

## WORK SESSION AGENDA

January 17, 2023

4:00 p.m.

1. Agenda Review and Citizen Forum

## AGENDA

### CITY OF MORRISTOWN, TENNESSEE

### CITY COUNCIL MEETING

January 17, 2023

5:00 p.m.

1. **CALL TO ORDER**

Mayor Gary Chesney

2. **INVOCATION**

Rev. Chris Talley, Morristown Police Dept. Chaplain

3. **PLEDGE OF ALLEGIANCE**

4. **ROLL CALL**

5. **ADOPTION OF AGENDA**

6. **PROCLAMATIONS/PRESENTATIONS**

1. Retirement Proclamation for Detective Lieutenant Vicki Arnold and presentation of service weapon.

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

8. **APPROVAL OF MINUTES**

1. January 3, 2023

9. **OLD BUSINESS**

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

1. Continuation of Public Hearing started on 1/3/2023  
Ordinance No. 4730  
Entitled an Ordinance to amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. Rezoning of Hamblen County Tennessee Tax Parcel ID # 032050 10701 from R2 (Medium Density Residential District) to IB (Intermediate Business District) (Hwy 25E/Hwy 160).

2. Ordinance No. 4713.05  
To amend Ordinance Number 4713, the City of Morristown, Tennessee annual budget for fiscal year 2022-2023 necessary to appropriate funds in the amount \$114,925 to allow for the purchase of a sanitation truck and to increase appropriations for gasoline and vehicle repairs (Sanitation Fund).
3. Ordinance No. 4713.06  
To amend Ordinance Number 4713, the City of Morristown, Tennessee annual budget for fiscal year 2022-2023 necessary to appropriate funds in the amount of \$20,500 for gasoline (Stormwater fund).

## **10. NEW BUSINESS**

### **10-a. Resolutions**

### **10-b. Introduction and First Reading of Ordinances**

1. Ordinance No. \_\_\_\_\_  
Entitled an Ordinance to amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. Rezoning of Hamblen County Tennessee Rezoning a part of Lots 3, 4 and 5 of the Robert Campbell Property as shown on a plat of same from R-2 (Medium Density Residential to R-3 (Heavy Density Residential) (1934 Shields Ferry Road).  
**{Public Hearing February 7, 2023}**

### **10-c. Awarding of Bids/Contracts**

1. Approve Work Authorization No. 1 for Goodwyn Mills Cawood in the amount of \$10,000 to perform general engineering and technical assistance services for the Morristown Regional Airport in calendar year 2023.
2. Approve Work Authorization No. 2 for Goodwyn Mills Cawood in the amount of \$74,200 to provide design and bid phase services for taxiway extension to facilitate development at the southwest end of the airport property.
3. Acceptance of Contract with TDOT Aeronautics in the amount of \$51,700 for the Land Acquisition Taxiway Relocation (Study) with a local match of 5%.
4. Acknowledge receipt of proposals and approve an agreement with Mauldin & Jenkins, LLC to provide Auditing Services for a three-year period beginning with the audit for fiscal year 2023, and authorize the City Administrator to execute the same.

5. Acceptance of Donation to the Morristown Police Department in the amount of \$1,000.00 from Blue Force Inc. to be used to assist in the purchasing of equipment necessary when responding to critical incidents.
6. Acknowledge receipt of bids for in-car camera systems, accept the bid from Dana Safety Supply as the best and most qualified bid and authorize a one-time purchase of ten (10) 10-8 Arsenal In-Car camera systems with the necessary AV cables totaling \$24,649.90.
7. Acknowledge receipt of bids for “ride on” floor scrubbers for Morristown Landing, accept the bid from Global Industrial as the best and lowest bid, and authorize the one-time purchase of one (1) Global Industrial Auto Ride-On Floor Scrubber with the optional 3-year extended service plan, totaling \$12,284.87.
8. Acknowledge receipt of bids for Landing fitness equipment, accept the bid from Fitness & Exercise Solutions as the best and lowest bid, and authorize a one-time purchase of fitness equipment totaling \$17,571.00.
9. Approval of Engagement Letter with Bass Berry & Sims regarding Trademark Matters for Morristown Landing.
10. Approve Amendment No. 2 to the sale and development agreement with Michael Bunch Development for the sale of property at Map 043 I, Group E, Parcel 006.00 at East Main Street and James Street, extending the timeline for closing.
11. Approval of Supplement #1 to Railroad Agreement between the City of Morristown and Tennessee Department of Transportation (TDOT) for safety improvements to railroad crossing at South Fairmont.
12. Approval to Surplus the service weapon assigned to Detective Lt. Vicki Arnold, Glock Model 19 Serial # BAVN9653 to be transferred to her in honor of her 35 years of service to the Morristown Police Department.
13. Approve the re-assignment of turf management and mowing services from Tennessee Turf Masters, LLC to Silver Creek Landscaping and authorize the City Administrator to enter into a two (2) year agreement authorizing same.
14. Approval of maintenance and repair of Talley Ward roof and capstone in an amount of \$14,259.00 from Morristown Roofing Company, Inc. as a sole source purchase based on company warranty work.

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

1. Mayor Appointment of the 2023 Finance Committee

**10-e. New Issues**

**11. CITY ADMINISTRATOR'S REPORT**

1. Debt Report 2022

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

**13. ADJOURN**

**WORK SESSION  
January 17, 2023**

1. Discussion of how to conduct Citizen Forum

## City Council Meeting/Holiday Schedule.

January 17, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
January 17, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
February 7, 2023	Tuesday	3:30 p.m.	Finance Committee Meeting
February 7, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
February 7, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
February 21, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
February 21, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
March 7, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
March 7, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
March 21, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
March 21, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
April 4, 2023	Tuesday	3:30 p.m.	Finance Committee Meeting
April 4, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
April 4, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
April 7, 2023	Friday		City Center Closed – Observance of Good Friday
April 18, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
April 18, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
May 2, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
May 2, 2022	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
May 8, 2023	Monday	5:00 p.m.	Sine Die Council Meeting
May 16, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
May 16, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
May 29, 2023	Monday		City Center Closed – Observance of Memorial Day
June 6, 2023	Tuesday	3:30 p.m.	Finance Committee Meeting
June 6, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
June 6, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
June 20, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
June 20, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
July 4, 2023	Tuesday		City Center Closed – Observance of Independence Day
July 6, 2023	Thursday	4:00 p.m.	Council Agenda Review & Citizen Forum
July 6, 2023	Thursday	5:00 p.m.	Regular City Council Meeting with Work Session
July 20, 2023	Thursday	4:00 p.m.	Council Agenda Review & Citizen Forum
July 20, 2023	Thursday	5:00 p.m.	Regular City Council Meeting with Work Session
August 1, 2023	Tuesday	3:30 p.m.	Finance Committee Meeting
August 1, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
August 1, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
August 15, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
August 15, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
September 4, 2023	Monday		City Center Closed – Observance of Labor Day
September 5, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
September 5, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
September 19, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
September 19, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
October 3, 2023	Tuesday	3:30 p.m.	Finance Committee Meeting
October 3, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
October 3, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
October 17, 20223	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
October 17, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
November 7, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
November 7, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
November 21, 2023	Tuesday	4:00 p.m.	Council Agenda Review & Citizen Forum
November 21, 2023	Tuesday	5:00 p.m.	Regular City Council Meeting with Work Session
November 23-24, 2023	Thurs/Fri		City Center Closed – Observance of Thanksgiving Holiday

**STATE OF TENNESSEE  
COUNTY OF HAMBLLEN  
CORPORATION OF MORRISTOWN  
January 3, 2023**

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 5:04 p.m. 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.

Rev. Dr. Cynthia Thompson, Morristown Police Dept. Senior Chaplain, led in the invocation.

Councilmember A'Hearn led in the "Pledge of Allegiance".

Councilmember A'Hearn made a motion to approve the December 20, 2022 minutes as circulated. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

A Public Hearing was held relating to Ordinance No. 4729. Linda Noe, Louis Chan and Audrey Lowe spoke.

Councilmember A'Hearn made a motion to approve Ordinance No. 4729 on second and final reading. Councilmember Pedigo seconded the motion and upon roll call; Mayor Chesney and Councilmembers A'Hearn, Pedigo and Smith voted "aye." Councilmembers Bivens, Garrett and Senter voted "no".

**Ordinance No. 4729**

**Being an Ordinance of the City Council of Morristown, Tennessee  
Amending Title 1, Chapter 2, Section 206 of the Morristown  
Municipal Code (Order of Business).**

A Public Hearing was held relating to Ordinance No. 4730. Watheda Monroe spoke.

Councilmember Senter made a motion to defer the action on Ordinance No. 4730 to the January 17, 2023 City Council meeting. Councilmember Bivens seconded the motion and upon roll call; all voted "aye."

**Ordinance No. 4730**

**Entitled an Ordinance to amend the Municipal Code of the City of  
Morristown, Tennessee, Appendix B. Rezoning of Hamblen  
County Tennessee Tax Parcel ID # 032050 10701 from R2 (Medium  
Density Residential District) to IB (Intermediate Business  
District) (Hwy 25E/Hwy 160).**

A Public Hearing was held relating to Ordinance No. 4731. No one spoke.



Councilmember Bivens made a motion to approve Ordinance No. 4731 on second and final reading. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye."

**Ordinance No. 4731**

**Entitled an Ordinance to amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. Rezoning of Hamblen County Tennessee Tax Parcel ID # 032025P K 00400 from R2 (Medium Density Residential District) and OMP (Office, Medical, and Professional District) to IB (Intermediate Business District) (Buffalo Trail and N. Liberty Hill Road).**

A Public Hearing was held relating to Ordinance No. 4732. No one spoke.

Councilmember Senter made a motion to approve Ordinance No. 4732 on second and final reading. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye."

**Ordinance No. 4732**

**Entitled an Ordinance to amend the Municipal Code of the City of Morristown, Tennessee, Appendix B. Rezoning 1510 Old Liberty Hill Road from LI (Light Industrial) to IB (Intermediate Business).**

Councilmember A'Hearn made a motion to approve Ordinance No. 4713.05 on its first reading and schedule a public hearing relative to final passage of said ordinance for January 17, 2023. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 4713.05**

**To amend Ordinance Number 4713, the City of Morristown, Tennessee annual budget for fiscal year 2022-2023 necessary to appropriate funds in the amount \$114,925 to allow for the purchase of a sanitation truck and to increase appropriations for gasoline and vehicle repairs (Sanitation Fund).**

Councilmember Bivens made a motion to approve Ordinance No. 4713.06 on its first reading and schedule a public hearing relative to final passage of said ordinance for January 17, 2023. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

**Ordinance No. 4713.06**

**To amend Ordinance Number 4713, the City of Morristown, Tennessee annual budget for fiscal year 2022-2023 necessary to appropriate funds in the amount of \$20,500 for gasoline (Stormwater fund).**

Councilmember A'Hearn made a motion to approve the Trust Agreement for Windswept Development. Councilmember Smith seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to approve to declare one (1) 2013 Coats tire balancer (Serial Number #1303302355) as surplus and sell via Gov Deals. Councilmember Garrett seconded the motion and upon roll call; all voted "aye".

Councilmember Senter made a motion to authorize the procurement of Engineering Services from LDA Engineering for Stormwater projects that need to be performed in FY23, not to exceed \$50,000.00. Councilmember Pedigo seconded the motion and upon roll call; all voted "aye".

Councilmember A'Hearn made a motion to approve Task Order No. 2 in an amount of \$12,500.00 with LDA Engineering Services for the Talley Ward Recreational Facility Sewer Connection Project. Councilmember Senter seconded the motion and upon roll call; all voted "aye".

Councilmember Smith made a motion to acknowledge receipt of bids for upfitting/equipping of police vehicles, accept the bid from Dana Safety Supply as the best and most qualified bid and authorize City Administrator to enter into an agreement with Dana Safety Supply to upfit all fifteen (15) police vehicles totaling \$48,175.00. Councilmember Bivens seconded the motion and upon roll call; all voted "aye".

Councilmember Bivens made a motion to acknowledge and approve the sole source purchase of two (2) hydraulic pumps from Municipal Equipment totaling \$13,776.90. Councilmember A'Hearn seconded the motion and upon roll call; all voted "aye".

Councilmember Bivens made a motion to approve Change Order No. 7 with Leon Williams Contractors for the City Hall Interior Renovations in the amount of \$1,700.00. Councilmember Smith seconded the motion and upon roll call; all voted "aye".

Mayor Chesney announced the appointment of Tommy Pedigo to the Finance Committee as Chairman.

Mayor Chesney opened the floor for members of the audience to speak subject to the guidelines provided; Louis Chan, Gwen Holden, Linda Noe and Lee Shepard spoke.

Mayor Gary Chesney adjourned the January 3, 2022, Morristown City Council meeting at 6:08 p.m.

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Mayor

Attest:

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City Administrator

8 January 3, 2023

[Return to Agenda](#)



# The City of Morristown

## Community Development & Planning



TO: Morristown City Council  
FROM: Josh Cole, Senior Planner  
DATE: December 20<sup>th</sup>, 2022  
SUBJECT: Rezoning Request from R2 to IB  
Highway 25E

### **BACKGROUND:**

Staff has received a request from the property owner, Terry Lunsford, to rezone a parcel on Highway 25E from R-2 (Medium Density Residential District) to IB (Intermediate Business District). This property was originally annexed into the city in 1976 with what was formerly the Appalachian Highway.

The requested parcel is approximately 0.6 miles south of the intersection of Highway 25E and Highway 160. It is 5.71 acres in size and vacant. It has S. Davy Crockett/Highway 25E to the west along residential or vacant properties to the south, north, and east.



Prior to any development on this site, the developer will have to submit a site plan that meets all applicable city requirements.

### **RECOMMENDATION:**

Per TDOT, Highway 25-E is a major corridor in the city and the daily traffic counts near this parcel was 17,943 in 2019 which makes it suitable for higher intensity development that accompanies many uses in the IB district. Thus, staff recommends approval of this rezoning request to IB. Planning Commission voted in support of this request by a 8-1 vote at their December meeting.

ORDINANCE NO. 4730

ENTITLED AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF MORRISTOWN, TENNESSEE, APPENDIX B.

*{Rezoning of Hamblen County Tennessee Tax Parcel ID # 032050 10701 from R2 (Medium Density Residential District) to IB (Intermediate Business District), the general location being shown on the attached exhibit A.}*

SECTION I. WHEREAS, the Morristown Planning Commission has recommended to the City Council of the City of Morristown that a certain amendment be made to Ordinance No. 2092, known as the Zoning Ordinance for the City of Morristown, Appendix B;

NOW, THEREFORE, in order to carry into effect the said amendment:

SECTION II. BE IT RESOLVED by the City Council of the City of Morristown that Ordinance No. 2092 be and the same hereby is amended so as to provide that the following described real estate be rezoned from R2 (Medium Density Residential District) to IB (Intermediate Business District),

*Being 5.71 acres as shown on the Survey of The Charles L. Roberts Property as recorded containing 5.71 acres as shown by plat of recorded in Plat Cabinet J, Slide 38 in the Register's Office, Hamblen County, Tennessee.*

SECTION III. BE IT FURTHER ORDAINED that all maps, records and necessary minute entries be changed so as to effect the amendment as herein provided, to the extent that the area herein above described shall be permitted to be used for Medium Density Residential District (R2) uses exclusively.

SECTION IV. BE IT FURTHER ORDAINED that all ordinances or parts of ordinances in conflict herewith be, and the same are, repealed to the extent of such conflict but not further or otherwise.

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

Passed on first reading the 20th day of December 2022.

\_\_\_\_\_  
Mayor

ATTEST:

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

Passed on second and final reading the 17th day of January 2023

\_\_\_\_\_  
Mayor

ATTEST:

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

Exhibit A:



# APPROPRIATION ORDINANCE

Ordinance Number: 4713.05

TO AMEND ORDINANCE NUMBER 4713, THE CITY OF MORRISTOWN, TENNESSEE ANNUAL BUDGET FOR FISCAL YEAR 2022-2023 NECESSARY TO APPROPRIATE FUNDS IN THE AMOUNT \$114,925 TO ALLOW FOR THE PURCHASE OF A KNUCKLEBOOM TRUCK AND TO INCREASE APPROPRIATIONS FOR GASOLINE AND VEHICLE REPAIRS.

Be it ordained by the Council of the City of Morristown Tennessee that Ordinance Number 4713 identifying the revenue and expenditure accounts of the City of Morristown contained in the annual budget for the fiscal year 2022-2023 is hereby amended and funds are herewith appropriated or adjusted as presented.

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	FUND BALANCE / REVENUE		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
Solid Waste (435)	Sanitation	43210.431	Gasoline & Diesel Fuel			\$ 60,000	
Solid Waste (435)	Sanitation	43210.433	Vehicle Parts/Oil/Fluid/Tires			\$ 20,000	
Solid Waste (435)	Sanitation	43210.971	Motor Equipment			\$ 34,925	
Solid Waste (435)	Fund Balance	435-26230	Committed Public Health & Welfare		\$ 114,925		
			Totals	\$ -	\$ 114,925	\$ 114,925	\$ -

PASSED ON FIRST READING THIS 20th DAY OF DECEMBER 2022

\_\_\_\_\_  
Mayor Signature

ATTEST:

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

PASSED ON SECOND READING THIS 3rd DAY OF JANUARY 2023

\_\_\_\_\_  
Mayor Signature

ATTEST:

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

# APPROPRIATION ORDINANCE

Ordinance Number: **4713.06**

TO AMEND ORDINANCE NUMBER 4713, THE CITY OF MORRISTOWN, TENNESSEE ANNUAL BUDGET FOR FISCAL YEAR 2022-2023 NECESSARY TO APPROPRIATE FUNDS IN THE AMOUNT \$20,500 FOR GASOLINE.

Be it ordained by the Council of the City of Morristown Tennessee that Ordinance Number 4713 identifying the revenue and expenditure accounts of the City of Morristown contained in the annual budget for the fiscal year 2022-2023 is hereby amended and funds are herewith appropriated or adjusted as presented.

FUND	DEPARTMENT	CODE	ACCOUNT DESCRIPTION	FUND BALANCE / REVENUE		EXPENDITURES	
				Increase	Decrease	Increase	Decrease
Storm Water (440)	Administration	43292.431	Gasoline & Diesel Fuel			\$ 500	
Storm Water (440)	Drainway Maintenance	43293.431	Gasoline & Diesel Fuel			\$ 20,000	
Storm Water (440)	Fund Balance	440-27200	Unassigned Fund Balance		\$ 20,500		
Totals				\$ -	\$ 20,500	\$ 20,500	\$ -

PASSED ON FIRST READING THIS 20th DAY OF DECEMBER 2022

\_\_\_\_\_  
Mayor Signature

ATTEST:

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

PASSED ON SECOND READING THIS 3rd DAY OF JANUARY 2023

\_\_\_\_\_  
Mayor Signature

ATTEST:

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



# The City of Morristown

## Community Development & Planning



TO: Morristown City Council  
FROM: Lori Matthews  
DATE: January 17<sup>th</sup>, 2023  
REQUEST: Rezoning Request

Property owner Guzman Subcontractors, Inc. has requested their property located at 1934 Shields Ferry Road be rezoned from its current designation of R-2 (Medium Density Residential) to R-3 (High Density Residential) for the purpose of building multi-family residential housing units.

The subject site sits directly opposite Wildwood Park at the end of South Outer Drive and is roughly one-acre in size. It is bounded on all sides by Medium Density Zoning (R-2) with the predominant land use being single-family residential. There are few multi-family units within a half-mile of the subject site, none of which exceed the current density allowed under the City's R-2 zoning requirements.

Allowable density is a primary difference between the City's R-2 and R-3 zoning designations. R-2 (Medium Density Residential) allows a maximum of 12 units per acre. R-3 (High Density Residential) allows a maximum of 20 units per acre. This higher density designation also allows for smaller lots and zero lot line development, which is being proposed by the applicant.

The applicant has requested the higher density R-3 designation in order to build more than 12 units per acre on the property which Staff sees as being out of character with most of the adjoining properties. In addition Staff would view this as an example of "spot zoning" which is the process of singling out a small parcel of land for a use classification totally different from that of the surrounding area for the benefit of the property owner and detriment of other owners.

### **RECOMMENDATION:**

The Morristown Regional Planning Commission at their January 10th meeting passed a vote of denial to this rezoning request.



ORDINANCE NO. \_\_\_\_\_,  
ENTITLED AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF MORRISTOWN,  
TENNESSEE, APPENDIX B.

{Rezoning a part of Lots 3, 4 and 5 of the Robert Campbell Property as shown on a plat of same from R-2 (Medium Density Residential) to R-3 (Heavy Density Residential), the general location being shown on the attached exhibit A.}

SECTION I. WHEREAS, the Morristown Planning Commission has recommended to the City Council of the City of Morristown that a certain amendment be made to Ordinance No. 2092, known as the Zoning Ordinance for the City of Morristown, Appendix B;

NOW, THEREFORE, in order to carry into effect the said amendment:

*Beginning at a point on the east side of Shields Ferry Road, corner to an unnamed street, as shown on the plat of the Robert Campbell property found of record in the Registers Office for Hamblen County, Tennessee in Plat Book 3, Page 152; thence south 84 deg 14 min east 224.5 feet to an iron pin; thence south 4 deg. 30 min. west 204.7 feet to an iron pin; thence north 88 deg. 45 min. west approximately 239 feet to a stake in the eastern edge of Shields Ferry Road; thence along the eastern edge of Shields Ferry Road north 8 deg. 30 min. east approximately 231 feet to the point of beginning.*

SECTION II. BE IT RESOLVED by the City Council of the City of Morristown that Ordinance No. 2092 be and the same hereby is amended so as to provide that the following described real estate be rezoned from R-2 (Medium Density Residential) to R-3 (Heavy Density Residential);

SECTION III. BE IT FURTHER ORDAINED that all maps, records and necessary minute entries be changed so as to effect the amendment as herein provided, to the extent that the area herein above described shall be permitted to be used for High Density Residential uses exclusively.

SECTION IV. BE IT FURTHER ORDAINED that all ordinances or parts of ordinances in conflict herewith be, and the same are, repealed to the extent of such conflict but not further or otherwise.

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

Passed on first reading the 17th day of January 2023.

\_\_\_\_\_  
Mayor

ATTEST:

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

Passed on second and final reading the 7th day of February, 2023.

\_\_\_\_\_  
Mayor

ATTEST:

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



**Exhibit A:**





## Morristown City Council Agenda Item Summary

**Date:** January 17, 2023

**Agenda Item:** Approve Work Authorization No. 1 for Goodwyn Mills Cawood in the amount of \$10,000 to perform general engineering and technical assistance services for the Morristown Regional Airport in calendar year 2023.

**Prepared By:** Andrew Ellard

**Subject:** Work Authorization – Airport General Engineering Services

**Background:** GMC was selected as the airport's engineering firm of record through a recent solicitation. This represents the first work authorization under that newly established master service agreement.

**Findings/Current Activity:**

As in years prior, a standing work authorization for general services is beneficial to ensure that city staff has access when needed to aviation-specific engineers.

**Financial Impact:**

While actual cost is TBD because these services will be utilized on an as-needed basis, they will not exceed \$10,000 in the calendar year unless amended or through the creation of a similar authorization. Funds are budgeted and are anticipated to be eligible for our existing FAA grants, ranging from 0% local match to 5% local match.

**Action options/Recommendations:**

Staff recommends approval.

**Attachment:** Work Authorization No. 1

**MORRISTOWN REGIONAL AIRPORT  
MORRISTOWN, TN  
WORK AUTHORIZATION – 01  
AIRPORT GENERAL SERVICES**

It is agreed to undertake the following work in accordance with the provisions of the Professional Services Agreement between the City of Morristown (OWNER) and Goodwyn Mills Cawood, LLC (ENGINEER) dated December 6<sup>th</sup>, 2022.

Scope of Services:

Provide airport-specific planning, design, and construction services that are not included as part of a Work Authorization under the Professional Services Agreement dated December 6<sup>th</sup>, 2022.

Time of Performance:

As required by OWNER. The effective term of this Work Authorization is through December 31<sup>st</sup>, 2023.

Payment to ENGINEER:

The ENGINEER shall be compensated for performance of work on an hourly basis. An agreed upon hour allotment and fee will be provided by ENGINEER and approved by OWNER prior to commencing work for each task.

AIRPORT GENERAL SERVICES BUDGET NOT TO EXCEED     **\$10,000.00**

Agreed as to Scope of Services, Time of Performance and Compensation:

OWNER:

ENGINEER:

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_





## Morristown City Council Agenda Item Summary

**Date:** January 17, 2023

**Agenda Item:** Approve Work Authorization No. 2 for Goodwyn Mills Cawood in the amount of \$74,200 to provide design and bid phase services for taxiway extension to facilitate development at the southwest end of the airport property.

**Prepared By:** Andrew Ellard

**Subject:** Work Authorization – South Hangar Development Site Design

**Background:** GMC was selected as the airport's engineering firm of record through a recent solicitation. There is interest in developing additional hangar space – particularly for big-box hangars similar to those on the western end of the airport property.

**Findings/Current Activity:**

Rather than consider allowing new hangar development along existing taxiway, which could block future expansion, it would be prudent to establish a plan for developing the western end of the airport to the fullest extent. Doing so does not commit the city/airport to constructing what is designed necessarily. Construction could occur as needed by either the city/airport or by agreement in public-private-partnership(s).

**Financial Impact:**

This project is slated for this fiscal year on the Airport's Capital Improvement Program, and while not specifically called for in the FY23 budget, the airport budget has the flexibility with which to proceed. It is anticipated that we would apply airport Bipartisan Infrastructure Law (BIL) funding to this project, which would be 100% federal funding.

**Action options/Recommendations:**

Staff recommends approval.

**Attachment:** Work Authorization No. 2

**MORRISTOWN REGIONAL AIRPORT  
MORRISTOWN, TN  
WORK AUTHORIZATION – 02  
SOUTH HANGAR DEVELOPMENT SITE PREPARATION**

It is agreed to undertake the following work in accordance with the provisions of the Professional Services Agreement between the City of Morristown (OWNER) and Goodwyn Mills Cawood, LLC (ENGINEER) dated December 6<sup>th</sup>, 2022.

Scope of Services:

Provide final design and bid phase services for a taxi lane extension to facilitate hangar development at the southwest end of airport property.

See attached detailed scope of work.

Time of Performance:

It is the intent of the OWNER to bid the project by April, 2023.

Payment to ENGINEER:

The ENGINEER shall be compensated for performance of work as described in the detailed attachment.

Agreed as to Scope of Services, Time of Performance and Compensation:

OWNER:

ENGINEER:

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **ATTACHMENT "A"**

### **SCOPE OF SERVICES**

#### **SOUTH HANGAR DEVELOPMENT SITE PREPARATION**

ENGINEER will provide professional services to facilitate the construction of a new taxiway and relative infrastructure.

The ENGINEER is to provide the required professional services for the design and bid phase services for a bid set of construction documents for this project. All services will be performed in accordance with applicable federal, state, and local laws, ordinances, regulations, and codes. The improvements that are being designed in the project are consistent with the current and approved Airport Layout Plan.

Services to be performed by the ENGINEER include the following:

1. Project Administration
2. Site Survey
3. Geotechnical Investigation
4. Design Phase
5. Bid Phase

**Design Standards** - Airport Reference Code: C-II  
Taxiway Design Group - 2B

**Advisory Circulars** - the following most recent advisory circulars are to be followed:

AC 150/5300-BA	Airport Design
AC 150/5320-SD	Airport Drainage Design
AC 150/5320-6G	Airport Pavement Design and Evaluation
AC 150/5370-2 AC	Operational Safety during Construction Standards
150/5370-IOH	for Specifying Construction of Airport

**Construction Contract Time:** Construction contract time is anticipated to be 90 calendar days.

The tentative project schedule is as follows:

A. Sign Work Authorization -	January 2023
B. Begin Survey/Geotechnical -	January 2023
C. Complete Design -	April 2023
D. Bid Advertisement -	April 2023
E. Bid Opening -	May 2023
F. Construction Start-	July 2023

ENGINEER agrees to furnish the following professional engineering services:

1. Provide **Project Administration** services which are to include:
  - A. Confer with the OWNER on project requirements, schedules, financing, meetings, and other pertinent matters.
  - B. Design Scoping Meeting - Key members of the design team are to coordinate with the OWNER to discuss the project details.
  - C. Prepare a Work Authorization (*WA*) outlining the general scope, basis of compensation, payment for services provided, obligations of the ENGINEER and OWNER, as well as general and legal provisions governing contractual relations between ENGINEER and OWNER.
  - D. In-House Administration - the ENGINEER will provide general project administration and coordination to in-house staff working on the project. Conduct team meetings with staff as necessary.
  - E. Outside Administration - the ENGINEER will provide project general administration and coordination with the OWNER and the engineer's design team in the form of telephone conversations, letters, emails, copies, etc. to apprise the OWNER of developments throughout the design phase of the project.
  - F. Project Closeout Report- after the project has been completed by the OWNER, a project closeout will be prepared. The ENGINEER will submit a report that contains pertinent project information and documents:
    - 1) One copy of the signed Work Authorization with the ENGINEER.
    - 2) A brief project summary to include the following items - project history with significant events during the life of the project, bid opening date, bid tabulation, Notice of Award letter, and proposed contract award date.
    - 3) Copy of ENGINEER's final invoice and financial summary.
  - G. Complete and submit for the OWNER FAA Form 7460-1, Notice of Proposed Construction to FAA's online portal for their review and approval.
  - H. Prepare the Storm Water Pollution Prevention Plan (SWPPP) plan and submit it to the Tennessee Department of Environment & Conservation (TDEC) for their approval. Any associated fees for this submittal are to be paid for by the OWNER and are eligible for reimbursable as a project expense.
  - I. Preparation of the Construction Safety Plan and submit to FAA for their review and

approval. The plan is a tool used to ensure operational safety on the airport during construction.

2. **Surveying Services** – provide a field run topographic survey of the southwest development. The area depicted is approximately 5.4 acres.



Field survey work items are to include:

- A. Existing pavement markings are to be located.
- B. All survey areas **will** be performed to capture a one-foot contour interval.
- C. The total area of all the surveys is approximately 5.4 acres.
- D. The survey is to field locate all planimetric, topographic, and drainage features within the limits of the survey areas.
- E. The collection of data **will** require post-processing and conversion to a preliminary base map upon return to office.



F. Office Survey - the collection of data will require post-processing and conversion to a base map upon return to office. Convert Survey Data for Design -

- 1) Coordinate design coordinates and alignments to be used for CAD drawings with previous work.
- 2) Input raw survey data into the computer program to sort data into company standard layers for efficient analyzing.
- 3) Detail and annotate features of the survey.
- 4) Verify horizontal and vertical control.
- 5) Prepare digital terrain model (DTM) of existing ground contours, drainage features, and other site features.
- 6) Generate three-dimensional contour model from the DTM.
- 7) Review and verify integrity of DTM model.
- 8) Export CAD file and DTM model for design use.

I. Provide quality control review of the field work and office work.

J. The following survey standards are to be followed:

1. All contours shall be generated from the collected data at a one-foot interval.
2. Control surveys shall meet Second Order - Class II standards or better.
3. GPS control points (if used) shall maintain First Order as a minimum.
4. Survey is to provide horizontal and vertical control based on the Tennessee State Plane Coordinate System.

3. **Geotechnical Exploration** services for the project are to be provided to obtain subsurface data. Determine the FAA classification of soil strata that the contractor might possibly encounter during construction of the PROJECT, including such soil tests that are required to prepare construction plans and specifications. Work is to include:

A. Field Exploration

1. We propose to mobilize a truck-mounted drill rig to the site to perform a total of six (6) soil test borings. All the soil test borings will be drilled to a depth of 10 feet each or refusal, whichever is encountered first.
2. Split-spoon sampling and standard penetration testing will be conducted at standard intervals (every 2.5 feet in first 10 feet) in the borings prior to auger refusal.
3. At two select locations and intervals, we will attempt to collect relatively undisturbed samples via Shelby tube in lieu of split spoon sampling (this may not be possible, depending on soil characteristics).
4. Our base scope does not include rock coring, although we do not expect to encounter refusal.

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5. We will also collect at least two bulk samples for subsequent standard Proctor and CBR testing.
6. During field activities, GMC will also have a project professional perform relatively shallow dynamic cone penetrometer testing at up to four locations to help estimate a field CBR value.
7. Borings will be backfilled with the soil cuttings from the drilling process upon completion. Since the borings are in grass covered areas, our scope does not include backfilling with grout. It is common for boreholes to settle over time. Our scope does not include returning to the site to backfill boreholes that have settled.
8. We will call the 811-utility service to locate underground utilities that subscribe to their service.
9. We are not responsible for damage to utilities that are not marked or incorrectly located by others.

#### B. Laboratory Testing

1. Visually classify soil samples obtained from the exploration process.
2. Selected soil samples will be retained for a limited amount of laboratory testing. These tests may include Atterberg limit determinations, grain size determinations (via No. 200 wash sieve), and natural moisture contents.
3. We plan to use bulk samples to perform one CBR test with standard Proctor.
4. Perform a unit weight test if undisturbed samples can be collected.

#### C. Reporting

1. All work will be performed under the direction of a Tennessee registered professional engineer specializing in geotechnical engineering.
2. The FAA Advisory Circular 150/5320-6F will be used as a reference in developing the report, but the specific scope will be as included in this proposal.
3. Once the field and laboratory testing are complete, we will provide you with a written report that will include the following:
  - A summary of the test procedures used and the results of all field and laboratory testing.
  - A review of the site conditions and geologic setting, including geological hazards.

- A review of subsurface soil stratigraphy including the individual Test Boring Logs and a Test Boring Location Plan.
- Recommendations for site preparation, including excavation considerations and construction of compacted fills.
- Review of the suitability of on-site soils for re-use as fill material.
- Information regarding groundwater conditions, along with recommendations for controlling groundwater during construction, if applicable.
- Design and construction recommendations related to pavement sections, including recommended CBR and design parameters for use by others in developing design pavement sections.

4. **Design** - The ENGINEER will design and prepare final construction plans.

- 1) Prepare geometric layout of the taxiway and aprons with typical sections, widths, lengths, stationing, and bearing.
- 2) Model the pavement section - previously completed pavement design from the SEI hangar project is to be used.
- 3) Prepare CAD typical sections for modeling.
- 4) 3D modeling for grading and drainage.
- 5) Environmental services (Determination Checklist, SWR).
- 6) Design of pavement marking layout.
- 7) Prepare an overall final stabilization plan for the disturbed site.
- 8) Prepare an overall grading plan. Identify all required excavation and grading limits.
- 9) Provide plan and profile of the taxiway.
- 10) Provide site electrical and utility modifications as necessary.
- 11) Pavement grades are to be per FAA AC 150/5320-6F.
- 12) Prepare 50% construction plans to graphically depict the physical aspects of the development requirements in an accurate and concise manner. The FAA standard construction specifications AC

150/5300-13 are to be used.

- 13) Prepare a 50% estimate of probable construction cost estimates for the various pavement sections.
- 14) Provide a project schedule that is to include all anticipated major milestone dates for the project.
- 15) Submit 50% construction drawings to the proper agencies for their review.
- 16) Prepare, coordinate, and conduct a 50% Design Review meeting with the OWNER.
- 17) Coordinate review comments from the 50% design review set.
- 18) Prepare 90% construction plans based on results from the 50% design review meeting.
- 19) Calculate final quantities and prepare cost estimates in conjunction with the FAA Standard Specifications.
- 20) Provide construction cost estimates of the separate phases of construction.
- 21) Prepare a Project Manual that combines the technical specifications and the front-end documents into a single bound document.
- 22) Provide an updated project schedule that is to include all anticipated major milestone dates for the project.
- 23) Submit 90% documents to the proper agencies for their review.
- 24) Prepare, coordinate, and conduct a 90% Design Review meeting with the OWNER.
- 25) Coordinate final review comments from the 90% design review set.
- 26) Upon receipt of final review comments from the OWNER, address any final comments and incorporate changes into the final plans, specifications and cost estimates, as necessary.
- 27) Develop and submit to the OWNER the 100% design and drawings.
- 28) Develop and submit to the OWNER the final construction cost estimates.
- 29) Complete the Project Manual.
- 30) Construction Plans - the construction plans will be incorporated into the Contract

Documents/Technical Specifications and detail the improvements of the project. The ENGINEER will provide well-defined construction requirements, with selected bid alternatives as appropriate to provide a basis for competitive construction bids.

5. **Bid phase services** -

- A. Bid Documents - The ENGINEER will prepare five sets of bid documents comprising the construction plans, construction specifications, and construction contract in accordance with the requirements of the OWNER.
- B. Bid Advertisement -The ENGINEER will prepare a legal advertisement and provide it to the OWNER, to place it in their local newspaper as a solicitation for construction bids in accordance with the OWNER's bidding procedures. The ENGINEER will forward construction and bid advertisement documents to appropriate plans viewing rooms in order to maximize the project exposure and generate widespread contractor interest in the project. The ENGINEER will communicate with the plan viewing rooms and similar industry entities to provide technical information for their publications.
- C. Distribute Bid Documents -The ENGINEER will contact contractors who are potential bidders in order to maximize contractor participation in the project. The ENGINEER will issue the bid documents to the interested bidders as requested. The ENGINEER will maintain a list of the bid document recipients including the recipient's name, overnight mailing address, telephone number, and email for use in issuing addenda. The ENGINEER will distribute the bid document recipient list to interested parties if requested by potential bidders.
- D. Pre-Bid Conference -The ENGINEER will attend the pre-bid conference at the OWNER's local conference meeting room and present the project to interested parties and answer contractors' and subcontractors' questions. The ENGINEER will conduct a site walk of the project area to allow the contractors and sub-contractors to observe the existing conditions first-hand and to ask questions regarding their observations. The ENGINEER will prepare written responses to questions that require additional information that is not available at the time of the pre-bid conferences. The ENGINEER will distribute the responses to the bid document recipients and pre-bid conference attendees.
- E. Bid Questions and Addenda - The ENGINEER will answer questions and provide technical advice to the potential bidders and to the OWNER concerning the bid documents. If necessary, the ENGINEER will prepare and issue an addenda to the bid document recipients to clarify, modify, or correct the bid documents.
- F. Bid Opening - the ENGINEER will organize, attend, and assist the OWNER at the public bid opening in Morristown, Tennessee.
- G. Bid Analyses, Recommendation and Award - The ENGINEER will conduct a detailed analysis of the contractors' bids for completeness and accuracy and will note omissions and discrepancies. The ENGINEER will compile a bid summary comprising the results of the bids for distribution to the bid document recipients. The ENGINEER will write a letter to the OWNER recommending the award of



the construction contract to the apparent low bidder based on the bid analyses. With the concurrence of the OWNER, the ENGINEER will provide the OWNER a "sample" letter to issue to the successful bidder informing the bidder of the bid results.

- H. Bid Sureties - The ENGINEER will issue letters to the unsuccessful bidders returning the bid sureties, distributing the bid summary, and describing the bid results. The ENGINEER will return the bid surety to the successful bidder after the bidder has executed the construction contract.
- I. ENGINEER Coordination -The ENGINEER will prepare six (6) copies of the contractor's bid proposal package for use as the construction contract document. The ENGINEER will coordinate with and provide information to the contractor to facilitate the preparation and execution of the construction contract document. The ENGINEER will prepare a checklist of tasks to be performed by the OWNER to fully execute the construction contract. The ENGINEER will distribute the construction contract documents at the preconstruction conference.

6. Environmental services are to include:

- A. Section 163 coordination with the Tennessee Aeronautics Division (TAD) to determine regulatory authority and land use compatibility.
- B. Coordination with FAA/TAD to assist in the project screening process to determine the level of review necessary for FAA 163 determination.
- C. Upon completion, GMC will require further instruction to complete an Airspace review and/or NEPA coordination, if applicable.
- D. Point of contact will be Chuck Hoskins at TAD along with TAD Environmental.
- E. Completion of section 163 review to be completed prior to start of construction.

## ATTACHMENT "B"

### PAYMENT TO THE ENGINEER

B.1 The ENGINEER shall be compensated for providing **Project Administration;** said total compensation to be a lump sum basis with a not to exceed, without OWNER approval, of:

\$7,500.00

B.2 The ENGINEER shall be compensated for providing **Surveying** services; said total compensation to be on a lump sum basis with a not to exceed budget, without OWNER approval, of:

\$ 4,000.00

B.3 The ENGINEER shall be compensated for performance of work for providing **Geotechnical Investigation;** said compensation to be on a lump sum basis with a not to exceed budget of:

\$ 6,400.00

B.4 The ENGINEER shall be compensated for performance of work for providing **Design Phase;** said total compensation to be based on a lump sum basis with a not to exceed budget of:

\$47,400.00

B.5 The ENGINEER shall be compensated for performance of work for providing **Bidding Phase;** said total compensation to be on a lump sum basis with a not to exceed budget of:


\$ 7,400.00

B.6 The ENGINEER shall be compensated for performance of work for providing **Environmental** services; said total compensation to be on a lump sum basis with a not to exceed budget of:

\$ 1,500.00

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**TOTAL: \$74,200.00**

 <b>GOVERNMENTAL GRANT CONTRACT</b> (cost reimbursement grant contract with a federal or Tennessee local governmental entity or their agents and instrumentalities)					
<b>Begin Date</b> 11/18/2022		<b>End Date</b> 11/17/2023		<b>Agency Tracking #</b> 40100-49630	
<b>Edison ID</b> 74118					
<b>Grantee Legal Entity Name</b> City of Morristown				<b>Edison Vendor ID</b> 4108	
<b>Subrecipient or Recipient</b> <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Recipient		<b>CFDA #N/A</b>  <b>Grantee's fiscal year end – June 30</b>			
<b>Service Caption</b> (one line only) Land Acquisition TW Relocation (Study)					
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Grant Contract Amount</b>
2023	\$49,115.00	\$0.00		\$2,585.00	\$51,700.00
<b>TOTAL:</b>	<b>\$49,115.00</b>	<b>\$0.00</b>		<b>\$2,585.00</b>	<b>\$51,700.00</b>
<b>Grantee Selection Process Summary</b>					
<input checked="" type="checkbox"/> Competitive Selection		For every project, the airport owner, sponsor or educational program must submit a letter of request and an application to the Aeronautics Division. The Aeronautics Division staff reviews all project requests monthly. The review is based on the Division's established criteria and policies. The review results are presented to the Commissioner for approval. Grant award amounts will be based upon available funds and the amount requested, and such funding will be continued in order of application approval.			
<input type="checkbox"/> Non-competitive Selection		Describe the reasons for a non-competitive grantee selection process.			
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.				<b>CPO USE - GG</b>	
<b>Speed Chart</b> (optional) TX		<b>Account Code</b> (optional) 71302			

**VENDOR ADDRESS: 1**      **LOCATION CODE: MAIN**

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

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

Grantee Edison Vendor ID # 4108

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

- A.1. The Grantee shall provide the scope of services and deliverables ("Scope") as required, described, and detailed in this Grant Contract.
- A.2. The purpose of this Grant shall be to sponsor a project for the further development of a public airport under Tennessee Code Annotated 42-2-203 and the Airport and Airway Improvement Act of 1982, Title 49 of the United States Code or Tennessee Code Annotated 4-3-2313 and 2314, Aeronautics Economic Development Fund. Pursuant to these provisions, the State shall be designated as the party to apply for, receive, and disburse all funds to be used in the payment of the costs of said project or as reimbursement of costs incurred. The Grantee shall be a recipient of funds from the State Transportation Equity Fund and/or Federal Airport Improvement Program, and/or Aeronautics Economic Development Fund, and shall undertake an airport improvement project.
- A.3. Incorporation of Additional Documents. Each of the following documents is included as a part of this Grant Contract by reference or attachment. In the event of a discrepancy or ambiguity regarding the Grantee's duties, responsibilities, and performance hereunder, these items shall govern in order of precedence below.
  - a. this Grant Contract document with any attachments or exhibits (excluding the items listed at subsections b. and c., below);
  - b. the State grant proposal solicitation as may be amended, if any;
  - c. the Grantee's proposal, **Attachment One**, incorporated to elaborate supplementary scope of services specifications.

**B. TERM OF CONTRACT:**

- B.1. This Grant Contract shall be effective on **November 18<sup>th</sup>, 2022**, ("Effective Date") and extend for a period of **twelve (12) months** after the Effective Date ("Term"). The State shall have no obligation to the Grantee for fulfillment of the Scope outside the Term.
- B.2. Renewal Options. This Grant Contract may be renewed upon satisfactory completion of the Term. The State reserves the right to execute up to **four (4)** renewal options under the same terms and conditions for a period not to exceed twelve (12) months each by the State, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty (60) months.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed **Fifty-One Thousand Seven Hundred Dollars and Zero Cents (\$51,700.00)** ("Maximum Liability"). The Grant Budget, attached and incorporated as **Attachment Two** is the maximum amount due the Grantee under this Grant Contract. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The Maximum Liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in Section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the Maximum Liability established in Section C.1. Upon progress toward the completion of the Scope, as described in Section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Department of Transportation-Aeronautics Division  
<https://www.blackcataviation.com>

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



- (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
- (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
- (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
- (4) An invoice under this Grant Contract shall be presented to the State within sixty (60) 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 sixty (60) 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 (1%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Contract end date 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:

Evan Rodgers  
Transportation Program Monitor 1  
TN Dept. of Transportation-Aeronautics Division  
7335 Centennial Boulevard  
Nashville, TN 37209  
Telephone: 615-741-3208

The Grantee:

Gary Chesney, City Mayor  
City of Morristown  
PO Box 1499  
Morristown, TN 37816  
Email: gchesney@mymorristown.com  
Telephone: 423-581-0100

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

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

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



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

- D.10. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.11. HIPAA Compliance. The State and the Grantee shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH) and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Grant Contract.
- a. The Grantee warrants to the State that it is familiar with the requirements of the Privacy Rules and will comply with all applicable HIPAA requirements in the course of this Grant Contract.
  - b. The Grantee warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of this Grant Contract so that both parties will be in compliance with the Privacy Rules.
  - c. The State and the Grantee will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and the Grantee in compliance with the Privacy Rules. This provision shall not apply if information received by the State under this Grant Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the State to receive such information without entering into a business associate agreement or signing another such document.
- D.12. Public Accountability. If the Grantee is subject to Tenn. Code Ann. § 8-4-401 *et seq.*, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program. The Grantee shall also display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least eleven inches (11") in height and seventeen inches (17") in width stating:
- NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454.
- The sign shall be on the form prescribed by the Comptroller of the Treasury. The Grantor State Agency shall obtain copies of the sign from the Comptroller of the Treasury, and upon request from the Grantee, provide Grantee with any necessary signs.
- D.13. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee in relation to this Grant Contract shall include the statement, "This project is funded under a grant contract with the State of



Tennessee." All notices by the Grantee in relation to this Grant Contract shall be approved by the State.

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

- D.15. Records. The Grantee and any approved subcontractor shall maintain documentation for all charges under this Grant Contract. The books, records, and documents of the Grantee and any approved subcontractor, insofar as they relate to work performed or money received under this Grant Contract, shall be maintained in accordance with 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. **Reserved.**
- 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](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.
- E.2. Grantee Match. Upon execution of this grant contract, the Grantee will be required to deposit its share of the estimated total project cost to the State.
- Additional deposits will be required if actual costs exceed the estimated costs. Any excess in the amount deposited above actual costs will be refunded.
- If the cost of this project increases by more than fifteen percent (15%) of the estimated grant contract amount during the progress of the work, the parties agree to enter into a supplemental agreement setting out the respective financial obligations of the State, Grantee, and the Federal Airport Improvement Program.
- E.3. Reimbursements to Reflect Match/Share. Reimbursements to Grantee shall reflect the percentage of Grantee Match/Share detailed in the Grant Budget. Reimbursements are subject to the other provisions of this Grant Contract, including but not limited to, the maximum liability amount in Section C.1.
- E.4. Airport Operations. For all grants that total fifty thousand dollars (\$50,000.00) or more, as consideration for receiving this Grant from the State, the Grantee agrees to operate and maintain the Airport for a period of twenty (20) years from the effective date of this Grant Contract.
- E.5. No Retainage Allowed. The Grantee may not withhold retainage on progress payments from the prime contractor and the prime contractor may not withhold retainage from their subcontractors.
- E.6. Printing Authorization. The Grantee agrees that no printing/publication shall be printed pursuant to this Grant Agreement without the prior authorization of the State even if printing costs are included in the budget line items, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement. The Grantee and its employees may publish the results of the research in whole or in part as they deem appropriate without authorization by the State if it is at no cost to the Grantor State Agency
- E.7. Travel Requirements. Travel must be project related and ALL conference and/or out-of-state travel must be preapproved by the Grantor State Agency even if included in the budget line items, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- The Grantee, upon request, must include (in addition to other invoice requirements of this Grant Agreement) a complete itemization of travel compensation requested in accordance with and attaching to the invoice appropriate documentation and receipts as required by the above-referenced "State Comprehensive Travel Regulations."
- E.8. Ban on Texting While Driving. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009 and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the State and subrecipients are encouraged to:
- a. Adopt and enforce workplace safety policies to decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing any work related to this grant or subgrant.
  - b. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
    - (1) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
    - (2) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- E.9. Completion of Project and Repayment of Funds. The Grantee agrees to use best efforts to ensure timely completion of the Project. If the Grantee elects not to complete the Project, then the



Grantee shall notify the State in writing within thirty (30) days after having made such determination and, at the discretion of the State, the Grantee may be required upon written notice to repay to the State some or all of the funds paid to the Grantee pursuant to this Agreement. The State shall have the sole determination over the amount of funds owed by the Grantee. If the State determines that any funds are owed by the Grantee, the Grantee shall pay said funds within one hundred eighty (180) days of receipt of written notice from the State.

- E.10. Trafficking in Persons. In accordance with section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. § 7104(g)), the Grantee, its employees, and any subgrant recipients' employees may not:
- a. Engage in severe forms of trafficking in persons;
  - b. Procure a commercial sex act; or
  - c. Use forced labor in the performance of this Grant Contract and subgrant agreements.
- Violation of this requirement may result in termination of this Grant Contract.

**IN WITNESS WHEREOF,**

**CITY OF MORRISTOWN:**

32-555-0776-23

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**GRANTEE SIGNATURE**

**DATE**

**GARY CHESNEY, CITY MAYOR**

---

**PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)**

**TENNESSEE DEPARTMENT OF TRANSPORTATION:**

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**HOWARD H. ELEY, DEPUTY GOVERNOR & COMMISSIONER**

**DATE**

**APPROVED AS TO FORM AND LEGALITY:**

---

**JOHN REINBOLD, GENERAL COUNSEL**

**DATE**

OMB Number: 4040-0004  
Expiration Date: 12/31/2022

Application for Federal Assistance SF-424			
<b>* 1. Type of Submission:</b> <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	<b>* 2. Type of Application:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	<b>* If Revision, select appropriate letter(s):</b> <input style="width: 100%;" type="text"/> <b>* Other (Specify):</b> <input style="width: 100%;" type="text"/>	
<b>* 3. Date Received:</b> <input style="width: 100%;" type="text"/>	<b>4. Applicant Identifier:</b> <input style="width: 100%;" type="text"/>		
<b>5a. Federal Entity Identifier:</b> <input style="width: 100%;" type="text"/>	<b>5b. Federal Award Identifier:</b> <input style="width: 100%;" type="text"/>		
<b>State Use Only:</b>			
<b>6. Date Received by State:</b> <input style="width: 100%;" type="text"/>	<b>7. State Application Identifier:</b> <input style="width: 100%;" type="text"/>		
<b>8. APPLICANT INFORMATION:</b>			
<b>* a. Legal Name:</b> <input style="width: 100%;" type="text" value="City of Morristown"/>			
<b>* b. Employer/Taxpayer Identification Number (EIN/TIN):</b> <input style="width: 100%;" type="text" value="62-6000369"/>		<b>* c. UEI:</b> <input style="width: 100%;" type="text" value="FWNGHUGWFD22"/>	
<b>d. Address:</b>			
<b>* Street1:</b> <input style="width: 100%;" type="text" value="100 W 1st North Street"/> <b>Street2:</b> <input style="width: 100%;" type="text"/> <b>* City:</b> <input style="width: 100%;" type="text" value="Morristown"/> <b>County/Parish:</b> <input style="width: 100%;" type="text"/> <b>* State:</b> <input style="width: 100%;" type="text" value="TN: Tennessee"/> <b>Province:</b> <input style="width: 100%;" type="text"/> <b>* Country:</b> <input style="width: 100%;" type="text" value="USA: UNITED STATES"/> <b>* Zip / Postal Code:</b> <input style="width: 100%;" type="text" value="37814-4652"/>			
<b>e. Organizational Unit:</b>			
<b>Department Name:</b> <input style="width: 100%;" type="text"/>		<b>Division Name:</b> <input style="width: 100%;" type="text"/>	
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>			
<b>Prefix:</b> <input style="width: 100%;" type="text" value="Mr."/> <b>* First Name:</b> <input style="width: 100%;" type="text" value="Andrew"/>			
<b>Middle Name:</b> <input style="width: 100%;" type="text"/>			
<b>* Last Name:</b> <input style="width: 100%;" type="text" value="Ellard"/>			
<b>Suffix:</b> <input style="width: 100%;" type="text"/>			
<b>Title:</b> <input style="width: 100%;" type="text" value="Assistant City Administrator"/>			
<b>Organizational Affiliation:</b> <input style="width: 100%;" type="text"/>			
<b>* Telephone Number:</b> <input style="width: 100%;" type="text" value="423-585-4614"/>		<b>Fax Number:</b> <input style="width: 100%;" type="text"/>	
<b>* Email:</b> <input style="width: 100%;" type="text" value="aellard@mymorristown.com"/>			

<b>Application for Federal Assistance SF-424</b>		
<b>* 9. Type of Applicant 1: Select Applicant Type:</b> <input type="text" value="C: City or Township Government"/>		
Type of Applicant 2: Select Applicant Type: <input type="text"/>		
Type of Applicant 3: Select Applicant Type: <input type="text"/>		
* Other (specify): <input type="text"/>		
<b>* 10. Name of Federal Agency:</b> <input type="text" value="Federal Aviation Administration"/>		
<b>11. Catalog of Federal Domestic Assistance Number:</b> <input type="text"/>		
CFDA Title: <input type="text"/>		
<b>* 12. Funding Opportunity Number:</b> <input type="text" value="TBD"/>		
* Title: <input type="text" value="TBD"/>		
<b>13. Competition Identification Number:</b> <input type="text"/>		
Title: <input type="text"/>		
<b>14. Areas Affected by Project (Cities, Counties, States, etc.):</b> <div><input type="text"/><div><div>Add Attachment</div><div>Delete Attachment</div><div>View Attachment</div></div></div>		
<b>* 15. Descriptive Title of Applicant's Project:</b> <input type="text" value="Land Acquisition TW Relocation (Study)- Amendment 1"/>		
Attach supporting documents as specified in agency instructions. <div><div>Add Attachments</div><div>Delete Attachments</div><div>View Attachments</div></div>		

Application for Federal Assistance SF-424			
<b>16. Congressional Districts Of:</b> <div style="display: flex; justify-content: space-between;"> <div>* a. Applicant: <input style="width: 100px;" type="text" value="TN-01"/></div> <div>* b. Program/Project: <input style="width: 100px;" type="text" value="TN-01"/></div> </div>			
Attach an additional list of Program/Project Congressional Districts if needed. <div style="display: flex; justify-content: space-between; align-items: center;"> <input style="width: 200px;" type="text"/> <div> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div> </div>			
<b>17. Proposed Project:</b> <div style="display: flex; justify-content: space-between;"> <div>* a. Start Date: <input style="width: 100px;" type="text" value="09/20/2022"/></div> <div>* b. End Date: <input style="width: 100px;" type="text" value="03/15/2023"/></div> </div>			
<b>18. Estimated Funding (\$):</b>			
* a. Federal	<input style="width: 150px;" type="text" value="51,700.00"/>	<div style="border: 1px solid black; padding: 5px;"> <b>TDOT USE ONLY</b>            Staff Recommended: <b>APPROVED</b>            Fiscal Year: <u>2023</u>            Federal: <u>\$0.00</u>            State: <u>\$49,115.00</u>            Local: <u>\$2,585.00</u>            PSR Signature: <u></u> Date: <u>11/18/2022</u>            TAC Signature: _____ Date: _____         </div>	
* b. Applicant	<input style="width: 150px;" type="text" value="0.00"/>		
* c. State	<input style="width: 150px;" type="text" value="0.00"/>		
* d. Local	<input style="width: 150px;" type="text" value="0.00"/>		
* e. Other	<input style="width: 150px;" type="text" value="0.00"/>		
* f. Program Income	<input style="width: 150px;" type="text" value="0.00"/>		
* g. TOTAL	<input style="width: 150px;" type="text" value="51,700.00"/>		
<b>* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?</b> <input checked="" type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input style="width: 100px;" type="text" value="09/23/2022"/> <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input type="checkbox"/> c. Program is not covered by E.O. 12372.			
<b>* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", provide explanation and attach <div style="display: flex; justify-content: space-between; align-items: center;"> <input style="width: 200px;" type="text"/> <div> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div> </div>			
<b>21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)</b> <input checked="" type="checkbox"/> ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.			
<b>Authorized Representative:</b>			
Prefix: <input style="width: 100px;" type="text" value="Mr."/>	* First Name: <input style="width: 200px;" type="text" value="Andrew"/>		
Middle Name: <input style="width: 200px;" type="text"/>			
* Last Name: <input style="width: 200px;" type="text" value="Ellard"/>			
Suffix: <input style="width: 100px;" type="text"/>			
* Title: <input style="width: 200px;" type="text" value="Assistant City Administrator"/>			
* Telephone Number: <input style="width: 150px;" type="text" value="423-585-4614"/>		Fax Number: <input style="width: 150px;" type="text"/>	
* Email: <input style="width: 200px;" type="text" value="aellard@mymorristown.com"/>			
* Signature of Authorized Representative:			* Date Signed: <input style="width: 100px;" type="text" value="09/23/2022"/>

**ATTACHMENT TWO  
PAGE ONE**

GRANT BUDGET				
City of Morristown: Land Acquisition TW Relocation (Study)				AERO-23-242-00
The Grant Budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable Period:				
BEGIN: 11/18/2022		END: 11/17/2023		
POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY <sup>1</sup>	GRANT CONTRACT	GRANTEE MATCH	TOTAL PROJECT
1, 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award <sup>2</sup>	\$49,115.00	\$2,585.00	\$51,700.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11, 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest <sup>2</sup>	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation <sup>2</sup>	0.00	0.00	0.00
18	Other Non-Personnel <sup>2</sup>	0.00	0.00	0.00
20	Capital Purchase <sup>2</sup>	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	GRAND TOTAL	\$49,115.00	\$2,585.00	\$51,700.00

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

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

<sup>3</sup> 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  
PAGE TWO**

**GRANT BUDGET LINE-ITEM DETAIL:**

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Land Acquisition TW Relocation (Study)	\$51,700.00
<b>TOTAL</b>	<b>\$51,700.00</b>

TAD Project # 32-555-0776-23

**Project Breakdown:**

TX	\$49,115.00	95% State
	<u>\$ 2,585.00</u>	5% Local Participation

Grant Total: \$51,700.00

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

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: City of Morristown

Parent entity's tax identification number: 62-6000369

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  
3<sup>rd</sup> Floor, WRS Tennessee Tower  
312 Rosa L Parks Avenue  
Nashville, TN 37243

Parent entity's contact information

Name of primary contact person: Andrew Ellard

Address: 100 West First North Street, Morristown TN 37814

Phone number: 423-585-4614

Email address: aellard@mymorristown.com

Parent entity's Edison Vendor ID number, if applicable: 4108



## Morristown City Council Agenda Item Summary

**Date:** January 17, 2023

**Agenda Item:** Acknowledge receipt of proposals and approve an agreement with Mauldin & Jenkins, LLC to provide Auditing Services for a three-year period beginning with the audit for fiscal year 2023, and authorize the City Administrator to execute the same.

**Prepared By:** Andrew Ellard

**Subject:** Audit Services

**Background:** Brown Edwards has audited the City for the last several years, including FY 2022, which was added to the last contract as a one-year extension. The City solicited for proposals for a new agreement for services in September 2022 and received proposals from five (5) interested firms.

### Findings/Current Activity:

After an initial scoring of all submissions, the top three firms were interviewed by a selection committee. Following interviews, the selection committee identified Mauldin & Jenkins, LLC as the preferred firm.

### Financial Impact:

While cost was not a determining factor in the review by the selection committee, the rate proposed by Mauldin & Jenkins (\$52,000 for review of FY 2023) does represent a cost savings of \$12,450 over the most recent fiscal year's audit.

### Action options/Recommendations:

Staff recommends approval of the contract with Mauldin & Jenkins.

**Attachment:** Draft Contract for Audit of Accounts; Draft Letter of Engagement

**CONTRACT TO AUDIT ACCOUNTS**  
**OF**  
**City of Morristown**  
  
**FROM July 01, 2022 TO June 30, 2023**

This agreement made this 13th day of December 2022, by and between Mauldin & Jenkins, LLC, 200 W Martin Luther King Boulevard, Suite 1100, Chattanooga, TN 37402, hereinafter referred to as the "auditor" and City of Morristown, of 100 West First North Street, Morristown, TN 37814, hereinafter referred to as the "organization", as follows:

1. In accordance with the requirements of the laws and/or regulations of the State of Tennessee, the auditor shall perform a financial and compliance audit of the organization for the period beginning July 01, 2022, and ending June 30, 2023 with the exceptions listed below:

**Morristown Utilities Commission (MUC) - 2876**

2. The auditor shall conduct the audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and requirements prescribed by the Comptroller of the Treasury, State of Tennessee, as detailed in the *Audit Manual*. Additional information and procedures necessary to comply with requirements of governments other than the State of Tennessee are permissible provided they do not conflict with or undermine the requirements previously referenced. If applicable, the audit is to be conducted in accordance with the provisions of the Single Audit Act and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The audit is also to be conducted in accordance with any other applicable federal agency requirements. It is agreed that this audit will conform to standards, procedures, and reporting requirements established by the Comptroller of the Treasury. It is further agreed that any deviation from these standards and procedures will be approved in writing by the Comptroller of the Treasury prior to the execution of the contract. The interpretation of this contract shall be governed by the above-mentioned publications and the laws of the State of Tennessee.

3. The auditor shall, as part of the written audit report, submit to the organization's management and those charged with governance:

- a) a report containing an expression of an unmodified or modified opinion on the financial statements, as prescribed by the *Audit Manual*. This report shall state the audit was performed in accordance with *Government Auditing Standards*, except when a disclaimer of opinion is issued. If the organization is a component unit or fund of another entity, it is agreed that: (a) the financial statements may be included in the financial statements of the other entity; (b) the principal auditor for the other entity may rely upon the contracted auditor's report; and (c) any additional information required by the principal auditor of the other entity will be provided in a timely manner.
- b) a report on the internal control and on compliance with applicable laws and regulations and other matters. This report shall be issued regardless of whether the organization received any federal funding. Audit reports of entities which are subject to the provisions of the Single Audit Act and OMB's Uniform Guidance shall include the additional reports required by that guidance. The reports will set forth findings, recommendations for improvement, concurrence or nonconcurrence of appropriate officials with the audit findings, comments on management's responses as appropriate, and comments on the disposition of prior year findings.

4. If a management letter or any other reports or correspondence relating to other matters involving internal controls or noncompliance are issued in connection with this audit, a copy shall be filed with the Comptroller of the Treasury by the auditor. Such management letters, reports, or correspondence shall be consistent with the findings published in the audit report (i.e., they shall disclose no reportable matters or significant deficiencies not also disclosed in the findings found in the published audit report). The report should also include a corrective action plan for findings developed under OMB's Uniform Guidance and for other findings in accordance with Section 9-3-407, *Tennessee Code Annotated* and the *Audit Manual*. The corrective action plan is only applicable to findings published in the audit report.

5. The auditor shall file one (1) electronic copy of said report with the Comptroller of the Treasury, State of Tennessee. The auditor shall furnish printed copies and/or an electronic copy of the report to the organization's management and those charged with governance. It is anticipated that the auditor's report shall be filed prior to December 31, 2023, but in no case, shall be filed later than six (6) months following the period to be audited, without explanation to the Comptroller of the Treasury, State of Tennessee and the organization. (Audit documentation for additional procedures for centralized cafeteria systems contracted with audits of internal school funds must be completed and available for review by September 30.) Requirements for additional copies, including those to be filed with the appropriate officials of granting agencies, are listed below:

6. The auditor agrees to retain working papers for no less than five (5) years from the date the report is received by the Comptroller of the Treasury, State of Tennessee. In addition, the auditor agrees that all audit working papers shall, upon request, be made available in the manner requested by the Comptroller for review by the Comptroller of the Treasury or the Comptroller's representatives, agents, and legal counsel, while the audit is in progress and/or subsequent to the completion of the report. Furthermore, at the Comptroller's discretion, it is agreed that the working papers will be reviewed at the

office of the auditor, the entity, or the Comptroller and that copies of the working papers can be made by the Comptroller's representatives or may be requested to be made by the firm and may be retained by the Comptroller's representatives.

7. Any reasonable suspicion of fraud, (regardless of materiality) or other unlawful acts including, but not limited to, theft, forgery, credit/debit card fraud, or any other act of unlawful taking, waste, or abuse of, or official misconduct, as defined in *Tennessee Code Annotated*, § 39-16-402, involving public money, property, or services shall, upon discovery, be promptly reported in writing by the auditor to the Comptroller of the Treasury, State of Tennessee, who shall under all circumstances have the authority, at the discretion of the Comptroller, to directly investigate such matters. Notwithstanding anything herein to the contrary, the Comptroller of the Treasury, State of Tennessee, acknowledges that the auditor's responsibility hereunder is to design its audit to obtain reasonable, but not absolute, assurance of detecting fraud that would have a material effect on the financial statements, as well as other illegal acts or violations of provisions of contracts or grant agreements having a direct and material effect on financial statement amounts. If the circumstances disclosed by the audit call for a more detailed investigation by the auditor than necessary under ordinary circumstances, the auditor shall inform the organization's management and those in charge of governance in writing of the need for such additional investigation and the additional compensation required therefor. Upon approval by the Comptroller of the Treasury, an amendment to this contract may be made by the organization's management, those charged with governance, and the auditor for such additional investigation.

8. **Group Audits.** The provisions of Section 8, relate exclusively to contracts to audit components of a group under AU-C 600. (See definitions in AU-C 600, Paragraph 11.) Section 8 is only applicable to an auditor that audits a component (e.g. a fund, component unit, or other component) of a county government that is audited by the Division of Local Government Audit (LGA). Section 8 is intended to satisfy the communication requirements for the group auditor (LGA) to the component auditor under AU-C 600.

- a) The Division of Local Government Audit (LGA) shall be considered the "group auditor" for any contract to audit a component of an applicable county government. LGA shall present the county's financial statements in compliance with U.S. Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). LGA shall conduct the audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.
- b) The contracting auditor shall be considered the "component auditor" for purposes of this section.
- c) The financial statements audited by the component auditor should be presented in accordance with GAAP as promulgated by GASB. If the financial reporting framework for any component does not conform to this basis, the financial reporting framework should be disclosed in Section 9 (Special Provisions). (Component financial statements that are not presented using the same financial reporting framework as the county's financial statements may cause this contract to be rejected.)
- d) The component auditor shall conduct the component audit in accordance with auditing standards generally accepted in the United States of America and the auditing standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.
- e) The component auditor shall cooperate with LGA to accomplish the group audit. It is anticipated that LGA will make reference to the component auditor's report in the group audit report. Should LGA find it necessary to assume responsibility for the component auditor's work, the terms, if any, shall be negotiated under a separate addendum to this contract.
- f) The component auditor shall follow the ethical requirements of *Government Auditing Standards* and affirms that the component auditor is independent to perform the audit and will remain independent throughout the course of the component audit engagement.
- g) The component auditor affirms that the component auditor is professionally competent to perform the audit. LGA may confirm certain aspects of the component auditor's competence through the Tennessee State Board of Accountancy.
- h) The component auditor will be contacted via email by the LGA's Audit Review Manager with the estimated date of the conclusion of LGA's audit of the county government. The component auditor agrees to update subsequent events between the date of the component auditor's report and the date of the conclusion of LGA's audit of the county government. Additional subsequent events should be communicated via email to LGA's Audit Review Manager.
- i) The component auditor shall read LGA's audited financial statements for the county government for the previous fiscal year noting in particular **related parties** in the notes to the financial statements, and **material misstatement** findings in the Findings and Questioned Costs Section. The previous year audited financial statements can be obtained from the Comptroller's website at [www.comptroller.tn.gov](http://www.comptroller.tn.gov). As required by generally accepted auditing standards, we have identified Management Override of Controls and Improper Revenue Recognition as presumptive fraud risks. The component auditor shall communicate to LGA (i.e. group management) on a timely basis **related parties** not previously identified by the group management in LGA's prior year audited financial statements. Related parties should be communicated via email to LGA's Audit Review Manager.
- j) The component auditor's report should not be restricted as to use in accordance with AU-C 905.
- k) Sections 1-7 and Sections 9-13 of this contract are also applicable to the component auditor during the performance of the component audit.

9. (Special Provisions)

10. In consideration of the satisfactory performance of the provisions of this contract, the organization shall pay to the auditor a fee of (Fees may be fixed amounts or estimated.) (Fixed Amount: \$52,000.00) or (Estimated gross fee:)

(If not a fixed amount, an estimated gross fee should be furnished to the governing unit for budgetary purposes. A schedule of fees and/or rates should be set forth below. Interim billings may be arranged with consent of both parties to this contract.) Provision for the payment of fees under this agreement has been



or will be made by appropriation of management and those charged with governance.

SCHEDULE OF FEES AND/OR RATES:

11. As the authorized representative of the firm, I do hereby affirm that:
- our firm and all individuals participating in the audit are in compliance with all requirements of the Tennessee State Board of Accountancy and;
  - our firm has participated in an external quality control review at least once every three (3) years, conducted by an organization not affiliated with our firm, and that a copy of our most recent external quality control review report has been provided to the organization and the office of the Tennessee Comptroller of the Treasury approving this contract;
  - all members of the staff assigned to this audit have obtained the necessary hours of continuing professional education required by *Government Auditing Standards*;
  - all auditors participating in the engagement are independent under the requirements of the American Institute of Certified Public Accountants and *Government Auditing Standards*.

12. This writing, including any amendments or special provisions, contains all terms of this contract. There are no other agreements between the parties hereto and no other agreements relative hereto shall be enforceable, unless entered into in accordance with the procedures set out herein and approved by the Comptroller of the Treasury, State of Tennessee. In the event of a conflict or inconsistency between this contract and the special provisions contained in paragraph 9 of this contract, the special provision(s) are deemed to be void. Any changes to this contract must be agreed to in writing by the parties hereto and must be approved by the Comptroller of the Treasury, State of Tennessee. All parties agree that the digital signatures, that is, the electronic signatures applied by submitting the contract, are acceptable as provided for in the Uniform Electronic Transaction Act. Any paper documents submitted related to this contract will be converted to an electronic format and such electronic document(s) will be treated as the official document(s).

13. If any term of this contract is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms will not be affected, and, if possible, the rights and obligations of the parties are to be construed and enforced as if the contract did not contain that term.

Audit firm

Governmental Unit or Organization

By

Signature

By

Signature

Title/Position:

Title/Position:

E-mail address

E-mail address

Date:

Date:

**Approved by the Comptroller of the Treasury, State of Tennessee**

For the Comptroller:

By

Date:

December 13, 2022

Honorable Mayor and Members of the  
City Council  
City of Morristown, Tennessee  
100 West First North Street  
Morristown, TN 37814

Attn: Michelle Woods, Finance Director and Tony Cox, City Administrator

We are pleased to confirm our understanding of the services we are to provide the City of Morristown, Tennessee (the City) for the years ended June 30, 2023, June 30, 2024, and June 30, 2025, with the option to extend for an additional three years.

#### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the City of Morristown, Tennessee as of and for the year then ended. These statements will include the budgetary comparison information for the General Fund and the Solid Waste Fund. We will obtain and place reliance on the report of other auditors for the City of Morristown Utilities Commission, major proprietary funds for the City. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis (MD&A).
2. Schedule of Changes in the City's Net Pension Liability and Related Ratios - TCRS.
3. Schedule of City Contributions – TCRS Pension Plan.
4. Schedule of Changes in the City's Net OPEB Liability and Related Ratios.

5. Schedule of Changes in the City's Net OPEB Liability and Related Ratios – Morristown Utilities Retiree Benefit Plan.
6. Schedule of City Contributions – OPEB Plan.
7. Schedule of OPEB Investment Returns.

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS and will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

1. Schedule of expenditures of federal awards.
2. Combining and individual fund statements.
3. Schedule of Changes in Long-term Debt by Individual Issue
4. Schedule of Bonds, Note, and Interest Requirements – Governmental Activities
5. Schedule of Bonds, Note, and Interest Requirements – Business-type Activities
6. Schedule of Changes in Leases by Individual Issue
7. Schedule of Lease Requirements

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report:

1. Introductory section
2. Statistical section
3. Other Supporting Schedules

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on -

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a

material effect on the financial statements in accordance with *Government Auditing Standards*.

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

#### **Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit**

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we will exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We plan to obtain and place reliance on the report of other auditors for the Morristown Utilities Commission, major proprietary funds of the City, assuming that our communications with the other auditors and review of their audit report and the financial statements of the Morristown Utilities Commission provide sufficient and appropriate audit evidence on which to base our overall opinion on the major funds.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

1. Management's override of internal controls.

#### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal



control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Morristown, Tennessee's compliance with provisions of applicable laws, regulations, contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Morristown's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City of Morristown's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

#### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform these services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Responsibilities of Management for the Financial Statements and Single Audit**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant

to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. You are also responsible for coordinating our access to information relevant to the preparation and fair presentation of the financial statements of the major proprietary funds which may include discussions with component management and their auditors. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that

the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and to prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review subsequent to the start of fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19 related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and

providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to an exempt offering document with which Mauldin & Jenkins is not involved, you agree to clearly indicate in the exempt offering document that Mauldin & Jenkins is not involved with the contents of such offering document. In the event that Mauldin & Jenkins is requested to be involved with an exempt offering document, you agree that the aforementioned auditor's report or reference to Mauldin & Jenkins will not be included without our prior permission or consent. Furthermore, any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You acknowledge the City of Morristown will not utilize Mauldin & Jenkins, LLC to store documents, data, or records on behalf of the City in accordance with the "Hosting Services" (see ET section 1.295.143) interpretation of the AICPA Code of Professional Conduct. The City is solely responsible for maintaining its own data and records.

In that regard, SuraLink is used solely as a method of transferring data to Mauldin & Jenkins, LLC and is not intended for the storage of the City's information. All information you will provide through SuraLink is a copy and you will maintain original documents and data as part of your records.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City of Morristown, Tennessee; however, management is responsible for distribution of the reports and financial statements. Unless restricted by law or



regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mauldin & Jenkins and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Tennessee Comptroller of the Treasury or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mauldin & Jenkins personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a regulatory body. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately April 17, 2023 and to issue our reports no later than December 31, 2023, December 31, 2024, and December 31, 2025. James Bence is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$52,000 for the year ended June 30, 2023. This fee includes the base audit fee of \$40,000, \$7,000 for the audit and reporting of one major federal program, and \$5,000 for the preparation of the City's ACFR.

Our fee for these services will be \$53,400 for the year ended June 30, 2024. This fee includes the base audit fee of \$41,200, \$7,200 for the audit and reporting of one major federal program, and \$5,000 for the preparation of the City's ACFR.

Our fee for these services will be \$54,900 for the year ended June 30, 2025. This fee includes the base audit fee of \$42,500, \$7,400 for the audit and reporting of one major federal program, and \$5,000 for the preparation of the City's ACFR.

Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. The above fees are based on anticipated cooperation from your personnel (including complete and timely receipt by us of the information on the respective client participation listings) and the assumption that unexpected circumstances (including scope changes) will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.



As a result of our prior or future services to you, we might be requested or required to provide information or documents to you or a third party in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests we will observe the confidentiality requirements of our profession and will notify you promptly of the request.

### **Reporting**

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Members of the City Council for the City of Morristown, Tennessee. We will make reference to other auditor's report on the Morristown Utilities Commission in our report on your financial statements. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs to our auditor's report, or if necessary, withdraw from this engagement. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the City of Morristown, Tennessee and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Sincerely,

RESPONSE:

This letter correctly sets forth the understanding of the City of Morristown, Tennessee.

By: \_\_\_\_\_

Title: \_\_\_\_\_



## Morristown City Council Agenda Item Summary

**Date:** January 17<sup>th</sup>, 2023

**Agenda Item:** Acknowledge receipt of bids for in-car camera systems, accept the bid from Dana Safety Supply as the best and most qualified bid and authorize a one-time purchase of ten (10) 10-8 Arsenal In-Car camera systems with the necessary AV cables totaling \$24,649.90.

**Prepared By:** Andrew Ellard

**Subject:** Police Department In-Car Camera purchase

**Background:** Of the fifteen (15) police vehicles on order, ten (10) of them will be designated for patrol use and will require new in-car camera systems. The Police Department currently deploys 10-8 in-car camera systems in patrol vehicles. It was the police department's desire to obtain a camera system that was compatible with their current system.

### Findings/Current Activity:

An invitation to bid was advertised twice in the Citizen Tribune, on the city's website and on Vendor Registry. We received three (3) total responses to the bid. Dana Safety Supply provided the best and most qualified bid. Please note, Trucker's Lighthouse submitted a bid with a lower bid price. Trucker's Lighthouse bid did not satisfy bid requirements, thus invalidating the bid. In addition, the City Council previously awarded Dana Safety Supply the bid to upfit all fifteen (15) police vehicles with emergency equipment. Installation of the in-car camera systems will be part of the upfitting process. Awarding the in-car camera bid to Dana Safety Supply is more cost effective and efficient simply because any/all costs associated with delivery and storage would be nullified. (See the attached bid tabulation for further information).

### Financial Impact:

FY23 budget partially provides for the purchase of this equipment. Previously encumbered funds from the FY22 budget that were appropriated to the FY23 budget via amendment (4713.02) will be utilized to cover the cost overage.

10-8 Arsenal In-Car Cameras = \$23,999.90

AV Cables = \$650.00

Total Cost = \$24,649.90

**Action options/Recommendations:**

Acknowledge bids, award the bid to Dana Safety Supply, and authorize staff to make a one-time purchase of ten (10) in car camera systems with AV cables totaling \$24,649.90.

**Attachment:** Bid tabulation

City of Morristown  
Police In-Car Camera System Bid  
December 27th, 2022  
2:00 PM

Item	Vendor		
	10-8 Video	Dana Safety Supply	Trucker's Lighthouse*
10-8 Arsenal In-Car Camera System	\$2,495.00	\$2,399.99	\$2,225.00
10-8 Video System AV Cable	\$69.00	\$65.00	\$61.00
Replacement Mic Batteries	\$39.00	\$48.75	No bid
Optional 2-year Ext. Warranty	\$699.00	\$750.00	No bid
10-8 Arsenal In-Car Camera (Front Only)			\$1,949.00
Freight			\$15 (Per Unit)
*Did not submit bid packet as required. Pricing on bid also didn't match.			



## Morristown City Council Agenda Item Summary

**Date:** January 17<sup>th</sup>, 2023

**Agenda Item:** Acknowledge receipt of bids for “ride on” floor scrubbers, accept the bid from Global Industrial as the best and lowest bid, and authorize the one-time purchase of one (1) Global Industrial Auto Ride-On Floor Scrubber with the optional 3-year extended service plan, totaling \$12,284.87.

**Prepared By:** Andrew Ellard

**Subject:** Landing Floor Scrubber Purchase

**Background:** Landing staff desires to purchase a “ride-on” floor scrubber for use by custodial staff at the Morristown Landing Recreation and Events Center.

**Findings/Current Activity:**

The City issued a request for bids, which was advertised twice in the Citizen Tribune, on the city’s website and on Vendor Registry. We received two (2) total responses, with three (3) different model options. Global Industrial provided the best and lowest bid. Please note, based on staff recommendation, Global Industrial mutually agreed to modify several bid provisions/exceptions incorporated in their bid to ensure it satisfied city requirements.

**Financial Impact:**

The purchase is a component of the FF&E budget and will be funded by the city’s bond financing for the start-up of the facility.

Floor Scrubber = \$10,997.88

Extended 3-Year Service Plan = \$1286.99

Total Cost = \$12,284.87

**Action options/Recommendations:**

Acknowledge bids, accept the bid from Global Industrial, and authorize the one-time purchase of a floor scrubber with the extended 3-year service plan totaling \$12,284.87.

**Attachment:** Bid tabulation



	<b>City of Morristown Landing</b>	
	<b>Ride-On Floor Scrubber</b>	
	<b>December 20th, 2022</b>	
	<b>Bid-Tab</b>	
<b>Vendor</b>	<b>Make/Model</b>	<b>Compensation</b>
Global Industrial*	Global Industrial Auto Ride-On Floor Scrubber	<b>\$10,997.88</b>
Kelsan	Viper AS850R-242**	<b>\$13,667.00</b>
Kelsan	Minuteman B120 Scrubmaster	<b>\$14,699.00</b>
*Comes with several exceptions		
**Does not meet the bid specifications		
Global Industrial (Optional Warranty)	1-Year Replacement (starts after warranty expires)	\$764.99
Global Industrial (Optional Warranty)	2-Year w/ Accidental Coverage	\$1,019.99
Global Industrial (Optional Warranty)	2-Year Replacement	\$1,124.99
Global Industrial (Optional Warranty)	3-Year w/ Accidental Coverage	<b>\$1,286.99</b>



## Morristown City Council Agenda Item Summary

**Date:** January 17<sup>th</sup>, 2023

**Agenda Item:** Acknowledge receipt of bids for Landing fitness equipment, accept the bid from Fitness & Exercise Solutions as the best and lowest bid, and authorize a one-time purchase of fitness equipment totaling \$17,571.00.

**Prepared By:** Andrew Ellard

**Subject:** Landing Fitness Equipment

**Background:** On March 15<sup>th</sup>, 2022, the City Council approved the one-time purchase of Fitness Equipment from Fitness & Exercise Solutions to outfit and equip the new Morristown Landing Recreation and Events Center with fitness equipment. This purchase was made after a formal bid process. As the Center nears completion, SFM staff has recognized additional fitness equipment is needed to appropriately equip the facility.

### Findings/Current Activity:

The City issued a request for bids, which was advertised twice in the Citizen Tribune, on the city's website and on Vendor Registry. We received two (2) total responses. Fitness & Exercise Solutions provided the best and lowest bid.

### Financial Impact:

The total price of the initial fitness equipment purchase was below the budgeted amount. Because of this, sufficient funds exist to cover the cost of this purchase.

Total Cost = \$17,571.00

### Action options/Recommendations:

Acknowledge bids, accept the bid from Fitness & Exercise Solutions, and authorize the one-time purchase of equipment totaling \$17,571.00.

**Attachment:** Bid tabulation

**Landing Fitness Equipment  
Invitation to Bid  
January 10th, 2023**

Vendor Name	Total Price (All Items)
Innovative Fitness Solutions	\$18,336.25
Fitness & Exercise Solutions, LLC	\$17,571.00

Paige W. Mills  
pmills@bassberry.com  
(615) 742-7770

January 6, 2023

Mayor Gary Chesney  
City of Morristown  
100 West First North Street  
Morristown, TN 37814

**Re: Trademark Matters**

Dear Mr. Gibson:

We appreciate the opportunity to represent **the City of Morristown** (“You,” the “City,” or the “Client”) in connection with the above referenced matter, which consists of providing intellectual property advice. This letter and the attached Terms of Representation, confirm our undertaking to represent the Client in this matter and governs the terms of our relationship.

This letter and the attached Terms of Representation describe the terms of our engagement. Unless otherwise agreed to, we will deliver our monthly statements to you at the above address, as well as a copy to Lauren Carroll at Carroll Anderson & Foust, LLP at lcarroll@caflp.law.

Again, we are pleased that you have retained our firm to work with You on this matter, and we look forward to continuing our valued working relationship with you. To confirm your agreement, please sign and return this letter to us at your earliest convenience.

Sincerely,

BASS, BERRY & SIMS PLC



Paige W. Mills  
Member

Attachment: Terms of Representation

**APPROVED AND AGREED:**

**City of Morristown**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_



**Paige W. Mills**  
pmills@bassberry.com  
(615) 742-7770

## **TERMS OF REPRESENTATION**

Bass, Berry & Sims PLC (“Bass, Berry & Sims” or the “Firm”) will provide legal services as described in our engagement letter dated January 6, 2023, of which these Terms of Representation are a part (collectively, the “Engagement Letter”), and on the following terms and conditions:

### **1. Staffing and Rates**

We currently expect the following attorneys to work on this matter, with the assistance of others as may be appropriate: Paige Mills. Staffing needs change on many matters over time, and we will adjust assignments to respond to those needs.

The fees for our services will be computed primarily on an hourly basis at our standard rates for attorneys and other professionals, which rates are periodically revised. Our standard hourly rates currently range from approximately \$305 per hour for our junior associates to approximately \$995 or more for certain of our partners. The current rates for Paige Mills is \$745.00. We will use paraprofessionals as appropriate, and their billing rates currently range from approximately \$150 to approximately \$390 per hour. All rates described in this letter are subject to adjustment annually as of October 1 or such other time as we determine.

Other factors may be taken into consideration in determining our fees, including the responsibility assumed, the novelty and difficulty of the legal problem involved, particular experience or knowledge provided, time limitations imposed by the Client or the transaction, the benefit resulting to the Client, and any unforeseen circumstances arising in the course of our representation.

### **2. Payment of Fees and Other Charges**

In addition to the payment of the Firm’s fees, clients are responsible for all out-of-pocket expenses, such as outside photocopying charges, messenger service, travel expenses, filing fees, costs of subpoenas and depositions, publication fees and other costs that we may be required to advance on the client's behalf in connection with the representation. In case of large out-of-pocket costs (generally over \$1,000), you may be asked to advance such costs or to pay them directly as they are incurred.

Unless otherwise agreed between us, we will bill you monthly for legal services and other charges. Payment will be due within 30 days of the date of our statement. If bills are not timely paid, the Firm may cease work and withdraw from the representation to the extent permitted by applicable Rules of Professional Conduct.

Our representation will be deemed concluded at the time that we have rendered our final statement for services on this and any other matter undertaken for you or after sixty days without any work performed for you.

### **3. Client Identification**

We can only represent clients that have been cleared through a conflicts check and whose names appear in our conflicts database. You agree that the person or entity named in the Engagement Letter is our client for the specific matters on which we are engaged, and that we shall not be deemed to represent any of its parents, subsidiaries, joint ventures or other affiliates unless you have specifically identified them to us and we agree in writing to do so. Further, our representation of a corporation, partnership, joint

venture or other entity does not include a representation of the individuals or entities that are direct or indirect shareholders, officers, directors, partners, joint venturers, employees or members of such entity. When individuals are acting in their official capacities with respect to an entity, such communications are subject to the attorney-client privilege, but the privilege belongs to and can be waived by the entity rather than by the individuals.

#### **4. Conflicts and Confidential Information**

Bass, Berry & Sims is a large national legal practice with multiple offices. Because of the Firm's size and geographic scope, as well as the breadth and diversity of its practice, other present or future clients of Bass, Berry & Sims may have interactions or other contacts with you. Accordingly, to prevent any misunderstanding and to preserve the Firm's ability to represent you and its other clients, you consent and agree as follows with respect to certain conflict of interest issues:

**a)** The Firm is free to represent other clients (including future clients) in matters that involve you or are adverse to you as long as those matters are not the same as or substantially related to matters in which we represent you or have represented you. "Matter" refers to transactions, negotiations, proceedings or other representations involving specific parties. Such unrelated matters may include, but are not limited to:

- i. Agreements, licenses, mergers and acquisitions, joint ventures, loans and financings and securities offerings;
- ii. Bankruptcies, reorganizations, receiverships or insolvencies (including proceedings under the US Bankruptcy Code or state insolvency proceedings) and non-judicial debt restructurings, including representation of committees or debtors-in possession, liquidators or other insolvency professionals in domestic or international matters in which you and another client or clients are creditors or other parties in interest;
- iii. Patents, copyrights, trademarks, trade secrets or other intellectual property; real estate; and government contract and procurement matters including bid protests;
- iv. Representation and advocacy with respect to legislative issues, policy issues or regulatory issues, including rulemakings, administrative proceedings and enforcement proceedings;
- v. Third-party discovery requests (including subpoenas) to be served on you, and discovery requests (including subpoenas) that have been served by you on others; and
- vi. Litigation, arbitration, mediation and other dispute resolution matters brought by or against you.

If at a later time you withdraw or modify this advance waiver in any respect, you agree that we then have the right to withdraw from our representation of you pursuant to these Terms of Representation to the extent permitted by the applicable Rules of Professional Conduct.

**b)** The Firm may represent multiple bidders, or lenders to or other financing sources for any other bidder, in any proposed merger, acquisition, joint venture or other transaction so long as there are ethical walls in place and each Bass, Berry & Sims team representing a different client consists of a separate and distinct group of attorneys. Should you rescind or revoke this consent after we and another client have relied on it to commence representing that client, you agree that

we may withdraw from our representation of you and continue representing the other client in the transaction in which you are involved.

c) If we represent you in a matter adverse to another person or entity, we may also represent such person or entity on matters not substantially related to our work for you.

d) We are committed to our professional obligation to maintain the confidentiality of information we receive from our clients. Your advance consent does not affect our continuing obligation to maintain the confidences of you and our other clients.

e) Unless authorized, we will not disclose to you or use on your behalf any documents or information protected by confidentiality obligations to other clients.

f) We are required to confirm the absence of conflicts of interest in connection with each engagement. If there is any change in the parties or the nature of the work the Firm is doing for you, we must perform a new conflicts check to confirm that the changed circumstances have not introduced a conflict of interest. We must also perform a new conflicts check before undertaking any new matters for you.

g) The lawyers practicing in Bass, Berry & Sims offices in various jurisdictions are governed by the rules of professional conduct in the applicable jurisdiction. Although the rules of the various jurisdictions often are similar, they are not identical. Only the rules in force in the specific jurisdictions in which the Firm lawyers representing you are practicing apply to those lawyers, subject to any permitted modifications of those rules reflected in these Terms of Representation.

h) From time to time, Bass, Berry & Sims identifies clients in marketing materials. These materials may include print and online descriptions of Bass, Berry & Sims services, brochures, presentations to other clients, industry surveys and rankings, transactions lists in professional publications, recruiting material and media outreach. You agree that Bass, Berry & Sims may use your name and identifying material, such as your trademarked company logo, and a brief description of the work we do for you in these materials, provided that no confidential information about you or the Firm's work for you is revealed.

## **5. Specific Limitations on Client Identification**

Bass, Berry & Sims has a large national legal practice with active practices in a variety of areas, including regulatory matters, government contracts and litigation. In a variety of matters the Firm is currently handling for other clients, the scope of the representation is such that other agencies of the City of Morristown as a whole are or may be adverse parties. We do not believe that any direct conflict currently exists between the Firm and the City of Morristown because the work we have been asked to perform for the Client is not related to any of our other current representations. We also expect to represent clients in future matters under circumstances in which the City of Morristown and other City agencies may be adverse parties.

To ensure that our work for the City of Morristown does not adversely affect the Firm's ability to continue to represent other clients on current or future matters in which their interests may be adverse to the City of Morristown, including litigation and other dispute resolution proceedings against or adverse to the City of Morristown or any of its agencies, the Client agrees that (1) the City of Morristown is our sole client for the specific matters on which it engages us, and Bass, Berry & Sims shall not be deemed to represent any agency of the City of Morristown with respect to such matters, and (2) the work we perform

for the City or Morristown in this matter will not disqualify Bass, Berry & Sims from working on any other current or future matters, including litigation, bankruptcy or bid protest matters, in which the interests of the City of Morristown or any agencies thereof are or may be adverse to the interests of our client(s), so long as those other current or future matters are not substantially related to the work performed for the City of Morristown in this matter.

## **6. In-House Attorney-Client Privilege**

The lawyers working on this matter may wish to consult, at no cost to you, with the Firm's in-house counsel, including its General Counsel, or with outside counsel, concerning our own rights and responsibilities in connection with representation of you in this matter. Any such communications and advice are protected by our own attorney-client privilege and will remain confidential with the Firm and with such counsel.

## **7. Disclosure Issues**

Under certain circumstances, we may be required to publicly disclose our representation of you and general information about our activities on your behalf, for example in connection with:

- the Lobbying Disclosure Act of 1995;
- the Foreign Agents Registration Act;
- Internal Revenue Service tax shelter regulations;
- any audit letter request to which you ask us to respond;
- clearing conflicts of interest; and
- any subpoena or other legal process to which we are required to respond.

We will comply with a request for disclosure from a third party only to the extent that you have requested us to do so or we are legally obligated to do so. If it is practicable and permitted, we will notify you of the request or the sharing of information. As part of our service to you, we will endeavor to protect your interests in those circumstances. We will charge you for any time spent complying with these requirements, requests or demands in connection with any matters we handle for you. In the event that the Firm considers it necessary to engage counsel in connection with any such disclosure, those expenses will be reimbursable costs under this engagement. The Firm will consult with you before engaging outside counsel at your expense.

## **8. Client Files; Retention**

During the course of this engagement, we will maintain certain documents, both hard-copy and electronic, that pertain to the engagement and that in our judgment should be so maintained (the "Client File"). The Client File is your property. If you wish any documents we maintain in the Client File to be returned to you, we will do so upon your request, although we will be entitled to make copies of any such documents at our expense. Further, any expenses we incur in returning the Client File to you (other than costs incurred in making copies for ourselves) will be billed to and paid by you, including without limitation any costs incurred in converting electronic documents to hard copy documents if you request such conversion. If you do not request return of the Client File, we will maintain the documents in it for a period

of ten years from the end of our representation of you in this matter as determined by the date of the last invoice, and thereafter may destroy the subject documents without further communication with you.

#### **9. Changes in Law**

Any legal advice provided to you will be based on the law at the time we provide advice to you. Laws, including regulations, case law and rules, change frequently. These changes include amendments to laws, regulations and rules; changes in interpretation of such laws, regulations and rules by courts, regulatory agencies or counsel; changes in the facts and circumstances occurring or coming to our attention after the resolution or completion of the matter; or to reflect the occurrence of unanticipated events. We cannot predict the outcome of any future enforcement decisions. We specifically disclaim any obligation to update advice we previously provided in resolved or completed matters.

#### **10. Application of These Terms**

The Engagement Letter, including this statement of Terms of Representation will govern our relationship with you even if you do not sign and return a copy of the Engagement Letter. If we agree to undertake additional matters, those additional matters will be governed by these Terms of Representation unless we mutually agree otherwise in writing.

Clients sometimes present the Firm with billing guidelines, outside counsel guidelines or other additional or different terms and conditions. If you want the Firm to follow any such guidelines, please present them to us as soon as possible, so we can consider how they correspond to these Terms of Representation and come to a clear understanding that is agreed to by the Client and the Firm.

If you disagree with any of these terms and conditions, please advise us immediately by return correspondence so that we can resolve any differences promptly and proceed with a clear, complete and consistent understanding of our relationship. These Terms of Representation contain important information about your rights, obligations and agreements with us, so you should feel free to consult other independent counsel or any other advisor concerning these matters, and we encourage you to do so. By signing the Engagement Letter, you acknowledge that you have had an opportunity to consult with other counsel.





## Morristown City Council Agenda Item Summary

**Date:** January 17, 2023

**Agenda Item:** Approve Amendment No. 2 to the sale and development agreement with Michael Bunch Development for the sale of property at Map 043 I, Group E, Parcel 006.00 at East Main Street and James Street, extending the timeline for closing.

**Prepared By:** Andrew Ellard

**Subject:** Amend Sale & Development Agreement

**Background:** Circumstances warrant additional time to execute purchases.

**Findings/Current Activity:**

The amendment creates no challenge for the City.

**Financial Impact:**

No cost impact to the city.

**Action options/Recommendations:**

Approve the amendment.

**Attachment:** Amendment No. 2

## PROPERTY REDEVELOPMENT CONTRACT

### AMENDMENT NO 2

This Property Redevelopment Contract (“Contract”), entered into on the 20th day of September 2022 by and between **THE CITY OF MORRISTOWN, TENNESSEE** (“City”), a municipal corporation, and **MICHAEL BUNCH DEVELOPMENT**, a property development business, owned and operated by Michael Bunch and authorized to do business in the State of Tennessee (“MBD”), is hereby amended this the 17th day of January 2023.

### WITNESSETH

Whereas, the City and MBD do hereby mutually agree to amend the terms of the aforementioned contract, amending only those terms outlined herein, the full force and effect of all other terms of the original contract and proposal remaining in effect.

**NOW THEREFORE IT IS AGREED** that the following sections be amended to read:

1. **Purchase of Property.** The City does hereby sell to MBD the .52 acre parcel located at the intersection of East Main Street and James Street (Map 043 I, Group E, Parcel 006.00) for the offered purchase price of ten thousand dollars (\$10,000.00) subject to all of the conditions outlined herein including those beyond the purchase. The property shall be closed **by July 31, 2023** through a closing agent as selected by the City.
6. **Completion.** The parties agree that the redevelopment project shall be substantially completed within twenty-four (24) months of **closing on the City-owned parcel**. The parties agree and understand the current market conditions, with regards to supply chain issues, and agree that the completion time may be extended based upon documented supply chain issues or other extenuating market conditions. Such extension shall not exceed twelve (12) months without consideration by the City Council and shall be agreed upon in writing by both parties.

Witness the day and year first above written.

**City of Morristown, Tennessee**

**Michael Bunch Development**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_



**STATE OF TENNESSEE  
DEPARTMENT OF TRANSPORTATION**

**DIVISION OF FREIGHT & LOGISTICS**  
SUITE 1200, JAMES K. POLK BUILDING  
505 DEADERICK STREET  
NASHVILLE, TENNESSEE 37243-1402  
(615) 741-2781

**BUTCH ELEY**  
DEPUTY GOVERNOR &  
COMMISSIONER OF TRANSPORTATION

**BILL LEE**  
GOVERNOR

January 11, 2023

Paul Brown, Public Works Director  
4360 Durham Landing  
Morristown, TN 37814

**Subject:** Highway-Rail Grade Crossing Improvement Project, **Contract # CRR070465 Supplement 1**

Dear Mr. Brown,

The Tennessee Department of Transportation (TDOT) has prepared a Supplemental Agreement for the City of Morristown for safety improvements at the subject highway-rail grade crossing listed below:

U.S. Dot Crossing Number	731366G
Railroad Company	Norfolk Southern (NS) Corp.
Railroad Milepost	89.79A
Federal Project Number	HSIP-R-3850 (10)
State Project Number	32951-2508-94
PIN	128471.00
Highway Route	S Fairmont Ave (03850)
Highway Log Mile	0.08
City, County	In Morristown, Hamblen

Enclosed is one (1) original counterpart of a supplemental agreement between the Department and the City for the performance of this work.

Please have the appropriate City representative review, sign, and return the Supplemental Agreement to me. I will then forward the copy for TDOT Commissioner's signature.

As soon as TDOT's internal signature process is completed, TDOT will then forward to the City the fully executed supplemental agreement. Upon receipt of the fully executed supplemental agreement, the City may begin work.

Paul Brown, Public Works Director  
January 11, 2023  
Page 2 of 2

If you have any questions regarding this matter, please contact me by phone at (615) 253-1043 or by email at [Erik.Andersen@tn.gov](mailto:Erik.Andersen@tn.gov)

Sincerely,

 *U.E.*

**Erik Andersen, P.E.** | TN Rail Crossing Safety Manager  
Freight & Logistics Division  
J. K. Polk Bldg., 9<sup>th</sup> Floor  
505 Deaderick St, Nashville, TN 37243  
p. 615-253-1043  
[Erik.Andersen@tn.gov](mailto:Erik.Andersen@tn.gov)

EA/NE

Enclosure: City Supplemental Agreement (1 copy)

Cc: File



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## SUPPLEMENT # 1 TO RAILROAD AGREEMENT

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THIS SUPPLEMENT is made and entered into by and between the **State of Tennessee** acting through its Department of Transportation, hereinafter called "TDOT," and the **City of Morristown**, Tennessee, hereinafter referred to as the "Local Government."

### WITNESSETH:

WHEREAS, TDOT and the Local Government entered into Contract No. CRR070465, dated the 10th day of March, 2022, in which the parties agreed to certain matters concerning Railroad Crossing Approaches Project Number PIN 128471.00, HSIP-R-3850 (10), 32951-2508-94, at the S Fairmont Ave (03850) Highway-Rail Grade Crossing DOT No. 731366G located in Morristown, Hamblen County, Tennessee; and

WHEREAS, it is desired by the parties that the hereinafter mentioned changes be made in said original Agreement;

NOW, THEREFORE, for a valuable consideration it is agreed by and between the parties as follows:

#### **To remove the following language from the Preamble:**

WHEREAS, for the Railroad Crossing Roadway Approaches Adjustment Project, the Local Government has prepared plans, specifications, and estimates of cost, dated **January 8, 2021**, which estimate is in the amount of **\$40,600.00**, in which the total cost is to be split 10% for the City of Morristown (\$4,060.00) and 90% for TDOT (\$36,540.00)

#### **And replace with the following language:**

WHEREAS, for the Railroad Crossing Roadway Approaches Adjustment Project, the Local Government has prepared plans, specifications, and estimates of cost, dated **November 3, 2022**, which estimate is in the total amount of **\$51,968.24**; and for which the amount of **\$40,600.00** is to be split ten percent (10%) for the City of Morristown (\$4,060.00) and ninety percent (90%) for TDOT (\$36,540.00); and for which the remaining amount of **\$11,368.24** is 100% for TDOT.

**To remove the original Exhibit A dated:** December 28, 2021

**And replace with the attached Exhibit A dated:** January 11, 2023

It is understood that the above are the only changes made in said Agreement.



**IN WITNESS WHEREOF**, the parties have executed this Supplement.

**City of Morristown, Tennessee**

**STATE OF TENNESSEE  
DEPARTMENT OF TRANSPORTATION**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Howard H. Eley  
Commissioner of Transportation

DATE: \_\_\_\_\_

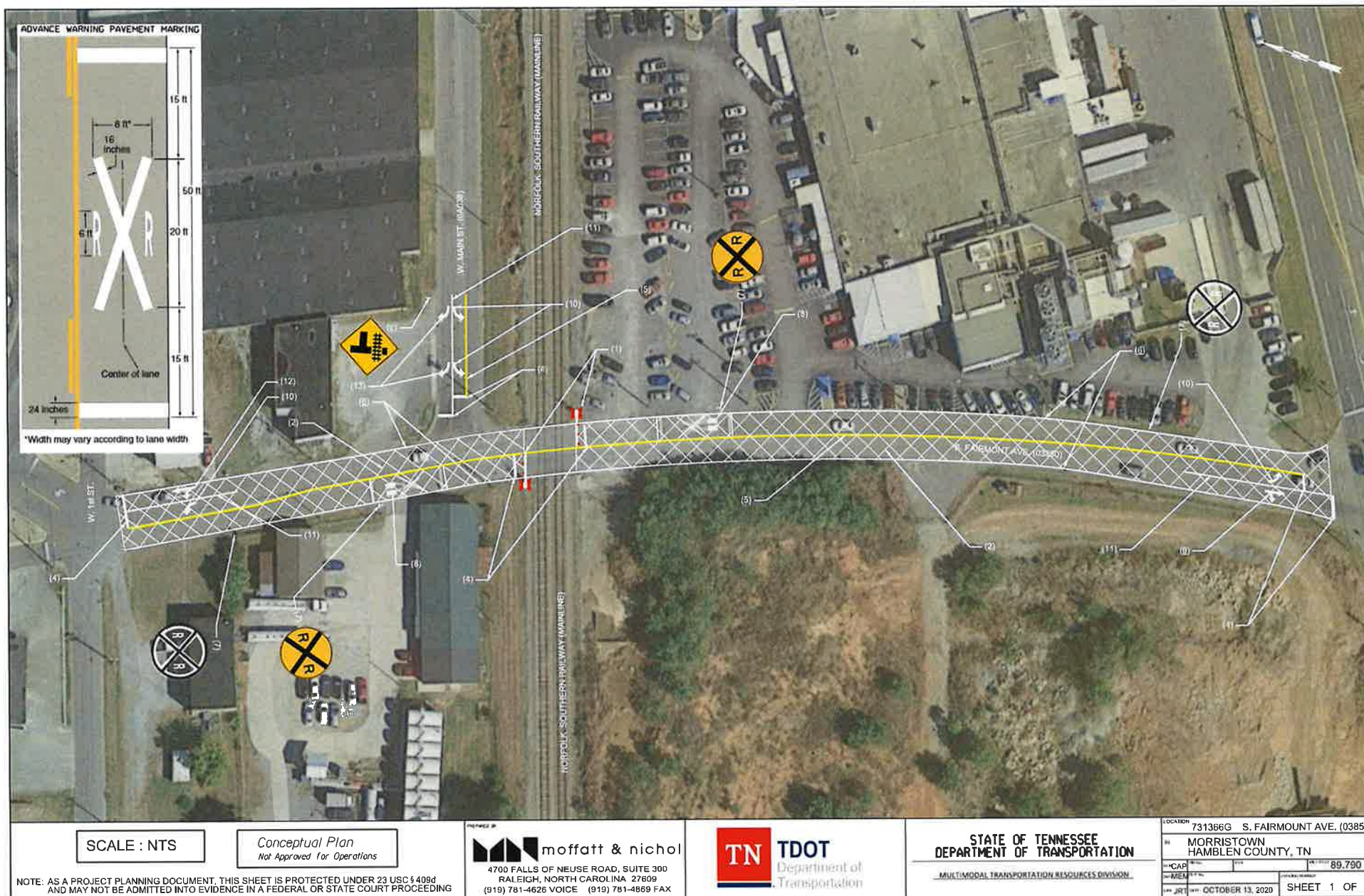
DATE: \_\_\_\_\_

**APPROVED AS TO FORM:**

**APPROVED AS TO FORM:**

BY: \_\_\_\_\_  
Morristown Attorney

BY: \_\_\_\_\_  
John H. Reinbold  
General Counsel





## Morristown City Council Agenda Item Summary

**Date:** January 17<sup>th</sup>, 2023

**Agenda Item:** Approve the re-assignment of turf management and mowing services from Tennessee Turf Masters, LLC to Silver Creek Landscaping and authorize the City Administrator to enter into a two (2) year agreement authorizing same.

**Prepared By:** Andrew Ellard

**Subject:** Re-assignment of turf Management and Mowing Services

**Background:** On December 20<sup>th</sup>, 2022, the City of Morristown City Council awarded Tennessee Turfmasters, LLC a two (2) year contract to provide turf management and mowing services at Jolley Park and various locations throughout the city. Tennessee Turfmasters, LLC now desires to assign all of its rights and obligations under the original agreement to Silver Creek Landscaping.

### Findings/Current Activity:

Tennessee Turfmasters, LLC has previously assigned contracted city mowing services to Silver Creek Landscaping. To date, the services provided by Silver Creek Landscaping has been acceptable and their performance has met City expectations. Silver Creek Landscaping will be responsible for all obligations previously agreed to by Tennessee Turfmasters, LLC. The terms of the contract already approved by City Council will remain the same.

### Financial Impact:

The associated contract costs approved by council on December 20<sup>th</sup>, 2022 will remain the same.

### Action options/Recommendations:

Staff recommends approval

**Attachment:** None.

# Morristown Roofing Company, Inc.

January 6, 2023

Claude Smith  
City of Morristown

**RE: Talley Ward Parapet Metal  
Morristown, TN**

Greetings,

We propose to furnish all labor, materials, equipment, insurance, and services as required in completing the following scope of work:

- Install prefinished counterflashing fascia behind existing wall metal to eliminate concrete cap exposure. Paint finish to match existing or be a standard color choice if existing color not selected.
- Install additional piece of sheet metal at brick access areas.
- Requirement for this estimate that parapet flashing repairs are performed in conjunction with manufacturer's membrane warranty repairs.

**Price - \$14,259.00**

Best Regards,  
Morristown Roofing Company, Inc.

Ashley Horner  
Estimator

— — — —



**REPORT ON DEBT OBLIGATION**

(Pursuant to Tennessee Code Annotated Section 9-21-151)

<b>1.</b>	<b>Public Entity:</b>	Name: <u>City of Morristown, TN</u> Address: <u>100 West First North Street</u> <u>Morristown, TN 37816</u> Debt Issue Name: <u>General Obligation Bonds, Series 2022</u> <small>If disclosing initially for a program, attach the form specified for updates, indicating the frequency required</small>																										
<b>2.</b>	<b>Face Amount:</b>	\$	<u>4,500,000.00</u>																									
	Premium/Discount:	\$	<u>117,490.60</u>																									
<b>3.</b>	<b>Interest Cost:</b>	<u>3.9139403</u> %	<input checked="" type="checkbox"/> Tax-exempt <input type="checkbox"/> Taxable <input checked="" type="checkbox"/> TIC <input type="checkbox"/> NIC Variable: Index _____ plus _____ basis points; or Variable: Remarketing Agent _____ Other: _____																									
<b>4.</b>	<b>Debt Obligation:</b>	<input type="checkbox"/> TRAN <input type="checkbox"/> RAN <input type="checkbox"/> CON <input type="checkbox"/> BAN <input type="checkbox"/> CRAN <input type="checkbox"/> GAN <input checked="" type="checkbox"/> BOND <input type="checkbox"/> Loan Agreement <input type="checkbox"/> Capital Lease <small>If any of the notes listed above are issued pursuant to Title 9, Chapter 21, enclose a copy of the executed note with the filing with the Official State and Local Finance ("OSFL")</small>																										
<b>5.</b>	<b>Ratings:</b>	<input type="checkbox"/> Unrated Moody's <u>Aa3</u> Standard & Poor's _____    Fitch _____																										
<b>6.</b>	<b>Purpose:</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th colspan="2"></th> <th colspan="2">BRIEF DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/></td> <td>General Government</td> <td style="text-align: right;">%</td> <td></td> </tr> <tr> <td><input type="checkbox"/></td> <td>Education</td> <td style="text-align: right;">%</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Utilities</td> <td style="text-align: right;">100%</td> <td>Acquisition of property for &amp; improvements to garbage collection &amp; disposal facility system, payment of costs incident to the Projects</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other</td> <td style="text-align: right;">%</td> <td></td> </tr> <tr> <td><input type="checkbox"/></td> <td>Refunding/Renewal</td> <td style="text-align: right;">%</td> <td></td> </tr> </tbody> </table>					BRIEF DESCRIPTION		<input type="checkbox"/>	General Government	%		<input type="checkbox"/>	Education	%		<input checked="" type="checkbox"/>	Utilities	100%	Acquisition of property for & improvements to garbage collection & disposal facility system, payment of costs incident to the Projects	<input type="checkbox"/>	Other	%		<input type="checkbox"/>	Refunding/Renewal	%	
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<input type="checkbox"/>	Other	%																										
<input type="checkbox"/>	Refunding/Renewal	%																										
<b>7.</b>	<b>Security:</b>	<input checked="" type="checkbox"/> General Obligation <input type="checkbox"/> General Obligation + Revenue/Tax <input type="checkbox"/> Revenue <input type="checkbox"/> Tax Increment Financing (TIF) <input type="checkbox"/> Annual Appropriation (Capital Lease Only)    Other (Describe): _____																										
<b>8.</b>	<b>Type of Sale:</b>	<input checked="" type="checkbox"/> Competitive Public Sale <input type="checkbox"/> Interfund Loan _____ <input type="checkbox"/> Negotiated Sale <input type="checkbox"/> Loan Program _____ <input type="checkbox"/> Informal Bid																										
<b>9.</b>	<b>Date:</b>	Dated Date: <u>12/1/2022</u> Issue/Closing Date: <u>12/1/2022</u>																										



**REPORT ON DEBT OBLIGATION**  
(Pursuant to Tennessee Code Annotated Section 9-21-151)**10. Maturity Dates, Amounts and Interest Rates\*:**

Year	Amount	Interest Rate
2024	\$ 235,000	5.00%
2025	\$ 250,000	5.00%
2026	\$ 260,000	5.00%
2027	\$ 275,000	5.00%
2028	\$ 290,000	5.00%
2029	\$ 300,000	4.00%
2030	\$ 315,000	4.00%

If additional space is needed, attach additional sheet

Year	Amount	Interest Rate
2031	\$ 325,000	4.00%
2032	\$ 340,000	4.00%
2033	\$ 355,000	4.00%
2034	\$ 365,000	4.00%
2035	\$ 380,000	4.00%
2036	\$ 395,000	4.00%
2037	\$ 415,000	4.00%

If (1) the debt has a final maturity of 31 or more years from the date of issuance, (2) principal repayment is delayed for two or more years, or (3) if debt service payments are not level throughout the retirement period, then a cumulative repayment schedule (grouped in 5 year increments out to 30 years) including this and all other entity debt secured by the same source **MUST BE PREPARED AND ATTACHED**. For purposes of this form, debt secured by an ad valorem tax pledge and debt secured by a dual ad valorem tax revenue pledge are secured by the same source. Also, debt secured by the same revenue stream, no matter what lien level, is considered secured by the same source.

\*This section is not applicable to the Initial Report for Borrowing Program.

**11. Cost of Issuance and Professionals:**☐ No costs or professionals

	AMOUNT (round to nearest \$)	FIRM NAME
Financial Advisor Fees	\$ 25,000	Cumberland Securities Company, Inc.
Legal Fees		
Bond Counsel	\$ 13,500	Bass, Berry & Sims
Issuer's Counsel		
Trustee's Counsel		
Bank Counsel		
Disclosure Counsel		
Paying Agent Fees	\$ 700	Regions Bank
Registrar Fees		
Trustee Fees		
Remarketing Agent Fees		
Liquidity Fees		
Rating Agency Fees	\$ 12,600	Moody's Investors Service
Credit Enhancement Fees		
Bank Closing Costs		
Underwriter's Discount (1.042037%)	\$ 46,892	FHN Financial
Take Down		
Management Fee		
Risk Premium		
Underwriter's Counsel		
Other Expenses		
Printing & Advertising Fees	\$ 10,500	News publications, Print Shop, i-Deal, CUSIP, MuniHub
Issuer/Administrator Program Fees		
Real Estate Fees		
Sponsorship/Referral Fee		
Other Costs: Misc	\$ 4,995	structuring, postage, doc product, travel, etc.
<b>TOTAL COSTS</b>	<b>\$ 114,187</b>	

### REPORT ON DEBT OBLIGATION

(Pursuant to Tennessee Code Annotated Section 9-21-151)

<b>12. Recurring Costs:</b>		
<input type="checkbox"/> No Recurring Costs		
	<b>AMOUNT</b> (Basis points/\$)	<b>FIRM NAME (if different from #11)</b>
Remarketing Agent		
Paying Agent/Registrar	\$ 500.00	Regions Bank
Trustee		
Liquidity/Credit Enhancement		
Escrow Agent		
Sponsorship/Program/Admin		
Other		

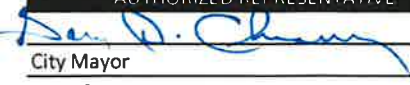

<b>13. Disclosure Document/Official Statement:</b>	
<input type="checkbox"/> None Prepared	
<input checked="" type="checkbox"/> EMMA Link	<a href="https://emma.msrb.org/P11630907-P11256510-P11681604.pdf">https://emma.msrb.org/P11630907-P11256510-P11681604.pdf</a>
<input type="checkbox"/> Copy Attached	

<b>14. Continuing Disclosure Obligations:</b>	
Is there an existing continuing disclosure obligation related to the security for this debt?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there a continuing disclosure obligation agreement related to this debt?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes to either question, date that disclosure is due	6/30/2022
Name and title of person responsible for compliance	Anthony W. Cox, City Administrator

<b>15. Written Debt Management Policy:</b>	
Governing Body's approval date of the current version of the written debt management policy	8/19/2014
Is the Debt obligation in compliance with and clearly authorized under the policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>16. Written Derivative Management Policy:</b>	
<input checked="" type="checkbox"/> No Derivative	
Governing Body's approval date of the current version of the written derivative management policy	
Date of Letter of Compliance for derivative	
Is the derivative in compliance with and clearly authorized under the policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>17. Submission of Report:</b>			
To the Governing Body: on	12/1/2022	and presented at the public meeting held on	12/5/2022
Copy to Director of OSLF: on	12/1/2022	either by:	
<input type="checkbox"/> Mail to:		<input checked="" type="checkbox"/> Email to:	
425 Rep John Lewis Parkway N, 4th Floor Cordell Hull Building Nashville, TN 37243-3400		<a href="mailto:LGF@cot.tn.gov">LGF@cot.tn.gov</a>	

<b>18. Signatures:</b>	
<b>AUTHORIZED REPRESENTATIVE</b>	<b>PREPARER</b>
Name	
Title	City Mayor
Firm	City of Morristown
Email	<a href="mailto:gchesney@mymorristown.com">gchesney@mymorristown.com</a>
Date	12/1/2022
	
	Senior Vice President
	Cumberland Securities Company, Inc.
	<a href="mailto:Chris.bessler@cumberlandsecurities.com">Chris.bessler@cumberlandsecurities.com</a>
	12/1/2022