

WORK SESSION
October 15, 2019
4:00 p.m.

1. Agenda Review

AGENDA
CITY OF MORRISTOWN, TENNESSEE
CITY COUNCIL MEETING
October 15, 2019
5:00 p.m.

1. CALL TO ORDER

Mayor Gary Chesney

2. INVOCATION

Pastor Don Lamb, Morristown Fire Department Chaplain

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL

5. APPROVAL OF MINUTES

1. October 1, 2019

6. PROCLAMATIONS/PRESENTATIONS

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. 3645

An Ordinance of the City Council for the City of Morristown, Tennessee,
Amending Title 13, Chapter 3 [Tree Ordinance] of the Morristown Municipal
Code.

9. NEW BUSINESS

9-a. Resolutions

1. Resolution _____

A Resolution to Adopt Amended City of Morristown, Tennessee Debt
Management Policy.

2. Resolution _____

Initial Resolution Authorizing the Issuance of not to exceed Thirty-Seven Million Two Hundred Fifty Thousand Dollars (\$37,250,000) General Obligation Bonds of the City of Morristown, Tennessee.

3. Resolution _____

A Resolution Authorizing the Issuance of General Obligation Bonds of the City of Morristown, Tennessee in the Aggregate Principal Amount of not to exceed \$37,250,000, in one or more Series; Making Provision for the Issuance, Sale and Payment of Said Bonds, Establishing the Terms Thereof and the Disposition of Proceeds Therefrom; and Providing for the Levy of Taxes for the Payment of Principal of, Premium, if any, and interest on the Bonds

9-b. Introduction and First Reading of Ordinances

9-c. Awarding of Bids/Contracts

1. Approval of Grant Contract between the State of Tennessee Department of Agriculture, Division of Forestry and the City of Morristown in the amount of \$18,575 to be used for the Community Tree Planting Project.
2. Approval of the amended License and Services Agreement between Tyler Technologies and the City of Morristown in the amount of \$65,520 and to allow Tony Cox, City Administrator to enter into agreement with Tyler Technologies.
3. Approval of the Fiscal Year 19 Edward Byrne Memorial Justice Assistance Grant (JAG) Program Contract between the U.S. Department of Justice and the City of Morristown in the amount of \$13,558.

9-d. Board/Commission Appointments

9-e. New Issues

10. CITY ADMINISTRATOR'S REPORT

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:

November 5, 2019	Tuesday	2:30 p.m.	Finance Committee Meeting
November 5, 2019	Tuesday	4:00 p.m.	Work Session - Council Agenda Review
November 5, 2019	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
November 19, 2019	Tuesday	4:00 p.m.	Work Session – Council Agenda Review
November 19, 2019	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
November 28-29, 2019	Thurs/Fri		City Employee's Holiday Thanksgiving
December 3, 2019	Tuesday	2:30 p.m.	Finance Committee Meeting
December 3, 2019	Tuesday	4:00 p.m.	Work Session – Council Agenda Review
December 3, 2019	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
December 17, 2019	Tuesday	4:00 p.m.	Work Session – Council Agenda Review
December 17, 2019	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
December 25, 2019	Wednesday		City Employee's Holiday Christmas Day
January 1, 2020	Wednesday		City Employee's Holiday – New Year's Day
January 7, 2020	Tuesday	2:30 p.m.	Finance Committee Meeting
January 7, 2020	Tuesday	4:00 p.m.	Work Session – Council Agenda Review
January 7, 2020	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
January 21, 2020	Tuesday	4:00 p.m.	Work Session – Council Agenda Review
January 21, 2020	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session

**WORK SESSION
AGENDA
October 15, 2019**

1. TCAT
2. Community Appearance - Blight

**STATE OF TENNESSEE
COUNTY OF HAMBLLEN
CORPORATION OF MORRISTOWN
October 1, 2019**

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, October 1, 2019, with the Honorable Mayor Gary Chesney presiding and the following Councilmembers present; Al A'Hearn, Chris Bivens, Bob Garrett, Tommy Pedigo, Kay Senter and Ken Smith.

Reverend Charles Mills, Chaplain, Morristown Police Department led in the invocation. Councilmember Al A'Hearn led the "Pledge of Allegiance".

Councilmember Senter made a motion to approve the September 17, 2019 minutes as circulated. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye".

A Public Hearing was held relating to Ordinance No. 3642; No one spoke.

Councilmember Smith made a motion to approve Ordinance 3642 on second and final reading. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3642

Entitled an Ordinance to Close and Vacate certain Rights-of-Ways within the City of Morristown {Portion of North James Street public right-of-way north of the intersection of E. 6th North Street, the general location being shown on the attached Exhibit A}.

A Public Hearing was held relating to Ordinance No. 3643; No one spoke.

Councilmember Pedigo made a motion to approve Ordinance 3642 on second and final reading. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3643

Being an Ordinance of the City Council of Morristown, Tennessee Amending Title 14 (Zoning and Land Use Control), Chapter 2 (General Zoning Provisions) of the Morristown Municipal Code (Detached Accessory Structure).

A Public Hearing was held relating to Ordinance No. 3644; No one spoke.

Councilmember A'Hearn made a motion to approve Ordinance 3644 on second and final reading. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3644

Being an Ordinance of the City Council of Morristown, Tennessee Amending Title 12 (Fire and Construction Codes), Title 13 (Property Maintenance), Title 14 (Zoning and Land Use Control), Title 16 (Streets and Sidewalks, Etc.), and Title 17 (Refuse And Trash Disposal) (Code Enforcement Citations).

Councilmember Senter made a motion to approve Resolution 3-20. Councilmember Smith seconded the motion and upon roll call; all voted "aye".

Resolution No. 3-20

A Resolution Authorizing the City of Morristown, Tennessee, to participate in the Public Entity Partners' James L. Richardson "Driver Safety" Matching Grant Program.

WHEREAS, the safety and well-being of the employees of the City of Morristown is of the greatest importance; and

WHEREAS, all efforts shall be made to provide a safe and hazard-free workplace for the City of Morristown employees; and

WHEREAS, Public Entity Partners seek to encourage the establishment of a safe workplace by offering a "Driver Safety" Matching Grant Program; and

WHEREAS, the City of Morristown now seeks to participate in this important program.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MORRISTOWN, TENNESSEE the following:

SECTION 1. That the City of Morristown is hereby authorized to submit application for a "Driver Safety" Matching Grant Program through Public Entity Partners.

SECTION 2. That the City of Morristown is further authorized to provide a matching sum to serve as a match for any monies provided by this grant.

Resolved this the 1st day of October 2019.

Mayor

ATTEST:

City Administrator

Councilmember Smith made a motion to approve Ordinance 3645 on first reading and schedule a Public Hearing for October 15, 2019. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye".

Ordinance No. 3645

An Ordinance of the City Council for the City of Morristown, Tennessee, Amending Title 13, Chapter 3 [Tree Ordinance] of the Morristown Municipal Code.

Councilmember A'Hearn made a motion to approve the Financial Advisor Contract between the City of Morristown and Cumberland Securities. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

Councilmember Smith made a motion to approve the Lease Agreement with Tuff Torq Corporation for use of property in East Tennessee Progress Center (ETPC). Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to accept the donation of a Toro Sand Pro 2040Z (#08706TC-314000120) from Tuff Torq Corporation to the City of Morristown Parks and Recreation Department. Councilmember Smith seconded the motion and upon roll call; all voted "aye".

Councilmember A'Hearn made a motion to accept the donation of Forty (40) Yoshino Cherry Trees from Tuff Torq Corporation to the City of Morristown to be planted and maintained at Heritage Park. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

Mayor Chesney presented a Certificate of Appreciation to Tuff Torq Corporation on behalf of the City Council and Morristown Tree Board for their donation of Yoshino Cherry Trees for Heritage Park and Toro Sand Pro for use by Parks and Recreation.

Councilmember Smith made a motion to approve Change Order No. 5 with Burke-Ailey Construction Co., Inc. for Petoskey Plastics – Site Improvements Phase III by decreasing the contract amount by \$174,029 for a new total contract amount of \$414,889. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to approve Task Order No. 2 with Mattern & Craig in the amount of \$24,500 to provide Engineering Services for a Traffic Impact Analysis for the E. Morris Boulevard Rehabilitation Project. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to declare one 2014 Dodge Charger VIN# 2C3CDXAG8EH132940 and the property from the Morristown Fire Department listed below as surplus property. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Morristown Fire Department - Surplus Inventory	
Quantity	Item
8	Classroom Tables -Oak 3' X 6'
14	SCBA Travel Case
14	Out Of Date Carbon Fiber SCBA Bottles
13	Out Of Date Fiberglass SCBA Bottles
13	SCBA Bracket Mounts
8	Negative Pressure Ventilation Fans
7	New Street Hawk Lens -Red/Blue
7	Boxes of Old Tire Chains
6	Door Jacks
5	Chevy/GMC Snow Tires & Rims 15"
5	2 ½ " Playpipes
4	5" To 2 ½ Reducer
4	6" Soft Suction Hose
4	Old Style Light Bars
3	2 ½" Water Diffusers
2	5" Hard Suction Hose
2	Broken Hydrant Wrench
2	5" Steamer Caps
2	Strotz Intake Manifold
2	Hydraulic Bottle Jack
2	Old Abc Fire Extinguishers
2	Old Jump Seats
2	6" to 5" Reducer
1	Box of Light Bar Parts/Speakers
1	Indian Wildland Backpack
1	5" Strainer
1	5" Double Female
1	Low Level 5" Strainer
1	Weed Eater/Trimmer
1	American Lafrance Grease Gun
1	3/4 "Silver Bullet Chimney Knocker
1	Bucket of Used Rope
1	Damaged Gas Can
1	Old 4' X 6' Wooden Chalk Board
1	Slide Projector

Councilmember A'Hearn made a motion to accept the Tennessee Highway Safety Grant for the Morristown Police Department. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

Mayor Chesney opened the floor for members of the audience to speak subject to the guidelines provided: No one spoke.

Mayor Gary Chesney adjourned the October 1, 2019 Morristown City Council meeting at 5:26 p.m.

Mayor

Attest:

City Administrator

DRAFT

ORDINANCE NO. 3645

BEING AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF MORRISTOWN, TENNESSEE, AMENDING TITLE 13, CHAPTER 3 [TREE ORDINANCE] OF THE MORRISTOWN MUNICIPAL CODE.

BE IT ORDAINED BY THE CITY COUNCIL of the City of Morristown that text of Title 13, Chapter 3 (Tree Ordinance) shall be amended to include the following:

Sec. 13-302. - Definitions.

City Horticulturist means a city employee responsible for the city's tree program.

Sec. 13-303. - Administration.

The city administrator shall be responsible for carrying out this chapter:

- (1) Creation of a tree board. There is hereby created a tree board for the city, which shall consist of 14 members, five members at large who are citizens and residents of the city or the city's urban growth boundary and one city council member that shall be appointed by the mayor with the approval of city council, and eight standing members of the board which shall include: the Morristown Public Works Director, the Morristown Parks and Recreation Director, the City Horticulturist, the City Administrator or his or her designee, a Morristown Utility Systems representative, a representative from the local state Division of Forestry, a representative from the state Soil Conservation Service, and a representative from the local Keep America Beautiful affiliate or their designated representative.
- (2) Term of office. Appointed members shall serve three-year terms, except the first board which will have two members appointed for one year and three members appointed for two years. In the event that a vacancy shall occur during the term of any member, that member's successor shall be appointed for the unexpired portion of the term. No member shall serve more than two successive terms.
- (3) Operation. The board shall choose its own officers, make its own administrative rules and regulations, and keep a record of its proceedings. Copies of the minutes shall be available to the governing body after each Tree Board meeting. Each board member or his/her duly appointed designee shall have a voting privilege on any issue that may come before the board to vote, except for the four city staff employees (Public Works Director, Parks and Recreation Director, City Horticulturist, and the City Administrator designee, who shall be non-voting members. The voting shall carry or fail by simple majority of those present and casting votes. The results of voting shall be recorded in the minutes of such meeting.
- (4) Duties and responsibilities. The duties of the tree board shall include, but not be limited to the following:
 - a. Promote proper tree pruning procedures;
 - b. Coordinate tree-related activities;
 - c. Conduct an Arbor Day ceremony;
 - d. Provide tree information to the community;
 - e. Maintain a recommended tree list for the community;
 - f. Recognize groups and individuals completing tree projects;
 - g. Coordinate publicity concerning trees and tree programs;

- h. Coordinate donations of trees or money to purchase trees;
- i. Hear citizen concerns regarding tree problems during scheduled meetings;
- j. Perform other tree related duties and opportunities that arise from time to time.

The tree board may consult with arborists, foresters and others with specific expertise in the subject area when performing their duties and responsibilities. Any compensation or contracts for services performed by such experts or professionals shall be approved by the city council.

- (5) Compensation. Members of the board shall serve without compensation.
- (6) Review by city council. The city council shall have the right to review the conduct and acts of the tree board. Any person may appeal any ruling of the tree board to the city council who may hear the matter and make a final decision.

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

BE IT FURTHER ORDAINED that this ordinance shall take effect from and after the date of its final passage, the public welfare requiring it.

Passed on first reading the 1st day of October, 2019.

Mayor

ATTEST:

City Administrator

Passed on second and final reading the 15th day of October, 2019.

Mayor

ATTEST:

City Administrator

City of Morristown

Incorporated 1855

DEPARTMENT OF COMMUNITY DEVELOPMENT & PLANNING



TO: Morristown City Council
FROM: Steve Neilson, Community Development Director
DATE: September 17, 2019
SUBJECT: Text Amendment – Title 13, Chapter 3, Tree Ordinance

BACKGROUND:

The proposed text amendments are minor in nature. The first change would include the City Horticulturist as a Tree Board member. The other more significant change would make the four city staff employees who serve on the Board (Public Works Director, Parks and Recreation Director, City Horticulturist, and the City Administrator designee) Board non-voting members. City staff should service in an advisory capacity and not voting members.

RECOMMENDATION:

Staff recommends approval of the proposed text amendments.

CHAPTER 3

TREE ORDINANCE

Sec. 13-301. - Tree ordinance.

The purpose of this tree ordinance is to provide a mechanism for the management of trees and woody vegetation in the city. Since adoption of an ordinance is one of the requirements for Tree City USA recognition, the city hereby adopts this ordinance in order to establish guidelines for tree planting, cutting and care in the city.

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

Sec. 13-302. - Definitions.

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

American Nurseryman Standards means the standards related to size and planting for newly planted landscaping materials as referenced in *The American Standard for Nursery Stock* prepared by the American Nursery and Landscape Association.

~~City forester~~ **City Horticulturist** means a city employee responsible for the city's tree program.

Crownsread means the distance from the ends of branches on one side of the tree, through the trunk, to the ends of the branches on the other side.

Drip line means all points directly underneath the end of the branches.

Mulch means a layer of organic materials placed on the surface of the soil around plants to retain moisture, prevent the growth of weeds, and to hold the soil in place or aid plant growth.

Private tree means a tree growing in an area owned by a private individual, business or commercial establishment, company, or industry, private institution, or other area not owned by government entities.

Pruning means selective removal and thinning of the upper portions of the tree, taking into account the shape and natural structure of the tree.

Public tree means a tree growing in an area owned by the community, including parks, public buildings, and other areas to which the public has free access.

Public utility means that section of local government in charge of electrical, water, sewer, natural gas, telephone or cable television distribution in the community and having responsibility for keeping distribution lines free of hazards, including trees.

Shrub means a self-supporting woody plant, growing 18 inches to 15 feet in height at maturity and characterized by multiple stems and branches continuous from the base; usually not more than ten feet in height at its maturity. Shrubs may be deciduous or evergreen.

Street tree means a tree growing within a public right-of-way along a street, in a median or in a similar area in which the public right-of-way borders areas owned by private individuals.

Topping means arbitrary removal of various portions of the tree, thereby leaving stubs, with no regard for the natural structure of the tree.

Tree means a woody plant with a single trunk or multiple trunk capable of growing to a height of 15 feet or more.

Tree sizes means:

- (1) Small tree. A tree that grows up to 25 feet in height.
- (2) Medium tree. A tree that grows between 25 feet and 45 feet in height.
- (3) Large tree. A tree that grows greater than 45 feet in height.

Utility easement means an easement conveyed, granted or dedicated for utility purposes (stormwater, wastewater, electrical, water systems, etc.).

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

Sec. 13-303. - Administration.

The city administrator shall be responsible for carrying out this chapter:

- (1) Creation of a tree board. There is hereby created a tree board for the city, which shall consist of ~~13~~ 14 members, five members at large who are citizens and residents of the city or the city's urban growth boundary and one city council member that shall be appointed by the mayor with the approval of city council, and ~~seven~~ eight standing members of the board which shall include: the Morristown Public Works Director, the Morristown Parks and Recreation Director, the City Horticulturist, the City Administrator or his or her designee, a Morristown Utility Systems representative, a representative from the local state Division of Forestry, a representative from the state Soil Conservation Service, and a representative from the local Keep America Beautiful affiliate or their designated representative.
- (2) Term of office. Appointed members shall serve three-year terms, except the first board which will have two members appointed for one year and three members appointed for two years. In the event that a vacancy shall occur during the term of any member, that member's successor shall be appointed for the unexpired portion of the term. No member shall serve more than two successive terms.
- (3) Operation. The board shall choose its own officers, make its own administrative rules and regulations, and keep a record of its proceedings. Copies of the minutes shall be available to the governing body after each Tree Board meeting. Each board member or his/her duly appointed designee shall have a voting privilege on any issue that may come before the board to vote, except for the four city staff employees (Public Works Director, Parks and Recreation Director, City Horticulturist, and the City Administrator designee, who shall be non-voting members. The voting shall carry or fail by simple majority of those present and casting votes. The results of voting shall be recorded in the minutes of such meeting.

(4) Duties and responsibilities. The duties of the tree board shall include, but not be limited to the following:

- a. Promote proper tree pruning procedures;
- b. Coordinate tree-related activities;
- c. Conduct an Arbor Day ceremony;
- d. Provide tree information to the community;
- e. Maintain a recommended tree list for the community;
- f. Recognize groups and individuals completing tree projects;
- g. Coordinate publicity concerning trees and tree programs;
- h. Coordinate donations of trees or money to purchase trees;
- i. Hear citizen concerns regarding tree problems during scheduled meetings;
- j. Perform other tree related duties and opportunities that arise from time to time.

The tree board may consult with arborists, foresters and others with specific expertise in the subject area when performing their duties and responsibilities. Any compensation or contracts for services performed by such experts or professionals shall be approved by the city council.

(5) Compensation. Members of the board shall serve without compensation.

(6) Review by city council. The city council shall have the right to review the conduct and acts of the tree board. Any person may appeal any ruling of the tree board to the city council who may hear the matter and make a final decision.

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

Sec. 13-304. - Tree planting.

Planting of trees on private property is encouraged, especially in areas where the public may have an extraordinary interest. The tree board will provide information about species, planting techniques, and placement guidelines when requested by residents in conformance with current American Nurseryman Standards (ANSI).

- (1) Tree planting shall be undertaken by the city on all public areas in a systematic manner to assure diversity of age classes and species. Areas to be planted, density, appropriate species, and other aspects of the planting function shall be recommended by the tree board and contained in rules and regulations adopted by the board as well as current ANSI standards.
- (2) Size. All nursery stock planted on public property will conform to the most current ANSI nursery standards.
- (3) Grade. Trees to be planted shall be free of insects and diseases, mechanical injuries, and have reasonably straight trunks with a strong leader branch.
- (4) Spacing. Tree spacing shall be in accordance with mature spread.

- (5) Planting near existing objects. Trees shall not be planted within proposed or existing utility easements. In street plantings, no tree may be planted closer than ten feet to a fire hydrant, or utility pole or street light, 15 feet to a driveway/street intersection, or 30 feet from a street/street intersections as defined by sight-distance triangle guidelines. When planting between sidewalks and curbs, six feet between curb and sidewalk is the minimum distance required for small trees, eight feet for medium trees, and ten feet for large trees.
- (6) It is the responsibility of the tree planter to verify location of all utilities and their easements within the vicinity of the planting site in order to avoid personal injury or damage to the utilities.
- (7) Planting techniques. Holes shall be dug to give adequate room for the root system. The diameter of the hole should be at least 12 inches larger than the diameter of the root ball or root system. The depth of planting should be at the same level as the tree had grown previously with 10% of the root ball remaining above grade. Backfill should be the same material that was removed from the hole, with no additives except low nitrogen fertilizer which may be added if the tree board deems it necessary. Holes dug by power augers must have their sides chipped by a hand shovel to break glazing affected by the auger. Trees may be guyed in windy areas, or other areas where support is determined necessary by the tree board. All guy wires shall be removed within 18 months.

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

Sec. 13-305. - Tree care.

- (a) The practice of tree topping, except as the first stage of tree removal, is prohibited on all public trees and is strongly discouraged as a tree care practice for private trees. The standard tree pruning method will be branch collar pruning as opposed to stubs or flush cuts. Large limbs and branches will be pre-cut (three-cut method) to prevent excessive peeling of the bark, followed by cutting the remaining curb.
- (b) Tree maintenance rules and regulations may address pruning, fertilizing, watering, insect and disease control or other tree care activities. The city shall take responsibility for those maintenance activities needed to keep the public trees reasonably healthy and minimize the risk hazard trees could cause to residents and visitors of the city. Determination of maintenance needs will be made by the tree board. Tree care may be accomplished by city personnel or by contract with commercial tree care companies.
- (c) Care and maintenance of private trees are encouraged to minimize safety hazards to people and the health risk to other trees in the community. The tree board will provide information in a timely manner to residents about all aspects of tree care including the latest techniques and procedures currently being practiced.
- (d) Tree pruning in the vicinity of power lines shall be undertaken by the public utility to assure the supply of electricity to its customers. Drop crotch pruning and pruning to laterals are the required methods. Where practicable, the utility shall undertake a program of replacing removed trees with appropriate replacement tree species or cultivars recommended by the tree board.

- (e) Grade changes and trenching within the crownsread (ends of branches) of public trees should be conducted in such a way as to minimize root system damage. Owners of private trees are encouraged to consult the tree board before proceeding with these activities.
- (f) The tree board may recommend to the appropriate city department when trees in public areas need care such as pruning, fertilization or treatment.

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

Sec. 13-306. - Tree removal.

- (a) Dead, diseased and dying trees that pose a safety or health risk to residents, utility lines, service lines or to other trees shall be removed in a timely manner. This section applies to public trees, but it is recommended for private trees as well. The tree board will make the risk determination for public trees.
- (b) Tree removal to ground level is considered part of the public tree removal process.
- (c) Sprout control following tree removal will be accomplished by mechanical or chemical means. Any chemical used in sprout control shall be registered with the Environmental Protection Agency and used according to the manufacturer's specifications.

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

Sec. 13-307. - Protection from construction, development and land use changes.

The city maintains that it is in the best interest of all concerned to save as many existing trees as practical. In this interest, as it pertains to commercial and residential development, the city may adopt regulations requiring developers and builders to create tree impact plans prior to removal of any tree from project sites. The regulations adopted by the city may further require minimum tree densities for different classes or types of developments, and developers/builders may be required to plant trees to meet such density requirements. The tree board will assist the city in drafting the regulations to be adopted, or by providing recommendations for regulations which should be adopted. Regulations adopted by the city may be incorporated into the subdivision regulations, to be enforced by the planning commission, or may be incorporated into the zoning ordinance, to be enforced by the board or official having authority over zoning issues.

(Ord. No. 2639, 7-1991; Ord. No. 3467, 4-2013)

RESOLUTION NO. _____
A RESOLUTION TO ADOPT AMENDED CITY OF MORRISTOWN,
TENNESSEE, DEBT MANAGEMENT POLICY.

WHEREAS, *Tennessee Code Annotated* §9-21-151(b)(1) authorizes the State of Tennessee State Funding Board to develop model financial transaction policies for local governments; and

WHEREAS, the State Funding Board has adopted a statement on debt management and directed local governments and government entities that borrow funds to draft their own debt management policies with certain mandatory provisions; and

WHEREAS, the City of Morristown desires to comply with state statute and all other regulations regarding debt instruments while illustrating the City's commitment to taxpayers, rating agencies, investors, and capital markets that the City is well managed and will always be prepared to meet its obligations in a timely manner; and

WHEREAS, the City of Morristown had previously adopted a Debt Management Policy in December 6, 2011, and approved a revised Debt Management Policy on August 9, 2014, and continued to monitor and review the Debt Management Policy in place periodically; and

WHEREAS, the City Administrator proposes an updated Debt Management Policy to further the City of Morristown's goals regarding debt management while providing for provisions for transparency, professionals and conflicts of interest; and

WHEREAS, the City of Morristown's Finance Committee has reviewed and recommends the adoption on the revised and updated Debt Management Policy.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Morristown, Tennessee that the Debt Management Policy recommended by the City Administrator and approved by the Finance Committee hereby adopts the revised Debt Management Policy.

This Resolution shall be effective from and after its adoption as passed on this the 15th day of October 2019.

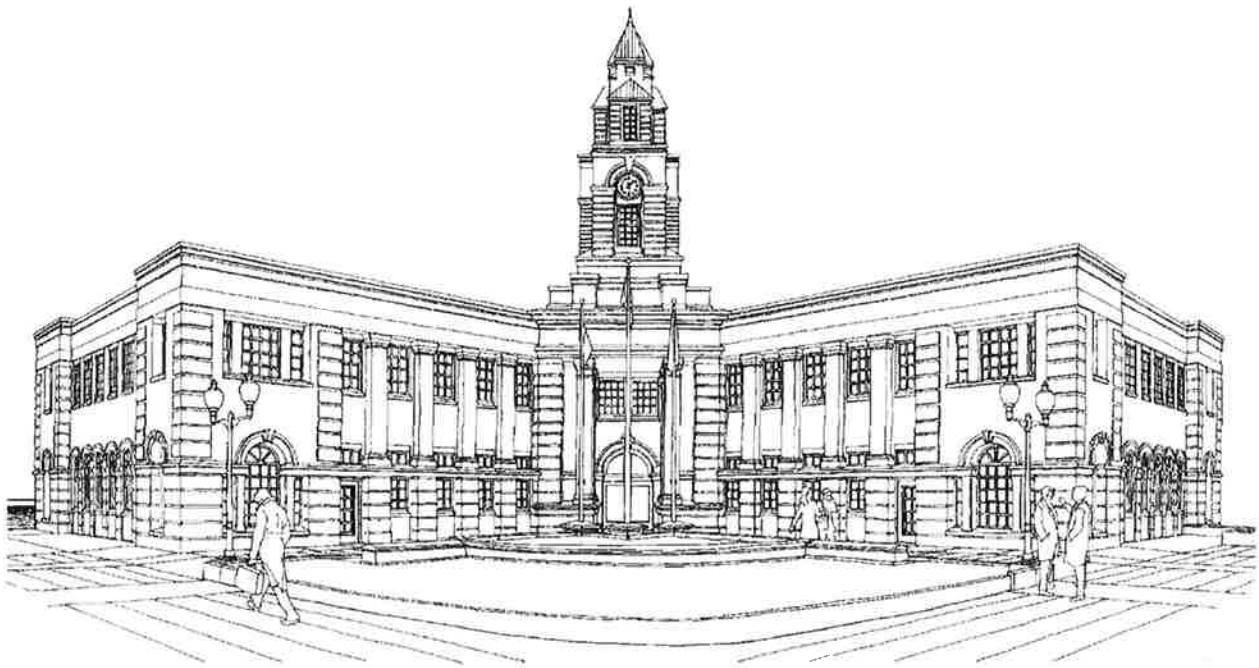
MAYOR

ATTEST:

CITY ADMINISTRATOR

CITY OF MORRISTOWN TENNESSEE

Debt Management Policy



Revised and Adopted: October 15, 2019

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INTRODUCTION

This Debt Management Policy (the “Debt Policy”) provides written guidance with parameters that affect the amount and type of debt that can be issued by the City of Morristown, Tennessee (the “City”), the issuance process and the management of the City’s debt. The purpose of this Debt Policy is to improve the quality of management and legislative decisions and to provide justification for the structure of debt issuances consistent with the Debt Policy’s goals while demonstrating a commitment to long-term capital planning. The City of Morristown’s intent of this Debt Policy will signal to credit rating agencies, investors and the capital markets that the City is well managed and will always be prepared to meet its obligations in a timely manner. This Debt Policy fulfills the requirements of the State of Tennessee (the “State”) regarding the adoption of a formal debt management policy.

This Debt Policy provides guidelines for the City to manage its debt and related annual costs within both current and projected available resources while promoting understanding and transparency for our citizens, taxpayers, rate payers, businesses, investors and other interested parties.

In managing the City’s debt (defined herein as tax-exempt or taxable bonds, capital outlay notes, other notes, leases, interfund loans or notes and loan agreements), the City’s policy is to:

1. Achieve the lowest cost of capital within acceptable risk parameters
2. Maintain or improve credit ratings
3. Assure reasonable cost access to the capital markets
4. Preserve financial and management flexibility
5. Manage interest rate risk exposure within acceptable risk parameters

This Debt Policy supports the City of Morristown’s Council (the “Council”) desire to illustrate its commitment to sound financial management. Council may bi-annually or as circumstances, rules and regulation warrant, review this Debt Policy and make revisions and updates.

City of Morristown, Tennessee DEBT MANAGEMENT POLICY

I. GOALS AND OBJECTIVES

Council is establishing debt policies and procedures as tools to ensure that financial resources are adequate to meet the City's long-term capital needs. In addition, the Debt Policy helps to ensure that financings undertaken by the City have certain clear, objective standards, designed to protect the City's financial resources in order to meet long-term capital needs.

The Debt Policy formally establishes parameters for issuing debt and managing a debt portfolio which considers the City's specific capital improvement needs; ability to repay financial obligations; and, existing legal, economic, and financial market conditions.

A. The Goals of this Debt Policy are:

1. To provide management with appropriate guidelines and direction to assist in making sound debt management decisions.
2. To further demonstrate strong financial management practices for our citizens, taxpayers, rate payers, businesses, investors, and other interested parties.

B. The Objectives of this Debt Policy are:

1. To enhance the decision process through transparency;
2. To guide the City in policy and debt issuance decisions;
3. To maintain appropriate capital assets for present and future needs;
4. To promote sound financial management;
5. To protect the City's credit rating;
6. To ensure the City's debt is issued legally under applicable state and federal laws;
7. To promote cooperation and coordination with other parties in the financing;
8. To evaluate debt issuance options.

II. PROCEDURES FOR ISSUANCE OF DEBT

A. Authority

1. The City will only issue Debt by utilizing the statutory authorities provided by *Tennessee Code Annotated* as supplemented and revised ("TCA") and the Internal Revenue Code (the "Code").

2. The City will adhere to any lawfully promulgated rules and regulations of the State and those promulgated under the Code.
3. All Debt must be formally authorized by resolution of Council.

B. Transparency

1. It is recognized that the issuance of Debt must have various approvals, and, on occasion, written reports provided by the State of Tennessee Comptroller's office either prior to adoption of resolutions authorizing such Debt or prior to issuance and/or following issuance.

The debt service schedule outlining the rate of retirement for the principal amount of Debt, all costs (including principal, interest, issuance, one-time, continuing and ongoing, including any portion of the interest rate going to a third-party), terms and life of all Debt shall be clearly presented and disclosed to the citizens, Council, and other stakeholders in a timely manner.

The City, in conjunction with any professionals (including, but not limited to, financial advisors, underwriters, bond counsel, etc. who may individually or collectively be referred to herein as "Financial Professionals") will ensure compliance with TCA, the Code and all federal and State rules and regulations. Such State compliance will include, but not be limited to, compliance with all legal requirements regarding adequate public notice of all meetings of the City related to consideration and approval of Debt.

Additionally, the City shall provide the Tennessee Comptroller's office sufficient information on the Debt to not only allow for transparency regarding the issuance, but also assure that the Comptroller's office has sufficient information to adequately report or approve any formal action related to the sale and issuance of Debt.

The City will also make this information available to its Council, citizens and other interested parties.

2. The City will file Audited Financial Statements and any Continuing Disclosure document prepared by the City or the Dissemination Agent. To promote transparency and understanding, these documents should be furnished to members of Council and made available electronically or by other usual and customary means to the citizens, taxpayers, rate

payers, businesses, investors and other interested parties by posting such information on-line or in other prominent places.

3. Annual Debt Budgets shall be adopted by Council and comply with the legal notice and filing requirements as promulgated by TCA. Additionally, the City Administrator and/or his/her designee will present an Annual Debt Report in conjunction with the Annual Debt Budget. The Annual Debt Report shall consist of, but not be limited to, the following:
 - a. Schedule of Outstanding Debt and Schedule of Budgeted Debt Payments and any additional schedules, as required by the Tennessee Comptroller of the Treasury;
 - b. Debt Per Capita Ratio (total debt/population);
 - c. Debt to Assessed Property Value (total debt/assessed property value);
 - d. Documentation of the most recent debt rating(s) as available;
 - e. Percentage of fixed versus variable rate debt;
 - f. Multi-year budgets that include current debt costs of principal, interest, and other annual costs.

III. CREDIT QUALITY AND CREDIT ENHANCEMENT

The City's Debt management activities will be conducted in a manner to maintain or receive the highest possible credit ratings. The City Administrator and the Assistant City Administrator for Finance and Administration in conjunction with any Financial Professionals that the City may choose to engage will be responsible for maintaining relationships and communicating with one or more rating agencies.

The City will consider the use of credit enhancements on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when clearly demonstrable savings can be shown shall an enhancement be considered. The City will consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancements:

A. Insurance

The City may purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination shall be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds.

B. Letters of Credit

The City may enter into a letter-of-credit (“LOC”) agreement when such an agreement is deemed prudent and advantageous. The City or its Financial Professionals, if any, may seek proposals from qualified banks or other qualified financial institutions pursuant to terms and conditions that are acceptable to the City.

IV. AFFORDABILITY

The City shall consider the ability to repay Debt as it relates to the total budget resources, the wealth and income of the community and its property tax base and other revenues available to service the Debt. The City may consider debt ratios and other benchmarks compared to its peers when analyzing its Debt including materials published by the nationally recognized credit rating agencies. The City will limit total outstanding principal on Debt to 10% of the Assessed Value of the City, excluding overlapping, enterprise, revenue and any other self-supporting debt.

V. DEBT STRUCTURE

The City shall establish all terms and conditions relating to the issuance of Debt and will invest all bond proceeds pursuant to the terms of its investment policy, if any. Unless otherwise authorized by the City, the following shall serve as the Debt Policy for determining structure:

A. Term

All capital improvements financed through the issuance of Debt will be financed for a period not to exceed the useful economic life of the improvements and in consideration of the ability of the City to absorb such additional debt service expense. The term of Debt shall be determined by, but not limited to, the economic life of the assets financed, conditions in the capital markets, the availability of adequate revenue streams to service the Debt and the existing pattern of Debt payable from such identifiable fund or enterprise activity, but in no event will the term of such Debt exceed thirty (30) years, unless as otherwise outlined in TCA (e.g. federally sponsored loans or Balloon Debt, which requires prior Comptroller approval and permission).

B. Debt Service Structure

General Obligation debt issuance shall be planned to achieve relatively net level debt service or level principal amortization considering the City's

outstanding debt obligations, while matching debt service to the useful economic life of facilities. Absent events or circumstances determined by Council, the City shall avoid the use of bullet or balloon maturities (with the exception of sinking fund requirements required by term bonds) except in those instances where such maturities serve to make existing overall debt service level or match specific income streams. Debt which is supported by project revenues and is intended to be self-supporting should be structured to achieve level proportional coverage to expected available revenues.

C. Call Provisions

Fixed Rate Debt – In general, the City's Debt should include a call feature no later than ten (10) years from the date of delivery of the Debt when issuing Fixed Rate Debt

Variable Rate Debt (including variable rate debt with rate lock features) – Must be redeemable at par at any time, with a maximum of 30 days' notice.

The City will avoid the sale of long-term debt which carries longer redemption features unless a careful evaluation has been conducted by the City Administrator and the Assistant City Administrator for Finance and Administration and/or Financial Professionals, if any, with respect to the value of the call option.

Additionally, the City will not issue any debt, or enter into any debt and/or loan agreement, that cannot be redeemed and/or prepaid with a notice requirement of 30 days or less in order to ensure the City does not create an advance refunding, which is not allowable under current tax regulations.

D. Original Issuance Discount/Premium

Debt with original issuance discount/premium will be permitted.

E. Deep Discount Bonds

Deep discount debt may provide a lower cost of borrowing in certain capital markets. The City Administrator and the Assistant City Administrator for Finance and Administration and/or Financial Professionals, if any, should carefully consider their value and effect on any future refinancing as a result of the lower-than-market coupon.

VI. DEBT TYPES

All financing shall be approved by Council and, as required, the Tennessee Comptroller of the Treasury within the legal guidelines of TCA, the Code, and regulations promulgated by the Comptroller's Office. Additionally, all financing shall be reviewed by the City Attorney, or legal bond counsel may be hired to ensure compliance with TCA. When the City determines that Debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued.

A. Security Structure

1. General Obligation Bonds

The City may issue Debt supported by its full faith, credit and unlimited ad valorem taxing power ("General Obligation Debt"). General Obligation Debt shall be used to finance capital projects that do not have significant independent creditworthiness or significant on-going revenue streams or as additional credit support for revenue-supported Debt, if such support improves the economics of the Debt and is used in accordance with these guidelines. In order for any revenue supported or enterprise fund Debt to be considered eligible to be issued General Obligation Debt, it must first be determined that the populations served by the projects financed from the Debt proceeds overlap or significantly are the same as the property tax base of the City. Any previously issued General Obligation Debt may also be refunded using General Obligation Debt.

2. Revenue Debt

The City may issue Debt supported exclusively with revenues generated by a project or enterprise fund ("Revenue Debt"), where repayment of the debt service obligations on such Revenue Debt will be made through revenues generated from specifically designated sources. Typically, Revenue Debt will be issued for capital projects which can be supported from project or enterprise-related revenues.

3. Leases

The City may use leases to finance projects assuming the City Administrator and the Assistant City Administrator for Finance and Administration and/or Financial Professionals, if any, determine that such an instrument is more economically feasible than purchasing the

asset. The term of the lease shall not exceed the economic life of the asset.

B. Duration

1. Long-Term Debt

The City may issue long-term debt when it is deemed that capital improvements, and all costs associated with capital improvements should not be financed from current revenues or short-term borrowings. Long-term debt **will not** be used to finance current operations or normal maintenance. Long-term debt will be structured such that financial obligations do not exceed the expected useful economic life of the project(s) financed. As indicated within this policy, the costs associated with the issuance of this debt will be disclosed to ensure compliance with this policy and to address potential conflicts of interest. The following summarizes but does not limit the types of long-term debt that may be issued:

- a. *Serial and Term Debt.* Serial and Term Debt may be issued in either fixed or variable rate modes to finance capital infrastructure projects;
- b. *Capital Outlay Notes ("CONs").* CONs may be issued to finance capital infrastructure projects with an expected life up to twelve years; or
- c. *Leases.* Leases may be issued to finance infrastructure projects or equipment with an expected life not greater than its expected useful life.

2. Short-Term Debt

Short-term borrowing may be utilized for:

- a. Financing short economic life assets;
- b. The construction period of a long-term projects;
- c. For interim financing; or
- d. For the temporary funding of operational cash flow deficits or anticipated revenues subject to the following policies:

1. *Bond Anticipation Notes (“BANs”*. BANs, including commercial paper notes issued as BANs, may be issued instead of capitalizing interest to reduce the debt service during the construction period of a project or facility. The BANs shall not mature more than 2 years from the date of issuance. BANs can be rolled in accordance with federal and state law. BANs shall mature within 6 months after substantial completion of the financed facility.
2. *Revenue Anticipation Notes (“RANs”) and Tax Anticipation Notes (“TANs”)*. RANs and TANS shall be issued only to meet cash flow needs consistent with a finding by bond counsel that the sizing of the issue fully conforms to federal IRS and state requirements and limitations.
3. *Lines of Credit*. Lines of Credit shall be considered as an alternative to other short-term borrowing options. A line of credit shall only be structured to federal and state requirements.
4. *Interfund Loans*. Interfund Loans shall only be used to fund operational deficiencies among accounts or for capital projects to be paid from current fiscal year revenues. Such interfund loans shall be approved by the State Comptroller’s office and shall only be issued in compliance with state regulations and limitations.
5. *Other Short-Term Debt*. Other Short-term debt including commercial paper notes, BANs, Leases and CONs may be used when it provides an interest rate advantage or as interim financing until market conditions are more favorable to issue debt in a fixed or variable rate mode. The City will determine and utilize the most advantageous method for short-term borrowing. The City may issue short-term debt when there is a defined repayment source or amortization of principal.

C. Interest Rate Modes

1. Fixed Rate Debt

To maintain a predictable debt service schedule, the City may give preference to debt that carries a fixed interest rate.

2. Variable Rate Debt

The targeted percentage of net variable rate debt outstanding (excluding an amount of debt considered to be naturally hedged to short-term

assets in the Unreserved General and/or Debt Service Fund Balance) shall not exceed 25% of the City's total outstanding debt and will take into consideration the amount and investment strategy of the City's operating cash. Any debt or loan obligation whose rate is subject to change at any point over the life of the loan is considered variable rate debt.

The following circumstances may result in the consideration of issuing variable rate debt:

- a. *Asset-Liability Matching;*
- b. *Construction Period Funding;*
- c. *High Fixed Interest Rates.* Interest rates are above historic averages;
- d. *Diversification of Debt Portfolio;*
- e. *Variable Revenue Stream.* The revenue stream for repayment is variable and is anticipated to move in the same direction as market-generated variable interest rates or the dedication of revenues allows capacity for variability; and
- f. *Adequate Safeguard Against Risk.* Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts such structures could include, but are not limited to, interest rate caps and short-term cash investments in the City's General Fund.

The City recognizes the value of variable rate debt obligations and that cities have greatly benefitted from the use of variable rate debt in the financing of needed infrastructure and capital improvements.

However, the City also recognizes there are inherent risks associated with the use of variable rate debt and will implement steps to mitigate these risks; including:

1. Prior to entering into any variable rate debt obligation:
 - a. If the Debt is backed or supported by insurance and/or secured by a liquidity provider or letter of credit provider, Council shall be informed of the potential effect on rates as well as any additional costs that might be incurred should the insurance,

liquidity facility or letter of credit facility, or their providers, fail.

- b. Council will be informed of any terms, conditions, upfront fees, on-going fees, referral fees paid from the interest rate to another party (e.g. marketer or third-party solicitor) or any other costs associated with the variable rate debt obligations.

2. The City shall:

- a. Annually include in its budget an interest rate assumption for any outstanding variable rate debt that takes market fluctuations affecting the rate of interest into consideration.
- b. Not enter into any variable rate debt obligation that cannot be redeemed at par at any time, with a maximum of 30 days' notice.
- c. When entering into any variable rate debt obligation that is subject to an initial fixed rate lock period great than one (1) year require Council action. It must be fully disclosed to Council that it is variable rate debt and subject to a rate reset at a future date.
- d. Consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any variable rate debt obligation.

An analysis by the City Administrator and the Assistant City Administrator for Finance and Administration and/or Financial Professionals, if any, shall be conducted to evaluate and quantify the risks and returns associated with the use of variable rate debt including, but not limited to, a recommendation regarding the use of variable rate debt.

D. Zero-Coupon Debt

Zero-Coupon Debt as allowed under TCA may be used if an analysis has been conducted by the City Administrator and Assistant City Administrator for Finance and Administration and/or Financial Professionals, if any, and the risks and returns associated with the Zero-Coupon Debt have been made. The analysis shall include, but not be limited to, a recommendation regarding the use of Zero-Coupon Debt as the

most feasible instrument considering available revenues streams, the need for the project and other factors determined by Council.

E) Synthetic Debt

The City **will not** enter into any new interest rate swaps or other derivative instruments unless it adopts a Debt Derivative Policy consistent with the requirements of TCA and only after approval of the State Comptroller's office and affirmative action of Council. Additionally, prior to any consideration of such instruments a written management report outlining the potential benefits and consequences and use of these instruments must be submitted to Council.

VII. REFINANCING OUTSTANDING DEBT

The City Administrator and Assistant City Administrator for Finance and Administration, in conjunction with Finance Professionals, if any, shall have the responsibility to analyze outstanding Debt for refunding opportunities. The City Administrator and Assistant City Administrator for Finance and Administration will consider the following issues when analyzing possible refunding opportunities:

A. Onerous Restrictions

Debt may be refinanced to eliminate onerous or restrictive covenants contained in existing debt documents, or to take advantage of changing financial conditions or interest rates.

B. Debt Service Savings

Absent other compelling considerations such as the opportunity to eliminate onerous or restrictive covenants contained in existing debt documents, the City has established a minimum net present value savings threshold of at least three percent (3%) of the refunded debt principal amount on advanced refundings. Current refunding opportunities may be considered by the City using any savings threshold if the refunding generates positive net present value savings.

C. Restructuring for economic purposes

The City may also refund Debt when it is in the best financial interest to do so. Such a refunding will be limited to restructuring to meet realistic revenue expectations, achieve cost savings, mitigate irregular debt service

payments, release reserve funds or remove unduly restrictive bond covenants or any other reason approved by Council at its discretion.

D. Term of Refunding Issues

Normally, the City will refund Debt equal to or within its existing term. However, the City Administrator and the Assistant City Administrator for Finance and Administration may consider maturity extension, when necessary to achieve desired outcomes. Should it be determined that extending the maturity is advantageous a recommendation for consideration will be presented provided that such extension is legally permissible, and it is approved by Council. The City Administrator and Assistant City Administrator for Finance and Administration may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful economic life of the financed facility and the concept of inter-generational equity should guide these decisions.

E. Escrow Structuring

The City shall utilize the least costly securities available in structuring refunding escrows. In the case of open market securities, a certificate will be provided by a third party agent, who is not a broker-dealer stating that the securities were procured through an arms-length, competitive bid process, that such securities were more cost effective than State and Local Government Obligations (SLGS), and that the price paid for the securities was reasonable within Federal guidelines. In cases where taxable Debt is involved, the City Administrator and Assistant City Administrator for Finance and Administration, with the approval of bond counsel, may make a direct purchase as long as such purchase is the most efficient and least costly. Under no circumstances shall an underwriter, agent or any Finance Professionals sell escrow securities involving tax-exempt debt to the City from their own account.

F. Arbitrage

The City shall take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding. Any positive arbitrage will be rebated as necessary according to Federal guidelines. The City shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any refunding.

VIII. METHODS OF ISSUANCE

The City Administrator and Assistant City Administrator for Finance and Administration may consult with a Finance Professional regarding the method of sale of debt. Subject to approval by Council, the City Administrator and Assistant City Administrator for Finance and Administration will determine the method of issuance of debt on a case-by-case basis consistent with the options provided by prevailing State law.

A. Competitive Sale

In a competitive sale, the City's Debt will be offered in a public sale to any and all eligible bidders. Unless bids are rejected, the debt shall be awarded to the bidder providing the lowest true interest cost (TIC) as long as the bid adheres to the requirements set forth in the official notice of sale. In a competitive sale, a financial advisor may not bid on an issue for which they are providing advisory services.

B. Negotiated Sale

The City recognizes that some securities are best sold through a negotiated sale with an underwriter or group of underwriters. The City shall assess the following circumstances in determining whether a negotiated sale is the best method of sale:

1. State requirements on negotiated sales;
2. Debt structure which may require a strong pre-marketing effort such as those associated with a complex transaction generally referred to as a "story" bond;
3. Size or structure of the issue which may limit the number of potential bidders;
4. Market conditions including volatility wherein the City would be better served by the flexibility afforded by careful timing and marketing such as is the case for Debt issued to refinance or refund existing Debt;
5. Whether the Debt is to be issued as variable rate obligations or perhaps as Zero-Coupon Debt;
6. Whether an idea or financing structure is a proprietary product of a single firm;

7. In a publicly offered, negotiated sale, a financial advisor, if any, shall not be permitted to resign as the financial advisor in order to underwrite an issue for which they are or have been providing advisory services;
8. If there is no financial advisor, then the underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to Council (or its designated official) in advance of the pricing of the debt.

C. Private Placement

From time to time, the City may elect to privately place its debt. Such placement shall only be considered if this method is demonstrated to be advantageous to the City.

IX. PROFESSIONALS

A. Financial Professionals

The City may select Financial Professionals to assist in debt issuance and administration processes on an as needed basis. The need to hire Financial Professionals will be evaluated by the City Administrator and Assistant City Administrator for Finance and Administration. Should it be determined that the services of Financial Professionals are needed, a recommendation will be made to Council for their consideration for approval. Selection of Financial Professionals will be based on, but not limited to, the following criteria:

1. Relevant experience with municipal government issuers and the public sector;
2. Indication that the firm has a broadly-based background and is therefore, capable of balancing the City's overall needs for continuity and innovation in capital planning and debt financing;
3. Experience and demonstrated success as indicated by their experience;
4. The firm's professional reputation;
5. Professional qualifications and experience of principal employees;
6. Whether the firm is a regulated entity, and
7. Estimated costs, but price should not be the sole determining factor.

B. Miscellaneous

1. Written Agreements

- a. Any Financial Professionals engaged by the City shall enter into written agreements including, but not limited to, a description of services provided and fees and expenses to be charged for the engagement.
- b. The City shall enter into an engagement letter agreement with each lawyer or law firm representing the City in a debt transaction. No engagement letter is required for any lawyer who is an employee of the City or lawyer or law firm which is under a general appointment or contract to serve as counsel to the City. The City does not need an engagement letter with counsel not representing the City, such as underwriters' counsel.
- c. The City shall require all Financial Professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the City and the lender or conduit issuer, if any. This includes "soft" costs or compensations in lieu of direct payments.
- d. Financial Advisor: If the City chooses to hire financial advisors, the City will enter into a written agreement with each person or firm serving as financial advisor for debt management and transactions. Whether in a competitive or negotiated sale, the Financial Advisor will not be permitted to bid on, privately place or underwrite an issue for which they are or have been providing advisory services for the issuance.
- e. Underwriter: If there is an Underwriter, the City will require the Underwriter to clearly identify itself in writing (*e.g.*, in a response to a request for proposals or in promotional materials provided to an issuer) as an Underwriter and not as a Financial Advisor from the earliest stages of its relationship with the City with respect to that issue. The Underwriter must clarify its primary role as a purchaser of securities in an arm's-length commercial transaction, and that it has financial and other interests that differ from those of the City. The Underwriter in a publicly offered, negotiated sale will be required to provide pricing information both as to interest rates and to takedown per maturity to the governing body in advance of the pricing of the debt.

2. Conflict of Interest

- a. Financial Professionals involved in a debt transaction hired or compensated by the City shall be required to disclose to the City existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisors, swap advisors, bond counsel, swap counsel, trustee, paying agent, liquidity or credit enhancement provider, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the City to appreciate the significance of the relationships.
- b. Financial Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

X. COMPLIANCE

A. Continuing Annual Disclosure

Normally at the time Debt is delivered, the City will execute a Continuing Disclosure Certificate in which it will covenant for the benefit of holders and beneficial owners of the publicly traded Debt to provide certain financial information relating to the City by no later than twelve months after each of the City's fiscal years, the "Annual Report" and provide notice of the occurrence of certain enumerated events. The Annual Report and audited financial statements, if filed separately, will be filed with the MSRB through the operation of the Electronic Municipal Market Access system ("EMMA") and any State Information Depository established in the State of Tennessee (the "SID"). If the City is unable to provide the Annual Report to the MSRB and any SID by the date required, notice of each failure will be sent to the MSRB and any SID on or before such date. The notices of certain enumerated events will be filed by the City with the MSRB through EMMA and any SID. The specific nature of the information to be contained in the Annual Report or the notices of significant events is provided in each Continuing Disclosure Certificate. These covenants are made in order to assist underwriters in complying with SEC Rule 15c2-12(b) (the "Rule").

B. Arbitrage Rebate

The City shall also maintain a system of record keeping and reporting which complies with the arbitrage rebate compliance requirements of the Internal Revenue Code (the “Code”).

C. Records

The City shall also maintain records required by the Code including, but not limited to, all records related to the issuance of the debt including detailed receipts and expenditures for a period up to 6 years following the final maturity date of the debt or as required by the Code.

XI. DEBT POLICY REVIEW

A. General Guidance

The guidelines outlined herein are only intended to provide general direction regarding the future issuance of debt. The City maintains the right to modify this Debt Policy and may make exceptions to any of its guidelines at any time to the extent that the execution of such Debt achieves the goals of the City as long as such exceptions or changes are consistent with TCA and any rules and regulations promulgated by the State and/or the Code.

This Debt Policy should be reviewed bi-annually or as circumstances, rules and regulations warrant.

B. Designated Official

The City Administrator and Assistant City Administrator for Finance and Administration are responsible for ensuring substantial compliance with this Debt Policy.

GLOSSARY

Advance Refunding, for purposes of certain tax and securities laws and regulations, means a refunding in which the refunded issue remains outstanding for a period of more than 90 days after the issuance of the refunding issue. Typically, such refunded bonds are secured solely by an escrow funded with the proceeds of the refunding bonds. The proceeds of the refunding issue are generally invested in Treasury securities or federal agency securities (although other instruments are sometimes used), with principal and interest from these investments being used (with limited exceptions) to pay principal and interest on the refunded issue. Bonds are “escrowed to maturity” when the proceeds of the refunding issue are deposited in an escrow account for investment in an amount sufficient to pay the principal of and interest on the issue being refunded on the original interest payment and maturity dates, although in some cases an issuer may expressly reserve its right (pursuant to certain procedures delineated by the SEC) to exercise an early call of bonds that have been escrowed to maturity. Bonds are considered “prerefunded” when the refunding issue’s proceeds are escrowed only until a call date or dates on the refunded issue, with the refunded issue redeemed at that time. The Internal Revenue Code and regulations thereunder restrict the yield that may be earned on investment of the proceeds of an advance refunding issue.

Advisor means an individual or firm with a deep knowledge in a specific area, engaged in the business of advising others.

Arbitrage, in respect to the issuance of municipal securities, usually refers to the difference between the interest paid on tax-exempt bonds and the interest earned by investing the proceeds of the tax-exempt bonds in higher-yielding taxable securities. Federal income tax laws generally restrict the ability to earn arbitrage in connection with tax-exempt bonds or other federally tax-advantaged bonds

Backloading refers to the structuring of the debt service to be less in the short term and more in the long term.

Bank Qualified (BQ) is a designation given to a public purpose bond offering by the issuer if it reasonably expects to issue in the calendar year of such offering no more than \$10 million (\$30 million for bonds issued in 2009-2010) of bonds of the type required to be included in making such calculation under the Internal Revenue Code. When purchased by a commercial bank for its portfolio, the bank may deduct a portion of the interest cost of carry for the position. A bond that is bank qualified is also known as a “qualified tax-exempt obligation.”

Bond Counsel plays the role to render a legal opinion on the municipality's authority to issue bonds and, if so, if the bond is exempt from federal and state taxes.

Call Date is the date on which bonds may be called for redemption as specified by the bond contract.

Call Feature (or Call Provision) of a bond grants the issuer the right to retire the debt, fully or partially, before the scheduled maturity date. Inclusion of a call feature benefits bond issuers by allowing them to replace an old bond issue with a lower-interest cost issue if interest rates in the market fall.

Continuing Disclosure means the disclosure of material information relating to municipal securities provided to the marketplace by the issuer of the securities or any other entity obligated with respect to the securities after the initial issuance of municipal securities. Such disclosures include, but are not limited to, annual financial information, certain operating information and notices about specified events affecting the issuer, the obligor, the municipal securities or the project financed. Such disclosures are required to be provided by the issuer or obligor to the MSRB's EMMA system for the benefit of bondholders of the issuer's securities under continuing disclosure agreements entered into as contemplated under SEC Rule 15c2-12 or on a voluntary basis.

Coupon or Coupon Rate is the periodic rate of interest, usually calculated as an annual rate payable on a security expressed as a percentage of the principal amount. The coupon rate does not take into account any discount or premium in the purchase price of the security.

Current Refunding is a refunding transaction where the municipal securities being refunded will all mature or be redeemed within 90 days or less from the date of issuance of the refunding issue. Certain federal income tax rules relating to permitted yields of invested proceeds of the refunding issue, rebate of arbitrage earnings and the ability to refund certain types of municipal securities may be less restrictive in the case of current refundings as contrasted with advance refundings.

Counterparty means the other party or participant in an agreement or contract.

Debt Service means a series of payments including interest (the amount or fee earned or paid for use of money or credit, calculated on the amount of principal) and principal (the amount of money borrowed, or credit provided) required on a debt over time. The rate of interest can be variable or fixed.

Discount Bond is a bond that is purchased for less than its par value or compound accreted value. This occurs when bonds are issued for an amount below the par value due to the market interest rate (yield) exceeding the interest rate (coupon) on the bond.

Electronic Municipal Mark Access (EMMA®) System is a centralized online source for free access to municipal disclosures, market transparency data and educational materials about the municipal securities market operated by the MSRB. Among other things, EMMA serves as the official source for official statements and other primary market disclosure documents for new issues of municipal securities as well as the official source for continuing disclosures for outstanding issues of municipal securities for which the issuer or obligated person has entered into a continuing disclosure agreement as contemplated under SEC Rule 15c2-12.

Fiscal Agent is usually a bank or trust company that handles bonds for a municipality, usually throughout the life of the debt.

Frontloading refers to the structuring of the debt service to be more in the short period and less in the long term.

General Obligation Bonds refer to bonds that are payable from general funds of the issuer. In Tennessee, general obligation bonds entail the full faith and credit (and taxing power) of the issuer. General obligation bonds are payable from (and in some cases solely from) the City's ad valorem taxes.

Hedge is to take a position in one market in an attempt to offset exposure to the price risk of an equal but opposite obligation or position in another market.

Issuance Costs are the fees and expenses of professionals and service providers and other similar fees and expenses, whether or not payable at the time the debt is incurred. "Costs" also means recurring and nonrecurring fees and expenses during the life of the debt. [whether paid directly by the City or indirectly by the lending institution as part of the interest cost]

Letter of Credit is an irrevocable commitment, usually made by a commercial bank, to honor demands for payment of a debt upon compliance with conditions and/or the occurrence of certain events specified under the terms of the letter of credit and any associated reimbursement agreement. A letter of credit is frequently used to provide credit and liquidity support for variable rate demand obligations and other types of securities.

Level Debt Service is a debt service schedule in which the combined annual amount of principal and interest payments remains relatively constant over the life of the issue of bonds.

Level Principal is a debt service schedule in which the annual amount of principal payments remains relatively constant over the life of the issue of bonds, resulting in declining annual debt service as the annual amount of interest payments declines. This is sometimes referred to as "declining debt service."

Line of Credit is an arrangement between a financial institution, usually a bank, and a customer that establishes a maximum loan balance that the bank will permit the borrower to maintain.

Premium is the amount by which the price paid for a security exceeds the security's par value. This occurs when bonds are issued for an amount greater than the par value due to the bonds having an interest rate (coupon rate) higher than the market interest rate (yield).

Price is the amount to be paid for a bond, usually expressed as a percentage of par value but also sometimes expressed as the yield that the purchaser will realize based on the dollar amount paid for the bond. The price of a municipal security moves inversely to the yield.

Refunding is a procedure whereby an issuer refinances outstanding bonds by issuing new bonds. There are generally two major reasons for refunding: to reduce the issuer's interest costs or to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. The proceeds of the new bonds are either deposited in escrow to pay the debt service on the outstanding bonds when due in an "advance refunding" or used to promptly (typically within 90 days) retire the outstanding bonds in a "current refunding." The new bonds are referred to as the "refunding bonds," and the outstanding bonds being refinanced are referred to as the "refunded bonds" or the "prior issue." Generally, refunded bonds are not considered a part of the issuer's debt because the lien of the holders of the refunded bonds, in the first instance, is on the escrowed funds, not on the originally pledged source of revenues.

Revenue Bond is a debt instrument that is issued with the intent to be repaid from a stream of revenue that is produced by the project that the debt funded.

Serial Bonds are bonds of an issue that mature in consecutive years or other intervals and are not subject to mandatory sinking fund provisions.

Term Bond is a bond that comes due in a single maturity whereby the issuer may agree to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity or for payment at maturity.

Underwriter is a municipal securities dealer that purchases a new issue of municipal securities from the issuer for resale in a primary offering. The underwriter may acquire the securities either by negotiation with the issuer or by award on the basis of competitive bidding.

Yield is the annual rate of return on an investment, based on the purchase price of the investment, its coupon rate and the length of time the investment is held. The yield of a municipal security moves inversely to the price.

Resolution No. _____

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED THIRTY-SEVEN MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$37,250,000) GENERAL OBLIGATION BONDS OF THE CITY OF MORRISTOWN, TENNESSEE

BE IT RESOLVED by the City Council (the "Council") of the City of Morristown, Tennessee (the "Municipality") that for the purpose of financing, in whole or in part, (i) acquisition of land for and the construction, improvement and/or equipping of a community center; (ii) acquisition of land for and the construction, improvement and/or equipping of roads, bridges, streets, highways, sidewalks and related equipment, parks and recreation facilities, public buildings, industrial parks, storm water drainage systems, water system, sewer system, fire department equipment and buildings, law enforcement buildings and equipment, and the acquisition of related vehicles and equipment including, but not limited to, lighting, computers and other technological equipment (the "Projects"); (iii) acquisition of all property, real and personal, appurtenant to the Projects; (iv) payment of legal, fiscal, administrative, architectural and engineering costs incident to the Projects and incident to the indebtedness described herein; (v) payment of capitalized interest during construction of the Projects and for up to six months thereafter; and (vi) payment of costs incident to the issuance and sale of the bonds authorized herein, there shall be issued bonds, in one or more emissions, of said Municipality in the aggregate principal amount of not to exceed \$37,250,000 which shall bear interest at a rate or rates not to exceed five percent (5.00%) per annum. The bonds shall be payable from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality, provided that the portions of the bonds that finance improvements to storm water drainage systems, the water system and the sewer system of the Municipality shall also be payable from but not secured by the revenues of such respective systems.

BE IT FURTHER RESOLVED by the City Council of the City of Morristown, Tennessee that the City Recorder of the Municipality be, and is, hereby directed and instructed to cause the foregoing initial resolution relative to the issuance of not to exceed \$37,250,000 in general obligation bonds to be published in full in a newspaper having a general circulation in the Municipality, for one issue of said paper followed by the statutory notice:

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 Municipality shall have been filed with the City Recorder of the Municipality protesting the issuance of the bonds, such bonds will be issued as proposed.

Anthony W. Cox, City Administrator

Adopted and approved this 15th day of October, 2019.

Gary Chesney, Mayor

ATTEST:

Anthony W. Cox, City Administrator

STATE OF TENNESSEE)

COUNTY OF HAMBLEN)

I, Anthony W. Cox, certify that I am the duly qualified and acting City Administrator of the City of Morristown, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of the governing body of the Municipality held on October 15, 2019; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to an initial resolution relating to not to exceed \$37,250,000 General Obligation Bonds of said Municipality.

WITNESS my official signature on this the _____ day of _____, 2019.

City Recorder

27069145.1

Resolution No. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF MORRISTOWN, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$37,250,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS

WHEREAS, 9-21-101, et seq., inclusive, Tennessee Code Annotated, as amended, authorizes the City of Morristown, Tennessee (the "Municipality"), by resolution of the City Council, to issue and sell bonds to finance public works and school projects; and

WHEREAS, the City Council of the Municipality hereby determines that it is necessary and advisable to issue general obligation bonds, in one or more series, for the purpose of financing, in whole or in part, (i) acquisition of land for and the construction, improvement and/or equipping of a community center; (ii) acquisition of land for and the construction, improvement, renovation, equipping and/or repair of roads, bridges, streets, highways, sidewalks and related equipment, parks and recreation facilities, public buildings, industrial parks, storm water drainage systems, water system, sewer system, fire department equipment and buildings, law enforcement buildings and equipment, and the acquisition of related vehicles and equipment including, but not limited to, lighting, computers and other technological equipment (the "Projects"); (iii) acquisition of all property, real and personal, appurtenant to the Projects; (iv) payment of legal, fiscal, administrative, architectural and engineering costs incident to the Projects and incident to the indebtedness described herein; (v) payment of capitalized interest during construction of the Projects and for up to six months thereafter; and (vi) payment of costs incident to the issuance and sale of the bonds authorized herein; and

WHEREAS, the City Council of the Municipality adopt on the date hereof an initial resolution (the "Initial Resolution") authorizing the issuance of not to exceed \$37,250,000 for the purposes described above; and

WHEREAS, the Initial Resolution, together with the notice required by Section 9-21-206, Tennessee Code Annotated, as amended, has been published as required by law; and

WHEREAS, it is the intention of the City Council of the Municipality to adopt this resolution for the purpose of authorizing not to exceed \$37,250,000 in aggregate principal amount of bonds for the above-described purposes, providing for the issuance, sale and payment of said bonds, establishing the terms thereof, and the disposition of proceeds therefrom, and providing for the levy of a tax for the payment of principal thereof, premium, if any, and interest thereon.

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

Section 1. Authority. The bonds authorized by this resolution are issued pursuant to 9-21-101, et seq., Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. In addition to the terms defined in the preamble above, the following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Bonds" means the not to exceed \$37,250,000 General Obligation Bonds of the Municipality, to be dated their date of issuance, and having such series designation or such other dated date as shall be determined by the Mayor pursuant to Section 8 hereof.

(b) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the Municipality or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds.

(c) "Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

(d) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC.

(e) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

"DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System.

(f) "Governing Body" means the City Council.

(g) "Mayor" shall mean the Mayor of the Municipality.

(h) "Municipal Advisor" for the Bonds authorized herein means Cumberland Securities Company, Inc., Knoxville, Tennessee.

(i) "Projects" means (i) acquisition of land for and the construction, improvement, renovation and/or equipping of a community center; (ii) acquisition of land for and the construction, improvement, renovation, equipping and/or repair of roads, bridges, streets, highways, sidewalks and related equipment, parks and recreation facilities, public buildings, storm water drainage systems, water system, sewer system, fire department equipment and buildings, law enforcement buildings and equipment, libraries, and the acquisition of related vehicles and equipment including, but not limited to, lighting, computers and other technological equipment (the "Projects"); (iii) acquisition of all property, real and personal, appurtenant to the Projects; (iv) payment of legal, fiscal, administrative, architectural and engineering costs incident to the Projects and incident to the indebtedness described herein and (v) payment of capitalized interest during construction of the Projects and for up to six months thereafter.

(j) "Registration Agent" means the registration and paying agent appointed by the Mayor pursuant to the terms hereof, or any successor designated by the Governing Body.

Section 3. Findings of the Governing Body; Compliance with Debt Management Policy.

(a) In conformance with the directive of the State Funding Board of the State of Tennessee, the Municipality has heretofore adopted its Debt Management Policy. The Governing Body hereby finds

that the issuance and sale of the Bonds, as proposed herein, is consistent with the Municipality's Debt Management Policy.

(b) The estimated interest expense and costs of issuance of the Bonds have been made available to the Governing Body.

Section 4. Authorization and Terms of the Bonds.

(a) For the purpose of providing funds to finance, in whole or in part, the cost of the Projects and costs incident thereto; reimbursement to the appropriate fund of the Municipality for prior expenditures for the foregoing costs, if applicable; and payment of costs incident to the issuance and sale of the Bonds, there is hereby authorized to be issued bonds, in one or more series, of the Municipality in the aggregate principal amount of not to exceed \$37,250,000. The Bonds shall be issued in one or more series, in fully registered, book-entry form (except as otherwise set forth herein), without coupons, and subject to the adjustments permitted hereunder, shall be known as "General Obligation Bonds", shall be dated their date of issuance, and shall have such series designation or such other dated date as shall be determined by the Mayor pursuant to the terms hereof. The Bonds shall bear interest at a rate or rates not to exceed the maximum rate permitted by applicable Tennessee law at the time of issuance of the Bonds, or any series thereof, payable (subject to the adjustments permitted hereunder) semi-annually on June 1 and December 1 in each year, commencing June 1, 2020. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof. The Bonds shall mature serially or be subject to mandatory redemption and shall be payable on June 1 of each year, subject to prior optional redemption as hereinafter provided, in the years 2020 through 2049, inclusive, as established by the Mayor pursuant to Section 8 hereof, provided, that such principal payment schedule shall result in approximately level annual debt service in each bond year or calendar year.

(b) Subject to the adjustments permitted under Section 8 hereof, the Bonds maturing on June 1, 2030 and thereafter shall be subject to redemption prior to maturity at the option of the Municipality on June 1, 2029 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Governing Body in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

(c) Pursuant to the terms hereof, the Mayor is authorized to sell the Bonds, or any maturities thereof, as term bonds ("Term Bonds") with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the Mayor. In the event any or all the Bonds are sold as Term Bonds, the Municipality shall redeem Term Bonds on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established

pursuant to the terms hereof for each redemption date, as such maturity amounts may be adjusted pursuant to the terms hereof, at a price of par plus accrued interest thereon to the date of redemption.

If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of any call for redemption shall be given by the Registration Agent on behalf of the Municipality not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the Municipality pursuant to written instructions from an authorized representative of the Municipality (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration

Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

(d) The Governing Body hereby authorizes and directs the Mayor to appoint the Registration Agent for the Bonds and hereby authorizes the Registration Agent so appointed or the Registration Agent for the Bonds to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the Municipality at least annually a certificate of destruction with respect to Bonds cancelled and destroyed, and to furnish the Municipality at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The Mayor is hereby authorized to execute and the City Administrator is hereby authorized to attest such written agreement between the Municipality and the Registration Agent as they shall deem necessary and proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

(e) The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds by check or draft on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the Municipality in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Bonds are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(f) Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the Municipality to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money

equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

(g) The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment included therein completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the Municipality to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

(h) The Bonds shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the Municipality with the signature of the Mayor and the attestation of the City Administrator.

(i) Except as otherwise provided in this resolution, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Registration Agent is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE REGISTRATION AGENT SHALL TREAT CEDE & CO. AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation relating to the Bonds from the Municipality and the Registration Agent to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The Municipality and the Registration Agent shall not be responsible or liable for payment by DTC or DTC Participants for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds, or (2) to the extent permitted by the rules of DTC, the Municipality determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, then the Municipality shall discontinue the Book-Entry System with DTC or, upon request of such original purchaser, deliver the Bonds to the original purchaser in the form of fully-registered Bonds, as the case may be. If the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. If the purchaser(s) certifies that it intends to hold the Bonds for its own account, then the Municipality may issue certificated Bonds without the utilization of DTC and the Book-Entry System.

THE MUNICIPALITY AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS; (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE, CEDE & CO., AS OWNER.

(j) The Registration Agent is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to,

wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds; provided, however, that the Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this Section.

(k) The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

(l) In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the Municipality, in its discretion, shall issue, and the Registration Agent, upon written direction from the Municipality, shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and in substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be able to mature, instead of issuing a substituted Bond the Municipality may pay or authorize payment of such Bond without surrender thereof. In every case, the applicant shall furnish evidence satisfactory to the Municipality and the Registration Agent of the destruction, theft or loss of such Bond, and indemnify satisfactory to the Municipality and the Registration Agent; and the Municipality may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the Municipality for the expense incurred by it in the issue thereof.

Section 5. Source of Payment. The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality, provided that any portions of the bonds that finance improvements to storm water drainage systems, the water system or the sewer system of the Municipality shall also be payable from but not secured by the revenues of such respective systems. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the Municipality are hereby irrevocably pledged.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form, the omissions to be appropriate completed when the Bonds are prepared and delivered:

(Form of Bond)

REGISTERED
Number _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF HAMBLEN
CITY OF MORRISTOWN, TENNESSEE
GENERAL OBLIGATION BOND, SERIES 2019B

Interest Rate:

Maturity Date:

Date of Bond:

CUSIP No.:

Registered Owner:

Principal Amount:

FOR VALUE RECEIVED, the City of Morristown, Tennessee (the "Municipality") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on June 1, 2020, and semi-annually thereafter on the first day of June and December in each year until this Bond matures or is redeemed. The principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the principal corporate trust office of _____, _____, _____, as registration agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the Municipality to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Registration Agent is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the Municipality and the Registration Agent shall treat Cede & Co. as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal and maturity amounts of, premium, if any, and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal, maturity amounts, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the Municipality nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) to the extent permitted by the rules of DTC, the Municipality determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the Municipality may discontinue the book-entry system with DTC. If

the Municipality fails to identify another qualified securities depository to replace DTC, the Municipality shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. Neither the Municipality nor the Registration Agent shall have any responsibility or obligations to DTC Participant or any Beneficial Owner with respect to (i) the Bonds; (ii) the accuracy or any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners; (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

Bonds of the issue of which this Bond is one maturing on June 1, 2030 and thereafter shall be subject to redemption prior to maturity at the option of the Municipality on June 1, 2029 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the City Council of the Municipality, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the Municipality shall redeem Bonds maturing _____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent in the same manner as is described above for optional redemptions. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

Final Maturity

Redemption Date

Principal Amount
of Bonds Redeemed

***Final Maturity**

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of any call for redemption shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and it notice has been duly provided as set forth in the Resolution, as hereafter defined. In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository that the redemption did not occur and that the Bond called for redemption and not so paid remain outstanding.

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the

Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the Municipality to call such Bond for redemption.

This Bond is one of a total authorized issue aggregating \$_____ and issued by the Municipality to finance the cost of (i) acquisition of land for and the construction, improvement, and/or equipping of a community center; (ii) acquisition of land for and the construction, improvement, renovation, equipping and/or repair of roads, bridges, streets, highways, sidewalks and related equipment, parks and recreation facilities, public buildings, storm water drainage systems, water system, sewer system, fire department equipment and buildings, law enforcement buildings and equipment, libraries, and the acquisition of related vehicles and equipment including, but not limited to, lighting, computers and other technological equipment (the "Projects"); (iii) acquisition of all property, real and personal, appurtenant to the Projects, (iv) payment of legal, fiscal, administrative, architectural and engineering costs incident to the Projects and incident to the indebtedness described herein and (v) payment of capitalized interest during construction of the Projects and for up to six months thereafter; and (vi) payment of costs incident to the issuance and sale of the Bonds, pursuant to 9-21-101, et seq., Tennessee Code Annotated, as amended, and pursuant to a resolution adopted by the City Council of the Municipality on October 15, 2019 (the "Resolution").

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality, provided that portions of the bonds that finance improvements to storm water drainage systems, the water system and the sewer system of the Municipality shall also be payable from but not secured by the revenues of such respective systems. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the Municipality are hereby irrevocably pledged.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the Municipality, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the Municipality has caused this Bond to be signed by its Mayor and attested by its City Administrator as of the date hereinabove set forth.

CITY OF MORRISTOWN, TENNESSEE

By: _____
Mayor

ATTESTED:

City Administrator

Transferable and payable at the
principal corporate trust office of: _____
_____, _____

Date of Registration: _____

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

Registration Agent

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____, whose address is _____ (Please insert Federal Identification or Social Security Number of Assignee _____), the within Bond of City of Morristown, Tennessee, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent

Section 7. Levy of Tax. The Municipality, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the Municipality, in addition to all other taxes

authorized by law, sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the Municipality and reimbursement therefor shall be made out of the taxes hereby provided to the levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any direct appropriations from other funds, taxes and revenues of the Municipality to the payment of debt service on the Bonds, including revenues from certain systems of the Municipality as provided herein.

Section 8. Sale of Bonds.

(a) The Bonds shall be offered for competitive public sale in one or more series, at a price of not less than 98% of par, plus accrued interest, as a whole or in part from time to time as shall be determined by the Mayor, in consultation with the Municipal Advisor. The Bonds, or any series thereof, shall be sold by delivery of bids via physical delivery, mail, fax, or telephone or by electronic bidding means of an internet bidding service as shall be determined by the Mayor, in consultation with the Municipal Advisor.

(b) If the Bonds are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown in Section 4 hereof for each series, so long as the total aggregate principal amount of all series issued does not exceed the total aggregate of Bonds authorized to be issued herein.

(c) The Mayor is further authorized with respect to each series of Bonds to:

(1) change the dated date of the Bonds, or any series thereof, to a date other than the date of issuance of the Bonds;

(2) change the designation of the Bonds, or any series thereof, to a designation other than "General Obligation Bonds" and to specify the series designation of the Bonds, or any series thereof;

(3) change the first interest payment date on the Bonds, or any series thereof, to a date other than June 1, 2020, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(4) establish and adjust the principal and interest payment dates and the maturity amounts of the Bonds, or any series thereof, provided that (A) the total principal amount of all series of the Bonds does not exceed the total amount of Bonds authorized herein; (B) the final maturity date of each series shall not be later than thirty (30) years from the initial principal payment date or later than June 1, 2049; and (C) the debt service on the Bonds shall not result in balloon indebtedness that requires the approval of the Director of State and Local Finance;

(5) adjust or remove the Municipality's optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds or any series thereof does not exceed two percent (2%) of the principal amount thereof;

(6) sell the Bonds, or any series thereof, or any maturities thereof as Term Bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as otherwise determined by the Mayor, as he shall deem most advantageous to the Municipality; and

(7) cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company if such insurance is requested and paid for by the winning bidder of the Bonds, or any series thereof.

The form of the Bond set forth in Section 6 hereof shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

(d) The Mayor is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The Mayor is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more series as the Mayor shall deem to be advantageous to the Municipality and in doing so, the Mayor is authorized to change the designation of the Bonds to a designation other than "General Obligation Bonds"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(e) The Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder whose bid results in the lowest true interest cost to the Municipality, provided the rate or rates on the Bonds does not exceed the maximum rate prescribed by Section 4 hereof. The award of the Bonds by the Mayor to the lowest bidder shall be binding on the Municipality, and no further action of the Governing Body with respect thereto shall be required.

(f) The Mayor and City Administrator are authorized to cause the Bonds, in book-entry form (except as otherwise permitted herein), to be authenticated and delivered by the Registration Agent to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The Mayor is hereby authorized to enter into a contract with the Municipal Advisor, for financial and municipal advisory services and to enter into an engagement letter with Bass, Berry & Sims PLC to serve as bond counsel in connection with the Bonds, and all actions heretofore taken by the officers of the Municipality in that regard are hereby ratified and approved.

(g) No Bonds shall be issued until publication of the Initial Resolution in a newspaper of general circulation in the Municipality and the passage of twenty (20) days from the date of publication thereof, and in no event shall the Bonds be issued if a legally sufficient petition, as defined by Section 9-21-207, Tennessee Code Annotated, is filed within such twenty-day period.

(h) Disposition of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited with a financial institution regulated by the Federal Deposit Insurance Corporation or similar federal agency in a special fund known as the 2019 Project Fund (the "Project Fund"), or such other designation as shall be determined by the Mayor to be kept separate and apart from all other funds of the Municipality. The Municipality shall disburse funds in the Project Fund to pay costs of issuance of the Bonds, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds. Notwithstanding the foregoing, costs of issuance of the Bonds may be withheld from the good faith deposit or purchase price of the Bonds and paid to the Municipal Advisor to be used to pay costs of issuance of the Bonds. The remaining funds in the Project Fund shall be disbursed solely to pay the costs of the Projects and to reimburse the Municipality for any funds previously expended for costs of the Projects. Money in the Project Fund shall be secured in the manner prescribed by applicable statutes

relative to the securing of public or trust funds, if any, or, in the absence of such a statute, by a pledge of readily marketable securities having at all times a market value of not less than the amount in said Project Fund. Money in the Project Fund shall be invested in such investments as shall be permitted by applicable law to the extent permitted by applicable law.

Section 9. Official Statement. The officers of the Municipality, or any of them, are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the officers of the Municipality, or any of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The officers of the Municipality, or any of them, shall arrange for the delivery to the successful bidder on the Bonds of a reasonable number of copies of the Official Statement within seven (7) business days after the Bonds have been awarded for delivery, by the successful bidder on the Bonds, to each potential investor requesting a copy of the Official Statement and to each person to whom such bidder and members of his bidding group initially sell the Bonds.

The officers of the Municipality, or any of them, are authorized, on behalf of the Municipality, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the Municipality except for the omission in the Preliminary Official Statement of such pricing and other information.

Notwithstanding the foregoing, no Official Statement is required to be prepared if the Bonds, or any series thereof, are purchased by a purchaser that certifies that such purchaser intends to hold the Bonds, or any series thereof, for its own account and has no present intention to reoffer the Bonds, or any series thereof.

Section 10. Discharge and Satisfaction of Bonds. If the Municipality shall pay and discharge the indebtedness evidenced by any series of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice); or

(c) By delivering such Bonds to the Registration Agent for cancellation by it;

and if the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds, or make adequate provision therefor, and by resolution of the

Governing Body instruct any such Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the Municipality to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or obligations of any agency or instrumentality of the United States, which obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 11. Federal Tax Matters Related to the Bonds.

(a) The Bonds are expected to be issued as federally tax-exempt bonds. If so issued, the Municipality hereby covenants that it will not use, or permit the use of, any proceeds of the Bonds in a manner that would cause the Bonds to be subjected to treatment under Section 148 of the Code, and applicable regulations thereunder, as an "arbitrage bond." To that end, the Municipality shall comply with applicable regulations adopted under said Section 148. The Municipality further covenants with the registered owners from time to time of the Bonds that it will, throughout the term of the Bonds and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the Bonds shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

(b) It is reasonably expected that the Municipality will reimburse itself for certain expenditures made by it in connection with the Projects by issuing the Bonds. This resolution shall be placed in the minutes of the Governing Body and shall be made available for inspection by the general public at the office of the Governing Body. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

(c) The Governing Body hereby delegates to the Mayor the authority to designate, and determine whether to designate, the Bonds as "qualified tax-exempt obligations," as defined in Section 265 of the Code, to the extent the Bonds are not deemed designated as such and may be designated as such.

(d) The appropriate officers of the Municipality are authorized and directed, on behalf of the Municipality, to execute and deliver all such certificates and documents that may be required of the Municipality in order to comply with the provisions of this Section related to the issuance of the Bonds.

Section 12. Continuing Disclosure. The Municipality hereby covenants and agrees that it will provide annual financial information and event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The Mayor is authorized to execute at the closing of the sale of the Bonds an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and event notices to be provided and its obligations relating thereto. Failure of the Municipality to comply with the undertaking herein described and to be detailed in said closing agreement shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the Municipality to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 13. Reasonably Expected Economic Life. The "reasonably expected economic life" of the Projects within the meaning of Sections 9-21-101, et seq., Tennessee Code Annotated, is greater than the term of the Bonds authorized herein.

Section 14. Resolution a Contract. The provisions of this resolution shall constitute a contract between the Municipality and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

Section 15. Separability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 16. Repeal of Conflicting Resolutions and Effective Date. All other resolutions and orders, or parts thereof in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.

Duly adopted and approved on October 15, 2019.

Mayor

Attested:

City Administrator

STATE OF TENNESSEE)

COUNTY OF HAMBLEN)

I, Anthony W. Cox, certify that I am the duly qualified and acting City Administrator of the City of Morristown, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a meeting of the governing body of the Municipality held on October 15, 2019; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the issuance of not to exceed \$37,250,000 of the Municipality's General Obligation Bonds.

WITNESS my official signature on _____, 2019.

City Administrator

27069755.1



GOVERNMENTAL GRANT CONTRACT

(cost reimbursement grant contract with a federal or Tennessee local governmental entity or their agents and instrumentalities)

Begin Date November 01, 2019	End Date April 30, 2020	Agency Tracking # 32510-07720	Edison ID		
Grantee Legal Entity Name City of Morristown			Edison Vendor ID 4108		
Subrecipient or Contractor <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Contractor		CFDA # N/A Grantee's fiscal year end 12/30			
Service Caption (one line only) Complete a TAEP community tree planting project per DGA Edison ID 64472					
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Grant Contract Amount
2020	18,575.00				18,575.00
TOTAL:	18,575.00				18,575.00
Grantee Selection Process Summary					
<input checked="" type="checkbox"/> Competitive Selection		Grant proposals were accepted, scored based on quality and merit and the highest rated are approved			
<input type="checkbox"/> Non-competitive Selection					
Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.				<i>CPO USE - GG</i>	
Speed Chart (optional)		Account Code (optional) 71302000			

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

This grant contract ("Grant Contract"), by and between the State of Tennessee, Department of Agriculture, hereinafter referred to as the "State" or the "Grantor State Agency" and Grantee City of Morristown, hereinafter referred to as the "Grantee," is for the provision of TAEP community tree planting 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. Trees will be planted on public land or private Non-Profit land unless an exception granted by the State
- A.3. A riparian area is defined as the 35 foot buffer extending from either side of a creek, stream or river bank. Riparian tree plantings are allowed on both public and private lands.
- A. 4. Tree purchased must come from a nursery licensed in Tennessee. Trees purchased must meet the ANSI Z-60.1-2004, American Standard for Nursery Stock.
- A. 5. Trees must be planted according to the Tennessee Department of Agriculture, Forestry Division planting specifications.
- A. 6. Trees must be watered during dry periods for at least one growing season after being planted. Bare root seedlings must be planted by March 30, 2020 and containerized/ balled and bur lapped trees must be planted by April 15, 2020
- A. 7. The Grantee will install a sign with the following statement: (THE GRANTEE NAME, IN PARTNERSHIP WITH THE TENNESSEE DEPARTMENT OF AGRICULTURE DIVISION OF FORESTRY, HAS COMPLETED THIS COMMUNITY TREE PLANTING PROJECT. This sign will remain through the contract period.
- A. 8. The Grantee will appoint a minimum 3 person panel of citizens in the local community to provide project oversight to insure tax dollars are spent efficiently and effectively. Members of the panel shall not have any relation to any entity supplying the trees to the grantee or any economic interest in the planting thereof. Existing tree boards may serve in this oversight function.
- A. 9. Additional requirements specific to the Grantee's project are listed in the grantee's project summary, which is Attachment Four to this contract. These requirements are primarily listing the species, size and number of trees the Grantee will plant.
- A.10. Change in species, size or location during the purchasing or tree planting time period is available with prior written approval from the urban staff
- A.11. Trees must pass a planting inspection. Any recommendations to meet Tennessee Department of Agriculture, Forestry Division planting specifications and/or tree maintenance guidelines must be adhered to. See attachment Five.

B. TERM OF CONTRACT:

This Grant Contract shall be effective for the period beginning on November 01, 2019, ("Effective Date") and ending on April 30, 2020, ("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 Eighteen Thousand, Five Hundred, Seventy-Five Dollars (\$18,575.00) ("Maximum Liability"). The Grant Budget, attached and incorporated as Attachment ONE is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Tennessee Department of Agriculture Division of Forestry
Kelly Lang
PO Box 40627
Nashville TN 37220
Kelly.Lang@tn.gov

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
- (1) Invoice/Reference Number (assigned by the Grantee).
 - (2) Invoice Date.
 - (3) Invoice Period (to which the reimbursement request is applicable).
 - (4) Grant Contract Number (assigned by the State).
 - (5) Grantor: Tennessee Department of Agriculture Division of Forestry.
 - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
 - (7) Grantee Name.
 - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
 - (9) Grantee Remittance Address.
 - (10) Grantee Contact for Invoice Questions (name, phone, or fax).
 - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:

- i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
 - ii. The amount reimbursed by Grant Budget line-item to date.
 - iii. The total amount reimbursed under the Grant Contract to date.
 - iv. The total amount requested (all line-items) for the Invoice Period.
- b. The Grantee understands and agrees to all of the following.
 - (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
 - (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
 - (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
 - (4) An invoice under this Grant Contract shall be presented to the State within thirty (30) days after the end of the calendar month in which the subject costs were incurred or services were rendered by the Grantee. An invoice submitted more than thirty (30) days after such date will NOT be paid. The State will not deem such Grantee costs to be allowable and reimbursable by the State unless, at the sole discretion of the State, the failure to submit a timely invoice is warranted. The Grantee shall submit a special, written request for reimbursement with any such untimely invoice. The request must detail the reason the invoice is untimely as well as the Grantee's plan for submitting future invoices as required, and it must be signed by a Grantee agent that would be authorized to sign this Grant Contract.

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 (10%) 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 thirty (30) days of the Grant Contract end date and in form and substance acceptable to the State.

- a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet this requirement.
 - i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the State.
 - ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be

reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.

- b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit the refund with the final grant disbursement reconciliation report.
 - c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
 - d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.
 - e. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect costs, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Grantee will be reimbursed for indirect costs in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of 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, properly completed documentation.

- a. The Grantee shall complete, sign, and return to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once this form is received by the State, all payments to the Grantee under this or any other grant contract will be made by automated clearing house ("ACH").
- b. The Grantee shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Grantee's Federal Employer Identification Number or Social Security Number referenced in the Grantee's Edison registration information.

D. STANDARD TERMS AND CONDITIONS:

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

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

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

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

D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Grant Contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall remain responsible for all work performed.

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

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

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

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

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

The State:

Kelly Lang | Grants Management Specialist
Department of Agriculture Division of Forestry
PO Box 40627, Nashville TN 37220
Kelly.Lang@tn.gov
Telephone # 615/837-5421

The Grantee:

Joey Barnard | Assistant City Administrator
City of Morristown
100 West First North Street
Morristown TN 37814
jbarnard@morristown.com
Telephone # 423/585.4614

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

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

- D.9. Subject to Funds Availability. This Grant Contract is subject to the appropriation and availability of State or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Grant Contract upon written notice to the Grantee. The State's right to terminate this Grant Contract due to lack of funds is not a breach of this Grant Contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.10. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.
- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
 - b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.
 - c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.
- D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a

prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:

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

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

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

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

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

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

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

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

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

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

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

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

- D.17. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.18. Annual and Final Reports. The Grantee shall submit, within three (3) months of the conclusion of each year of the Term, an annual report. For grant contracts with a term of less than one (1) year, the Grantee shall submit a final report within three (3) months of the conclusion of the Term. For grant contracts with multiyear terms, the final report will take the place of the annual report for the final year of the Term. The Grantee shall submit annual and final reports to the Grantor State Agency. At minimum, annual and final reports shall include: (a) the Grantee's name; (b) the Grant Contract's Edison identification number, Term, and total amount; (c) a narrative section that describes the program's goals, outcomes, successes and setbacks, whether the Grantee used benchmarks or indicators to determine progress, and whether any proposed activities were not completed; and (d) other relevant details requested by the Grantor State Agency. Annual and final report documents to be completed by the Grantee shall appear on the Grantor State Agency's website or as an attachment to the Grant Contract.
- D.19. Audit Report. The Grantee shall be audited in accordance with applicable Tennessee law.
- If the Grantee is subject to an audit under this provision, then the Grantee shall complete Attachment Three.
- When a federal single audit is required, the audit shall be performed in accordance with U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- A copy of the audit report shall be provided to the Comptroller by the licensed, independent public accountant. Audit reports shall be made available to the public.
- D.20. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.317—200.326 when procuring property and services under a federal award.
- The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.
- For purposes of this Grant Contract, the term "equipment" shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).
- D.21. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Grant Contract is not a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties.
- D.22. Independent Contractor. The parties shall not act as employees, partners, joint venturers, or associates of one another in the performance of this Grant Contract. The parties acknowledge that they are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual

services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

- D.23. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Grant Contract. In no event will the State be liable to the Grantee or any other party for any lost revenues, lost profits, loss of business, loss of grant funding, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Grant Contract or otherwise. The State's total liability under this Grant Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability originally established in Section C.1 of this Grant Contract. This limitation of liability is cumulative and not per incident.
- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party except to the extent that the non-performing party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either party from its obligations under this Grant Contract. Except as set forth in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a default under this Grant Contract or grounds for termination. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Grantee's representatives, suppliers, subcontractors, customers or business apart from this Grant Contract is not a Force Majeure Event under this Grant Contract. Grantee will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Grantee's performance longer than forty-eight (48) hours, the State may, upon notice to Grantee: (a) cease payment of the fees until Grantee resumes performance of the affected obligations; or (b) immediately terminate this Grant Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Grantee will not increase its charges under this Grant Contract or charge the State any fees other than those provided for in this Grant Contract as the result of a Force Majeure Event.
- D.25. Tennessee Department of Revenue Registration. The Grantee shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Grant Contract.
- D.26. Charges to Service Recipients Prohibited. The Grantee shall not collect any amount in the form of fees or reimbursements from the recipients of any service provided pursuant to this Grant Contract.
- D.27. No Acquisition of Equipment or Motor Vehicles. This Grant Contract does not involve the acquisition and disposition of equipment or motor vehicles acquired with funds provided under this Grant Contract.
- D.28. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract. The U.S. Office of Management and Budget's Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is available here: http://www.ecfr.gov/cgi-bin/text-idx?SID=c6b2f053952359ba94470ad3a7c1a975&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

- D.29. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under Tenn. Code Ann. §§ 9-8-101 through 9-8-408.
- D.30. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions agreed to by the parties. This Grant Contract supersedes any and all prior understandings, representations, negotiations, or agreements between the parties, whether written or oral.
- D.31. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions shall not be affected and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.32. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.
- D.33. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Grant Contract. The Grantee certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.34. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
 - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
 - d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

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

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

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

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.

IN WITNESS WHEREOF,

CITY OF MORRISTOWN:

JOEY BARNARD, ASSISTANT CITY ADMINISTRATOR

DATE

TENNESSEE DEPARTMENT OF AGRICULTURE

CHARLIE HATCHER, D.V.M., COMMISSIONER

DATE

ATTACHMENT ONE

GRANT BUDGET				
The Grant Budget line-item amounts below shall be applicable only to expenses incurred during the following applicable period:				
BEGIN: November 01, 2019		END: April 30, 2020		
POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT CONTRACT	GRANTEE MATCH	TOTAL PROJECT
1, 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award ²	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	18,575.00	18,575.00	37,150.00
11, 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest ²	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 ²	0.00	0.00	0.00
18	Other Non-Personnel ²	0.00	0.00	0.00
20	Capital Purchase ²	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
n/a	Grantee Match Requirement (for any amount of the required Grantee Match that is <u>not</u> specifically delineated by budget line-items above)	0.00	0.00	0.00
25	GRAND TOTAL	0.00	0.00	0.00

¹ 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.tn.gov/finance/looking-for/policies.html>).

² Applicable detail follows this page if line-item is funded.

³ A Grantee Match Requirement is detailed by this Grant Budget, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the "Grant Contract" column above, shall be reduced by the amount of any Grantee failure to meet the Match Requirement.

ATTACHMENT TWO

# of each Species:	Species	Size (caliper)	Cost per Tree	Total Amount
16	Chinkapin Oak	1.5	\$ 150.00	\$ 2,400.00
21	Redbud	1.5	\$ 150.00	\$ 3,150.00
21	Dogwood	1.5	\$ 150.00	\$ 3,150.00
16	Red Maple	1.5	\$ 150.00	\$ 2,400.00
9	Hickory	1.5	\$ 150.00	\$ 1,350.00
14	Norway Spruce	1.5	\$ 150.00	\$ 2,100.00
21	Kwanzan Cherry	1.5	\$ 150.00	\$ 3,150.00
16	Post Oak	1.5	\$ 150.00	\$ 2,400.00
8	Red Oak	1.5	\$ 150.00	\$ 1,200.00
14	Sugar Maple	1.5	\$ 150.00	\$ 2,100.00
21	Tulip Popular	1.5	\$ 150.00	\$ 3,150.00
9	White Oak	1.5	\$ 150.00	\$ 1,350.00
21	Little Gem Magnolia	1.5	\$ 150.00	\$ 3,150.00
				\$ -
Subtotal				\$ 31,050.00

ATTACHMENT THREE

Parent Child Information

The Grantee should complete this form and submit it with the Grant Contract. The Grantee should submit only one, completed "Parent Child Information" document to the State during the Grantee's fiscal year.

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

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

Grantee's Edison Vendor ID number: 4108

Is City of Morristown a parent? Yes ☐ No ☐

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

Is City of Morristown a child? Yes ☐ No ☐

If yes, complete the fields below.

Parent entity's name: _____

Parent entity's tax identification number: _____

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

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

Parent entity's contact information

Name of primary contact person: _____

Address: _____

Phone number: _____

Email address: _____

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

Tree Planting Guidelines

NOTE: TREES PLANTED USING A GRANT FROM THE DEPT OF AGRICULTURE FORESTRY DIVISION MUST FOLLOW THESE GUIDELINES.

In order to have a healthy tree in the future; the tree must be planted properly. The following are guidelines to assist you in planting your tree properly. Prior to planting remember to move the tree by the root ball or the container. Never grab it by the trunk.

1. Digging the Hole:

The planting hole should be at least twice the width of the root ball or container to encourage the roots to grow into the surrounding soil. The sides of the planting hole should be sloped. The depth of the hole should be the same as the distance from the root flare of the tree to the bottom of the container or ball. Most trees have the root ball below the top of the ball or soil in the container, so digging a hole the same depth of the ball or soil in the container often results in planting the tree too deep. One can check the root flare depth by digging down next to the trunk to find the flare.

2. Tree Preparations:

For container trees, remove the container. Place the root "ball" in the hole. Cut the circling roots in the outer part of the ball with 4 to 6 cuts, or gently pull the roots out of the ball and plant them in trenches leading away from the planting hole. (A planting hole does not have to be round.) For B&B trees, place the ball in the hole, then remove the rope around the trunk, and then reach down in the hole and cut away as much burlap as possible. Also, use wire cutters to remove as much of the wire basket as possible. This should be done after the tree is in its final position and ready to be back filled.

3. Backfill:

Use the same soil that was taken out of the hole. If the soil is very poor and appears to need topsoil, increase the hole size and sparingly mix in some local topsoil (avoid using potting soil, peat moss, and soil amendments). Remove stones and other debris. Fill the hole halfway with backfill, then water. Finish filling the hole with the backfill and water again. Make sure to work the soil around the ball firmly to eliminate any air pockets. Also, make sure the tree is vertical and properly supported, but do not pack the soil around the trunk.

4. Mulch:

The area around the tree should be mulched with composted wood chips, bark chips, or pine straw mulch. The mulch should be 3 to 4 inches thick and cover the entire planting area and beyond. The mulch needs to be placed in a donut or tire shape around the trunk of the tree. The mulch must be kept away from the trunk of the tree to keep insects away and prevent the trunk from being excessively wet. Mulch helps conserve soil moisture, reduces the competition from unwanted weeds, keeps lawn mowers and string trimmers



from damaging the trunk, and moderates soil temperature extremes. Do not use sawdust, black plastic, or grass clippings as mulch. Do not make mulch volcanos.

5. Trunk Wraps:

Research indicates there are no benefits from using trunk wraps and it may encourage damaging insects or diseases.

6. Staking:

Staking is not necessary if the tree has a proper size root ball and has not been pruned too high. Stakes may help prevent lawnmowers and string trimmers from damaging the tree. If staking is needed for support, attach them so the tree has some sway. NEVER leave wires or straps on the tree for more than one growing season.

7. Fertilizing:

Generally new trees do not need fertilizers. Using the wrong product could damage the already reduced root system. Fertilize the first year only if a specific problem develops.

8. Pruning:

Prune only the branches that are dead, broken or severely deformed during the first growing season. Buds produce hormones that stimulate root growth, so keep the removal of buds to a minimum.

9. Timing for Planting:

The best time of year to plant your tree is November through March.

10. Tree Size:

Trees 2 inch caliper or less are recommended unless a larger size is justified. Smaller trees recover from transplant shock and commence with normal growth more quickly.

TDF Grant Recipient Acknowledgement and Publishing Guidelines (Appendix V)

Acknowledgements

Grantee shall acknowledge the Tennessee Department of Agriculture Division of Forestry and the Tennessee Agricultural Enhancement Program on all publications (published book, periodical, pamphlet, brochure, flier, signage, etc.), press releases, public meetings, digital presentations, websites, and social media posts.

The acknowledgement statement should include function/product funded (eg. document, meeting) and mutual agreement through the agency.

Minimum verbiage is as follows:

This [project, publication, meeting, website] was funded through the Tennessee Agricultural Enhancement Program in cooperation with the Tennessee Department of Agriculture Division of Forestry.

External Logo Usage Policy

Co-branding outreach materials with Tennessee Department of Agriculture Division of Forestry logos should be implemented whenever possible to portray the collaborative partnerships. State logos are protected through branding guidelines available upon request. Official Tennessee Department of Agriculture Division of Forestry (TDF) logos – including division and campaign logos (e.g. ProtectTNForests, BurnSafeTN, TNWildlandFire, etc) - may be used by its partners only with the consent of the State Forester's Communications & Outreach Unit Leader. Requests for use must include purpose for using logo(s) and type of media the logo will be used on (i.e. print, broadcast, and web). TDF reserves the right to review draft materials containing its logos prior to final release or publication. Permission to use the logos may be revoked at any time.



Morristown City Council Agenda Item Summary

Date: October 10, 2019

Agenda Item: Amendment to RMS Agreement with Tyler Technologies

Prepared by: Joey Barnard

Subject: Approval to accept Amendment to RMS Agreement

Background/History: The City of Morristown currently has an agreement with Tyler Technologies for Records Management System (RMS) to provide services to the Morristown Police Department. All records are currently stored on premise. The City of Morristown desires to amend the existing agreement to have Tyler Technologies host and maintain the RMS software. This is advantageous to the Police Department as the software will be continuously updated by Tyler Technologies. This also acts as a secondary offsite backup.

Financial Impact: Funds have been appropriated in the 19-20 FY budget.

Action options/Recommendations: It is staff's recommendation to approve the amendment and to allow Tony Cox, City Administrator to enter into agreement with Tyler Technologies.

Attachments: Agreement and PO



AMENDMENT

This amendment ("Amendment") is effective as of the date of signature of the last party to sign as indicated below ("Amendment Effective Date"), by and between Tyler Technologies, Inc. with offices at 840 W Long Lake Rd, Troy, MI 48098 ("Tyler") and City of Morristown, Tennessee, with offices at 100 West First Street, Morristown, TN 37816 ("Client").

WHEREAS, Tyler and the Client are parties to a License and Services Agreement dated October 10, 2014 ("Agreement"); and

WHEREAS, Tyler and Client desire to amend the Agreement to have Tyler host, in addition to maintaining, the Incode Public Safety software ("Tyler Software") licensed to the Client under the Agreement;

NOW THEREFORE, in consideration of the mutual promises hereinafter contained, Tyler and the Client agree as follows:

1. The Hosting Services set forth in Sales Quotation No. 2019-66948, attached hereto as Exhibit 1, are hereby added to the Agreement. The Hosting Services only apply to the Incode Public Safety software licensed under the Agreement.
2. The following Definitions are added to Section A of the Agreement:
 - 2.1 "Data" means your data necessary to utilize the Tyler Software.
 - 2.2 "Data Storage Capacity" means one-half of a terabyte of storage capacity for your Data identified in Exhibit 1.
 - 2.3 "Concurrent User Licenses" means the number of concurrent user licenses that are authorized for Client's use of the Hosting Services. The Concurrent User Licenses for the Agreement are set forth Exhibit 1.
 - 2.4 "Hosting Fees" means the fees for the Hosting Services identified in Exhibit 1.
 - 2.5 "Hosting Services" means software as a service consisting of system administration, system management, and system monitoring activities that Tyler performs for the Tyler Software, and includes the right to access and use the Tyler Software, receive maintenance and support on the Tyler Software, including Downtime resolution under the terms of the SLA, and Data storage and archiving. Hosting Services do not include support of an operating system or hardware, support outside of our normal business hours, or training, consulting or other professional services. Hosting Services may also be referred to as Hosting Services.
 - 2.6 "SLA" means the service level agreement. A copy of our current SLA is attached hereto as Exhibit 2.

As used herein, "we," "us", "our" and "you" shall be used to refer to Tyler and Client, respectively, as defined in the Agreement.

3. Hosting Services shall be provided in accordance with the following terms:

3.1 Rights Granted. We grant to you the non-exclusive, non-assignable limited right to use the Hosting Services solely for your internal business purposes for the number of Concurrent User Licenses only. The Tyler Software will be made available to you according to the terms of the SLA. You acknowledge that we have no delivery obligations and we will not ship copies of the Tyler Software as part of the Hosting Services.

3.2 Hosting Fees. You agree to pay us the Hosting Fees. Those amounts are payable as set forth in this Amendment. The Hosting Fees are based on the number of Concurrent User Licenses and amount of Data Storage Capacity. Should additional storage or concurrent users be required, it may be purchased as needed at Tyler's then-current annual fee. In the event you regularly and/or meaningfully exceed the Concurrent User Licenses or Data Storage Capacity, we reserve the right to charge you additional fees commensurate with the overage(s).

3.3 Ownership.

- a. We retain all ownership and intellectual property rights to the Hosting Services.
- b. You retain all ownership and intellectual property rights to the Data. You expressly recognize that except to the extent necessary to carry out our obligations contained in this Amendment, we do not create or endorse any Data used in connection with the Hosting Services.

3.4 Restrictions. You may not: (a) make the Tyler Software or Documentation resulting from the Hosting Services available in any manner to any third party for use in the third party's business operations; (b) modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the Hosting Services; (c) access or use the Hosting Services in order to build or support, and/or assist a third party in building or supporting, products or services competitive to us; or (d) license, sell, rent, lease, transfer, assign, distribute, display, host, outsource, disclose, permit timesharing or service bureau use, or otherwise commercially exploit or make the Hosting Services, Tyler Software, or Documentation available to any third party other than as expressly permitted by this Amendment.

3.5 Hosting Services.

- a. Our Hosting Services are audited at least yearly in accordance with the AICPA's Statement on Standards for Attestation Engagements ("SSAE") No. 18. We have attained, and will maintain, SOC 1 and SOC 2 compliance, or its equivalent, for so long as you are timely paying for Hosting Services. Upon execution of a mutually agreeable Non-Disclosure Agreement ("NDA"), we will provide you with a summary of our compliance report(s) or its equivalent. Every year thereafter, for so long as the NDA is in effect and in which you make a written request, we will provide that same information.
- b. You will be hosted on shared hardware in a Tyler data center, but in a database dedicated to you, which is inaccessible to our other customers.

- c. We have fully-redundant telecommunications access, electrical power, and the required hardware to provide access to the Tyler Software in the event of a disaster or component failure. In the event any of your Data has been lost or damaged due to an act or omission of Tyler or its subcontractors or due to a defect in Tyler's software, we will use best commercial efforts to restore all the Data on servers in accordance with the architectural design's capabilities and with the goal of minimizing any Data loss as greatly as possible. In no case shall the recovery point objective ("RPO") exceed a maximum of twenty-four (24) hours from declaration of disaster. For purposes of this subsection, RPO represents the maximum tolerable period during which your Data may be lost, measured in relation to a disaster we declare, said declaration will not be unreasonably withheld.
- d. In the event we declare a disaster, our Recovery Time Objective ("RTO") is twenty-four (24) hours. For purposes of this subsection, RTO represents the amount of time, after we declare a disaster, within which your access to the Tyler Software must be restored.
- e. We conduct annual penetration testing of either the production network and/or web application to be performed. We will maintain industry standard intrusion detection and prevention systems to monitor malicious activity in the network and to log and block any such activity. We will provide you with a written or electronic record of the actions taken by us in the event that any unauthorized access to your database(s) is detected as a result of our security protocols. We will undertake an additional security audit, on terms and timing to be mutually agreed to by the parties, at your written request. You may not attempt to bypass or subvert security restrictions in the Hosting Services or environments related to the Tyler Software. Unauthorized attempts to access files, passwords or other confidential information, and unauthorized vulnerability and penetration test scanning of our network and systems (hosted or otherwise) is prohibited without the prior written approval of our IT Security Officer.
- f. We test our disaster recovery plan on an annual basis. Our standard test is not client-specific. Should you request a client-specific disaster recovery test, we will work with you to schedule and execute such a test on a mutually agreeable schedule. At your written request, we will provide test results to you within a commercially reasonable timeframe after receipt of the request.
- g. We will be responsible for importing back-up and verifying that you can log-in. You will be responsible for running reports and testing critical processes to verify the returned Data.
- h. We provide secure Data transmission paths between each of your workstations and our servers.
- i. Where applicable with respect to our applications that take or process card payment data, we are responsible for the security of cardholder data that we possess, including functions relating to storing, processing, and transmitting of the cardholder data and

affirm that, as of the Effective Date, we comply with applicable requirements to be considered PCI DSS compliant and have performed the necessary steps to validate compliance with the PCI DSS. We agree to supply the current status of our PCI DSS compliance program in the form of an official Attestation of Compliance, which can be found at <https://www.tylertech.com/about-us/compliance>, and in the event of any change in our status, will comply with applicable notice requirements.

3.6 Term. The initial term of this Amendment is five (5) years commencing on the date we make the hosting environment available for your use in a production environment. After the initial term, this Amendment will renew automatically for additional one (1) year renewal terms at our then-current Hosting Fees unless terminated in writing by either party at least sixty (60) days prior to the end of the then-current renewal term. Your right to access or use the Hosting Services will terminate at the end of this Amendment.

4. Section G – Termination of the Agreement is hereby revised to add the following:

4.1 Failure to Pay Hosting Fees. You acknowledge that continued access to the Hosting Services is contingent upon your timely payment of Hosting Fees. If you fail to timely pay the Hosting Fees, we may discontinue the Hosting Services. We may also terminate this Amendment if you don't cure such failure to pay within forty-five (45) days of receiving written notice of our intent to terminate.

5. Hosting Fees, as set forth in Exhibit 1, are invoiced annually in advance, beginning on the date we make the hosting environment available for your use in a production environment. Year 1 through 5 fees are at the rates set forth in Exhibit 1. Subsequent annual fees will be at our then-current rates.

6. This Amendment shall be governed by and construed in accordance with the terms and conditions of the Agreement.

7. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below.

Tyler Technologies, Inc.

Morristown, TN

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



Exhibit 1



Sales Quotation For
 City of Morristown Police Department
 PO Box 1283
 Morristown, TN 37816-1283
 Phone: +1 (423) 585-2710

Quoted By: Sarah Koski
 Quote Expiration: 10/31/2019
 Quote Name: City of Morristown Police Department - Hosted RMS
 Quote Number: 2019-66948
 Quote Description: Morristown Hosted RMS

Tyler Software and Related Services

Description	License	Impl Hours	Impl Cost	Data Conversion	Module Total	Maintenance
Incode Public Safety Suite						
Mapping	\$0	0	\$0	\$0	\$0	\$0
Base RMS	\$0	0	\$0	\$0	\$0	\$0
Personnel (Training, Evaluation, Certification)	\$0	0	\$0	\$0	\$0	\$0
Property Room	\$0	0	\$0	\$0	\$0	\$0
Tyler Court Case Management Interface (Citations & Warrants)	\$0	0	\$0	\$0	\$0	\$0
TITAN (Tennessee Only)	\$0	0	\$0	\$0	\$0	\$0
<i>Sub-Total:</i>	\$0		\$0	\$0	\$0	\$0
TOTAL:	\$0	0	\$0	\$0	\$0	\$0

Tyler Software and Related Services - Annual

Description	One Time Fees			Annual Fee
	Impl. Hours	Impl. Cost	Data Conversion	
Tyler Hosted Applications				
Hosting User Fee	0	\$0	\$0	\$65,520
Sub-Total:		\$0	\$0	\$65,520
TOTAL:	0	\$0	\$0	\$65,520

Summary	One Time Fees	Recurring Fees
Total Tyler Annual	\$0	\$65,520
Total Tyler Services	\$0	\$0
Total Third Party Hardware, Software and Services	\$0	\$0
Summary Total	\$0	\$65,520
Contract Total	\$65,520	

2019-66948 - Morristown Hosted RMS

CONFIDENTIAL

1 of 2

Comments

- Base RMS includes Offense/Incidents w/ Supplements, Arrests, Warrants, UCR/NIBRS Reporting, Traffic/Parking Citations, Accidents with EZ Street Draw Interface, Field Interview, Racial Profiling Collection/Reporting, Media Narratives, Calls for Service, Intel, Bicycle Registration, Pet Registration, Watches, Radio Message, Impounds Intelligence, Mail Merge, Use of Force, Dashboard, Tyler to Tyler interfaces, 1-Search (local and Peer to Peer) and Proximity Restrictions.
- Hosting User Fee includes 105 users



Exhibit 2 Service Level Agreement

I. Agreement Overview

This SLA operates in conjunction with, and does not supersede or replace any part of, the Agreement. It outlines the information technology service levels that we will provide to you to ensure the availability of the application services that you have requested us to provide. All other support services are documented in the Support Call Process.

II. Definitions. Except as defined below, all defined terms have the meaning set forth in the Agreement.

Attainment: The percentage of time the Tyler Software is available during a calendar quarter, with percentages rounded to the nearest whole number.

Client Error Incident: Any service unavailability resulting from your applications, content or equipment, or the acts or omissions of any of your service users or third-party providers over whom we exercise no control.

Downtime: Those minutes during which the Tyler Software is not available for your use. Downtime does not include those instances in which only a Defect is present.

Service Availability: The total number of minutes in a calendar quarter that the Tyler Software is capable of receiving, processing, and responding to requests, excluding maintenance windows, Client Error Incidents and Force Majeure.

III. **Service Availability**

The Service Availability of the Tyler Software is intended to be 24/7/365. We set Service Availability goals and measures whether we have met those goals by tracking Attainment.

a. Your Responsibilities

Whenever you experience Downtime, you must make a support call according to the procedures outlined in the Support Call Process. You will receive a support incident number.

You must document, in writing, all Downtime that you have experienced during a calendar quarter. You must deliver such documentation to us within 30 days of a quarter's end.

The documentation you provide must evidence the Downtime clearly and convincingly. It must include, for example, the support incident number(s) and the date, time and duration of the Downtime(s).

b. Our Responsibilities

When our support team receives a call from you that Downtime has occurred or is occurring, we will work with you to identify the cause of the Downtime (including whether it may be the result of a Client Error

Incident or Force Majeure). We will also work with you to resume normal operations.

Upon timely receipt of your Downtime report, we will compare that report to our own outage logs and support tickets to confirm that Downtime for which we were responsible indeed occurred.

We will respond to your Downtime report within 30 day(s) of receipt. To the extent we have confirmed Downtime for which we are responsible, we will provide you with the relief set forth below.

c. Client Relief

When a Service Availability goal is not met due to confirmed Downtime, we will provide you with relief that corresponds to the percentage amount by which that goal was not achieved, as set forth in the Client Relief Schedule below.

Notwithstanding the above, the total amount of all relief that would be due under this SLA per quarter will not exceed 5% of one quarter of the then-current SaaS Fee. The total credits confirmed by us in one or more quarters of a billing cycle will be applied to the SaaS Fee for the next billing cycle. Issuing of such credit does not relieve us of our obligations under the Agreement to correct the problem which created the service interruption.

Every quarter, we will compare confirmed Downtime to Service Availability. In the event actual Attainment does not meet the targeted Attainment, the following Client relief will apply, on a quarterly basis:

Targeted Attainment	Actual Attainment	Client Relief
100%	98-99%	Remedial action will be taken.
100%	95-97%	4% credit of fee for affected calendar quarter will be posted to next billing cycle
100%	<95%	5% credit of fee for affected calendar quarter will be posted to next billing cycle

You may request a report from us that documents the preceding quarter's Service Availability, Downtime, any remedial actions that have been/will be taken, and any credits that may be issued.

IV. Applicability

The commitments set forth in this SLA do not apply during maintenance windows, Client Error Incidents, and Force Majeure.

We perform maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, we will provide advance notice of those windows and will coordinate to the greatest extent possible with you.

V. Force Majeure

You will not hold us responsible for not meeting service levels outlined in this SLA to the extent any failure to do so is caused by Force Majeure. In the event of Force Majeure, we will file with you a signed request that said failure be excused. That writing will at least include the essential details and circumstances supporting our request for relief pursuant to this Section. You will not unreasonably withhold its acceptance of such a request.



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 2020

Page 1

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20000979-00**

Retain this purchase order for proof of tax exemption.

Tax Exempt #62-6000369

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TYLER TECHNOLOGIES, INC
PO BOX 203556

DALLAS, TX 75320-3556

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City of Morristown
400 Dice Street
aahl@mymorristown.com
Morristown, TN 37813

Vendor Phone Number 207-781-2260 1427		Vendor Fax Number 207-781-2459		Requisition Number 20001101		Delivery Reference/Contact ASHLEY AHL			
Date Ordered 10/10/19		Vendor Number 002230		Date Required		Interoffice Delivery		Department/Location 41610	
Item#	Description/Part No.				Qty/Unit	Cost Each	Extended Price		
001	ORIGINAL				1.00	65520.00000	65,520.00		
	AMENDMENT TO EXISTING SOFTWARE TO MOVE FROM ON PREMISE TO HOSTED ENVIRONMENT FOR INCODE PUBLIC SAFETY SUITE 41640-355				EACH 65,520.00				
						PO Total	65,520.00		

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

VENDOR COPY

Authorized Signature

Date

[Return to Agenda](#)

Authorized Signature



United States Department of Justice

United States Attorney
Eastern District of Tennessee

Headquarters: 800 Market Street, Suite 211
Knoxville, Tennessee 37902
865.545.4167
www.usdoj.gov/usao/tne

1110 Market Street, Suite 515
Chattanooga, Tennessee 37402
423.752.5140

220 West Depot Street, Suite 423
Greeneville, Tennessee 37743
423.639.6759

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OCT - 2 2019

September 30, 2019

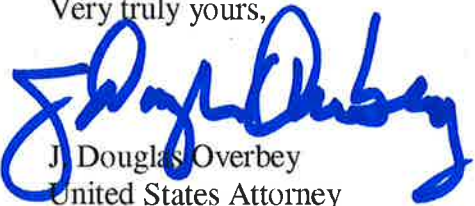
Mr. Anthony Cox
City Administrator
City of Morristown
100 West 1st North Street
Morristown, TN 37816-1283


Dear Mr. Cox:

Please allow me to congratulate you and the city of Morristown on receiving the FY 19 Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation award. Your efforts towards supporting activities meant to prevent and control crime based on your local needs and conditions are truly admirable.

I have no doubt that, with the grant money received from the Bureau of Justice Assistance, you will be able to truly make a difference within the Morristown area. Our team at the U.S. Attorney's Office for the Eastern District of Tennessee looks forward to watching your project flourish and serve our community.

Very truly yours,


J. Douglas Overbey
United States Attorney

 U.S. Department of Justice Office of Justice Programs Bureau of Justice Assistance		Grant		PAGE 1 OF 30																
1. RECIPIENT NAME AND ADDRESS (Including Zip Code) City of Morristown 100 West 1st North Street Morristown, TN 37816-1283		4. AWARD NUMBER: 2019-DJ-BX-0388 5. PROJECT PERIOD: FROM 10/01/2018 TO 09/30/2020 BUDGET PERIOD: FROM 10/01/2018 TO 09/30/2020																		
2a. GRANTEE IRS/VENDOR NO. 026000369		6. AWARD DATE 09/26/2019		7. ACTION Initial																
2b. GRANTEE DUNS NO. 079026779		8. SUPPLEMENT NUMBER 00																		
3. PROJECT TITLE Training, Response and Communication Improvement Program		9. PREVIOUS AWARD AMOUNT \$ 0																		
		10. AMOUNT OF THIS AWARD \$ 13,558																		
		11. TOTAL AWARD \$ 13,558																		
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).																				
13. STATUTORY AUTHORITY FOR GRANT This project is supported under FY19(BJA - JAG State and JAG Local) Title I of Pub. L. No. 90-351 (generally codified at 34 U.S.C. 10151-10726), including subpart I of part E (codified at 34 U.S.C. 10151 - 10158); see also 28 U.S.C. 530C(a).																				
14. CATALOG OF DOMESTIC FEDERAL ASSISTANCE (CFDA Number) 16.738 - Edward Byrne Memorial Justice Assistance Grant Program																				
15. METHOD OF PAYMENT GPRS																				
AGENCY APPROVAL		GRANTEE ACCEPTANCE																		
16. TYPED NAME AND TITLE OF APPROVING OFFICIAL Katharine T. Sullivan Principal Deputy Assistant Attorney General		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Anthony W. Cox City Administrator																		
17. SIGNATURE OF APPROVING OFFICIAL 		19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL		19A. DATE																
AGENCY USE ONLY																				
20. ACCOUNTING CLASSIFICATION CODES <table border="1"> <thead> <tr> <th>FISCAL YEAR</th> <th>FUND CODE</th> <th>BUD. ACT.</th> <th>OFC.</th> <th>DIV. REG.</th> <th>SUB.</th> <th>POMS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>X</td> <td>B</td> <td>DJ</td> <td>80</td> <td>00</td> <td>00</td> <td></td> <td>13558</td> </tr> </tbody> </table>		FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	POMS	AMOUNT	X	B	DJ	80	00	00		13558	21. UDJGT1569		
FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	POMS	AMOUNT													
X	B	DJ	80	00	00		13558													

OJP FORM 4000/2 (REV. 5-87) PREVIOUS EDITIONS ARE OBSOLETE.

OJP FORM 4000/2 (REV. 4-88)



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Bureau of Justice Assistance

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PROJECT NUMBER 2019-DJ-BX-0388

AWARD DATE 09/26/2019

SPECIAL CONDITIONS

1. Requirements of the award; remedies for non-compliance or for materially false statements

The conditions of this award are material requirements of the award. Compliance with any assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance also is a material requirement of this award. By signing and accepting this award on behalf of the recipient, the authorized recipient official accepts all material requirements of the award, and specifically adopts all such assurances or certifications as if personally executed by the authorized recipient official.

Failure to comply with any one or more of these award requirements -- whether a condition set out in full below, a condition incorporated by reference below, or an assurance or certification related to conduct during the award period - may result in the Office of Justice Programs ("OJP") taking appropriate action with respect to the recipient and the award. Among other things, the OJP may withhold award funds, disallow costs, or suspend or terminate the award. The U.S. Department of Justice ("DOJ"), including OJP, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to the federal government related to this award (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. 1001 and/or 1621, and/or 34 U.S.C. 10271-10273), and also may lead to imposition of civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or -unenforceable, such provision shall be deemed severable from this award.

2. Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by DOJ in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements") apply to this FY 2019 award from OJP.

The Part 200 Uniform Requirements were first adopted by DOJ on December 26, 2014. If this FY 2019 award supplements funds previously awarded by OJP under the same award number (e.g., funds awarded during or before December 2014), the Part 200 Uniform Requirements apply with respect to all funds under that award number (regardless of the award date, and regardless of whether derived from the initial award or a supplemental award) that are obligated on or after the acceptance date of this FY 2019 award.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and subawards ("subgrants"), see the OJP website at <https://ojp.gov/funding/Part200UniformRequirements.htm>.

Record retention and access: Records pertinent to the award that the recipient (and any subrecipient ("subgrantee") at any tier) must retain -- typically for a period of 3 years from the date of submission of the final expenditure report (SF 425), unless a different retention period applies -- and to which the recipient (and any subrecipient ("subgrantee") at any tier) must provide access, include performance measurement information, in addition to the financial records, supporting documents, statistical records, and other pertinent records indicated at 2 C.F.R. 200.333.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.



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SPECIAL CONDITIONS

3. Compliance with DOJ Grants Financial Guide

References to the DOJ Grants Financial Guide are to the DOJ Grants Financial Guide as posted on the OJP website (currently, the "DOJ Grants Financial Guide" available at <https://ojp.gov/financialguide/DOJ/index.htm>), including any updated version that may be posted during the period of performance. The recipient agrees to comply with the DOJ Grants Financial Guide.

4. Reclassification of various statutory provisions to a new Title 34 of the United States Code

On September 1, 2017, various statutory provisions previously codified elsewhere in the U.S. Code were editorially reclassified (that is, moved and renumbered) to a new Title 34, entitled "Crime Control and Law Enforcement." The reclassification encompassed a number of statutory provisions pertinent to OJP awards (that is, OJP grants and cooperative agreements), including many provisions previously codified in Title 42 of the U.S. Code.

Effective as of September 1, 2017, any reference in this award document to a statutory provision that has been reclassified to the new Title 34 of the U.S. Code is to be read as a reference to that statutory provision as reclassified to Title 34. This rule of construction specifically includes references set out in award conditions, references set out in material incorporated by reference through award conditions, and references set out in other award requirements.

5. Required training for Point of Contact and all Financial Points of Contact

Both the Point of Contact (POC) and all Financial Points of Contact (FPOCs) for this award must have successfully completed an "OJP financial management and grant administration training" by 120 days after the date of the recipient's acceptance of the award. Successful completion of such a training on or after January 1, 2017, will satisfy this condition.

In the event that either the POC or an FPOC for this award changes during the period of performance, the new POC or FPOC must have successfully completed an "OJP financial management and grant administration training" by 120 calendar days after -- (1) the date of OJP's approval of the "Change Grantee Contact" GAN (in the case of a new POC), or (2) the date the POC enters information on the new FPOC in GMS (in the case of a new FPOC). Successful completion of such a training on or after January 1, 2017, will satisfy this condition.

A list of OJP trainings that OJP will consider "OJP financial management and grant administration training" for purposes of this condition is available at <https://www.ojp.gov/training/fmts.htm>. All trainings that satisfy this condition include a session on grant fraud prevention and detection.

The recipient should anticipate that OJP will immediately withhold ("freeze") award funds if the recipient fails to comply with this condition. The recipient's failure to comply also may lead OJP to impose additional appropriate conditions on this award.

6. Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.



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7. Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by the DOJ awarding agency, must seek a budget-modification or change-of-project-scope grant adjustment notice (GAN) to eliminate any inappropriate duplication of funding.

8. Requirements related to System for Award Management and Universal Identifier Requirements

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov/>. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at <https://ojp.gov/funding/Explore/SAM.htm> (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).



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9. Employment eligibility verification for hiring under the award

1. The recipient (and any subrecipient at any tier) must--

A. Ensure that, as part of the hiring process for any position within the United States that is or will be funded (in whole or in part) with award funds, the recipient (or any subrecipient) properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1) and (2).

B. Notify all persons associated with the recipient (or any subrecipient) who are or will be involved in activities under this award of both--

(1) this award requirement for verification of employment eligibility, and

(2) the associated provisions in 8 U.S.C. 1324a(a)(1) and (2) that, generally speaking, make it unlawful, in the United States, to hire (or recruit for employment) certain aliens.

C. Provide training (to the extent necessary) to those persons required by this condition to be notified of the award requirement for employment eligibility verification and of the associated provisions of 8 U.S.C. 1324a(a)(1) and (2).

D. As part of the recordkeeping for the award (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

A. Staff involved in the hiring process

For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all recipient (or any subrecipient) officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.

B. Employment eligibility confirmation with E-Verify

For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the recipient (or any subrecipient) may choose to participate in, and use, E-Verify (www.e-verify.gov), provided an appropriate person authorized to act on behalf of the recipient (or subrecipient) uses E-Verify (and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final Nonconfirmation") to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.

C. "United States" specifically includes the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.

D. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or



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SPECIAL CONDITIONS

any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

E. Nothing in this condition, including in paragraph 4.B., shall be understood to relieve any recipient, any subrecipient at any tier, or any person or other entity, of any obligation otherwise imposed by law, including 8 U.S.C. 1324a(a)(1) and (2).

Questions about E-Verify should be directed to DHS. For more information about E-Verify visit the E-Verify website (<https://www.e-verify.gov/>) or email E-Verify at E-Verify@dhs.gov. E-Verify employer agents can email E-Verify at E-VerifyEmployerAgent@dhs.gov.

Questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.

10. Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient) -- (1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "personally identifiable information (PII)" (2 CFR 200.79) within the scope of an OJP grant-funded program or activity, or (2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

11. All subawards ("subgrants") must have specific federal authorization

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements for authorization of any subaward. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a "subaward" (and therefore does not consider a procurement "contract").

The details of the requirement for authorization of any subaward are posted on the OJP web site at <https://ojp.gov/funding/Explore/SubawardAuthorization.htm> (Award condition: All subawards ("subgrants") must have specific federal authorization), and are incorporated by reference here.

12. Specific post-award approval required to use a noncompetitive approach in any procurement contract that would exceed \$250,000

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold (currently, \$250,000). This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP web site at <https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm> (Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed \$250,000)), and are incorporated by reference here.



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SPECIAL CONDITIONS

13. Unreasonable restrictions on competition under the award; association with federal government

SCOPE. This condition applies with respect to any procurement of property or services that is funded (in whole or in part) by this award, whether by the recipient or by any subrecipient at any tier, and regardless of the dollar amount of the purchase or acquisition, the method of procurement, or the nature of any legal instrument used. The provisions of this condition must be among those included in any subaward (at any tier).

1. No discrimination, in procurement transactions, against associates of the federal government

Consistent with the (DOJ) Part 200 Uniform Requirements -- including as set out at 2 C.F.R. 200.300 (requiring awards to be "manage[d] and administer[ed] in a manner so as to ensure that Federal funding is expended and associated programs are implemented in full accordance with U.S. statutory and public policy requirements") and 200.319(a) (generally requiring "[a]ll procurement transactions [to] be conducted in a manner providing full and open competition" and forbidding practices "restrictive of competition," such as "[p]lacing unreasonable requirements on firms in order for them to qualify to do business" and taking "[a]ny arbitrary action in the procurement process") -- no recipient (or subrecipient, at any tier) may (in any procurement transaction) discriminate against any person or entity on the basis of such person or entity's status as an "associate of the federal government" (or on the basis of such person or entity's status as a parent, affiliate, or subsidiary of such an associate), except as expressly set out in 2 C.F.R. 200.319(a) or as specifically authorized by USDOJ.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

A. The term "associate of the federal government" means any person or entity engaged or employed (in the past or at present) by or on behalf of the federal government -- as an employee, contractor or subcontractor (at any tier), grant recipient or -subrecipient (at any tier), agent, or otherwise -- in undertaking any work, project, or activity for or on behalf of (or in providing goods or services to or on behalf of) the federal government, and includes any applicant for such employment or engagement, and any person or entity committed by legal instrument to undertake any such work, project, or activity (or to provide such goods or services) in future.

B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.



**AWARD CONTINUATION
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PROJECT NUMBER 2019-DJ-BX-0388

AWARD DATE 09/26/2019

SPECIAL CONDITIONS

14. Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at <https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm> (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

15. Determination of suitability to interact with participating minors

SCOPE. This condition applies to this award if it is indicated -- in the application for the award (as approved by DOJ) or in the application for any subaward, at any tier, the DOJ funding announcement (solicitation), or an associated federal statute -- that a purpose of some or all of the activities to be carried out under the award (whether by the recipient, or a subrecipient at any tier) is to benefit a set of individuals under 18 years of age.

The recipient, and any subrecipient at any tier, must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status.

The details of this requirement are posted on the OJP web site at <https://ojp.gov/funding/Explore/Interact-Minors.htm> (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here.

16. Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "DOJ Grants Financial Guide").

17. Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of work under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, and other applicable laws.

18. OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at <https://ojp.gov/funding/Implement/TrainingPrinciplesForGrantees-Subgrantees.htm>.



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19. Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

20. Potential imposition of additional requirements

The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

21. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including any applicable requirements in Subpart E of 28 C.F.R. Part 42 that relate to an equal employment opportunity program.

22. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 54

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 54, which relates to nondiscrimination on the basis of sex in certain "education programs."

23. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38 (as may be applicable from time to time), specifically including any applicable requirements regarding written notice to program beneficiaries and prospective program beneficiaries.

Currently, among other things, 28 C.F.R. Part 38 includes rules that prohibit specific forms of discrimination on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38, currently, also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations.

The text of 28 C.F.R. Part 38 is available via the Electronic Code of Federal Regulations (currently accessible at <https://www.ecfr.gov/cgi-bin/ECFR?page=browse>), by browsing to Title 28-Judicial Administration, Chapter 1, Part 38, under e-CFR "current" data.



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24. Restrictions on "lobbying"

In general, as a matter of federal law, federal funds awarded by OJP may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913. (There may be exceptions if an applicable federal statute specifically authorizes certain activities that otherwise would be barred by law.)

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient, or any subrecipient at any tier, to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352. Certain exceptions to this law apply, including an exception that applies to Indian tribes and tribal organizations.

Should any question arise as to whether a particular use of federal funds by a recipient (or subrecipient) would or might fall within the scope of these prohibitions, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

25. Compliance with general appropriations-law restrictions on the use of federal funds (FY 2019)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions, including from various "general provisions" in the Consolidated Appropriations Act, 2019, are set out at <https://ojp.gov/funding/Explore/FY19AppropriationsRestrictions.htm>, and are incorporated by reference here.

Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

26. Reporting potential fraud, waste, and abuse, and similar misconduct

The recipient and any subrecipients ("subgrantees") must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award -- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by--(1) online submission accessible via the OIG webpage at <https://oig.justice.gov/hotline/contact-grants.htm> (select "Submit Report Online"); (2) mail directed to: Office of the Inspector General, U.S. Department of Justice, Investigations Division, 1425 New York Avenue, N.W. Suite 7100, Washington, DC 20530; and/or (3) by facsimile directed to the DOJ OIG Fraud Detection Office (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at <https://oig.justice.gov/hotline>.



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27. Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.



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28. Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The recipient (and any subrecipient at any tier) must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

29. Encouragement of policies to ban text messaging while driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

30. Requirement to disclose whether recipient is designated "high risk" by a federal grant-making agency outside of DOJ

If the recipient is designated "high risk" by a federal grant-making agency outside of DOJ, currently or at any time during the course of the period of performance under this award, the recipient must disclose that fact and certain related information to OJP by email at OJP.ComplianceReporting@ojp.usdoj.gov. For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following: 1. The federal awarding agency that currently designates the recipient high risk, 2. The date the recipient was designated high risk, 3. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and 4. The reasons for the high-risk status, as set out by the federal awarding agency.



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31. Noninterference (within the funded "program or activity") with federal law enforcement: 8 U.S.C. 1373 and 1644; ongoing compliance

1. With respect to the "program or activity" funded in whole or part under this award (including any such program or activity of any subrecipient at any tier), throughout the period of performance, no State or local government entity, -agency, or -official may prohibit or in any way restrict-- (1) any government entity or -official from sending or receiving information regarding citizenship or immigration status as described in 8 U.S.C. 1373(a); or (2) a government entity or -agency from sending, requesting or receiving, maintaining, or exchanging information regarding immigration status as described in either 8 U.S.C. 1373(b) or 1644. Any prohibition (or restriction) that violates this condition is an "information-communication restriction" under this award.

2. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with the requirements of this condition.

3. Allowable costs. Compliance with these requirements is an authorized and priority purpose of this award. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) that the recipient, or any subrecipient at any tier that is a State, a local government, or a public institution of higher education, incurs to implement this condition.

4. Rules of Construction

A. For purposes of this condition:

(1) "State" and "local government" include any agency or other entity thereof, but not any institution of higher education or any Indian tribe.

(2) A "public" institution of higher education is defined as one that is owned, controlled, or directly funded (in whole or in substantial part) by a State or local government. (Such a public institution is considered to be a "government entity," and its officials to be "government officials.")

(3) "Program or activity" means what it means under title VI of the Civil Rights Act of 1964 (see 42 U.S.C. 2000d-4a).

(4) "Immigration status" means what it means under 8 U.S.C. 1373 and 8 U.S.C. 1644; and terms that are defined in 8 U.S.C. 1101 mean what they mean under that section 1101, except that "State" also includes American Samoa.

(5) Pursuant to the provisions set out at (or referenced in) 8 U.S.C. 1551 note ("Abolition ... and Transfer of Functions"), references to the "Immigration and Naturalization Service" in 8 U.S.C. 1373 and 1644 are to be read as references to particular components of the Department of Homeland Security (DHS).

B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, any public institution of higher education, or any other entity (or individual) to violate any federal law, including any applicable civil rights or nondiscrimination law.

IMPORTANT NOTE: Any questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.



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32. No use of funds to interfere with federal law enforcement: 8 U.S.C. 1373 and 1644; ongoing compliance

1. Throughout the period of performance, no State or local government entity, -agency, or -official may use funds under this award (including under any subaward, at any tier) to prohibit or in any way restrict-- (1) any government entity or -official from sending or receiving information regarding citizenship or immigration status as described in 8 U.S.C. 1373(a); or (2) a government entity or -agency from sending, requesting or receiving, maintaining, or exchanging information regarding immigration status as described in either 8 U.S.C. 1373(b) or 1644. Any prohibition (or restriction) that violates this condition is an "information-communication restriction" under this award.

2. The recipient's monitoring responsibilities include monitoring of subrecipient compliance with the requirements of this condition.

3. Allowable costs. Compliance with these requirements is an authorized and priority purpose of this award. To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) that the recipient, or any subrecipient at any tier that is a State, a local government, or a public institution of higher education, incurs to implement this condition.

4. Rules of Construction. Both the "Rules of Construction" and the "Important Note" set out in the "Noninterference (within the funded "program or activity") with federal law enforcement: 8 U.S.C. 1373 and 1644; ongoing compliance" condition are incorporated by reference as though set forth here in full.



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33. Authority to obligate award funds contingent on noninterference (within the funded "program or activity") with federal law enforcement: 8 U.S.C. 1373 and 1644; unallowable costs; notification

1. If the recipient is a "State," a local government, or a "public" institution of higher education:

A. The recipient may not obligate award funds if, at the time of the obligation, the "program or activity" of the recipient (or of any subrecipient at any tier that is a State, a local government, or a public institution of higher education) that is funded in whole or in part with award funds is subject to any "information-communication restriction."

B. In addition, with respect to any project costs it incurs "at risk," the recipient may not obligate award funds to reimburse itself if -- at the time it incurs such costs -- the program or activity of the recipient (or of any subrecipient at any tier that is a State, a local government, or a public institution of higher education) that would be reimbursed in whole or in part with award funds was subject to any information-communication restriction.

C. Any drawdown of award funds by the recipient shall be considered, for all purposes, to be a material representation by the recipient to OJP that, as of the date the recipient requests the drawdown, the recipient and each subrecipient (regardless of tier) that is a State, local government, or public institution of higher education, is in compliance with the award condition entitled "Noninterference (within the funded 'program or activity') with federal law enforcement: 8 U.S.C. 1373 and 1644; ongoing compliance."

D. The recipient must promptly notify OJP (in writing) if the recipient, from its requisite monitoring of compliance with award conditions or otherwise, has credible evidence that indicates that the funded program or activity of the recipient, or of any subrecipient at any tier that is either a State or a local government or a public institution of higher education, may be subject to any information-communication restriction. In addition, any subaward (at any tier) to a subrecipient that is a State, a local government, or a public institution of higher education must require prompt notification to the entity that made the subaward, should the subrecipient have such credible evidence regarding an information-communication restriction.

2. Any subaward (at any tier) to a subrecipient that is a State, a local government, or a public institution of higher education must provide that the subrecipient may not obligate award funds if, at the time of the obligation, the program or activity of the subrecipient (or of any further such subrecipient at any tier) that is funded in whole or in part with award funds is subject to any information-communication restriction.

3. Absent an express written determination by DOJ to the contrary, based upon a finding by DOJ of compelling circumstances (e.g., a small amount of award funds obligated by the recipient at the time of a subrecipient's minor and transitory non-compliance, which was unknown to the recipient despite diligent monitoring), any obligations of award funds that, under this condition, may not be made shall be unallowable costs for purposes of this award. In making any such determination, DOJ will give great weight to evidence submitted by the recipient that demonstrates diligent monitoring of subrecipient compliance with the requirements set out in the "Noninterference ... 8 U.S.C. 1373 and 1644; ongoing compliance" award condition.

4. Rules of Construction

A. For purposes of this condition "information-communication restriction" has the meaning set out in the "Noninterference ... 8 U.S.C. 1373 and 1644; ongoing compliance" condition.

B. Both the "Rules of Construction" and the "Important Note" set out in the "Noninterference ... 8 U.S.C. 1373 and 1644; ongoing compliance" condition are incorporated by reference as though set forth here in full.



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34. Authority to obligate award funds contingent on no use of funds to interfere with federal law enforcement: 8 U.S.C. 1373 and 1644; unallowable costs; notification

1. If the recipient is a "State," a local government, or a "public" institution of higher education:

A. The recipient may not obligate award funds if, at the time of the obligation, the "program or activity" of the recipient (or of any subrecipient at any tier that is a State, a local government, or a public institution of higher education) that is funded in whole or in part with award funds is subject to any "information-communication restriction."

B. In addition, with respect to any project costs it incurs "at risk," the recipient may not obligate award funds to reimburse itself if -- at the time it incurs such costs -- the program or activity of the recipient (or of any subrecipient at any tier that is a State, a local government, or a public institution of higher education) that would be reimbursed in whole or in part with award funds was subject to any information-communication restriction.

C. Any drawdown of award funds by the recipient shall be considered, for all purposes, to be a material representation by the recipient to OJP that, as of the date the recipient requests the drawdown, the recipient and each subrecipient (regardless of tier) that is a State, local government, or public institution of higher education, is in compliance with the award condition entitled "No use of funds to interfere with federal law enforcement: 8 U.S.C. 1373 and 1644; ongoing compliance."

D. The recipient must promptly notify OJP (in writing) if the recipient, from its requisite monitoring of compliance with award conditions or otherwise, has credible evidence that indicates that the funded program or activity of the recipient, or of any subrecipient at any tier that is either a State or a local government or a public institution of higher education, may be subject to any information-communication restriction. In addition, any subaward (at any tier) to a subrecipient that is a State, a local government, or a public institution of higher education must require prompt notification to the entity that made the subaward, should the subrecipient have such credible evidence regarding an information-communication restriction.

2. Any subaward (at any tier) to a subrecipient that is a State, a local government, or a public institution of higher education must provide that the subrecipient may not obligate award funds if, at the time of the obligation, the program or activity of the subrecipient (or of any further such subrecipient at any tier) that is funded in whole or in part with award funds is subject to any information-communication restriction.

3. Absent an express written determination by DOJ to the contrary, based upon a finding by DOJ of compelling circumstances (e.g., a small amount of award funds obligated by the recipient at the time of a subrecipient's minor and transitory non-compliance, which was unknown to the recipient despite diligent monitoring), any obligations of award funds that, under this condition, may not be made shall be unallowable costs for purposes of this award. In making any such determination, DOJ will give great weight to evidence submitted by the recipient that demonstrates diligent monitoring of subrecipient compliance with the requirements set out in the "No use of funds to interfere ... 8 U.S.C. 1373 and 1644; ongoing compliance" award condition.

4. Rules of Construction. The "Rules of Construction" set out in the "Authority to obligate award funds contingent on noninterference (within the funded "program or activity") with federal law enforcement: 8 U.S.C. 1373 and 1644; unallowable costs; notification" condition are incorporated by reference as though set forth here in full.



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35. Noninterference (within the funded "program or activity") with federal law enforcement: No public disclosure of certain law enforcement sensitive information

SCOPE. This condition applies with respect to the "program or activity" that is funded (in whole or in part) by the award, as of the date the recipient accepts this award, and throughout the remainder of the period of performance. Its provisions must be among those included in any subaward (at any tier).

1. Noninterference: No public disclosure of federal law enforcement information in order to conceal, harbor, or shield

Consistent with the purposes and objectives of federal law enforcement statutes and federal criminal law (including 8 U.S.C. 1324 and 18 U.S.C. chs. 1, 49, 227), no public disclosure may be made of any federal law enforcement information in a direct or indirect attempt to conceal, harbor, or shield from detection any fugitive from justice under 18 U.S.C. ch. 49, or any alien who has come to, entered, or remains in the United States in violation of 8 U.S.C. ch. 12 -- without regard to whether such disclosure would constitute (or could form a predicate for) a violation of 18 U.S.C. 1071 or 1072 or of 8 U.S.C. 1324(a).

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

4. Rules of construction

- A. For purposes of this condition--

(1) the term "alien" means what it means under section 101 of the Immigration and Nationality Act (see 8 U.S.C. 1101(a)(3));

(2) the term "federal law enforcement information" means law enforcement sensitive information communicated or made available, by the federal government, to a State or local government entity, -agency, or -official, through any means, including, without limitation-- (1) through any database, (2) in connection with any law enforcement partnership or -task-force, (3) in connection with any request for law enforcement assistance or -cooperation, or (4) through any deconfliction (or courtesy) notice of planned, imminent, commencing, continuing, or impending federal law enforcement activity;

(3) the term "law enforcement sensitive information" means records or information compiled for any law enforcement purpose; and

(4) the term "public disclosure" means any communication or release other than one-- (a) within the recipient, or (b) to any subrecipient (at any tier) that is a government entity.

B. Both the "Rules of Construction" and the "Important Note" set out in the "Noninterference (within the funded 'program or activity') with federal law enforcement: 8 U.S.C. 1373 and 1644 and ongoing compliance" award condition are incorporated by reference as though set forth here in full.



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36. No use of funds to interfere with federal law enforcement: No public disclosure of certain law enforcement sensitive information

SCOPE. This condition applies as of the date the recipient accepts this award, and throughout the remainder of the period of performance. Its provisions must be among those included in any subaward (at any tier).

1. No use of funds to interfere: No public disclosure of federal law enforcement information in order to conceal, harbor, or shield

Consistent with the purposes and objectives of federal law enforcement statutes and federal criminal law (including 8 U.S.C. 1324 and 18 U.S.C. chs. 1, 49, 227), no funds under this award may be used to make any public disclosure of any federal law enforcement information in a direct or indirect attempt to conceal, harbor, or shield from detection any fugitive from justice under 18 U.S.C. ch. 49, or any alien who has come to, entered, or remains in the United States in violation of 8 U.S.C. ch. 12 -- without regard to whether such disclosure would constitute (or could form a predicate for) a violation of 18 U.S.C. 1071 or 1072 or of 8 U.S.C. 1324(a).

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

4. Rules of construction.

The "Rules of Construction" set out in the "Noninterference (within the funded "program or activity") with federal law enforcement: No public disclosure of certain law enforcement sensitive information" award condition are incorporated by reference as though set forth here in full.



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37. Noninterference (within the funded "program or activity") with federal law enforcement: Interrogation of certain aliens

SCOPE. This condition applies with respect to the "program or activity" that is funded (in whole or in part) by this award, as of the date the recipient accepts this award, and throughout the remainder of the period of performance for the award. Its provisions must be among those included in any subaward (at any tier).

1. Noninterference with statutory law enforcement access to correctional facilities

Consonant with federal law enforcement statutes and regulations -- including 8 U.S.C. 1357(a), under which certain federal officers and employees "have power without warrant ... to interrogate any alien or person believed to be an alien as to his right to be or to remain in the United States," and 8 C.F.R. 287.5(a), under which that power may be exercised "anywhere in or outside the United States" -- within the funded program or activity, no State or local government entity, -agency, or -official may interfere with the exercise of that power to interrogate "without warrant" (by agents of the United States acting under color of federal law) by impeding access to any State or local government (or government-contracted) correctional facility by such agents for the purpose of "interrogat[ing] any alien or person believed to be an alien as to his [or her] right to be or to remain in the United States."

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

4. Rules of construction

A. For purposes of this condition:

(1) The term "alien" means what it means under section 101 of the Immigration and Nationality Act (INA) (see 8 U.S.C. 1101(a)(3)).

(2) The term "correctional facility" means what it means under the title I of the Omnibus Crime Control and Safe Streets Act of 1968 (see 34 U.S.C. 10251(a)(7)).

(3) The term "impede" includes taking or continuing any action, or implementing or maintaining any law, policy, rule, or practice, that—

(a) is designed to prevent or to significantly delay or complicate, or

(b) has the effect of preventing or of significantly delaying or complicating.

B. Both the "Rules of Construction" and the "Important Note" set out in the "Noninterference (within the funded 'program or activity') with federal law enforcement: 8 U.S.C. 1373 and 1644 and ongoing compliance" award condition are incorporated by reference as though set forth here in full.



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38. No use of funds to interfere with federal law enforcement: Interrogation of certain aliens

SCOPE. This condition applies as of the date the recipient accepts this award, and throughout the remainder of the period of performance for the award. Its provisions must be among those included in any subaward (at any tier).

1. No use of funds to interfere with statutory law enforcement access to correctional facilities

Consonant with federal law enforcement statutes and regulations -- including 8 U.S.C. 1357(a), under which certain federal officers and employees "have power without warrant ... to interrogate any alien or person believed to be an alien as to his right to be or to remain in the United States," and 8 C.F.R. 287.5(a), under which that power may be exercised "anywhere in or outside the United States" -- no State or local government entity, -agency, or -official may use funds under this award to interfere with the exercise of that power to interrogate "without warrant" (by agents of the United States acting under color of federal law) by impeding access to any State or local government (or government-contracted) correctional facility by such agents for the purpose of "interrogat[ing] any alien or person believed to be an alien as to his [or her] right to be or to remain in the United States."

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

4. Rules of construction.

The "Rules of Construction" set out in the "Noninterference (within the funded "program or activity") with federal law enforcement: Interrogation of certain aliens" award condition are incorporated by reference as though set forth here in full.



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39. Noninterference (within the funded "program or activity") with federal law enforcement: Notice of scheduled release

SCOPE. This condition applies with respect to the "program or activity" that is funded (in whole or in part) by the award, as of the date the recipient accepts the award, and throughout the remainder of the period of performance. Its provisions must be among those included in any subaward at any tier.

1. Noninterference with "removal" process: Notice of scheduled release date and time

Consonant with federal law enforcement statutes -- including 8 U.S.C. 1231 (for an alien incarcerated by a State or local government, a 90-day "removal period" during which the federal government "shall" detain and then "shall" remove an alien from the U.S. "begins" no later than "the date the alien is released from ... confinement"; also, the federal government is expressly authorized to make payments to a "State or a political subdivision of the State ... with respect to the incarceration of [an] undocumented criminal alien"); 8 U.S.C. 1226 (the federal government "shall take into custody" certain criminal aliens "when the alien is released"); and 8 U.S.C. 1366 (requiring an annual DOJ report to Congress on "the number of illegal alien[felons] in Federal and State prisons" and programs underway "to ensure the prompt removal" from the U.S. of removable "criminal aliens") -- within the funded program or activity, no State or local government entity, -agency, or -official (including a government-contracted correctional facility) may interfere with the "removal" process by failing to provide -- as early as practicable (see para. 4.C. below) -- advance notice to DHS of the scheduled release date and time for a particular alien, if a State or local government (or government-contracted) correctional facility receives from DHS a formal written request pursuant to the INA that seeks such advance notice.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

4. Rules of construction

A. The "Rules of Construction" set out in the "Noninterference (within the funded "program or activity") with federal law enforcement: Interrogation of certain aliens" award condition are incorporated by reference as though set forth here in full.

B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, any State or local government, or any other entity or individual to maintain (or detain) any individual in custody beyond the date and time the individual otherwise would have been released.

C. Applicability

(1) Current DHS practice is ordinarily to request advance notice of scheduled release "as early as practicable (at least 48 hours, if possible)." (See DHS Form I-247A (3/17)). If (e.g., in light of the date DHS made such request) the scheduled release date and time for an alien are such as not to allow for the advance notice that DHS has requested, it shall NOT be a violation of this condition to provide only as much advance notice as practicable.

(2) Current DHS practice is to use the same form for a second, distinct purpose -- to request that an individual be detained for up to 48 hours AFTER the scheduled release. This condition does NOT encompass such DHS requests for detention.



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40. No use of funds to interfere with federal law enforcement: Notice of scheduled release

SCOPE. This condition applies as of the date the recipient accepts the award, and throughout the remainder of the period of performance. Its provisions must be among those included in any subaward at any tier.

1. No use of funds to interfere with "removal" process: Notice of scheduled release date and time

Consonant with federal law enforcement statutes -- including 8 U.S.C. 1231 (for an alien incarcerated by a State or local government, a 90-day "removal period" during which the federal government "shall" detain and then "shall" remove an alien from the U.S. "begins" no later than "the date the alien is released from ... confinement"; also, the federal government is expressly authorized to make payments to a "State or a political subdivision of the State ... with respect to the incarceration of [an] undocumented criminal alien"); 8 U.S.C. 1226 (the federal government "shall take into custody" certain criminal aliens "when the alien is released"); and 8 U.S.C. 1366 (requiring an annual DOJ report to Congress on "the number of illegal alien[felons] in Federal and State prisons" and programs underway "to ensure the prompt removal" from the U.S. of removable "criminal aliens") -- no State or local government entity, -agency, or -official (including a government-contracted correctional facility) may use funds under this award to interfere with the "removal" process by failing to provide -- as early as practicable (see para. 4.C. below) -- advance notice to DHS of the scheduled release date and time for a particular alien, if a State or local government (or government-contracted) correctional facility receives from DHS a formal written request pursuant to the INA that seeks such advance notice.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions (e.g., training) designed to ensure compliance with this condition.

4. Rules of construction.

The "Rules of Construction" set out in the "Noninterference (within the funded "program or activity") with federal law enforcement: Notice of scheduled release" award condition are incorporated by reference as though set forth here in full.

41. Requirement to collect certain information from subrecipients

Except as provided in this condition, the recipient may not make a subaward to a State, a local government, or a "public" institution of higher education, unless it first obtains from the proposed subrecipient responses to the questions identified in the program solicitation as "Information regarding Communication with the Department of Homeland Security (DHS) and/or Immigration and Customs Enforcement (ICE)." All subrecipient responses must be collected and maintained by the recipient, consistent with document retention requirements, and must be made available to DOJ upon request. Responses to these questions are not required from subrecipients that are either a tribal government/organization, a nonprofit organization, or a private institution of higher education.



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42. Cooperating with OJP Monitoring

The recipient agrees to cooperate with OJP monitoring of this award pursuant to OJP's guidelines, protocols, and procedures, and to cooperate with OJP (including the grant manager for this award and the Office of Chief Financial Officer (OCFO)) requests related to such monitoring, including requests related to desk reviews and/or site visits. The recipient agrees to provide to OJP all documentation necessary for OJP to complete its monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by OJP for providing the requested documents. Failure to cooperate with OJP's monitoring activities may result in actions that affect the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to award funds; referral to the DOJ OIG for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

43. FFATA reporting: Subawards and executive compensation

The recipient must comply with applicable requirements to report first-tier subawards ("subgrants") of \$25,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients (first-tier "subgrantees") of award funds. The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are posted on the OJP web site at <https://ojp.gov/funding/Explore/FFATA.htm> (Award condition: Reporting Subawards and Executive Compensation), and are incorporated by reference here.

This condition, including its reporting requirement, does not apply to-- (1) an award of less than \$25,000, or (2) an award made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

44. Required monitoring of subawards

The recipient must monitor subawards under this award in accordance with all applicable statutes, regulations, award conditions, and the DOJ Grants Financial Guide, and must include the applicable conditions of this award in any subaward. Among other things, the recipient is responsible for oversight of subrecipient spending and monitoring of specific outcomes and benefits attributable to use of award funds by subrecipients. The recipient agrees to submit, upon request, documentation of its policies and procedures for monitoring of subawards under this award.

45. Use of program income

Program income (as defined in the Part 200 Uniform Requirements) must be used in accordance with the provisions of the Part 200 Uniform Requirements. Program income earnings and expenditures both must be reported on the quarterly Federal Financial Report, SF 425.

46. Justice Information Sharing

Information sharing projects funded under this award must comply with DOJ's Global Justice Information Sharing Initiative (Global) guidelines. The recipient (and any subrecipient at any tier) must conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: https://it.ojp.gov/gsp_grantcondition. The recipient (and any subrecipient at any tier) must document planned approaches to information sharing and describe compliance with the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.



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47. Avoidance of duplication of networks

To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems which involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the recipient can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.

48. Compliance with 28 C.F.R. Part 23

With respect to any information technology system funded or supported by funds under this award, the recipient (and any subrecipient at any tier) must comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per the regulation. Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 34 U.S.C. 10231(c)-(d). The recipient may not satisfy such a fine with federal funds.

49. Protection of human research subjects

The recipient (and any subrecipient at any tier) must comply with the requirements of 28 C.F.R. Part 46 and all OJP policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.

50. Confidentiality of data

The recipient (and any subrecipient at any tier) must comply with all confidentiality requirements of 34 U.S.C. 10231 and 28 C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. The recipient further agrees, as a condition of award approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, 28 C.F.R. 22.23.

51. Verification and updating of recipient contact information

The recipient must verify its Point of Contact(POC), Financial Point of Contact (FPOC), and Authorized Representative contact information in GMS, including telephone number and e-mail address. If any information is incorrect or has changed, a Grant Adjustment Notice (GAN) must be submitted via the Grants Management System (GMS) to document changes.



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52. Law enforcement task forces - required training

Within 120 days of award acceptance, each current member of a law enforcement task force funded with award funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, must complete required online (internet-based) task force training. Additionally, all future task force members must complete this training once during the period of performance for this award, or once every four years if multiple OJP awards include this requirement.

The required training is available free of charge online through the BJA-funded Center for Task Force Integrity and Leadership (www.ctfli.org). The training addresses task force effectiveness, as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. If award funds are used to support a task force, the recipient must compile and maintain a task force personnel roster, along with course completion certificates.

Additional information regarding the training is available through BJA's web site and the Center for Task Force Integrity and Leadership (www.ctfli.org).

53. Justification of consultant rate

Approval of this award does not indicate approval of any consultant rate in excess of \$650 per day. A detailed justification must be submitted to and approved by the OJP program office prior to obligation or expenditure of such funds.

54. Submission of eligible records relevant to the National Instant Background Check System

Consonant with federal statutes that pertain to firearms and background checks -- including 18 U.S.C. 922 and 34 U.S.C. ch. 409 -- if the recipient (or any subrecipient at any tier) uses this award to fund (in whole or in part) a specific project or program (such as a law enforcement, prosecution, or court program) that results in any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the National Instant Background Check System (NICS), or that has as one of its purposes the establishment or improvement of records systems that contain any court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS, the recipient (or subrecipient, if applicable) must ensure that all such court dispositions, information, or other records that are "eligible records" (under federal or State law) relevant to the NICS are promptly made available to the NICS or to the "State" repository/database that is electronically available to (and accessed by) the NICS, and -- when appropriate -- promptly must update, correct, modify, or remove such NICS-relevant "eligible records".

In the event of minor and transitory non-compliance, the recipient may submit evidence to demonstrate diligent monitoring of compliance with this condition (including subrecipient compliance). DOJ will give great weight to any such evidence in any express written determination regarding this condition.



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55. Compliance with National Environmental Policy Act and related statutes

Upon request, the recipient (and any subrecipient at any tier) must assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental impact analyses requirements in the use of these award funds, either directly by the recipient or by a subrecipient. Accordingly, the recipient agrees to first determine if any of the following activities will be funded by the grant, prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the award, the recipient agrees to contact BJA.

The recipient understands that this condition applies to new activities as set out below, whether or not they are being specifically funded with these award funds. That is, as long as the activity is being conducted by the recipient, a subrecipient, or any third party, and the activity needs to be undertaken in order to use these award funds, this condition must first be met. The activities covered by this condition are:

a. New construction;

b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places;

c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size;

d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and

e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories.

The recipient understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/or an Environmental Impact Statement, as directed by BJA. The recipient further understands and agrees to the requirements for implementation of a Mitigation Plan, as detailed at <https://bja.gov/Funding/nepa.html>, for programs relating to methamphetamine laboratory operations.

Application of This Condition to Recipient's Existing Programs or Activities: For any of the recipient's or its subrecipients' existing programs or activities that will be funded by these award funds, the recipient, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.

56. Establishment of trust fund

If award funds are being drawn down in advance, the recipient (or a subrecipient, with respect to a subaward) is required to establish a trust fund account. Recipients (and subrecipients) must maintain advance payments of federal awards in interest-bearing accounts, unless regulatory exclusions apply (2 C.F.R. 200.305(b)(8)). The trust fund, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant Program (JAG). The recipient also agrees to obligate the award funds in the trust fund (including any interest earned) during the period of performance for the award and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to OJP at the time of closeout.



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57. Prohibition on use of award funds for match under BVP program

JAG funds may not be used as the 50% match for purposes of the DOJ Bulletproof Vest Partnership (BVP) program.

58. Certification of body armor "mandatory wear" policies

If recipient uses funds under this award to purchase body armor, the recipient must submit a signed certification that law enforcement agencies receiving body armor purchased with funds from this award have a written "mandatory wear" policy in effect. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for ballistic-resistant and stab-resistant body armor purchases. This policy must be in place for at least all uniformed officers before any funds from this award may be used by an agency for body armor. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty.

59. Body armor - compliance with NIJ standards and other requirements

Ballistic-resistant and stab-resistant body armor purchased with JAG award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice ballistic or stab standards and is listed on the NIJ Compliant Body Armor Model List (<https://nij.gov/topics/technology/body-armor/Pages/compliant-ballistic-armor.aspx>). In addition, ballistic-resistant and stab-resistant body armor purchased must be made in the United States and must be uniquely fitted, as set forth in 34 U.S.C. 10202(c)(1)(A). The latest NIJ standard information can be found here: <https://nij.gov/topics/technology/body-armor/pages/safety-initiative.aspx>.

60. Body armor - impact on eligibility for other program funds

The recipient understands that the use of funds under this award for purchase of body armor may impact eligibility for funding under the Bulletproof Vest Partnership (BVP) program, a separate program operated by BJA, pursuant to the BVP statute at 34 USC 10531(c)(5).

61. Reporting requirements

The recipient must submit quarterly Federal Financial Reports (SF-425) and semi-annual performance reports through OJP's GMS (<https://grants.ojp.usdoj.gov>). Consistent with the Department's responsibilities under the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, the recipient must provide data that measure the results of its work. The recipient must submit quarterly performance metrics reports through BJA's Performance Measurement Tool (PMT) website (www.bjaperformancetools.org). For more detailed information on reporting and other JAG requirements, refer to the JAG reporting requirements webpage. Failure to submit required JAG reports by established deadlines may result in the freezing of grant funds and future High Risk designation.

62. Required data on law enforcement agency training

Any law enforcement agency receiving direct or sub-awarded funding from this JAG award must submit quarterly accountability metrics data related to training that officers have received on the use of force, racial and ethnic bias, de-escalation of conflict, and constructive engagement with the public.



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63. Expenditures prohibited without waiver

No funds under this award may be expended on the purchase of items prohibited by the JAG program statute, unless, as set forth at 34 U.S.C. 10152, the BJA Director certifies that extraordinary and exigent circumstances exist, making such expenditures essential to the maintenance of public safety and good order.

64. Authorization to obligate (federal) award funds to reimburse certain project costs incurred on or after October 1, 2018

The recipient may obligate (federal) award funds only after the recipient makes a valid acceptance of the award. As of the first day of the period of performance for the award (October 1, 2018), however, the recipient may choose to incur project costs using non-federal funds, but any such project costs are incurred at the recipient's risk until, at a minimum-- (1) the recipient makes a valid acceptance of the award, and (2) all applicable withholding conditions are removed by OJP (via a Grant Adjustment Notice). (A withholding condition is a condition in the award document that precludes the recipient from obligating, expending, or drawing down all or a portion of the award funds until the condition is removed.)

Except to the extent (if any) that an award condition expressly precludes reimbursement of project costs incurred "at-risk," if and when the recipient makes a valid acceptance of this award and OJP removes each applicable withholding condition through a Grant Adjustment Notice, the recipient is authorized to obligate (federal) award funds to reimburse itself for project costs incurred "at-risk" earlier during the period of performance (such as project costs incurred prior to award acceptance or prior to removal of an applicable withholding condition), provided that those project costs otherwise are allowable costs under the award.

Nothing in this condition shall be understood to authorize the recipient (or any subrecipient at any tier) to use award funds to "supplant" State or local funds in violation of the recipient's certification (executed by the chief executive of the State or local government) that federal funds will be used to increase the amounts of such funds that would, in the absence of federal funds, be made available for law enforcement activities.

65. Use of funds for DNA testing; upload of DNA profiles

If award funds are used for DNA testing of evidentiary materials, any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System ("CODIS," the DNA database operated by the FBI) by a government DNA laboratory with access to CODIS.

No profiles generated under this award may be entered or uploaded into any non-governmental DNA database without prior express written approval from BJA.

Award funds may not be used for the purchase of DNA equipment and supplies unless the resulting DNA profiles may be accepted for entry into CODIS.

66. Encouragement of submission of "success stories"

BJA strongly encourages the recipient to submit annual (or more frequent) JAG success stories. To submit a success story, sign in to a My BJA account at [https:// www.bja.gov/ Login.aspx](https://www.bja.gov/Login.aspx) to access the Success Story Submission form. If the recipient does not yet have a My BJA account, please register at <https:// www.bja.gov/ profile.aspx>. Once registered, one of the available areas on the My BJA page will be "My Success Stories." Within this box, there is an option to add a Success Story. Once reviewed and approved by BJA, all success stories will appear on the BJA Success Story web page at <https:// www.bja.gov/ SuccessStoryList.aspx>.



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67. Initial period of performance; requests for extension

The recipient understands that the initial period of performance for this award is two years. The recipient further understands that any requests for an extension of the period of performance for this award will be approved automatically for up to a total of two additional years, pursuant to 34 U.S.C. 10152(f) and in accordance with the program solicitation associated with this award.

Any request for an extension of the period of performance beyond a four-year award period will require approval, and the approval (if any) will be at the discretion of the Director of BJA.

68. Withholding of funds: Required certification from the chief executive of the applicant government

The recipient may not obligate, expend, or draw down any award funds until the recipient submits the required "Certifications and Assurances by the Chief Executive of the Applicant Government," properly-executed (as determined by OJP), and a Grant Adjustment Notice (GAN) has been issued to remove this condition.

69. Withholding of funds: Budget narrative or information

The recipient may not obligate, expend, or draw down any award funds until the recipient submits, and OJP reviews and accepts, the required budget information or narrative for the award, and a Grant Adjustment Notice (GAN) has been issued to remove this condition.

70. Withholding of funds: Disclosure of lobbying

The recipient may not obligate, expend, or draw down any funds under this award until it has provided to the grant manager for this OJP award a complete Disclosure of Lobbying Activities (SF-LLL) form, and OJP has issued a Grant Adjustment Notice to remove this special condition.

71. Withholding of funds: Disclosure of pending applications

The recipient may not obligate, expend, or draw down any award funds until: (1) it has provided to the grant manager for this OJP award either an "applicant disclosure of pending applications" for federal funding or a specific affirmative statement that no such pending applications (whether direct or indirect) exist, in accordance with the detailed instructions in the program solicitation, (2) OJP has completed its review of the information provided and of any supplemental information it may request, (3) the recipient has made any adjustments to the award that OJP may require to prevent or eliminate any inappropriate duplication of funding (e.g., budget modification, project scope adjustment), (4) if appropriate adjustments to a discretionary award cannot be made, the recipient has agreed in writing to any necessary reduction of the award amount in any amount sufficient to prevent duplication (as determined by OJP), and (5) a Grant Adjustment Notice has been issued to remove this condition.



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72. Withholding of funds: Subrecipient monitoring policies

The recipient's response to the Subrecipient Management and Monitoring question(s) of the Financial Management and System of Internal Controls Questionnaire indicates that the recipient may not have controls in place to monitor the activities of any subrecipient, as necessary, to ensure that the subaward is used for authorized purposes in compliance with Federal laws, regulations, and the terms and conditions of the subaward and that subaward performance goals are achieved. (See 2 CFR 200.331(d)). The recipient agrees to submit a copy of its subrecipient monitoring policies and procedures to the OJP program office.

If the recipient anticipates that it will not make a subaward under this award then, instead of submitting subrecipient monitoring policies and procedures, the recipient agrees that it must advise OJP in writing that it does not intend to make a subaward under this award.

The recipient may not obligate, expend, or draw down funds under this award until either-- (1) the OJP program office has received, and OJP has reviewed and approved, the subrecipient monitoring policies and procedures, or (2) the OJP program office has received and considered the recipient's written communication and has agreed (for purposes of federal grants administrative requirements) that no subawards are anticipated under this award -- and a Grant Adjustment Notice has been issued to remove this condition.

The recipient understands and agrees that it is obligated to immediately notify the OJP grant manager in writing of any later change in its plan to make or not make a subaward under this award.

PROGRAM NARRATIVE

The Morristown Police Department made 43,943 police contacts in 2018. Detectives investigated 3,755 criminal cases during the year. Patrol officers are responsible for policing 35.61 square miles of service area consisting of 319 miles of roadway. Morristown is recognized as a Metropolitan Statistical Area. The total estimated service population of the Morristown Police Department is 85,884.

The FY2019 JAG Local Solicitation allocation for Morristown City and Hamblen County is \$13,558. Both units of government have agreed to the Training, Response and Communication Improvement Plan. This program will include the purchase of one RedMan XP Instructor Suit, five RedMan Gear Training Bags, one electronics upgrade for an existing X-ray equipment utilized in EOD response and ten portable radios for patrol officer use in the field. This project timeline is October 1, 2018-September 30, 2020 as stated in the JAG 2019 Local Solicitation.

The Morristown Police Department is the municipal law enforcement agency within Hamblen County with 86 full-time and 12 part-time sworn officers who are required to participate in defensive tactics training each year. This training focuses on officer safety and use of force guidelines. The purchase of a RedMan Instructor Suit and five training bags will allow officers to participate in reality-based training scenarios during empty-hand and baton force-response drills.

The Morristown Police Department's Explosive Ordinance Detection (EOD) Unit is federally certified and is available for response within a 16-county region. The unit currently possess a XRS3 x-ray generator to allow remote penetrative viewing of suspected explosive packages. An