will be irrevocably pledged; provided, however, it is the intention of the Municipality that the indebtedness evidenced by the Loan Agreement shall be additionally payable from, but not secured by, the revenues to be derived from the operation of the wastewater system and rates adopted by the Morristown Utilities Commission subject to the payment of reasonable and necessary costs of operating, maintaining, repairing, and insuring such wastewater system, and to any pledge of such revenues in favor of other obligations of the wastewater system; and,

**WHEREAS**, the Bond is to be secured by and contain such terms and provisions as set forth in that certain Bond Purchase Agreement, to be entered into between the Authority and the purchaser of the Bond (the "Purchaser").

**NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morristown, Tennessee:**

**Section 1. Approval of the Loan.** (a) For the purpose of providing funds to finance the Project and to pay costs incident to the issuance and sale of the Bond and the loan of the proceeds thereof to the City, the loan to the City from the Authority is hereby authorized in the principal amount of not to exceed \$10,000,000 and the City is hereby authorized to borrow such funds from the Authority.

(b) The Bond to be issued by the Authority shall bear interest at a fixed rate to be determined at the time of the issuance of the Bond, as provided in the Loan Agreement. The Mayor and City Recorder are authorized to enter into the Loan Agreement. The Municipality shall make payments of interest and principal in the amounts and on the dates set forth in the Loan Agreement from the sources and funds described herein and in the Loan Agreement. The Loan Agreement shall be for a term of not to exceed twenty years. The final principal and interest payment dates, amortization of principal amounts of the loan evidenced by the Loan Agreement, and prepayment provisions of such Loan Agreement, may be established by the Mayor and the purchaser of the Bond, at the time of the sale of the Bond and the execution and delivery of the Loan Agreement, as shall be determined to be in the best interests of the Municipality.

(c) The Council of the City understands and is aware that the Purchaser has the option to put the Bond for purchase to the Authority during the term of the Loan (the "Put Option"), at certain intervals upon not less than one hundred eighty days' written notice to the Authority, the Tennessee Municipal Bond Fund, as administrator, and the City.



**The Council is aware of the risks and benefits associated with the Loan and the Put Option. The Council finds that the repayment structure of the Loan (including the Put Option) is in the public interest of the City.**

**The Council further agrees that it is willing to pay additional issuance costs associated with the refunding of the Loan and related Bond in the event the Put Option is exercised by the Purchaser. In the event that the Put Option is exercised by the Purchaser, and the City is unable to pay the Loan amount in full on such date and no subsequent holder can be determined, the Council commits to refund the Loan in the following manner:**

**(x) the Council shall submit a plan of refunding to the Comptroller or Comptroller's designee;**

**(y) the final maturity of the refunding debt obligation will not extend beyond the final maturity of the original Loan; and,**

**(z) the debt service structure of the refunding debt obligation will be substantially similar to or more declining than the debt structure of the original Loan.**

**The Council has not retained an independent municipal advisor in connection with the Loan. The Council understands and acknowledges that the Purchaser does not owe a fiduciary duty to the City and that the Purchaser is acting for its own business and commercial interests. The Council has consulted with such advisors and experts as it deems appropriate before the consideration and adoption of this Resolution.**

**Section 2. Approval of Loan Agreement. The form, terms, and provisions of the Loan Agreement are in the best interest of the Municipality and are hereby approved and the Council hereby authorizes the Mayor and the City Recorder of the Municipality to execute and deliver such Loan Agreement, such Loan Agreement to be in substantially the form of the Loan Agreement presented to this meeting, the execution of such Loan Agreement by the Mayor and the City Recorder to evidence their approval of any and all changes to such Loan Agreement, and any related documents necessary to the consummation of the transactions contemplated by the Loan Agreement. The Municipality further agrees to comply with, and to enable the Authority to comply with, all covenants and requirements contained in the Bond Purchase Agreement.**

**Section 3 Fulfillment of Obligations. The Council of the Municipality is authorized and directed to fulfill all obligations of the Municipality under the terms of the Loan Agreement.**

**Section 4. Tax Levy. There shall be levied and collected in the same manner as other ad valorem taxes of the Municipality on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount, to the extent necessary in the event funds of the Municipality legally available to pay the indebtedness evidenced by the Loan Agreement are insufficient, a tax sufficient to pay when due the amounts payable under the Loan Agreement, as and when they become due, and to pay any expenses of maintaining and operating the Project required to be paid by the Municipality**

under the terms and provisions of the Loan Agreement. For the prompt payment of the Loan Agreement, both principal and interest, as the same shall become due, the full faith and credit of the Municipality are irrevocably pledged.

It is the intention of the Municipality that the indebtedness evidenced by the Loan Agreement shall be additionally payable from, but not secured by, the revenues to be derived from the operation of the wastewater system, subject to the payment of reasonable and necessary costs of operating, maintaining, repairing, and insuring such wastewater system, and to any pledge of such revenues in favor of other obligations of the wastewater system.

Section 5. Approval of Bond and Bond Purchase Agreement. For the purpose of providing funds to make the loan to the Municipality evidenced by the Loan Agreement, as provided herein and in the Loan Agreement, and to pay legal, fiscal, and administrative costs incident thereto, including costs incident to the issuance and sale of the Bond related to the Loan Agreement, the issuance and sale of the Bond by the Authority in connection with the Loan Agreement is hereby approved. The Municipality further approves the execution and delivery of the Bond Purchase Agreement by the Authority in connection with the issuance of the Bond.

Section 6. Disposition of Proceeds. The proceeds from the sale of the Bond shall be paid, from time to time, to the official of the Municipality designated by law as the custodian of the funds of the Municipality, upon submission of a requisition for such funds by the Municipality to the Purchaser and the Administrator, in accordance with the terms of the Loan Agreement. Such proceeds shall be disbursed solely to finance the costs of the Project and to pay costs of issuance incurred in connection with the issuance of the Bond and the loan of the proceeds thereof to the Municipality.

Section 7. Consent to Assignment. The Municipality hereby consents to the assignment of all of the Authority's right, title, and interest in and to the Loan Agreement as security for the Bond to which such Loan Agreement relates, except for certain reserved rights of the Authority, to the Purchaser.

Section 8. Reimbursement Provisions. The Municipality may have made or may hereafter make expenditures with respect to the Project from a source of funds other than proceeds of the loan from the Authority under the Loan Agreement, such expenditures occurring prior to the execution and delivery of the Loan Agreement. The Municipality reasonably expects that it will reimburse such original expenditures with proceeds of the loan from the Municipality made pursuant to the Loan Agreement to the extent permissible under Treasury Regulation 1.150-2.

Section 9. Arbitrage Certification. The Municipality recognizes that the purchaser and owner of the Bond will have accepted it on, and paid therefor a price which reflects the understanding that interest thereon is excludable from gross income for purposes of federal income taxation under laws in force on the date of delivery of the Bond. In this connection, the Municipality agrees that it shall take no action which may cause the interest on said Bond to be included in gross income for federal income taxation. It is the reasonable expectation of the Council of the Municipality that the proceeds of the Bond will not be used in a manner which will cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code, and to this end the said proceeds of the Bond and other related funds established for the purposes herein set out shall be used and spent expeditiously for the purposes described herein. The Council further covenants and represents that in the event it



shall be required by Section 148(f) of the Code to pay any investment proceeds of the Bond to the United States government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bond from becoming taxable. The Mayor and City Recorder, or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bond as either or both shall deem appropriate, and such certifications shall constitute a representation and certification of the Municipality.

Section 10. Miscellaneous Acts. The Mayor, the City Recorder, the City Administrator, the City Attorney, and all other appropriate officials of the Municipality are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, in connection with the execution of the Loan Agreement and the issuance of the Bond by the Authority, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved.

Section 11. Captions. The captions or headings in this Resolution are for convenience only and shall in no way define, limit, or describe the scope or intent of any provision hereof.

Section 12. Severability. Should any provision or provisions of this Resolution be declared invalid or unenforceable in any respect by final decree of any court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, ordinance, or provisions shall not affect the remaining provisions of such Resolution.

Section 13. Repeal of Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 14. Effective Date. This Resolution shall take effect upon its adoption, the welfare of the Municipality requiring it.

Adopted and approved this the 26<sup>th</sup> day of June, 2015.

---

MAYOR

ATTEST:

---

CITY RECORDER

Councilmember Garrett made a motion to approve Ordinance No. 3522 on first reading and schedule a public hearing relative to final passage of said Ordinance for July 7, 2015. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

June 26, 2015

**ORDINANCE NO. 3522**

**AN ORDINANCE SETTING THE TAX RATE AT \$1.114 FOR THE FISCAL YEAR 2015-2016.**

Mayor Chesney re-appointed Harold Nichols to the Morristown Utilities Commission for a five year term to expire August 1, 2020. Councilmember Pedigo made a motion to confirm Mr. Nichols' re-appointment. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Mayor Chesney adjourned the June 26, 2015 Special Called City Council meeting.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator



Department of Community Development  
West 1<sup>st</sup> North Street  
Morristown, TN 37814  
(423)585-4620

TO: Morristown City Council  
FROM: Logan Engle, Planner  
DATE: June 16, 2015  
SUBJECT: Right-of-Way Closure – Request to close a portion of Lennie Avenue between Crescent Street and South Henry Street

---

### **BACKGROUND:**

A right-of-way closure request has been submitted by Gerald Hew, the owner of property located at 810 South Henry Street. The property is adjacent to a right-of-way, which is an unfinished section of Lennie Avenue that runs in an east-west direction from Crescent Street to South Henry Street. Mr. Hew has requested closure of the alleyway. In reviewing this right-of-way, staff reviewed the entire length of the right-of-way between Crescent Street and South Henry Street. Due to the presence of interior land-locked lots, which have no other right-of-way access besides the alleyway, staff recommends a partial closure of this alley as indicated on the enclosed maps.

At this time, city staff has received no complaints from adjoining property owners regarding the right-of-way closure request. Notification letters were sent to all adjacent property owners of the alleyway, including those affected by the potential closure.

### **RECOMMENDATION:**

Staff proposes that the Morristown Regional Planning Commission recommend this right-of-way closure request to City Council for approval.

### **PLANNING COMMISSION ACTION:**

The City of Morristown Regional Planning Commission, at their regular meeting on June 9, 2015, recommended that the right-of-way closure request be forwarded to City Council for approval as submitted.

**ORDINANCE NO. 3521**

**ENTITLED AN ORDINANCE TO CLOSE AND VACATE  
CERTAIN RIGHTS-OF-WAY WITHIN THE CITY OF  
MORRISTOWN. {Portion of Lennie Avenue right-of-way  
between Crescent Street and South Henry Street}**

Section I. WHEREAS, the City Council of the City of Morristown has the power to, when expedient, close, vacate and abandon rights-of-way within the municipality; and

WHEREAS, the following action is deemed to be in the best interest of the municipality:

NOW, THEREFORE:

Section II. BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MORRISTOWN that the following right-of-way is hereby closed, vacated and abandoned, except that the City of Morristown retains a utility and drainage easement equal to, and coinciding with, the entire length and width of the abandoned right-of-way:

**BEGINNING at a point on the southeastern corner of Parcel 042-A "G" 10 as shown on 2015 Hamblen County Tax Map and the western boundary of South Henry Street right-of-way; thence in a southwesterly direction along the northern boundary of Lennie Avenue and the southern boundary of said Parcel 042-A "G" 10 for a distance of approximately one hundred twenty and eight tenths (120.8) feet to a point on the southwestern corner of said Parcel 042-A "G" 10; thence southeastward for a distance of approximately fifteen (15) feet to a point on the centerline of Lennie Avenue; thence northeastward along said centerline for a distance of approximately eighteen (18) feet to a point; thence southeastward for a distance of approximately fifteen (15) feet to a point on the southern boundary of Lennie Avenue and the northwestern corner of Parcel 042-A "G" 011.00; thence continuing along the southern boundary of Lennie Avenue and the northern boundary of said Parcel 042-A "G" 011.00 for a distance of approximately one hundred three (103) feet to a point on the northeastern corner of said Parcel 042-A "G" 011.00, the northern boundary of Lennie Avenue and the western boundary of South Henry Street; thence in a northwesterly direction for a distance of approximately thirty (30) feet to the point of BEGINNING; thus being all of that portion of unopened right-of-way as shown on the before mentioned Hamblen County Tax Map that was requested to be abandoned by the City of Morristown.**

Section III. BE IT FURTHER ORDAINED that all ordinances or parts of ordinances in conflict herewith be, and the same are, hereby repealed.

Section IV. BE IT FURTHER ORDAINED that this ordinance takes effect from and after its passage, the public welfare requiring it.

Passed on first reading the 16<sup>h</sup> day of June 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

Passed on second and final reading the 7th day of July 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

**ORDINANCE NO. 3522**

**AN ORDINANCE SETTING THE TAX RATE AT \$1.114 FOR THE FISCAL YEAR 2015-2016.**

**BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCILMEMBERS OF THE CITY OF MORRISTOWN, TENNESSEE:**

**SECTION I.** That the tax rate for the fiscal year 2015-2016 be and is hereby fixed at \$1.114 on each one hundred dollars (\$100) assessed value of taxable property located within the City of Morristown, Tennessee.

**SECTION II.** That the tax rate hereby set forth is the equalized property tax rate as presented by the State of Tennessee, State Board of Equalization.

**SECTION III.** That a public hearing will be held at the next scheduled meeting for final consideration of this ordinance on second reading, and the City Clerk is hereby directed to prepare and have published, proper notice of said public hearing not less than ten (10) days prior to the date of said public hearing.

**SECTION IV.** This ordinance shall take effect ten (10) days from and after its final passage.

PASSED on first reading this the 26<sup>th</sup> day of June, 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

PASSED on second and final reading this the 7<sup>th</sup> day of July, 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
**City Administrator**



# APPROPRIATION ORDINANCE

Ordinance Number: 3504.10

AN ORDINANCE TO AMEND ORDINANCE NUMBER 3504, THE CITY OF MORRISTOWN, TENNESSEE ANNUAL BUDGET FOR THE FISCAL YEAR 2014-2015 AND APPROPRIATE THE SUM OF \$1,027,825 FOR YEAR END BUDGET AMENDMENT FOR THE GENERAL FUND.

Be it ordained by the Council of the City of Morristown Tennessee that Ordinance Number 3504 identifying the revenue and expenditure accounts of the City of Morristown contained in the annual budget for the fiscal year 2014-2015 is hereby amended and funds are herewith appropriated or adjusted as presented.

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	REVENUES		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
General (#110)	Revenue	31500	In Lieu Tax/Equivalent	\$400,000			
General (#110)	Revenue	36310	Sale of Land	\$73,803			
General (#110)	Mayor & City Council	110-41100-134	Christmas Bonus & Longevity			\$ 300	
General (#110)	Mayor & City Council	110-41100-321	Printing			\$ 1,000	
General (#110)	Mayor & City Council	110-41110-383	Travel			\$ 4,000	
General (#110)	Mayor & City Council	110-41100-399	Other Contracted Services			\$ 1,600	
General (#110)	Mayor & City Council	110-41100-413	Office Equipment			\$ 625	
General (#110)	Mayor & City Council	110-41100-510	Insurance			\$ 665	
General (#110)	Mayor & City Council	110-41100-533	Equipment Rental/Lease			\$ 1,800	
General (#110)	Mayor & City Council	110-41100-804	Council Contingency				\$ 10,805
General (#110)	Council Elections	110-41110-399	Other Contracted Services			\$ 815	
General (#110)	Finance	110-41530-111	Wages			\$ 31,000	
General (#110)	Finance	110-41530-210	FICA			\$ 1,500	
General (#110)	Finance	110-41530-212	Medicare			\$ 400	
General (#110)	Finance	110-41530-213	TCRS Contribution			\$ 4,700	
General (#110)	Finance	110-41530-214	Employee Health Insurance				\$ 15,000
General (#110)	Finance	110-41530-310	Postage			\$ 5,000	
General (#110)	Finance	110-41530-343	Gas/Propane			\$ 350	
General (#110)	Finance	110-41530-345	Telephone			\$ 5,000	
General (#110)	Finance	110-41530-351	Medical Services			\$ 30	
General (#110)	Finance	110-41530-355	Computer/Data Processing			\$ 4,600	
General (#110)	Finance	110-41530-378	Education Seminars & Training			\$ 500	
General (#110)	Finance	110-41530-411	Office Supplies and Materials			\$ 2,500	
General (#110)	Finance	110-41530-413	Office Equipment			\$ 1,200	
General (#110)	Finance	110-41530-510	Insurance			\$ 190	
General (#110)	Finance	110-41530-533	Equipment Rental/Lease			\$ 7,500	
General (#110)	Retiree Benefits	110-41630-262	Health Insurance				\$ 49,470
General (#110)	Computer Operations	110-41640-399	Other Contracted Services			\$ 10,000	
General (#110)	Legal Services	110-41660-219	Workers Compensation Insurance			\$ 1,250	

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	REVENUES		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
General (#110)	Legal Services	110-41660-352	Legal Services			\$ 75,000	
General (#110)	Legal Services	110-41660-399	Other Contracted Services			\$ 25,000	
General (#110)	GIS	110-41810-111	Wages			\$ 15,000	
General (#110)	GIS	110-41810-134	Christmas Bonus & Longevity			\$ 165	
General (#110)	GIS	110-41810-210	FICA			\$ 800	
General (#110)	GIS	110-41810-212	Medicare			\$ 200	
General (#110)	GIS	110-41810-213	TCRS Contribution			\$ 2,200	
General (#110)	GIS	110-41810-214	Health Insurance			\$ 2,000	
General (#110)	GIS	110-41810-217	Employee Life Insurance				\$ 22,240
General (#110)	GIS	110-41810-219	Workers Compensation Insurance			\$ 2,650	
General (#110)	GIS	110-41810-345	Telephone			\$ 2,800	
General (#110)	GIS	110-41810-399	Other Contracted Services			\$ 5,000	
General (#110)	GIS	110-41810-411	Office Supplies and Materials			\$ 500	
General (#110)	GIS	110-41810-421	Computers/Data Processing			\$ 5,800	
General (#110)	GIS	110-41810-533	Equipment Rental/Lease			\$ 3,000	
General (#110)	Police Administration	110-42110-111	Wages			\$ 25,000	
General (#110)	Police Administration	110-42110-210	FICA			\$ 750	
General (#110)	Police Administration	110-42110-212	Medicare			\$ 150	
General (#110)	Police Administration	110-42110-213	TCRS Contribution			\$ 2,500	
General (#110)	Police Administration	110-42110-341	Electricity			\$ 20,000	
General (#110)	Police Administration	110-42110-805	DOJ JAG Grant			\$ 16,150	
General (#110)	Patrol	110-42120-111	Wages			\$ 100,000	
General (#110)	Patrol	110-42120-114	Wages & Salaries - Temp Emp			\$ 7,500	
General (#110)	Patrol	110-42120-119	Holiday Pay			\$ 35,000	
General (#110)	Patrol	110-42120-134	Christmas Bonus & Longevity			\$ 1,300	
General (#110)	Patrol	110-42120-210	FICA			\$ 7,500	
General (#110)	Patrol	110-42120-212	Medicare			\$ 12,500	
General (#110)	Patrol	110-42120-213	TCRS Contribution			\$ 25,000	
General (#110)	Patrol	110-42120-214	Health Insurance			\$ 15,000	
General (#110)	Patrol	110-42120-345	Telephone			\$ 12,500	
General (#110)	Patrol	110-42120-383	Travel Business Expenses				\$ 3,650
General (#110)	Patrol	110-42120-419	Small Tools and Equipment			\$ 3,650	
General (#110)	Patrol	110-42120-431	Gasoline & Diesel Fuel				\$ 80,000
General (#110)	Investigations	110-42130-111	Wages				\$ 55,000
General (#110)	Fire Fighting	110-42240-112	Overtime			\$ 16,000	
General (#110)	Fire Fighting	110-42240-119	Holiday Pay			\$ 84,000	

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	REVENUES		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
General (#110)	Fire Fighting	110-42240-134	Christmas Bonus & Longevity			\$ 3,500	
General (#110)	Fire Fighting	110-42240-213	TCRS Contribution			\$ 12,000	
General (#110)	Fire Fighting	110-42240-214	Health Insurance				\$ 20,000
General (#110)	Fire Fighting	110-42240-362	Repair/Maintenance Operations Equipment			\$ 15,000	
General (#110)	Fire Fighting	110-42240-419	Small Tools and Equipment			\$ 2,300	
General (#110)	Fire Fighting	110-42240-510	Insurance			\$ 17,000	
General (#110)	Fire Fighting	110-42240-818	Federal Grant			\$ 71,450	
General (#110)	PW - Buildings & Grounds	110-43120-399	Other Contracted Services			\$ 25,000	
General (#110)	PW - Equipment Shop	110-43130-111	Wages			\$ 15,000	
General (#110)	PW - Equipment Shop	110-43130-112	Overtime			\$ 2,500	
General (#110)	PW - Equipment Shop	110-43130-134	Christmas Bonus & Longevity			\$ 250	
General (#110)	PW - Equipment Shop	110-43130-210	FICA			\$ 700	
General (#110)	PW - Equipment Shop	110-43130-212	Medicare			\$ 100	
General (#110)	PW - Equipment Shop	110-43130-213	TCRS Contribution			\$ 2,600	
General (#110)	PW - Street Repairs	110-43140-111	Wages				\$ 111,000
General (#110)	PW - Street Lighting	110-43150-111	Wages			\$ 43,000	
General (#110)	PW - Street Lighting	110-43150-134	Christmas Bonus & Longevity			\$ 160	
General (#110)	PW - Street Lighting	110-43150-210	FICA			\$ 2,500	
General (#110)	PW - Street Lighting	110-43150-212	Medicare			\$ 600	
General (#110)	PW - Street Lighting	110-43150-213	TCRS Contribution			\$ 6,200	
General (#110)	PW - Street Lighting	110-43150-214	Health Insurance			\$ 14,000	
General (#110)	PW - Street Lighting	110-43150-351	Medical Services			\$ 1,200	
General (#110)	PW - Street Lighting	110-43150-365	Street Lights/Traffic Signals			\$ 3,000	
General (#110)	PW - Brush Pick-up	110-43160-111	Wages			\$ 50,000	
General (#110)	PW - Brush Pick-up	110-43160-112	Overtime			\$ 10,000	
General (#110)	PW - Brush Pick-up	110-43160-210	FICA			\$ 3,000	
General (#110)	PW - Brush Pick-up	110-43160-212	Medicare			\$ 600	
General (#110)	PW - Brush Pick-up	110-43160-213	TCRS Contribution			\$ 7,000	
General (#110)	PW - Brush Pick-up	110-43160-214	Health Insurance			\$ 10,000	
General (#110)	PW - Brush Pick-up	110-43160-219	Workers Compensation Insurance			\$ 5,000	
General (#110)	PW - Brush Pick-up	110-43160-221	Unemployment Insurance			\$ 1,725	
General (#110)	PW - Brush Pick-up	110-43160-362	Repair/Maintenance Operations Equipment			\$ 12,000	
General (#110)	PW - Brush Pick-up	110-43160-433	Vehicle Parts			\$ 17,500	
General (#110)	PW - Brush Pick-up	110-43160-510	Insurance			\$ 2,600	
General (#110)	PW - Communication Shop	110-43175-111	Wages			\$ 1,500	
General (#110)	PW - Communication Shop	110-43175-112	Overtime			\$ 2,500	

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	REVENUES		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
General (#110)	PW - Communication Shop	110-43175-213	TCRS Contribution			\$ 750	
General (#110)	PW - Communication Shop	110-43175-341	Electricity			\$ 1,000	
General (#110)	P&R - Maintenance	110-44430-111	Wages			\$ 2,500	
General (#110)	P&R - Maintenance	110-44430-114	Wages & Salaries - Temp Emp				\$ 7,500
General (#110)	P&R - Maintenance	110-44430-134	Christmas Bonus & Longevity			\$ 425	
General (#110)	P&R - Maintenance	110-44430-214	Health Insurance				\$ 7,500
General (#110)	P&R - Maintenance	110-44430-219	Workers Compensation Insurance			\$ 21,775	
General (#110)	P&R - Maintenance	110-44430-221	Unemployment Insurance			\$ 12,500	
General (#110)	P&R - Maintenance	110-44430-419	Small Tools and Equipment				\$ 5,000
General (#110)	P&R - Maintenance	110-44430-510	Insurance			\$ 2,700	
General (#110)	P&R - Maintenance	110-44430-922	Building Structures			\$ 10,350	
General (#110)	P&R - Maintenance	110-44430-971	Motor Equipment			\$ 3,200	
General (#110)	Debt	110-49100-731	Debt Interest				\$ 166,857
			Totals	\$ 473,803	\$ -	\$1,027,825	\$ 554,022

In Balance

PASSED ON FIRST READING THIS \_16th\_ Day of June 2015

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Administrator

PASSED ON SECOND READING THIS \_7th\_ Day of July 2015

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Administrator

# APPROPRIATION ORDINANCE

Ordinance Number: 3504.11

AN ORDINANCE TO AMEND ORDINANCE NUMBER 3504, THE CITY OF MORRISTOWN, TENNESSEE ANNUAL BUDGET FOR THE FISCAL YEAR 2014-2015 AND APPROPRIATE THE SUM OF \$160,000 FOR YEAR END BUDGET AMENDMENT FOR CDBG FUND.

Be it ordained by the Council of the City of Morristown Tennessee that Ordinance Number 3504 identifying the revenue and expenditure accounts of the City of Morristown contained in the annual budget for the fiscal year 2014-2015 is hereby amended and funds are herewith appropriated or adjusted as presented.

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	REVENUES		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
CDBG (#124)	Revenue	124-33650	CDBG Reimbursement	\$160,000			
CDBG (#124)	CDBG	124-46111-801	CDBG - Grants and Other Subsidies			\$ 160,000	
			Totals	\$ 160,000	\$ -	\$ 160,000	\$ -

In Balance

PASSED ON FIRST READING THIS \_16th\_ Day of June 2015

\_\_\_\_\_  
Mayor

ATTEST: \_\_\_\_\_ City Administrator

PASSED ON SECOND READING THIS \_7th\_ Day of July 2015

\_\_\_\_\_  
Mayor

ATTEST: \_\_\_\_\_ City Administrator

# APPROPRIATION ORDINANCE

Ordinance Number: 3504.12

AN ORDINANCE TO AMEND ORDINANCE NUMBER 3504, THE CITY OF MORRISTOWN, TENNESSEE ANNUAL BUDGET FOR THE FISCAL YEAR 2014-2015 AND APPROPRIATE THE SUM OF \$17,000 FOR YEAR END BUDGET AMENDMENT FOR NARCOTICS FUND.

Be it ordained by the Council of the City of Morristown Tennessee that Ordinance Number 3504 identifying the revenue and expenditure accounts of the City of Morristown contained in the annual budget for the fiscal year 2014-2015 is hereby amended and funds are herewith appropriated or adjusted as presented.

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	REVENUES		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
Narcotics (#126)	Revenue	126-33619	OCEDTF Reimbursement	\$17,000			
Narcotics (#126)	Narcotics	126-42170-112	Overtime			\$ 17,000	
			Totals	\$ 17,000	\$ -	\$ 17,000	\$ -

In Balance

PASSED ON FIRST READING THIS \_16th\_ Day of June 2015

\_\_\_\_\_  
Mayor

ATTEST: \_\_\_\_\_ City Administrator

PASSED ON SECOND READING THIS \_7th\_ Day of July 2015

\_\_\_\_\_  
Mayor

ATTEST: \_\_\_\_\_ City Administrator

# APPROPRIATION ORDINANCE

Ordinance Number: 3504.13

AN ORDINANCE TO AMEND ORDINANCE NUMBER 3504, THE CITY OF MORRISTOWN, TENNESSEE ANNUAL BUDGET FOR THE FISCAL YEAR 2014-2015 AND APPROPRIATE THE SUM OF \$1,153,500 FOR YEAR END BUDGET AMENDMENT FOR THE SELF-INSURANCE FUND.

Be it ordained by the Council of the City of Morristown Tennessee that Ordinance Number 3504 identifying the revenue and expenditure accounts of the City of Morristown contained in the annual budget for the fiscal year 2014-2015 is hereby amended and funds are herewith appropriated or adjusted as presented.

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	REVENUES		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
SELF-INSURANCE	Revenue	611-33840	Non-Revenue - Fund Balance Appropriated	\$492,500			
SELF-INSURANCE	Revenue	611-36721	Reinsurance - Reimbursement	\$75,000			
SELF-INSURANCE	Revenue	611-37882	Insurance Premium - Narcotics Fund	\$25,000			
SELF-INSURANCE	Revenue	611-37885	Insurance Premium - General Fund	\$425,000			
SELF-INSURANCE	Insurance	611-71110-203	Employees - Prescription Claims			\$ 150,000	
SELF-INSURANCE	Insurance	611-71110-204	Employees - Medical Claims			\$ 150,000	
SELF-INSURANCE	Insurance	611-71110-205	Employees - Dental Claims			\$ 65,000	
SELF-INSURANCE	Insurance	611-71110-206	Employees - Health Care Law Tax			\$ 60,000	
SELF-INSURANCE	Insurance	611-71120-201	Retirees Insurance - BCBS Fees			\$ 4,000	
SELF-INSURANCE	Insurance	611-71120-203	Retirees Insurance - Prescription Claims			\$ 80,000	
SELF-INSURANCE	Insurance	611-71120-204	Retirees Insurance - Medical Claims			\$ 375,000	
SELF-INSURANCE	Insurance	611-71130-203	Sewer - Prescription Claims				\$ 35,000
SELF-INSURANCE	Insurance	611-71130-204	Sewer - Medical Claims				\$ 89,000
SELF-INSURANCE	Insurance	611-71130-205	Sewer - Dental Claims				\$ 12,000
SELF-INSURANCE	Insurance	611-71140-203	Storm Water - Prescription Claims			\$ 1,500	
SELF-INSURANCE	Insurance	611-71140-204	Storm Water - Medical Claims			\$ 50,000	
SELF-INSURANCE	Insurance	611-71140-205	Storm Water - Dental Claims			\$ 2,500	
SELF-INSURANCE	Insurance	611-71150-204	911/Landfill - Medical Claims			\$ 1,500	
SELF-INSURANCE	Insurance	611-71160-204	Solid Waste - Medical Claims			\$ 7,000	
SELF-INSURANCE	Insurance	611-71170-203	Cobra - Prescription Claims			\$ 12,000	
SELF-INSURANCE	Insurance	611-71170-204	Cobra - Medical Claims			\$ 35,000	
SELF-INSURANCE	Insurance	611-72110-380	Health Clinic - Operating Costs			\$ 180,000	
			Totals	#####	\$ -	#####	\$ 136,000

In Balance

PASSED ON FIRST READING THIS \_16th\_ Day of June 2015


\_\_\_\_\_  
 ATTEST: \_\_\_\_\_ Mayor  
 \_\_\_\_\_ City Administrator

PASSED ON SECOND READING THIS \_7th\_ Day of July 2015

\_\_\_\_\_  
 ATTEST: \_\_\_\_\_ Mayor  
 \_\_\_\_\_ City Administrator

[Return to Agenda](#)



 <b>GOVERNMENTAL GRANT CONTRACT</b> (cost reimbursement grant contract with a federal or Tennessee local governmental entity or their agents and instrumentalities)					
<b>Begin Date</b> 07/01/2015		<b>End Date</b> 06/30/2016		<b>Agency Tracking #</b> 40100-09016	
<b>Edison ID</b> 45412					
<b>Grantee Legal Entity Name</b> City of Morristown				<b>Edison Vendor ID</b> 4108	
<b>Subrecipient or Contractor</b>		<b>CFDA: N/A</b>			
<input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Contractor		<b>Grantee's fiscal year end:</b> June			
<b>Service Caption (one line only)</b> Provide funds for airport improvements, general maintenance and upkeep to airport facilities and grounds					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Grant Contract Amount</b>
2016	\$19,800.00				\$19,800.00
<b>TOTAL:</b>	<b>\$19,800.00</b>				<b>\$19,800.00</b>
<b>Grantee Selection Process Summary</b>					
<input checked="" type="checkbox"/> Competitive Selection			For every project, the airport owner, sponsor or educational program must submit a letter of request and an application to the Aeronautics Division. The Aeronautics Division staff reviews all project requests monthly. The review is based on the Division's established criteria and policies. The review results are presented to the Commissioner for approval. Grant award amounts will be based upon available funds and the amount requested, and such funding will be continued in order of application approval.		
<input type="checkbox"/> Non-competitive Selection			Describe the reasons for a non-competitive grantee selection process.		
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.				CPO USE - GG	
<b>Speed Chart (optional)</b>		<b>Account Code (optional)</b> 71302			

**VENDOR ADDRESS: 1**

**LOCATION CODE: MAIN**

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

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" or the "Grantor State Agency" and CITY OF MORRISTOWN, hereinafter referred to as the "Grantee," is for the provision of an airport improvement project, as further defined in the "SCOPE OF SERVICES AND DELIVERABLES."

Grantee Edison Vendor ID # **4108**

**A. SCOPE OF SERVICES AND DELIVERABLES:**

- A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.
- A.2. The purpose of this grant shall be to provide financial assistance to a publicly-owned airport. Pursuant to the provisions of Tennessee Code Annotated 42-2-23, assistance shall be for eligible maintenance work items or improvements as described but not limited to as shown in Attachment One. The Grantee shall provide a fifty percent (50%) participation of actual costs.

**B. TERM OF CONTRACT:**

- B.1. This Grant Contract shall be effective on **July 1, 2015** ("Effective Date") and extend for a period of **Twelve (12) months** after the Effective Date ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed **Nineteen Thousand Eight Hundred Dollars and No Cents (\$19,800.00)** ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment Two is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State quarterly, with all necessary supporting documentation, and present such to:

Department of Transportation-Aeronautics Division thru BlackCat  
<https://secure.blackcatgrants.com>

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
    - (1) Invoice/Reference Number (assigned by the Grantee).
    - (2) Invoice Date.
    - (3) Invoice Period (to which the reimbursement request is applicable).
    - (4) Grant Contract Number (assigned by the State).
    - (5) Grantor: Department of Transportation, Aeronautics Division.
    - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
    - (7) Grantee Name.
    - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
    - (9) Grantee Remittance Address.
    - (10) Grantee Contact for Invoice Questions (name, phone, or fax).
    - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
      - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
      - ii. The amount reimbursed by Grant Budget line-item to date.
      - iii. The total amount reimbursed under the Grant Contract to date.
      - iv. The total amount requested (all line-items) for the Invoice Period.
  - b. The Grantee understands and agrees to all of the following.
    - (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
    - (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
    - (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
- C.6. **Budget Line-items.** Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to one percent (1%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.
- C.7. **Disbursement Reconciliation and Close Out.** The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Contract end date, in form and substance acceptable to the State.
- a. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract, the

Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.

- b. The State shall not be responsible for the payment of any invoice submitted to the State after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
  - c. The Grantee's failure to provide a final grant disbursement reconciliation report to the State as required by this Grant Contract shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the State pursuant to this Grant Contract.
  - d. The Grantee must close out its accounting records at the end of the Term in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Term.
- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or related matter. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Non-allowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment that are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs.
- C.12. State's Right to Set Off. The State reserves the right to set off or deduct from amounts that are or shall become due and payable to the Grantee under this Grant Contract or under any other agreement between the Grantee and the State of Tennessee under which the Grantee has a right to receive payment from the State.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following documentation properly completed.
- a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. The State will pay via ACH Credits.

- b. The Grantee shall complete, sign, and return to the State a "Substitute W-9 Form" provided by the State. The Grantee taxpayer identification number must agree with the Federal Employer Identification Number or Social Security Number referenced in this Grant Contract or the Grantee's Tennessee Edison Registration.

**D. STANDARD TERMS AND CONDITIONS:**

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

employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

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

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

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

Belinda Hampton, GA III  
TN Department of Transportation-Aeronautics Division  
P.O. Box 17326  
Nashville, TN 37217  
[belinda.hampton@tn.gov](mailto:belinda.hampton@tn.gov)  
Telephone: 615-741-1901

The Grantee:

Danny Thomas, City Mayor  
City of Morristown  
PO Box 1499  
Morristown, TN 37816-1499  
Telephone: 423-581-0100

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

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

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



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

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

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

- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
- b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.

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

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

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

D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall

include the statement, "This project is funded under a grant contract with the State of Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.

- D.14. Licensure. The Grantee, its employees, and any approved subcontractor shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with Tenn. Code Ann. §§ 10-7-404 or 10-7-702, as appropriate. In no case shall the records be maintained for a period of less than five (5) full years from the date of the final payment. The Grantee's records shall be subject to audit at any reasonable time and upon reasonable notice by the Grantor State Agency, the Comptroller of the Treasury, or their duly appointed representatives.

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

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

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

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

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

Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of the Grantor State Agency, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

- D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency and the Department of Finance and Administration ("F&A"). Send electronic copies of annual and final reports to F&A at [fa.audit@tn.gov](mailto:fa.audit@tn.gov). At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by

the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.

- D.19. **Audit Report.** When the Grantee has received seven hundred fifty thousand dollars (\$750,000.00) or more in aggregate federal and state funding for all of its programs within the Grantee's fiscal year, the Grantee shall provide audited financial statements to the Tennessee Comptroller of the Treasury. The Grantee may, with the prior approval of the Comptroller of the Treasury, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract form prescribed by the Tennessee Comptroller of the Treasury. When an audit is required under this Section, the audit shall be performed in accordance with U.S. Office of Management and Budget's Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The Grantee shall be responsible for reimbursing the Tennessee Comptroller of the Treasury for any costs of an audit prepared by the Tennessee Comptroller of the Treasury.

The Grantee shall be responsible for payment of fees for an audit prepared by a licensed independent public accountant. Payment of the audit fees for the licensed independent public accountant by the Grantee shall be subject to the provision relating to such fees contained within this Grant Contract. Copies of such audit reports shall be provided to the designated cognizant state agency, the Grantor State Agency, the Tennessee Comptroller of the Treasury, the Central Procurement Office, and the Commissioner of Finance and Administration.

Audit reports shall be made available to the public.

- D.20. **Procurement.** If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, motor vehicles, or contracted services, procurements by the Grantee shall be competitive where practicable. For any procurement for which reimbursement is paid under this Grant Contract, the Grantee shall document the competitive procurement method. In each instance where it is determined that use of a competitive procurement method is not practicable, supporting documentation shall include a written justification for the decision and for the use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.318—200.326 when procuring property and services under a federal award.

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

- D.21. **Strict Performance.** Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.
- D.22. **Independent Contractor.** The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- D.23. **State Liability.** The State shall have no liability except as specifically provided in this Grant Contract.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.
- D.25. Tennessee Department of Revenue Registration. The Grantee shall be registered with the Tennessee Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material provision of this Grant Contract.
- D.26. Reserved.
- D.27. State Interest in Equipment. The Grantee shall take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Agreement, subject to the Grantor State Agency's equitable interest therein, to the extent of its *pro rata* share, based upon the Grantor State Agency's contribution to the purchase price. "Equipment" shall be defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and no matter what the acquisition cost shall be.

As authorized by the provisions of the terms of the Tennessee Uniform Commercial Code — Secured Transaction, found at Title 47, Chapter 9 of the *Tennessee Code Annotated*, and the provisions of the Tennessee Motor Vehicle Title and Registration Law, found at Title 55, Chapter 1 of the *Tennessee Code Annotated*, an intent of this Grant document and the parties hereto is to create and acknowledge a security interest in favor of the Grantor State Agency in the equipment and/or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant document. A further intent of this Grant document is to acknowledge and continue the security interest in favor of the Grantor State Agency in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grants between the Grantor State Agency and the Grantee.

The Grantee hereto grants the Grantor State Agency a security interest in said equipment. This agreement is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the Grantor State Agency a security interest in said equipment. The Grantee agrees that the Grantor State Agency may file this Grant Agreement or a reproduction thereof, in any appropriate office, as a



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

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

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

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

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

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

- D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: [http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)
- D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. §§ 9-8-101 through 9-8-407.
- D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.
- D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.
- E.2. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.



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

- E.3. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Grantee by the State or acquired by the Grantee on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Grantee to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Grantee due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Grantee shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

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

- E.4. Airport Assurances from Sale or Disposal of Land, Properties, Structures or Materials Related to Airport. The airport owner shall not sell or otherwise dispose of the property identified herein without the express prior written consent of the State, which consent will not be unreasonably withheld. In the event that the State grants permission to sell or otherwise dispose of all or a portion of the forgoing property in perpetuity, the airport owner shall be liable to pay the State a portion of the proceeds at fair market value as determined herein, resulting from the agreed upon sale price or fair market value. The funds collected from the sale of the property or fair market value will be divided in the same proportion as defined in this Grant Contract with said State funds reinvested into airport property in accordance with State funding policies and procedures.

Nothing herein shall prohibit the parties hereto from agreeing to the reinvestment of said proportion of the proceeds or fair market value for rehabilitation or improvements in any remaining airport properties or structures or at a new airport site.

All properties purchased with assistance of this Grant must include in the property deed a clause that states that **"This property was purchased with the assistance of State and/or Federal funds, and may not be sold or otherwise disposed of without all agencies express written consent."**

IN WITNESS WHEREOF,

CITY OF MORRISTOWN:

32-1656

---

GRANTEE SIGNATURE

DATE

DANNY THOMAS, CITY MAYOR

---

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

---

GRANTEE LEGAL COUNSEL'S SIGNATURE

DATE

**DEPARTMENT OF TRANSPORTATION:**

---

**JOHN C. SCHROER, COMMISSIONER**

**DATE**

---

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

**DATE**

The following are examples of eligible\* and ineligible\* items for use with your FY16 Airport Maintenance grant.

Eligible Uses:

1. Preventive maintenance, repair or replacement of maintenance buildings, equipment, navigational aids, lighting systems, pavements and other property or facilities necessary for the safe and efficient functioning of the airport
2. Purchase of mowing equipment
3. Maintenance services such as mowing, landscaping or other related work on airport property (i.e. services contracted by airport sponsor, county/city grounds service – journal vouchered for the time worked on airport maintenance *only*)
4. Fuel used for maintenance equipment ONLY, with valid receipt showing purchase price/gallons ONLY
5. Unicom and other radio equipment
6. Airport signage
7. Fire extinguishers including inspection fees
8. Safety-related equipment: (i.e. gloves, safety vests, safety eyewear, earplugs)
9. Installation and subscription to an aviation flight planning satellite weather system, i.e., D.T.N., W.S.I. or Pan Am Weather Systems
10. Testing or inspection of underground fuel storage tanks, and associated fees (as necessary to comply with federal and/or state regulations)
11. Sales tax on eligible items
12. Professional uniform service (to be used solely for work at the airport)
13. Cleaning supplies, cleaning service, including waste removal

Ineligible Uses:

1. Food or drink
2. Utility or telephone bills (including cellular / "land line")
3. Maintenance of facilities or equipment not owned or located on the airport property
4. Purchase or maintenance of aircraft, automobiles, pickup trucks or other passenger vehicles including courtesy cars
5. Services performed by a Fixed Based Operator (FBO), by anyone employed or contracted by the FBO, or employees of the airport sponsor, for any type of airport operational duties or functions that would normally be required of their job. This will not be reimbursed.
6. Insurance of any type
7. Computers, computer software, computer peripherals, or Internet Service (unless otherwise noted above)
8. Office supplies, including toner and copy paper
9. Furniture (including cabinetry of any type)
10. Television/Cable
11. Office Equipment (unless otherwise noted above)
12. Repairs of office equipment
13. Registration, travel or expenses for conferences or seminars
14. Purchase (or repair) of appliances
15. Local Project Matching Funds for projects

\* All items listed above are to be used as a reference and not all inclusive. Any questionable items will be reviewed on a case-by-case basis and may be deducted from your total invoices

GRANT BUDGET				
City of Morristown: 2016 Airport Maintenance			AERM-16-143-00	
The Grant Budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable Period: BEGIN: July 1, 2015			END: June 30, 2016	
POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY <sup>1</sup>	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
1. 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award <sup>2</sup>	\$19,800.00	0.00	\$19,800.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11. 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest <sup>2</sup>	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation <sup>2</sup>	0.00	0.00	0.00
18	Other Non-Personnel <sup>2</sup>	0.00	0.00	0.00
20	Capital Purchase <sup>2</sup>	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	GRAND TOTAL	\$19,800.00	0.00	\$19,800.00

<sup>1</sup> Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A.* (posted on the Internet at: <http://www.state.tn.us/finance/act/documents/policy3.pdf>).

<sup>2</sup> Applicable detail follows this page if line-item is funded.

**GRANT BUDGET LINE-ITEM DETAIL:**

<b>PROFESSIONAL FEE, GRANT &amp; AWARD</b>	<b>AMOUNT</b>
Provide funds for airport improvements, general maintenance and upkeep to airport facilities and grounds	\$19,800.00
<b>TOTAL</b>	<b>\$19,800.00</b>

32-1656

Project Breakdown:      \$19,800.00      50% State      Local 50%

Notwithstanding any provision contained herein, grantee agrees to fund at least five (5%) of the total project cost.



## GRANT CONTRACT

(cost reimbursement grant contract with an individual, business, non-profit, or governmental entity of another state or country)

<b>Begin Date</b> July 1, 2015	<b>End Date</b> June 30, 2018	<b>Agency Tracking #</b> 31620-00299	<b>Edison ID</b> 45150
-----------------------------------	----------------------------------	---	---------------------------

<b>Grantee Legal Entity Name</b> City of Morristown	<b>Edison Vendor ID</b> 62-6000369
--	---------------------------------------

<b>Subrecipient or Contractor</b> <input type="checkbox"/> Subrecipient <input type="checkbox"/> Contractor	<b>CFDA #14.239</b>
<b>Grantee's fiscal year end</b>	

<b>Service Caption (one line only)</b> HOME Federal Grant Program
--

Funding —					
FY	State	Federal	Interdepar tmental	Other	TOTAL Grant Contract Amount
2014		\$375,000			\$375,000
<b>TOTAL:</b>		\$375,000			\$375,000

<b>Ownership/Control Not known at this time</b>					
<input type="checkbox"/> African American	<input type="checkbox"/> Asian	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Native American	<input type="checkbox"/> Female	
<input type="checkbox"/> Person w/Disability	<input type="checkbox"/> Small Business	<input checked="" type="checkbox"/> Government	<input type="checkbox"/> NOT Minority/Disadvantaged		
<input type="checkbox"/> Other:					

<b>Grantee Selection Process Summary</b>	
<input checked="" type="checkbox"/> Competitive Selection	HOME grants are awarded competitively based on threshold criteria, program design or CHDO capacity points, need points, non-proportionately served points, disaster county points, leverage points, and energy conservation points as described the 2014 HOME Program Description and Application.
<input type="checkbox"/> Non-competitive Selection	

<b>Budget Officer Confirmation:</b> 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.	<b>CPO USE - GR</b>
<b>Speed Chart (optional)</b>	<b>Account Code (optional)</b>



**GRANT CONTRACT HM-14-16  
BETWEEN THE  
STATE OF TENNESSEE  
TENNESSEE HOUSING DEVELOPMENT AGENCY  
AND  
City of Morristown**

This Grant Contract or Working Agreement, by and between the State of Tennessee, Tennessee Housing Development Agency, hereinafter referred to as the "State" or "THDA" and City of Morristown, hereinafter referred to as the "Grantee," is for creating, maintaining or making more affordable, housing for low and very low income households under the HOME Investment Partnership Program (the "HOME Program"), as further described under "Scope of Services and Deliverables" (the "SCOPE OF SERVICES") below.

The Grantee is a Government Entity.

Grantee Place of Incorporation or Organization is Tennessee.

Grantee Edison Vendor ID # 62-6000369

**A. SCOPE OF SERVICES AND DELIVERABLES:**

- A.1. The Grantee shall provide all services and deliverables as required, described, and detailed in this Scope of Services section or elsewhere in this Working Agreement.
- A.2. To perform the housing and housing related activities to improve housing conditions for low and very low income persons, as specified in ATTACHMENT A; DESCRIPTION OF ACTIVITIES; ATTACHMENT B: IMPLEMENTATION PLAN; ATTACHMENT C: BUDGET; and if applicable, ATTACHMENT D: OPERATING EXPENSES.
- A.3. Incorporation of Federal Award Identification Worksheet. The federal award identification worksheet, which appears as Attachment E, is incorporated in this Working Agreement by this reference.
- A.4. Incorporation of Additional Documents. The following documents are incorporated by this reference in this Working Agreement:
  - a. Title 24 Code of Federal Regulations, Part 92, as amended, the HOME Investment Partnership Program Regulations, (the "Federal HOME Regulations").
  - b. THDA HOME Program Description and Operations Manual (the "THDA HOME Requirements").

In the event of a discrepancy, ambiguity or conflicting requirements regarding the Grantee's duties, responsibilities and performance under this Working Agreement, the more stringent requirement shall apply.

- A.5. To comply with the Project Requirements in 24 CFR 92, Subpart F of the Federal HOME Regulations, as applicable in accordance with the type of project assisted.
- A.6. To maintain records adequate to document compliance with 24 CFR Section 92.508(a)(2)-(7) of the Federal HOME Regulations, along with such other records the State determines necessary to enable the State to fulfill its responsibilities in the HOME Program. All records shall be retained in accordance with the requirements of 24 CFR Section 92.508(c) of the Federal HOME Regulations.

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

**B. TERM OF GRANT CONTRACT:**

- B.1. Grant Term. This Working Agreement shall be effective on July 1, 2015 ("Effective Date") and extend for a period of 36 months after the Effective Date to June 30, 2018 ("Term"). The State shall have no obligation for goods or services provided by the Grantee prior to the Effective Date.
- B.2. Period of Affordability. The Working Agreement shall remain effective, regardless of the Grant Term specified above, for the period of affordability required under 24 CFR 92.252 or 92.254 of the Federal HOME Regulations, as applicable (the "Affordability Period").

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed THREE HUNDRED SEVENTY-FIVE THOUSAND and 00/100 DOLLARS (\$375,000) ("Maximum Liability"). The Grant Budget, attached and incorporated hereto as Attachment C, shall constitute the maximum amount due the Grantee under this Working Agreement. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee. If the Grantee is a Community Housing Development Organization ("CHDO"), the administrative line item on Attachment C is further defined in Attachment D: CHDO Operating Expenses.
- C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the Term and are not subject to escalation for any reason unless amended, except as provided in Section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Working Agreement, the Grantee shall submit invoices, in form and substance acceptable to the State, with all of the necessary supporting documentation, prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice THDA based upon the percentage of completion of construction or based on an approved payment schedule, with all necessary supporting documentation required by the THDA HOME Requirements, and shall submit such to the Tennessee Housing Development Agency via electronic drop box.
- C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Working Agreement shall adhere to the Grant Budget. Reimbursable expenditures may NOT vary from the Grant Budget line-items amount(s) detailed. Any change in Grant Budget line-items shall require an amendment of this Grant Contract.
- C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Working Agreement end date, in form and substance acceptable to the State.
- a. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by Section C of this Working Agreement, the Grantee shall refund the

difference to the State. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

- b. The State shall not be responsible for the payment of any invoice submitted to the State after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
- c. The Grantee's failure to provide a final grant disbursement reconciliation report to the State as required shall result in the Grantee being deemed ineligible for reimbursement under this Working Agreement, and the Grantee shall be required to refund any and all payments by the State pursuant to this Working Agreement.
- d. The Grantee must close out its accounting records at the end of the Term in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

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

C.9. Cost Allocation. If any part of the costs to be reimbursed under this Working Agreement are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Term.

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

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

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

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

- a. The Grantee shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. The State will pay via ACH Credits.

- b. The Grantee shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The Grantee taxpayer identification number must agree with the Federal Employer Identification Number or Social Security Number referenced in this Working Agreement or the Grantee's Tennessee Edison Registration.

**D. STANDARD TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Working Agreement until it is signed by the parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this Working Agreement, the officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. This Working Agreement may be modified only by a written amendment signed by all parties and approved by the officials who approved the Working Agreement and, depending upon the specifics of the Working Agreement as amended, any additional officials required by Tennessee laws and regulations (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).
- D.3. Termination for Convenience. This Working Agreement may be terminated by either party by giving written notice to the other, at least thirty (30) days before the effective date of termination. Should either party exercise this provision, the Grantee shall be entitled to reimbursement for authorized expenditures and satisfactory services, in compliance with Federal HOME Regulations and the THDA HOME Requirements, completed as of the termination date, but, in no event, shall the State be liable to the Grantee for any service which has not been rendered. The final decision as to the amount for which the State is liable shall be determined by the State. In the event of disagreement, the Grantee may file a claim with the Tennessee Claims Commission to seek redress.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Working Agreement in a timely or proper manner, or if the Grantee violates any terms of this Working Agreement ("Breach Condition"), the State shall have the right to immediately terminate the Working Agreement and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Grantee 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 breach of this Working Agreement.
- D.5. Subcontracting. The Grantee shall not assign this Working Agreement or enter into a subcontract for any of the services performed under this Working Agreement without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Working Agreement pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Working Agreement Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Working Agreement. The Grantee acknowledges, understands, and agrees that this Working Agreement shall be null and void if the Grantee is, or within the past six months has been, an employee of the State of Tennessee or if the Grantee is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee.

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

- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

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

The State:

Ralph M. Perrey, Executive Director  
Tennessee Housing Development Agency  
Andrew Jackson Building, Third Floor  
502 Deaderick Street, Nashville, Tennessee 37243  
Telephone Number: 615-815-2200  
Facsimile Number: 615-564-1292  
Email: rperrey@thda.org

The Grantee:

Gary Chesney, Mayor  
City of Morristown  
P.O. Box 1499, Morristown, TN 37816  
Telephone Number: 423-581-0100  
Email: mayor@mymorristown.com

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



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

- D.9. Subject to Funds Availability. This Working Agreement is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Working Agreement upon written notice to the Grantee. The State's right to terminate this Working Agreement due to lack of funds is not a breach of this Working Agreement by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Working Agreement. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.10. Nondiscrimination. The Grantee agrees that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Working Agreement or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.11. Reserved.
- D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Working Agreement involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:
- NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454.
- The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.
- D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Working Agreement shall include the statement, "This project is funded under a Working Agreement with the Tennessee Housing Development Agency through the U.S. Department of Housing and Urban Development." All notices by the Grantee in relation to this Working Agreement shall be approved by the State.
- D.14. Licensure. The Grantee and its employees and all sub-grantees shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Working Agreement. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Working Agreement, shall be maintained for a period of five (5) full years from the date of the



final payment and shall be subject to audit at any reasonable time and upon reasonable notice by THDA, the Tennessee Comptroller of the Treasury, or their duly appointed representatives.

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

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

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

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

Any other required records or reports which are not contemplated in the above standards shall follow the format designated by the head of THDA, the Central Procurement Office, or the Commissioner of Finance and Administration of the State of Tennessee.

- D.16. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Working Agreement shall be subject to monitoring and evaluation by the State, the Tennessee Comptroller of the Treasury, or their duly appointed representatives.
- D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.18. Reports. The Grantee shall submit all reports with form, substance and deadlines as specified in the Federal HOME Regulations and the THDA HOME Requirements. The Grantee shall submit, within three (3) months of the conclusion of the Term, a HOME Close-out Report to THDA.
- D.19. Audit Report. When the Grantee has received seven hundred fifty thousand dollars (\$750,000.00) or more in aggregate federal and state funding for all of its programs within the Grantee's fiscal year, the Grantee shall provide audited financial statements to the Tennessee Comptroller of the Treasury. The Grantee may, with the prior approval of the Comptroller of the Treasury, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract form prescribed by the Tennessee Comptroller of the Treasury. When an audit is required under this Section, the audit shall be performed in accordance with *U.S. Office of Management and Budget's Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

The Grantee shall be responsible for reimbursing the Tennessee Comptroller of the Treasury for any costs of an audit prepared by the Tennessee Comptroller of the Treasury.

The Grantee shall be responsible for payment of fees for an audit prepared by a licensed independent public accountant. Payment of the audit fees for the licensed independent public accountant by the Grantee shall be subject to the provision relating to such fees contained within this Working Agreement. Copies of such audit reports shall be provided to the designated cognizant state agency, the Grantor State Agency, the Tennessee Comptroller of the Treasury, the Central Procurement Office, and the Commissioner of Finance and Administration.

Audit reports shall be made available to the public.

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

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

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

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

The Grantee, 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 Grantee's employees, and to pay all applicable taxes incident to this Working Agreement.

- D.23. State Liability. The State shall have no liability except as specifically provided in this Working Agreement.

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

Agreement or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Working Agreement or charge the State any fees other than those provided for in this Working Agreement as the result of a Force Majeure Event.

- D.25. Tennessee Department of Revenue Registration. The Grantee shall be registered with the Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Working Agreement.
- D.26. No Acquisition of Equipment or Motor Vehicles. This Working Agreement does not involve the acquisition and disposition of equipment or motor vehicles acquired with funds provided under this Working Agreement.
- D.27. Local, State and Federal Compliance. The Grantee shall comply with all applicable local, state and federal ordinances, laws and regulations in the performance of this Working Agreement.
- D.28. Governing Law. This Working Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Working Agreement. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee, THDA, or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. §§ 9-8-101 through 9-8-407.
- D.29. Completeness. This Working Agreement is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Working Agreement supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.30. Severability. If any terms and conditions of this Working Agreement are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Working Agreement are declared severable.
- D.31. Headings. Section headings are for reference purposes only and shall not be construed as part of this Working Agreement.
- D.32. Hold Harmless. To the extent permitted by law, the Grantee agrees to indemnify and hold harmless THDA 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 Grantee, its employees, or any person acting for or on its or their behalf relating to this Grant Contract. The Grantee further agrees it shall be liable for the reasonable cost of attorneys for THDA to enforce the terms of this Working Agreement.

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

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, the special terms and conditions shall be subordinate to the Grant Contract's other terms and conditions.
- E.2. Training. The Grantee shall attend all training sessions **as** required by THDA. (Consultants may attend and will be considered as fulfilling this requirement).
- E.3. Program Income. The Grantee agrees that any repayment, interest and other return of HOME funds ("program income") **shall be returned to THDA.**
- E.4. Commitment of Funds. THDA will periodically review the Grantee's progress in committing HOME funds to individual projects. Any Grantee who is unable to draw down funds in a timely manner, as determined by THDA in its sole discretion, may, at THDA's sole discretion and upon thirty (30) days written notice, have all or any portion of its HOME funds reassigned.
- E.5. Home Program Requirements. Under this Grant Contract, Grantee is receiving a grant of HOME Investment Partnership Program funds ("HOME funds"). The Grantee understands these HOME funds are made available through the United States Department of Housing and Urban Development (HUD) and to facilitate the receipt of these HOME funds the Grantee agrees and certifies to comply with all applicable State, THDA and HUD requirements. Without limitation, Grantee specifically agrees and certifies as follows:
- a. The Grantee will comply with all the requirements of 24 CFR, Part 92, HOME Investment Partnership Program, as amended.
  - b. The Grantee will develop and implement an "Affirmative Marketing Policies and Procedures" acceptable to THDA for HOME-assisted housing containing 5 or more units for a homebuyer project, consisting of actions to provide information and otherwise attract persons from all racial, ethnic and gender groups in the housing market to the available housing. Affirmative marketing procedures adopted must include provisions to satisfy the requirements of 24 CFR 92.351 (a)(2)(i) through (v).
  - c. The Grantee will develop and implement a "Policy and Procedures for Outreach to Minority and Women Business Enterprises" acceptable to THDA.
  - d. The Grantee will comply with all other applicable Federal Requirements including, but not limited to the following sections of 24 CFR, Part 92:
    1. Section 92.350 Other Federal Requirements;
    2. Section 92.351 Affirmative Marketing; Minority Outreach Program
    3. Section 92.352 Environmental Review;
    4. Section 92.353 Displacement, Relocation and Acquisition;
    5. Section 92.354 Labor;
    6. Section 92.355 Lead-Based Paint;
    7. Section 92.356 Conflict of Interest;
    8. Section 92.357 Executive Order 12372;

9. Section 92.358 Consultant Activities.

- e. The Grantee will certify that it is not primarily a religious organization and will not use its funds to assist a primarily religious organization as provided by 24 CFR 92.257.
- f. The Grantee, as a non-profit organization, will comply with the requirements of OMB Circular No. A-122 and the following requirements of 24 CFR Part 84: 84.2, 84.5, 84.13-84.16, 84.21, 84.22, 84.26-84.28, 84.30, 84.31, 84.34-84.37, 84.40-84.48, 84.51, 84.60-84.62, 84.72 and 84.73.
- g. Before committing any HOME funds to a project, the Grantee will evaluate the project in accordance with the guidelines provided by THDA for this purpose and will not invest any more HOME funds, in combination with other federal or State assistance, than is necessary to provide affordable housing.
- h. The Grantee will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Estate Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR, Part 24 and the requirements of 24 CFR 92.353.
- i. The Grantee will use HOME funds pursuant to its or the State's Consolidated Plan approved by HUD and all requirements of 24 CFR, Part 92.
- j. The Grantee will require that any housing constructed or rehabilitated meet all applicable local, county and state codes, rehabilitation standards, Uniform Property Condition Standards ("UPCS"), and zoning ordinances at the time of project completion. In the absence of a local code, new construction of single-family units or duplexes must meet the current, State-adopted edition of the International Residential Code for One- and Two-Family Dwellings. The newly constructed units must also meet the accessibility requirements and mitigate disaster impact as applicable per State and local codes, ordinances, etc. In addition, newly constructed units must be Energy Star qualified and certified by an independent Home Energy Rating System (HERS) rater and also meet the requirements of the most current edition of the International Energy Conservation Code. In the absence of a local code, rehabilitation of existing homeowner units must meet the current, State-adopted edition of the International Existing Building Code.  
  
Any HOME-funded unit must also conform to the THDA Minimum Design Standards for New Construction and Rehabilitation of Single-Family Housing Units. THDA must review and approve plans, work write-ups and written cost estimates and determine cost reasonableness for both new construction and rehabilitation prior to putting the project out to bid.
- k. The Grantee will abide by the HOME affordability requirements of 24 CFR 92.252 or 92.254, as applicable. If HOME-assisted housing fails to meet the Affordability Period for the specified period, the Grantee will repay the applicable HOME funds as directed by the State.
- l. The Grantee will provide a means of enforcing compliance with HOME program requirements, including the Affordability Period and affordability requirements specified in 24 CFR 92.252 and 92.254. Enforcement may include liens on real property, deed restrictions, or covenants running with the land.
- m. A Grantee who is also a subrecipient, as defined in 24 CFR 92.2 must, upon the expiration of this Grant Contract, transfer to THDA any HOME funds on hand at the time of expiration and any accounts receivable attributable to the use of HOME funds.



E.6. Drug Free Workplace. The Grantee will or will continue to provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Grantee's workplace and specifying the action that will be taken against employees for violation of such prohibition;
- b. Establishing an ongoing drug-free awareness program to inform employees about:
  1. The dangers of drug abuse in the workplace;
  2. The Grantee's policy of maintaining a drug-free workplace;
  3. Any drug counseling, rehabilitation and employee assistance programs; and
  4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- c. Making it a requirement that each employee to be engaged in the performance of the Grant Contract be given a copy of the statement required by Paragraph E.6(a);
- d. Notifying the employee in the statement required by Paragraph E.6(a) that, as a condition of employment under the Grant Contract, the employee will:
  1. Abide by the terms of the statement; and
  2. Notify the employees in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- e. Notifying the State in writing, within ten calendar days after receiving notice under Paragraph E.6(d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.
- f. Taking one of the following actions, within thirty calendar days of receiving notice under Paragraph E.6(d)(2), with respect to any employee who is so convicted:
  1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirement of the Rehabilitation Act of 1973, as amended; or
  2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement or the appropriate agency;
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of Paragraphs E.6(a), (b), (c), (d), (e) and (f).

E.7. Corrective Action. If HUD orders the State to take any corrective or remedial action as outlined in Section 92.551 that are the result of any action taken by the Grantee, the Grantee will take any action required to prevent a continuation of the deficiency, mitigate to the extent possible, its



adverse effects or consequences, and prevent its recurrence. These remedies could, among other action, include repaying HOME funds to the HOME Investment Trust Fund.

IN WITNESS WHEREOF,

CITY OF MORRISTOWN:

\_\_\_\_\_  
Gary Chesney, Mayor

\_\_\_\_\_  
Date

TENNESSEE HOUSING DEVELOPMENT AGENCY:

\_\_\_\_\_  
Coralee B. Holloway, Director  
Community Programs

\_\_\_\_\_  
Date

## **ATTACHMENT A**

### **TENNESSEE HOUSING DEVELOPMENT AGENCY 2014 HOME PROGRAM DESCRIPTION OF GRANTEE ACTIVITIES**

**GRANTEE NAME: CITY OF MORRISTOWN**

**I. The activities for the 2014 HOME Project shall consist of the following:**

1. Use HOME funds to provide grants for the rehabilitation of ten units of owner-occupied housing in the City of Morristown.
2. The Grantee will incorporate Energy Star home improvements in the work write up on each unit rehabilitated.

**TENNESSEE HOUSING DEVELOPMENT AGENCY  
2014 HOME PROGRAM  
IMPLEMENTATION PLAN FOR HOMEOWNER REHABILITATION PROJECTS**

**GRANTEE: CITY OF MORRISTOWN**

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

- |     |  |          |
|-----|--|----------|
| 1.  | ERR submitted to THDA  | Dec 2015 |
| 2.  | Policies & Procedures adopted  | Jan 2016 |
| 3.  | Public meeting to explain program  | Feb 2016 |
| 4.  | Take applications and establish priority list                                  | Feb 2016 |
| 5.  | Initial Inspection conducted by THDA   | Mar 2016 |
| 6.  | Work write-ups or specifications completed                                     | Apr 2016 |
| 7.  | Approval of plans, specifications, work write-up,<br>and cost estimate by THDA | May 2016 |
| 8.  | Advertise projects for bid   | Jun 2016 |
| 9.  | Begin rehabilitation of first units  | Aug 2016 |
| 10. | THDA progress inspection at mid-point of construction                          | Nov 2016 |
| 11. | Complete construction in compliance with codes and<br>rehabilitation contract  | Feb 2017 |
| 12. | THDA final inspections   | Mar 2017 |
| 13. | All required documentation complete and submitted to THDA                      | Apr 2017 |
| 14. | Continue down priority list  | May 2017 |
| 15. | Contract complete  | Jun 2018 |

**TENNESSEE HOUSING DEVELOPMENT AGENCY  
2014 HOME PROGRAM  
PROJECT BUDGET**

**GRANTEE NAME:**            **CITY OF    MORRISTOWN**

<b>Funding Source</b>	<b>Home Owner Rehabilitation</b>	<b>Rental Rehabilitation</b>	<b>Rental New Construct</b>	<b>Administration</b>	<b>TOTAL</b>
<b>HOME FUNDS</b>	\$ 352,500	\$	\$	\$ 22,500	\$ 375,000
<b>Other Federal Funds</b>	\$	\$	\$	\$	\$
<b>Other State Funds</b>	\$	\$	\$	\$	\$
<b>Local Gov't or Agency Fund</b>	\$	\$	\$	\$	\$
<b>Private Lending Funds</b>	\$	\$	\$	\$	\$
<b>Homeowners Contribution</b>	\$	\$	\$	\$	\$
<b>TOTAL</b>	\$ 352,500	\$	\$	\$ 22,500	\$ 375,000

**ATTACHMENT E****Federal Award Identification Worksheet**

Subrecipient's name (must match registered name in DUNS)	City of Morristown
Subrecipient's DUNS number	079026779
Federal Award Identification Number (FAIN)	HM-14-47-0100
Federal award date	July 1, 2015
CFDA number and name	14.239 HOME Investment Partnership Program
Grant contract's begin date	July 1, 2015
Grant contract's end date	June 30, 2018
Amount of federal funds obligated by this grant contract	To be determined, but not to exceed \$500,000
Total amount of federal funds obligated to the subrecipient	\$375,000
Total amount of the federal award to the pass-through entity (Grantor State Agency)	\$10,096,577
Name of federal awarding agency	U. S. Department of Housing and Urban Development
Name and contact information for the federal awarding official	Mary C. Wilson Director, CPD John J. Duncan Federal Building, Ste 300 710 Locust Street, SW Knoxville, TN 37902
Is the federal award for research and development?	No
Indirect cost rate for the federal award (See 2 C.F.R. §200.331 for information on type of indirect cost rate)	N/A State recipients are restricted to third-party billing by program administrators and Non-profit agencies are restricted to program direct costs



**STATE OF TENNESSEE  
DEPARTMENT OF TRANSPORTATION  
PROGRAM DEVELOPMENT & ADMINISTRATION DIVISION  
LOCAL PROGRAMS DEVELOPMENT OFFICE**

SUITE 600, JAMES K. POLK BUILDING  
505 DEADERICK STREET  
NASHVILLE, TN 37243-1402  
(615) 741-5314

**JOHN C. SCHROER**  
COMMISSIONER

**BILL HASLAM**  
GOVERNOR

June 25, 2015

The Honorable Gary Chesney  
Mayor, City of Morristown  
100 West First North Street  
P. O. Box 1499  
Morristown, TN 37816

Re: West Andrew Johnson Hwy from North Faimont Avenue to West Morris Blvd  
Morristown, Hamblen County  
PIN: 121752.00  
Federal Project Number: Pending  
State Project Number: 32LPLM-F3-053  
Agreement Number: 150026

Dear Mayor Chesney:

I am attaching a contract providing for the development of the referenced project. Please review the contract and advise me if it requires further explanation. If you find the contract satisfactory please execute it in accordance with all rules, regulations and laws, obtain the signature of the attorney for your agency, and return the contract to me. Once the contract is fully executed, we will send a copy to you for your records.

As you are aware, TDOT will provide reviews of your work during project development. To ensure that TDOT staff schedules adequate time for your project, we are asking that you provide the dates on which you will accomplish project activities. We've listed those activities in this letter. We realize your proposed dates are tentative and subject to change. We will check with you during project development to update project information. The charges for these reviews are noted on Exhibit A of this contract as TDOT ES (for TDOT Engineering Services).

Remember that activities for which you want reimbursement cannot proceed until you receive a Notice to Proceed (NTP) from this office. For those activities please provide an estimate of the number of weeks after the receipt of the NTP you will begin the activity. For all other activities, those for which you are providing the funding, or have an NTP, please provide a month and year estimate.

If you have any questions or need any additional information, please contact Kimery Grant at 615-741-5323 or [Kimery.Grant@tn.gov](mailto:Kimery.Grant@tn.gov).

Sincerely,

A handwritten signature in cursive script, appearing to read "Whitney Sullivan".

Whitney Sullivan  
Transportation Manager  
[whitney.sullivan@tn.gov](mailto:whitney.sullivan@tn.gov)

Attachment



**Agreement Number: 150026**

**Project Identification Number: 121752.00**

**Federal Project Number: PENDING**

**State Project Number: 32LPLM-F3-053**

**State of Tennessee Department of Transportation**

## **LOCAL AGENCY PROJECT AGREEMENT**

THIS AGREEMENT, 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 Morristown (hereinafter called the "Agency") for the purpose of providing an understanding between the parties of their respective obligations related to the management of the project described as:

Resurfacing of West Andrew Johnson Hwy from North Faimont Avenue to West Morris Blvd

### **A. PURPOSE OF AGREEMENT**

#### **A.1 Purpose:**

- a) The purpose of this Agreement is to provide for the Department's participation in the project as further described in Exhibit A attached hereto and by this reference made a part hereof (hereinafter called the "Project") and state the terms and conditions as to the manner in which the Project will be undertaken and completed.

#### **A.2 Modifications and Additions:**

- a) Exhibit(s) are attached hereto and by this reference made a part hereof.

## **B. ACCOMPLISHMENT OF PROJECT**

### **B.1 General Requirements:**

a)

	<b>Responsible Party</b>	<b>Funding Provided by Agency or Project.</b>
Environmental Clearance by:	<b>Agency</b>	<b>Project</b>
Preliminary Engineering by:	<b>Agency</b>	<b>Project</b>
Right-of-Way by:	<b>Agency</b>	<b>Agency</b>
Utility Coordination by:	<b>Agency</b>	<b>Agency</b>
Construction by:	<b>Agency</b>	<b>Project</b>

- b) After receiving authorization for a phase, the Agency shall commence and complete the phases as assigned above of the Project as described in Exhibit A with all practical dispatch, in a sound, economical, and efficient manner, and in accordance with the provisions herein, and all applicable laws. The Project will be performed in accordance with all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines, available in electronic format, which by this reference is made a part hereof as if fully set forth herein.
- c) A full time employee of the Agency shall supervise the herein described phases of the Project. Said full time employee of the Agency shall be qualified to and shall ensure that the Project will be performed in accordance with the terms of this Agreement and all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines and this Agreement.

### **B.2 Completion Date:**

- a) The Agency agrees to complete the herein assigned phases of the Project on or before **6/30/2020**. 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.

### **B.3 Environmental Regulations:**

- a) The Department will review environmental documents and require any appropriate changes for approval as described in the Department's Local Government Guidelines.
- b) In the event the Agency is made responsible for the Environmental Clearances in Section B.1(a) of this Agreement, the Agency will be solely responsible for compliance with all applicable environmental regulations and for any liability arising from non-compliance with these regulations and will reimburse the Department of any loss incurred in connection therewith to the extent permitted by Tennessee Law. The Agency will be responsible for securing any applicable permits as described in the Department's Local Government Guidelines.
- c) In the event the Agency is made responsible for the Environmental Clearances in section B.1.(a) of this Agreement, then the Agency must complete environmental clearances before it begins final design and understands that a separate Notice to Proceed will be submitted for final design. Any work on final design performed ahead of this Notice to Proceed will not be reimbursable.

### **B.4 Plans and Specifications**

- a) In the event that the Agency is made responsible for the Preliminary Engineering in Section B.1 (a) of this Agreement and federal and/or state funding is providing reimbursement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Preliminary Engineering phase of the Project without the written approval of the Department. Failure to obtain such written approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that this Agreement involves constructing and equipping of facilities on the State Highway System and/or is a Project with Federal participation and the Agency is made responsible for Preliminary Engineering in section B.1.(a) of this Agreement, the Agency shall submit to the Department for approval all appropriate plans and specifications covering the Project. The Department will review all plans and specifications and will issue to the Agency written approval with any approved portions of the Project and comments or recommendations covering any remainder of the Project deemed appropriate.
  - 1) After resolution of these comments and recommendations to the Department's satisfaction, the Department will issue to the Agency written approval and authorization to proceed with the next assigned phase of the Project. Failure to obtain this written approval and authorization to proceed shall be sufficient cause for nonpayment by the Department.
- c) In the event that this Agreement involves the use of State Highway Right-of-Way, the Agency shall submit a set of plans to the TDOT Traffic Engineer responsible for

the land in question. These plans shall be sufficient to establish the proposed Project and its impact on the State Highway Right-of-Way.

### **B.5 Right-of-Way**

- a) The Agency shall, without cost to the Department, provide all land owned by the Agency or by any of its instrumentalities as may be required for the Project right-of-way or easement purposes.
- b) The Agency understands that if it is made responsible for the Right-of-Way phase in section B.1(a) hereof and federal and/or state funds are providing the reimbursement, any activities initiated for the appraisal or the acquisition of land prior to authorization from the Department will not be reimbursed and that failure to follow applicable Federal and State law in this regard may make the Project ineligible for federal and/or state funding.
- c) The Department will review the processes the Agency used for the acquisition of land and other right-of-way activities. If those processes are found to be in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Public Law 91-646, 84 Stat. 1894), the Department will certify that the acquisition phase was completed appropriately. The Agency understands that the Project cannot proceed to the Construction phase until this certification of the acquisition phase has been provided. It further understands that if the processes used for acquisition are such that certification is impossible, federal and/or state funds will be withdrawn from the Project. If such withdrawal does occur, the Agency hereby agrees to reimburse the Department for all federal and/or state funds expended at the time of such withdrawal.
- d) If the Agency is responsible for the Construction phase, it agrees to correct any damage or disturbance caused by its work within the State Highway Right-of-Way, including but not limited to the replacement of any control access fence removed by the Agency or its Contractor or agent during the Construction phase of the Project.

### **B.6 Approval of the Construction Phase**

- a) In the event that the Agency is made responsible for the Construction phase in section B.1.(a) of this Agreement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Construction phase of the Project without the written approval of the Department. Failure to obtain such approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement, when the construction phase begins, the Agency may make such periodic visits to the Project site as necessary to familiarize itself generally with the progress and quality of the work and to determine in general if



the work is proceeding in accordance with the Construction Agreement. If there is any perceived failure, the Agency shall give prompt written notification to the Department's Resident Engineer in charge.

- c) If the Project includes State Highway Right-of-Way and the Agency is responsible for the Construction phase, the Agency shall follow all requirements imposed by the TDOT Traffic Engineer.
- d) In the event that the Project includes State Highway Right-of-Way and the Agency is performing any construction work on this project, such work shall be performed to the satisfaction of the Department. If the Agency is being compensated for any construction work under this Agreement, any remedial work deemed necessary by the Department shall be done at the Agency's sole expense.
- e) The Agency understands that all contractors allowed to bid hereunder must be included on the Department's pre-qualified contractor list. Under Federal law, however, no contractor shall be required by law, regulation, or practice to obtain a license before submitting a bid or before a bid may be considered for an award of a contract; provided, however, that this is not intended to preclude requirements for the licensing of a contractor upon or subsequent to the award of the contract if such requirements are consistent with competitive bidding.

## **B.7 Detours**

- a) If the Agency deems a detour to be necessary to maintain traffic during a road closure, then the Agency shall select, sign, and maintain the detour route in strict accordance with the Departments Final Construction Plan Notes and the Manual on Uniform Traffic Control Devices.

## **B.8 Utilities**

- a) In the event that the Department is made responsible for the Construction phase in Section B.1(a) of this Agreement, the Department shall also be responsible for the Utilities phase.
- b) In the event that the Agency is made responsible for the Utilities Phase in section B.1.(a) of this Agreement, the following applies:
  - 1) The Agency shall assist and ensure that all utility relocation plans are submitted by the utilities and received by the Regional TDOT Utility Office per TDOT's coordination instructions for approval prior to the Project advertisement for bids.
  - 2) The Agency agrees to provide for and have accomplished all utility connections within the right-of-way and easements prior to the paving stage of the Construction phase.

## **B.9 Railroad**

- a) In the event that a railroad is involved, Project costs may be increased by federally required improvements. The Agency agrees to provide such services as necessary to realize these improvements. The Agency understands it may have to enter into additional agreements to accomplish these improvements.

## **C. PAYMENT TERMS AND CONDITIONS**

### **C.1 Total Cost:**

**In the event that the Agency shall receive reimbursement for Project expenditures with federal and/or state funds for any portion of the herein described Project, this provision shall apply.**

- a) The Department agrees to reimburse the Agency for eligible and appropriate Project expenditures as detailed in the Department's Local Government Guidelines with federal and/or state funds made available and anticipated to become available to the Agency, provided that the maximum liability of the Department shall be as set forth in Exhibit A.

### **C.2 Eligible Costs:**

**In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.**

- a) Only Project costs incurred after the issuance of the Notice to Proceed for each phase as detailed in the Department's Local Government Guidelines are eligible for Department reimbursement.

### **C.3 Limits on Federal and State Participation:**

- a) Federal and/or state funds shall not participate in any cost which is not incurred in conformity with applicable federal and state law, the regulations in 23 C.F.R. and 49 C.F.R., and policies and procedures prescribed by the Federal Highway Administration (FHWA). Federal funds shall not be paid on account of any cost incurred prior to authorization by the FHWA to the Department to proceed with the Project or part thereof involving such cost. (23 CFR 1.9 (a)). If FHWA and/or the Department determines that any amount claimed is not eligible, federal and/or state participation may be approved in the amount determined to be adequately supported. The Department shall notify the Agency in writing citing the reasons why items and amounts are not eligible for federal and/or state participation. Where correctable non-compliance with provisions of law or FHWA requirements exists, federal and/or state funds may be withheld until compliance is obtained. Where non-compliance is not correctable, FHWA and/or the Department may deny participation in Project costs in part or in total.



- b) For any amounts determined to be ineligible for federal and/or state reimbursement for which the Department has made payment, the Agency shall promptly reimburse the Department for all such amounts within ninety (90) days of written notice.
- c) The Agency agrees to pay all costs of any part of this project which are not eligible for federal and/or state funding. These funds shall be provided upon written request therefore by either (a) check, or (b) deposit to the Local Government Investment Pool, whenever requested.

#### **C.4 Payment Methodology:**

**In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.**

- a) The Agency shall submit invoices, in a form outlined in the Local Government Guidelines with all necessary supporting documentation, prior to any reimbursement of allowable costs. Such invoices shall be submitted no more often than monthly but at least quarterly and indicate, at a minimum, the amount charged by allowable cost line-item for the period invoiced, the amount charged by line-item to date, the total amounts charged for the period invoiced, and the total amount charged under this agreement to date. Each invoice shall be accompanied by proof of payment in the form of a canceled check or other means acceptable to the Department.
- b) The payment of an invoice by the Department shall not prejudice the Department's right to object to or question any invoice or matter in relation thereto. Such payment by the Department shall neither be construed as acceptance of any part of the work or service provided nor as final approval of any of the costs invoiced therein. The Agency's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the Department not to constitute allowable costs. Any payment may be reduced for overpayments or increased for under-payments on subsequent invoices.
- c) Should a dispute arise concerning payments due and owing to the Agency under this Agreement, the Department reserves the right to withhold said disputed amounts pending final resolution of the dispute.

#### **C.5 The Department's Obligations:**

**In the event that the Department is managing all phases of the Project herein described, this provision C.5 does not apply.**

- a) Subject to other provisions hereof, the Department will honor requests for reimbursement to the Agency in amounts and at times deemed by the Department

to be proper to ensure the carrying out of the Project and payment of the eligible costs. However, notwithstanding any other provision of this Agreement, the Department may elect not to make a payment if:

1) **Misrepresentation:**

The Agency shall have made misrepresentation of a material nature in its application, or any supplement thereto or amendment thereof, or in or with respect to any document or data furnished therewith or pursuant hereto;

2) **Litigation:**

There is then pending litigation with respect to the performance by the Agency of any of its duties or obligations which may jeopardize or adversely affect the Project, this Agreement or payments to the Project;

3) **Approval by Department:**

The Agency shall have taken any action pertaining to the Project, which under this Agreement requires the approval of the Department or has made related expenditure or incurred related obligations without having been advised by the Department that same are approved;

4) **Conflict of Interests:**

There has been any violation of the conflict of interest provisions contained herein in D.16, or

5) **Default:**

The Agency has been determined by the Department to be in default under any of the provisions of the Agreement.

**C.6 Final Invoices:**

**In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.**

- a) The Agency must submit the final invoice on the Project to the Department within one hundred twenty (120) days after the completion of the Project. Invoices submitted after the one hundred twenty (120) day time period may not be paid.

**C.7 Offset:**

**In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.**

- a) If, after Project completion, any claim is made by the Department resulting from an audit or for work or services performed pursuant to this Agreement, the Department may offset such amount from payments due for work or services done under any agreement which it has with the Agency owing such amount if, upon

demand, payment of the amount is not made within sixty (60) days to the Department. Offsetting any amount pursuant to this section shall not be considered a breach of agreement by the Department.

### **C.8 Travel Compensation**

- a) If the Project provided for herein includes travel compensation, reimbursement to the Agency for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time and subject to the Agreement Budget.

## **D. STANDARD TERMS AND CONDITIONS**

### **D.1 Governing Law:**

- a) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. The Agency agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Agreement. The Agency acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under Tennessee Code Annotated, Sections 9-8-101 through 9-8-407.

### **D.2 General Compliance with Federal, State, and Local Law:**

- a) The Agency is assumed to be familiar with and observe and comply with those Federal, State, and local laws, ordinances, and regulations in any manner affecting the conduct of the work and those instructions and prohibitive orders issued by the State and Federal Government regarding fortifications, military and naval establishments and other areas. The Agency shall observe and comply with those laws, ordinances, regulations, instructions, and orders in effect as of the date of this Agreement.
- b) The parties hereby agree that failure of the Agency to comply with this provision shall constitute a material breach of this Agreement and subject the Agency to the repayment of all damages suffered by the State and/or the Department as a result of said breach.

### **D.3 State Law:**

- a) Nothing in the Agreement shall require the Agency to observe or enforce compliance with any provision thereof, perform any other act or do any other thing in contravention of any applicable state law, provided, that if any of the provisions of the Agreement violate any applicable state law, the Agency will at once notify the Department in writing in order that appropriate changes and modifications may be

made by the Department and the Agency to the end that the Agency may proceed as soon as possible with the Project.

**D.4 Submission of the Proceedings, Agreements, and Other Documents:**

- a) The Agency shall submit to the Department such data, reports, records, agreements, and other documents relating to the Project as the Department and the Federal Highway Administration may require.

**D.5 Appropriations of Funds:**

- a) This Agreement is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the Department reserves the right to terminate the Agreement upon thirty (30) days written notice to the Agency. Said termination shall not be deemed a breach of agreement by the Department. Upon receipt of the written notice, the Agency shall cease all work associated with the Agreement. Should such an event occur, the Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Agency shall have no right to recover from the Department any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

**D.6 Rights and Remedies Not Waived:**

- a) In no event shall the making by the Department of any payment to the Agency constitute or be construed as a waiver by the Department of any breach of covenant or any default which may then exist on the part of the Agency and the making of such payment by the Department, while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the Department with respect to such breach or default.
- b) Nothing in this agreement shall be construed to limit the Department's right at any time to enter upon its highway right-of-way, including the area occupied by the Project, for the purpose of maintaining or reconstructing its highway facilities.

**D.7 Department and Agency Not Obligated to Third Parties:**

- a) The Department and Agency shall not be obligated hereunder to any party other than the parties to this Agreement.

**D.8 Independent Contractor:**

- a) The parties hereto, in the performance of this Agreement, shall not act as agents, employees, partners, joint ventures, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting



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

- b) The Agency, being a political subdivision of the State, is governed by the provisions of the Tennessee Government Tort Liability Act, Tennessee Code Annotated, Sections 29-20-101, et seq, and all other applicable laws.

#### **D.9 Maintenance:**

- a) Nothing contained herein shall be construed as changing the maintenance responsibility of either party for any part of the referenced project that lies on its system of highways. If the project funded hereunder results in the installation of any traffic signal, lighting or other electrically operated device(s), then the Agency shall be solely responsible for and pay all costs associated with maintenance and operation of all electrically operated devices together with the related equipment, wiring and other necessary appurtenances, and the Agency shall furnish electrical current to all such devices which may be installed as part of the project. Additionally, the Agency shall be solely responsible for and pay all costs associated with the maintenance and operation of solar-powered devices, including, but not limited to, replacement of solar panels, batteries, lights and lenses.
- b) In the event that the Department is made responsible for the Construction phase in section B.1(a) of this Agreement and to the extent that the Department is responsible for accomplishing the construction of the project, the Department will notify the Agency when Construction phase of the project has been completed; provided however, that failure to notify the Agency shall not relieve the Agency of its maintenance responsibilities.

#### **D.10 Disadvantaged Business Enterprise (DBE) Policy and Obligation:**

**In the event that the herein-described project is funded with federal funds, the following shall apply:**

- a) **DBE Policy:**  
It is the policy of the Department that Disadvantaged Business Enterprises, as defined in 49 C.F.R., Part 26, as amended, shall have the opportunity to participate in the performance of agreements financed in whole or in part with Department funds under this Agreement. The DBE requirements of applicable federal and state regulations apply to this Agreement; including but not limited to project goals and good faith effort requirements.

**b) DBE Obligation:**

The Agency and its Contractors agree to ensure that Disadvantaged Business Enterprises, as defined in applicable federal and state regulations, have the opportunity to participate in the performance of agreements and this Agreement. In this regard, all recipients and Contractors shall take all necessary and reasonable steps in accordance with applicable federal and state regulations, to ensure that the Disadvantaged Business Enterprises have the opportunity to compete for and perform agreements. The Agency shall not discriminate on the basis of race, color, national origin or sex in the award and performance of Department-assisted agreements.

**D.11 Tennessee Department of Transportation Debarment and Suspension:**

- a) In accordance with the Tennessee Department of Transportation regulations governing Contractor Debarment and Suspension, Chapter 1680-5-1, the Agency shall not permit any suspended, debarred or excluded business organizations or individual persons appearing on the Tennessee Department of Transportation Excluded Parties List to participate or act as a principal of any participant in any covered transaction related to this Project. Covered transactions include submitting a bid or proposal, entering into an agreement, or participating at any level as a subContractor.

**D.12 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion (applies to federal aid projects):**

**a) Instructions for Certification - Primary Covered Transactions:**

**By signing and submitting this Agreement, the Agency is providing the certification set out below.**

- 1) The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The Agency shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Department's determination whether to enter into this transaction. However, failure of the Agency to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.
- 2) The certification in this clause is a material representation of fact upon which reliance was placed when the Department determined to enter into this transaction. If it is later determined that the Agency knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.



- 3) The Agency shall provide immediate written notice to the Department if at any time the Agency learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 4) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the Department for assistance in obtaining a copy of those regulations.
- 5) The Agency agrees by entering into this Agreement that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department.
- 6) The Agency further agrees by entering into this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the Department, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 7) An Agency may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement portion of the "Lists of Parties Excluded From Federal Procurement or Non-procurement Programs" (Non-procurement List) which is compiled by the General Services Administration.
- 8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 9) Except for transactions authorized under these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.

**b) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Primary Covered Transactions:**

**The prospective participant in a covered transaction certifies to the best of its knowledge and belief, that it and its principals:**

- 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal, State or local department or agency;
- 2) Have not within a 3-year period preceding this proposal 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 agreement 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;
- 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in this certification; and
- 4) Have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- 5) Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

**D.13 Equal Employment Opportunity:**

- a) In connection with the performance of any Project, the Agency shall not discriminate against any employee or applicant for employment because of race, age, religion, color, sex, national origin, disability or marital status. The Agency will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, age, religion, color, gender, national origin, disability or marital status. Such action shall include, but not be limited to, the following: employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- b) The Agency shall insert the foregoing provision in all agreements modified only to show the particular contractual relationship in all its agreements in connection with the development of operation of the Project, except agreements for the standard commercial supplies or raw materials, and shall require all such Contractors to

insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials. When the Project involves installation, construction, demolition, removal, site improvement, or similar work, the Agency shall post, in conspicuous places available to employees and applicants for employment for Project work, notices to be provided by the Department setting forth the provisions of the nondiscrimination clause.

**D.14 Title VI – Civil Rights Act of 1964:**

- a) The Agency shall comply with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), 49 C.F.R., Part 21, and related statutes and regulations. The Agency shall include provisions in all agreements with third parties that ensure compliance with Title VI of the Civil Rights Act of 1964, 49 C.F.R., Part 21, and related statutes and regulations.

**D.15 Americans with Disabilities Act of 1990 (ADA):**

- a) The Agency will comply with all the requirements as imposed by the ADA and the regulations of the federal government issued thereunder.

**D.16 Conflicts of Interest:**

- a) The Agency 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 Agency in connection with any work contemplated or performed relative to this Agreement.
- b) The Agency shall insert in all agreements entered into in connection with the Project or any property included or planned to be included in any Project, and shall require its Contractors to insert in each of its subcontracts, the following provision:
  - 1) "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 Agency in connection with any work contemplated or performed relative to this Agreement."

**D.17 Interest of Members of or Delegates to, Congress (applies to federal aid projects):**

- a) No member of or delegate to the Congress of the United States shall be admitted to any share or part of the Agreement or any benefit arising therefrom.



#### **D.18 Restrictions on Lobbying (applies to federal aid projects):**

**The Agency certifies, to the best of its knowledge and belief, that:**

- a) No federally appropriated funds have been paid or will be paid, by or on behalf of the Agency, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any federal agreement, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal agreement, grant, loan, or cooperative agreement.
- b) If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Agency shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c) The Agency shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and agreements under grants, loans, and cooperative agreements) and that all sub-recipients of federally appropriated funds shall certify and disclose accordingly.

#### **D.19 Records:**

- a) The Agency shall maintain documentation for all charges against the Department under this Agreement. All costs charged to the Project, including any approved services contributed by the Agency or others, shall be supported by properly executed payrolls, time records, invoices, agreements or vouchers evidencing in proper detail and in a form acceptable to the Department the nature and propriety of the charges. The books, records, and documents of the Agency, insofar as they relate to work performed or money received under this Agreement, shall be maintained and made available upon request to the Department at all times during the period of this Agreement and for at least three (3) years after final payment is made.
- b) Copies of these documents and records shall be furnished to the Department, the Comptroller of the Treasury, or their duly appointed representatives, upon request. Records of costs incurred includes the Agency's general accounting records and the Project records, together with supporting documents and records, of the Agency and all subContractors performing work on the Project and all other records of the Agency and subContractors considered necessary by the Department for a proper audit of costs. If any litigation, claim, or audit is started before the expiration of the three (3) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

- c) The aforesaid requirements to make records available to the Department shall be a continuing obligation of the Agency and shall survive a termination of the Agreement.

#### **D.20 Inspection:**

- a) The Agency shall permit, and shall require its Contractor, subContractor or materials vendor to permit, the Department's authorized representatives and authorized agents of the Federal Highway Administration to inspect all work, workmanship, materials, payrolls, records and to audit the books, records and accounts pertaining to the financing and development of the Project.
- b) The Department reserves the right to terminate this Agreement for refusal by the Agency or any Contractor, subContractor or materials vendor to allow public access to all documents, papers, letters or other material made or received in conjunction with this Agreement.

#### **D.21 Annual Report and Audit:**

- a) In the event that an Agency expends \$500,000 or more in federal awards in its fiscal year, the Agency must have a single or program specific audit conducted in accordance with the United States Office of Management and Budget (OMB) Circular A-133.
- b) All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Agency may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit agreement between the Agency and the licensed independent public accountant shall be on an agreement form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the Audit Manual for Governmental Units and Recipients of Grant Funds published by the Tennessee Comptroller of the Treasury.
- c) The Agency shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Agency shall be subject to the provisions relating to such fees contained in the prescribed agreement form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the Department, the Tennessee Comptroller of the Treasury, and the

Department of Finance and Administration and shall be made available to the public.

**D.22 Termination for Convenience:**

- a) The Department may terminate this agreement without cause for any reason. Said termination shall not be deemed a breach of agreement by the Department. The Department shall give the Agency at least thirty (30) days written notice before the effective termination date. The Agency shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Department be liable to the Agency for compensation for any service which has not been rendered. The final decision as to the amount for which the Department is liable shall be determined by the Department. Should the Department exercise this provision, the Agency shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

**D.23 Termination for Cause:**

- a) If the Agency fails to properly perform its obligations under this Agreement in a timely or proper manner, or if the Agency violates any terms of this Agreement, the Department shall have the right to immediately terminate the Agreement and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Agency shall not be relieved of liability to the Department for damages sustained by virtue of any breach of this Agreement by the Agency.
- b) In the event that the Project herein described includes Federal funds, the Agency understands that if the Federal Highway Administration (FHWA) determines that some or all of the cost of this project is ineligible for federal funds participation because of failure by the Agency to adhere to federal laws and regulations, the Agency shall be obligated to repay to the Department any federal funds received by the Agency under this agreement for any costs determined by the FHWA to be ineligible.
- c) If the Project herein described lies on the state highway system and the Agency fails to perform any obligation under this section of this agreement, the Department shall have the right to cause the Agency, by giving written notice to the Agency, to close the Project to public use and to remove the Project at its own expense and restore the premises to the satisfaction of the Department within ninety (90) days thereafter.



**D.24 How Agreement is Affected by Provisions Being Held Invalid:**

- a) If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance the remainder would then continue to conform to the terms and requirements of applicable law.

**D.25 Agreement Format:**

- a) All words used herein in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. All words used in any gender shall extend to and include all genders.

**D.26 Certification Regarding Third Party Contracts:**

- a) The Agency certifies by its signature hereunder that it has no understanding or contract with a third party that will conflict with or negate this Agreement in any manner whatsoever.
- b) The Agency further certifies by its signature hereunder that it has disclosed and provided to the Department a copy of any and all contracts with any third party that relate to the Project or any work funded under this Agreement.
- c) The Agency further certifies by its signature hereunder that it will not enter into any contract with a third party that relates to this project or to any work funded under this Agreement without prior disclosure of such proposed contract to the Department.
- d) The Agency hereby agrees that failure to comply with these provisions shall be a material breach of this Agreement and may subject the Agency to the repayment of funds received from or through the Department under this Agreement and to the payment of all damages suffered by the Department as a result of said breach.

**D.27 Amendment:**

- a) This Agreement may be modified only by a written amendment, which has been executed and approved by the appropriate parties as indicated on the signature page of this Agreement.

**D.28 State Liability:**

- a) The Department shall have no liability except as specifically provided in this Agreement.

**D.29 Force Majeure:**

- a) The obligations of the parties to this Agreement 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, acts of God, riots, wars, strikes, epidemics or any other similar cause.

**D.30 Required Approvals:**

- a) The Department is not bound by this Agreement until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.

**D.31 Estimated Cost:**

- a) The parties recognize that the estimated costs contained herein are provided for planning purposes only. They have not been derived from any data such as actual bids, etc
- b) In the event that the Department is made responsible in section B.1.(a) of this Agreement for the management of the herein described Project, the parties understand that more definite cost estimates will be produced during project development. These more reliable estimates will be provided to the Agency by the Department as they become available.

**D.32 Third Party Liability:**

- a) The Agency shall assume all liability for third-party claims and damages arising from the construction, maintenance, existence and use of the Project to the extent provided by Tennessee Law and subject to the provisions, terms and liability limits of the Governmental Tort Liability Act, T.C.A. Section 29-20-101, et seq, and all applicable laws.

**D.33 Deposits:**

- a) Required deposits and any other costs for which the Agency is liable shall be made available to the Department, whenever requested.

**D.34 Department Activities:**

- a) Where the Agency is managing any phase of the project the Department shall provide various activities necessary for project development. The estimated cost for these activities are included in the funds shown herein.

### **D.35 Congestion Mitigation and Air Quality Requirement:**

- a) If the herein described project is funded with Congestion Mitigation Air Quality (CMAQ) funds, this section D.35 shall apply.
  - 1) Whereas the Agency understands and agrees that the funding provided hereunder must be obligated with the Federal Highway Administration within three years from the date of this agreement. It is further agreed that once all requirements have been met for development of the project, the Agency will expend the funds in a manner to insure its expenditure on a continuous basis until the funds are exhausted. Failure to follow this process may result in a loss of funds.

### **D.36 Investment of Public Funds:**

- a) The facility on which this project is being developed shall remain open to the public and vehicular traffic for a sufficient time to recoup the public investment therein as shown below:

<b>Amount</b>		<b>Open to Public and Vehicular Traffic</b>
\$1.00 - \$200,000	=	5 Years
>\$200,000 - \$500,000	=	10 Years
>\$500,000 - \$1,000,000	=	20 Years

- b) Projects over \$1,000,000 carry a minimum 25 years open to public and vehicular traffic requirement and will be subject to individual review.

### **D.37 Federal Funding Accountability and Transparency Act:**

- a) **If the Project is funded with federal funds the following shall apply:** The Agency shall comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub.L. 109-282), as amended by section 6202 of Public Law 110-252 ("the Transparency Act") and the regulations and requirements of the federal government issued thereunder, including, but not limited to, 2 CFR Part 170. The Agency shall submit the information needed for the Transparency Act in accordance with the forms and processes identified by the Department.

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 MORRISTOWN**

**STATE OF TENNESSEE  
DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_ Date \_\_\_\_\_ By: \_\_\_\_\_ Date \_\_\_\_\_  
**Gary Chesney** **John C. Schroer**  
**Mayor** **Commissioner**

**APPROVED AS TO  
FORM AND LEGALITY**

**APPROVED AS TO  
FORM AND LEGALITY**

By: \_\_\_\_\_ Date \_\_\_\_\_ By: \_\_\_\_\_ Date \_\_\_\_\_  
**Richard Jessee** **John Reinbold**  
**Attorney** **General Counsel**

## EXHIBIT "A"

**AGREEMENT #:** 150026

**PROJECT IDENTIFICATION #:** 121752.00

**FEDERAL PROJECT #:** PENDING

**STATE PROJECT #:** 32LPLM-F3-053

**PROJECT DESCRIPTION:** Resurfacing of West Andrew Johnson Hwy from North Faimont Avenue to West Morris Blvd

**CHANGE IN COST:** Cost hereunder is controlled by the Surface Transportation Program funding available to or allocable to the Agency.

**TYPE OF WORK:** Resurfacing

PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
PE-NEPA	STP	80	0	20	\$26,256.44
PE-DESIGN	STP	80	0	20	\$37,509.20
CONSTRUCTION	STP	80	0	20	\$43,326.36
TDOT ES	STP	80	0	20	\$1,000.00

**INELIGIBLE COST:** One hundred percent (100%) of the actual cost will be paid from Agency funds following expenditure of the most recently approved TIP cost or if the use of said federal funds is ruled ineligible at any time by the Federal Highway Administration

**TDOT ENGINEERING SERVICES (TDOT ES):** In order to comply with all federal and state laws, rules, and regulations, the TDOT Engineering Services line item in Exhibit A is placed there to ensure that TDOT's expenses associated with the project during construction are covered. The anticipated TDOT expenses include but are not necessarily limited to Construction Inspection and Material and Testing Expenses (Quality Assurance Testing).

**LEGISLATIVE AUTHORITY:** STP: 23 U.S.C.A, Section 133, Surface Transportation Program funds allocated or subject to allocation to the Agency

For federal funds included in this contract, the CFDA Number is 20.205, Highway Planning and Construction funding provided through an allocation from the US Department of Transportation.





June 22, 2015

City of Morristown  
Larry Clark  
Administrative Services Director  
100 West First North Street  
Morristown, Tennessee 37814

RE: General Engineering Services – Amendment No. 1  
Morristown, TN

Dear Mr. Clark,

The intent of this letter is to amend our Professional Engineering Review Services Agreement dated November 19, 2014. From this point forward, this document will be considered Amendment No. 1 to the contract. The reason for this amendment is the depletion of the originally approved funding limit of \$40,000 set in Part 3 of the agreement. At this time, McGill Associates proposes to continue providing general professional engineering services, as described in the original contract agreement, with the allocation of an additional \$40,000 in funding. If you find this amendment acceptable, please indicate acceptance by signing below and returning one copy for our files. As always, we thank you for the opportunity to serve the City of Morristown.

If you have any questions or comments, please do not hesitate to let me know.

Sincerely,  
McGILL ASSOCIATES, P.A.

A handwritten signature in black ink, appearing to read 'John R. Greear, P.E.'.

JOHN (JAKE) GREEAR, P.E.  
Project Manager

<b>ACCEPTED</b>	
CLIENT:	McGILL ASSOCIATES, P.A.:
BY: _____ (Signature)	BY:  _____
_____	Joel Storrow, P.E., President <del>Jeffrey A. Rose,</del> P.E. Principal
_____	
(Print Name/Title)	
Date: _____	Date: <u>June 22, 2015</u>

E n g i n e e r i n g • P l a n n i n g • F i n a n c e

McGill Associates, P.A. • 2240 Sutherland Avenue, Suite 2, Knoxville, TN 37919

865-540-0801 • Fax 865-595-4999

[Return to Agenda](#)





WATER  
WASTEWATER  
STORMWATER

June 9, 2015

Mr. Anthony Cox  
City Administrator  
City of Morristown  
P.O. Box 1499  
Morristown, TN 37816-1499

Reference: City of Morristown  
Vantage View/Havley Springs Stormwater Project

Mr. Cox:

We appreciate the opportunity to provide you with a proposal for quality control (QC) testing and observation services during construction for the referenced project. The project is for the construction of a new box bridge at Vantage View Drive with 400-feet of new roadway, the construction of an improved stormwater ditch from the outfall of the newly installed culvert under Walters Drive to Havley Springs Branch, and the stream bank stabilization of Havley Springs Branch on Mr. Nichols property. The executed contract construction time for the project is 210 days.

LDA Engineering will provide proofrolling, foundation excavation, and geotextile placement observations along with in-place density testing and concrete testing through a subcontract with Foundation Systems Engineering (FSE) of Knoxville. We propose to provide the additional services including administration tasks with a budget amount of \$32,200.00.

We are prepared to begin this work immediately upon your written authorization. If you have questions or comments, please do not hesitate to contact us.

Sincerely,

Greg Jones, P.E.  
Vice President  
LDA Engineering

The City Council has approved the proposal  
and LDA Engineering is authorized to proceed.

\_\_\_\_\_  
Anthony Cox, City Administrator

\_\_\_\_\_  
DATE

MKT-Mtown/CR/Cox – Vantage View/Havley Springs Geotechnical

3305 MALONEY ROAD, KNOXVILLE, TN 37920 ■ PHONE: 865-573-7672 ■ FAX: 865-573-1352

LDAENGINEERING.COM



# Foundation Systems Engineering, P.C.

Geotechnical Engineering and Consulting

June 3, 2015

Mr. Steve Drummer, P.E.  
Lamar Dunn & Associates, Inc.  
3305 Maloney Road  
Knoxville, Tennessee 37920

**RE: Proposal for Quality Control Testing & Observation Services  
City of Morristown  
Drainage Improvements  
Vantage View Drive, Phase 1 and 2  
Hamblen County, Tennessee**

Dear Mr. Clark:

Foundation Systems Engineering (FSE) is pleased to offer our professional services to provide quality control (QC) testing and observation services during construction of the above referenced Vantage View Drive Drainage Improvements project. Our Laboratory has demonstrated proficiency for the testing of construction materials and has met the requirements of AASHTO R18 set forth by the AASHTO Highway Subcommittee on Materials. Our Lab received a Certificate of Accreditation from the American Association of State Highway and Transportation Officials AASHTO Accreditation Program. FSE is TDOT qualified for "Geotechnical Consulting Engineering; Technician/Analyst."

We have reviewed the *Subsurface Exploration* report prepared by our firm (dated February 4, 2014), the *Alternate Recommendations for Foundation Preparation* report prepared by our firm (dated March 23, 2015), and have reviewed the proposed plans for Vantage View Drive, Phase 1 and 2, prepared by LDA Engineering. Based on this information, we propose the following scope of services to perform the QC testing and observation services for the proposed Drainage Improvements.

## **SCOPE OF SERVICES**

### **Proofroll Observations**

An engineering technician, under the direction of the geotechnical engineer, will visit the site to verify/observe that all topsoil, roots, and organics have been removed from the proposed site. Proofrolling will be performed for areas that will support proposed slopes and roadways prior to fill placement. The proofrolling will be performed to confirm that

P.O. Box 9449  
Knoxville, TN 37940  
Ph: 865.577.3361 Fx: 865.573.1817

P.O. Box 5267  
Kingsport, TN 37663  
Ph: 423.239.9226 Fx: 423.239.8677

compressive strength testing. The technician will complete a daily log summarizing the activities relative to concrete testing at the site.

## **Engineering**

A geotechnical engineer will be assigned to the project to provide site visits and monitor all work performed by the soils technician. The engineer will visit the site periodically, as required, to observe the foundation excavation prior to fill placement. The engineer will make periodic site visits during fill placement, and will be available for site meetings when necessary. The engineer will be available for consultation should problems arise in the field during site grading. The engineer will review technician daily logs and laboratory test data.

## **Reports**

The technician will complete a daily log summarizing the activities relative to site grading activities. The format of the daily log will be tailored to the needs of the project, and may include information such as verified undercut volumes, use of geotextiles, geogrids, contractor equipment and personnel and any recommendations/instructions received from the project engineer/geotechnical engineer/owner.

The engineer will provide a comprehensive report at the conclusion of the project detailing all work performed.

## **Estimated Schedule & Cost**

The proposed QC testing and observation services will be performed on a full-time basis. We respectfully request 24-hour notification to schedule a technician. We will coordinate the visits with the contractor.

Based on review of the project plans and specifications, we estimate the cost for the above outlined QC testing and observation services to be **\$28,000.00**. Construction materials testing, engineering, and observation services will be invoiced using the following Unit Fee Schedule. The above estimate is based on an assumed construction schedule. The actual construction schedule will be dictated by the project contractor.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
6/5/2015

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 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).

<b>PRODUCER</b> MEDALLION INSURANCE SERVICES PO Box 49547  Charlotte NC 28277		<b>CONTACT NAME:</b> Phyllis Constantino <b>PHONE (A/C No. Ext):</b> (704) 256-6000 <b>FAX (A/C No.):</b> (704) 256-6001 <b>E-MAIL ADDRESS:</b> phyllis@medallioninsurance.com																						
<b>INSURED</b> Foundation Systems Engineering Inc 2203 Atchley St  Knoxville TN 37920-1703		<table border="1"><thead><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A:</td><td>Owners Insurance Company</td><td>32700</td></tr><tr><td>INSURER B:</td><td>Sentinel Insurance Company</td><td>11000</td></tr><tr><td>INSURER C:</td><td>Auto Owners</td><td>18988</td></tr><tr><td>INSURER D:</td><td>RLI Insurance Company</td><td>13056</td></tr><tr><td>INSURER E:</td><td></td><td></td></tr><tr><td>INSURER F:</td><td></td><td></td></tr></tbody></table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	Owners Insurance Company	32700	INSURER B:	Sentinel Insurance Company	11000	INSURER C:	Auto Owners	18988	INSURER D:	RLI Insurance Company	13056	INSURER E:			INSURER F:		
INSURER(S) AFFORDING COVERAGE		NAIC #																						
INSURER A:	Owners Insurance Company	32700																						
INSURER B:	Sentinel Insurance Company	11000																						
INSURER C:	Auto Owners	18988																						
INSURER D:	RLI Insurance Company	13056																						
INSURER E:																								
INSURER F:																								

**COVERAGES** **CERTIFICATE NUMBER:** CL1521202540 **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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			35704613	1/14/2015	1/14/2016	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						\$
B	AUTOMOBILE LIABILITY			220ECZW5093	6/3/2015	6/3/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$
							Medical payments \$ 10,000
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		49-704-617-00	1/14/2015	1/14/2016	EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000						AGGREGATE \$ 3,000,000
							\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			35162764	2/2/2015	2/2/2016	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	N/A				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Professional Liability			RDP0018452	1/22/2015	1/22/2016	Each Claim 2,000,000
							Aggregate 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate holder is additional insured per general liability when required by contract.

**CERTIFICATE HOLDER****CANCELLATION**LDA Engineering  
305 Maloney Rd  
Knoxville, TN 37920

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

Joe Minervini/PHYLLIS

**PAYMENT TERMS** – Payment is due upon receipt of our invoice. If payment is not received within thirty (30) days from the invoice date, Client agrees to pay a finance charge on the principal amount of the past due account of one and one-half (1½) percent per month. If one and one-half (1½) percent per month exceeds the maximum allowed by law, the charge shall automatically be reduced to the maximum legally allowable.

In the event Client requests termination of the services prior to completion, a termination charge in an amount not to exceed thirty (30) percent of all charges incurred through the date services are stopped plus any shutdown costs may, at the discretion of FSE/CML, be made. The termination charge is in addition to the cost of all charges through the date services are stopped. If during the execution of the services FSE/CML is required to stop operations as a result of changes in the scope of services such as requested by the Client or requirements of third parties, additional charges will be applicable.

**INSURANCE** – FSE/CML maintains Worker's Compensation and Employer's Liability Insurance in conformance with applicable state law. In addition, we maintain Comprehensive General Liability Insurance and Automobile Liability Insurance with bodily injury limits of \$500,000/\$500,000 and property damage limits of \$100,000. A certificate of insurance can be supplied evidencing such coverage.

Cost of the coverage is included in our quoted fees. If additional coverage or increased limits of liability are required, FSE/CML will endeavor to obtain the requested insurance and charge separately for costs associated with additional coverage of increased limits.

**STANDARD OF CARE** – The only warranty or guarantee made by FSE/CML in connection with the services performed hereunder, is that we will use that degree of care and skill ordinarily exercised under similar conditions by reputable members of our profession practicing in the same or similar locality. No other warranty, expressed or implied, is made or intended by our proposal for consulting services or materials testing services, by our furnishing oral or written reports.

**ALLOCATION OF RISK** – It is agreed that the Client's maximum recovery against FSE/CML for the professional services performed under this agreement, whether in contract, tort, or otherwise, is \$25,000.00 or the amount of FSE/CML fee, whichever is greater. It is expressly agreed that the Client's sole and exclusive remedy against FSE/CML for the professional services performed under this agreement, whether based in contract, tort, or otherwise, is the award of damages not to exceed the stipulated \$25,000.00 figure, or the amount of FSE/CML fee, whichever is greater. In no event shall FSE/CML be liable, whether in contract, tort, or otherwise, for Client's loss of profit, delay damages, or for any special incidental or consequential loss or damage of any nature arising at any time or from any cause whatsoever.

**DISPUTE RESOLUTION** – All claims, counterclaims, disputes, controversies, or matters in questions arising out of, or relating to this agreement or any breach thereof, including but not limited to disputes arising out of alleged design defects, breaches of contract, errors, omissions, or acts of professional negligence, (collectively "disputes") shall be submitted to non-binding mediation before and as a condition precedent to any other remedy, subject to the parties agreeing to a mediator.

Notwithstanding any other provision of this section, in no event shall a demand for mediation be made more than two (2) years from the date the party making demand knew or should have known of the dispute or six (6) years from the date of substantial completion of FSE participation in the project, whichever date shall occur earlier.

All mediation shall take place in Knoxville, Tennessee, unless Client and FSE/CML agree otherwise. The fees of the mediator and the cost of transcription and other costs incurred by the mediator or arbitrator(s) shall be apportioned equally between the parties.

**SAMPLING OR TESTING LOCATION** – The fees contracted do not include cost associated with surveying of the site or the accurate horizontal and vertical locations of tests. Field tests or boring locations described in FSE/CML reports or shown on sketches are based on specific information furnished by others or estimates made in the field by our engineers and/or technicians. Such dimensions, depths or elevations should be considered as approximations unless otherwise stated in the report.

**RIGHT-OF-ENTRY** – Unless otherwise agreed, Client will furnish right-of-entry and/or right-of-access on the property for us to make the planned borings, surveys, tests, and/or explorations. We will take reasonable precautions to minimize damage to the property caused by our operations, but we have not included in our fee the cost of restoration of damage which may result. If Client desires us to restore the property to its former condition, we will accomplish this and add the cost to our fee.

**DAMAGE TO EXISTING MAN-MADE OBJECTS** – It shall be the responsibility of the Client or his duly authorized representatives to disclose the presence and accurate location of all hidden or obscure man-made objects relative to field tests or boring locations. FSE/CML field personnel are trained to recognize clearly identifiable stakes or markings in the field and, without special written instructions, to initiate field testing, drilling and/or sampling within a reasonable distance of each designated location. As evidenced by Client's acceptance of this proposal, Client agrees to indemnify and save harmless FSE/CML from all claims, suits, losses, personal injuries, death and property liability resulting from unusual subsurface conditions or damages to subsurface structures, owned by Client or third parties, occurring in the performance of the proposed services, whose presence and exact locations were not revealed to FSE/CML in writing, and to reimburse FSE/CML for the expenses in connection with any such claims or suits, including reasonable attorney's fees.

**SAMPLE DISPOSAL AGREEMENT** – Unless otherwise requested, test specimens or samples will be disposed of immediately upon completion of tests. Drilling samples or other specimens will be disposed of 30 days after submission of our report. Upon request FSE/CML will retain test specimens or drilling samples for a mutually acceptable storage charge and period of time.

Mr. Steve Drummer, P.E.  
Lamar Dunn & Associates, Inc.  
June 3, 2015  
Page 5

We look forward to the opportunity to work with you on this project. You may sign in the space provided or forward your purchase order to indicate formal acceptance of our proposal. If you have any questions concerning our proposal or if we may be of further service, please feel free to call on us.

Sincerely,  
Foundation Systems Engineering, P.C.



Eric M. Peterson, P.E.  
Senior Geotechnical Engineer

EMP/JFL/sf

Enclosures

Unit Fee Schedule  
General Conditions  
ASFE

AGREED TO THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015

BY \_\_\_\_\_

TITLE \_\_\_\_\_

PURCHASE ORDER NUMBER \_\_\_\_\_



# Important Information about This

## Construction Materials Engineering and Testing (CoMET) Quality-Assurance Proposal

The ASFE-member construction materials engineering and testing (CoMET) consultant that prepared this proposal wants its clients' representatives to know about issues affecting CoMET services, as well as certain "tricks of the trade." Read what follows to learn how an ASFE-member CoMET consultant can help you manage your risks and make the entire construction experience more satisfying and cost-effective. Do recognize, however, that — while CoMET services are fundamental to attaining the overall quality criteria you require — there is more to achieving quality than CoMET services alone. Many CoMET consultants are in a position to provide additional guidance based on their experience and, in some cases, to provide additional services as well.

### **Understand the Difference between Quality Assurance (QA) and Quality Control (QC).**

Usually conducted for owners, quality assurance (QA) typically comprises periodic observation and testing services designed to indicate the degree of diligence contractors are applying to achieve the project specifications they are contractually required to achieve. The frequency and extent of the periodic observation and testing are determined principally by owners. Obviously, more frequent and more extensive observation and testing will result in a more reliable evaluation of a contractor's performance. But even a comprehensive QA scope of service will seldom be sufficient to achieve the reliability and accountability required for quality control (QC); i.e., the services or actions contractors are duty-bound to implement to *ensure* they achieve the project specifications they contractually agreed to achieve. CoMET consultants perform QA because owners want to satisfy themselves that their contractors are doing what they promised to do. In some cases, however, owners forgo CoMET QA services altogether, because they don't know any better or because they trust contractors to do what they agreed to do. By contrast,

QC is *required on every project*, because contractors have to apply it to ensure they are achieving the conditions they have contractually agreed to achieve, and which owners are paying them to achieve.

### **Recognize That There Is No Such Thing as a "Standard" CoMET QA Proposal.**

Although CoMET consultants apply standardized procedures to perform a given test, the amount of testing performed, the timing involved, and other factors vary markedly from project to project. CoMET consultants typically consider project specifications, local practice, related experience, and similar factors when preparing the scope of service they include in their initial proposals. Nonetheless, they are commonly required to make "place-holder assumptions" about a given owner's specific needs and preferences. For that reason, implementing CoMET consultants' initial QA scopes can result in unnecessary or inappropriate services (especially when "off-the-shelf" standard specification sets are used), unanticipated scope adjustments and costs, and delays while a project is under way. Owners can manage such risks easily, by having their representatives conduct a contract-formation meeting with representatives of their CoMET consultants, where they discuss and refine the initially proposed scope to achieve a project- and user-specific scope that reflects the owner's unique needs and preferences (e.g., risk tolerances, available budget, and expectations), as well as factors such as project specifications, code requirements, and construction schedules.

### **CoMET Consultants Do Not Direct Contractors' Actions.**

Some owners proceed under the assumption that CoMET consultants act as construction managers (CMs), by telling contractors what to do and accepting responsibility for contractors' failures. While some

**OWNERSHIP OF DOCUMENTS** – All Documents, including, but not limited to drawings, specifications, reports, boring logs, field notes, laboratory test data, calculations and estimates prepared by FSE/CML as instruments of service pursuant to this Agreement, shall be the sole property of FSE/CML. Client agrees that all documents of any nature furnished to Client or Client's agents or designees, if not paid for, will be returned upon demand and will not be used by Client for any purpose whatsoever. Client further agrees that under no circumstances shall any document produced by FSE/CML, pursuant to this Agreement, be used at any location or for any project not expressly provided for in this Agreement without the written permission of FSE/CML. At the request and expense of Client, FSE/CML will provide Client with copies of documents created in the performance of the work for a period not exceeding five (5) years following submission of the report contemplated by this Agreement.

**SAFETY** – Should FSE/CML provide periodic observations or monitoring services at the job site during construction. Client agrees that, in accordance with generally accepted construction practice, the contractor will be solely and completely responsible for working conditions on the job site, including safety of all persons and property during the performance of the work, and compliance with OSHA regulations, and that these requirements will apply continuously and not be limited to normal working hours. Any monitoring of the contractor's procedures conducted by FSE/CML is not intended to include review of the adequacy of the contractor's safety in, or near the construction site.

**SITE VISIT** – Client agrees the FSE/CML will not be expected to make exhaustive or continuous onsite inspections but that periodic observations appropriate to the construction stage shall be performed by our engineer/technicians. It is further agreed that FSE/CML will not assume responsibility for the contractor's means and methods, performing the work in accordance with the plans and specifications. The words "supervision", "inspection", or "control" are used to mean periodic observations of the work and the conducting of tests by FSE/CML to verify substantial compliance with the plans, specifications, and design concepts. Continuous inspection by our employees does not mean that FSE/CML is observing placement of all materials. Full-time inspections mean that an employee of FSE/CML has been assigned for eight (8) hour days during regular business hours.

**SEVERABILITY** – In the event that any provision herein shall be deemed invalid or unenforceable, the other provisions hereof shall remain in full force and effect, and binding upon the parties hereto.

**SURVIVAL** – All obligations arising prior to the termination of this agreement and all provisions of this agreement allocating responsibility or liability between the Client and FSE/CML shall survive the completion of services and the termination of this agreement.

**ASSIGNS** – Neither the Client nor FSE/CML may delegate, assign, sublet, or transfer its duties, responsibilities, or interests in this Agreement without the written consent of the other party.

**ACCEPTANCE** – If FSE/CML is given verbal or written authorization to proceed, it will be mutually understood that Client and FSE/CML will be contractually bound by these General Conditions, even in the absence of written acceptance by Client.

**GOVERNING LAW** – This Agreement shall be governed in all respects by the law of the State of Tennessee.

firms that provide CoMET services may also provide CM services, CoMET services provided for purposes of QA are performed *solely* to assess (to the degree specified by the owner) the diligence contractors exhibit in the execution of their work. CoMET consultants do not tell contractors what to do or not do, and they bear *no* responsibility whatsoever for contractors' failure to do what they agreed to do.

### **Realize That Definitions Can Vary.**

The construction industry uses a variety of terms when discussing CoMET services; e.g., quality assurance, quality control, testing, inspection, observation, inspector, field representative, laboratory technician, inspecting agency, and testing agency, among others. The definitions of these terms are not at all standardized. Learn what the various terms mean to the CoMET consultants you retain. Be sure to address this issue during the contract-formation meeting needed to finalize the scope of service.

### **Understand How Important CoMET QA Services Can Be.**

CoMET QA services are designed to give an owner "real-time" information about a contractor's performance, permitting an owner to immediately take appropriate steps when CoMET reports indicate a likelihood that a contractor is not making a diligent effort to achieve project specifications. A diluted QA scope or inferior implementation of a QA scope can compromise an owner's ability to get what it has paid for, because either can permit serious shortcomings (accidental or intentional) to go undetected. Worse, these shortcomings may be discovered years after a project is completed, at a time when the owner must bear the cost of repairs, along with ancillary costs stemming from loss of image, loss of use, and loss of profit.

### **Do Not Assume an Unlisted Service Will Be Provided.**

A CoMET scope of service identifies every service the consultant will or is proposing to provide. Do not assume the consultant will, as "a matter of routine" or for any other reason, provide a service it has not listed in its proposed scope. If you believe an unlisted service will or should be provided, ask. Do not assume. Assumptions lead to disputes. Disputes benefit no one except those paid to resolve them.

### **Select Your CoMET Consultant Carefully.**

Your CoMET consultant's representatives should function as your trusted professional advisors, providing reliable guidance on a variety of issues, not just those associated with CoMET services. Recognize that CoMET services are professional services, provided by licensed engineers and geologists, among others, and skilled

field representatives and laboratory personnel working under the professionals' direction and authority. The quality of the services you receive should be consistent with the quality you expect from any professional organization. Note, too, that many CoMET operations are accredited by various, well-respected national or regional organizations, and that most CoMET field and laboratory personnel are individually certified by the same or similar organizations. *Do not overrely on these certifications and accreditations.* All of them are awarded to those attaining minimum criteria. Many firms and individuals offer far more than that, and those quality differences can make *all* the difference when it comes to value. As such, if fee and credentials are your two principal criteria, you are accepting the highly questionable proposition that those who finish first in their class are not appreciably better than those who finish dead last. While estimated fee obviously must be a consideration, what you get for that fee is even more important. True: All CoMET consultants are supposed to follow the same standards when it comes to certain tests and observations. But that doesn't mean they all do, or that their equipment is properly calibrated, or even that they are following the applicable versions of the standards involved. And note, too, the importance of verifying that a given CoMET consultant actually possesses the accreditations and certifications it claims to possess.

### **Provide the Project Information CoMET Consultants Need To Prepare Reliable Proposals.**

CoMET consultants need detailed project information to prepare effective proposals with reliable fee estimates. This information, available from the design team, the general contractor, and/or subcontractors, typically includes:

- the most recent project plans, specifications, and relevant addenda;
- construction schedules;
- material quantities;
- required tests and frequencies (if not included in the specifications);
- code requirements; and
- budget or fee allowance.

Changes in the schedule or test quantities can significantly affect the total fee for CoMET services. Was all project information made available to the CoMET consultant that developed this proposal?

### **Be Sure the Fee Proposal Reflects the Pricing Method You Prefer.**

CoMET consultants' commonly base their fee proposals on one of three pricing methods:

- unit fee,
- unit fee with estimated total (invoiced on a unit-fee basis), or
- lump-sum (invoiced on a percent completion basis referenced to a schedule of values).

Most CoMET firms can apply any of these three or other methods, depending on the amount and reliability of the information available to them. Use the contract-formation meeting to discuss this issue with representatives of your CoMET consultant to determine which approach will be best. Also discuss estimated quantities and resulting fee estimates to improve the accuracy of estimated totals. All too often a budget based on a competition-winning estimate is exceeded well before QA services are complete.

### **Read the Fine Print. Ask Questions. Avoid Nasty Surprises.**

Basing selection of a CoMET consultant exclusively or principally on fee can encourage some to "bury" certain charges in the fine print, so they can offer a deceptively low price "up front," to help secure the engagement, and then charge more later. Work with your preferred CoMET consultant to sort through the details. Ask questions and document the answers. You deserve a clear, concise, and complete description of fees and services expected for your project, as well as advance notice of unanticipated developments that could affect the scope, fees, and costs originally agreed to. Hold your CoMET consultant accountable; the good ones want you to.

### **Get All the Services You Need.**

The proposal of which this notice is a part may not be as comprehensive as it could and should be, because of instructions the CoMET consultant felt obliged to follow. This is just another reason why a contract-formation meeting can be so valuable. What are your expectations? There's no such thing as a standard client or standard client representative. Speak with your CoMET consultant before you finalize the scope, so the consultant can deliver what *you* want. Ask if additional and/or alternative services would be of value for achieving your expectations and, if so, how and why. No one knows as much about CoMET services and the environment in which they are provided than an experienced CoMET consultant. Take full advantage of that experience, the sooner the better.

### **Some QA Proposals May Include Tasks That Go Beyond QA**

Most contemporary building codes have adopted the International Building Code's requirements for "Special Inspections." These comprise CoMET services that go beyond "ordinary" QA, given that findings are relied on by one or more government agencies

in addition to the owner. Other CoMET services, such as inspection of critical welds, may also involve a degree of diligence beyond that associated with customary QA services. Even though such services usually are performed by the same CoMET consultant engaged to perform QA services on the project, they do not make QA services more substantive or authoritative, nor do they alter the fact that, unless contractual provisions indicate otherwise, CoMET consultants perform QA services solely for the owner.

### **Be Careful about Permitting Others To Rely on Information Developed Specifically To Meet Your Needs.**

Permitting others to rely on CoMET QA reports prepared specifically for you creates an obvious danger, given that others' needs cannot possibly be identical to yours. It would be like allowing someone else to use your prescribed medicine because their symptoms seem similar to yours. Accordingly, if you believe that others will request or require reliance on your CoMET QA deliverables, inform your CoMET consultant about that *now*. Experienced CoMET consultants are able to suggest several alternatives to reduce the risks that third-party reliance creates for you, for them, and for prospective third-party users.

### **Realize that Unresolved Conflicts in Contract Documents May Require Scope Changes.**

It is not at all uncommon for the CoMET services called for in one section of the project specifications to conflict with the CoMET services called for in another section of the project specifications and/or in the drawings. For example, notes on the structural drawings may require a ready-mixed concrete sampling frequency different from that called for in the specifications. Resolving such conflicts before construction starts may not be possible, especially if the CoMET consultant is selected later rather than sooner. An effective proposal contemplates such conflicts by being structured to easily accommodate legitimate changes, such as more or fewer tests being required, in a manner that is fair to you and the CoMET consultant.

### **Be Aware that Interrupting the Continuity of Services Can Increase Your Risk.**

Geotechnical engineering is based on "the observational method," a procedure through which geotechnical engineers conserve their clients' time and money by limiting the amount of preconstruction subsurface exploration and testing they perform, and finalizing their recommendations only after earthwork begins. Geotechnical engineers' on-site involvement, coupled with their knowledge of the project, encouraged many of them to diversify their field services, which is why most CoMET consultants also offer geotechnical engineering,



and *vice versa*. Recognize that one of the most important elements of a CoMET service is the ability of field personnel to communicate as often and as openly as needed with the professionals in charge of the project. This vital communication and overall integrity of the QA service are commonly compromised when the professionals involved are associated with one firm and the field personnel are associated with another, usually competing firm. *Retaining the geotechnical engineer of record to perform geotechnical engineering services in the field is critically important.* Retaining the geotechnical engineer to also perform general CoMET services can be of great value, too.

### **Require Professional-Liability Insurance (PLI).**

CoMET firms, being professional-services providers, should carry professional-liability insurance (PLI) to protect their clients and others that feasibly may be damaged by their services. If information about PLI and other insurance coverages is not included in the CoMET QA proposal, be sure to inquire about them and require certificates of coverage.

### **Rely on a Professional-Services Agreement.**

Experienced CoMET consultants recommend terms and conditions typical of a professional-services agreement, because, in fact,

CoMET services *are* professional services. Some clients prefer to use their own agreements. Regrettably, some of these are designed for contractors, not professionals, and so use terms (e.g., "work" rather than "service") and conditions (e.g., retainage, warranty, bonding, and liquidated damages) that are inappropriate for professional engagements, thus elevating the risk of misunderstandings and disputes and jeopardizing the availability of professional-liability insurance (PLI) protection. The terms and conditions included in the proposal accompanying this document are designed to be fair, reasonable, and appropriate for the relationship you are about to enter into. Do not try to put a square peg into a round hole. If you must insist on using your agreement, at the very least permit reasonable modifications to help ensure it is appropriate for professional services.

### **Contact Your ASFE-Member CoMET Consultant for Assistance.**

Membership in ASFE exposes CoMET professionals to a wide array of business- and professional-practice techniques and philosophies that can be of genuine benefit to everyone involved with a construction project. Confer with your ASFE-member CoMET consultant for more information. Alternatively, contact ASFE.



3311 Columbia Road, Suite 3100 • Silver Spring, MD 20910  
Telephone: 301/586-0733 • Facsimile: 301/589-2117  
e-mail: [info@asfe.org](mailto:info@asfe.org) • [www.asfe.org](http://www.asfe.org)

©Copyright 2010 by ASFE, Inc. Duplication, reproduction, copying, or storage of this document, in whole or in part, by any means whatsoever, is strictly prohibited, except with ASFE's specific written permission. Excerpting, quoting, or otherwise extracting wording from this document is permitted only with the express written permission of ASFE, and only for purposes of scholarly research or book review. Only members of ASFE may use this document or elements of it as a complement to or as an element of a construction materials engineering and testing proposal or similar document.

IICoMETOAP0110



GameTime  
c/o Dominica Recreation Products, Inc.  
P.O. Box 520700  
Longwood, FL 32752-0700  
800-432-0162 \* 407-331-0101  
Fax: 407-331-4720  
[www.playdrp.com](http://www.playdrp.com)

QUOTE  
#71644

06/08/2015

### Rotary Place @ Fred Miller Park - Option 1 USC

Morristown Parks & Recreation  
Attn: Craig Price  
415 West Louise Avenue  
Morristown, TN 37813  
Phone: 423-586-0260  
Fax: 423-318-1544  
[cprice@mymorristown.com](mailto:cprice@mymorristown.com)

Ship To Zip: 37813

Quantity	Part #	Description	Unit Price	Amount
1	RDU	Game Time - Ramped Powerscape System 5" O.D. Posts	\$72,205.00	\$72,205.00
1	Supervise	5-Star Plus - Supervision of YOUR Playground Installation - <i>By a Certified Installation Group. From Start to Finish. Owner to provide labor help, tools for labor, machinery if needed, and all concrete for footers. Certificate of compliance will be provided upon completion.</i>	\$11,350.00	\$11,350.00

SURFACING & BORDERS NOT INCLUDED ON THIS QUOTE.  
SUPERVISED INSTALLATION ONLY. CUSTOMER TO PROVIDE  
LABOR, TOOLS, CONCRETE, ETC.  
Contract: USC

SubTotal: \$83,555.00  
Discount: (\$28,882.00)  
Freight: \$2,400.00  
**Total Amount: \$57,073.00**

This quote was prepared by Cindy Robinson, Project Manager.  
For questions or to order please call - 800-432-0162 ext. 110 [cindy@gametime.com](mailto:cindy@gametime.com)

**All pricing in accordance with U.S. Communities Contract #110179.**

All terms in the U.S. Communities Contract take precedence over terms shown below.

For more information on the U.S. Communities contract please visit [www.uscommunities.org/gametime](http://www.uscommunities.org/gametime)

**Permits are not included in cost, unless specifically listed in pricing.** If permits are required Signed/Sealed drawings are usually needed and are also not included unless specifically listed in pricing. Any costs for municipal permits, paid by installer, will be charged back to the owner. Adding permits to any job will increase the length of completion, expect total time to be 90-120 days, after receipt of order (this is not due to manufacturing but rather the permit process at the municipality level). It is expected that the owner will provide approved site plans of the area for the permit office, and will help and assist in the securing of all required approvals before assembly of equipment can begin. Installer cannot provide site plans. The permit process does not begin until the site plans are available.

#### **Payment Terms: Governmental Purchase Order.**

**Purchases in excess of \$1,000.00 to be supported by your written purchase order made out to GameTime.**

Net 30 days subject to approval by GameTime Credit Manager. A completed Credit Application and Bank Reference Authorization, must be received with the order. The decision on credit is the sole discretion of GameTime/PlayCore. A 1.5% per month finance charge will be imposed on all past due accounts.

**Multiple Invoices:** Invoices will be generated upon services rendered. When equipment ships it will be invoiced separately from installation and/or other services. Terms are Net 30 for each individual invoice.

This Quotation is subject to policies in the current GameTime Park and Playground Catalog and the following terms and conditions. Our quotation is based on shipment of all items at one time to a single destination, unless noted, and changes are subject to price adjustment.

Pricing: Firm for 60 days from date of quotation.

Shipment: F.O.B. factory, order shall ship within 45 days after GameTime's receipt and acceptance of your purchase order, color selections, approved submittals, and receipt of payment.

Taxes: State and local taxes will be added at time of invoicing, if not already included, unless a tax exempt certificate is provided at the time of order entry.

Exclusions: Unless specifically discussed, this quotation excludes all sitework and landscaping; removal of existing equipment; acceptance of equipment and off-loading; storage of goods prior to installation; security of equipment (on site and at night); equipment assembly and installation; safety surfacing; borders; drainage; signed/sealed drawings; or permits.



# Rotary Place @ Fred Miller Park - Option 1 USC

QUOTE  
#71644

06/08/2015

Supervised Installation Terms: Customer shall be responsible for scheduling and coordination with the installer. As well as tools, labor, and concrete. Site should be level and allow for unrestricted access of trucks and machinery. Customer shall be responsible for unknown conditions such as buried utilities, tree stumps, rock, or any concealed materials or conditions that may result in additional labor or material costs. Customer will be billed hourly or per job directly by the installer for any additional costs that were not previously included.

## ORDER INFORMATION

Bill To: City of Morristown Ship To: Parks & Recreation  
Contact: Cassey Cummings Contact: Craig Price  
Address: P.O. Box 1499 Address: 420 Pauline Avenue  
Address: \_\_\_\_\_ Address: \_\_\_\_\_  
City, State, Zip: Morristown, TN 37814 City, State, Zip: Morristown, TN 37813  
Tel: (423) 585-4622 Fax: (423) 585-4687 Tel: (423) 586-0260 Fax: \_\_\_\_\_

SALES TAX EXEMPTION CERTIFICATE #:  
(PLEASE PROVIDE A COPY OF CERTIFICATE)

## Acceptance of quotation:

Accepted By (printed): CRAIG H. PRICE P.O. No: 15002689  
Signature: Craig H. Price Date: 6-22-15  
Title: Director Parks & Recreation Phone: 423-586-0260  
E-Mail: cprice@my.morristown.com Purchase Amount: \$57,073.00



**GameTime**  
 c/o Dominica Recreation Products, Inc.  
 P.O. Box 520700  
 Longwood, FL 32752-0700  
 800-432-0162 \* 407-331-0101  
 Fax: 407-331-4720  
[www.playdrp.com](http://www.playdrp.com)

**QUOTE**  
**#71645**

06/08/2015

### Rotary Place @ Fred Miller Park - Option 2 (Surfacing & Borders)

Morristown Parks & Recreation  
 Attn: Craig Price  
 415 West Louise Avenue  
 Morristown, TN 37813  
 Phone: 423-586-0260  
 Fax: 423-318-1544  
[cprice@mymorristown.com](mailto:cprice@mymorristown.com)

Ship To Zip: 37813

Quantity	Part #	Description	Unit Price	Amount
2550	EWf-8	GT-Impax - Engineered Wood Fiber - 8" Compacted Depth - per sq. ft. - ADA Compliant - IPEMA Certified - ASTM F1292 & F1951 Compliant	\$0.75	\$1,912.50
49	4850	Game Time - 8" Playcurb Pkg	\$46.00	\$2,254.00
1	4854	Game Time - Accessible Playcurb	\$395.00	\$395.00
4	28009	Game Time - 6' P/S Bench W/Back Inground	\$505.00	\$2,020.00
2	28026	Game Time - Receptable W/Flat Top Inground	\$579.00	\$1,158.00
1	INSTALL	Game Time - Installation of borders & site amenities only. Customer to install safety surfacing. - <i>installation price above only valid if purchased with large playground on quote #71644</i>	\$800.00	\$800.00

ITEMS FOR EQUIPMENT ON QUOTE #71518  
 CUSTOMER RESPONSIBLE FOR CONCRETE SIDEWALK TO  
 RAMP OF PLAYGROUND.  
 CUSTOMER TO INSTALL WOOD FIBER SURFACING.  
 Contract: USC

SubTotal: \$8,539.50  
 Discount: (\$254.28)  
 Freight: \$997.85  
**Total Amount: \$9,283.07**

This quote was prepared by Cindy Robinson, Project Manager.  
 For questions or to order please call - 800-432-0162 ext. 110 [cindy@gametime.com](mailto:cindy@gametime.com)

**All pricing in accordance with U.S. Communities Contract #110179.**

All terms in the U.S. Communities Contract take precedence over terms shown below.  
 For more information on the U.S. Communities contract please visit [www.uscommunities.org/gametime](http://www.uscommunities.org/gametime)

**Payment Terms: Payment in Full with Order!**

This Quotation is subject to policies in the current GameTime Park and Playground Catalog and the following terms and conditions. Our quotation is based on shipment of all items at one time to a single destination, unless noted, and changes are subject to price adjustment.

Pricing: Firm for 60 days from date of quotation.

Shipment: F.O.B. factory, order shall ship within 45 days after GameTime's receipt and acceptance of your purchase order, color selections, approved submittals, and receipt of payment.

Taxes: State and local taxes will be added at time of invoicing, if not already included, unless a tax exempt certificate is provided at the time of order entry.

Exclusions: Unless specifically discussed, this quotation excludes all sitework and landscaping; removal of existing equipment; acceptance of equipment and off-loading; storage of goods prior to installation; security of equipment (on site and at night); equipment assembly and installation; safety surfacing; borders; drainage; signed/sealed drawings; or permits.

Installation Terms: Shall be by a Certified Installer. If playground equipment, installer will be NPSI and Factory Trained and Certified. Customer shall be responsible for scheduling and coordination with the installer. Site should be level and allow for unrestricted access of trucks and machinery. Customer shall be responsible for unknown conditions such as buried utilities, tree stumps, rock, or any concealed materials or conditions that may result in additional labor or material costs. Customer will be billed hourly or per job directly by the installer for any additional costs that were not previously included.

Rotary Place @ Fred Miller Park - Option 2 (Surfacing & Borders)

QUOTE  
#71645

06/08/2015

ORDER INFORMATION

Bill To: City of Morristown Ship To: Parks & Recreation  
Contact: Casey Cummings Contact: Craig Price  
Address: P.O. Box 1499 Address: 420 Pauline Avenue  
Address: \_\_\_\_\_ Address: \_\_\_\_\_  
City, State, Zip: Morristown, TN 37814 City, State, Zip: Morristown, TN 37813  
Tel: (423) 585-4622 Fax: (423) 585-4687 Tel: (423) 586-0260 Fax: \_\_\_\_\_

SALES TAX EXEMPTION CERTIFICATE #:  
(PLEASE PROVIDE A COPY OF CERTIFICATE)

Acceptance of quotation:

Accepted By (printed): CRAIG H PRICE P.O. No: 15002689  
Signature: Craig H. Price Date: 6-22-15  
Title: Director Parks & Recreation Phone: 423-586-0260  
E-Mail: cprice@my.morristown.com Purchase Amount: \$9,283.07

**CITY OF MORRISTOWN**

PURCHASING DIRECTOR

P.O. Box 1499

Morristown, TN 37815-0647

Phone: (423) 585-4622 Fax: (423) 585-4687

**Purchase Order**

Fiscal Year 2015

Page 1

THIS NUMBER MUST APPEAR ON ALL INVOICES,  
PACKAGES AND SHIPPING PAPERS.Purchase  
Order #**15002689-00***Retain this purchase order for proof of tax exemption.***Tax Exempt #62-6000369**V  
e  
n  
d  
o  
rGAMETIME  
PO BOX 520700

LONGWOOD, FL 32752-0700

S  
h  
i  
p  
T  
oCity of Morristown  
400 Dice Street  
ccummings@mymorristown.com  
Morristown, TN 37813

Vendor Phone Number		Vendor Fax Number		Requisition Number	Delivery Reference/Contact	
407-331-0101		407-331-4720		15002856	FRANKIE COX	
Date Ordered	Vendor Number	Date Required	Interoffice Delivery		Department/Location	
06/17/15	006210	06/30/15			44420	
Item#	Description/Part No.			Qty/Unit	Cost Each	Extended Price
001	RDU - Game Time - Rampted Powerscape System 5" o.d. post Supervisuib 5-Star Plus - Supervision of your Playground Installation 44420-960			1.00 Each	54673.00000	57,073.00
002	Quantity 2550 GT-Impax - Engineered wood fiber - 8" compacted depth. Unit price \$0.75 44420-960			1.00 Each	1912.50000	1,912.50
003	Part# 8450 Game Time 8" playcurb package 44420-960			49.00 Each	46.00000	2,254.00
004	Part # 4854 Game Time Accesible Playcurb 44420-960			1.00 Each	395.00000	395.00
005	Part# 28009 Fame time 6 foot P/S Bench W/Back inground 44420-960			4.00 Each	505.00000	2,020.00
006	Part # 28026 Game-Time Receptabel W/Flat Top Inground			2.00 Each	579.00000	1,158.00

The City of Morristown is an equal  
employment / affirmative action  
employer EOE / AA

Authorized Signature

Return to Agenda  
Date

**CITY OF MORRISTOWN**

PURCHASING DIRECTOR

P.O. Box 1499

Morristown, TN 37815-0647

Phone: (423) 585-4622 Fax: (423) 585-4687

**Purchase Order**

Fiscal Year 2015

Page 2

THIS NUMBER MUST APPEAR ON ALL INVOICES,  
PACKAGES AND SHIPPING PAPERS.Purchase Order # **15002689-00***Retain this purchase order for proof of tax exemption.***Tax Exempt #62-6000369**V  
e  
n  
d  
o  
rGAMETIME  
PO BOX 520700

LONGWOOD, FL 32752-0700

S  
h  
i  
p  
t  
oCity of Morristown  
400 Dice Street  
ccummings@mymorristown.com  
Morristown, TN 37813

Vendor Phone Number		Vendor Fax Number	Requisition Number	Delivery Reference/Contact	
407-331-0101		407-331-4720	15002856	FRANKIE COX	
Date Ordered	Vendor Number	Date Required	Interoffice Delivery		Department/Location
06/17/15	006210	06/30/15			44420
Item#	Description/Part No.		Qty/Unit	Cost Each	Extended Price
007	44420-960		1,158.00		
			1.00 Each	800.00000	1,797.85
	Game Time Installation of borders and site amenities only and Freight				
	44420-960		1,797.85		
	Total Freight		3,397.85		
				PO Total	66,610.35

The City of Morristown is an equal  
employment / affirmative action  
employer EOE / AA

Authorized Signature

Return to Agenda  
Date



Bill To  
 City of Morristown  
 400 Dice Street  
  
 MORRISTOWN, TN  
 37813  
 ccummings@mymorristown.com

Requisition 15002856-00 FY 2015

Acct No:  
 44420-960  
 Review:  
 Buyer: ccummings  
 Status: Approved

Page 1

Vendor  
 GAMETIME  
 PO BOX 520700  
  
 LONGWOOD, FL 32752-0700  
  
 Tel#407-331-0101  
 Fax 407-331-4720

Ship To  
 City of Morristown  
 400 Dice Street  
 ccummings@mymorristown.com  
 Morristown, TN 37813  
 ccummings@mymorristown.com

Delivery Reference  
 FRANKIE COX

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
06/11/15	006210	06/30/15			44420
LN Description / Account		Qty	Unit Price	Net Price	
001 RDU - Game Time - Rampted Powerscape System 5" o.d. post Supervisuib 5-Star Plus - Supervision of your Playgroound Installation *Amount reflects \$2400.00 freight.		1.00 Each	54673.00000	57073.00	
1 44420-960			57073.00		
002 Quantity 2550 GT-Impax - Engineered wood fiber - 8" compacted depth. Unit price \$0.75		1.00 Each	1912.50000	1912.50	
1 44420-960			1912.50		
003 Part# 8450 Game Time 8" playcurb package		49.00 Each	46.00000	2254.00	
1 44420-960			2254.00		
004 Paret # 4854 Game Time Accesible Playcurb		1.00 Each	395.00000	395.00	
1 44420-960			395.00		

Bill To  
City of Morristown  
400 Dice Street  
  
MORRISTOWN, TN  
37813  
ccummings@mymorristown.com

Requisition 15002856-00 FY 2015

Acct No:  
44420-960  
Review:  
Buyer: ccummings  
Status: Approved

Vendor  
GAMETIME  
PO BOX 520700  
  
LONGWOOD, FL 32752-0700  
  
Tel#407-331-0101  
Fax 407-331-4720

Ship To  
City of Morristown  
400 Dice Street  
ccummings@mymorristown.com  
Morristown, TN 37813  
ccummings@mymorristown.com  
  
Delivery Reference  
FRANKIE COX

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
06/11/15	006210	06/30/15			44420

LN	Description / Account	Qty	Unit Price	Net Price
005	Part# 28009 Fame time 6 foot P/S Bench W/Back inground	4.00 Each	505.00000	2020.00
1	44420-960		2020.00	
006	Part # 28026 Game-Time Receptabel W/Flat Top Inground	2.00 Each	579.00000	1158.00
1	44420-960		1158.00	
007	Game Time Installation of borders and site amenities only and Freight	1.00 Each	800.00000	1797.85
	*Amount reflects \$997.85 freight.			
1	44420-960		1797.85	

[Requisition Link](#)

Requisition Total 66610.35

\*\*\*\*\* General Ledger Summary Section \*\*\*\*\*

Account	Amount	Remaining Budget
44420-960	66610.35	18067.85
Playgrounds & Programs		
Machinery & Equipment		

\*\*\*\*\* Approval/Conversion Info \*\*\*\*\*

Activity	Date	Clerk	Comment
Approved	06/11/15	Benny Gordon	
Approved	06/17/15	Craig Price	

Bill To  
 City of Morristown  
 400 Dice Street  
  
 MORRISTOWN, TN  
 37813  
 ccummings@mymorristown.com

Requisition 15002856-00 FY 2015

Acct No:  
 44420-960  
 Review:  
 Buyer: ccummings  
 Status: Approved

Page 3

Vendor  
 GAMETIME  
 PO BOX 520700  
  
 LONGWOOD, FL 32752-0700  
  
 Tel#407-331-0101  
 Fax 407-331-4720

Ship To  
 City of Morristown  
 400 Dice Street  
 ccummings@mymorristown.com  
 Morristown, TN 37813  
 ccummings@mymorristown.com

Delivery Reference  
 FRANKIE COX

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
06/11/15	006210	06/30/15			44420

LN Description / Account	Qty	Unit Price	Net Price
--------------------------	-----	------------	-----------

Authorized By: \_\_\_\_\_ Signature \_\_\_\_\_ Date: \_\_\_\_\_



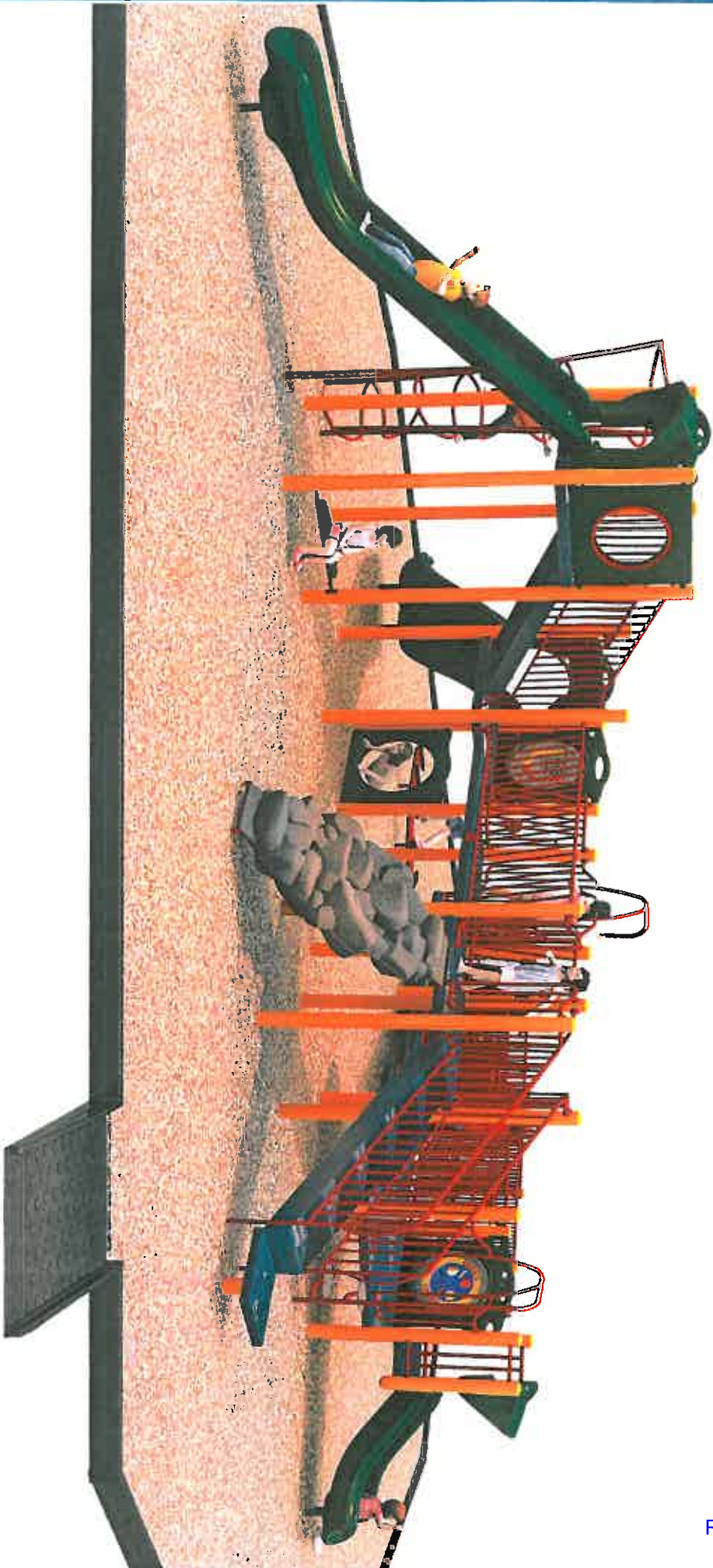
**CRP** **Dominica**  
Recreation Products  
800.452.0162

**Rotary Place @ Fred Miller Park**  
**Morristown, Tennessee**

**GameTime**  
A CRP Company  
800.335.3440 / [www.gametime.com](http://www.gametime.com)

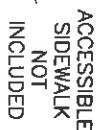
[Return to Agenda](#)







88-10



**GameTime**

**PLAYCORE** Company



**150 PlayCore Drive SE  
Fort Payne, AL 35967  
[www.gametime.com](http://www.gametime.com)**

**Rotary Place @ Fred Miller Park  
Morristown, Tennessee  
Options 1 & 2  
Representative  
Dominica Recreation Products**

This play equipment is recommended for children ages 5-12

**Minimum Area Required:  
See Layout**

**Scale: NTS**

This drawing can be scaled only when in 10" x 24" format.

**IMPORTANT:** Soft resiliant surfacing should be placed in the use zones of all equipment, as specified for each type of equipment, and at depths to meet the critical fall heights as specified by the U.S. consumer Product Safety Commission, ASTM standard F 1487 and Canadian

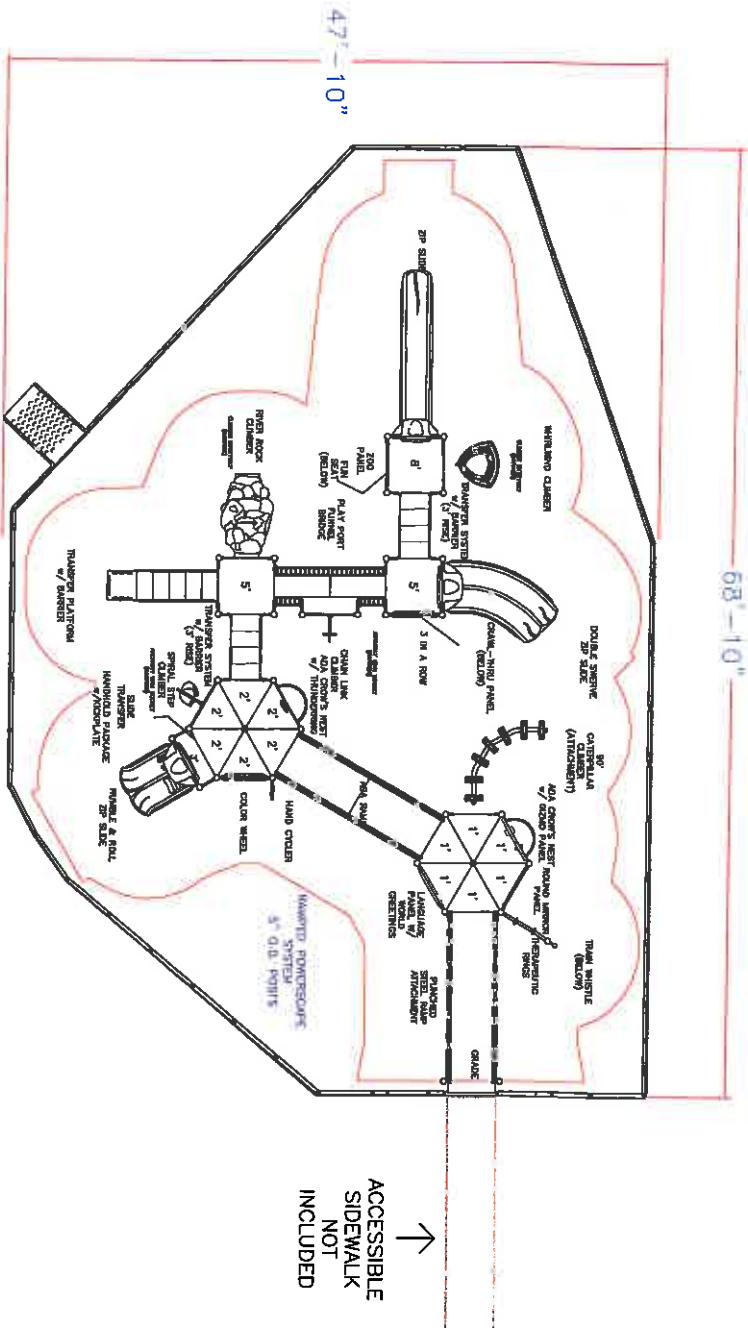
Drawn By:	CMR
Date:	5.27.2015
Drawing No:	



[Return to Agenda](#)



# OPTION 1 – EQUIPMENT ONLY OPTION 2 – SURFACING & BORDERS



ABOVE GRADE INSTALLATION  
 ~2,550 sq.ft. GTMPAX Engineered Wood Fiber  
 ~8" compacted depth  
 ~50 Plastic PlayCurb Borders (includes 1 ADA Accessible Curb)  
 SITE PREPARATION BY OTHERS!



150 PlayCore Drive SE  
 Fort Payne, AL 35967  
 www.gametime.com

Rotary Place @ Fred Miller Park  
 Morristown, Tennessee  
 Options 1 & 2  
 Recreation  
 Donitica Recreation Products

This play equipment is recommended for children ages 5-12

Minimum Area Required:  
 See Layout  
 The drawing can be scaled only when in an 18" x 24" format

WARRANTY: Soft surface and equipment must be installed in a safe zone of all equipment, and it applies to meet the consumer Product Safety Commission. All equipment must be installed in a safe zone of all equipment, and it applies to meet the consumer Product Safety Commission. All equipment must be installed in a safe zone of all equipment, and it applies to meet the consumer Product Safety Commission.

Drawn By: CWR  
 Date: 5.27.2015  
 Drawing Name: Rotary Place @ Fred Miller Park