



BOARD OF MAYOR AND ALDERMEN MEETING AGENDA

April 23, 2026 - 5:30 P.M.
Town Hall, 100 Main Street E.

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Welcome from the Mayor
6. Approval and/or Correction of the minutes of the Board of Mayor and Aldermen Meeting dated March 26, 2026, monthly financial report, and department reports.
7. Visitors' Comments:
8. Old Business:
9. New Business:
 - A. FIRST READING: Ordinance 26-546: Budget Amendment (Fire Dept. grant)
 - B. FIRST READING: Ordinance 26-547: Adopting Annual Budget- FY 26/27
 - C. DISCUSSION AND CONSIDERATION: Interlocal Agreement with City of Kingsport for Residential Refuse Collection Services
 - D. DISCUSSION AND CONSIDERATION: Planning/Zoning Services Contract with FTDD
 - E. DISCUSSION AND CONSIDERATION: RFP for Town Attorney/Municipal Legal Services
 - F. DISCUSSION AND CONSIDERATION: Termination of Agreement with SAFEbuilt, LLC
10. Board Comments: Mayor, Vice-Mayor, Aldermen
11. Staff Comments: Town Manager, Asst. Town Manager, Town Attorney
12. Adjourn



TOWN OF MOUNT CARMEL

BOARD OF MAYOR AND ALDERMEN MEETING MINUTES

A regularly scheduled meeting of the Town of Mount Carmel, Tennessee Board of Mayor and Aldermen was held at Mount Carmel Town Hall, 100 East Main Street, on March 26, 2026, at 5:30 p.m.

CALL TO ORDER

5:30 pm by Mayor John Gibson

INVOCATION AND PLEDGE OF ALLEGIANCE

Led by Vice-Mayor Bare and Alderman Shugart

ROLL CALL:

BMA	Present	Absent	Town Administration Present
Alderman Darby Patrick	✓		Jim Stables, Town Manager
Alderman James Cross	✓		Tyler Williams, Asst. Town Manager/CFO/Recorder
Alderman Mindy Shugart	✓		Allen Coup, Town Attorney
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

WELCOME FROM THE MAYOR

Mayor Gibson welcomed everyone

RECOGNITION OF PUBLIC SAFETY EMPLOYEES

Fire Chief Mitch Walker recognized Officer Michael Fontenot, Capt. Joe Stapleton, and FF Michael Clark for recent heroic efforts due to structure fires.

APPROVAL and/or correction of the February 26, 2026, Board of Mayor and Aldermen meeting minutes, departmental and financial reports.

Motion: Vice-Mayor Bare

Second: Alderman Binstock

Approved: All present voting in favor

VISITOR COMMENTS

Hawkins Co. Property Assessor Michael Gillespie- spoke regarding the County re-assessment

Alan Cloyd- spoke in opposition of the Sewer Rate increase and the Mount Carmel Recycling Center

Sue Jarrett- spoke on behalf of the Senior Center commending our public safety employees

Osborne family- spoke on behalf of fire victim/inhabitant thanking first responders for their response to the structure fire

OLD BUSINESS

- A. SECOND READING: Ordinance 26-545: Municipal Court Costs-Pay Per Offense Fee

Motion: Alderman Binstock

Second: Alderman Shugart

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

NEW BUSINESS

- A. DISCUSSION AND CONSIDERATION: Resolution 26-673: Sewer Rate and Charges, eff. April 1, 2026

Motion: Alderman Binstock

Second: Vice-Mayor Bare

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam		✓	
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

B. DISCUSSION AND CONSIDERATION: Resolution 26-674: Commemorating America 250

Motion: Alderman Shugart
Second: Alderman Binstock

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

C. DISCUSSION AND CONSIDERATION: Resolution 26-675: Dissolution of Business and Economic Development Committee

Motion: Alderman Shugart
Second: Alderman Binstock

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson		✓	

D. DISCUSSION AND CONSIDERATION: Resolution 26-676: Interlocal Agreement with Town of Rogersville for Mutual Assistance with Municipal Services

Motion: Alderman Shugart
Second: Alderman Binstock

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

E. DISCUSSION AND CONSIDERATION: Resolution 26-677: LPRF Grant Contract Authorization

Motion: Alderman Shugart
Second: Alderman Binstock

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

F. DISCUSSION AND CONSIDERATION: Interlocal Agreement with City of Kingsport for Residential Refuse Collection Services

Item pulled from agenda for consideration at a future meeting, due to lack of a draft agreement for consideration.

G. DISCUSSION AND CONSIDERATION: Mayor's Appointment to fill Parks Committee Vacancy

Motion: Mayor Gibson
Second: Alderman Shugart

To appoint Bennett White to the vacancy on the Parks Committee.

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

H. DISCUSSION AND CONSIDERATION: Surplus Items

Motion: Alderman Shugart
Second: Alderman Binstock

2012 Dodge Charger; 2013 Dodge Charger; Office Desk

	AYES	NAYS	OTHER
Alderman Darby Patrick	✓		
Alderman James Cross	✓		
Alderman Mindy Shugart	✓		
Alderman Philip Binstock	✓		
Alderman Jim Gilliam	✓		
Vice-Mayor Jim Bare	✓		
Mayor John Gibson	✓		

ADJOURN

Motion: Alderman Binstock at **5:58 P.M.**

Second: Alderman Shugart

Approved: *All present voting in favor*

Approve: _____
John Gibson, Mayor

Attest: _____
Tyler Williams, Town Recorder



FINANCIAL REPORT

TOWN OF MOUNT CARMEL, TN

Month ending 03/31/2026

<u>GENERAL FUND:</u>	<u>BALANCE:</u>
Checking Account (First Horizon)	\$765,694.28
LGIP Investment Account	\$6,750,928.71
Capital Outlay Savings (First Horizon)	\$1,158.52
TOTAL:	\$7,517,781.51
<u>DRUG FUND:</u>	<u>BALANCE:</u>
Drug Fund Checking (First Horizon)	\$36,309.84
Special Drug Fund (First Horizon)	\$0.00
TOTAL:	\$36,309.84
<u>SEWER FUND:</u>	<u>BALANCE:</u>
Checking Account (First Horizon)	\$247,012.76
Savings/Sewer Savings 2014 (First Horizon)	\$1,060.46
LGIP Investment Account	\$1,014,360.53
TOTAL:	\$1,262,433.75
<hr/>	
GRAND TOTAL CASH ON HAND:	\$8,816,525.10

Current Savings Rate: 2.42%

Current LGIP Rate: 3.64%

Date: March 31, 2026
To: Jim Stables, Tyler Williams
Copy: Jason Salyer, Matt Malone
From: Chad Arnold
Subject: February 2026 Management, Operations & Maintenance Report - WWTP

Executive Summary

There were eighteen (18) excursions to the NPDES permit during the month of February 2026.

In January, we started to notice a decline in the quality of filtrate being produced by the rental dewatering press. Despite our efforts to separate the solids rich filtrate, the recirculation of these solids overcame the treatment capacity of the plant and caused numerous violations for the month of February. I have been communicating with PW Tech, and we are scheduling a new rental press to be delivered as soon as possible. It appears the time frame for delivery will be the week of March 2nd, 2026.

The replacement blower for blower 2 was received and installed in February. The break in period was reached and the fluid was replaced. It is now in service.

Waste Management is now handling our screenings removal here at the plant. We are no longer utilizing Republic Services for any disposal needs.

Garney has been on site preparing for the upcoming construction phase. Pot holing is taking place to investigate the airlines and prepare for force main installation for Lift Station 3.

Operations

Loading and percent removal as follows:

Parameter	Influent, mg/L	Effluent *mg/L / lbs/day	Reduction % Monthly (85% minimum)	Reduction % Daily (40% minimum)
BOD average	273	70 / 99	74%	-21%
TSS average	294	52 / 75	82%	-15%

* NPDES Effluent Limit (Monthly Average) – 30 mg/L / 119 lbs/day

Flow as follows:

Flow*	MGD
Influent Flow Average, monthly	0.205 MGD*
Effluent Flow Average, monthly	0.152 MGD

*Mt Carmel STP is rated at **0.472 MGD**.

Please refer to the attachments for the state operating report.

Biosolids Dewatering & Disposal

- Dewatering
 - Dewatered 160,247 gallons.
 - 4 loads were transported to Eco-Safe Landfill in February 2026.
 - 48.2 wet tons disposed.

Biosolids Wet Tons Disposed via Landfill

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2026	41.8	48.2	-	-	-	-	-	-	-	-	-	-	90

Residential Lift Stations Maintenance Summary

- Inframark's Maintenance Team responded to nine (9) recorded residential lift station calls during the month of February 2026.
- Three (3) residential lift station pump replacements were recorded during the month of February 2026.
- One (1) residential lift station pump was pulled and cleared of blockages that were preventing the pump from running.

Residential Lift Station Pumps Replaced

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2026	3	3	-	-	-	-	-	-	-	-	-	-	6

Major Maintenance Items - WWTP

- Running the dewatering press as efficiently as possible is the main goal at the wastewater plant right now. This requires constant monitoring and operation of a piece of equipment that should require very little of either. As stated, I am in communication with PW Tech to attempt to resolve this issue and the week of delivery and start up of the new rental press is shaping up to be the week of March 2nd.
- Installation of the new blower took place, and it is running as it should.
- We have been compiling O&M Manuals for equipment around the plant, and we are working on PM schedules and completions.
- Currently working on scheduling a cleaning of the contact basin with ESP&P.

Major Maintenance Items – Lift Stations

- No new maintenance issues at main lift stations this month. A suitable panel replacement for Lift Station 6 has been found through Water and Waste. We are preparing to make the order with an 8-10 week lead time.

Maintenance Opportunities

- A 5-year Capital Improvement Plan is currently being worked on for the Town of Mount Carmel. This will detail the immediate and future maintenance opportunities available to us.

Financial Update

Type	Month	Fiscal Year	Remaining Balance (1)
Repair & Maintenance Cap	\$12,424.18	\$108,706.77	\$(8,706.77)
Chemical Cap	\$3,105.00	\$19,124.30	\$3,193.70
Sludge Cap	\$4,128.37	\$14,331.08	\$103,693.92

- (1) Annual Repair & Maintenance Budget - \$100,000.00
- Annual Sludge Cap Budget - \$118,025.00
- Annual Chemical Budget - \$22,318.00

NOTE: Expenses are applied to the Caps once Inframark has paid the invoices.

Capital Expenditures Procured by the Town of Mount Carmel

Type	Month	Fiscal Year
Residential Pump Maintenance	\$23,065.40	\$117,253.40
WWTP Maintenance	\$24,950.00	\$61,267.51
Machinery & Equipment Rental	\$19,766.07	\$82,266.07
TOTAL	\$67,781.47	\$260,786.98

Please refer to the attachments for the operational and maintenance tracking financial reports.

Health & Safety

- There were no recordable injuries for the month of February 2026.
- Safety training is assigned to each team member individually and is completed on-line.
- Weekly Process Control Meetings are held weekly on Wednesdays and safety topics are addressed during these meetings.

Personnel

- Annual evaluations recently took place, and I received positive feedback from all the employees. Everyone shows continued interest in their roles, and they have positive attitudes even during difficult days. I have been encouraging Operator Certifications for the team.

Mount Carmel Fire Department

Mitch Walker, Fire Chief



April 1st, 2026

To: James Stables, City Manager

Ref: March 2026 Monthly Report

Call Data

- 35 Calls for Service
 - o Fires: 5
 - o Hazardous Situations: 2
 - o Medical: 18
 - o Rescue: 1
 - o Public Service: 5
 - o No Emergency: 4
- Year to Date Calls: 116

Volunteer Response Time to Station

- Average: 1:03
- 90th Percentile: 2:30

Apparatus Response Times

- Average: 6:25
- 90th Percentile: 8:00

Volunteer Staff Hours

- Emergency Response Hours: 119 hours, 18 minutes, 10 seconds

Training Hours

- Total: 481.5 Hours
 - o Company Level Training – 178 hours
 - o Recruit Firefighter Training – 64 hours
 - o Driver/Operator Training – 195 Hours
 - o Officer Training – 16 hours
 - o Technical Rescue – 25 hours

-
- Fire Prevention – 3.5 hours
 - 21 Inspections Completed
 - 3 Smoke Detector Installs

Significant Activities

- Conducted 16-hour Introduction to Fire and Emergency Services Course; 3 new Mount Carmel members attended. 5 personnel from surrounding agencies attended.
- 11 members participated in a 16-hour Modern Aerial Strategies and Tactics course delivered by the Tennessee Fire Service and Code Enforcement Academy.
- 6 members attended the Northeast Tennessee Fire and Rescue Conference; members completed courses in Fire Department Pumpers, Advanced Vehicle Extrication, and Self-Contained Breathing Apparatus.
- Provided standby coverage for the Mount Carmel Easter Egg hunt.
- Participated in a multi-company training with multiple Hawkins County Fire Departments. Work consisted of nozzle demonstrations and water supply operations.
- 2 Juvenile Fire Setters program participants were conducted.
- Attended Local Emergency Planning Committee Meeting with officials from BAE Systems.
- Added 1 volunteer to department roster.
- Annual service of apparatus, pumps, and breathing air systems completed.
- Received Tennessee Rescue Squad Grant from the State Fire Marshall's Office in the amount of \$47,370. This is a non-matching grant that will allow us to purchase a new set of extrication tools.
- Chief Walker obtained his Tennessee Firefighting Commission Rope Technician certification.
- Assistant Chief Carley Bledsoe has retired from our department with 24 years of service to Mount Carmel. Assistant Chief Bledsoe has taken his lifetime membership of the department. We will be hosting a retirement party for him on May 4th at 6:30pm.



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor Gibson, Vice Mayor Bare, and Alderman Gilliam,
Alderman Patrick, Alderman Shugart, Alderman Binstock, Alderman Cross

FROM: Tyler Williams, Assistant Town Manager/CFO

DATE: April 23, 2026

RE: **FIRST READING: Ordinance No. 26-546: Budget Amendment (Fire Dept. grant)**

SUMMARY:

The purpose of Ordinance No. 26-546 is to amend the FY 25-26 annual budget. In April, the Fire Department received a grant from the State Fire Marshall's Office in the amount of \$47,370.00 for vehicle extrication equipment. This amendment recognizes the revenue and coordinating expenditure.

REQUESTING DEPARTMENT(S):

Administration

FISCAL IMPACT:

\$47,370.00 addition to Fire Department

STAFF RECOMMENDATION:

Staff recommends approval

ATTACHMENTS:

Ordinance 26-546



ORDINANCE # 26-546

AN ORDINANCE AMENDING THE FISCAL YEAR 2025-2026 BUDGET AS PASSED BY ORDINANCE # 25-540 OF THE TOWN OF MOUNT CARMEL, TENNESSEE

WHEREAS, the Town of Mount Carmel adopted the fiscal year 2025-2026 budget by passage of Ordinance #25-540 on May 22, 2025, and amended said budget by passage of Ordinance #25-543 on December 18, 2025, and by Ordinance #26-544 on January 29, 2026; and

WHEREAS, pursuant to the Tennessee state constitution, Section 24 of Article II, no public money shall be expended except pursuant to appropriations made by law; and,

WHEREAS, pursuant to the Municipal Budget Law of 1982, as found in the *Tennessee Code Annotated* section 6-56-209, the Board of Mayor and Aldermen has the authority to authorize the budget officer to transfer moneys from one appropriation to another within the same fund; and,

WHEREAS, projected revenues and expenditures for FY 2025-2026 have evolved;

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF MOUNT CARMEL, TENNESSEE THAT CHANGES BE MADE TO THE FISCAL YEAR 2025-2026 BUDGET AS FOLLOWS:

SECTION 1. Ordinances #25-540, #25-543, and #26-544 are hereby amended by the following for Revenues:

General Fund	FY 2025-2026 Original Budget	FY 2025-2026 Amended Budget
Total Revenue	\$4,818,990.00	\$4,866,360.00

SECTION 2. Ordinances #25-540, #25-543, and #26-544 are hereby amended by the following for Expenditures:

General Fund	FY 2025-2026 Original Budget	FY 2025-2026 Amended Budget
Total Appropriations:	\$5,775,648.00	\$5,823,018.00

	FY 2025-2026 Original Budget	FY 2025-2026 Amended Budget
Fund Balance – Appropriated	\$956,658.00	\$956,658.00

SECTION 3. The Board of Mayor and Alderman authorizes the Town Recorder to make said changes in the accounting system.

SECTION 4. This ordinance shall take effect upon publication after its final passage in a newspaper of general circulation, the public welfare requiring it.

Voting by the Board, as follows, April 23 2026, First Reading:

	AYES	NAYS	OTHER
Alderman Darby Patrick			
Alderman James Cross			
Alderman Mindy Shugart			
Alderman Philip Binstock			
Alderman Jim Gilliam			
Vice-Mayor Jim Bare			
Mayor John Gibson			

Voting by the Board, as follows, May 28, 2026, Second Reading and Public Hearing:

	AYES	NAYS	OTHER
Alderman Darby Patrick			
Alderman James Cross			
Alderman Mindy Shugart			
Alderman Philip Binstock			
Alderman Jim Gilliam			
Vice-Mayor Jim Bare			
Mayor John Gibson			

John K. Gibson, Mayor

ATTEST:

Tyler S. Williams, CMFO
Town Recorder



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor Gibson, Vice Mayor Bare, and Alderman Gilliam,
Alderman Patrick, Alderman Shugart, Alderman Binstock, Alderman Cross

FROM: Tyler Williams, Assistant Town Manager/CFO

DATE: April 23, 2026

RE: **FIRST READING: Ordinance No. 26-547: Adopt Annual Budget FY 26/27**

SUMMARY:

The purpose of Ordinance No. 26-545 is to adopt the Annual Budget for the Town of Mount Carmel for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027.

Please refer to the attached Ordinance for further detailed budgetary information.

A 2026-2027 Budget Book will be published and presented at Second Reading in May.

REQUESTING DEPARTMENT(S):

Administration

FISCAL IMPACT:

See attached information for total fiscal impact

STAFF RECOMMENDATION:

Staff recommends approval

ATTACHMENTS:

Ordinance 26-547



ORDINANCE # 26-547

**AN ORDINANCE OF THE TOWN OF MOUNT CARMEL, TENNESSEE ADOPTING
THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2026, AND
ENDING JUNE 30, 2027**

WHEREAS, Tenn, Code Ann. § 9-1-116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the Governing Body has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the Board will consider final passage of the budget.

**NOW THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE TOWN
OF MOUNT CARMEL, TENNESSEE AS FOLLOWS:**

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2027, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

General Fund	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Local Taxes	\$ 2,466,672	\$ 2,437,140	\$ 2,460,979
Licenses and Permits	11,114	10,050	10,050
Intergovernmental	1,183,374	1,647,012	1,141,739
Fines and Forfeitures	35,590	70,250	96,050
Charges for Services		150	250
Miscellaneous Revenues	362,442	409,909	401,300
Total Revenues and Other Financing Sources	\$ 4,059,192	\$ 4,574,511	\$ 4,110,368
Appropriations			
Expenditures			
General Government	\$ 555,374	\$ 413,473	\$ 407,300
Administration	579,208	694,213	742,773
Police Department	607,044	1,047,821	1,032,450
Animal Control	18,868	-	1,000
Fire Department	429,514	1,169,010	333,300
Building Inspector	82,070	75,000	50,000
Public Works	906,348	1,195,920	604,566
State Street Aid	112,993	176,000	143,000
Solid Waste	341,396	350,000	341,800
Recreation	33,243	361,750	210,500
Debt Service/Leases	12,792	12,843	17,789
Library	64,401	99,735	87,590
Transfer Out- Capital Projects Fund			1,756,000
Total Appropriations	\$ 3,743,251	\$ 5,595,765	\$ 5,728,068
Change in Fund Balance	\$ 324,116	\$ (1,021,254)	\$ (1,617,700)
Beginning Fund Balance	\$ 7,753,380	\$ 8,077,496	\$ 7,056,242
Ending Fund Balance	\$ 8,077,496	\$ 7,056,242	\$ 5,438,542
Ending Fund Balance as % of Appropriations	216%	126%	95%

Sewer Fund	2024-2025	2025-2026	2026-2027
	Audited	Estimated	Budgeted
Revenues			
Operating Revenues	\$ 1,069,216	\$ 1,338,400	\$ 1,587,450
Sewer Operating Expenses	1,057,109	1,634,266	1,567,400
Depreciation	282,294	290,000	290,000
Net Operating Income (Expense)	\$ (270,187)	\$ (585,866)	\$ (269,950)
Net Nonoperating Revenues (Expenses)	\$ 415,518	\$ 212,699	\$ 1,269,936
Change in Net Position	\$ 145,331	\$ (373,167)	\$ 999,986
Change in Net Position	\$ 145,331	\$ (373,167)	\$ 999,986
Estimated Beginning Net Position	\$ 7,242,629	\$ 7,387,960	\$ 7,014,793
Estimated Ending Net Position	\$ 7,387,960	\$ 7,014,793	\$ 8,014,779

Drug Fund	2024-2025	2025-2026	2026-2027
Revenues	Audited	Estimated	Budgeted
Drug Related Fines	\$ -	\$ -	\$ 1,000
Drug Contributions	4,542	36,500	25,000
Total Revenues and Other Financing Sources	\$ 4,542	\$ 36,500	\$ 26,000
Appropriations			
Expenditures			
Drug Fund Operations		\$ 26,150	\$ 25,000
Capital Outlay		\$ 8,850	\$ -
Total Appropriations	\$ -	\$ 35,000	\$ 25,000
Change in Fund Balance	\$ 4,542	\$ 1,500	\$ 1,000
Beginning Fund Balance	\$ 13,439	\$ 17,981	\$ 19,481
Ending Fund Balance	\$ 17,981	\$ 19,481	\$ 20,481

Capital Projects Fund	2026-2027
Revenues	Budgeted
Transfer In- General Fund	\$ 1,756,000
Total Revenues	\$ 1,756,000
Expenditures	
Police Department	\$ 160,000
Fire Department	223,000
Public Works	906,000
State Street Aid	50,000
Solid Waste & Recycling	75,000
Recreation	325,000
Library	17,000
Total Appropriations	\$ 1,756,000
Change in Fund Balance	\$ -
Beginning Fund Balance	\$ -
Ending Fund Balance	\$ -

SECTION 2: At the end of the fiscal year 2026, the governing body estimates fund balances or deficits as follows:

General Fund	\$ 7,056,242
Sewer Fund	\$ 7,014,793
Capital Projects Fund	\$ -
Drug Fund	\$ 19,481

SECTION 3: That the governing body recognizes that the municipality has outstanding bonds and other indebtedness as follows:

NONE

SECTION 4: During the coming fiscal year (2027) the governing body has planned capital projects with proposed funding as follows:

Proposed Capital Projects	Proposed Amount Financed by Appropriations	Proposed Amount Financed by Grants	Proposed Amount Financed by Debt	Total Proposed Capital Projects
Police Vehicle (x2)	\$ 130,000			\$ 130,000
Police Tasers	\$ 30,000			\$ 30,000
Fire- LDH Replacement	\$ 100,000			\$ 100,000
Fire Department Equip.	\$ 48,000			\$ 48,000
Live Fire Training Facility	\$ 50,000			\$ 50,000
Public Works Equipment	\$ 360,000			\$ 360,000
Updates P/W Bld & Grds.	\$ 85,000			\$ 85,000
Library Renovations	\$ 17,000			\$ 17,000
Paving- Various	\$ 650,000			\$ 650,000
Park Development	\$ 200,000			\$ 200,000
Recycling Center Dev.	\$ 75,000			\$ 75,000
Street Light Repair	\$ 11,000			\$ 11,000
Totals:	\$1,756,000			\$1,756,000

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (Tenn. Code Ann. § 6-56-208). In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Tenn. Code Ann. § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund in an amount of up to \$25,000 by the Town Administrator, subject to such limitations and procedures as set by the Governing Body pursuant to Tenn. Code Ann. § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance.

SECTION 8: There is hereby levied a property tax of \$0.9720 per \$100 of assessed value on all real and personal property.

SECTION 9: This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee.

SECTION 10: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 11: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 12: This ordinance shall take effect July 1, 2026, the public welfare requiring it.

First Reading: April 23, 2026

Second Reading: May 28, 2026

Voting by the Board, as follows, April 23, 2026, First Reading:

	AYES	NAYS	OTHER
Alderman Darby Patrick			
Alderman James Cross			
Alderman Mindy Shugart			
Alderman Philip Binstock			
Alderman Jim Gilliam			
Vice-Mayor Jim Bare			
Mayor John Gibson			

Voting by the Board, as follows, May 28, 2026, Second Reading:

	AYES	NAYS	OTHER
Alderman Darby Patrick			
Alderman James Cross			
Alderman Mindy Shugart			
Alderman Philip Binstock			
Alderman Jim Gilliam			
Vice-Mayor Jim Bare			
Mayor John Gibson			

John K. Gibson, Mayor

ATTEST:

Tyler S. Williams, CMFO
Town Recorder

		2024-2025	2025-2026	2026-2027
	TOWN OF MOUNT CARMEL, TENNESSEE			
110	General Fund			
		2024-2025	2025-2026	2026-2027
		Audited	Estimated	Approved
	REVENUES			
	Local Taxes			
31100	Property Taxes	\$ 1,557,477	\$ 1,542,140	\$ 1,555,979
31200	Delinquent Property Taxes	\$ 56,023	\$ 35,000	\$ 40,000
31300	Penalty Property Tax	\$ 2,184	\$ 10,000	\$ 10,000
31610	Local Option Sales Tax	\$ 752,383	\$ 755,000	\$ 760,000
31710	Wholesale Beer Tax	\$ 46,792	\$ 50,000	\$ 50,000
31912	Charter Cable Franchise	\$ 51,813	\$ 45,000	\$ 45,000
	Total Local Taxes	\$ 2,466,672	\$ 2,437,140	\$ 2,460,979
	Licenses & Permits			
32610	Building Permits	\$ 11,114	\$ 9,500	\$ 9,500
32200	Beer Licenses/Permits		\$ 550	\$ 550
	Total Licenses and Permits	\$ 11,114	\$ 10,050	\$ 10,050
	Intergovernmental Revenue			
33191	Postal Contract	\$ 22,539	\$ 22,539	\$ 22,539
33410	State Supplemental Pay (POST)	\$ 12,000	\$ 4,800	\$ 6,400
33423	State LPRF Grant	\$ 4,000	\$ 100,000	\$ 100,000
33429	THSO (High Visibility Grant)	\$ 8,446	\$ 10,000	\$ 10,000
33190	Home Grant	\$ 139,256	\$ 109,668	
33110	CDBG Grant	\$ -	\$ 420,000	
33491	PEP Grants		\$ 2,750	\$ 2,750
33290	Library Grants		\$ 205	\$ 3,000
33710	Grants from County- Fire	\$ 15,000	\$ 30,000	\$ 30,000
33711	Grants from County- Library	\$ 5,000	\$ 5,000	\$ 10,000
33510	State Sales Tax	\$ 690,627	\$ 675,000	\$ 680,000
33530	State Beer Tax	\$ 2,199	\$ 2,000	\$ 2,400
33551	State Street Aid	\$ 163,060	\$ 155,000	\$ 160,000
33552	State Gasoline Tax	\$ 38,399	\$ 33,000	\$ 35,000
33592	Sportsbetting	\$ 12,286	\$ 5,000	\$ 7,500
33591	TVA (Payment in Lieu of Taxes)	\$ 66,490	\$ 68,000	\$ 68,000
33558	Transportation Modernization Tax	\$ 2,403	\$ 2,750	\$ 2,750
36991	Telecommunications Revenue	\$ 1,669	\$ 1,300	\$ 1,400
	Total Intergovernmental Revenue	\$ 1,183,374	\$ 1,647,012	\$ 1,141,739
	Charges for Service			
34740	Parks & Rec Charges		\$ 150	\$ 250
	Total Charges for Service	\$ -	\$ 150	\$ 250
	Fines & Penalties			
34510	Animal Control (Fees, Fines, Adoption)	\$ 10	\$ -	\$ 50
35110	City Court (Fines & Costs)	\$ 25,177	\$ 60,250	\$ 80,000
35112	Photo Enforcement	\$ 9,984	\$ 10,000	\$ 15,000
35160	County Court (Fines & Costs)	\$ 419	\$ -	\$ 1,000

	Total Fines & Penalties	\$ 35,590	\$ 70,250	\$ 96,050
	Other Revenue			
33720	Fire Department (Donations & Revenue)	\$ 70,000	\$ 500	\$ 500
33721	Police Department (Donations & Revenue)			\$ 500
34310	State Highway Contract	\$ 54,830	\$ 33,000	\$ 33,000
34320	E-Ticket Citation Fee	\$ -	\$ 800	\$ 800
36100	Interest Earnings	\$ 212,612	\$ 310,000	\$ 305,000
36190	P Card Rebate		\$ 12,555	\$ 16,000
36330	Sale of Equipment		\$ 54	\$ 500
36935	Proceeds from Sale of Capital Assets	\$ 14,995	\$ 28,000	\$ 20,000
36990	Miscellaneous	\$ 10,005	\$ 25,000	\$ 25,000
	Total Other Revenue	\$ 362,442	\$ 409,909	\$ 401,300
	TOTAL REVENUE	\$ 4,059,192	\$ 4,574,511	\$ 4,110,368
	Other Financing Sources	\$ 8,175		
	Beginning Fund Balance	\$ 7,753,380	\$ 8,077,496	\$ 7,056,242
	Available for Appropriation	\$ 11,820,747	\$ 12,652,007	\$ 11,166,610
	EXPENDITURES			
41000	General Government			
161	Mayor & Aldermen (Fees)		\$ 14,000	\$ 14,000
235	Dues, Memberships and Registration Fees	\$ 3,312	\$ 4,500	\$ 4,500
236	Public Relations/Community Outreach	\$ 26,463	\$ 28,000	\$ 30,000
240	Utilities	\$ 20,242	\$ 20,000	\$ 22,000
245	Telephone and Other	\$ 2,177	\$ 2,200	\$ 2,500
266	Repair and Maint. Bldg	\$ 18,156	\$ -	
310	Office Supplies	\$ 5,450	\$ -	
510	Insurance	\$ 79,266	\$ 112,069	\$ 150,000
551	Reappraisal Costs	\$ 7,739	\$ 7,675	\$ 8,000
691	Financial Service Charges	\$ 9,021	\$ 15,000	\$ 20,000
720	FTDD	\$ 1,635	\$ 35,760	\$ 1,700
722	FTHRA	\$ 2,500	\$ 2,500	\$ 2,500
723	Senior Citizen's Center	\$ 33,000	\$ 33,000	\$ 33,000
724	Hawkins Co. Chamber	\$ 2,500	\$ 2,500	\$ 2,500
726	AIRMED	\$ 1,200	\$ 1,600	\$ 1,600
727	Hawkins County ECD			\$ 114,000
728	Hawkins County Imagination Library			\$ 1,000
790	Home Grant	\$ 139,256	\$ 109,669	
940	Capital Outlay/Interior Renovations	\$ 203,457	\$ 25,000	
	Total General Government	\$ 555,374	\$ 413,473	\$ 407,300

41500 Administration				
121 Wages	\$ 251,869	\$ 319,750	\$ 332,500	
134 Christmas Bonus		\$ 2,600	\$ 3,150	
141 OASI (Employer's Share)	\$ 19,371	\$ 24,200	\$ 25,160	
142 Employee Insurance	\$ 60,857	\$ 60,100	\$ 66,000	
143 Employee Retirement Plan	\$ 15,551	\$ 18,000	\$ 20,000	
146 Workers Compensation	\$ 8,352	\$ 7,500	\$ 7,500	
147 Unemployment Insurance	\$ 1,201	\$ 1,200	\$ 1,300	
148 Education and Training	\$ 1,915	\$ 7,000	\$ 7,000	
161 Mayor & Aldermen (Fees)	\$ 12,946			
216 Internet Services	\$ 995	\$ 1,750	\$ 2,000	
217 Web Services	\$ -	\$ 3,140	\$ 3,140	
235 Dues, Memberships and Registration Fees	\$ 1,563	\$ 8,500	\$ 8,000	
236 Public Relations		\$ 6,500	\$ 8,000	
237 Advertising	\$ 1,827	\$ 3,200	\$ 3,750	
250 City Judge	\$ 4,800	\$ 4,800	\$ 4,800	
251 Medical Services	\$ 50	\$ 50	\$ 50	
252 Legal Services	\$ 25,617	\$ 30,000	\$ 35,000	
253 Accounting & Audit Fees	\$ 65,544	\$ 60,000	\$ 70,000	
255 Computer Hardware/Software Support	\$ 50,719	\$ 55,000	\$ 60,000	
257 Planning and Zoning Services (FTDD)	\$ 15,450	\$ 16,223	\$ 16,223	
266 Building and Maint. Repair	\$ 5,903	\$ 28,500	\$ 30,000	
280 Travel	\$ 1,958	\$ 7,500	\$ 6,500	
298 Commission Fees (Clerk & Master)	\$ 2,885	\$ 2,500	\$ 2,500	
310 Office Supplies	\$ 14,249	\$ 14,000	\$ 16,000	
312 Pitney Bowes Supplies	\$ 1,595	\$ 2,200	\$ 2,200	
479 Miscellaneous	\$ 13,084	\$ 4,500	\$ 4,500	
625 Operating Lease-Copier	\$ 907	\$ 1,500	\$ 1,500	
940 Equipment	\$ -	\$ 1,250	\$ 3,000	
947 Computer & Equipment	\$ -	\$ 2,750	\$ 3,000	
Total Administration	\$ 579,208	\$ 694,213	\$ 742,773	
42100 Police Department				
121 Wages	\$ 311,414	\$ 435,000	\$ 640,000	
122 Overtime Wages	\$ 20,115	\$ 50,000	\$ 40,000	
134 Christmas Bonus		\$ 3,700	\$ 6,850	
141 OASI - employer share	\$ 19,836	\$ 34,500	\$ 45,000	
142 Employee Insurance	\$ 50,070	\$ 54,000	\$ 65,000	
143 Employee Retirement Plan	\$ 22,252	\$ 37,300	\$ 45,000	
146 Worker's Compensation	\$ (2,436)	\$ 13,500	\$ 13,500	
147 Unemployment Insurance	\$ 372	\$ 1,500	\$ 1,750	
148 Employee Education and Training	\$ 15,480	\$ 15,000	\$ 18,000	
216 Internet Services	\$ 880	\$ 1,000	\$ 1,000	
219 Ecom (911)	\$ 1,323	\$ 1,650	\$ 1,750	
235 Dues	\$ 458	\$ 450	\$ 450	
245 Telephone	\$ 6,451	\$ 7,200	\$ 8,000	
251 Medical Services	\$ 545	\$ 750	\$ 1,400	
255 Computer Hardware/Software Support	\$ 16,633	\$ 10,000	\$ 10,000	

259	Wrecker/Towing Services	\$ 150	\$ 150	\$ 250
266	Building Maintenance and Repair	\$ 3,256	\$ 1,000	\$ 1,500
280	Travel	\$ 4,678	\$ 3,200	\$ 3,000
290	Other Contractual Services			\$ 20,000
310	Office Supplies	\$ 4,539	\$ 4,000	\$ 4,000
320	Operating Supplies	\$ 9,210	\$ 15,400	\$ 12,000
325	Bullet Proof Vests	\$ 1,275	\$ 6,325	\$ 2,700
326	Clothing and Uniforms	\$ 6,084	\$ 8,500	\$ 8,000
329	E Ticket Supplies		\$ 800	\$ 800
330	Vehicle Operating Expense	\$ 18,299	\$ 32,250	\$ 32,000
331	Fuel	\$ 15,871	\$ 28,000	\$ 34,000
336	Radio	\$ 225	\$ 1,000	\$ 1,000
479	Miscellaneous	\$ 1,528	\$ 2,000	\$ 1,500
560	Dept of Safety Charges	\$ 2,292	\$ 3,000	\$ 3,000
625	Operating Lease- Copier	\$ 782	\$ 1,000	\$ 1,000
705	High Visibility Grant	\$ 7,547	\$ 10,000	\$ 10,000
940	Equipment	\$ 67,915	\$ 265,646	
	Total Police Department	\$ 607,044	\$ 1,047,821	\$ 1,032,450
42400	Animal Control			
121	Wages	\$ 9,789		
141	OASI - Employer Share	\$ 524		
143	Employee Retirement Plan			
146	Worker's Compensation	\$ 320		
147	Unemployment Insurance	\$ 6		
148	Education & Training			
170	Shelter Fees	\$ 5,500		\$ 1,000
235	Dues	\$ -		
240	Utilities	\$ -		
245	Telephone	\$ 492		
251	Medical Services	\$ -		
320	Operating Supplies			
326	Clothing and Uniforms	\$ -		
330	Vehicle Operating Expense	\$ 1,335		
331	Fuel	\$ 892		
479	Misc	\$ 10	\$ -	
	Total Animal Control	\$ 18,868	\$ -	\$ 1,000
42200	Fire Department			
121	Wages	\$ 70,650	\$ 135,160	\$ 160,000
134	Christmas Bonus		\$ 1,900	\$ 3,100
141	OASI - Employer Share	\$ 5,391	\$ 10,400	\$ 12,000
142	Employee Insurance		\$ 750	\$ 1,000
143	Employee Retirement Plan	\$ -	\$ 10,000	\$ 10,000
146	Worker's Compensation	\$ 2,343	\$ 3,200	\$ 3,200
147	Unemployment Insurance	\$ 230	\$ 400	\$ 500
148	Education & Training	\$ 3,037	\$ 8,000	\$ 8,000
235	Dues	\$ 270	\$ 500	\$ 500
238	Public Relations/Parade	\$ 3,434	\$ 5,000	\$ 5,000

240	Utilities	\$ 8,115	\$ 9,000	\$ 9,000
245	Telephone	\$ 728	\$ 1,500	\$ 2,000
251	Medical Services	\$ 100	\$ 400	\$ 1,000
255	Computer Hardware/Software Support	\$ 4,078	\$ 4,500	\$ 5,000
266	Building Maint. & Repair	\$ 5,722	\$ 30,000	\$ 20,000
280	Travel	\$ 2,237	\$ 350	\$ 1,000
281	Osha Testing	\$ 10,346	\$ 10,500	\$ 11,000
290	Contractual Services	\$ 1,350		\$ 2,000
310	Office Supplies	\$ 980	\$ 500	\$ 1,000
320	Operating Supplies	\$ 64,271	\$ 3,000	\$ 3,000
326	Clothing and Uniforms	\$ 3,077	\$ 3,000	\$ 6,000
330	Vehicle Operating Expense	\$ 19,404	\$ 30,000	\$ 30,000
331	Fuel	\$ 4,429	\$ 6,000	\$ 8,000
336	Radio	\$ 4,866	\$ 5,000	\$ 30,000
344	Fire Department Equipment	\$ 17,953	\$ 48,000	
479	Miscellaneous	\$ 698	\$ 750	\$ 1,000
931	Paving		\$ 196,583	
940	Equipment	\$ 195,805	\$ 644,617	
	Total Fire Department	\$ 429,514	\$ 1,169,010	\$ 333,300
	Total Public Safety	\$ 1,055,426	\$ 2,216,831	\$ 1,366,750
42420	Building Inspector			
235	Dues	\$ 81,976		\$ -
269	Demolition			
290	Other Contractual Services (Building and Code)		\$ 75,000	\$ 50,000
320	Operating Supplies	\$ 52		
479	Miscellaneous	\$ 42		
	Total Building Inspector	\$ 82,070	\$ 75,000	\$ 50,000
43100	Public Works Department			
121	Wages	\$ 225,048	\$ 325,050	\$ 342,316
122	Overtime Wages	\$ 5,523	\$ 15,000	\$ 8,000
134	Christmas Bonus		\$ 3,500	\$ 4,200
141	OASI - Employer Share	\$ 12,935	\$ 24,500	\$ 25,500
142	Employee Insurance	\$ 42,379	\$ 50,000	\$ 55,000
143	Employee Retirement Plan	\$ 16,522	\$ 22,000	\$ 26,000
146	Worker's Compensation	\$ 4,929	\$ 7,720	\$ 8,000
147	Unemployment Insurance	\$ 210	\$ 400	\$ 400
148	Education & Training	\$ 299	\$ -	\$ 1,500
216	Internet Services	\$ 1,891	\$ 2,000	\$ 2,000
240	Utilities	\$ 7,568	\$ 8,500	\$ 8,500
245	Telephone	\$ 2,906	\$ 2,800	\$ 2,800
251	Medical Services	\$ 380	\$ 500	\$ 750
266	Building Maintenance & Repair	\$ 4,264	\$ 3,750	\$ 4,500
268	Street Maintenance & Road Repair	\$ 8,773	\$ 15,000	\$ 15,000
280	Travel	\$ -	\$ -	\$ 800
294	Equipment Leasing	\$ 1,119	\$ -	\$ 2,000
310	Office Supplies	\$ 501	\$ 500	\$ 800
320	Operating Supplies	\$ 8,659	\$ 9,000	\$ 9,000

326	Clothing and Uniforms	\$ 2,863	\$ 5,000	\$ 5,500
330	Vehicle Operating Expense	\$ 46,283	\$ 40,000	\$ 40,000
331	Fuel	\$ 31,945	\$ 38,500	\$ 40,000
479	Miscellaneous	\$ 954	\$ 1,100	\$ 1,000
482	Drainage Repair	\$ -	\$ -	\$ 1,000
922	Capital Outlay- P/W Building & Grounds		\$ 96,500	
931	Paving	\$ 253,573	\$ 394,600	
940	Equipment	\$ 226,824	\$ 130,000	
	Total Public Works Department	\$ 906,348	\$ 1,195,920	\$ 604,566
43190	State Street Aid			
247	Street Lighting	\$ 72,516	\$ 75,000	\$ 80,000
342	Sign Parts & Supplies	\$ 3,348	\$ 6,000	\$ 6,000
343	Traffic Light Maintenance	\$ 384	\$ -	\$ 2,000
400	Materials & Supplies (Salt)	\$ 20,576	\$ 40,000	\$ 50,000
931	Paving	\$ 6,769	\$ 50,000	
940	Equipment	\$ 9,400	\$ 5,000	\$ 5,000
	Total State Street Aid	\$ 112,993	\$ 176,000	\$ 143,000
43200	Solid Waste & Recycling			
121	Wages	\$ 53,344		
122	Overtime Wages	\$ 1,353		
141	OASI- Employer's Share	\$ 2,900		
142	Employee Insurance	\$ 13,003		
143	Employee Retirement Plan	\$ 3,861		
146	Worker's Compensation	\$ 1,745		
147	Unemployment Insurance	\$ 42		
251	Medical	\$ 45		
265	Repair & Maintenance/Grounds			\$ 2,500
290	Contractual Services (Kingsport Trash)	\$ 241,446	\$ 275,000	\$ 339,300
320	Operating Supplies	\$ 210		
330	Vehicle Operating Expense	\$ 23,447		
912	Site Development		\$ 75,000	
	Total Solid Waste	\$ 341,396	\$ 350,000	\$ 341,800
44440	Recreation			
216	Internet Services	\$ -	\$ 600	\$ 1,000
240	Utilities	\$ 4,934	\$ 4,300	\$ 5,000
300	Veteran War Memorial Park	\$ 182	\$ -	\$ 2,000
320	Operating Supplies	\$ 1,415	\$ 1,500	\$ 2,000
479	Miscellaneous	\$ 2,712	\$ 350	\$ 500
715	LPRF Grant	\$ -	\$ 200,000	\$ 200,000
725	Park Development and Operation	\$ 24,000	\$ 155,000	
	Total Recreation	\$ 33,243	\$ 361,750	\$ 210,500
44800	Library			
121	Wages	\$ 44,305	\$ 48,445	\$ 52,000
134	Christmas Bonus		\$ 800	\$ 1,000
141	OASI - Employer Share	\$ 2,746	\$ 3,650	\$ 3,650
146	Worker's Compensation	\$ 1,449	\$ 1,700	\$ 1,700

147	Unemployment Insurance	\$ 130	\$ 140	\$ 140
148	Education & Training	\$ 274	\$ 1,000	\$ 1,000
216	Internet	\$ 1,967	\$ 1,800	\$ 1,800
240	Utilities	\$ 2,848	\$ 2,600	\$ 2,600
245	Telephone	\$ 142	\$ -	\$ 200
251	Medical Services		\$ -	\$ 100
255	Computer Hardware/Software Support	\$ 667	\$ 6,500	\$ 3,000
266	Building Maintenance & Repair	\$ 814	\$ 3,000	\$ 6,500
280	Travel	\$ -	\$ 200	\$ 500
310	Office Supplies	\$ 1,860	\$ 1,700	\$ 1,700
320	Operating Supplies			\$ 500
479	Miscellaneous	\$ 321	\$ 400	\$ 400
490	Books	\$ 5,102	\$ 5,800	\$ 5,800
619	Library Training Grant		\$ 2,500	\$ 2,500
625	Operating Lease- Copier	\$ 440	\$ 500	\$ 500
721	Summer Reading Program	\$ 1,336	\$ 2,000	\$ 2,000
940	Capital Outlay		\$ 17,000	
	Total Library	\$ 64,401	\$ 99,735	\$ 87,590
	Debt Service			
42100-292	Lease/SBITA Payments	\$ 5,804	\$ 6,044	\$ 10,990
41500-689	SBITA Interest	\$ 505	\$ 249	\$ 249
42100-687	Lease Interest	\$ 488	\$ 5,800	\$ 5,800
41500-292	Lease/SBITA Payments	\$ 5,995	\$ 750	\$ 750
	Total Debt Service	\$ 12,792	\$ 12,843	\$ 17,789
	TOTAL EXPENDITURES	\$ 3,743,251	\$ 5,595,765	\$ 3,972,068
	Excess recurring rev over recurring exp	\$ 324,116	\$ (1,021,254)	\$ 138,300
	Transfer Out- Capital Projects Fund			\$ 1,756,000
	Final rev over exp (from Fund Balance)			\$ (1,617,700)
	Ending Fund Balance	\$ 8,077,496	\$ 7,056,242	\$ 5,438,542

TOWN OF MOUNT CARMEL, TENNESSEE				
412	Sewer Fund			
		2024-2025	2025-2026	2026-2027
		Audited	Estimated	Budgeted
	OPERATING REVENUES			
37210	Sewer Service Charges	\$ 1,046,312	\$ 1,302,750	\$ 1,567,450
37294	Accounting Fees	\$ 5,437	\$ 8,500	\$ 8,500
37296	Sewer Tap Fees	\$ 10,560	\$ 25,500	\$ 10,000
37299	Miscellaneous Revenues	\$ 6,907	\$ 1,650	\$ 1,500
	TOTAL OPERATING REVENUES	\$ 1,069,216	\$ 1,338,400	\$ 1,587,450
	OPERATING EXPENSES			
121	Wages	\$ 105,720		
122	Overtime	\$ 11,183		
134	Christmas Bonus			
141	OASI- Employer's Share	\$ 8,616		
142	Employee Insurance	\$ 10,509		
143	Retirement	\$ 9,475		
146	Worker's Comp	\$ 6,771		
147	Unemployment Insurance	\$ 123		
148	Training	\$ -		\$ -
216	Internet	\$ 732	\$ 2,300	\$ 2,300
235	Dues	\$ 1,010		\$ -
240	Utilities	\$ 172,109	\$ 180,000	\$ 180,000
245	Telephone	\$ 2,758	\$ 500	\$ 500
251	Medical Services	\$ 100		\$ -
254	Architecture, Engineering, and Landscaping	\$ 49,375	\$ 56,681	
260	Repair and Maintenance Services	\$ 12,809	\$ 15,000	\$ 15,000
268	Repair and Maintenance- Roads	\$ 1,138	\$ 3,500	\$ 3,500
290	Other Contractual Services (Inframark)	\$ 270,982	\$ 950,000	\$ 1,073,500
320	Operating Supplies	\$ 21,358	\$ 120	
322	Chemicals	\$ 21,836		
326	Clothing and Uniforms	\$ 1,736		
330	Vehicle Operating Expense	\$ 2,463	\$ 65	
331	Fuel	\$ 4,578	\$ -	
361	Pump Station Repair and Maintenance	\$ 9,519		
362	Residential Pump Repair and Maintenance	\$ 84,753	\$ 100,000	\$ 50,000
363	Sewer Line Maintenance and Repair	\$ 1,548	\$ 500	
364	Wastewater Plant Maintenance and Repair	\$ 48,532	\$ 28,000	
401	Construction	\$ 1,245	\$ 25,000	
479	Miscellaneous Expenses	\$ 580	\$ 1,000	\$ 1,000
510	Insurance	\$ 22,707	\$ -	
533	Machinery & Equipment Rental	\$ 79,500	\$ 200,000	\$ 200,000
540	Depreciation	\$ 282,294	\$ 290,000	\$ 290,000
596	State Permit Fee	\$ 3,460	\$ 3,500	\$ 3,500
636	Bad Debt Expense	\$ 5,625	\$ 5,600	\$ 5,600
952	Sludge Disposal Fees	\$ 51,731	\$ 30,000	
955	Press Maintenance	\$ 529	\$ 1,500	\$ 1,500
956	Sewer Blowers	\$ -	\$ 5,000	\$ 5,000
	Total Sewer Operating Expenses	\$ 1,307,404	\$ 1,898,266	\$ 1,831,400
	ADMINISTRATIVE & GENERAL EXPENSES			
252	Legal Services	\$ 7,085	\$ -	\$ -
253	Accounting/Auditing		\$ 2,000	\$ 2,000
298	Collection Fees	\$ 24,370	\$ 22,000	\$ 22,000
310	Office Expenses and Postage	\$ 544		\$ -
691	Bank Service Charges	\$ -	\$ 2,000	\$ 2,000
	Total Sewer Operating Expenses	\$ 31,999	\$ 26,000	\$ 26,000

	Total Administrative & Operating Expenses	\$ 1,339,403	\$ 1,924,266	\$ 1,857,400
	Operating Income (Loss)	\$ (270,187)	\$ (585,866)	\$ (269,950)
	NON-OPERATING REVENUES & (EXPENSES)			
33191	Federal Grants- Local ARPA	\$ 84,718	\$ 75,899	
37295	TDEC - ARPA	\$ 298,914	\$ 100,000	\$ 1,229,936
52200-635	TLDA Interest	\$ (2,165)	\$ (3,200)	
36100	Interest Earnings	\$ 34,051	\$ 40,000	\$ 40,000
	TOTAL NON-OPERATING REVENUES	\$ 415,518	\$ 212,699	\$ 1,269,936
	Change in Net Position	\$ 49,058	\$ (373,167)	\$ 999,986
	Beginning Net Position July 1	\$ 7,242,629	\$ 8,803,968	\$ 8,430,801
	Ending Net Position June 30	\$ 8,803,968	\$ 8,430,801	\$ 9,430,788

TOWN OF MOUNT CARMEL, TENNESSEE				
127	Drug Fund			
		2024-2025	2025-2026	2026-2027
		Audited	Estimated	Budgeted
	REVENUES			
35140	Drug Related Fines	\$ -	\$ -	\$ 1,000
35200	Drug Contributions	\$ 4,542	\$ 36,500	\$ 25,000
	TOTAL REVENUES	\$ 4,542	\$ 36,500	\$ 26,000
	Beginning Fund Balance	\$ 13,439	\$ 17,981	\$ 19,481
	Available for Appropriation	\$ 17,981	\$ 54,481	\$ 45,481
	EXPENDITURES			
42121				
747	Drug Fund Operations	\$ -	\$ 26,150	\$ 25,000
922	Capital Outlay	\$ -	\$ 8,850	
	TOTAL EXPENDITURES	\$ -	\$ 35,000	\$ 25,000
	Excess Revenues Over (Under) Expenditures	\$ 4,542	\$ 1,500	\$ 1,000
	Ending Fund Balance	\$ 17,981	\$ 19,481	\$ 20,481

		2026-2027
TOWN OF MOUNT CARMEL, TENNESSEE		
310	Capital Projects Fund	
		2026-2027
		Approved
REVENUES		
Intergovernmental Revenue		
36961	Transfer In-General Fund	\$ 1,756,000
	Total Intergovernmental Revenue	\$ 1,756,000
	TOTAL REVENUE	\$ 1,756,000
EXPENDITURES		
42100	Police Department	
940	Equipment	\$ 160,000
	Total Police Department	\$ 160,000
42200	Fire Department	
344	Fire Department Equipment	\$ 48,000
931	Paving	\$ 25,000
940	Equipment	\$ 150,000
	Total Fire Department	\$ 223,000
43100	Public Works Department	
247	Street Light Repair	\$ 11,000
922	Capital Outlay- P/W Building & Grounds	\$ 85,000
931	Paving	\$ 450,000
940	Equipment	\$ 360,000
	Total Public Works Department	\$ 906,000
43190	State Street Aid	
931	Paving	\$ 50,000
	Total State Street Aid	\$ 50,000
43200	Solid Waste & Recycling	
912	Site Development	\$ 75,000
	Total Solid Waste & Recycling	\$ 75,000
44440	Recreation	
725	Park Development and Operation	\$ 200,000
931	Paving	\$ 125,000
	Total Recreation	\$ 325,000
44800	Library	
940	Capital Outlay	\$ 17,000
	Total Library	\$ 17,000
	TOTAL EXPENDITURES	\$ 1,756,000
	Excess Revenues Over Expenditures	\$ -



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor Gibson, Vice Mayor Bare, and Alderman Gilliam,
Alderman Patrick, Alderman Shugart, Alderman Binstock, Alderman Cross

THRU:

FROM: James Stables, Town Administrator/Manager

DATE: April 23, 2026

RE: **DISCUSSION & CONSIDERATION: Proposed Interlocal Agreement with
the City of Kingsport for continued Residential Refuse Collection Services**

SUMMARY:

The City of Kingsport contacted us a few months back to discuss our interlocal agreement for residential refuse collection services, preparing us for proper planning for the upcoming budget cycle.

The agreement history that was provided by Kingsport staff informed us that the City of Kingsport has been providing these solid waste services for approximately 17 years to the Town, and for approximately 14 years of that time no rate increases were experienced. The last few years have resulted in increases that were justified and based on rate studies conducted or commissioned by the City of Kingsport.

After conducting an informal survey of trash rates in the state and the region, it is imperative to recognize that we are still receiving a reasonably priced service as compared to the costs in other areas of the state and region. The statewide average of the twenty-four municipalities reflected in the survey attached is \$22.26 per cart per month with an average annual cost per customer of \$267.12, and the regional average of the nine municipalities considered is \$20.81 per cart per month with an average annual cost per customer of \$249.67. Even with the current proposed increases we are and will still be paying significantly less than the averages indicated in the survey analysis.

The current interlocal agreement in effect from July 1, 2025, through June 30, 2026, was set at \$10.50 per month, per cart for 2,175 carts, or \$22,837.50 per month, and \$274,050.00 annually. The new interlocal agreement, which is projected to be in effect from July 1, 2026, is set at \$13.00 per month per cart for 2,175 carts in year one, or \$28,275.00 per month, and \$339,300.00 annually. This is a 23.8% increase, with an actual economic impact of \$2.50 per cart which results in the following increases, \$5,437.50 monthly, and \$62,250 annually.

To ensure fiscal responsibility and limit cost increases for this program we have requested a multi-year agreement with Kingsport with some cost containment guardrails, after back-to-back years of double-digit percentage increases. While we proposed a maximum increase tied to the CPI-U, for trash services, which was 4.8% in 2026. City of Kingsport staff provided a rate-study based best offer counter-proposal of a flat fee of \$1.00 per cart per

month maximum increase each year. This reflects a proposed 7.7% increase in FY 27/28, and a proposed 7.1% increase in FY 28/29, as opposed to the 13.5% increase in FY 25/26 and the proposed 23.8% increase in FY 26/27.

REQUESTING DEPARTMENT(S):

Town Administration

FISCAL IMPACT:

Year 1:

**\$13.00 per month per cart (increase of \$2.50 per cart) for 2,175 carts
\$28,275.00 per month an increase of \$5,437.50 monthly, for an annual amount of
\$339,300.00 an annual increase of \$62,250.00.**

Year 2:

**\$14.00 per month per cart (increase of \$1.00 per cart) for 2,175 carts
\$30,450.00 per month an increase of \$2,175.00 monthly, for an annual amount of
\$365,400.00 an annual increase of \$26,100.00.**

Year 3:

**\$15.00 per month per cart (increase of \$1.00 per cart) for 2,175 carts
\$32,625.00 per month an increase of \$2,175.00 monthly, for an annual amount of
\$391,500.00 an annual increase of \$26,100.00.**

STAFF RECOMMENDATION:

Staff recommends approval

ATTACHMENTS:

- (1) Residential Trash Collection Analysis 2026-Mount Carmel, TN-JRS 03/09/26**
- (2) Current Interlocal Agreement-dated: March 27, 2025 (7 pages)**
- (3) Proposed Interlocal Agreement-April 23, 2026 (7 pages)**

ID	Municipality	Per Cart Per			Notes	High	Low
		Month	Annual Cost	Notes			
1	*Kingsport, TN*	\$ 8.00	\$ 96.00	web search	4,167	4,167	
2	Murfreesboro, TN	\$ 13.50	\$ 162.00	web search	8,333	8,333	
3	Adamsville, TN	\$ 14.00	\$ 168.00	web search	12,500	12,500	
4	Greeneville, TN*	\$ 15.00	\$ 180.00	web search, 1x weekly defined, options of per week; 2X-\$30, 3X-\$45, 4X-\$60, 5X-\$75	16,667	16,667	
5	Rockwood, TN	\$ 15.00	\$ 180.00	web search	20,833	20,833	
6	Springfield, TN	\$ 16.00	\$ 192.00	web search	25,000	25,000	
7	Bristol, TN*	\$ 16.50	\$ 198.00	web search	29,167	29,167	
8	Columbia, TN	\$ 17.00	\$ 204.00	web search	33,333	33,333	
9	Jonesborough, TN*	\$ 19.00	\$ 228.00	web search	37,500	37,500	
10	Lebanon, TN	\$ 20.00	\$ 240.00	web search	41,667	41,667	
11	Sevierville, TN	\$ 20.00	\$ 240.00	web search	45,833	45,833	
12	Morristown, TN*	\$ 21.00	\$ 252.00	web search	50,000	50,000	
13	Gallatin, TN	\$ 21.00	\$ 252.00	web search	54,167	54,167	
14	Portland, TN	\$ 23.00	\$ 276.00	web search	68,333	68,333	
15	Bluff City, TN*	\$ 23.00	\$ 276.00	web search, Ord. 2025-008	62,500	62,500	
16	Johnson City, TN*	\$ 23.75	\$ 285.00	web search	66,667	66,667	
17	Lakeland, TN	\$ 24.70	\$ 296.40	web search	70,833	70,833	
18	Oak Hill, TN	\$ 25.00	\$ 300.00	web search	75,000	75,000	
19	Collierville, TN	\$ 27.00	\$ 324.00	web search	79,167	79,167	
20	Germantown, TN	\$ 29.50	\$ 354.00	web search	83,333	83,333	
21	Bartlett, TN	\$ 30.00	\$ 360.00	web search	87,500	87,500	
22	Franklin, TN	\$ 33.00	\$ 396.00	web search	91,667	91,667	
23	Bristol, VA*	\$ 38.00	\$ 456.00	web search	95,833	95,833	
24	Arlington, TN	\$ 40.54	\$ 486.48	web search	100,000	100,000	
	Kingsport, TN	\$ 23.00	\$ 276.00	web search, outside city & county residents \$23.00 per cart per month			
	AVERAGE	\$ 22.26	\$ 267.12				
	MEDIAN	\$ 21.00	\$ 252.00				
	HIGH	\$ 40.54	\$ 486.48				
	LOW	\$ 8.00	\$ 96.00				

Median

Page 2 25 Mount Carmel, TN 2026 Residential Trash Collection Survey-Mount Carmel, TN-JRS

	\$	10.50	\$	126.00	Current
		Monthly		Annual	
2,175 Carts	\$	22,837.50	\$	274,050.00	
	\$	13.00	\$	156.00	Proposed
		Monthly		Annual	
2,175 Carts	\$	28,275.00	\$	339,300.00	
increase	\$	5,437.50	\$	65,250.00	

The proposed increase from Kingsport still keeps us well below the average and the median for the comparison cities and also, well below what Kingsport charges outside city & county residents for trash services.

2026 Residential Trash Collection Survey-Mount Carmel, TN-JRS

		Per Cart			
	Municipality	Per Month	Annual Cost	Notes	
1	Kingsport, TN*	\$ 8.00	\$ 96.00	web search	11,111
2	Greeneville, TN*	\$ 15.00	\$ 180.00	web search, 1x weekly defined, options of per week; 2X-\$30, 3X-\$45, 4X-\$60, 5X-\$75	11,111
3	Bristol, TN*	\$ 16.50	\$ 198.00	web search	22,222
4	Jonesborough, TN*	\$ 19.00	\$ 228.00	web search	93,333
5	Morristown, TN*	\$ 21.00	\$ 252.00	web search	44,444
6	Bluff City, TN*	\$ 23.00	\$ 276.00	web search, Ord. 2025-008	55,555 (Medium)
7	Kingsport, TN*	\$ 23.00	\$ 276.00	web search, outside city & county residents \$23.00 per cart per month	66,667
8	Johnson City, TN*	\$ 23.75	\$ 285.00	web search	77,778
9	Bristol, VA*	\$ 38.00	\$ 456.00	web search	89,889
					100,000
	AVERAGE	\$ 20.81	\$ 249.67		
	MEDIAN	\$ 21.00	\$ 252.00		
	HIGH	\$ 38.00	\$ 456.00		
	LOW	\$ 8.00	\$ 96.00		
	Mount Carmel, TN	\$ 10.50	\$ 126.00	Current	
		Monthly	Annual		
	2,175 Carts	\$ 22,837.50	\$ 274,050.00		
		\$ 13.00	\$ 156.00	Proposed	
		Monthly	Annual		
	2,175 Carts	\$ 28,275.00	\$ 339,300.00		
	increase	\$ 5,437.50	\$ 65,250.00		

The proposed increase still keeps us well below the average and the median for the regional comparison cities and also, well below what Kingsport charges outside city & county residents for trash services.

INTERLOCAL AGREEMENT

This Interlocal Agreement is entered into this the 27th day of March, 2025, by and between the TOWN OF MOUNT CARMEL, hereinafter referred to as the "Mt. Carmel", and the CITY OF KINGSPORT, hereinafter referred to as "Kingsport", both chartered municipalities of the State of Tennessee.

WITNESSETH:

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to Tennessee Code Annotated §§ 5-1-113; 5-1-114; and 12-9-101 et seq. and to provide for interlocal agreements and cooperation; and

WHEREAS, it is deemed in the public interest for the parties hereto to enter into an interlocal mutual aid agreement for certain Residential Refuse collection services.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Parties agree as follows:

1. Kingsport will furnish all personnel, labor, equipment, trucks and all other items necessary to provide Residential Refuse collection as defined herein within the corporate limits of Mt. Carmel at a price of \$22,837.50 dollars, which is \$10.50 per month for 2,175 Carts in the city limits of Mt. Carmel, subject to adjustments provided for herein. Kingsport will provide curbside collection service for the collection of Residential Refuse to each Residential Unit one (1) time per week. Carts will be placed at curbside by 6:00 a.m. on the designated collection day. Residential Refuse must be placed in the ninety-six (96) gallon Cart provided by Kingsport to be collected by Kingsport.
2. The initial term of this Agreement will commence on July 1, 2025 and end on June 30, 2026.
3. Mt. Carmel will pick up or caused to be picked up Bags, Bulky Waste, Bundled items, Construction Debris, Dead Animals, Rubbish, and any other trash, Garbage or items for disposal that are not Residential Refuse and that are not contained in the Cart provided by Kingsport.
4. The work under this Interlocal Agreement does not include the collection and disposal of any increased volume resulting from a flood, tornado, high winds, electrical storms or other act of God over which Kingsport has no control. In the event of such a flood, tornado, high winds, electrical storms or other act of God, Kingsport and Mt. Carmel will negotiate the payment to be made to Kingsport. Further, if Mt. Carmel and Kingsport reach such agreement, then Mt. Carmel will grant to Kingsport variances in routes and schedules as deemed necessary by Kingsport.

5. Kingsport has provided 2,175 Carts at 96 gallons at no charge for the collection of Residential Reuse herein. Only the Carts supplied by Kingsport will be used for this collection. These Carts will remain the property of Kingsport, except as otherwise provided in this section. Carts will be assigned to properties by serial number stamped on each Cart.

6. The current site for the disposal of the Residential Refuse collected hereunder is the BFI landfill in the Carter's Valley Community. This site is available pursuant to an agreement between Hawkins County, Tennessee and BFI to which neither Kingsport or Mt. Carmel is a party. In the event the agreement is ever modified such that it is no longer available free of charge, the cost hereunder will be re-negotiated.

7. Each Cart will be placed at curbside for collection. Kingsport may indicate the location for the placement of a Cart. Curbside refers to that portion of right-of-way fronting the residential dwelling and adjacent to paved or traveled streets. Carts will be placed as close to the roadway as practicable without interfering with or endangering the movement of vehicles or pedestrians. When construction work is being performed in the right-of-way, Cart will be placed as close as practicable to an access point for the collection vehicle. Kingsport may decline to collect any Cart not placed in accordance with this section.

8. Mt. Carmel agrees to impose the same restrictions and requirements on the citizens of Mt. Carmel who are serviced by this Interlocal Agreement as Kingsport imposes on its citizens for Residential Refuse collection, and Mt. Carmel agrees it will take the action necessary to enforce such requirements, including but not limited to the requirements for automated Residential Refuse collection. This includes but is not limited to the requirement that the customer pay for a replacement Cart when the Cart is no longer reasonable usable, damaged beyond reasonable use, stolen or lost or if the customer wants an additional Cart.

9. Collection of garbage will not start before 6:00 a.m. or continue after 6:00 p.m. on the same day. Exceptions to collection hours will be effected only upon the mutual agreement of the respective public works directors of Mt. Carmel and Kingsport, or when Kingsport reasonably determines that an exception is necessary in order to complete collection on an existing collection route due to unusual circumstances.

10. Collection routes will be established by Kingsport. Kingsport will submit a map designating the collection routes to Mt. Carmel for its approval, which will not be unreasonably withheld. Kingsport may from time to time propose to Mt. Carmel changes in routes or days of collection.

11. Kingsport observes certain holidays that may alter the scheduled pick up days. Kingsport has the right to alter the scheduled pick up days due to the observance of a holiday, but Kingsport will provide collection service at least once per week. The current holidays include: New Year's Day, Martin Luther King's birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving Day, Christmas Day, and at the discretion of Kingsport board of mayor and

aldermen other days. Kingsport may decide to observe any or all of the above-mentioned holidays by suspension of collection service on the holiday, but such decision in no manner relieves Kingsport of its obligation to provide collection service at least once per week.

12. The beginning Cart count for this Agreement is 2,175 Carts. A new Cart count will be established for every twenty-five (25) additional Carts provided. The monthly charge set out in paragraph 1 will increase by \$9.25 per Cart per month upon the establishment of a new Cart count, or at the newly established rate determined in accordance with section 20 herein. In no event will the Cart count be reduced.

13. Kingsport will bill Mt. Carmel for services rendered within ten (10) days following the end of the month and Mt. Carmel will pay Kingsport on or before the 25th day following the end of such month. Such billing and payment will be based on the rates set out herein with permitted adjustments. Kingsport will be entitled to payment for services rendered regardless of whether or not Mt. Carmel collects from the customer for such services.

14. Apartment complexes or condominiums with more than six (6) units will not be considered residential units and the owners must make their own arrangements for collection and disposal.

15. All complaints will be made directly to Kingsport Streets Sanitation Division at 229-9451 between 8:00 a.m. and 3:00 p.m. Monday through Friday. In the case of alleged missed scheduled collections, Kingsport will investigate and, if such allegations are verified, will arrange for the collection of the Refuse not collected within 24 hours after the complaint is received. However, in no event will Kingsport be required to collect any item not contained in the Cart.

16. Kingsport will provide an adequate number of vehicles for regular collection services. All vehicles and other equipment will be kept in good repair, appearance, and in a sanitary condition at all times. Only truck bodies specifically constructed by a recognized manufacturer of this type of specialized equipment for handling of garbage will be acceptable. Each vehicle will have clearly visible on each side a designation showing the vehicle is Kingsport's vehicle.

17. Kingsport will maintain local telephone service where it can be contacted. A person will be available from 8:00 a.m. to 4:30 p.m. on regularly scheduled collection days. Kingsport Streets and Sanitation Division has a present address and phone number as follows:

609 Industry Drive
Kingsport, Tennessee 37660
423-229-9451

18. Mt. Carmel will notify all Producers at Residential Units about complaint procedures, regulations, and day(s) for scheduled refuse collection by posting such notification on the Carts.

19. Kingsport's employees will be the responsibility of Kingsport, although nothing herein will be construed to waive any governmental immunity, including such as set forth in the Governmental Tort Liability Act. Appropriate protective clothing or equipment for Kingsport's employees is Kingsport's responsibility. Kingsport's employees will deal with customers and citizens in a courteous manner and will avoid abusive and obscene language or behavior.

20. In addition to the above, the fees which may be charged by Kingsport will be increased or decreased at any time upon thirty (30) days notice to Mt. Carmel for additional rate and price adjustments due to any changes in responsibility of bearing disposal cost, an increase in the number of Residential Units, such as Mt. Carmel growth or annexation, and changes in the location of disposal sites. Any change in Kingsport's cost of operations such as revised laws, ordinances, or regulations will constitute the right of Kingsport to negotiate with Mt. Carmel an increase to cover these additional operating expenses.

21. For all purposes of this Agreement unless the context shall otherwise require, the terms set forth in this Section whenever capitalized in this Agreement will have the indicated meanings:

Bags – Bags will mean a bag made of plastic approximately two (2) feet in diameter and no more than four (4) feet in length and be of sufficient strength to contain the weight of the contents without breaking open. Such plastic bags must be securely tied and will contain only leaves and yard trimmings.

Bulky Waste – Bulky Waste will mean stoves, refrigerators (if certification is attached that freon has been reclaimed), water tanks, washing machines, furniture and other waste materials other than Construction Debris, Dead Animals, Hazardous Waste or Stable Matter with weights or volumes greater than those allowed for Containers.

Bundled Items – Bundled items will mean tree, shrub and brush trimmings or newspapers and magazines securely tied together forming an easily handled package not exceeding ten feet in length or 5" inches in diameter.

Construction Debris – Construction Debris will mean waste building materials resulting from construction, remodeling, repair or demolition operations, specifically excluding dirt and rock.

Cart - A receptacle with a capacity of ninety-six (96) gallons supplied and owned by Kingsport.

Dead Animals – Mt. Carmel will continue to pick up Dead Animals. Dead Animals means animals or portions thereof equal that have expired from any cause, except those slaughtered or killed for human use.

Disposal Site - A Refuse depository including but not limited to sanitary landfills, transfer stations, incinerators, materials recycling facilities and waste processing/separation centers licensed, permitted or approved to receive for processing or final disposal of Refuse by all governmental bodies and agencies having jurisdiction and requiring such licenses, permits or approvals.

Garbage - Every accumulation of waste (animal, vegetable and/or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing,

canning, storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not by way of limitation, used tin cans and other food containers; and all putrescible or easily decomposable waste animal or vegetable matter which is likely to attract flies or rodents), except (in all cases) any matter included in the definition of Bags, Bulky Waste, Bundle, Construction Debris, Dead Animals, Hazardous Waste, Rubbish, Stable Matter, or Special Waste.

Hazardous Waste - Any chemical, compound, mixture, substance or article which is designated by the United States Environmental Protection Agency or appropriate agency of the State to be "hazardous" as that term is defined by or pursuant to Federal or State Law.

Producer - An occupant of a Residential Unit who generates Refuse.

Refuse - This term will refer to Residential Refuse generated by a Producer at a Residential Unit.

Residential Refuse - All Garbage generated by a Producer at a Residential Unit.

Residential Unit - A dwelling within the corporate limits of Mt. Carmel occupied by a person or group of persons comprising not more than six dwelling units. A Residential Unit will be deemed occupied when either water or domestic light and power services are being supplied thereto. A condominium dwelling or an apartment complex whether of single or multi-level construction, consisting of six or less contiguous or separate single-family dwelling units, will be treated as a Residential Unit, except that each single-family dwelling within any such Residential Unit will be billed separately as a Residential Unit.

Rubbish - Rubbish will mean all waste wood, wood products, tree trimmings, grass cuttings, dead plants, weeds, leaves, dead trees or branches thereof, chips, shavings, sawdust, printed matter, paper, pasteboard, rags, straw, used and discarded mattresses, used and discarded clothing, used and discarded shoes and boots, combustible waste pulp and other products such as are used for packaging, or wrapping crockery and glass, ashes, cinders, floor sweepings, glass, mineral or metallic substances, and any and all other waste materials not included in the definition of Bulky Waste, Construction Debris, Dead Animals, Garbage, Hazardous Waste or Stable Matter.

Special Waste - Any solid waste which requires special processing, handling or disposal techniques which are different from the techniques normally utilized for handling or disposal or contains an added element of expense to transport or dispose of or requires approval from any State agency. Examples of Special Waste may include, but are not limited to: oil, gas, paint, paint cans, biohazardous waste, white goods, tires, mining wastes, fly ash, combustion ash, sludges, drilling fluids and drill cuttings, asbestos, industrial wastes, liquid wastes, infectious wastes and residue, pollution control residue, debris or contaminated soil and water from the cleanup or a spill.

22. Neither party will be liable to the other or be deemed to be in breach of this Agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control and without its fault or negligence. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, severe weather, thunderstorms, severe wind, significant fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, or Governmental Authorities approval delays which are not caused by any act or omission by either party. The party whose

performance is affected agrees to notify the other promptly of the existence and nature of any delay.

23. No amendment to this Interlocal Agreement will be made except upon the written consent of the parties.

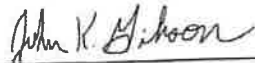
24. In the event that any provision or portion of this Interlocal Agreement is found to be invalid or unenforceable, then such provision or portion thereof will be reformed in accordance with the applicable laws. The invalidity or unenforceability of any provision or portion of any of this Interlocal Agreement will not affect the validity or enforceability of any other provision or portion of the Interlocal Agreement.

25. Upon the occurrence of an alleged default, or a dispute or disagreement between the parties hereto arising out of or in connection with any term or provision of this Agreement or, the subject matter hereof, or the interpretation or enforcement hereof (the "Dispute"), the parties will engage in informal, good faith discussions and attempt to resolve the Dispute. In connection therewith, upon written notice of either party, each of the parties will appoint a designated officer whose task it will be to meet for the purpose of attempting to resolve such Dispute. The designated officers will meet as often as the parties will deem to be reasonably necessary. Such officers will discuss the Dispute. If the parties are unable to resolve the Dispute in accordance with this paragraph, and in the event that either of the parties concludes in good faith that amicable resolution through continued negotiation with respect to the Dispute is not reasonably likely, then the parties may mutually agree to submit to nonbinding mediation. If the matter is not resolved by mediation either party will have the right, at its sole option, without further demand or notice, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights including, but not limited to, the suspension or termination of this agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate original counterparts, each of which constitutes an original.

Town of Mount Carmel, Tennessee

City of Kingsport, Tennessee



Mayor, John Gibson

Paul W. Montgomery, Mayor

03/25/2025

Date

Date

Attest:



Mount Carmel City Recorder, Tyler Williams

Attest:

Angela Marshall, Deputy City Recorder

Approved as to form:



Mount Carmel City Attorney, Allen Coup

Approved as to form:

Rodney B. Rowlett, III, City Attorney

INTERLOCAL AGREEMENT

This Interlocal Agreement is entered into this the ____ day of _____, 2026, by and between the TOWN OF MOUNT CARMEL, hereinafter referred to as the "Mt. Carmel", and the CITY OF KINGSPORT, hereinafter referred to as "Kingsport", both chartered municipalities of the State of Tennessee.

WITNESSETH:

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to Tennessee Code Annotated §§ 5-1-113; 5-1-114; and 12-9-101 et seq. and to provide for interlocal agreements and cooperation; and

WHEREAS, it is deemed in the public interest for the parties hereto to enter into an interlocal mutual aid agreement for certain Residential Refuse collection services.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Parties agree as follows:

1. Kingsport will furnish all personnel, labor, equipment, trucks and all other items necessary to provide Residential Refuse collection as defined herein within the corporate limits of Mount Carmel at pricing shown in Table 1. Cost is based per month for 2,175 Carts in the city limits of Mount Carmel, subject to adjustments provided for herein. Kingsport will provide curbside collection service for the collection of Residential Refuse to each Residential Unit one (1) time per week. Carts will be placed at curbside by 6:00 a.m. on the designated collection day. Residential Refuse must be placed in the ninety-six (96) gallon Cart provided by Kingsport to be collected by Kingsport.

TABLE 1: MOUNT CARMEL GARBAGE FEE

DATES	PROPOSED FEE (per cart)	MONTHLY COSTS	ANNUAL COSTS
July 1, 2026 - June 30, 2027	\$13.00	\$28,275.00	\$339,300.00
July 1, 2027 - June 30, 2028	\$14.00	\$30,450.00	\$365,400.00
July 1, 2028 - June 30, 2029	\$15.00	\$32,625.00	\$391,500.00

2. Kingsport will furnish all personnel, labor, equipment, trucks and all other items necessary to provide service for three (3) eight yard dumpsters at the following Mount Carmel locations: City Hall, Police Station, and Sewer Plant. Each dumpster shall be serviced once a week at the convenience of City of Kingsport. The fee for this service is included in the proposed cart fee in Table 1. Only Garbage and Rubbish as defined in Section 23. of this agreement shall be permissible in the dumpsters identified herein. Mount Carmel shall bear responsibility for securing the dumpsters against the deposit of impermissible materials. City of Kingsport reserves the right to refuse to service any of the aforementioned dumpsters which contain impermissible materials.

3. The term of this Agreement will commence on July 1, 2026 and end on June 30, 2029.

4. Mt. Carmel will pick up or caused to be picked up Bags, Bulky Waste, Bundled Items, Construction Debris, Dead Animals, Rubbish, and any other trash, Garbage or items for disposal that are not Residential Refuse and that are not contained in the Cart provided by Kingsport.

5. The work under this Interlocal Agreement does not include the collection and disposal of any increased volume resulting from a flood, tornado, high winds, electrical storms or other act of God over which Kingsport has no control. In the event of such a flood, tornado, high winds, electrical storms or other act of God, Kingsport and Mt. Carmel will negotiate the payment to be made to Kingsport. Further, if Mt. Carmel and Kingsport reach such agreement, then Mt. Carmel will grant to Kingsport variances in routes and schedules as deemed necessary by Kingsport.

6. Kingsport has provided 2,175 Carts at 96 gallons at no charge for the collection of Residential Refuse. Only the Carts supplied by Kingsport will be used for this collection. These Carts will remain the property of Kingsport, except as otherwise provided in this section. Carts will be assigned to properties by serial number stamped on each Cart.

7. The current site for the disposal of the Residential Refuse collected hereunder is the BFI landfill in the Carter's Valley Community. This site is available pursuant to an agreement between Hawkins County, Tennessee and BFI to which neither Kingsport or Mt. Carmel is a party. In the event the agreement is ever modified such that it is no longer available free of charge, the cost hereunder will be re-negotiated.

8. Each Cart will be placed at curbside for collection. Kingsport may indicate the location for the placement of a Cart. Curbside refers to that portion of right-of-way fronting the residential dwelling and adjacent to paved or traveled streets. Carts will be placed as close to the roadway as practicable without interfering with or endangering the movement of vehicles or pedestrians. When construction work is being performed in the right-of-way, Cart will be placed as close as practicable to an access point for the collection vehicle. Kingsport may decline to collect any Cart not placed in accordance with this section.

9. Mt. Carmel agrees to impose the same restrictions and requirements on the citizens of Mt. Carmel who are serviced by this Interlocal Agreement as Kingsport imposes on its citizens for Residential Refuse collection, and Mt. Carmel agrees it will take the action necessary to enforce such requirements, including but not limited to the requirements for automated Residential Refuse collection. This includes but is not limited to the requirement that the customer pay for a replacement Cart when the Cart is no longer reasonable usable, damaged beyond reasonable use, stolen or lost or if the customer wants an additional Cart.

10. Collection of garbage will not start before 6:00 a.m. or continue after 6:00 p.m. on the same day. Exceptions to collection hours will be effected only upon the mutual agreement of the respective public works directors of Mt. Carmel and Kingsport, or when Kingsport reasonably determines that an exception is necessary in order to complete collection on an existing collection route due to unusual circumstances.
11. Collection routes will be established by Kingsport. Kingsport will submit a map designating the collection routes to Mt. Carmel for its approval, which will not be unreasonably withheld. Kingsport may from time to time propose to Mt. Carmel changes in routes or days of collection.
12. Kingsport observes certain holidays that may alter the scheduled pick up days. Kingsport has the right to alter the scheduled pick up days due to the observance of a holiday, but Kingsport will provide collection service at least once per week. The current holidays include: New Year's Day, Martin Luther King's birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving Day, Christmas Day, and at the discretion of Kingsport board of mayor and aldermen other days. Kingsport may decide to observe any or all of the above-mentioned holidays by suspension of collection service on the holiday, but such decision in no manner relieves Kingsport of its obligation to provide collection service at least once per week.
13. The beginning Cart count for this Agreement is 2,175 Carts. A new Cart count will be established for every twenty-five (25) additional Carts provided. The monthly charge set out in paragraph 1 will increase by the figure shown in Table 1 per Cart per month upon the establishment of a new Cart count, or at the newly established rate determined in accordance with section 20 herein. In no event will the Cart count be reduced.
14. Kingsport will bill Mt. Carmel for services rendered within ten (10) days following the end of the month and Mt. Carmel will pay Kingsport on or before the 25th day following the end of such month. Such billing and payment will be based on the rates set out herein with permitted adjustments. Kingsport will be entitled to payment for services rendered regardless of whether or not Mt. Carmel collects from the customer for such services.
15. Apartment complexes or condominiums with more than six (6) units will not be considered residential units and the owners must make their own arrangements for collection and disposal.
16. All complaints will be made directly to Kingsport Streets Sanitation Division at 229-9451 between 8:00 a.m. and 3:00 p.m. Monday through Friday. In the case of alleged missed scheduled collections, Kingsport will investigate and, if such allegations are verified, will arrange for the collection of the Refuse not collected within 24 hours after the complaint is received. However, in no event will Kingsport be required to collect any item not contained in the Cart.

17. Kingsport will provide an adequate number of vehicles for regular collection services. All vehicles and other equipment will be kept in good repair, appearance, and in a sanitary condition at all times. Only truck bodies specifically constructed by a recognized manufacturer of this type of specialized equipment for handling of garbage will be acceptable. Each vehicle will have clearly visible on each side a designation showing the vehicle is Kingsport's vehicle.

18. Kingsport will maintain local telephone service where it can be contacted. A person will be available from 8:00 a.m. to 4:30 p.m. on regularly scheduled collection days. Kingsport Streets and Sanitation Division has a present address and phone number as follows:

609 Industry Drive
Kingsport, Tennessee 37660
423-229-9451

19. Mt. Carmel will notify all Producers at Residential Units about complaint procedures, regulations, and day(s) for scheduled refuse collection by posting such notification on the Carts.

20. Kingsport's employees will be the responsibility of Kingsport, although nothing herein will be construed to waive any governmental immunity, including such as set forth in the Governmental Tort Liability Act. Appropriate protective clothing or equipment for Kingsport's employees is Kingsport's responsibility. Kingsport's employees will deal with customers and citizens in a courteous manner and will avoid abusive and obscene language or behavior.

21. The fees which may be charged by Kingsport will be increased or decreased at any time upon ninety (90) days notice to Mt. Carmel for additional rate and price adjustments due to any changes in responsibility of bearing disposal cost, an increase in the number of Residential Units, such as Mt. Carmel growth or annexation, and changes in the location of disposal sites. Any change in Kingsport's cost of operations such as revised laws, ordinances, or regulations will constitute the right of Kingsport to negotiate with Mt. Carmel an increase to cover these additional operating expenses.

22. Either party may terminate for convenience the collection of municipal waste provided for in Paragraph 2 upon sixty (60) days written notice to the other party.

23. For all purposes of this Agreement unless the context shall otherwise require, the terms set forth in this Section whenever capitalized in this Agreement will have the indicated meanings:

Bags – Bags will mean a bag made of plastic approximately two (2) feet in diameter and no more than four (4) feet in length and be of sufficient strength to contain the weight of the contents without breaking open. Such plastic bags must be securely tied and will contain only leaves and yard trimmings.

Bulky Waste – Bulky Waste will mean stoves, refrigerators (if certification is attached that freon has been reclaimed), water tanks, washing machines, furniture and other waste

materials other than Construction Debris, Dead Animals, Hazardous Waste or Stable Matter with weights or volumes greater than those allowed for Containers.

Bundled Items – Bundled items will mean tree, shrub and brush trimmings or newspapers and magazines securely tied together forming an easily handled package not exceeding ten feet in length or 5" inches in diameter.

Construction Debris – Construction Debris will mean waste building materials resulting from construction, remodeling, repair or demolition operations, specifically excluding dirt and rock.

Cart - A receptacle with a capacity of ninety-six (96) gallons supplied and owned by Kingsport.

Dead Animals – Mt. Carmel will continue to pick up Dead Animals. Dead Animals means animals or portions thereof equal that have expired from any cause, except those slaughtered or killed for human use.

Disposal Site - A Refuse depository including but not limited to sanitary landfills, transfer stations, incinerators, materials recycling facilities and waste processing/separation centers licensed, permitted or approved to receive for processing or final disposal of Refuse by all governmental bodies and agencies having jurisdiction and requiring such licenses, permits or approvals.

Garbage - Every accumulation of waste (animal, vegetable and/or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing, canning, storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not by way of limitation, used tin cans and other food containers; and all putrescible or easily decomposable waste animal or vegetable matter which is likely to attract flies or rodents), except (in all cases) any matter included in the definition of Bags, Bulky Waste, Bundle, Construction Debris, Dead Animals, Hazardous Waste, Rubbish, Stable Matter, or Special Waste.

Hazardous Waste - Any chemical, compound, mixture, substance or article which is designated by the United States Environmental Protection Agency or appropriate agency of the State to be "hazardous" as that term is defined by or pursuant to Federal or State Law.

Producer - An occupant of a Residential Unit who generates Refuse.

Refuse - This term will refer to Residential Refuse generated by a Producer at a Residential Unit.

Residential Refuse - All Garbage generated by a Producer at a Residential Unit.

Residential Unit - A dwelling within the corporate limits of Mt. Carmel occupied by a person or group of persons comprising not more than six dwelling units. A Residential Unit will be deemed occupied when either water or domestic light and power services are being supplied thereto. A condominium dwelling or an apartment complex whether of single or multi-level construction, consisting of six or less contiguous or separate single-family dwelling units, will be treated as a Residential Unit, except that each single-family dwelling within any such Residential Unit will be billed separately as a Residential Unit.

Rubbish – Rubbish will mean all waste wood, wood products, tree trimmings, grass cuttings, dead plants, weeds, leaves, dead trees or branches thereof, chips, shavings, sawdust, printed matter, paper, pasteboard, rags, straw, used and discarded clothing, used and discarded shoes and boots, combustible waste pulp and other products such as are used for packaging, or wrapping crockery and glass, ashes, cinders, floor

sweepings, glass, mineral or metallic substances, and any and all other waste materials not included in the definition of Bulky Waste, Construction Debris, Dead Animals, Garbage, Hazardous Waste or Stable Matter.

Special Waste - Any solid waste which requires special processing, handling or disposal techniques which are different from the techniques normally utilized for handling or disposal or contains an added element of expense to transport or dispose of or requires approval from any State agency. Examples of Special Waste may include, but are not limited to: oil, gas, paint, paint cans, biohazardous waste, white goods, tires, mining wastes, fly ash, combustion ash, sludges, drilling fluids and drill cuttings, asbestos, industrial wastes, liquid wastes, infectious wastes and residue, pollution control residue, debris or contaminated soil and water from the cleanup or a spill.

24. Neither party will be liable to the other or be deemed to be in breach of this Agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control and without its fault or negligence. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, severe weather, thunderstorms, severe wind, significant fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, or Governmental Authorities approval delays which are not caused by any act or omission by either party. The party whose performance is affected agrees to notify the other promptly of the existence and nature of any delay.

25. No amendment to this Interlocal Agreement will be made except upon the written consent of the parties.

26. In the event that any provision or portion of this Interlocal Agreement is found to be invalid or unenforceable, then such provision or portion thereof will be reformed in accordance with the applicable laws. The invalidity or unenforceability of any provision or portion of any of this Interlocal Agreement will not affect the validity or enforceability of any other provision or portion of the Interlocal Agreement.

27. Upon the occurrence of an alleged default, or a dispute or disagreement between the parties hereto arising out of or in connection with any term or provision of this Agreement or, the subject matter hereof, or the interpretation or enforcement hereof (the "Dispute"), the parties will engage in informal, good faith discussions and attempt to resolve the Dispute. In connection therewith, upon written notice of either party, each of the parties will appoint a designated officer whose task it will be to meet for the purpose of attempting to resolve such Dispute. The designated officers will meet as often as the parties will deem to be reasonably necessary. Such officers will discuss the Dispute. If the parties are unable to resolve the Dispute in accordance with this paragraph, and in the event that either of the parties concludes in good faith that amicable resolution through continued negotiation with respect to the Dispute is not reasonably likely, then the parties may mutually agree to submit to nonbinding mediation. If the matter is not resolved by mediation either party will have the right, at its sole option, without further demand or notice, to take whatever action at law or in equity may appear necessary or desirable to

enforce its rights including, but not limited to, the suspension or termination of this agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate original counterparts, each of which constitutes an original.

Town of Mount Carmel, Tennessee

City of Kingsport, Tennessee

Mayor

Paul W. Montgomery, Mayor

Date

Date

Attest:

Attest:

Mount Carmel City Recorder

Angela Marshall, Deputy City Recorder

Approved as to form:

Approved as to form:

Mount Carmel City Attorney

Rodney B. Rowlett, III, City Attorney



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor Gibson, Vice Mayor Bare, and Alderman Gilliam,
Alderman Patrick, Alderman Shugart, Alderman Binstock, Alderman Cross

THRU: Tyler Williams, Assistant Town Manager/CFO

DATE: April 23, 2026

RE: **DISCUSSION/CONSIDERATION:** Planning/Zoning Services Contract with FTDD

SUMMARY:

The Town has historically contracted with First Tennessee Development District (FTDD) for its planning and zoning services. This proposed agreement extends that term for another year, thru FY26-27.

REQUESTING DEPARTMENT(S):

Administration

FISCAL IMPACT:

\$16,223 annual cost (no increase from prior year)

STAFF RECOMMENDATION:

Staff recommends approval

ATTACHMENTS:

Contract between FTDD and Town of Mount Carmel For Local Planning Advisory Services

Contract Between
FIRST TENNESSEE DEVELOPMENT DISTRICT
AND
TOWN OF MOUNT CARMEL, TENNESSEE
FOR
LOCAL PLANNING ADVISORY SERVICES

This **CONTRACT**, entered into as of July 1, 2026 by the First Tennessee Development District (FTDD), an agency composed of member governments in Northeast Tennessee, and the Town of Mount Carmel, Tennessee.

I. FINDINGS & DECLARATIONS

- A. Tennessee Code Annotated, §13-14-101 and the following sections establish a delineation of regions deemed viable to the economic development of the state, and allow creation of development districts for these regions, encompassing one (1) or more counties or parts of counties, so they are conducive to efficient planning and orderly economic development of the state.

- B. FTDD is empowered, among other duties, “to receive and expend funds from any sources for staffing, for research, planning, coordination, economic development, demonstration projects and other activities deemed necessary to promote the efficient, harmonious and economic development of the region.”

- C. The Town of Mount Carmel, referred to as the chief legislative body, requests the FTDD to provide planning advisory services, and agrees to appropriate the necessary funds for these services.

II. CONTRACT

In consideration of these findings and declarations and other valuable considerations, the parties agree as follows:

- A. During the twelve (12) month period beginning July 1, 2026, and ending June 30, 2027, the FTDD agrees to furnish the services of professionally trained planning advisors who will confer with the local planning commission, board of zoning appeals and other local officials with respect to all phases of the comprehensive planning program. Planning recommendations are advisory only; local communities and their appropriate

representatives have the sole authority to enact and enforce ordinances and other regulatory tools. A Work Program derived from the elements listed below is attached. The signatories to this contract agree to the items listed in the Work Program. Other activities may be included depending on the scope and nature of the desired services and FTDD capacity. All activities must be agreed upon mutually by the community and FTDD. Planning services may include but are not limited to the following activities:

1. Attendance at planning commission and/or boards of zoning appeals meetings; assistance in the preparation or review of the long range work program of the planning commission; preparation of comprehensive plans, Public Chapter 1101 Growth Management Plans and amendments, and other planning studies and documents.
2. Preparation of land use controls for adoption, implementation, and enforcement by local community officials, including but not limited to zoning ordinances, subdivision regulations, flood plain management regulations, or other land use controls; review of development proposals; advice and assistance to administrators of zoning, subdivision regulations, and other land use controls.
3. Access to the resources of a regional office including basic mapping services and planning related research. In depth GIS mapping and other GIS projects will be charged through a separate fee structure unrelated to this contract.
4. Specialty training for planning commissions, boards of zoning appeal and local administrators; assistance in providing information on planning activities and interpreting planning programs and activities to the public through meetings and conferences, news releases and presentations before various groups.
5. Advice and assistance on all matters relating to state, federal, and regional programs that affect planning and implementation for the locality.

B. Payment for services provided by FTDD to Mount Carmel is based on the agreed-upon activities requested in Section II.A. of this Contract. For the purpose of providing funds necessary to carry out the provisions of this contract, **IT IS AGREED** that the chief legislative body will pay to the FTDD the sum of **\$16,223** annually, plus any funds made available by the State of Tennessee specifically for the purpose of planning, payable in total upon the effective date of this contract, or in bi-annual installments of **\$8,112** due and payable on the first day of the first and third quarters of each fiscal year. The contracting community hereby authorizes the FTDD to apply on the community's behalf for any eligible funds from State sources to supplement the planning contract amount.

C. Either party may terminate this contract by giving written notice to the other party specifying the date of termination, at least ninety (90) days before the termination date. Upon termination of the contract, the obligation of the FTDD to conduct and carry on the program agreed to under this Contract shall cease, the financial obligation of the chief legislative body as described in this Contract above likewise ceases. If prepayment has been made by the chief legislative body, the FTDD will determine, by prorating, the amount to be refunded.

- D. This contract is for a period of twelve months. Local governments are under no obligation to continue FTDD planning services beyond the dates specified in this contract.
- E. In all matters relating to the performance of this contract, the FTDD Executive Director acts for the FTDD, and the Mayor acts for the Town of Mount Carmel, Tennessee.

The parties execute this contract through their duly authorized representatives.

For the **First Tennessee Development District**

By: _____
Mike Harrison, Executive Director

For the **Town of Mount Carmel, Tennessee**

By: _____
John Gibson, Mayor



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor Gibson, Vice Mayor Bare, and Alderman Gilliam,
Alderman Patrick, Alderman Shugart, Alderman Binstock, Alderman Cross

THRU: Tyler Williams, Assistant Town Manager/CFO

DATE: April 23, 2026

RE: **DISCUSSION/CONSIDERATION:** RFP for Town Attorney/Municipal Legal Services

SUMMARY:

At the BMA budget workshop on March 30, 2026, there was a consensus reached among the Board that the Town should proceed with a Request for Proposals (RFP) process for Town Attorney/Municipal Legal Services, in the interest of best practices and routine evaluation of our contractual partnerships.

Based on this discussion, Town Administration developed the attached RFP with consultation of MTAS materials and other similarly situated municipalities. The RFP was published on April 2 with a deadline of May 1.

The existing RFP has been published online, noticed in the newspaper, and distributed to potential respondents.

During the week of April 13, our current Town Attorney told Administration that he was of the opinion the board should take formal action to confirm the RFP process and change the format to a Request for Qualifications (RFQ) process.

Based on research by Town Administration, it is proper for the Town to procure this service through the RFP process as previously administered.

Furthermore, Town Administration believes that involvement by the current Town Attorney—who may be a future respondent—in shaping the operational details of the process presents a potential conflict of interest.

This item seeks formal action from the Board to confirm its desire to seek applicants for Town Attorney/Municipal Legal Services and determine next steps in the process.

Option 1: Continue RFP process and maintain deadline of May 1, 2026

Option 2: Continue RFP process and extend deadline to May 15, 2026

Option 3: Terminate RFP process and pursue RFQ process

Should the Board proceed with the RFP process, Administration is seeking a nomination of three (3) board members to serve on the review committee.

REQUESTING DEPARTMENT(S):

Administration

STAFF RECOMMENDATION:

Staff recommends approval of Option 1

ATTACHMENTS:

RFP 26-001: Town Attorney/Municipal Legal Services

TML statement regarding RFP process



Request for Proposals

Town Attorney/Municipal Legal Services

RFP# 26-001

Due Date/Time:
May 1, 2026, at 4:30 pm EST

Assistant Town Manager
Town of Mount Carmel
100 E. Main Street
Mount Carmel, Tennessee 37645
(423) 357-7311

tyler.williams@mountcarmeltn.gov

I. Project Summary

The Town of Mount Carmel ("Town") is hereby accepting Request for Proposals ("Proposal") for the purpose to establish a Contract for Municipal Legal Services ("Contract"). The Town will select an Attorney or Law Firm to provide municipal legal services and serve in the capacity as Town Attorney on a contractual basis.

II. General Information

The Town of Mount Carmel is located in Hawkins County, Tennessee, and has a population of approximately 5,500 residents. The Town provides a variety of municipal services including police, fire, wastewater, parks and recreation, public works, and administrative support functions.

A seven-member Board of Mayor and Aldermen set policies for the operation of the Town. Both the Mayor and Aldermen are elected on a nonpartisan basis and serve staggered four-year terms. A Vice-Mayor is selected by the board, from the six aldermen currently serving. The Mayor and Board appoint a Town Manager and a Town Attorney.

The Town Manager is responsible for overseeing all departments and the day-to-day operations of the Town. The Town Attorney serves as the chief legal counsel and advisor for the Town and provides expertise on a wide range of legal matters as defined in the scope of work herein.

If additional information is required prior to submitting a proposal, inquiries should be directed to Tyler Williams, Assistant Town Manager/CFO, 100 Main Street E., Mount Carmel, TN 37645; tyler.williams@mountcarmeltn.gov; (423) 849-1861.

III. Schedule

	<u>Date</u>
RFP Published	April 2, 2026
Proposals Due	May 1, 2026- 4:30 pm EST
Review and Selection	Week of May 4, 2026
Anticipated Award	May 28, 2026
Projected Start Date	July 1, 2026

IV. Term

The original term for the Contract is one-year (1) with two additional annual renewal options at the Town's discretion, based upon satisfactory performance and rendition of services.

The Town Attorney should submit a monthly detailed statement with billing, said statement to include the date and length of time of services rendered. These statements shall be subject to the review by the Town Manager and/or Assistant Town Manager.

V. Scope

The Attorney or Law Firm will provide municipal legal services in the capacity of Town Attorney and serve as the Chief legal counsel/advisor to the Board of Mayor and Aldermen and Town Staff, inclusive of other Town advisory boards and committees.

The Town Attorney will be primarily responsible for, but not limited to, the following responsibilities:

- Advise the Board of Mayor and Aldermen, Town staff, and all appointed boards on municipal government matters related to official duties/capacities.
- Provide advice and consultation, including preparation of oral or written opinions to the Board of Mayor and Aldermen and Town staff on any matters that could affect the Town, including but not limited to federal, state, and local government laws, legislation, and judicial opinions.
- Represent the Town, collectively and on an individual basis who may be named as parties in their official capacities in any legal action regarding Town business provided that such representation does not give rise to a prohibited conflict of interest or the appearance of a conflict.
- Participate in negotiations with both private and public sector organizations.
- Preparation, review and analysis, as needed, any and all contracts (existing and newly created), ordinances, resolutions, proposed legislation, and any documents (i.e., agreements) that may be considered contractual or obligatory as official Town business).
- Interpretation of existing laws and ordinances.
- Perform all legal work pertaining to property acquisitions, disposals, easement dedications, right-of-way abandonments, and other Town activities of similar nature.
- Address requests and concerns regarding Town business that arise from complaints from the public and various Town issues.
- Serve as a resource for Town administration.
- Represent the Town for Court, Administrative Hearings, and other business matters as deemed appropriate.
- Attend Board of Mayor and Aldermen workshops, regular meetings, special called meetings, and other business meetings, as well as any meetings of other Town advisory boards and committees (as applicable and required).

The Town Attorney will provide legal services for such matters not covered above but which necessitate legal advice as required by the Town Manager and/or Assistant Town Manager and determined by the Board of Mayor and Aldermen. The Town Attorney is to maintain files consistent with Tennessee public records and retention laws and Town practices. This includes providing any copies of all pertinent documents related to litigation that the Town Attorney is involved in and/or overseeing. The Town, in its sole discretion, may expand the scope of work to include additional responsibilities and/or requirements.

VI. Qualifications/Experience

The individual attorney or legal firm must possess experience in the practice of Tennessee municipal law with a strong preference in representing Tennessee municipal governments.

The primary designated attorney and other attorneys representing in a back-up capacity must be currently licensed to practice law in Tennessee and be in good standing with the Tennessee Board of Professional Responsibility.

The designated attorney and other attorneys representing/intending to serve in a

backup capacity are required to have a Juris Doctor (JD) degree and legal experience in the practice of Tennessee municipal law. The attorney(s) should be able to demonstrate representing Tennessee municipal governments in facets related to daily government operations.

VII. Proposal Format

Proposals should address the following information in a thorough and concise narrative for each specification. The response should provide pertinent information relating to the attorney or legal firm's area of expertise, experience, and qualifications. The availability and capability of a firm to perform all of the professional services in an effective and timely manner must also be shown. Failure to include information for each section may be cause for rejection

1. **Cover Letter:** Provide a cover letter of transmittal attesting to accuracy of the Proposal, signed by the individual attorney or legal firm. As part of the attestation, provide the individual or type of business (e.g., corporation, partnership, other, etc.) along with an authorized signature, title, and date submitted.
2. **Letter of Interest:** Provide a letter of interest describing the individual attorney or legal firm's interest of the response, including a brief overview of the work history and a statement addressing experience working for or with municipal governments.
3. **Identification of Principal and Secondary Representatives:** For the individual attorney, provide a resume. For a legal firm, provide the name of the person who will provide the primary professional legal services to the Town (as "Town Attorney") and the name(s) of a person(s) who will act in a back-up capacity to serve as Town Attorney. Provide a resume for each individual listed. The resume should include accurate and relevant information related to current/prior experience in the areas as outlined in the scope of work and qualifications. In addition to, the resume should reflect the academic training and degrees from accredited organizations, number of years in practice, including that with the firm, and any other areas of responsibilities or background information which may be helpful in evaluating the proposal. Include a certified statement that addresses all qualifications as outlined herein.
4. **Approach to Providing Town Requested Legal Services:** Provide a description of the individual attorney or legal firm's approach, methodology, or objectives that will be used in providing legal services to the Town, including that of which will minimize claims, litigation, and that considers other legal implications. Also describe the attorney and firm's approach to communicating with the Town.
5. **Compensation or Fee Proposal:** Identify, in the response, the compensation/fees (i.e., retainer/fixed fee cap, hourly fee, hybrid, etc.) sought and the methodology to be used for charging the Town on a monthly basis. Also include price parameters for future contract years, if awarded.
6. **Conflict of Interest/Ethical Considerations:** List any clients currently represented by individual attorney or legal firm (including back-up designees) that could cause a conflict of interest with responsibilities to the Town. Describe how the attorney(s) will resolve these and any future conflicts of interest. List any potential conflicts of interest or ethical considerations related to representation or affiliation with any boards, organizations, committees,

clients, or any other entities. Provide a list of other municipalities and other governmental entities currently being represented by the individual attorney or legal firm. Identify any potential conflicts of interest that the individual attorney or legal firm currently has or might incur while rendering services and how they will be resolved.

7. **Location:** Provide the address of the individual attorney or legal firm that will be providing legal services to the Town. Provide a list and description of ownership, office location, and principal office (including contacts) where the majority of the Town's work will be performed.
8. **References:** Provide a list of three (3) references. Include contact names, titles, firm, government or company names, telephone numbers, and email addresses.
9. **Work Load/Work Schedule:** Provide a certified statement that there will be no scheduling commitments on the part of the individual attorney or legal firm (including back-up designees) that will conflict with the meeting schedules for the Town. Also provide a plan for service delivery.
10. **Understating of Scope of Work:** Describe the attorney or firm's understanding of the scope of work.
11. **Letter of Good Standing:** Respondents must be members in good standing with the Tennessee Bar to be eligible to perform the professional services required for this RFP. A "Letter of Good Standing" from the TN Board of Professional Responsibility will serve as evidence of such, and must be included with this submission.

VIII. Selection Process

Proposals will be evaluated by a review committee. Considerations for award shall include, but are not limited to: experience, qualifications, availability, and fee structure. The selection of an attorney or firm to provide the described scope of services will not be made on cost alone, but may be made based on the consideration of qualifications-related factors contained herein.

All respondents must initially represent themselves solely by their written submittal. Based upon the review committee's findings, the finalist may be requested to provide additional information.

The Town reserves the right to ask any respondent firm to make a presentation to the review committee. The purpose of this interview is to clarify the qualifications of the respondents and allow the Committee to verify its evaluation. This RFP does not commit the Town to award a contract.

The Town, by its governing regulations, reserves the right to accept or reject any or all RFPs received for any reason, to waive any informalities in submission, and to re-advertise.

IX. Proposal Submission

Proposer can submit electronically via email to: tyler.williams@mountcarmeltn.gov.

Proposer may also place a hard copy submittal response in a sealed envelope plainly identified on the outside with vendor name, proposal name and number, and any information required by law. If submitting paper copies, submit 6 copies of the entire proposal. Proposer responsible for delivery to Town of Mount Carmel, TN; ATTN: Tyler

Williams, Assistant Town Manager/CFO; 100 Main Street E., Mount Carmel, TN 37645
on or before the proposal deadline of May 1, 2026 at 4:30pm ET.

Late proposals will not be considered.

No submitted bids may be withdrawn for a period of sixty (60) days after the
scheduled closing time for receipt of bids.

X.

Open Records

Please note that any and all documents submitted to the Town that are associated with
this project are subject to the Tennessee Public Records Act. Access to the record is
governed by the Tennessee Public Records Act and the policies of the Town and the
Tennessee Comptroller Office of Open Records Counsel.

TITLE VI VOLUNTARY DISCLOSURE BY VENDORS/CONTRACTORS

The purpose of this request is to provide statistical information related to Title VI regulations. This is a VOLUNTARY disclosure. The information requested pertains to the company owner.

Race: White/Caucasian
 Black/African American
 Hispanic
 Asian
 American Indian and Alaskan Native
 Native Hawaiian or other Pacific Islander
 Other

Gender: Male
 Female

This form will be maintained on file in the Administration Department for review by the Town of Mount Carmel, Tennessee and the Tennessee Department of Environment & Conservation Title VI Compliance Office.

Title VI Compliance

It is the policy of the Town of Mount Carmel, Tennessee to ensure equal opportunity in all aspects of its programs and services without regard to race, color, sex, or national origin under Title VI of the Civil Rights Act of 1964. This policy applies to the administration of programs, facilities, benefits, or services that receive assistance from the Federal government. During the performance of this contract, the successful vendor agrees as follows:

- a. To comply with the regulations relative to nondiscrimination in Federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, (hereafter referred to as "Regulations") as they may be amended.
- b. To ensure nondiscrimination on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurement of materials and lease of equipment. The vendor shall not participate either directly or indirectly in discrimination prohibited by Section 21.5 of the Regulations, including employment practices.
- c. That during solicitations either by competitive bidding or negotiation made by the vendor for work to be performed under a subcontract, including procurement of materials or lease of equipment, all potential subcontractors be notified by the vendor of their obligations under this contract and Regulations relative to nondiscrimination on the grounds of race, color, sex, or national origin.
- d. That all information and reports required by the Regulations be readily accessible by the Town of Mount Carmel, Tennessee or the Tennessee Department of Transportation as may be pertinent to ascertain compliance with the Regulations.
- e. That in the event of noncompliance with the nondiscrimination provisions of the contract, the Town shall impose contract sanctions as it or the Tennessee Department of Transportation may determine to be appropriate, including but not limited to:
 - a. Withholding payments until compliance is made, and/or
 - b. Cancellation, termination, or suspension of the contract, in whole or in part.
- f. That the vendor includes these provisions in all subcontracts, including procurement of materials and leases of equipment.



HOME / MEMBER TOOLS / ISSUES

REQUESTS FOR PROPOSALS (ENACTED)

BACKGROUND

The Municipal Purchasing Act of 1983 details the process by which municipalities may make purchases.

Under the provisions of the 1983 law with amendments, open market purchases under \$1,000 are unrestrained by law, requiring no bidding or advertisement at all. For purchases between \$1,000 and \$10,000, there is no requirement to advertise and a city may make purchases on the open market, provided they have obtained at least three (3) competitive quotes, when possible. For purchases, leases or lease-purchase agreements that exceed \$10,000 in any fiscal year, municipalities are required to publicly advertise and competitively bid all purchases.

The competitive bidding process, by nature, is limited in scope. With the competitive bid, only the bid specifications may be evaluated for the bid award.

PROBLEM

Circumstances arise in municipal government that present a problem for which soliciting competing solutions would be a more desirable course of action. In many of these circumstances, the need to evaluate a proposed solution based on discussion and evaluation with qualified professionals is demanded to best tailor a solution to the needs of the municipality.

Because of the restrictive nature of the competitive bidding process, a more flexible tool in these limited circumstances is the Request for Proposal (RFP). Beyond the cost or bid, RFP's would provide an alternative to present a problem confronting a municipal government to qualified professionals and solicit their respective solutions. Upon discussion and evaluation of these competing solutions, a more educated decision can be made with regard to what is in the best interest of the municipality.

Unfortunately, RFP's are limited in the state of Tennessee to licensed professionals such as architects, engineers, attorneys, financial advisors, and educators.

PROPOSED REMEDY

Amend Tennessee Code Annotated, Section 12-3-10 to authorize any municipality to utilize request for proposals in limited circumstances where multiple solutions are being sought.

ANTICIPATED BENEFITS TO MUNICIPALITIES

If the statutes were amended to allow municipal governments to utilize RFP's, more flexibility in circumstances best suited for this type of scenario could be utilized to make sound decisions based on competing solutions and ultimately be better stewards of public funds.



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor Gibson, Vice Mayor Bare, and Alderman Gilliam,
Alderman Patrick, Alderman Shugart, Alderman Binstock, Alderman Cross

THRU: Tyler Williams, Assistant Town Manager/CFO

DATE: April 23, 2026

RE: **DISCUSSION/CONSIDERATION:** Termination of Agreement with SAFEbuilt, LLC

SUMMARY:

The Town entered into an agreement with SAFEbuilt, LLC in February 2024 to provide building inspection, building permit, and code enforcement services.

Since that time, the relationship with the company has been tumultuous, due to SAFEbuilt's lack of attention to the needs of and level of customer service owed to the citizens of Mount Carmel.

Town Administration has engaged in discussions with SAFEbuilt leadership on multiple occasions, with little to no improvement in service delivery.

The Agreement calls for a 90-day written notice for termination of the agreement.

We are seeking board action to proceed with said termination and authorization to secure inspection, permit and code enforcement services with another provider. Administration has been in discussions with a potential replacement provider and will provide more information in the coming months should the Board take action to terminate the current Agreement.

REQUESTING DEPARTMENT(S):

Administration

STAFF RECOMMENDATION:

Staff recommends termination of the Agreement and authorization to secure services with another provider

ATTACHMENTS:

None