



Meeting Agenda

Work Session

Tuesday, August 23, 2022

4:30 PM

Board Room

CALL TO ORDER

CITIZEN COMMENTS

Comments on agenda items may be made in person at City Hall or by emailing recorder@franklintn.gov before noon on the day of the meeting. Comments will be submitted for the record.

WORK SESSION DISCUSSION ITEMS

1. Presentation On Cool Springs Adaptive Signal Control Technology (ASCT) Before And After Study
Sponsors: Paul Holzen, Jonathan Marston, Adam Moser
2. *Consideration Of Amendment 1 To COF Contract 2022-0062, A Procurement Agreement Between The City of Franklin And Phase I Construction For Improvements To The Event Facility At Eastern Franklin Battlefield Park In The Amount Not To Exceed \$46,340.91 For Roofing Improvements.
Sponsors: Lisa Clayton, Brian Wilcox
3. Consideration Of Resolution 2022-51, A Resolution Declaring The Intent Of The City Of Franklin, Tennessee To Reimburse Itself In A Not To Exceed Amount Of \$26,150,000 For Certain Project Expenditures With The Proceeds Of General Obligation Bonds, Notes Or Other Debt Obligations To Be Issued By The City.
Finance 8/11/22, no vote
Sponsors: Kristine Brock
4. Presentation On The Franklin Zoning Ordinance Annual Update
FMPC BOMA Joint Meeting 7/28/22
Sponsors: Emily Wright, Kelly Dannenfelser
5. City Hall Redevelopment Project Update And Discussion Of Scenarios
Sponsors: Eric Stuckey, Vernon Gerth, Kristine Brock, Mark Hilty

OTHER BUSINESS

ADJOURN

Anyone needing accommodations due to disabilities please contact the ADA Coordinator at 615-791-3277 at least 24 hours prior to the meeting.



File #: 21-03419

DATE: July 26, 2022
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Paul Holzen, Director of Engineering
Jonathan Marston, Asst. Director of Engineering
Adam Moser, Traffic Engineer

SUBJECT:

Presentation On Cool Springs Adaptive Signal Control Technology (ASCT) Before And After Study

PURPOSE:

The purpose of this memorandum is to provide a presentation to the Franklin Board of Mayor and Aldermen (BOMA) concerning the Adaptive Signal Control Technology (ASCT) project that was implemented in June 2021. This presentation will present findings of the Before/After study that was completed by a consultant in May of 2022.

BACKGROUND/STAFF COMMENTS:

After some lengthy delays, the Cool Springs ASCT project was completed in June of 2021. The adaptive signal software has been operating on 19 signals on Cool Springs, Mallory Lane and Galleria Boulevard since the completion of the project in 2021. Once the software was fine-tuned by the vendor, a consultant performed data collection to complete a before and after study for the project, to see how well it performs as compared to traditional 'Time-Of-Day' signal timing projects. This presentation will summarize the findings of that study and will be open to discussion and questions.

FINANCIAL IMPACT:

N/A

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen acknowledge the findings of the before and after study presentation.



CITY OF FRANKLIN ADAPTIVE SIGNAL CONTROL TECHNOLOGY (ASCT) PROJECT AND STUDY

ADAM MOSER, CITY TRAFFIC ENGINEER

Problem

1. Unpredictable Traffic in the Cool Springs Galleria Mall area
2. Goldilocks Complaints:
 - a) That Signal Is Too Long!
 - b) That Signal Is Too Short!
 - c) Never Heard “That Signal Is Just Right”
3. Interstate Issues

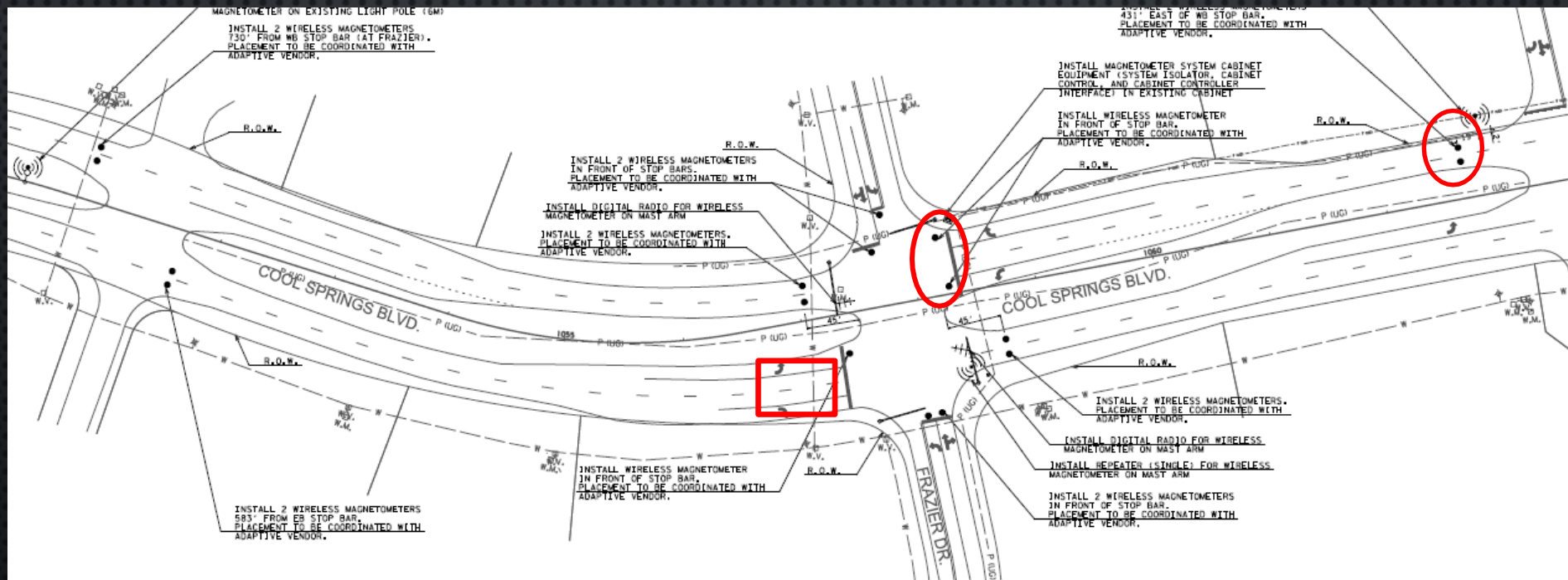
Solutions

1. More Timing Plans – Controller issues
2. Traffic Responsive – Too Slow To React (15 min)
3. Adaptive Signal Control – “Just Right”... Maybe
 - a) Awarded \$1.6M CMAQ Grant in **2011**
 - b) Started Design **2014**
 - c) Finished Construction/Implementation **2021**



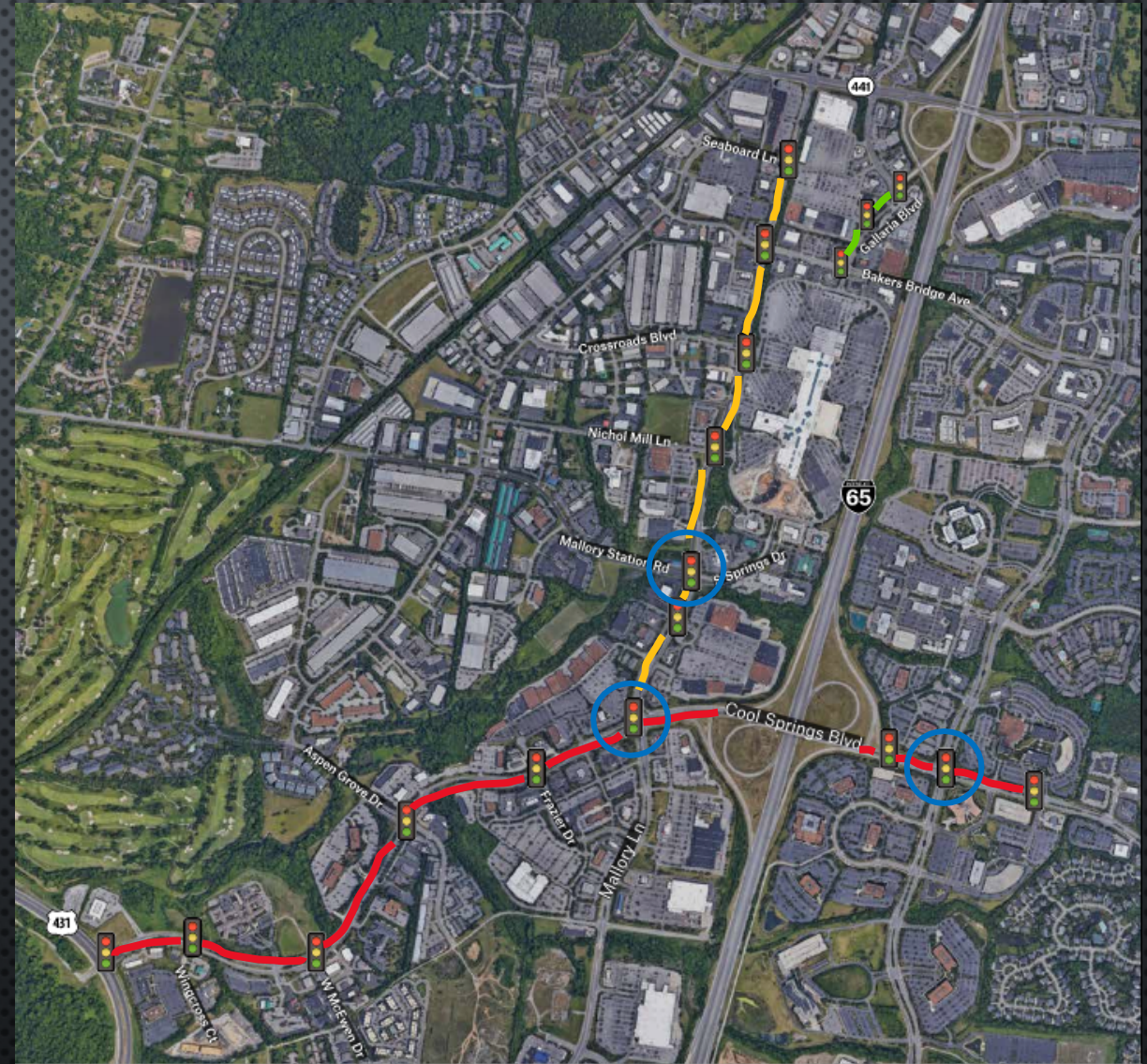
SCOOT Detection Intensive

- Stop Bar Detection – Calls the Green ONLY
- Advance Detection – **Proactive** – Upstream of stop bar
 - Determines when a Green is to occur (Arrivals)
 - Determines how long the Green will be via SCOOT calculation
- Filter Detection – **Reactive** – Green optimized on the next cycle
 - Measures vehicles exiting the lane
 - Also used where advance detection cannot be installed (private property)



Before/After Study

- Data Collection
 - 3 Corridors:
 - Cool Springs Blvd
 - Mallory Ln
 - Galleria Blvd
 - 3 Intersections:
 - Mallory Ln @ Cool Springs Blvd
 - Carothers Pkwy @ Cool Springs Blvd
 - Mallory Ln @ Mallory Station Rd



Before/After Study - Data Collection

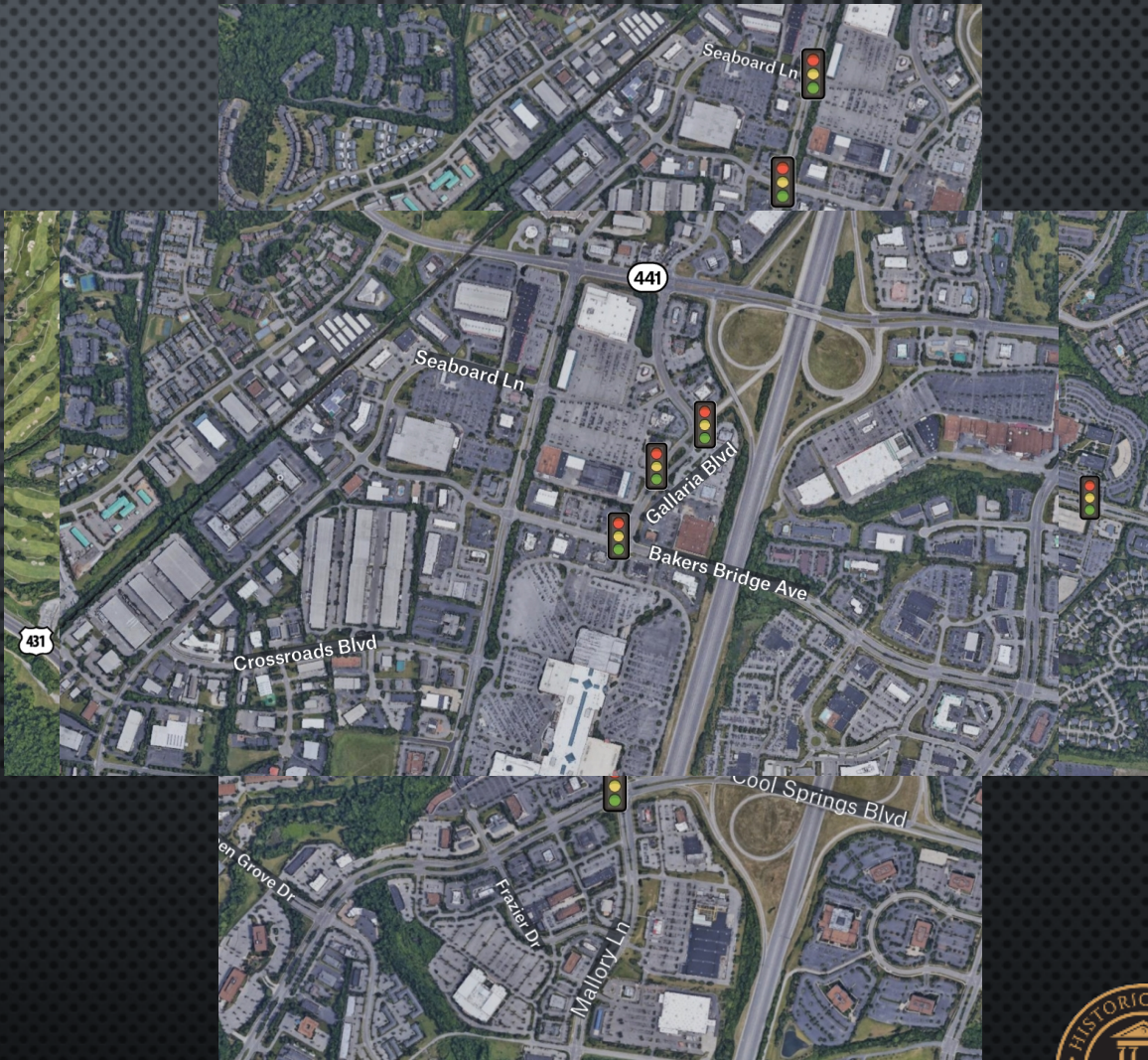
- Study Measures:
 - Volumes
 - Stops, Speed, Travel Time
 - Total Corridor Delay
 - Queue Length
 - Lane Group Control Delay
 - Vehicle Emissions
- Before
 - October 2019, September 2021
- After
 - October 2021

Objective	Performance Measure	Type of data collection and analysis
Smooth the flow of traffic along coordinated routes	Number of stops on route Arrivals on red	Floating car surveys Purdue Coordination Diagram and associated statistics from advance detection
Maximize the throughput of traffic along coordinated routes	Volume at critical locations on route	Continuous flow volume measurement by ASCT system or TACTICS Volume measurement from temporary detection devices (COF temp detection) as needed
Equitably serve adjacent land uses	Av delay per vehicle per phase No. of phases with residual queues	Field observations Reason for phase termination – continuous measurement by ASCT system Derive estimate of phase failures from signal system data in TACTICS
Manage queues, to prevent excessive queuing from reducing efficiency	Queue spillover frequency and severity	Surveys at critical locations. Ongoing queue detection and continuous reporting by ASCT or TACTICS CCTV camera validation and observation

Before/After Study – Overall Results

Cool Springs Blvd

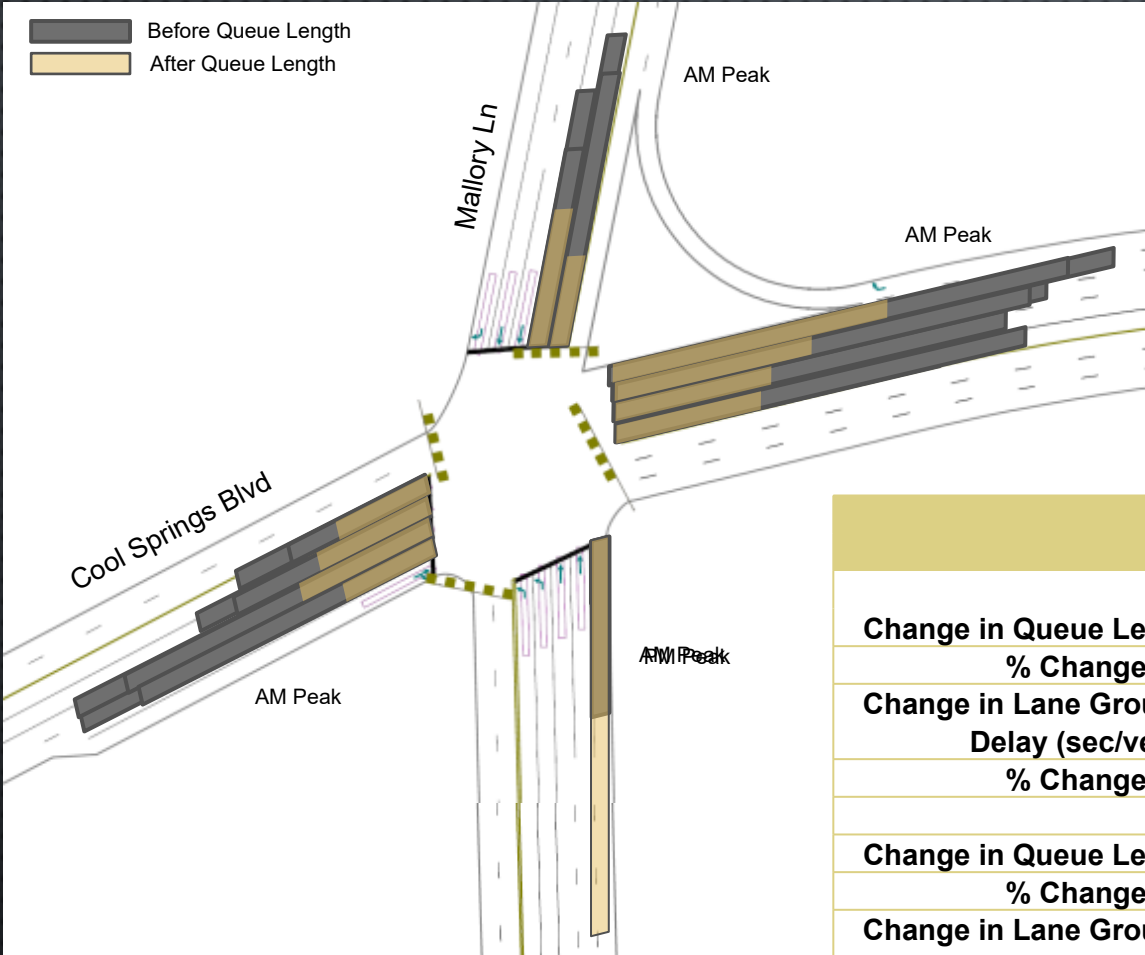
MOEs	Northbound Total Change	Southbound Total Change	Total
Weekday			
Avg. Travel Time (sec)	-67.00	-64.00	-131.00
Avg. Number of Stops	-0.15	-0.20	-0.35
Avg. Total Delay (sec)	-44.85	-24.40	-69.25
Avg. Trip Speed (mph)	25.03	26.42	51.45
Weekend			
Avg. Travel Time (sec)	-5.00	65.00	60.00
Avg. Number of Stops	-0.20	1.00	0.80
Avg. Total Delay (sec)	-2.60	33.80	31.20
Avg. Trip Speed (mph)	10.90	-2.32	8.59



Before/After Study – Cool Springs Blvd

	Eastbound Avg Run			Westbound Avg Run		
	Before	After	% Imp	Before	After	% Imp
Weekday A.M. Peak						
Avg. Travel Time (sec)	293	259	-12%	431	385	-11%
Avg. Running Time (sec)	256	230	-10%	269	251	-7%
Avg. Number of Stops	1.8	2.0	11%	4.4	4.0	-9%
Avg. Total Corridor Delay (sec)	37	29	-23%	162	134	-17%
Avg. Trip Speed (mph)	26.93	30.90	15%	18.71	20.96	12%
Weekday Midday Peak						
Avg. Travel Time (sec)	387	321	-17%	456	436	-4%
Avg. Running Time (sec)	265	240	-10%	264	305	16%
Avg. Number of Stops	3.0	1.6	-47%	4.8	4.0	-17%
Avg. Total Corridor Delay (sec)	122	81	-33%	192	131	-32%
Avg. Trip Speed (mph)	12.71	24.72	94%	10.87	18.66	72%
Weekday P.M. Peak						
Avg. Travel Time (sec)	369	470	27%	529	458	-13%
Avg. Running Time (sec)	257	289	12%	277	265	-4%
Avg. Number of Stops	2.8	2.6	-7%	4.6	3.6	-22%
Avg. Total Corridor Delay (sec)	112	181	62%	252	193	-23%
Avg. Trip Speed (mph)	22.02	17.82	-19%	15.09	17.86	18%
Weekend Midday Peak						
Avg. Travel Time (sec)	344	369	7%	438	341	-22%
Avg. Running Time (sec)	254	272	7%	275	248	-10%
Avg. Number of Stops	2.4	3.0	25%	4.6	2.4	-48%
Avg. Total Corridor Delay (sec)	90	97	8%	163	93	-43%
Avg. Trip Speed (mph)	14.68	21.60	47%	11.51	23.68	106%

Before/After Study - Mallory Ln @ Cool Springs Blvd



	Mallory Ln		Cool Springs Blvd	
	Northbound	Southbound	Eastbound	Westbound
Weekday				
Change in Queue Length (feet)	1.25	-81.81	-70.00	-46.53
% Change	-1%	32%	32%	21%
Change in Lane Group Control Delay (sec/veh)	-1.81	10.80	2.73	-17.42
% Change	1.30%	-22.44%	-56.45%	17.64%
Weekend				
Change in Queue Length (feet)	64.72	-25.97	-32.50	-20.14
% Change	-41%	14%	17%	10%
Change in Lane Group Control Delay (sec/veh)	5.93	6.50	2.03	-1.13
% Change	-13.09%	-11.17%	-4.36%	-0.24%



Before/After Study – Benefit Cost Analysis

ASCT System Costs

	Cool Springs Blvd.	Mallory Ln.	Galleria Blvd.	System Total
Signalized Intersections	10	7	2	19
Initial Deployment	\$846,809.47	\$592,766.63	\$169,361.89	\$1,608,938.00
ASCT Maintenance Costs	\$35,000	\$35,000	\$35,000	\$105,000.00
Sensys Replacement	\$169,552.50	\$93,471.25	\$27,171.88	\$290,195.63
TOTAL COST	\$881,809.47	\$627,766.63	\$204,361.89	\$1,713,938.00
Annual Cost	\$88,180.95	\$62,776.66	\$20,436.19	\$171,393.80

ASCT System Total Benefits

Peak Time Period	Travel Time		Fuel Consumption		Total
	Time Saved per Vehicle (secs)	Value	Gallons	Value	
Weekday AM	108	\$178,565	2,967	\$9,196	\$187,762
Weekday Midday	-61	-\$180,231	-2,994	-\$9,282	-\$189,513
Weekday PM	235	\$753,399	12,517	\$38,801	\$792,200
Weekend Midday	-52	\$14,971	249	\$771	\$15,742
TOTAL	230	\$ 766,704.18	12,738	\$39,486.69	\$ 806,190.87



Before/After Study – Benefit Cost Analysis

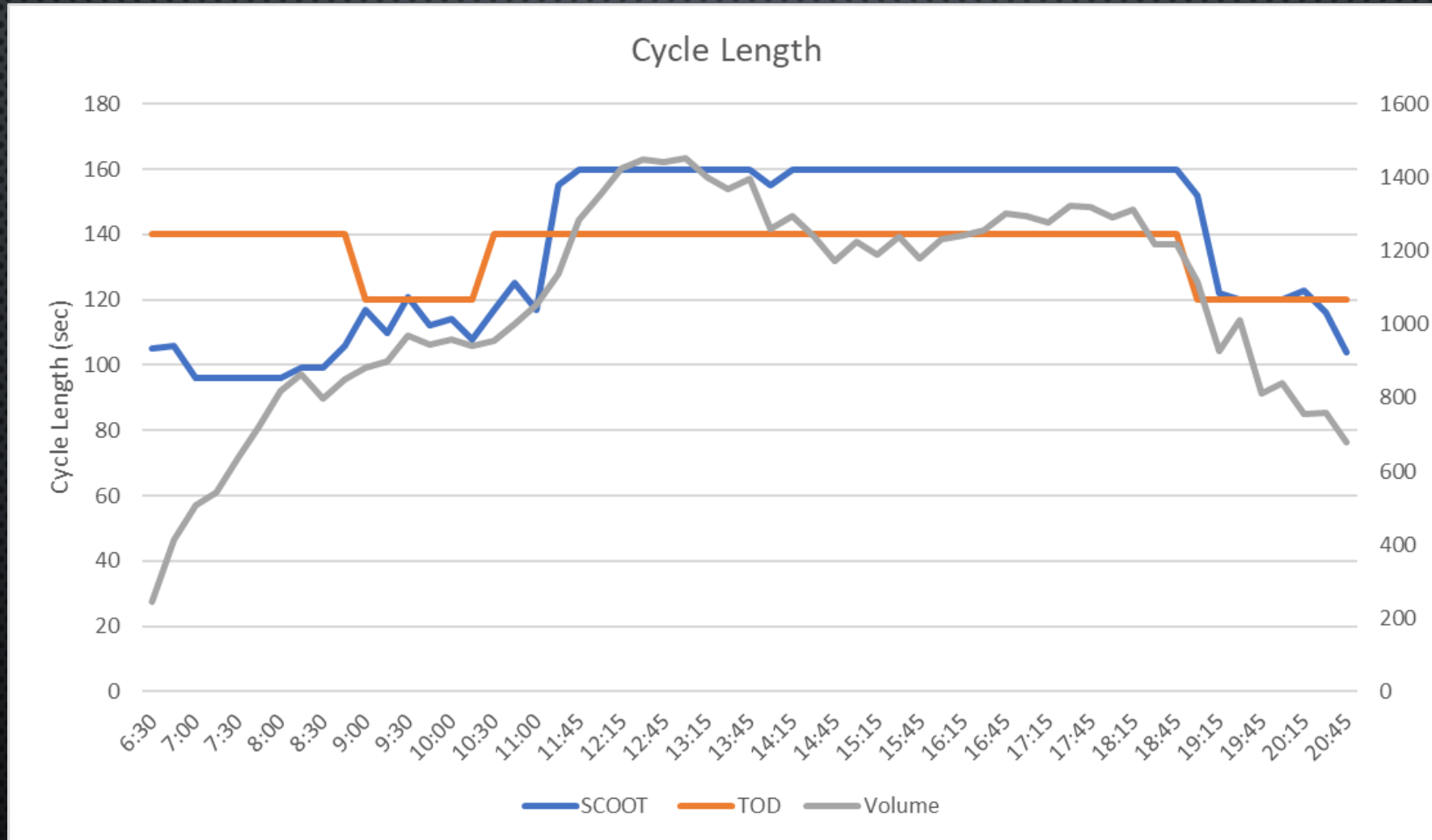
Benefit/Cost Analysis

Route	Total Annual Benefit	Annual Cost	Benefit/Cost Ratio
Cool Spring Blvd	\$599,198	\$88,181	7.04
Mallory Ln	\$112,033	\$62,776.66	2.02
Galleria Blvd	\$94,960	\$20,436.19	4.86
Total	\$846,946	\$171,394	4.94

\$1 Spent = \$5 Benefit

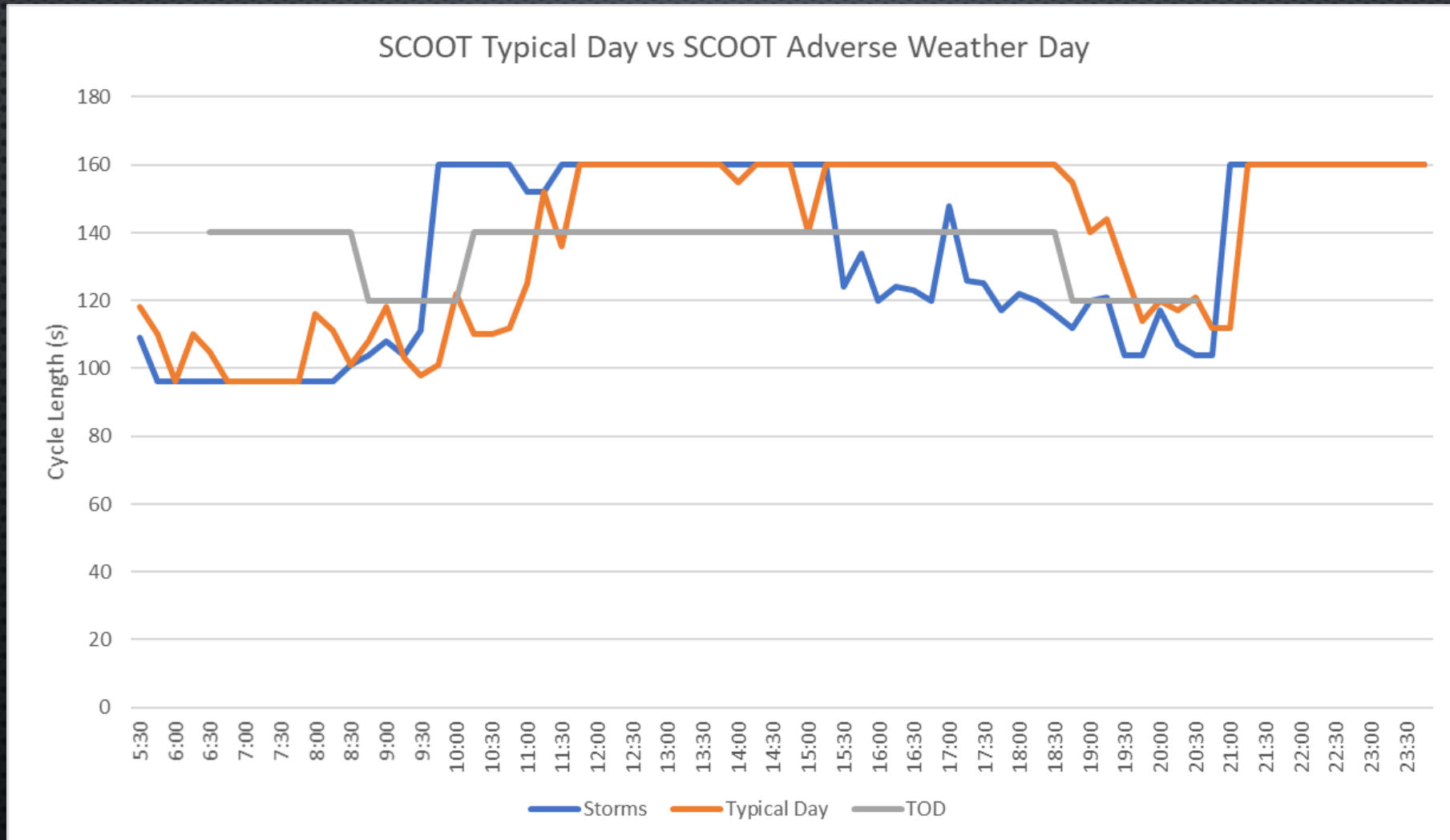
SCOOT Operation Example

- SCOOT Improvements:
 - Overall, it reacts to changes in volume (Carothers Pkwy @ Cool Springs Blvd)



SCOOT Operation Example

- SCOOT Improvements:
 - Reacts to volume decrease from weather – School Early Release (Cool Springs @ Mack Hatcher)



Questions?





File #: 21-03439

DATE: August 9, 2022
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Lisa Clayton, Director of Parks
Brian Wilcox, Purchasing Manager

SUBJECT:

*Consideration Of Amendment 1 To COF Contract 2022-0062, A Procurement Agreement Between The City of Franklin And Phase I Construction For Improvements To The Event Facility At Eastern Franklin Battlefield Park In The Amount Not To Exceed \$46,340.91 For Roofing Improvements.

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the consideration of Amendment No. 1, COF Contract No. 2022-0062 Procurement Agreement Between The City of Franklin And Phase I Construction For Improvements To The Event Facility At Eastern Franklin Battlefield Park in the amount not to exceed \$46,340.91 For Roof Replacement.

BACKGROUND/STAFF COMMENTS:

Issued in April of 2002, the purpose of this procurement is to repair the exterior siding of, and make other improvements to, the Event Facility at Eastern Flank Battlefield Park. According to the FY2021 program enhancement request, "The existing exterior of the building is a dryvit stucco system that is in need of repair. Structures with this type of envelope are notorious for holding moisture within buildings." These issues can lead to rotting wood and mold. The structure's crawl space was encapsulated in 2011-2012 due to moisture and mold issues. This could relate back to defects with the exterior siding.

While work was being completed around all dormers and kitchen vent stacks which are no longer in use, several defects in the installation of the previously installed roof system were shared with the Parks Facility Superintendent. Ice and water shields are missing from the dormers to the wall transitions; drip edge installed post 2011 replacement; multiple stained and rotten fascia where standing water was present; swaying areas near vent stacks in the roof and major granule loss on shingles, meaning the roof appears to be at the end of its lifecycle. Due to the color of the roof, it is best at this time to match the existing restroom on the property which received new siding as part of the overall project. The price quote includes both structures.



FINANCIAL IMPACT:

Previously in the contract, a Procurement Award To Phase1 Construction, LLC Of Centerville, Tennessee In The Total Bid Amount Of \$403,945 For Specified Improvements To The Event Facility At Eastern Flank Battlefield Park Including The External Restroom Structure For The Parks Department (Purchasing Office Procurement Solicitation No. 2022-017; \$250,000 Budgeted In 150-82660-44700 For Fiscal Year 2022; Contract No. 2022-0062; Project No. 2021-016).

Three quotes from roofing contractors were obtained by Phase I Construction (General Contractor). The best, lowest quote came from Tim Leeper Roofing Company at \$46,340.91.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Amendment No. 1, COF Contract No. 2022-0062 with Phase I Construction LLC for roofing improvements to be made by Tim Leeper Roofing Company for an amount not to exceed \$46,340.91.

CITY OF FRANKLIN, TENNESSEE
AMENDMENT NO. 1 TO PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2022-0062)

THIS AMENDMENT NO. 1 ("AMENDMENT") TO PROCUREMENT AGREEMENT (City of Franklin Contract No. 2022-0062) is by and between the City of Franklin, Tennessee ("CITY"), and Phase1 Construction, LLC of Centerville, Tennessee ("CONTRACTOR"), who mutually agree as follows:

1. CITY issued on February 24, 2022, Purchasing Office Solicitation No. 2022-017, a procurement solicitation for bids for improvements to event facility at Eastern Flank Battlefield Park ("SOLICITATION").
2. In response to SOLICITATION, CONTRACTOR submitted a bid dated March 17, 2022 ("SUBMITTAL").
3. CITY awarded on April 12, 2022 to CONTRACTOR the purchase of improvements to both the event facility as well as the external restroom structure at Eastern Flank Battlefield Park ("JOBSITE") pursuant to SOLICITATION and SUBMITTAL, including Alternates 1 through 4 ("PROJECT"). The value of the April 12, 2022 award is \$403,945.00.
4. By this AMENDMENT, CITY requests, and CONTRACTOR agrees, to expand PROJECT to include roofing improvements at JOBSITE pursuant to (a) Tim Leeper Roofing July 22, 2022 quote and (b) CONTRACTOR's July 26, 2022 Form for Cost Itemization (collectively, "ROOFING QUOTE"), a copy of which is attached hereto as Attachment No. 1 and hereby incorporated by reference as if fully set forth herein. The value of CITY's award to CONTRACTOR for the roofing improvements is \$46,340.91. By this AMENDMENT, the total value of CITY's award to CONTRACTOR is increased to \$450,285.91.
5. CONTRACTOR shall complete expanded PROJECT to the satisfaction of CITY no later than September 30, 2022, or 45 calendar days after CONTRACTOR's receipt of supplies for expanded PROJECT, whichever comes later, except as may be authorized in writing by CITY, such as for documented extraordinary delays after receipt of order by CONTRACTOR in delivery of materials by CONTRACTOR's suppliers, or for weather conditions unsuitable for the expanded PROJECT. Failure by CONTRACTOR to meet expanded PROJECT completion schedule shall constitute grounds for CITY to cancel order and/or consider CONTRACTOR to be in breach of contract.

EXECUTED THIS _____ DAY OF _____ 20____.

For CONTRACTOR:


(signature of CONTRACTOR's authorized representative)

TITLE: MANAGING MEMBER

For CITY:

(signature of CITY's authorized representative)

TITLE: City Administrator

Approved as to Form:

Shauna Billingsley, City Attorney for CITY

CITY OF FRANKLIN, TENNESSEE
AMENDMENT NO. 1 TO PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2022-0062)

Attachment No. 1

ROOFING QUOTE

PROPOSAL

Submitted To:
Phase 1 Construction
1368 Eastern Flank Cir
Franklin, TN 37064
615-238-4872 Brett



Marc Price
14919 Lebanon Road
Old Hickory, TN 37138
Cell (615) 440-9112
Phone (615) 553-2782
Fax (615) 553-2786
Email: marc@timleeperroofing.com
Website: www.timleeperroofing.com

ESTIMATE INCLUDES LABOR AND MATERIALS FOR A SHINGLE ROOF REPLACEMENT ON THE EVENT CENTER AND THE DETACHED BATHHOUSE AT THE ABOVE ADDRESS:

TIM LEEPER ROOFING SYSTEM

System includes:

1. Tear off one layer of existing roof system down to the roof deck. If additional layers are found during tear off, there will be an additional charge. (photographs will be provided of additional layers)
2. Replace any damaged or rotten sheathing with new 4x8 sheets of 7/16" OSB plywood at (\$85.00 per sheet) * 3 Sheets included with estimates*
3. Install 36" Ice & Water Shield at ALL valleys, penetrations and wall flashing
4. Install Owens Corning Pro Armor synthetic underlayment over remaining roof deck
5. Install Owens Corning Starter Strip shingles designed to seal shingles down at the roof edges and protect from wind uplift
6. Install shingles using ring shank roofing nails to avoid nails pops in the future (6 nail)
7. Install new lead pipe boot flashing at all plumbing vent pipes and secure with pole barn screws.
8. Cut siding 3 to 4 inches above the roof line in the flashing area
9. Install new aluminum step flashing at roof sidewall transitions (Color: _____)
10. Install new aluminum Apron flashing at roof wall transitions (Color: _____)
11. Install trim boards at step flashing areas to cover the flashing and paint to match
12. Flash existing HVAC and exhaust pipes
13. Install gutter apron drip edge on the roof eaves where gutters meet (Color: _____)
14. Install drip edge on the roof rake edges (Color: _____)
15. Install Owens Corning Pro Edge on all hips and ridges (ridge cap shingles designed for this application)
16. Remove existing power vent and patch the hole with wood decking to match existing (building owner will need to disconnect the electricity to the power vent)
17. Install new shingle over ridge vent with external baffles for improved ventilation
18. Provide onsite supervisor to oversee the installation
19. Clean up thoroughly and haul away all job debris
20. Dumpster, Disposal and Taxes included
21. Run a heavy-duty magnet over the yard, driveway and landscaping
22. Tim Leeper Roofing provides a 20 year workmanship warranty (transferable)

Roof with Owens Corning Duration Architectural shingles including Sure Nail Technology and a limited lifetime warranty
(color: _____ choice by Homeowner)

TOTAL: \$ 38,997,.00

_____ Accept _____ Decline

(please initial)

Total Investment: \$38,997.00

Note: Tim Leeper Roofing will request a 50% deposit on any job, which exceeds \$1,000.00. Insurance jobs have different conditions. Ask estimator for details. The balance of the contract will be due upon total job completion.

Customer Signature: _____ Date: _____

***I hereby authorize Tim Leeper Roofing to proceed with the work as specified above for which the undersigned agrees to pay the amount mentioned in said proposal according to the terms and conditions thereof. A 1.5% service charge per month will be assessed to all past due invoices. For insurance claims 1.5% service charge starting 30 days upon the release of the Depreciation Check. I have read and accept the terms and conditions on the above page of this agreement. Upon default of payment, all cost of collection, court cost and reasonable attorney fees for collection of the Agreement will be added to Agreement price (final invoice amount).**



Customer: Phase 1 Construction

Date: 7/22/22

Address: 1368 Eastern Flank Cir

Rep: Marc Price

Franklin, TN 37064

Phone: 615-440-9112

Phone: 615-238-4872 Brett

Tim Leeper Roofing Repair Pricing Guide

- Minimum Service Charge: \$350	\$	
- Shingle Replacement Up To One Bundle: \$350 (\$200 Each Extra Bundle)	\$	
- Plumbing Pipe Boot Replacement: \$350 (\$125 Each Additional) *Add \$25 For Lead	\$	
- Valley Replacement: \$50 Per LF (3-Tab) - \$60 Per LF (Architectural) **	\$	
- Skylights: Reflash Only \$400 - Replace \$850 Plus Cost Of Skylight	\$	
- Reflash HVAC Pipes: \$350 (\$175 Each Additional)	\$	
- Replace Step Flashing: \$50 Per LF **	\$	4,450.00
- Replace Apron Flashing: \$35 Per LF **	\$	820.00
- Replace Counter Flashing: \$60 Per LF **	\$	
- Replace Counter Flashing & Step Flashing: \$90 Per LF **	\$	
- Install New 1"x 4" Trim Boards (Boards Only) At Roof/Wall Transition: \$30 Per LF **	\$	2,290.00
- Install New Gutter Apron Or Drip Edge: \$35 Per LF **	\$	
- Install New Cricket: \$350 (Small) \$500 (Large) - Must Add Flashing LF	\$	
- Install New Ridge Vent: \$35 Per LF **	\$	
- Replace Box Vent: \$350 (\$150 Each Additional)	\$	
- Install New Solar Powered Attic Vent: \$1,675	\$	
- Install New Turbine Vent: \$525 (\$350 Each Additional)	\$	
- Replace Bad Decking During Repair: \$4.00 Per SqFt	\$	
- Install Self Adhered Modified Bitumen Over Low Slope: \$7.50 Per SqFt **	\$	
- Install EPDM Rubber Over Low Slope: \$12.50 Per SqFt (Price Varies By Details) **	\$	
- Specialty Repair: _____	\$	
- Add 25% If Roof Pitch Is Greater Than 9/12	\$	
- Workmanship Warranty One Year		
- All Shingle Roof Repairs Include Ice & Water Shield Protection		
- ** - Indicates Repair Items Which Require a 10' or 200 Sqft Minimum Repair Charge		
- Shingle Color: <u>Certainteed Landmark Weatherwood</u> New Shingles will not match existing shingles _____		

Notes: Replace the step and apron flashings on the five dormers. Install trim boards over the new flashing.

Authorization: _____ Date: _____ Total: \$ 7,560.00

I hereby authorize Tim Leeper Roofing to proceed with work as specified above for which the undersigned agrees to pay the amount mentioned in said proposal according to the terms and conditions thereof. **PAYMENT IS DUE UPON COMPLETION OF WORK.** A 1.5% service charge per month will be added to all past due invoices. I have read and accept the terms and conditions on reverse side of agreement. Upon default of payment due, all cost of collection, court costs, and reasonable attorney fees for collection of the Agreement will be added to the Agreement price (Final Invoice Amount)

Terms and Conditions

Tim Leeper Roofing Mission Statement

To serve our customers to the best of our ability to their complete satisfaction. Continually improve our business practices and personnel through ongoing education for skill and personal growth. To be a model of integrity and stellar customer service for our families and community. To ask of every decision we make does it square with what is right and just, does this support our overall mission?

Note to our Customers

All proposals are valid for 30 days, after which pricing must be revisited to reflect material increases. All contracts must be approved by management, after being submitted to the office by estimator. We ask for a deposit of 50%, because we typically pay our vendors and installers prior to receiving final payment. At Tim Leeper Roofing, we care about our customers and their home. We want our customers to know they made the right choice with us. **You may cancel this contract at any time before midnight on the third business day after you have received written notification from your insurer that all or part of the claim or contract is not a covered loss under your insurance policy.** This right to cancel is in addition to any other rights of cancellation which may be found in state or federal law or regulation.

Warranty Exclusions

Often times when water comes into the home, homeowners automatically will assume it is a roof system failure. In some cases it may be, however, studies have shown on average 70% of warranty calls were caused by factors outside the standard warranty issues. An example is a brick chimney, which is naturally porous, may absorb water through the brick itself, may have deteriorated mortar, or even weak points in the chimney cap, such as rust, all of which lead to water entry into the home. If you happen to face one of these challenges, we will be happy to assist you with a solution, but our warranty does not cover the leak, and there will be new charges for the service. We will repair valid warranty leaks at no charge, we will honor all warranty issues gladly because you are important to us. What we cannot warranty is any exterior material above the flashing and roof line. Some examples are brick, mortar, siding, stucco, EIFS, chimney caps, windows, etc. We have found that the only 100% guaranteed way to eliminate water intrusion with brick, stone, stucco, and EIFS is to utilize a through wall flashing. Through wall flashing requires that the masonry be removed and reinstalled. This is a costly process. To avoid this expense, we will often install an external counter flashing to prevent water intrusion in these areas. If water intrusion continues in this scenario, and we determine there is not a fault in the external counter flashing, we will provide pricing for the through wall flashing system and refer a masonry contractor to perform the necessary masonry work. This pricing will be at an additional cost to any prior contracted amount. We also cannot warranty Acts of God, such as, high winds, hail impacts, tornadoes, ice dams, fallen trees or tree limbs, etc. Our Workmanship Warranty only covers the repair that we completed. If we perform a repair, and a leak shows its self in the future in a different area, any work will be performed as part of a separate contract, at an additional charge.

Service Charges

Anytime we have a warranty call from our customers we want to get your problem solved as soon as possible. If you experience a leak you believe to be warranty related, we will pursue it as a warranty issue. If we find that it is not a workmanship leak or a manufacturer's defect, we will give you an estimate to repair the leak, or if it is a small item we may be able to repair for the \$70 service charge. If you decide not to repair the leak you will still be billed \$70 for the service call charge.

Form for Cost Itemization

Materials, Equipment, and Labor Itemized below will provide by:		Phase1 Construction, LLC	
Job Name:	Eastern Flank Battlefeild	Date Itemized:	26-Jul-22
Project Number:	2021-01	CCR Number:	1

DESCRIPTION	Material				Subcontractor				Labor			
	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION
Roofing- Demo and Replacemnet					1	Lump Sum	\$38,997.00	\$38,997.00				
General Conditions					3	Days	\$375.00	\$1,125.00				
Material Subtotal				\$0.00			\$40,122.00		Labor Subtotal			\$0.00
Sales Tax 9.25 %				\$0.00					15% Labor Burden			\$0.00
Material Costs				\$0.00	Subcontractor		\$40,122.00		Labor Costs			\$0.00
Including Sales Tax Total					Total		\$40,122.00		Including Mark-Up Total			

	Material	\$0.00
	Equipment	\$40,122.00
	Labor	\$0.00
	M+E+L - Subtotal	\$40,122.00
	Overhead 10%	\$4,012.20
	Profit 5%	\$2,206.71
	Total	\$46,340.91

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2022-0062)

THIS PROCUREMENT AGREEMENT ("AGREEMENT") is by and between the City of Franklin, Tennessee ("CITY"), and Phase1 Construction, LLC of Centerville, Tennessee ("CONTRACTOR"), who mutually agree as follows:

1. CITY issued on February 24, 2022, Purchasing Office Solicitation No. 2022-017, a procurement solicitation for bids for improvements to event facility at Eastern Flank Battlefield Park ("SOLICITATION").
2. In response to SOLICITATION, CONTRACTOR submitted a bid dated March 17, 2022 ("SUBMITTAL"), a copy of excerpts from which is attached hereto as Attachment No. 1 and hereby incorporated by reference as if fully set forth herein.
3. CONTRACTOR included in SUBMITTAL CITY's Standard Procurement Terms and Conditions with CONTRACTOR's contact information inserted ("CITY'S TERMS"), a copy of which is attached hereto as Attachment No. 2 and hereby incorporated by reference as if fully set forth herein.
4. CONTRACTOR has, subsequent to SUBMITTAL, also submitted one (1) Certificate of Liability Insurance and one (1) Evidence of Property Insurance (collectively, "CERTIFICATES OF INSURANCE"), copies of which are attached hereto as Attachment No. 3 and hereby incorporated by reference as if fully set forth herein, that collectively meet or exceed CITY's Insurance Requirements as specified in SOLICITATION.
5. If and when insurance coverage documented by CERTIFICATES OF INSURANCE referenced above expires either before the expiration of any specified term of award, including any extensions thereto, or before the supply and delivery by CONTRACTOR and the acceptance by CITY of all of the products and/or services ordered from CONTRACTOR, pursuant to this AGREEMENT, then CONTRACTOR shall immediately suspend work or supply and delivery unless and until it provides one or more unexpired replacement certificates of insurance that either indicates or collectively indicate the new date(s) of insurance coverage expiration and that either (a) meets or exceeds or (b) collectively meet or exceed CITY's Insurance Requirements as specified in SOLICITATION.
6. In the event that insurance coverage documented by CERTIFICATES OF INSURANCE referenced above is materially modified or canceled either before the expiration of any specified term of award, including any extensions thereto, or before the supply and delivery by CONTRACTOR and the acceptance by CITY of all of the products and/or services ordered from CONTRACTOR, pursuant to this AGREEMENT, then CONTRACTOR shall, immediately upon learning of any such material modification or cancellation, suspend work or supply and delivery and shall, within three (3) calendar days of such learning, notify CITY of any such material modification or cancellation.
7. CONTRACTOR agrees to impose CITY's insurance requirements upon any subcontractors it utilizes for this procurement. Except as may be approved and authorized by CITY in advance of any subcontractor commencing work for this award, CONTRACTOR may not subcontract any service component of the award except as is indicated in SUBMITTAL.

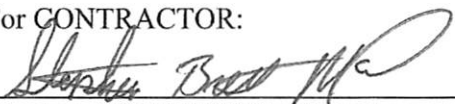
CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2022-0062)

8. CONTRACTOR included in SUBMITTAL CITY's Indemnification Agreement, executed for CONTRACTOR ("INDEMNIFICATION AGREEMENT"), a copy of which is attached hereto as Attachment No. 4 and hereby incorporated by reference as if fully set forth herein.
9. CITY awarded on April 12, 2022 to CONTRACTOR the purchase of improvements to event facility at Eastern Flank Battlefield Park pursuant to SOLICITATION and SUBMITTAL, including Alternates 1 through 4 ("PROJECT").
10. CONTRACTOR shall complete PROJECT to the satisfaction of CITY no later than September 30, 2022, or 45 calendar days after CONTRACTOR's receipt of supplies for PROJECT, whichever comes later, except as may be authorized in writing by CITY, such as for documented extraordinary delays after receipt of order by CONTRACTOR in delivery of materials by CONTRACTOR's suppliers, or for weather conditions unsuitable for the PROJECT. Failure by CONTRACTOR to meet PROJECT completion schedule shall constitute grounds for CITY to cancel order and/or consider CONTRACTOR to be in breach of contract.
11. In the event of a conflict between the following documents, the order of precedence shall be as follows: (a) this AGREEMENT; (b) CITY's TERMS; (c) INDEMNIFICATION AGREEMENT; (d) SOLICITATION; and (e) SUBMITTAL.

EXECUTED THIS 19th DAY OF April 2022.

For CONTRACTOR:


(signature of CONTRACTOR's authorized representative)

TITLE: MANAGING MEMBER

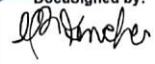
For CITY:

DocuSigned by:

CB368BF4049D49E...
(signature of CITY's authorized representative)

TITLE: City Administrator

Approved as to Form:

DocuSigned by:

65D66FE216D04DE...
Maricruz R. Fincher, Staff Attorney for CITY

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2022-0062)

Attachment No. 1

Excerpts from SUBMITTAL

**Phase1 Construction, LLC
6616 Brandy Drive
Centerville, TN 37033**

**Tn Contractors License No. 73920
License Status: Active
Expiration Date: September 30, 2023
\$1,700,000.00 BC**

City of Franklin, Tennessee Instructions for Bidders

Purchasing Office Solicitation No.: 2022-017

Date of Solicitation Release: February 24, 2022 Page 4 of 7

SEALED BID

**City of Franklin solicitation no. 2022-017 (improvements to event facility at Eastern Flank
Battlefield Park)**

NOT TO BE OPENED EXCEPT AT BID OPENING March 17, 2022, 2:00 p.m. Central Time

Bid Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the

City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2022-017

Bidder's name, street address, and mailing address (if different):	Phase1 Construction, LLC 6616 Brandy Drive Centerville, TN 37033				
Bidder's contact person's name (printed), title, telephone number and e-mail address:	Stephen Brett McCord 615-238-4872 brett.phase1llc@gmail.com				
Does the bidder take any exceptions to the City's procurement solicitation?	☐ Yes, see enclosed. ☒ No, bidder takes no exceptions.				
Are exceptions, if any, to the City's procurement solicitation listed separately, described, compared to the City's intention as expressed and implied by the City's solicitation documents and submitted?	☐ Yes, see enclosed. ☒ No, bidder takes no exceptions.				
Bid pricing for supply, delivery and installation of bid goods and services:					
Line No.	Description	Estimated Quantity	Unit of measure	Bid unit pricing	Extended pricing
1	project excluding alternates	1	lump sum	\$ 308,105.00	\$ 308,105.00
2	Alternate 1: Repair of exterior wall framing and underlayment, replacement material to appropriately match existing.	654	square foot	\$ 29.00	\$ 18,966.00
3	Alternate 2: Repair of exterior sheathing, Green Board / ZIP sheathing with taped joints	2,616	square foot	\$ 13	\$ 34,008.00
4	Alternate 3: Insulation (R-13 up to R-19, no loose fill)	872	square foot	\$ 7	\$ 6,104.00
5	Alternate 4: External restroom structure	1	lump sum	\$ 36,762.00	\$ 36,762.00
Total bid pricing for supply, delivery and installation of bid goods and services, including alternates:					\$ 403,945.00

Bid Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the

City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2022-017

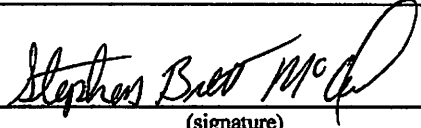
Bidder's name:	<u>Phase1 Construction, LLC</u>
Duration of the product manufacturer's standard warranty included in the quoted bid pricing (at least five years from date of installation):	<u>15</u> years from date of installation.
Duration of the installer's standard guarantee of workmanship included in the quoted bid pricing (at least one year from date of completion):	<u>1</u> year(s) from date of completion.
Are the City's preferred delivery terms (FOB destination, freight prepaid and allowed) acceptable to bidder?	☒ Yes. ☐ No, bidder requests the following delivery terms: _____
Are the City's preferred payment terms (net 30 days from date of delivery or date of invoice, whichever is later) acceptable to bidder?	☒ Yes. ☐ No, bidder requests the following payment terms: _____
Estimated time of completion of project including options:	<u>160</u> calendar days after receipt of order.
Last date (no sooner than June 30, 2022) that bid and associated pricing is valid and may be accepted by the City:	<u>June 30, 2022</u>
If the bid is for a construction project and if the amount of the bid price is \$25,000 or more, then is the name, license number, expiration date thereof, and license classification of the contractors applying to bid for the prime contract and for the electrical, plumbing, heating, ventilation, and air conditioning contracts, if any, shown on the outside of the bid container prior to it being opened by the City?	☒ Yes. ☐ No.
Method of payment – The City's default method of payment is by electronic means, either by direct deposit (i.e., "ACH" or "Electronic Funds Transfer"), or by bank credit card, rather than by conventional check. Which electronic payment method would the bidder prefer?	☒ ACH or Electronic Funds Transfer. ☐ Bank credit card.

Bid Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the

City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2022-017

Bidder's name:	<u>Phase1 Construction, LLC</u>
Are the following components included with this Bid Submittal Form in the bid submittal? - Description of not only any bid services to be rendered but also any goods, products, items, software and/or hardware included in the bid. - City of Franklin Specifications, marked by the bidder as to compliance therewith as per the instructions therein; - Identification, listing and description of any exceptions to the procurement solicitation including the Specifications; - Contact information for required references (see Instructions for Bidders); - City of Franklin Standard Procurement Terms and Conditions, with the bidder's contact information inserted; - Bidder's proposed agreement or contract, if any, the terms and conditions of which are not inconsistent with the City's Standard Procurement Terms and Conditions; - City of Franklin Affidavit of Non-Collusion, executed in full; - City of Franklin Affidavit of Title VI Compliance, executed in full; - City of Franklin Affidavit of License Certificate, executed in full; and - If bidder employs five (5) or more employees, then City of Franklin Affidavit of Drug-Free Workplace, executed in full.	☒ Yes, see enclosed. ☐ No, bidder chooses <u>not</u> to include all of these components (WARNING: doing so may cause the City to deem the bid non-responsive).
Acknowledge any and all issued addenda to this solicitation: (Prior to submitting its bid, it is the responsibility of each potential bidder to determine whether any addenda to this procurement solicitation have in fact been issued by the City.)	☐ Addendum No. 1. ☐ Addenda Nos. 1 through _____. ☒ No addenda.
Subscription and affirmation of bidder's authorized representative: By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to Tennessee Code Annotated § 12-12-106.	 _____ (signature)
Signature of bidder's authorized representative: I affirm that I am authorized by the bidder to sign this Bid Submittal Form as well as any and all companion forms and documents included herewith. I have obtained and read, and do understand and consent, to all instructions, terms and conditions, including those imposed by reference, which apply to this procurement solicitation and compliance with which is required as a condition precedent to consideration of the bid submitted herewith.	 _____ (signature)
Title of bidder's authorized representative:	<u>Managing Member</u>
Date of signatures:	<u>3/17/2022</u>

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

1. Solicitation identified: These Specifications apply to the following procurement solicitation:

improvements to event facility at Eastern Flank Battlefield Park
Purchasing Office Solicitation No.: 2022-017
2. Notice to Bidders publication date: **February 24, 2022**
3. Solicitation release date: **February 24, 2022**
4. Optional* Pre-Bid Appointment to be conducted at the job site: **by March 7, 2022**

***PLEASE NOTE:** Potential bidders are **invited but not required** to schedule and attend an appointment with a representative of the Parks Department staff at the job site. Appointments must be conducted by March 7, 2022. Appointments may be scheduled by contacting the City of Franklin Purchasing Office (E: purchasing@franklinton.gov; T: 615-550-6692).
5. Deadline for optional submittal in writing of questions of a non-procedural nature seeking to clarify or revise any aspect of this procurement solicitation: **March 8, 2022, 2:00 p.m. Central Time**
6. Bid submittal deadline and scheduled opening: **March 17, 2022, 2:00 p.m. Central Time**
7. Tentative date of release of City's tabulation of bids received and notice of intent to award: **April 8, 2022**
8. Tentative date of award: Meeting of Board of Mayor and Aldermen at which the procurement is tentatively scheduled to be awarded to the responsible bidder that submits the lowest priced responsive bid: **May 10, 2022**
9. Objective: To award, by means of a competitive procurement process, to the responsible bidder that submits the lowest priced responsive bid to furnish all labor, materials and means necessary to supply and deliver the products and render the services as specified below. See the accompanying Instructions for Bidders for additional information and instructions, including the definitions of the terms "responsible bidder" and "responsive bid."

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

10. Exceptions:

- a. To avoid the need to take an exception to a specification, potential bidders may request revisions to the specifications before the deadline for optional submittal in writing of questions of a non-procedural nature seeking to clarify or revise any aspect of this procurement solicitation. See the accompanying Instructions for Bidders for contact information.
- b. Any deviation or variance from the City's specifications shall be considered by the City to be an exception.
- c. Any exceptions to the City's specifications shall be identified by the bidder on the City's specifications document as well as listed and described in detail, along with any other exceptions to this procurement solicitation, in a separate written document to be prepared by the bidder and included in or with the bid, referencing any subsection number. Such listing shall include a description of exactly how such exceptions deviate from the City's expectations as expressed and implied by the procurement solicitation, and shall indicate why such exceptions should be judged by the City to meet or exceed those expectations. Any and all exceptions to this procurement solicitation which the City, in its sole discretion, deems not to meet or exceed the City's intention as expressed and implied by the procurement solicitation may be considered by the City as a factor in evaluating the bid.

11. General terms and conditions:

- a. Bid pricing: The bid pricing shall include the cost of all equipment, labor, insurance coverages, materials and delivery and/or freight charges, and any required trade and/or contractor license fees, business license fees and construction and/or building permit(s), necessary to supply and deliver the specified products and/or render the specified services.
- b. Licenses and permits: The bidder awarded the purchase shall obtain all required licenses and permits, in accordance with applicable state and local codes, necessary to supply and deliver the specified products and/or render the specified services, and shall pay any fees therefor, including but not limited to: trade and/or contractor licenses; state, county and/or city business licenses; and construction and/or building permits.
- c. Delivery terms: As a matter of practice, the City expects the bidder awarded the purchase to ship any and all deliverables FOB destination, freight prepaid and allowed. The City's preferred delivery terms, as described in the preceding sentence, are offered to the bidder as a condition of award. If the City's preferred delivery terms are unacceptable to the bidder, then the bidder shall indicate on the Submittal Form its preferred delivery terms. Delivery terms may be a factor in the City's selection criteria. Delivery terms are non-negotiable after award is made.
- d. Payment terms: As a matter of practice, the City pays for goods and/or services only after receipt by the City of such goods and/or services as ordered, and only after receipt of an accurate, proper, complete and itemized invoice for such goods and/or services as ordered, net thirty (30) calendar days from date of delivery, or date of invoice,

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

whichever is later. The City's preferred payment terms, as described in the preceding sentence, are offered to the bidder as a condition of award. If the bidder prefers alternate payment terms, then the bidder shall indicate on the Submittal Form its preferred payment terms. Payment terms may be a factor in the City's selection criteria. Payment terms are non-negotiable after award is made.

- e. Applicable laws and regulations: All applicable federal and state laws, city ordinances, orders, rules and regulations of all authorities having jurisdiction over the specified service(s) shall apply to the quoted purchase pricing, and they will be deemed to be included in these specifications the same as though they are written out in full herein.
- f. Use of subcontractors: The bidder awarded the purchase may not subcontract any service component of the award except as is indicated in its bid. Requirements for references and insurance shall apply to any subcontractor.
- g. Safe work area: The bidder awarded the purchase will be expected to utilize best practices to minimize the risk of personal injury to the public, City personnel and employees of the bidder and/or the bidder's subcontractors, if any.
- h. Other documents to be required of the bidder recommended to be awarded the purchase: See the accompanying "Instructions for Bidders" for a listing of other documents to be required of the bidder recommended to be awarded the purchase.
- i. Damages: The bidder awarded the purchase shall be responsible for any damages it causes in the course of performing the specified service(s), including to existing utilities, underground irrigation, concrete, asphalt, buildings, or grounds, and shall repair or replace any damaged property to the satisfaction of the City at the bidder's own expense and at no additional charge to the City.
- j. Standard Procurement Terms and Conditions: By submitting its bid, the bidder certifies that it has read and accepts all terms, conditions and requirements of this solicitation, including the terms and conditions identified and listed in the City's Standard Procurement Terms and Conditions attached hereto and hereby incorporated by reference.
- k. Refusal to honor submittal: If and after an award is made by the City, if the bidder refuses to execute an agreement or contract or in any other way honor the terms and conditions of its submittal, the City shall be entitled to seek compensation for its damages, which may include the cost of conducting a new solicitation.
- l. Confidential and/or proprietary information; trade secrets: All contents of all submittals are subject to public disclosure and shall not contain any confidential and/or proprietary information and/or trade secrets. Further, by submitting its bid, the bidder indemnifies and holds the City of Franklin harmless against any loss or damage, including reasonable attorney fees, it may incur as a result of the City's reliance upon the bidder's representation that materials supplied by the bidder do not contain trade secrets or proprietary information which is not subject to public disclosure.
- m. Drug-free workplace: The City is requiring bidders for this procurement solicitation who employ five (5) or more employees to include, as a required component of a

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

complete bid submittal, the City's Affidavit of Drug-Free Workplace, executed in full, and to attest that the bidder operates a drug-free workplace program or other drug or alcohol testing program with requirements at least as stringent as that of the program operated by the City. The City operates, at the time of issuance of this procurement solicitation, a drug-free workplace program that is certified under T.C.A. § 50-9-101 et seq. The City's drug-free workplace program may be described as follows:

The City of Franklin is covered under the Drug and Alcohol Testing for the Omnibus Transportation Employee Testing Act of 1991 with regard to the drug and alcohol testing of certain employee groups. In accordance with the Omnibus Transportation Employee Testing Act of 1991 (the Act) through the Federal Highway Administration (FHWA), the City of Franklin will conduct pre-employment, reasonable suspicion, random, post-accident, return-to-duty and follow-up alcohol and controlled substances testing of City employees who perform safety-sensitive functions (i.e., operating a commercial motor vehicle with a GVW of 26,001 which requires a commercial driver's license or requires a CDL as part of the job description). For other safety-sensitive positions that do not require a commercial driver's license, the City of Franklin follows the TN Drug Free Workplace guidelines. This includes all full-time, part-time, occasional and leased staff, and independent contractors.

12. Detailed specifications: Please note:

- Bidders shall provide in or with their bid a detailed description of not only the bid services to be rendered but also any goods, products, items, software and/or hardware included in their bid.
- Bidders are required to mark with a "C" the blank line next to any specification below to which their bid COMPLIES. (Specifications without a blank line are for context and need not be marked.)
- Bidders are required to mark with an "E" the blank line next to any specification below to which their bid takes EXCEPTION. (Specifications without a blank line are for context and need not be marked.)
- Any exceptions to the City's specifications shall be identified by the bidder on the City's specifications document as well as listed and described in detail, along with any other exceptions to this procurement solicitation, in a separate written document to be prepared by the bidder and provided in or with the bid, referencing any subsection number. Such listing shall include a description of exactly how such exceptions deviate from the City's expectations as expressed and implied by the procurement solicitation, and shall indicate why such exceptions should be judged by the City to meet or exceed those expectations.
- Bidders are required to submit with their bid these Specifications for this procurement, marked by the bidder as to compliance herewith as per the instructions above.

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

- 12.1. General.**
- 12.1.1. C** The City seeks bids for improvements to the Event Facility at Eastern Flank Battlefield Park. The desired improvements include removal and replacement of the existing exterior Dryvit stucco siding with smooth face fiber cement siding. The desired improvements also include mold mitigation treatments, soffit and break metal, gutters, and replacement of porch ceilings. The desired improvements exclude landscape repair surrounding the structure.
- 12.1.2. C** Bid pricing shall include the bidder furnishing, supplying, and delivering all necessary labor, tools, equipment, supplies, materials and other items required to complete the project.
- 12.1.3. C** Jobsite is the event facility at Eastern Flank Battlefield Park, 1368 Eastern Flank Circle, Franklin, TN 37064.
- 12.1.4. C** A City of Franklin permit is not required (of the bidder awarded the purchase, not all bidders,) for this project.
- 12.1.5. C** Plans stamped by a professional engineer are not required for this project.
- 12.1.6. C** The bidder is responsible for making all measurements required to quote the two lump-sum line items for the project (see line nos. 1 and 5 of the accompanying Bid Submittal Form). Any dimensions provided by the City are estimates only. No plans or drawings have been prepared by the City for this project. The bidder is not responsible for making measurements required to quote the three unit-price line items for the project (see line nos. 2, 3 and 4 of the accompanying Bid Submittal Form).
- 12.1.7. Project completion schedule:**
- 12.1.7.1. C** Material may not ship until after receipt of order from the City. Order is not to be placed by the City until after notice of award is issued by the City. Notice of award is not to be issued until after, but typically within two (2) weeks of, date of award.
- 12.1.7.2. E** Except as may be authorized in writing by the City, the project shall be completed to the satisfaction of the City no later than August 31, 2022. While the bidder awarded the purchase is actively deployed at the jobsite for completion of this project, requests by the bidder awarded the purchase for extensions beyond August 31, 2022 that are attributable to weather conditions adverse to the timely completion of the project will be considered by the City on a case-by-case basis.

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

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|------------|----------|--|
| 12.1.7.3. | <u>C</u> | Failure by the bidder awarded the purchase to meet the City's project completion schedule as specified shall constitute grounds for the City to cancel the order and/or consider the bidder awarded the purchase to be in breach of contract. |
| 12.1.7.4. | <u>C</u> | Bidder shall indicate on the Bid Submittal Form the estimated time of completion of project, measured in number of calendar days after receipt of order. |
| 12.1.8. | <u>C</u> | Bidder specifically acknowledges and accepts City's standard delivery terms as expressed under "General terms and conditions" above. |
| 12.1.9. | <u>C</u> | Bidder awarded the purchase shall provide any labor and equipment necessary to unload or offload deliverables in a manner (a) consistent with best practices for shipping and receiving, (b) that does not involve undue risk to the safety of anyone at the delivery site or the condition of the deliverable, (c) that does not involve City personnel, and (d) without the need for a loading dock. |
| 12.1.10. | <u>C</u> | Work shall be performed, and deliveries shall be made between the hours of 7:00 a.m. and 6:00 p.m., Monday through Saturday except holidays observed by the City. |
| 12.1.11. | | Warranties and guarantees: |
| 12.1.11.1. | <u>C</u> | Bid pricing shall include manufacturer's standard warranty, to be for a minimum of five (5) years, for all installed products, equipment and accessories. |
| 12.1.11.2. | <u>C</u> | Bidder shall indicate on the Bid Submittal Form it completes and submits the duration of the manufacturer's standard warranty as included in the quoted bid pricing. |
| 12.1.11.3. | <u>C</u> | Bidder shall supply a description of the manufacturer's standard warranty along with the Bid Submittal Form it completes and submits. |
| 12.1.11.4. | <u>C</u> | Bidder shall indicate on the Bid Submittal Form it completes and submits the duration in years of the manufacturer's standard warranty as included in the quoted bid pricing. |
| 12.1.11.5. | <u>C</u> | Bid pricing shall include installer's standard guarantee of workmanship, to be for a minimum of one (1) year, for all installed products, equipment and accessories. |
| 12.1.11.6. | <u>C</u> | Bidder shall indicate on the Bid Submittal Form it completes and submits the duration of the installer's standard guarantee of workmanship as included in the quoted bid pricing. |

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

- 12.1.11.7.** C Bidder shall supply a description of the installer's standard guarantee of workmanship along with the Bid Submittal Form it completes and submits.
- 12.1.11.8.** C Bidder shall indicate on the Bid Submittal Form it completes and submits the duration in years of the installer's standard guarantee of workmanship as included in the quoted bid pricing.
- 12.1.12.** Insurance requirements:
- 12.1.12.1.** C Before award of the procurement by the City, the bidder recommended to be awarded the purchase shall provide one or more certificates of insurance providing evidence of the following minimum types and limits of unexpired insurance coverage:

Type of Coverage	Limits of Coverage	Certificate of Insurance
Commercial General Liability	\$1,000,000 Each Occurrence \$2,000,000 General Aggregate \$1,000,000 Personal and Advertising Injury \$2,000,000 Products-Completed Operations Aggregate - Coverage shall be Primary and Non-Contributory - Waiver of Subrogation shall apply	Certificate of Insurance shall indicate Certificate Holder ¹ as Additional Insured with Additional Insured endorsement attached for both Premises/Operations and Products/Completed Operations
Automobile Liability (Owned, Non-Owned, and Hired Vehicles)	\$1,000,000 Combined Single Limit Each Accident - Waiver of Subrogation shall apply	Certificate of Insurance shall indicate Certificate Holder ¹ as Additional Insured with Additional Insured endorsement attached
Workers Compensation ²	- Statutory Limits - Waiver of Subrogation shall apply	Certificate Holder ¹ only
Employers Liability ²	\$1,000,000 Bodily Injury Each Accident \$1,000,000 Policy Limit Bodily Injury by Disease \$1,000,000 Each Employee Bodily Injury by Disease	Certificate Holder ¹ only
Builders Risk	Value of the Complete Renovation	Certificate Holder ¹ only

¹ Certificate Holder shall be listed as follows:

City of Franklin
109 3rd Ave. South
Franklin, TN 37064

² Workers Compensation and Employers Liability coverages are not required for Tennessee employers with fewer than five (5) employees except that employers in the construction business or trades (construction service providers) are required to carry Workers Compensation coverage unless they are sole proprietors or partners with no employees.

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

- 12.1.12.2.** C If and when insurance coverage documented by the certificate(s) of insurance referenced above expires before the supply and delivery by the bidder awarded the purchase and the acceptance by the City of all of the products and/or services ordered from the bidder awarded the purchase, pursuant to this procurement solicitation, then the bidder awarded the purchase shall immediately suspend work or supply, and the City may suspend payment for products thereafter delivered and services thereafter rendered by the bidder awarded the purchase, unless and until the bidder awarded the purchase provides the City with one or more replacement certificates of insurance for unexpired insurance coverage that meets or exceeds the insurance requirements as specified above.
- 12.1.12.3.** C In the event that insurance coverage documented by the certificate(s) of insurance referenced above is materially modified or canceled before the supply and delivery by the bidder awarded the purchase and the acceptance by the City of all of the products and/or services ordered from the bidder awarded the purchase, pursuant to this procurement solicitation, then the bidder awarded the purchase shall, immediately upon learning of any such material modification or cancellation, suspend work or supply and shall, within three (3) calendar days of such learning, notify the City of any such material modification or cancellation, and the City may suspend payment for products thereafter delivered and services thereafter rendered by the bidder awarded the purchase, unless and until the bidder awarded the purchase provides the City with one or more replacement certificates of insurance for unexpired insurance coverage that meets or exceeds the insurance requirements as specified above.
- 12.1.12.4.** C The bidder awarded the purchase shall agree to impose the City's insurance requirements upon any subcontractors it utilizes for this procurement. The bidder awarded the purchase may not subcontract any service component of the award except as is indicated in its bid.
- 12.2.** Detailed.
- 12.2.1.** The components of the project to be supplied, delivered and rendered by the bidder awarded the purchase include:
- 12.2.1.1.** C Removal of existing electrical fixtures (store in area for no damage).
- 12.2.1.2.** C Removal of canvas awnings (x3) (to be reinstalled at completion of siding).
- 12.2.1.3.** C Removal and disposal of Efis Stucco siding, including Gypsum underlayment (approximately 4360 sf).
- 12.2.1.4.** C Removal and disposal of exterior window and door casing (approximately 375 lf).

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

12.2.1.5.	<u>C</u>	Removal and disposal of soffit (approximately 416 sf).
12.2.1.6.	<u>C</u>	Removal and replacement of fascia (approximately 1100 lf).
12.2.1.7.	<u>C</u>	Removal and disposal of gutters (approximately 316 lf).
12.2.1.8.	<u>C</u>	Removal and disposal of porch ceilings (approximately 880 sf).
12.2.1.9.	<u>C</u>	As determined by conditions, repair of exterior wall framing and underlayment, replacement material to appropriately match existing. Pricing for this component shall be separately listed as "Alternate 1."
12.2.1.10.	<u>C</u>	As determined by conditions, repair of exterior sheathing, Green Board / ZIP sheathing with taped joints. Pricing for this component shall be separately listed as "Alternate 2."
12.2.1.11.	<u>C</u>	As determined by conditions, replacement of compromised insulation to meet the R-value of exterior framing. This shall be R-13 up to R-19, no loose fill. Pricing for this component shall be separately listed as "Alternate 3."
12.2.1.12.	<u>C</u>	Addition of a new window on the Northeast corner of the Programming Office. This new window shall match existing windows in that room. Approximately 36.5" Wide x 63.75" Tall 1 over 1 vinyl, double hung, dual-pane low E glass.
12.2.1.13.	<u>C</u>	Replacement of 2 east side exterior windows with vinyl, fixed, 1 panel, dual-pane low E glass. Approximately 21.5" height x 57.5" wide.
12.2.1.14.	<u>C</u>	Siding replacement material and installation as follows:
12.2.1.14.1.		Pre-painted color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) cement fiber board 6.25" to show 5' reveal. (approximately 4360 sf).
12.2.1.14.2.		Appropriate fasteners for cement fiber material.
12.2.1.14.3.		Alternating butt joints.
12.2.1.14.4.		Pre-colored elastomeric color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) in joints and fasteners.
12.2.1.15.	<u>C</u>	Soffit replacement material and installation as follows:
12.2.1.15.1.		Pre-painted color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) cement fiber material (approximately 416 sf).
12.2.1.15.2.		Appropriate fasteners.
12.2.1.15.3.		Alternating butt joints.

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

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|--------------|----------|---|
| 12.2.1.15.4. | | Pre-colored elastomeric color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) in joints and fasteners. |
| 12.2.1.16. | <u>C</u> | Facia replacement material and installation as follows: |
| 12.2.1.16.1. | | Pre-colored composite or cement fiber material color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) (approximately 1100 lf) to match existing width. |
| 12.2.1.16.2. | | Appropriate fasteners. |
| 12.2.1.16.3. | | Alternating butt joints |
| 12.2.1.16.4. | | Pre-colored elastomeric color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) in joints and fasteners. |
| 12.2.1.17. | <u>C</u> | Porch ceiling replacement material and installation as follows: |
| 12.2.1.17.1. | | Pre-painted color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) cement fiber material (approximately 880 sf). |
| 12.2.1.17.2. | | Appropriate fasteners. |
| 12.2.1.17.3. | | Alternating butt joints. |
| 12.2.1.17.4. | | Pre-colored elastomeric color: (Hardie plank shall be Heather Moss and LP Smart siding shall be Marshland Moss) in joints and fasteners. |
| 12.2.1.18. | <u>C</u> | Exterior window and door casing material replacement and installation as follows: |
| 12.2.1.18.1. | | Pre-colored composite (color to match siding replacement material) (approximately 375 lf) |
| 12.2.1.18.2. | | Appropriate fasteners |
| 12.2.1.18.3. | | Alternating butt joints. |
| 12.2.1.18.4. | | Pre-colored elastomeric (color to match siding replacement material) in joints and fasteners. |
| 12.2.1.19. | <u>C</u> | Front side only window shutters are to be Board and Batten composite wood exterior shutters (size to match windows installed; black color). Shutters are not required under the porch. |
| 12.2.1.20. | <u>C</u> | Gutter replacement material and installation as follows: |
| 12.2.1.20.1. | | Pre-painted (color to match siding replacement material) 5" (approximately 316 lf). |
| 12.2.1.20.2. | | Appropriate fasteners. |

City of Franklin, Tennessee Specifications

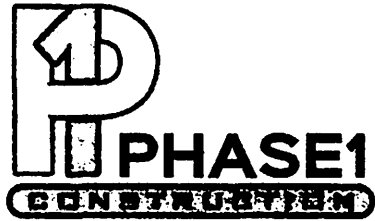
Purchasing Office Solicitation No.: 2022-017

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| 12.2.1.21. | <u>C</u> | Installation of existing canvas awnings (x3) (if damaged, replacement at contractor's expense). |
| 12.2.1.22. | <u>C</u> | Touch up paint in needed areas. |
| 12.2.1.23. | <u>C</u> | Jobsite shall be cleaned up; no construction and demolition debris shall remain on site. |
| 12.2.2. | <u>C</u> | Site preparation to be completed by owner prior to owner's issuance to bidder awarded the purchase of notice to proceed: |
| 12.2.2.1. | | Adjacent landscaping to be removed by Parks Staff before work is scheduled. |
| 12.2.2.2. | | Landscape items that are not removed will be surrounded with protective fencing. |
| 12.2.3. | <u>C</u> | The components of the project not to be supplied, delivered and rendered by the bidder awarded the purchase include: |
| 12.2.3.1. | | Installation of electrical fixtures. |
| 12.2.3.2. | | Landscape repair surrounding the structure. |
| 12.2.3.3. | | Mold testing, mold mitigation and/or mold remediation required due to the discovery of mold. |
| 12.2.3.4. | | Interior drywall repairs and/or painting required due to the removal of rotten or otherwise inferior wood framing. |
| 12.2.3.5. | | Interior drywall repairs and/or painting required due to standard construction practices. |
| 12.2.3.6. | | Repairs to wall hangings (a) remaining on the walls while the bidder awarded the purchase is actively deployed at the jobsite for completion of this project and (b) damaged due to standard construction practices. |
| 12.2.3.7. | | Disposal of non-project-related refuse discovered in any dumpster placed at the jobsite by the bidder awarded the purchase. |

City of Franklin, Tennessee Specifications

Purchasing Office Solicitation No.: 2022-017

- 12.2.4.** **C** Alternate external restroom structure. Building footprint is approximately 1,078 sq foot. Pricing for this component shall be separately listed as "Alternate 4."
- 12.2.4.1.** Removal of existing electrical fixtures (store in area for no damage).
- 12.2.4.2.** Removal of T-11 siding on gable ends.
- 12.2.4.3.** No insulation will be required.
- 12.2.4.4.** EFIS to remain and building to be wrapped with Green Board and taped joints.
- 12.2.4.5.** Cement Fiber Board to be installed same requirements as main structure. All color to match the main structure on all features.



Purchasing Office Solicitation No.: 2022-017

Date of Solicitation Release: February 24, 2022 Page 4 of 7

SEALED BID

City of Franklin solicitation no. 2022-017 (improvements to event facility at Eastern Flank Battlefield Park)

NOT TO BE OPENED EXCEPT AT BID OPENING March 17, 2022, 2:00 p.m. Central Time

Exception with 12.1.7.2

Phase1 Construction, LLC is pleased to provide the enclosed bid for this project. At this time, please take notice that we are seeing unprecedented lead times in materials. The siding materials for this particular project are going to be a custom order for the colors selected. Due to this reason, we cannot guarantee a specified timeline for material delivery if these particular color selections are kept. Due to this it is encouraged that we make haste in the process of getting a contract and ordering materials. We are being told 6-8 weeks lead time for colors selected at this time. We are also being informed that will change day to day. Also, there are only a few windows in the project, however, if we are matching the existing windows the lead time on ordered windows is 16 weeks. With these lead times and the necessity of the windows to be on site for the installation of the siding it is going to take time to acquire the materials needed to complete the project. Please note that all lead times if awarded the project will be submitted in writing by the suppliers.

Please note that Phase1 Construction, LLC nor its subcontractors can do anything to expedited this. Unfortunately, these are the times we are in when it comes to construction materials. We are waiting for 3 weeks for the intent to award to come out April 8, 2022. Then waiting till May 10, 2022 for the procurement to be awarded. If I understand that right we will not have a contract till the 11th of May 2022 at the earliest. If the City of Franklin stays with the intended schedule of intent to award of May 10th it will be very difficult to order and get materials on site in time to complete by the 31st of August. The lead times we are given today will not be the lead times in the middle of May. They have gotten longer over the last several months and with the supply chain issues, as well as the increase in shipping costs, these lead time will only increase between now and then. Please upon receipt of this bid, if accepted, reach out to us and let's have a conversation on these items. We want to do this project; however, the ordering of materials needs to be addressed to meet the August 31, 2022 completion date. If we cannot order windows till the middle of May, we will not have them till towards the end of August. Thanks, you for your time.

PHASE 1 CONSTRUCTION, LLC

THE AMERICAN INSTITUTE OF ARCHITECTS

AIA Document A310

Bond No. 1023TN

Bid Bond

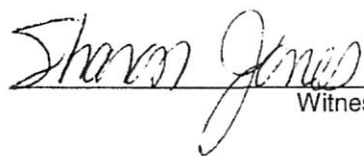
KNOW ALL MEN BY THESE PRESENTS, that we **Phase 1 Construction, LLC**
 as Principal, hereinafter called the Principal, and **THE SERVICE INSURANCE COMPANY, INC.**
 A corporation duly organized under the laws of the State of **New Jersey and licensed to do business in**
Tennessee
 as Surety, hereinafter called the Surety, are held and firmly bound unto **City of Franklin, TN**
 as Obligee, hereinafter called the Obligee, in the sum of **5% of Amount Bid**

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for **Event Facility Eastern Battlefield Park**

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms, of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this **Monday, July 19, 2021**


 Witness

Phase 1 Construction, LLC

(Principal)

(Title)

(Seal)

The Service Insurance Company, Inc.

(Surety)

(Seal)

Tommy W. Irvin, Attorney-In-Fact

BOND NO. 1023TN

THE SERVICE INSURANCE COMPANY, INC.
 (in CT, GA, KY, MA, MD, MS, MT, NH, NJ, NY, PA, RI, TN & WV)
 (d/b/a Service Guarantee and Surety Company in DC, DE, NC & SC)
 Service Guarantee and Surety Company (used in FL by: The Service Insurance Company, Inc.), in AL
 Service Guarantee and Surety Co. (used in VA by: The Service Insurance Company, Inc.)
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That THE SERVICE INSURANCE COMPANY, INC., 80 Main Street #330, West Orange, NJ 07052, a corporation of the State of New Jersey (d/b/a Service Guarantee and Surety Company in DC, DE, NC & SC), Service Guarantee and Surety Company (used in FL by: The Service Insurance Company, Inc.) and in AL, Service Guarantee and Surety Co. (used in VA by: The Service Insurance Company, Inc.) pursuant to authority granted by Article VIII, Section 7 of the By-Laws of said Company, which reads as follows: "CONTRACTS. The Board of Directors may authorize any officers, to execute any surety bond instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances."

Does hereby nominate, constitute and appoint Glen T. Burger and James S. Burger, its true and lawful agents and Attorney(s)-in-Fact, to make, execute, seal and deliver for, and on its behalf as surety, and its act and deed: any and all bond undertakings, and consents of surety, no one bond to exceed an aggregated penal sum liability of \$2,000,000 (Two Million Dollars).

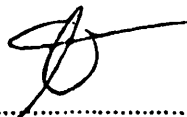
Does hereby nominate, constitute and appoint Tommy W. Irvin, Sharon Lee Jones, Chad W. Irvin, William W. Sims, Glen Scott Folks of Tom C. Irvin dba Irvin-Dyal Brown Insurance Insurance Agency as its true and lawful Attorney(s)-in-Fact for the following purpose: to make, execute and deliver those bond undertakings and Consents of Surety on behalf of the Company to any Obligor for those bid bond, performance bond, payment bond and other bond undertakings not to exceed an aggregated penal sum liability of \$2,000,000 (Two Million Dollars).

Said Insurance Agency Attorney(s)-in-Fact shall obtain prior approval confirmed in writing from the Company with a bond number provided by the Company's home office prior to issuing any bonds. Said Attorney(s)-in-Fact by executing the attached bond(s), hereby represents and warrants under oath that the Company has granted it/him/her prior approval and furnished the bond number for the attached bonds, which has been logged and recorded at the Company's home office. The Company shall not cover, honor or pay any claims for unauthorized bonds, and the Obligor may confirm the validity of the attached bond on receipt by contacting the Company in writing at 973-731-7889 (fax) or Jburger@serviceinsurancecompany.com.

IN WITNESS WHEREOF, the said Treasurer and President have hereunto subscribed their names and affixed the Corporate Seal of the said The Service Insurance Company, Inc., this 2nd day of April, A.D 2019

THE SERVICE INSURANCE COMPANY, INC.

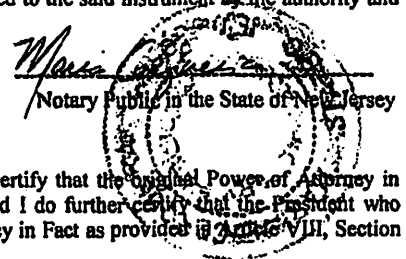
BY 
 GLEN T. BURGER, TREASURER

BY 
 JAMES S. BURGER, PRESIDENT

STATE OF NEW JERSEY)
) SS
 CITY OF WEST ORANGE)

On this 2nd day of April, A.D. 2019, before the subscribed, a Notary Public of the State of New Jersey, duly commissioned and qualified, came the above named Treasurer and President of The Service Insurance Company, Inc., to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledge the execution of the same, and being by me duly sworn severally and each for himself depose the saith, that they are the said officers of the Company aforesaid, and that the seal is affixed to the preceding instruments, is the Corporate Seal of said Company, and that the Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

MARIA E. CERQUEIRA
 NOTARY PUBLIC OF NEW JERSEY
 Comm. # 2360557
 My Commission Expires 6/4/2022



CERTIFICATE

I, the undersigned, President of The Service Insurance Company, Inc., The Company, do hereby certify that the original Power of Attorney in which the forgoing is full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the President who executed the said Power of Attorney was specially authorized by the Board of Directors to appoint any Attorney in Fact as provided in Article VIII, Section 7, of the By-Laws of The Service Insurance Company, Inc.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of The Service Insurance Company, Inc.

Resolved: "That the facsimile or mechanically reproduced signature of the Company President, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

COMPANY EMBOSSED CORPORATE SEAL MUST
 APPEAR ON BOND FORM AND POWER OF ATTORNEY

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the Corporate Seal of the said Company, this _____ day of _____, 20 _____

JAMES S. BURGER, PRESIDENT

111901

Affidavit of License Certificate
a form required of Bidders and Proposers proposing to serve as contractors for
construction projects for the
City of Franklin, Tennessee

State of Tennessee)
County of Williamson) SS

Affiant, Stephen Brett McCord, deposes and makes oath that:
(printed name of person signing Affidavit)

1. He or she is the Managing Member of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Phase1 Construction, LLC
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. The Bidder or Proposer has fully complied with all requirements of the Contractors Licensing Act of 1994 as the same may be amended from time to time (Chapter 6 ("General Contractors") of Title 62 ("Professions, Businesses and Trades"), Tennessee Code Annotated; TCA §62-6-101, et. seq.);
4. The Bidder or Proposer was issued, by the state board for licensing contractors, Certificate of License No. 73920 with a date of expiration of September 30, 2022, a true and correct photocopy of which certificate of license is attached hereto and hereby made a part hereof;
5. The Bidder's or Proposer's aforementioned certificate of license is not currently expired or revoked or otherwise terminated or suspended; and
6. This Affidavit is made on personal knowledge.

Stephen Brett McCord
(signature of Affiant)

Managing Member
(title of Affiant)

Sworn and subscribed to before me this 15th day of March, 2022
Shannon D. Jones My Commission Expires: 05.22.23
(Notary Public)

(Submitted in response to City of Franklin Purchasing Office Solicitation No. 2022_017)

Affidavit of Drug-Free Workplace
a form required of Bidders and Proposers on purchases of services for the
City of Franklin, Tennessee

State of Tennessee)
County of Williamson) SS

Affiant, Stephen Brett McCord, deposes and makes oath that:
(printed name of person signing Affidavit)

1. He or she is the Managing Member of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Phase1 Construction, LLC,
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. The Bidder or Proposer entity employs no less than five (5) employees;
4. The Bidder or Proposer has in effect, at the time of submission of its bid or proposal to perform the services described in the attached bid or proposal, a drug-free workplace program that complies with T.C.A. § 50-9-101 et seq.;
5. The Bidder or Proposer operates a drug-free workplace program or other drug or alcohol testing program with requirements at least as stringent as that of the program operated by the City as described in the City's procurement solicitation; and
6. This Affidavit is made on personal knowledge.

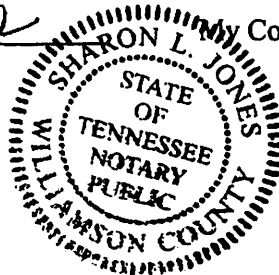
Stephen Brett McCord
(signature of Affiant)

MANAGING MEMBER
(title of Affiant)

Sworn and subscribed before me this 17th day of March, 20 22

Sharon L. Jones
(Notary Public)

My Commission Expires: 05.22.23



Affidavit of Title VI Compliance
a form required of Bidders and Proposers on purchases of services for the
City of Franklin, Tennessee

State of Tennessee)
County of Williamson) SS

Affiant, Stephen Brett McCord, deposes and makes oath that:
(printed name of person signing Affidavit)

1. He or she is the Managing Member of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Phase1 Construction, LLC
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin or any other class protected by federal and/or Tennessee constitutional, statutory and/or case law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in, the performance of the contract that results from the procurement solicitation to which this affidavit is a component, or in the employment practices of the successful Bidder or Proposer during the performance of the contract that results from said procurement solicitation;
4. The successful Bidder or Proposer shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and job applicants, notices of such non-discrimination;
5. If, with the prior consent of the City, the successful Bidder or Proposer subcontracts any portion of the contract that results from the procurement solicitation to which this affidavit is a component, then the successful Bidder or Proposer shall contractually obligate all of its subcontractors for said contract to comply with the same non-discrimination provisions as those required of the successful Bidder or Proposer; and
6. This Affidavit is made on personal knowledge.

Stephen Brett McCord
(signature of Affiant)

MANAGING MEMBER
(title of Affiant)

Sworn and subscribed to before me this 17th day of March, 2022

Sharon L. Jones
(Notary Public)



My Commission Expires: 05.22.23

Affidavit of Non-Collusion

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

State of Tennessee)
 County of Williamson) SS

Affiant, Stephen Brett McCord, deposes and makes oath that:
 (printed name of person signing Affidavit)

1. He or she is the Managing Member of
 (Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Phase1 Construction, LLC,
 (legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

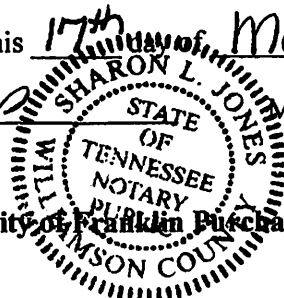
2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. Such bid or proposal is genuine and is not a collusive or sham bid or proposal;
4. Neither the said Bidder or Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this Affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any official or agent of the City of Franklin or with any other firm, person, or potential or actual bidder or proposer to submit a collusive or sham bid or proposal in connection with the contract for which the attached bid or proposal has been submitted, or to refrain from bidding or proposing indirectly, or sought by agreement, or collusion, or communication, or conference with any other firm, person, or potential or actual bidder or proposer to fix the price or prices or cost element of the bid, quoted or proposed price or the bid, quoted or proposed price of any other potential or actual bidder or proposer, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City of Franklin or any person interested in the proposed contract;
5. The price or prices quoted in the attached bid or proposal are fair and proper and are not tainted by a collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this Affiant; and
6. He or she understands that Article VIII, Section 16, of the City Charter of Franklin, and T.C.A. §6-54-107, prohibit any member of the Board of Mayor and Aldermen, or officer elected by said Board, from being interested in any contract, or work of any kind whatever, under its control and direction, and any contract in which any such person shall have an interest shall be void and unenforceable, subjecting any funds received by contractor to be returned in full to the City, in addition to any other penalties provided by law.

Stephen B. McCord
 (signature of Affiant)

MANAGING MEMBER
 (title of Affiant)

Sworn and subscribed to before me this 17th day of March, 2022

Sharon L. Jones
 (Notary Public)



My Commission Expires: 05.22.23

(Submitted in response to City of Franklin Purchasing Office Solicitation No. 2022_017)



ColorPlus® Technology

Effective April 2021

1. LIMITED WARRANTY COVERAGE - FINISH: James Hardie Building Products Inc. ("Hardie") warrants for installation within the U.S. (except Alaska), Puerto Rico and Canada (except Yukon Territory, Northwest Territories, and Nunavut) to the purchaser and all transferees prior to and including the first owner of the structure to which the Product is applied and the first transferee of such structure (each a "covered person") that the finish on Hardie Product with ColorPlus® Technology (the "Finish") will be free from manufacturing defects. When used for its intended purpose, properly installed and maintained according to Hardie's published instructions, Hardie warrants that the Finish, for a period of 15 years from the date of purchase: (a) will not peel (b) will not crack, and (c) will not chip. Hardie, in its sole liability and in lieu of any direct, indirect or consequential damages will, during the first year, reimburse the covered person for reasonable fees for paint and labor (an amount not to exceed \$1.00 per square foot) for repair of the damaged portion of the finish. During the 2nd through 15th year, the warranty payment shall be reduced by 6.67% such that after the 15th year no warranty shall be applicable. Hardie's replacement of the defective Product or granting of a refund pursuant to Section 1 of this Warranty SHALL BE THE SOLE EXCLUSIVE REMEDY available to the covered person with respect to any defect.

2. WHAT YOU MUST DO/ CONDITIONS OF WARRANTY: Hardie's liability hereunder to the covered person shall be subject to the following terms and conditions:

- A. The claimant must provide proof that he/she is a covered person.
- B. The Product must be stored according to the manufacturer's instructions at all times between purchase and installation. Installing wet Product may result in staining or shrinkage, neither of which is covered under the terms of this warranty.
- C. The Product must be installed according to Hardie's printed installation instructions and all building codes adopted by federal, state or local governments or government agencies and applicable to the installation. Failure to install and finish the Product per the manufacturer's

published instructions may affect Product performance and affect remedies available under this warranty.

- D. The covered person must provide written notice to Hardie within 30 days after discovery of any claimed defect or failure covered by this Warranty and before beginning any permanent repair. The notice must describe the location and details of the defect and such information as is necessary for Hardie to investigate the claim. Photos of the Product, showing the defect or failure, must accompany the notice. Product samples may be required by the Hardie Claims Department.
- E. Upon discovery of a possible defect or failure, the covered person must immediately, and at the covered person's own expense, provide for protection of all property that could be affected until the defect or failure is remedied. Before any permanent repair to the Product, the covered person must allow Hardie or Hardie's agent to enter the property and structure where the Product is installed, and examine, photograph and take samples of the Product.

3. EXCLUSIONS: This Warranty does not cover damage or defects resulting from, or in any way attributable to: (a) the improper storage, shipping, handling or installation of the Product (including, without limitation, failure of the Product to be installed in strict compliance with the terms and conditions set forth in Section 2 (c) of this warranty) (b) neglect; (c) abuse; (d) misuse; (e) repair or alteration; (f) settlement or structural movement and/or movement of materials to which the Product is attached; (g) damage from incorrect design or construction of the structure; (h) exceeding the maximum designed wind loads; (i) acts of God including, but not limited to, hurricanes, tornados, floods, earthquakes, severe weather or other natural phenomena, (including, but not limited to, unusual climate conditions); (j) efflorescence or performance of any paints and/or coatings which are not Hardie; (k) growth of mold, mildew, fungi, bacteria, or any organism on any surface of the siding (whether on the exposed or unexposed surfaces) and in this respect, ANY CLAIMS OF DAMAGE CAUSED BY MOLD

JamesHardie

15-Year Limited Finish Warranty continued...

Homeowner Care and Maintenance Tips**PATCHING**

Fill holes, joints and cracks using a color quality neutral patching compound. Repatch with the same color as the original color of the Hardie Surface.

PRODUCT REPLACEMENT

Replace siding and trim products in accordance with James Hardie's written installation instructions.

CAULK REPLACEMENT

When caulk is in need of replacing, carefully remove existing caulk and replace with a high quality, paintable latex caulk. For best results use a latex caulk that complies with ASTM D568 or better. Caulking should be applied in accordance with the caulking manufacturer's written application instructions.

PAINT MAINTENANCE

Remove any damaged, missing or cracked paint. Prior to repainting, make sure that the surface and is properly cleaned. Repaint immediately using a good quality 100% acrylic paint. For best results, please refer to your paint manufacturer's written specifications for application rates and required conditions.

Call 1-800-9-HARDIE or visit www.jameshardie.com to obtain written installation requirements or for more detailed technical information.

OR MILDEW ARE EXPRESSLY EXCLUDED; (l) lack of proper maintenance; and (m) any cause other than manufacturing defects attributable to Hardie. This Warranty does not cover fading or chalking of the Finish due to normal weathering. Normal weathering is defined as exposure to sunlight and extremes of weather and atmosphere, which will cause any painted surface to gradually fade, chalk or accumulate dirt over time. This Warranty will cover the Finish against excess color change beyond normal weathering. Excess color change is defined as a change in color of the Finish by greater than four (4) delta E units within the first three (3) years of install of the Hardie Product(s) with ColorPlus® Technology. Hardie shall have sole discretion to determine whether the Hardie Product(s) with ColorPlus® Technology exhibits excess color change.

4. NO WAIVER: Hardie may, in its sole discretion, extend benefits beyond what is covered under this Limited Warranty. Any such extension shall apply only to the specific instance in which it is granted, and shall not constitute a waiver of Hardie's right to strictly enforce the exclusions, disclaimers, and limitations set forth herein for any or all other circumstances.

5. DISCLAIMER: The statements in this Warranty constitute the only warranty extended by Hardie for the Product. HARDIE DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT WHERE PRODUCT PURCHASE IS SUBJECT TO CONSUMER PRODUCT WARRANTY LAW, IN WHICH INSTANCES THE DURATION OF ANY APPLICABLE IMPLIED WARRANTIES ARE LIMITED TO THE FIRST ELAPSE OF THE WARRANTY PERIOD PROVIDED ABOVE, OR SUCH SHORTER PERIOD AS APPLICABLE LAW PERMITS OR REQUIRES. Some states do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to you. NO OTHER WARRANTY WILL BE MADE BY OR ON BEHALF OF THE MANUFACTURER OR THE SELLER OR BY OPERATION OF LAW OR BY USAGE OF TRADE OR COURSE OF DEALING WITH RESPECT TO THE PRODUCT OR ITS INSTALLATION, STORAGE, HANDLING, MAINTENANCE, USE, REPLACEMENT OR REPAIR. This Warranty gives

you specific legal rights and you may also have other rights which vary from state to state.

6. EXCLUSION OF INCIDENTAL AND CONSEQUENTIAL DAMAGES: IN NO EVENT SHALL HARDIE BE LIABLE FOR ANY INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, WHETHER RESULTING FROM NONDELIVERY OF THE PRODUCT, FROM THE USE, MISUSE, OR INABILITY TO USE THE PRODUCT OR FROM DEFECTS IN THE PRODUCT. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation may not apply to you.

7. MODIFICATIONS AND ALTERATIONS OF PRODUCT:

Hardie shall have no responsibility hereunder for defective Product subjected to further processing or alteration after shipment.

8. SETTLEMENT OF CLAIM: Any refund or material replacement by Hardie pursuant to Section 1 hereof shall constitute a full settlement and release of all claims of any covered person hereunder for damages or other relief, and shall be a complete bar to any litigation filed subsequently to the covered person's acceptance of such an agreement.

9. MODIFICATION OR DISCONTINUATION OF PRODUCTS: Hardie reserves the right to discontinue or modify the Product at any time without notice. In the event that replacement of the Product pursuant to this Limited Warranty is not possible, Hardie will fulfill any refund or replacement obligation under this Limited Warranty with a Hardie Product of equal or greater value.

COMPLETE AND SAVE FOR YOUR OWN RECORDS

Name of Owner _____

Installation Address _____

Name of Installing Contractor _____

Date Installed _____ Contractor Phone Number _____



LP® SmartSide® ExpertFinish® Trim & Siding
LP® SmartSide® ExpertFinish® Soffit

Prorated 50-Year and 15-Year Limited Warranty and Arbitration Agreement – Exterior Use

NOTE CAREFULLY: The provisions and terms of this Prorated 50-Year and 15-Year Limited Warranty and Arbitration Agreement – Exterior Use (the “Limited Warranty”) apply exclusively to LP® SmartSide® ExpertFinish® Trim & Siding and LP SmartSide ExpertFinish® Soffit (each, the “Product”) manufactured by Louisiana-Pacific Corporation (“LP”) when installed on the exterior of a structure permanently located in the United States, its territories, or Canada in accordance with the Instructions, as defined below. **Different limited warranty terms and exclusions apply under (i) LP® SmartSide® 10-Year Limited Warranty and Arbitration Agreement for Accessories and Non-Standard Applications and (ii) LP® SmartSide® Instructions for Interior Use and 90-day Limited Warranty.**

Who Is Covered: This Limited Warranty is made to the original retail purchaser of the Product, the original owner of the structure on which the Product is installed, and the next owner of that structure (collectively hereinafter referred to as “Owner”). This Limited Warranty cannot be assigned, sold, or transferred to any other person, including any later owners of the structure.

BY INSTALLING AND/OR RETAINING THE PRODUCT, OWNER AGREES TO THE FOLLOWING TERMS AND CONDITIONS OF THIS LIMITED WARRANTY WHICH REQUIRE BINDING ARBITRATION AND WAIVING CLASS ACTION CLAIMS.

1. Definitions That Apply

For purposes of this Limited Warranty, the following definitions are used:

“Buckling” is defined as Product that is 3/8 inch (10 mm) or more out of plane within a length no greater than 24 inches (610 mm) when installed directly to framing or to wood structural panels on framing spaced up to 24 inches (610 mm) o.c. (this definition does not apply to trim products).

NOTE: However, notwithstanding the foregoing, waviness caused by any of the following is not considered Buckling: misaligned framing, crooked or bowed studs and/or sheathing, foundation or wall settling, improper nailing, attachment over foam sheathing, or any other cause unrelated to the Product. Warranty coverage for Buckling requires installation at the stud spacing specified in this definition and in strict accordance with the Instructions.

“Deterioration” is defined as fungal degradation of the Product which results in structural damage to the Product that makes

the Product unable to perform its intended function as siding, soffit, or trim.

“Finish” is defined as the paint factory-applied to the surface overlay on the face of the Product.

“Hail Damage” is defined as a crack or chip in the surface overlay or dent in the substrate of the Product that exceeds 3/8 inch (10 mm) in length or diameter, and is caused by hail.

“Instructions” is defined to collectively refer to the LP instructions applicable to the Product and in effect on the date of installation as found at www.lpcorp.com, including technical notes/bulletins and instructions for transporting, storing, handling, installation, finishing, care, and maintenance of the Product. Instructions includes the LP® SmartSide® ExpertFinish® Trim and Siding Application Instructions, the LP SmartSide® Soffit Application Instructions, and the LP® SmartSide® ExpertFinish® Care and Maintenance Instructions.

“Overlay Issues” is defined as cracking, peeling, separating, chipping, flaking or rupturing of the surface overlay.

“Substrate Damage” is defined as (i) Deterioration, Buckling, or Overlay Issues caused by a manufacturing defect or (ii) Termite Damage.

“Termite Damage” is defined as damage to the Product (i) caused by a failure of the borate-based SmartGuard® process applied to the Product during manufacture to resist termites (ii) that results in structural damage to the Product to an extent that the Product is no longer able to perform its intended function as siding, soffit, or trim. **NOTE:** Some amount of termite activity on the Product may occur as the borate works to resist termites, which activity is not covered by this Limited Warranty unless it constitutes Termite Damage. Other, specific exclusions regarding termite activity are set forth in Section 3(b).

2. Length of Coverage and What LP Will Do

Exterior building materials like the Product must be properly handled and installed, and carefully integrated with other building materials that comprise the exterior wall assembly of a structure, and are subjected to wear and tear over time. The length of time the Product will last is dependent on various factors. It is imperative that the installer and Owner strictly follow the Instructions and maintain the Product as required therein during the period of the Limited Warranty.

(i) Substrate Limited Warranty

- a) For a period of 50 years from the date of installation, LP warrants that, if the Product exhibits Substrate Damage, LP will provide the remedy set forth below provided that the Product has been transported, stored, handled, installed, finished, and maintained in strict accordance with the Instructions in effect at the time of installation.
- b) In the event the Product exhibits Substrate Damage (or fails to conform to any implied warranty not effectively disclaimed herein), LP will: (i) during the first 5 years from the date of installation, compensate the Owner for the cost of labor and material to repair or replace the affected Product based on an estimate established by independent construction cost estimator R.S. Means, or (ii) during the 6th through 50th years from the date of installation, compensate the Owner for the material cost of the affected Product or a similar wood-based siding or trim product (no labor or other charges shall be paid) less an annual pro-rata reduction of 2.22% per year (for example, 6th year - 2.22%, 7th year - 4.44%, etc.) so that the amount paid under this warranty at the end of the 50th year will be zero dollars (the "Proration Schedule"), with total costs to be paid by LP not to exceed two (2) times the original purchase price of the affected Product.

(ii) Hail Damage Limited Warranty

- a) For a period of 50 years from the date of installation, LP warrants that, if the Product exhibits Hail Damage, LP will provide the remedy set forth below provided that the Product has been transported, stored, handled, installed, finished, and maintained in strict accordance with the Instructions in effect at the time of installation. Hail Damage is subject to the following exclusions: (i) any damage caused by a storm in which hail was larger than 1.75 inches (45 mm) in diameter; (ii) any damage to the surface or Finish that does not qualify as Hail Damage; or (iii) any injury to persons or property caused by hail-damaged Product.
- b) Owner must meet all the following requirements in order to be eligible for payment under this Hail Damage Limited Warranty: (i) LP must be able to inspect the Product in place to determine whether any pieces have Hail Damage; (ii) Owner must provide reliable evidence that the hailstorm causing the Hail Damage had no hailstones larger than 1.75 inches (45 mm) in diameter (such evidence may include a report from a reliable third party such as the National Oceanic and Atmospheric Administration Storm Prediction Center); and (iii) Owner must first file a claim with his or her property owner's insurance carrier, or any other applicable policy, and pursue the cost of repair or replacement through insurance. Owner must provide proof of the claim and the carrier's response and must affirm that no other claims were paid or are pending.

- c) If the insurance claim proceeds are insufficient to repair or replace the Product with Hail Damage, LP will pay Owner the cost of material (no labor) necessary to replace the square footage of Product with Hail Damage (determined using the current retail price per square foot for the same or similar Product in the same geographic region as the property), less the insurance proceeds received by Owner for the same product and less the deductible amount associated with those proceeds. The payment amount shall then be reduced according to the Proration Schedule. If the above calculation yields a negative number, LP shall owe no payment to Owner.

(iii) 15-Year Finish Limited Warranty

- a) For a period of 15 years from the date of installation, LP warrants that, if under normal conditions and use, the Finish of the Product, (i) discolors due to chalking, (ii) peels, blisters or cracks, (iii) erodes to the extent of exposing the substrate, or (iv) discolors due to yellowing or excessive fade (defined as greater than 5 delta E, CMC (2:1)), LP will provide the remedy set forth below provided that the Product has been transported, stored, handled, installed, finished, and maintained in strict accordance with the Instructions in effect at the time of the installation.
- b) If the Finish exhibits any of the conditions listed in Section 2(iii)(a) above: (i) during the first 5 years after the date of installation, LP will, at its option, and after inspection and verification, a) compensate the Owner for labor and paint material based on an estimate established by independent construction cost estimator R.S. Means to touch-up or refinish the affected Product with one coat of solid color, or b) supply replacement Product (no labor) to replace the affected Product; or (ii) during the 6th through 15th years after the date of installation, LP will, after inspection and verification, compensate the Owner for labor and paint material based on an estimate established by independent construction cost estimator R.S. Means to touch-up or refinish the affected Product with one coat of solid color on pro-rata basis over the remaining 10 year period, from 100% during the 5th year and declining at a rate of 18% per year to the end of the 10th year, and 2% per year to the end of the 15th year, so that the amount paid under this warranty at the end of the 15th year will be zero dollars.
- c) LP's obligation under this Limited Warranty shall in no event exceed the original purchase price of the affected Product. Any Product found to be unsatisfactory prior to installation, for any reason, must not be installed and must be returned to the dealer where it was purchased for replacement Product. LP will not be responsible in any way for labor or material if defective or unacceptable Product is knowingly installed. Absent Hail Damage, damage to the Finish caused by hail is not covered.

These are the Owner's sole and exclusive remedies for any non-conformance of or alleged defect in the Product or any damage caused by the Product. Except as expressly

provided in this Limited Warranty, no other costs incurred by Owner relating to damaged Product or otherwise, including but not limited to removal, disposal, house wrap, or labor costs, will be reimbursed.

EFFECTIVE DATE: This Limited Warranty applies where the date of retail purchase of the Product is on or after 07/07/2021.

3. What Is Not Covered: Exclusions

This Limited Warranty does not cover or provide a remedy for:

- a) Substrate Damage, Hail Damage, or any other damage to the Product or otherwise, including the Finish, caused by:
 - (i) failure to strictly follow the Instructions for the Product;
 - (ii) failure to properly cut, prime, or paint the Product;
 - (iii) misuse or abuse of the Product;
 - (iv) impact or accidental damage to the substrate, surface, or Finish of the Product;
 - (v) damage to the Product during handling or the construction process;
 - (vi) alteration of the Product other than as allowed in the Instructions;
 - (vii) any lack of compatibility between the Product and any other product not manufactured by LP;
 - (viii) sawing or ripping of the Product lengthwise (except as expressly authorized in the Instructions) or removing the surface of the Product or the factory drip edge;
 - (ix) improper transport or storage of the Product;
 - (x) improper or inadequate design, detailing, or construction of the wall system or structure on which the Product is installed, including the walls, cladding, windows, doors, roofing materials, openings, or other penetrations on or around which the Product is installed;
 - (xi) failure of flashings or water management details or systems;
 - (xii) alterations to the structure after installation of the Product;
 - (xiii) minor surface grazing by termites which does not interfere with the Product's ability to perform as a sheathing panel;
 - (xiv) as to the Finish Limited Warranty, coatings, paint, or surface treatments applied on top of the Product, other than touch-up applications in compliance with LP's Instructions;

- (xv) harmful chemicals (including harmful cleaning compounds), salt water, fertilizer, pollution, mold, mildew, scratching, abrading or surfactant leaching;
- (xvi) Installation or exposure that allows for the accumulation of moisture, standing water, or submersion; or
- (xvii) hurricane, tornado, fire, earthquake, flood, hail (except as covered under the Hail Damage Limited Warranty), acts of God, or other similar causes beyond the control of LP.

- b) Damage caused by termites or termite activity (i) that is not or does not result in Termite Damage; (ii) that results from termite activity existing prior to installation of the Product; (iii) that results from areas of the structure which have moisture problems, rot, fungi, or mold due to condensation or leaks from roofs, eaves, windows or doors, flooding or other sources of water or moisture in the structure; (iv) that results from failure to maintain the structure free from earth-wood contact, faulty grading, firewood against structure, Insufficient ventilation, wood debris in crawl space, wood mulch, tree branches touching structure, landscape timbers, or wood rot; or (v) to any component of the structure other than the Product, under any circumstances.
- c) Product applied to structures located outside the United States, its territories, or Canada (Product sold outside these locations is As-Is, with no express or implied warranties provided by LP).
- d) Surface or edge swelling or edge checking (swelling and checking occur normally in all wood and wood-based products as they expand and contract in response to changes in climatic conditions).
- e) Product not installed in strict compliance with all applicable building codes.
- f) Any interior installation or Non-Standard Application.
- g) Costs associated with damage to the Product (other than the remedies set forth in Section 2), including but not limited to Product removal, disposal, or replacement.
- h) Damage resulting from Owner's failure to comply with the requirements set out under Section 4 of this Limited Warranty.
- i) Damage resulting from re-manufacture, modification, alteration or processing of the Product by anyone other than LP.
- j) Damage to any other component of the structure, for any reason.

4. How to Make a Claim

COMPLIANCE WITH EACH OF THE REQUIREMENTS SET OUT BELOW IN SECTIONS (a) AND (b) IS A CONDITION OF LP'S

OBLIGATIONS UNDER THIS LIMITED WARRANTY. THE FAILURE TO COMPLY WITH ANY ONE OR MORE OF THE ITEMS SHALL VOID ANY RIGHTS OWNER MAY HAVE AGAINST LP.

- a) Any Owner seeking remedies under this Limited Warranty must notify LP at 888-468-1417 within 30 days after discovering a condition upon which they intend to make a claim under this Limited Warranty, and before beginning any repair. This notice must include the date on which installation of the Product was completed. It is the Owner's responsibility to establish - through invoices, receipts, contractor's billings or any other form of reliable documentation - the date of installation of the Product, and ownership of the Product by the Owner.
- b) LP must be given an opportunity to inspect the Product within 90 days of notice, and upon reasonable notice to the Owner, LP must be allowed to enter the property or structure on which the Product is installed to inspect the Product.

5. Other Limitations

- a) Exclusion of Other Remedies

IN NO EVENT WILL LP BE LIABLE FOR ANY INCIDENTAL, SPECIAL, MULTIPLE, PUNITIVE, INDIRECT CONSEQUENTIAL, OR RESULTING DAMAGES, INCLUDING BUT NOT LIMITED TO, PROPERTY DAMAGE (INCLUDING DAMAGE TO OTHER BUILDING COMPONENTS), LOST PROFITS, OR LOSS OF USE.

Some states and provinces do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you.

- b) Disclaimer of All Other Warranties, Express or Implied

THIS LIMITED WARRANTY IS THE ONLY WARRANTY APPLICABLE TO THE PRODUCT. LP DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTIES OTHERWISE ARISING FROM THE COURSE OF DEALING OR USAGE OF TRADE OR ADVERTISING, EXCEPT WHERE SUCH WARRANTIES ARISE UNDER APPLICABLE CONSUMER PRODUCT WARRANTY LAWS AND CANNOT BE LAWFULLY DISCLAIMED, IN WHICH EVENT SUCH WARRANTIES ARE LIMITED TO THE SHORTEST PERIOD AS PERMITTED OR REQUIRED UNDER APPLICABLE LAW.

NO OTHER WARRANTY, EXPRESS OR OTHERWISE, HAS BEEN MADE OR WILL BE MADE BY OR ON BEHALF OF LP WITH RESPECT TO THE PRODUCT, INCLUDING ANY ADVERTISING WARRANTIES.

Some states and provinces do not allow such limitations of implied warranties in all circumstances, so the above limitations may not apply to you.

- c) No Waiver

LP may choose to extend benefits in certain circumstances beyond what is provided in this Limited Warranty. In that event, LP does not and has not waived its right to strictly enforce the warranty terms, including all disclaimers, limitations, and exclusions, in any and all other circumstances.

- d) Enforceability

This Limited Warranty gives you specific legal rights, and you may also have other rights which vary from state to state, or province to province. The provisions of this Limited Warranty do not preclude the operation of any applicable state law or provincial statute which in certain circumstances may not allow some of the limitations and exclusions described in this Limited Warranty. If any provision of this Limited Warranty is determined to be invalid, illegal, or unenforceable, it shall not affect the enforceability of any other provision of this Limited Warranty.

6. Agreement to Mandatory Binding Arbitration and Class Action Waiver

- a) By (i) installing the Product, or (ii) retaining the Product for 30 days after installation, or (iii) purchasing or taking ownership of a structure on which the Product is already installed, Owner and LP agree and Owner accepts that:

EVERY CLAIM OR CONTROVERSY BETWEEN OWNER AND LP ARISING FROM OR RELATING TO THE PRODUCT AND/OR THIS LIMITED WARRANTY SHALL BE RESOLVED BY FINAL AND BINDING ARBITRATION.

- b) THE ARBITRATION SHALL BE INITIATED AND ADMINISTERED IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (9 U.S.C. § 1 et seq.) AND THE APPLICABLE RULES OF THE JUDICIAL ARBITRATION AND MEDIATION SERVICE (www.jamsadr.com), UNLESS ANOTHER ARBITRATION SERVICE IS AGREED TO IN WRITING BY BOTH PARTIES. EACH PARTY WILL BE RESPONSIBLE FOR ITS OWN COSTS AND FEES INCURRED IN ARBITRATION, INCLUDING ATTORNEY'S FEES AND EXPERT WITNESS FEES; PROVIDED, HOWEVER THAT (i) LP WILL PAY ANY FEES AND COSTS THAT ARE REQUIRED BY LAW AND (ii) FOR ANY ARBITRATION FILED BY A CONSUMER RELATING TO PERSONAL OR HOUSEHOLD USE OF THE PRODUCT, LP WILL PAY OR REIMBURSE ALL ARBITRATION FILING FEES AND ARBITRATOR'S COSTS OVER \$100. BOTH SIDES ARE ENTITLED TO REASONABLE DISCOVERY. IF ANY PARTY INTENDS TO HAVE AN EXPERT TESTIFY ON THAT PARTY'S BEHALF, THE OTHER PARTY SHALL BE ENTITLED TO AN EXPERT REPORT AND TO TAKE THE EXPERT'S DEPOSITION DURING DISCOVERY.

THE ARBITRATOR SHALL HAVE THE AUTHORITY TO RENDER THE SAME RELIEF AS WOULD A COURT OF

COMPETENT JURISDICTION AND SHALL HAVE EXCLUSIVE AUTHORITY TO RESOLVE ANY DISPUTE RELATING TO THE SCOPE AND ENFORCEABILITY OF THIS AGREEMENT. IN NO CASE SHALL THE ARBITRATOR BE AUTHORIZED TO ADJUDICATE CLASS ACTION CLAIMS AGAINST LP OR TO OTHERWISE ORDER A SIMILAR CONSOLIDATION OF INDIVIDUAL CLAIMS AGAINST LP.

NOTWITHSTANDING THE FOREGOING, A CLAIM BY AN INDIVIDUAL OWNER SEEKING RELIEF OF \$10,000 OR LESS MAY BE PURSUED INDIVIDUALLY IN SMALL CLAIMS COURT SO LONG AS THE CLAIM IS MADE INDIVIDUALLY AND NOT AS PART OF A CLASS OR A CONSOLIDATED ACTION.

CLASS ACTION WAIVER: ANY ARBITRATION (OR SMALL CLAIMS COURT ACTION, IF AUTHORIZED ABOVE) WILL BE ON AN INDIVIDUAL BASIS ONLY; CLASS ARBITRATIONS AND/OR CLASS ACTIONS AND/OR CONSOLIDATED ACTIONS ARE NOT PERMITTED.

- c) OWNER AND LP AGREE THAT: (i) ALL CLAIMS, DISPUTES, OR ACTIONS BETWEEN OWNER AND LP ARISING FROM OR RELATING TO THE PRODUCT AND/OR THIS LIMITED WARRANTY WILL BE BROUGHT AND CONDUCTED AND DETERMINED INDIVIDUALLY, NOT AS A CLASS, AND (ii) THAT NEITHER PARTY WILL SEEK TO CONSOLIDATE OR SEEK CLASS TREATMENT. IF FOR ANY REASON THE FOREGOING CLASS ACTION WAIVER IS FOUND TO BE INVALID OR UNENFORCEABLE, THIS ARBITRATION AGREEMENT SHALL BE NULL AND VOID.

For further information, contact:

Customer Service: 888-820-0325

Email: Customer.Support@lpcorp.com

Write: Louisiana-Pacific Corporation

414 Union Street, Suite 2000

Nashville, TN 37219.

Website: www.lpcorp.com

⚠ WARNING: Drilling, sawing, sanding or machining wood products can expose you to wood dust, a substance known to the State of California to cause cancer. Avoid inhaling wood dust or use a dust mask or other safeguards for personal protection. For more information go to www.P65Warnings.ca.gov/wood.



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LPZB0027 07/07/2021

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2022-0062)

Attachment No. 2

CITY'S TERMS

Standard Procurement Terms and Conditions City of Franklin, Tennessee

1. **Assignment and Successors.** Neither party may assign any rights or obligations under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, without the prior written consent of the other party. These Standard Procurement Terms and Conditions, and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.
2. **Subcontracting.** Vendor may subcontract any portion of the work only with the prior consent of the City, but such subcontracting will not relieve Vendor of its duties under these Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
3. **Time of the Essence.** The parties agree that TIME IS OF THE ESSENCE with respect to the vendor's performance of all provisions of the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
4. **Taxes.** As a tax-exempt entity, the City shall not be responsible for sales or use taxes incurred for products or services. Upon request, the City shall supply Vendor with a copy of its Sales and Use Tax Exemption Certificate. Vendor shall bear the burden of providing its suppliers with a copy of the City's tax exemption certificate and shall assume all liability for such taxes, if any, that should be incurred.
5. **Notices.** Any notice provided pursuant to these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, if specified to be in writing, will be in writing and will be deemed given: (a) if by hand delivery, then upon receipt thereof; (b) if mailed, then three (3) City business days after deposit in the mail where sender is located, postage prepaid, certified mail return receipt requested; (c) if by next day delivery service, then upon such delivery; or (d) if by facsimile transmission or electronic mail, then upon confirmation of receipt. All notices will be addressed to the parties at the addresses set forth below (or set forth in such other document to which these Standard Procurement Terms and Conditions apply, or such other address as either party may in the future specify in writing to the other):

In the case of the City:

City of Franklin

Attn: Purchasing Manager

Re: City of Franklin Purchasing Office Solicitation No. 2022-017

109 Third Ave. South

P.O. Box 305

Franklin, TN 37065-0305

FAX: 615-550-0079

E-mail: purchasing@franklintn.gov

In the case of Vendor:

Phase1 Construction, LLC

Stephen Brett McCord

6616 Brandy Drive

Centerville, TN 37033

615-238-4872

brett.phase1llc@gmail.com

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

6. **Confidentiality and Proprietary rights.** Vendor waives any right to confidentiality of any document, e-mail or file it fails to clearly mark on each page (or section as the case may be) as confidential or proprietary. Proprietary rights do not extend to the data created by the City's users of the System; all rights to that data (including derivative or hidden data such as metadata) shall vest solely in City at the moment of creation and City shall retain exclusive rights, title, and ownership of all data and images created therefrom at the moment of creation and utilization, through and including image creation. City may be required to disclose documents under state or federal law. City shall notify Vendor if a request for documents has been made and shall give Vendor a reasonable opportunity under the circumstances to respond to the request by redacting proprietary or other confidential information. In exchange, Vendor agrees to indemnify, defend, and hold harmless City for any claims by third parties relating thereto or arising out of (i) the City's failure to disclose such documents or information required to be disclosed by law, or (ii) the City's release of documents as a result of City's reliance upon Vendor's representation that materials supplied by Vendor (in full or redacted form) do not contain trade secrets or proprietary information, provided that the City impleads Vendor and Vendor assumes control over that claim.
7. **Derivative Works.** To the extent that the Agreement contains Vendor's reservation of rights, such definitions and limitations are superseded by the following: "Derivative Work" means a program that is based on or derived from one or more existing programs or components. If the original software is modified to create a new program, a derived work is created. If the original software was designed to accept plug-ins or drivers using a defined mechanism, such a driver or plug-in does not form a derived work. Linking to a library in the way it was designed to be interfaced with, does *not* constitute deriving a work. "Derivative work" is *not* the data that the Licensee inputs, manipulates, modifies or otherwise improves, nor the images resulting therefrom.
8. **Arbitration/Mediation.** No arbitration shall be required as a condition precedent to filing any legal claim arising out of or relating to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply. No arbitration or mediation shall be binding.
9. **Waiver.** Neither party's failure or delay to exercise any of its rights or powers under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will constitute or be deemed a waiver or forfeiture of those rights or powers. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (a) a future or continuing waiver of that same right or power, or (b) the waiver of any other right or power.
10. **Warranties/Limitation of Liability/Waiver.** City reserves all rights afforded to local governments under law for all general and implied warranties. The City does not waive any rights it may have to all remedies provided by law and therefore any attempt by Vendor to limit its liability shall be void and unenforceable.
11. **Severability.** If any term or provision of these Standard Procurement Terms and Conditions is held to be illegal or unenforceable, the validity or enforceability of the remainder of these Standard Procurement Terms and Conditions will not be affected.

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

12. **Precedence.** In the event of conflict between the provisions of these Standard Procurement Terms and Conditions and that of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the provisions of these Standard Procurement Terms and Conditions will to the extent of such conflict take precedence unless such document expressly states that it is amending these Standard Procurement Terms and Conditions.
13. **Indemnification.** Vendor agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin.
14. **Additions/Modifications.** If seeking any addition or modification to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the parties agree to reference the specific paragraph number sought to be changed on any future document or purchase order issued in furtherance of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, however, an omission of the reference to same shall not affect its applicability. In no event shall either party be bound by any terms contained in any purchase order, acknowledgement, or other writings unless: (a) such purchase order, acknowledgement, or other writings specifically refer to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply or to the specific clause they are intended to modify; (b) clearly indicate the intention of both parties to override and modify any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply; and (c) such purchase order, acknowledgement, or other writings are signed, with specific material clauses separately initialed, by authorized representatives of both parties.
15. **Applicable Law; Choice of Forum/Venue.** These Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply are made under and will be construed in accordance with the laws of the State of Tennessee without giving effect to any state's choice-of-law rules. The choice of forum and venue shall be exclusively in the Courts of Williamson County, TN.
16. **Termination.** Unless the City has indicated otherwise in the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, either party may terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, with or without cause, upon thirty (30) calendar days' notice to the other. Upon termination by the vendor, the City shall be entitled to retain ownership of any and all goods and equipment purchased. Upon termination by the City, the vendor shall be entitled to receive any amounts due as a result of goods and equipment already delivered and/or services already

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

rendered; however, the City shall maintain ownership and control of any goods and equipment purchased. Upon termination of services, whether connected or unconnected to goods and equipment, such services shall be rendered until the conclusion of the 30th calendar day as stated in the notice or until a contractual benchmark has been achieved, or as the parties may otherwise agree.

17. **Breach.** Upon deliberate breach of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, by either party, the non-breaching party shall be entitled to terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply without notice, with all of the remedies it would have in the event of termination under the "**Severability**" section above, and may also have such other remedies as it may be entitled to in law or in equity.
18. **Default.** If Vendor fails to perform or comply with any provision of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, then the City (i) may cancel the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, in whole or in part, without penalty or protest by Vendor; (ii) may consider such failure to perform or comply as a breach of contract; (iii) reserves the right to purchase its requirements from the vendor that submitted the next lowest and best responsive and responsible bid, or the vendor that submitted the next best proposal, if that vendor will still honor that bid or proposal, or to seek new bids or proposals, or to pursue one or more other options available to the City in compliance with its then current purchasing policy; and (iv) may hold the defaulting vendor liable for all damages provided by law, including cost of cover.
19. **Entire Agreement.** These Standard Procurement Terms and Conditions, including any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, constitutes the entire agreement between the parties and supersedes any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of these Standard Procurement Terms and Conditions. The terms and conditions of these Standard Procurement Terms and Conditions may not be changed except by an amendment expressly referencing these Standard Procurement Terms and Conditions by section title and signed by an authorized representative of each party.
20. **Survival.** These Standard Procurement Terms and Conditions shall survive the completion of or any termination of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2022-0062)

Attachment No. 3

CERTIFICATES OF INSURANCE

Certificate Date	Producer	Certificate Number	Certificate Holder	Type of Insurance	Policy Expiration
4/13/2022	Irvin-Dyal & Brown Insurance 3326 Aspen Grove Drive, Suite 100 Franklin, TN 37067	(not indicated)	City of Franklin 109 3rd Ave. South Franklin, TN 37064	Commercial General Liability	8/1/2022
				Automobile Liability	4/24/2023
				Workers Compensation and Employers' Liability	8/1/2022
4/8/2022	Irvin-Dyal & Brown Insurance 3326 Aspen Grove Drive, Suite 100 Franklin, TN 37067	(not indicated)	City of Franklin 109 3rd Ave. South Franklin, TN 37064	Builders Risk	4/8/2023



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/13/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Irvin-Dyal & Brown Insurance 3326 Aspen Grove Drive, Suite 100 Franklin, TN 37067	CONTACT NAME: Sherry Jones PHONE (A/C, No, Ext): (615) 791-5555 x24 FAX (A/C, No): (615) 791-1338 E-MAIL ADDRESS: Sherry@irvininsurance.com												
INSURER(S) AFFORDING COVERAGE													
INSURED Phase 1 Construction, LLC 6616 Brandy Dr. Centerville, TN 37033	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">INSURER A: Auto-Owners Insurance Company</td> <td style="width: 20%;">NAIC # 18988</td> </tr> <tr> <td>INSURER B: Hartford Underwriters Ins Co. C/O Travelers Indemnity</td> <td>A0886</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER A: Auto-Owners Insurance Company	NAIC # 18988	INSURER B: Hartford Underwriters Ins Co. C/O Travelers Indemnity	A0886	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:													
INSURER D:													
INSURER E:													
INSURER F:													

COVERAGES
CERTIFICATE NUMBER:
REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:	X	X	03406545	08/01/2021	08/01/2022	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td style="text-align: right;">\$ 300,000</td></tr> <tr><td>MED EXP (Any one person)</td><td style="text-align: right;">\$ 10,000</td></tr> <tr><td>PERSONAL & ADV INJURY</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>GENERAL AGGREGATE</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>PRODUCTS - COMP/OP AGG</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> </table>	EACH OCCURRENCE	\$ 2,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000	MED EXP (Any one person)	\$ 10,000	PERSONAL & ADV INJURY	\$ 2,000,000	GENERAL AGGREGATE	\$ 2,000,000	PRODUCTS - COMP/OP AGG	\$ 2,000,000		\$
EACH OCCURRENCE	\$ 2,000,000																				
DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000																				
MED EXP (Any one person)	\$ 10,000																				
PERSONAL & ADV INJURY	\$ 2,000,000																				
GENERAL AGGREGATE	\$ 2,000,000																				
PRODUCTS - COMP/OP AGG	\$ 2,000,000																				
	\$																				
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY	X	X	5240654500	04/24/2022	04/24/2023	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>BODILY INJURY (Per person)</td><td style="text-align: right;">\$</td></tr> <tr><td>BODILY INJURY (Per accident)</td><td style="text-align: right;">\$</td></tr> <tr><td>PROPERTY DAMAGE (Per accident)</td><td style="text-align: right;">\$</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> </table>	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$		\$				
COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000																				
BODILY INJURY (Per person)	\$																				
BODILY INJURY (Per accident)	\$																				
PROPERTY DAMAGE (Per accident)	\$																				
	\$																				
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$ ☐						<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td style="text-align: right;">\$</td></tr> <tr><td>AGGREGATE</td><td style="text-align: right;">\$</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> </table>	EACH OCCURRENCE	\$	AGGREGATE	\$		\$								
EACH OCCURRENCE	\$																				
AGGREGATE	\$																				
	\$																				
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		X	6S60UB-4N47340-A-21	08/01/2021	08/01/2022	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>☒ PER STATUTE</td> <td>☐ OTH-ER</td> <td></td> </tr> <tr><td>E.L. EACH ACCIDENT</td><td></td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td></td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td></td><td style="text-align: right;">\$ 1,000,000</td></tr> </table>	☒ PER STATUTE	☐ OTH-ER		E.L. EACH ACCIDENT		\$ 1,000,000	E.L. DISEASE - EA EMPLOYEE		\$ 1,000,000	E.L. DISEASE - POLICY LIMIT		\$ 1,000,000		
☒ PER STATUTE	☐ OTH-ER																				
E.L. EACH ACCIDENT		\$ 1,000,000																			
E.L. DISEASE - EA EMPLOYEE		\$ 1,000,000																			
E.L. DISEASE - POLICY LIMIT		\$ 1,000,000																			

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

Certificate holder is added as additional insured and includes both Premises/Operations and ProductS/Completed Operations on the general liability listed above. Additional Insured on the auto policy listed above. Waiver of subrogation is endorsed to all policies listed above.

CERTIFICATE HOLDER
CANCELLATION

City of Franklin 109 3rd Ave. South Franklin, TN 37064	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Sharon Jones
--	--

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Agency Code 19-0032-00

Policy Number 03406545

COMMERCIAL GENERAL LIABILITY
CG 20 37 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
City of Franklin	Tennessee
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not

be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

CG 20 37 04 13

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Page 1 of 1

Agency Code 19-0032-00

Policy Number 03406545

**COMMERCIAL GENERAL LIABILITY
CG 20 10 04 13****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR
CONTRACTORS - SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
City of Franklin	Tennessee
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

- A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
1. Your acts or omissions; or
 2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the

CG 20 10 04 13

© Insurance Services Office, Inc., 2012

Page 1 of 2

Agency Code 19-0032-00

Policy Number 024619 03034622

insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its

intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- C. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

CG 20 10 04 13

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Page 2 of 2

Agency Code 15-0032-00

Policy Number 03406545

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

City of Franklin

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. Transfer Of
Rights Of Recovery Against Others To Us of Section
IV – Conditions:

We waive any right of recovery we may have against the
person or organization shown in the Schedule above be-
cause of payments we make for injury or damage arising
out of your ongoing operations or "your work" done
under a contract with that person or organization and
included in the "products-completed operations hazard".
This waiver applies only to the person or organization
shown in the Schedule above.

Policy Number 03406545

**COMMERCIAL GENERAL LIABILITY
CG 20 01 04 13**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIMARY AND NONCONTRIBUTORY –
OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**

The following is added to the **Other Insurance Condition** and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

(1) The additional insured is a Named Insured under such other insurance; and

(2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

58504 (1-15)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE - BLANKET COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO POLICY

SECTION II - COVERED AUTOS LIABILITY COVERAGE is amended. The following provision is added. Any person or organization is an insured for Covered Autos Liability Coverage, but only to the extent that

person or organization qualifies as an insured under **SECTION II - COVERED AUTOS LIABILITY COVERAGE, A. COVERAGE, 1. Who Is An Insured.**

All other policy terms and conditions apply.

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Page 1 of 1

58583 (1-15)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER PAYMENTS (WAIVER OF SUBROGATION) - BLANKET

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO POLICY

SECTION V CONDITIONS, A. LOSS CONDITIONS is amended. **5. Our Right to Recover Payments** is deleted and replaced by the following condition.

5. Our Right to Recover Payments

If we make a payment under this policy and the person to or for whom payment is made has a right to recover damages from another, we will be entitled to that right. That person shall do everything necessary to transfer that right to us and do nothing to prejudice it.

However, we waive our right to recover payments made for **bodily injury or property damage**:

- a. Covered by the policy; and
- b. Arising out of the operation of autos covered by the policy, in accordance with the terms and conditions of a written contract between you and such person or entity

only if such rights have been waived by the written contract prior to the accident or loss which caused the **bodily injury or property damage**.

All other policy terms and conditions apply.

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Page 1 of 1



**WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY**

ENDORSEMENT WC 00 03 13 (00) - 01

POLICY NUMBER: (6S60UB-4N47340-A-21)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

SCHEDULE

DESIGNATED PERSON:

DESIGNATED ORGANIZATION:

CITY OF FRANKLIN

DATE OF ISSUE: 04-11-22

ST ASSIGN: TN



EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
04.08.2022

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Irvin-Dyal & Brown Insurance 3326 Aspen Grove Dr. Suite 100 Franklin TN 37067		PHONE (A/C, No, Ext): 615-791-5555		COMPANY Owners Insurance	
FAX (A/C, No):		E-MAIL ADDRESS: sherry@irvininsurance.com			
CODE: 19-0032-00		SUB CODE:			
AGENCY CUSTOMER ID #: PH190710163440204					
INSURED Phase 1 Construction, LLC 6616 Brandy Dr. Centerville, TN 37033		LOAN NUMBER		POLICY NUMBER 03510203	
		EFFECTIVE DATE 04.08.2022		EXPIRATION DATE 04.08.2023	
				☐ CONTINUED UNTIL TERMINATED IF CHECKED	
THIS REPLACES PRIOR EVIDENCE DATED:					

PROPERTY INFORMATION

LOCATION/DESCRIPTION

- 1 Eastern Flank Battlefield Park
1368 Eastern Flank Circle
Franklin TN 37064

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

PERILS INSURED ☐ BASIC ☐ BROAD ☒ SPECIAL ☐

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Builders Risk / Rehabilitation and Renovations	\$403,945.	\$1,000

REMARKS (Including Special Conditions)

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CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS City of Franklin 109 3rd Ave. South Franklin, TN 37064	☐ ADDITIONAL INSURED	☐ LENDER'S LOSS PAYABLE	☐ LOSS PAYEE
	☐ MORTGAGEE	☒ Certificate Holder	
	LOAN #		
	AUTHORIZED REPRESENTATIVE 		

**CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT**

(City of Franklin Contract No. 2022-0062)

Attachment No. 4

INDEMNIFICATION AGREEMENT

Indemnification Agreement
a form required of Bidders and Proposers on purchases of services for the
City of Franklin, Tennessee

State of Tennessee)
County of Williamson) SS

On behalf of Bidder/Proposer, Stephen Brett McCord agrees that:
(printed name of person signing Agreement)

1. He or she is the Managing Member of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Phase1 Construction, LLC
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. The Bidder or Proposer agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which this Agreement applies, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin; and
4. This Agreement is made on personal knowledge.

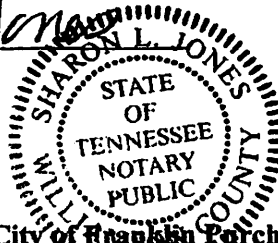
Stephen Brett McCord
(signature of person whose printed name appears above)

MANAGING MEMBER
(title of person whose printed name appears above)

Sworn and subscribed to before me this 17th day of March, 2022

Sharon L. Jones
(Notary Public)

My Commission Expires: 05.22.23



(Submitted in response to City of Franklin Purchasing Office Solicitation No. 2022 - 017)
Form revised 12/12/2016



HISTORIC
FRANKLIN
TENNESSEE

Procurement Requisition

Form No. 2

Request for authorization to execute a City of Franklin purchase (other than for design or construction of new infrastructure and facilities), the total value of which is equal to or more than \$20,000 but less than \$50,000

Requisition no. / Requisition date / Requisitioning department:	2582 / 8/9/2022 / Parks (requisition number) (requisition date) (requisitioning department)
Item description (summary) of product and/or service to be purchased:	roofing improvements at EFBP event facility and external restroom
Item quantity (if applicable) / Unit of measure (if applicable) / Project no. (if applicable):	1 / lot / 2021-016 (item quantity) (unit of measure) (project number, if applicable)
If this purchase would include a service, would it be a one-time service or for a term of service? If for a term of service, for what term of service?	☐ No service. ☒ One-time service. ☐ Term of service: _____
What is the preferred location for delivery of the product &/or service (if applicable)?	☐ Not applicable. ☒ As follows: Eastern Flank Battlefield Park event facility & external restroom
Basis for pricing:	☒ Competitive quotes from at least three (3) suppliers / service providers / contractors (see provided). ☐ Pricing established by previous competitive process conducted by <u>City of Franklin</u> (see documentation provided). ☐ Pricing established by <u>Tennessee statewide contract</u> or <u>United States General Services Administration (GSA)</u> and authorized for use by the City (see documentation provided). ☐ Pricing established by competitive process of <u>another Tennessee local government</u> (per T.C.A. § 12-3-1203(c)) (see documentation provided). ☐ Pricing established by competitive process of a <u>cooperative purchasing arrangement</u> recognized by the City per T.C.A. § 12-3-1205(b) (see documentation provided). ☐ Not possible to obtain competitive quotes from at least three (3) suppliers / service providers / contractors (see explanation provided; do not use this option if one of the options above may be used); see competitive quotes from <u>two (2)</u> suppliers / service providers / contractors provided. ☐ Not possible to obtain competitive quotes from at least three (3) suppliers / service providers / contractors (see explanation provided; do not use this option if one of the options above may be used); see competitive quote from <u>one (1)</u> supplier / service provider / contractor provided. ☐ Emergency purchase (circumstances impinging on public health, safety or welfare; see explanation provided; do not use this option if one of the options above may be used). ☐ Purchase is of "secondhand" (used or demonstrator) goods, equipment, materials, supplies, or commodities from <u>any federal, state, or local governmental unit or agency</u> , per T.C.A. § 12-3-1202(a) (see details provided, including name of seller and detailed description of item). ☐ Purchase is of products and/or services provided by the State of Tennessee, another unit of local government, or a public utility or utility district.
Does or should this purchase involve a City contract?	☒ Yes, City contract number <u>2022-0062</u> ☐ Yes, a City purchase order is to be issued for this purchase upon approval of this requisition. ☐ No, no City contract pertains to this purchase.
Does or should a Certificate of Insurance pertain to this purchase?	☒ Yes, a Certificate of Insurance, provided to Purchasing and approved by Risk Management, either already has been obtained or is to be obtained before delivery commences. ☐ No, no certificate of insurance pertains to this purchase.
Do both the requisitioning department and the recommended supplier / service provider / contractor anticipate that this purchase, or, if applicable, some separately invoiced portion of the purchase, would be received by the City by June 30 of the current City fiscal year?	☒ Yes, this purchase or some separately invoiced portion thereof would be received by the City by June 30 of the current City fiscal year. ☐ No, none of this purchase would be received by the City until on or about _____.
Does the City's approved budget currently provide sufficient funding for this purchase or, if applicable, for the portion of the term of service to be allocated to the current City fiscal year?	☒ Yes, the City's approved budget currently provides sufficient funding for this purchase or portion thereof. ☐ No, none of this purchase would be allocated to the current City fiscal year. The requisitioning department would therefore include sufficient funding for this purchase in its budget request for fiscal year(s) _____.

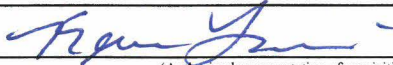


HISTORIC
FRANKLIN
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Procurement Requisition

Form No. 2

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Requisition no. / Requisition date / Requisitioning department:	2582 / 8/9/2022 / Parks (requisition number) (requisition date) (requisitioning department)			
Item description (summary) of product and/or service to be purchased:	roofing improvements at EFBP event facility and external restroom			
Recommended supplier / service provider / contractor:	Phase1 Construction, LLC			
Total value of purchase / Date of pricing:	\$ 46,340.91 / 7/26/2022			
Budget amount / General ledger account no.:	\$ 250,000 / 150 - 82660 - 44700 (budget amount) (fund) (function) (department)			
If purchase is also budgeted in a second account, then budget amount / General ledger account no.:	\$ / - - (budget amount) (fund) (function) (department)			
Allocation amount / General ledger account no.:	\$ 46,340.91 / 150 - 82660 - 44700 (allocation amount) (fund) (function) (department)			
If purchase is to be allocated to a second account, then allocation amt / General ledger account no.:	\$ / - - (allocation amount) (fund) (function) (department)			
Would this purchase be funded, in whole or in part, by a federal award?	☐ Yes, this purchase would be funded, in whole or in part, by a federal award, and the requisitioning department has notified City Finance (see documentation provided). ☒ No, none of this purchase would be funded by a federal award.			
Is this requisition for purchase of technology (software or hardware)?	☐ Yes, this requisition is for purchase of technology, and the requisitioning department has consulted with City IT (see documentation provided). ☒ No, this requisition is not for purchase of technology.			
Is this requisition for purchase of a vehicle or equipment to be maintained by City Fleet?	☐ Yes, this requisition is for purchase of a vehicle or equipment to be maintained by City Fleet, and the requisitioning department has consulted with City Fleet (see documentation provided). ☒ No, this requisition is not for purchase of a vehicle or equipment to be maintained by City Fleet.			
Purpose of recommended purchase: (Why is this purchase being recommended? What City program or service would benefit from the purchase? If this requisition is for purchase of a product, would this purchase enlarge the City's fleet or inventory of such items, or would it be replacing any that are scheduled to be taken out of service? If replacing, which one is / ones are to be replaced? How would the new item(s) be used? If this requisition is for purchase of a service, what would be accomplished?)	Addendum No. 1 to City contract no. 2022-0062 necessary due to roof conditions discovered after work on siding and other improvements had commenced			
Intended method of payment ¹ :	☐ Invoice to be paid by City purchasing card ^{2 3} issued to _____. ☒ Invoice to be paid by Accounts Payable ^{4 5} .			
Requested:	 _____ / 8-9-22 (Authorized representative of requisitioning department) (Date)			
Approved:	Brian W. Wilcox / 8/9/2022 _____ (Procurement Officer IV, City Purchasing Manager, Assistant City Administrator or City Administrator) (Date)			

¹ The City's preferred method of payment is by City purchasing card (Pinnacle / MasterCard credit card) or, if the vendor declines to accept payment by MasterCard credit card without surcharge, then by direct deposit – such as "ACH" or "Electronic Funds Transfer."

² Please ask the Purchasing Office to adjust the single-transaction limit and, if necessary, the monthly credit limit on the identified City purchasing card.

³ Please ask the vendor to address invoices to be paid by purchasing card to the requisitioning department at P.O. Box 305, Franklin, TN 37065-0305.

⁴ If the vendor has not done business with the City within the last two (2) years, please ask the vendor to complete the City's Vendor Information Form and IRS Form W-9 (both forms available at Inside the City > Finance > Shared Documents > Finance (Payroll and AP) > Accounts Payable) and to return them to the Purchasing Office.

⁵ Please ask the vendor to address invoices other than those to be paid by purchasing card to: City of Franklin Accounts Payable, P.O. Box 295, Franklin, TN 37065-0295.

Eric L. Collier

Estimator – Vice President



1523 Jones Avenue
Nashville, TN 37207

P: 615-226-2844

F: 615-226-2878

E: eric@collierroofing.com

www.collierroofing.com



From: Eric Collier
Sent: Thursday, July 7, 2022 12:45 PM
To: Stephen B. McCord
Subject: RE: Repair Roofing & Water Damaged Plywood Around Dormers (five dormers total)

Brett,

Upon our onsite visual inspection, we noticed several defects in the installation of the previously installed roof system. We noticed that there is no Ice & Water shield at the roof to wall transitions at the dormers. The drip edge was installed after the roof was in place. Which is improper installation. There are multiple areas of stained fascia, that means that water is getting under the shingles and underlayment which could cause issues after the remodel is completed. The roof appears to be at the end of its life cycle and is showing granule loss from the elements. If we repair the areas around the dormers, it will be noticeably visible that this is a patch, but we will do everything within our ability to make it blend in as much as possible. In my professional opinion, this would be the perfect time to think about a total roof replacement to ensure that the roof system will provide the longevity that is with the remodel. Please let me know if you would like for us to provide a proposal for total roof replacement.

Below you will find our proposal to repair roofing & water damaged plywood around the dormers, 2 rear & 3 dormers, (five total):

Tear out the existing shingles.
Tear out existing step & counter-flashing.
Inspect the plywood for moisture damage & rot.
*We included two (2) pieces of plywood per dormer in the proposal price.
Fabricate & install new step & counter-flashing.
Install new plywood in place of the damaged plywood.
Install one (1) layer of new synthetic underlayment.
Install one (1) layer of Ice & Water Shield at roof to wall transition of the dormer.
Install new sheet metal flashings.
Install new shingles.
*Shingle colors will closely match, but will be visibly different colors.

TOTAL PROPOSAL PRICE: \$7,865.00
(SEVEN THOUSAND EIGHT HUNDRED SIXTY FIVE DOLLARS)
PROPOSAL PRICE IS VALID FOR 30 DAYS.

Please let me know if you have any questions.

Thanks!

From: Eric Collier
Sent: Monday, July 18, 2022 4:33 PM
To: Stephen B. McCord
Subject: RE: Roof Replacement Proposal

Brett,

Sorry for not sending last time. Below is our roof replacement proposal for 1368 Eastern Flank Circle, Franklin, TN:

1. **Tear off existing shingle roof system down to the plywood decking.**
2. **Inspect decking for damaged areas from rot, moisture, or deterioration.**
3. **Replace any necessary plywood decking for a cost of \$3.00 per sq/ft.**
4. **Install one (1) layer of synthetic underlayment over entire roof area.**
5. **Install one (1) layer of ice & water shield at all gutter edges.**
6. **Install one (1) layer of ice & water shield at all valleys, roof to wall transitions, and roof penetrations.**
7. **Install the new CertainTeed Landmark Shingle Roof System per manufacturer specifications.**
8. **Properly flash all roof penetrations.**
9. **Clean up and remove any leftover roofing related debris.**

TOTAL PROPOSAL PRICE: \$56,550.00
(FIFTY SIX THOUSAND FIVE HUNDRED FIFTY DOLLARS)
Total Proposal Price is Valid for 30 Days.

Please let me know if you have any questions or if you would like for us to schedule this work.

Thanks!

Eric L. Collier

Estimator – Vice President

Form for Cost Itemization

Materials, Equipment, and Labor itemized below will provide by:		Phase1 Construction, LLC	
Job Name:	Eastern Flank Battlefeild	Date Itemized:	7/6/82022
Project Number:	2021-01	CCR Number:	1

DESCRIPTION	Material				Subcontractor				Labor					
	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION		
Roofing- Demo and Replacemnet					1	Lump Sum	\$56,550.00	\$56,550.00						
Dumpsters					4	Each	\$850.00	\$3,400.00						
General Conditions					3	Days	\$375.00	\$1,125.00						
Material Subtotal				\$0.00	\$61,075.00				Labor Subtotal				\$0.00	
Sales Tax 9.25 %				\$0.00					15% Labor Burden				\$0.00	
Material Costs				\$0.00	Subcontractor				\$61,075.00	Labor Costs				\$0.00
Including Sales Tax Total					Total				\$61,075.00	Including Mark-Up Total				

	Material	\$0.00
	Equipment	\$61,075.00
	Labor	\$0.00
	M+E+L - Subtotal	\$61,075.00
	Overhead 10%	\$6,107.50
	Profit 5%	\$3,359.13
	Total	\$70,541.63



Five Points Roofing Company
 118 Beasley Drive ,
 Franklin, TN
 Phone: 615-794-4001
 Fax: 615-790-4230

07/13/2022
Claim Information
 Other

Company Representative
 Darcy Ireland
 Phone: (615) 762-7320
 darcy.ireland@5prc.com

Brett McCord
 1368 Eastern Flank Circle
 Franklin, TN 37064
 (615) 238-4872

Job: Brett McCord

Roof Replacement - Main Building

	Qty	Unit
Remove Existing Shingles & Felt Down to the Roof Deck	83.17	SQ
• Roof decking will be thoroughly inspected after removal of shingles. • Re-nail any loose wood. If bad or rotten decking is discovered it will be replaced @ \$100 per sheet.		
Install Synthetic Underlayment On Entire Roof Deck	83.17	SQ
Install Ice & Water Shield In All Valleys and Around Penetrations	350.00	SF
Install Ice & Water Shield On All Slopes Below 4/12	1180.00	SF
Install Certainteed SwiftStart Starter Row on Rakes and Eaves	654.00	LF
• Provides exceptional windlift resistance and protection from moisture intrusion.		
Install Painted Metal Drip Edge	654.00	LF
Install Certainteed Landmark Lifetime Shingles	95.65	SQ
• Install shingles per manufacturer's specifications using 1 1/4" roofing nails - 6 nails per shingle. • Step flashing replaced on an as-needed basis. Only excellent condition step flashing will be kept in place. • Step flashing nailed to walls under siding cannot be replaced without siding replacement.		
Install Dedicated Ridge Cap on all Hips and Ridges	174.00	LF
Install Continuous Ridge Vent	174.00	LF
Install New Pipe Flashing / Pipe Boots On All Existing Plumbing Vents	1.00	EA
Jobsite Supervision, Debris Removal, and Final Cleanup	1.00	EA
• A Five Points Project Manager will be assigned to your roof installation, and they will provide the following: • On-site Supervision from start to finish. • Clean up & haul off all job related debris. • Thorough photo documentation of all installation progress and techniques. • Sweep yard, driveway, and landscaping for nails with a heavy duty magnet. • Conduct final check-list for all job components which includes an attic inspection.		

Roof Replacement - Bathrooms

	Qty	Unit
Remove Existing Shingles & Felt Down to the Roof Deck	12.90	SQ
• Roof decking will be thoroughly inspected after removal of shingles. • Re-nail any loose wood. If bad or rotten decking is discovered it will be replaced @ \$100 per sheet.		
Install Synthetic Underlayment On Entire Roof Deck	12.90	SQ

Install Ice & Water Shield In All Valleys and Around Penetrations	20.00	SF
Install Certainteed SwiftStart Starter Row on Rakes and Eaves	150.00	LF
• Provides exceptional windlift resistance and protection from moisture intrusion.		
Install Painted Metal Drip Edge	150.00	LF
Install Certainteed Landmark Lifetime Shingles	14.84	SQ
• Install shingles per manufacturer's specifications using 1 1/4" roofing nails - 6 nails per shingle.		
• Step flashing replaced on an as-needed basis. Only excellent condition step flashing will be kept in place.		
• Step flashing nailed to walls under siding cannot be replaced without siding replacement.		
Install Dedicated Ridge Cap on all Hips and Ridges	47.00	LF
Install Continuous Ridge Vent	40.00	LF
Install New Pipe Flashing / Pipe Boots On All Existing Plumbing Vents	1.00	EA
Jobsite Supervision, Debris Removal, and Final Cleanup	1.00	EA
• A Five Points Project Manager will be assigned to your roof installation, and they will provide the following:		
• On-site Supervision from start to finish.		
• Clean up & haul off all job related debris.		
• Thorough photo documentation of all installation progress and techniques.		
• Sweep yard, driveway, and landscaping for nails with a heavy duty magnet.		
• Conduct final check-list for all job components which includes an attic inspection.		

TOTAL	\$50,750.00
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**** RECEIVED A LOWER PRICE??? We price match most comparable written quotes from local contractors! ****

Please note: Five Points Roofing is a TN licensed general contractor and provides a LIFETIME workmanship guarantee.

IMPORTANT INFORMATION FOR ROOF REPLACEMENTS - PLEASE READ:

Unforeseen Damage: This scope of work is for all labor, materials, and equipment necessary to perform the repairs, as detailed in this estimate. If additional, unforeseen damage is found during demolition, homeowner and/or adjuster will be notified and a supplement will be prepared.

Shingle Price Volatility: Due to manufacturer shingle shortages across the country, there is significant price volatility of shingle materials. This estimate is good for 10 days or until vendor price increase, whichever comes first.

Delaminated or Non-Nailable Decking: If found during install, non-nailable decking is required to be replaced at a rate of \$100.00 per sheet. We will document and photograph all un-nailable sheets of decking, as well as new installation photos and supply the pictures to you and your carrier for supplemental payment by your carrier.

Company Authorized Signature

Date

Customer Signature

Date

Customer Signature

Date

Form for Cost Itemization

Materials, Equipment, and Labor itemized below will provide by:		Phase1 Construction, LLC	
Job Name:	Eastern Flank Battlefeld	Date Itemized:	18-Jul-22
Project Number:	2022-03	CCR Number:	1

DESCRIPTION	Material				Subcontractor				Labor			
	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION
Roofing- Demo and Replacemnet					1	Lump Sum	\$50,750.00	\$50,750.00				
General Conditions					3	Days	\$375.00	\$1,125.00				
Dumpsters					4	Each	\$850.00	\$3,400.00				
Material Subtotal				\$0.00				\$55,275.00	Labor Subtotal			\$0.00
Sales Tax 9.25 %				\$0.00					15% Labor Burden			\$0.00
Material Costs				\$0.00	Subcontractor		\$55,275.00		Labor Costs			\$0.00
Including Sales Tax Total					Total		\$55,275.00		Including Mark-Up Total			

	Material	\$0.00
	Equipment	\$55,275.00
	Labor	\$0.00
	M+E+L - Subtotal	\$55,275.00
	Overhead 10%	\$5,527.50
	Profit 5%	\$3,040.13
	Total	\$63,842.63

PROPOSAL

Submitted To:
Phase 1 Construction
1368 Eastern Flank Cir
Franklin, TN 37064
615-238-4872 Brett



Marc Price
14919 Lebanon Road
Old Hickory, TN 37138
Cell (615) 440-9112
Phone (615) 553-2782
Fax (615) 553-2786
Email: marc@timleeperroofing.com
Website: www.timleeperroofing.com

ESTIMATE INCLUDES LABOR AND MATERIALS FOR A SHINGLE ROOF REPLACEMENT ON THE EVENT CENTER AND THE DETACHED BATHHOUSE AT THE ABOVE ADDRESS:

TIM LEEPER ROOFING SYSTEM

System includes:

1. Tear off one layer of existing roof system down to the roof deck. If additional layers are found during tear off, there will be an additional charge. (photographs will be provided of additional layers)
2. Replace any damaged or rotten sheathing with new 4x8 sheets of 7/16" OSB plywood at (\$85.00 per sheet) * 3 Sheets included with estimates*
3. Install 36" Ice & Water Shield at ALL valleys, penetrations and wall flashing
4. Install Owens Corning Pro Armor synthetic underlayment over remaining roof deck
5. Install Owens Corning Starter Strip shingles designed to seal shingles down at the roof edges and protect from wind uplift
6. Install shingles using ring shank roofing nails to avoid nails pops in the future (6 nail)
7. Install new lead pipe boot flashing at all plumbing vent pipes and secure with pole barn screws.
8. Cut siding 3 to 4 inches above the roof line in the flashing area
9. Install new aluminum step flashing at roof sidewall transitions (Color: _____)
10. Install new aluminum Apron flashing at roof wall transitions (Color: _____)
11. Install trim boards at step flashing areas to cover the flashing and paint to match
12. Flash existing HVAC and exhaust pipes
13. Install gutter apron drip edge on the roof eaves where gutters meet (Color: _____)
14. Install drip edge on the roof rake edges (Color: _____)
15. Install Owens Corning Pro Edge on all hips and ridges (ridge cap shingles designed for this application)
16. Remove existing power vent and patch the hole with wood decking to match existing (building owner will need to disconnect the electricity to the power vent)
17. Install new shingle over ridge vent with external baffles for improved ventilation
18. Provide onsite supervisor to oversee the installation
19. Clean up thoroughly and haul away all job debris
20. Dumpster, Disposal and Taxes included
21. Run a heavy-duty magnet over the yard, driveway and landscaping
22. Tim Leeper Roofing provides a 20 year workmanship warranty (transferable)

Roof with Owens Corning Duration Architectural shingles including Sure Nail Technology and a limited lifetime warranty
(color: _____ choice by Homeowner)

TOTAL: \$ 38,997,.00

_____ Accept _____ Decline

(please initial)

Total Investment: \$38,997.00

Note: Tim Leeper Roofing will request a 50% deposit on any job, which exceeds \$1,000.00. Insurance jobs have different conditions. Ask estimator for details. The balance of the contract will be due upon total job completion.

Customer Signature: _____ Date: _____

***I hereby authorize Tim Leeper Roofing to proceed with the work as specified above for which the undersigned agrees to pay the amount mentioned in said proposal according to the terms and conditions thereof. A 1.5% service charge per month will be assessed to all past due invoices. For insurance claims 1.5% service charge starting 30 days upon the release of the Depreciation Check. I have read and accept the terms and conditions on the above page of this agreement. Upon default of payment, all cost of collection, court cost and reasonable attorney fees for collection of the Agreement will be added to Agreement price (final invoice amount).**



Customer: Phase 1 Construction

Date: 7/22/22

Address: 1368 Eastern Flank Cir
Franklin, TN 37064

Rep: Marc Price

Phone: 615-440-9112

Phone: 615-238-4872 Brett

Tim Leeper Roofing Repair Pricing Guide

- Minimum Service Charge: \$350	\$	
- Shingle Replacement Up To One Bundle: \$350 (\$200 Each Extra Bundle)	\$	
- Plumbing Pipe Boot Replacement: \$350 (\$125 Each Additional) *Add \$25 For Lead	\$	
- Valley Replacement: \$50 Per LF (3-Tab) - \$60 Per LF (Architectural) **	\$	
- Skylights: Reflash Only \$400 - Replace \$850 Plus Cost Of Skylight	\$	
- Reflash HVAC Pipes: \$350 (\$175 Each Additional)	\$	
- Replace Step Flashing: \$50 Per LF **	\$	4,450.00
- Replace Apron Flashing: \$35 Per LF **	\$	820.00
- Replace Counter Flashing: \$60 Per LF **	\$	
- Replace Counter Flashing & Step Flashing: \$90 Per LF **	\$	
- Install New 1"x 4" Trim Boards (Boards Only) At Roof/Wall Transition: \$30 Per LF **	\$	2,290.00
- Install New Gutter Apron Or Drip Edge: \$35 Per LF **	\$	
- Install New Cricket: \$350 (Small) \$500 (Large) - Must Add Flashing LF	\$	
- Install New Ridge Vent: \$35 Per LF **	\$	
- Replace Box Vent: \$350 (\$150 Each Additional)	\$	
- Install New Solar Powered Attic Vent: \$1,675	\$	
- Install New Turbine Vent: \$525 (\$350 Each Additional)	\$	
- Replace Bad Decking During Repair: \$4.00 Per SqFt	\$	
- Install Self Adhered Modified Bitumen Over Low Slope: \$7.50 Per SqFt **	\$	
- Install EPDM Rubber Over Low Slope: \$12.50 Per SqFt (Price Varies By Details) **	\$	
- Specialty Repair: _____	\$	
- Add 25% If Roof Pitch Is Greater Than 9/12	\$	
- Workmanship Warranty One Year		
- All Shingle Roof Repairs Include Ice & Water Shield Protection		
- ** - Indicates Repair Items Which Require a 10' or 200 Sqft Minimum Repair Charge		
- Shingle Color: <u>Certainteed Landmark Weatherwood</u> New Shingles will not match existing shingles _____		

Notes: Replace the step and apron flashings on the five dormers. Install trim boards over the new flashing.

Authorization: _____ Date: _____ Total: \$ 7,560.00

I hereby authorize Tim Leeper Roofing to proceed with work as specified above for which the undersigned agrees to pay the amount mentioned in said proposal according to the terms and conditions thereof. **PAYMENT IS DUE UPON COMPLETION OF WORK.** A 1.5% service charge per month will be added to all past due invoices. I have read and accept the terms and conditions on reverse side of agreement. Upon default of payment due, all cost of collection, court costs, and reasonable attorney fees for collection of the Agreement will be added to the Agreement price (Final Invoice Amount)

Terms and Conditions

Tim Leeper Roofing Mission Statement

To serve our customers to the best of our ability to their complete satisfaction. Continually improve our business practices and personnel through ongoing education for skill and personal growth. To be a model of integrity and stellar customer service for our families and community. To ask of every decision we make does it square with what is right and just, does this support our overall mission?

Note to our Customers

All proposals are valid for 30 days, after which pricing must be revisited to reflect material increases. All contracts must be approved by management, after being submitted to the office by estimator. We ask for a deposit of 50%, because we typically pay our vendors and installers prior to receiving final payment. At Tim Leeper Roofing, we care about our customers and their home. We want our customers to know they made the right choice with us. **You may cancel this contract at any time before midnight on the third business day after you have received written notification from your insurer that all or part of the claim or contract is not a covered loss under your insurance policy.** This right to cancel is in addition to any other rights of cancellation which may be found in state or federal law or regulation.

Warranty Exclusions

Often times when water comes into the home, homeowners automatically will assume it is a roof system failure. In some cases it may be, however, studies have shown on average 70% of warranty calls were caused by factors outside the standard warranty issues. An example is a brick chimney, which is naturally porous, may absorb water through the brick itself, may have deteriorated mortar, or even weak points in the chimney cap, such as rust, all of which lead to water entry into the home. If you happen to face one of these challenges, we will be happy to assist you with a solution, but our warranty does not cover the leak, and there will be new charges for the service. We will repair valid warranty leaks at no charge, we will honor all warranty issues gladly because you are important to us. What we cannot warranty is any exterior material above the flashing and roof line. Some examples are brick, mortar, siding, stucco, EIFS, chimney caps, windows, etc. We have found that the only 100% guaranteed way to eliminate water intrusion with brick, stone, stucco, and EIFS is to utilize a through wall flashing. Through wall flashing requires that the masonry be removed and reinstalled. This is a costly process. To avoid this expense, we will often install an external counter flashing to prevent water intrusion in these areas. If water intrusion continues in this scenario, and we determine there is not a fault in the external counter flashing, we will provide pricing for the through wall flashing system and refer a masonry contractor to perform the necessary masonry work. This pricing will be at an additional cost to any prior contracted amount. We also cannot warranty Acts of God, such as, high winds, hail impacts, tornadoes, ice dams, fallen trees or tree limbs, etc. Our Workmanship Warranty only covers the repair that we completed. If we perform a repair, and a leak shows its self in the future in a different area, any work will be performed as part of a separate contract, at an additional charge.

Service Charges

Anytime we have a warranty call from our customers we want to get your problem solved as soon as possible. If you experience a leak you believe to be warranty related, we will pursue it as a warranty issue. If we find that it is not a workmanship leak or a manufacturer's defect, we will give you an estimate to repair the leak, or if it is a small item we may be able to repair for the \$70 service charge. If you decide not to repair the leak you will still be billed \$70 for the service call charge.

Form for Cost Itemization

Materials, Equipment, and Labor Itemized below will provide by:		Phase1 Construction, LLC	
Job Name:	Eastern Flank Battlefeild	Date Itemized:	26-Jul-22
Project Number:	2021-01	CCR Number:	1

DESCRIPTION	Material				Subcontractor				Labor			
	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION	QUAN	UNIT	COST	EXTENSION
Roofing- Demo and Replacemnet					1	Lump Sum	\$38,997.00	\$38,997.00				
General Conditions					3	Days	\$375.00	\$1,125.00				
Material Subtotal				\$0.00			\$40,122.00		Labor Subtotal			\$0.00
Sales Tax 9.25 %				\$0.00					15% Labor Burden			\$0.00
Material Costs				\$0.00	Subcontractor		\$40,122.00		Labor Costs			\$0.00
Including Sales Tax Total					Total		\$40,122.00		Including Mark-Up Total			

	Material	\$0.00
	Equipment	\$40,122.00
	Labor	\$0.00
	M+E+L - Subtotal	\$40,122.00
	Overhead 10%	\$4,012.20
	Profit 5%	\$2,206.71
	Total	\$46,340.91



File #: 21-03394

DATE: August 9, 2022
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Kristine Brock, Asst. City Administrator/CFO

SUBJECT:

Consideration Of Resolution 2022-51, A Resolution Declaring The Intent Of The City Of Franklin, Tennessee To Reimburse Itself In A Not To Exceed Amount Of \$26,150,000 For Certain Project Expenditures With The Proceeds Of General Obligation Bonds, Notes Or Other Debt Obligations To Be Issued By The City.
Finance 8/11/22, no vote

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2022-51, declaring the intent of the City to reimburse itself in an amount not to exceed \$26,150,000 for certain project expenditures with the proceeds of general obligation bonds, notes or other debt obligations to be issued by the City.

BACKGROUND/STAFF COMMENTS:

The Board of Mayor and Aldermen has established a ten year capital program for the City's general government projects. including road and parks construction. Additional capital funding needs are in the areas of replacement fire apparatus and major road resurfacing. Periodically, city staff recommend financing of capital projects through a general obligation bond issue to be repaid by property taxes levied by the Board of Mayor and Aldermen.

FINANCIAL IMPACT:

Staff proposes issuance of a general obligation bond in an amount not to exceed \$26,150,000, in the first half of calendar year 2023, to fund the projects and equipment listed below:

Roads and Park Development (Long Lane and Southeast Park Construction)- \$15,400,000
Major Road Resurfacing- \$6,300,000
Replacement of Fire Apparatus- \$4,450,000

Resolution 2022-51 allows for the City to reimburse itself for project expenses incurred between the date of resolution approval and closing of the bond issue. Staff anticipates finalizing the amount and timing of the bond issue at the start of calendar year 2023 and returning to the Board of Mayor and Aldermen for consideration of two additional resolutions that authorize the issuance of a Series 2023

General Obligation Bond and its repayment from property taxes.

In accordance with IRS rules for tax exempt municipal bonds, the City anticipates spending all of the Series 2023 proceeds no later than 3 years from the closing date.

On a preliminary basis, the Series 2023 GO Bond is estimated to be issued in March 2023. First interest and principal payments will occur in the City's FY 2024, with final maturity to occur in 2043 (20 year amortization). Average annual debt service (interest and principal) is approx \$1,730,125, with a true interest cost of 3.21% (subject to market conditions at time of issuance). Debt service for the Series 2023 Bonds is already planned in the financial model and will not require a change to the City's current property tax rate of \$0.3261 per \$100 of assessed value.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Resolution 2022-51.

RESOLUTION 2022-51

A RESOLUTION DECLARING THE INTENT OF THE CITY OF FRANKLIN, TENNESSEE TO REIMBURSE ITSELF IN A NOT TO EXCEED AMOUNT OF \$26,150,000 FOR CERTAIN PROJECT EXPENDITURES WITH THE PROCEEDS OF GENERAL OBLIGATION BONDS, NOTES OR OTHER DEBT OBLIGATIONS TO BE ISSUED BY THE CITY

WHEREAS, it is the intention of the Board of Mayor and Aldermen of the City of Franklin, Tennessee (the "City") to provide funds for the (i) acquisition, construction, improvement, repair, renovation, maintenance and/or equipping of (a) parks and recreational facilities, (b) streets, roads and bridges, including but not limited to sidewalks, signage, signalization, related facilities, lighting and drainage improvements, and (c) public safety equipment and vehicles, including but not limited to fire apparatus; (ii) acquisition of all property real or personal, appurtenant thereto, or connected with the foregoing; and (iii) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing; and

WHEREAS, it is the intention of the Board of Mayor and Aldermen of the City to pay all or a portion of the costs associated with the aforementioned projects by the sale of general obligation bonds or notes, in one or more emissions, or other debt obligations of the City; and

WHEREAS, it is anticipated that it will be necessary to make expenditures in payment of said project costs prior to the issuance of said bonds, notes or other debt obligations; and

WHEREAS, the Board of Mayor and Aldermen of the City wishes to state its intentions with respect to reimbursements for said expenditures, in a not to exceed amount of \$26,150,000, in accordance with the requirements of final regulations applicable thereto promulgated by the United States Department of the Treasury.

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

SECTION 1. It is reasonably expected that the City will reimburse itself for certain expenditures, in a not to exceed amount of \$26,150,000, made by the City in connection with the projects hereinabove described. The City further reasonably expects to reimburse all such expenditures from the proceeds of its general obligation bonds, notes or other debt obligations. The expenditures made prior to the issuance of said bonds, notes or other debt obligations are expected to be paid from the General Fund of the City, and reimbursement shall be made to the General Fund. Debt service on the bonds, notes or other debt obligations is expected to be paid from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the City.

SECTION 2. This resolution shall be placed in the minutes of the Board of Mayor and Aldermen and shall be made available for inspection by the general public at the office of the City Recorder.

SECTION 3. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

SECTION 4. All other resolutions and orders, or parts thereof in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed, and this resolution shall be in immediate effect from and after its adoption.

Adopted and approved this 13th day of September, 2022.

CITY OF FRANKLIN, TENNESSEE:

By: _____
Dr. Ken Moore
MAYOR

ATTEST:

Eric S. Stuckey
CITY ADMINISTRATOR

APPROVED AS TO FORM:

Shauna R. Billingsley
CITY ATTORNEY

STATE OF TENNESSEE)

COUNTY OF WILLIAMSON)

I, Eric S. Stuckey, hereby certify that I am the duly qualified and acting City Administrator of the City of Franklin, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of the governing body of the City held on September 13, 2022, that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the approval of a resolution declaring the intent of the City of Franklin to reimburse itself in an amount not to exceed \$26,150,000.

WITNESS my official signature and seal of said City this ____ day of _____, 2022.

City Administrator

33236396.1



HISTORIC
FRANKLIN
TENNESSEE

Overview to General Obligation Bonds and Issuance of Proposed Series 2023 Bonds

August 11, 2022

Description of Governmental Bonds

Governmental bonds are issued to finance public infrastructure and long lived assets of a state or local government. Some examples are:

- Roads, bridges, sidewalks, transportation,
- Sewer and water systems,
- Public school facilities,
- Public safety equipment,
- Parks and recreation facilities,
- Other governmental buildings.
- May be new construction or projects that expand capacity or extend the useful life of an existing asset.

Security for General Obligation Pledge for Governmental Bonds

- Principal and interest payments are secured by the full faith and credit and taxing powers of the government, which has the authority to levy and collect taxes.
- GO Bonds are not secured by a mortgage on any particular property. If the government defaults on its general obligation to repay principal and interest payments, the bondholders have the right to go to court to compel the issuing government to raise taxes sufficient to pay its debt service.
- States may further protect the pledge to bondholders by setting state level statutory requirements, for example local referendum requirements, state staff approval for issuance or requiring cities and counties to budget for annual general obligation debt service.

Statutory History of Tax Exemption for Governmental Bonds in the United States

- Revenue Act of 1913- First codified exemption of interest on municipal bonds from federal income tax.
- Tax Reform Act of 1986- Greatly reduced private activities that may be financed with tax-exempt bond proceeds. Established additional rules for the interest earned on bond proceeds. Reduced to one the number of times a local government could advance refund its bonds on a tax-exempt basis.
- Tax Reform Act of 2017- Eliminated tax-exempt advance refunding of bonds.
- Tax Exemption for Governmental Bonds is not protected by the U.S. Constitution.

Tax Exemption for Governmental Bonds

IRS classifications for tax treatment of interest payments

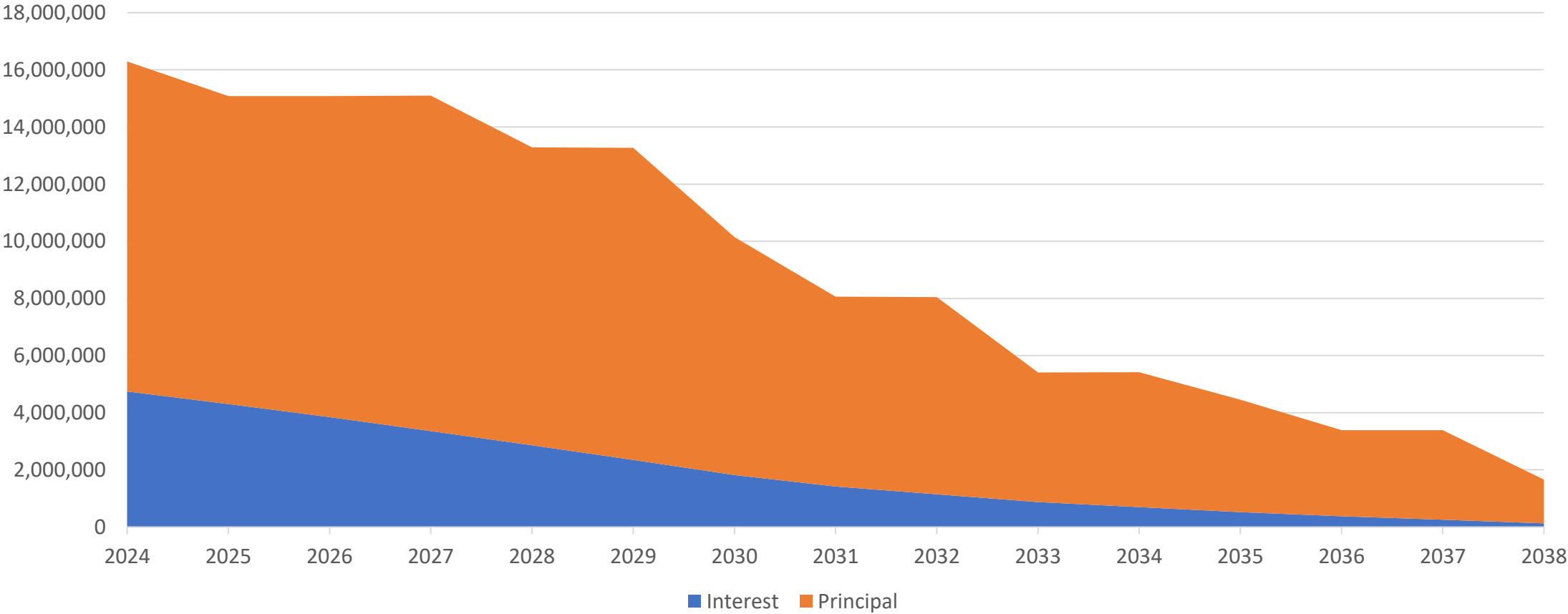
- Bond proceeds are used for public (governmental) uses- **Tax Exempt**
 - May be secured by the General Obligation pledge—a pledge of the full faith, credit and unlimited taxing power of the local government as to all taxable property in the local government (typically the most secure credit of a state or local government)
 - Alternatively, within the limits of state law, bonds of a local government or instrumentality may be secured by a pledge of or agreement to annually appropriate other taxes or revenues, such as water & sewer utility charges, sales taxes, tourism related taxes (rental car taxes, hotel/motel taxes), etc. (generally, a lower credit rating than a general obligation credit)
 - States may limit issuance of debt by its local governments for governmental purposes.
- Private activity bonds, which generally are obligations that benefit nongovernmental activities.- **Taxable**
 - Bonds are secured by an interest in property used for a private business use, payments in respect of such property and/or revenues derived from private business use. (a credit based on the financial viability of the project)
 - Federal limits on amounts of private activity bonds by issuer.
 - States may disallow or limit private activity issuance by its local governments. For example, the State of Tennessee Constitution (Article II Chapter 29) states that “the credit of no county or city shall be given or loaned to or in the aid of any person, company, association or corporation.....”

Certain Rules for Tax Exempt Bonds

- Uses of bond proceeds (most commonly, projects or refinancing of outstanding debt) must meet tax exempt requirements of the IRS as provided by written opinion of the City's bond counsel.
- The issuer (City) agrees to provide ongoing continuing disclosure of annual financial reporting and to disclose material events within 10 business days. (SEC Rule 15c2-12)
- Bond proceeds must be spent in a timely manner. Typically, bond proceeds issued for new projects should be spent within 3 years of the date of issuance.

Outstanding General Obligation Debt Service

City of Franklin as of June 30, 2022



Principal outstanding on 6/30/2022 of \$121.5 million. Principal and interest due in FY 2023 is \$15.7 million. Maximum annual debt service is \$16.2 million in FY 2024. Final maturity occurs in FY 2039 with the last principal maturity of the Series 2019A General Obligation Bonds.

Use of Proceeds for Series 2017 and 2019A General Obligation Bonds

	Series 2017	Series 2019A
Fire Apparatus	\$1,211,952	\$2,264,607
Police Vehicles	\$0	\$1,965,067
Public Safety Communications System	\$4,538,918	\$0
Sanitation Facility Improvements	\$1,500,000	\$1,916,306
Major Road Resurfacing	\$4,251,309	\$4,300,338
Roads, Bridges & Sidewalk Projects	<u>\$15,424,979</u>	<u>\$24,603,586</u>
Total Proceeds for Capital Projects	\$26,927,158	\$35,049,904

Debt service related to the Sanitation Facility is paid from net revenues of the City's Sanitation Fund.

Largest road project in the Series 2017 Bond was Hillsboro Road Phase 2 and for Series 2019 Bond are Franklin Road Improvements and Southeast Park Access Bridge.

Proposed Uses of Proceeds for Series 2023 General Obligation Bonds

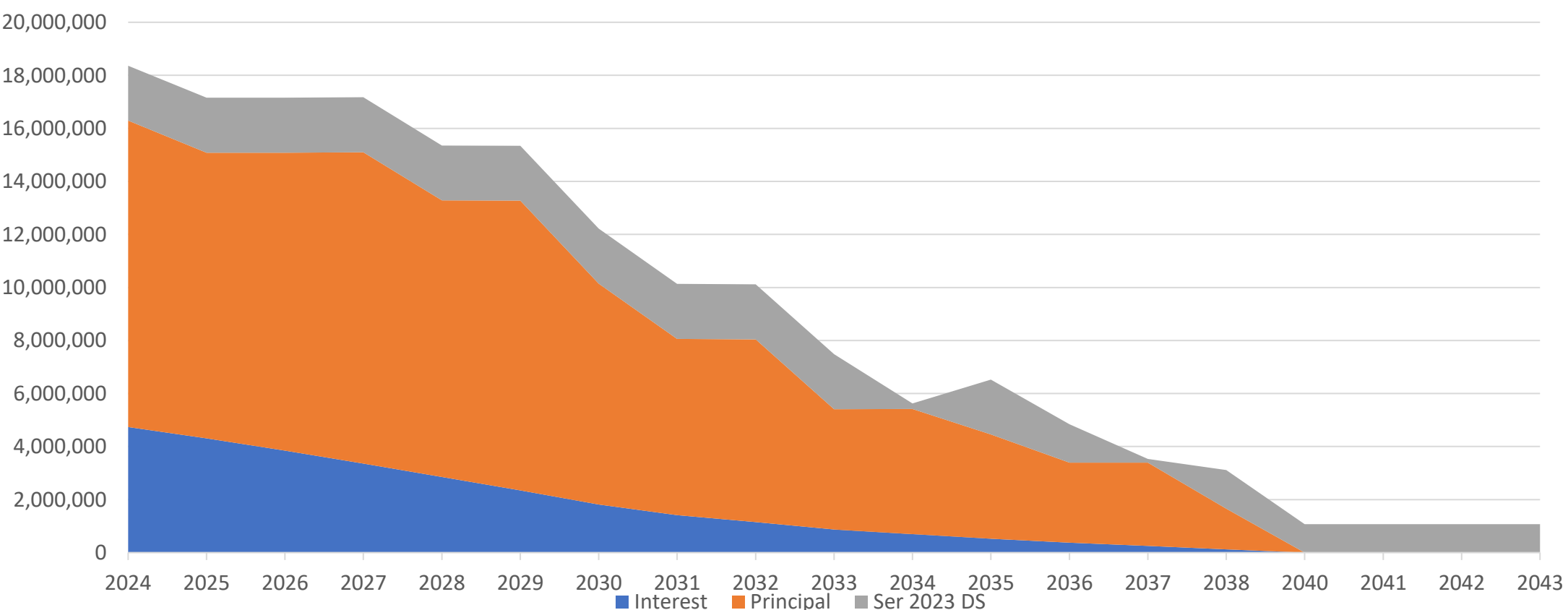
	Series 2023
Fire Apparatus- 4 replacement units	\$4,450,000
Major Road Resurfacing	\$6,300,000
Road & New Park Projects (Long Lane & Southeast Park)	<u>\$15,400,000</u>
Total Proceeds for Capital Projects	\$26,150,000

Fire Apparatus- 1 unit was ordered in 2021 with anticipated delivery in mid 2023. 3 additional units are budgeted in FY 2023 and to be ordered in August 2022, with a delivery period of 12-24 months.

Major Road Resurfacing- \$6.3 million program to be implemented over a 3 year period.

Largest single project is construction of Southeast Park, which is anticipated for bid at the end of CY 2022.

Estimated General Obligation Debt as of June 30, 2023, after Issuance of Series 2023 Bonds



Est. principal outstanding on 6/30/2023 is \$137.2 million. Maximum annual debt service is \$18.4 million in FY 2024, which is also first interest & principal payments for the Series 2023 Bonds. Final maturity occurs in FY 2043 with the last principal maturity of the Series 2023 General Obligation Bonds. Average annual debt service of the new bond is approx. \$1.7 million.

Next Steps

- 9/13/2022- BOMA Consideration of Resolution 2022-51, an Intent of the City to Reimburse Itself with General Obligation Bond Proceeds.
- Early calendar year 2023
 - Finalize Projects Amounts and Expenditure Timing.
 - BOMA Consideration of Two Resolutions.
 - Initial Resolution Authorizing the Issuance of General Obligation Bonds.
 - Bond Resolution Authorizing the Issuance of Bonds, Establishing the Terms of Sale, and Providing for the Levy of Taxes.

Competitive Sale and Closing of Series 2023 Bonds in Spring 2023.



2022 GO BOND - PAVEMENT RESURFACING FUNDING REQUEST

Major Thoroughfare Prioritized Projects List	Sq. Yds.	ADA Ramps	2019 Mill/Pave (SY)	2023 Mill/Pave (SY)	Curb Unit Cost	Mill & Pave Cost	Anticipated M/P Cost	Curb Upgrade Cost	Signal Upgrades	Fiber Relocation	Total Cost	Cycle	Accumulated Total
Liberty Pike from Franklin Rd. to Mack Hatcher	27,570	28	\$15.00	\$22.50	\$5,300.00	\$413,550.00	\$620,325.00	\$148,400.00	\$1,000.00	not in use	\$562,950.00	12 years	\$562,950.00
Cool Springs Blvd. from Mallory Ln. to Mack Hatcher	57,000	22	\$15.00	\$22.50	\$5,300.00	\$855,000.00	\$1,282,500.00	\$116,600.00	\$300,000.00	\$0.00	\$1,271,600.00	12 years	\$1,834,550.00
Carothers Pkwy. from Hwy 96E to Cool Sprgs. Blvd.	100,030	22	\$15.00	\$22.50	\$6,750.00	\$1,500,450.00	\$2,250,675.00	\$148,500.00	\$310,000.00	In Conduit	\$2,709,175.00	12 years	\$4,543,725.00
Seaboard Lane from Apen Grove Dr. to City Limits	27,720	0	\$15.00	\$22.50	\$6,750.00	\$415,800.00	\$623,700.00	\$0.00	\$50,000.00	\$0.00	\$673,700.00	12 years	\$5,217,425.00
Aspen Grove Dr. from Jordon Rd. to Seaboard Ln.	14,930	10	\$15.00	\$22.50	\$6,750.00	\$223,950.00	\$335,925.00	\$67,500.00	\$0.00	\$0.00	\$403,425.00	12 years	\$5,620,850.00
Galleria Blvd. from Moores Ln. to Cool Sprgs. Mall	12,410	10	\$15.00	\$22.50	\$6,750.00	\$186,150.00	\$279,225.00	\$67,500.00	\$120,000.00	In Conduit	\$466,725.00	12 years	\$6,087,575.00
Bakers Bridge from Galleria Blvd. to Mallory Lane	4,010	10	\$15.00	\$22.50	\$6,750.00	\$60,150.00	\$90,225.00	\$67,500.00	\$0.00	In Conduit	\$157,725.00	12 years	\$6,245,300.00
Mallory Station Rd. from Mallory Ln. to Franklin Rd.	31,850	0	\$15.00	\$22.50	\$6,750.00	\$477,750.00	\$716,625.00	\$0.00	\$90,000.00	\$110,000.00	\$916,625.00	12 years	
TOTAL:	243,670										\$6,245,300.00		

Spring 2023 - Current Costs
July 2024-October 2025 Anticipated Costs



File #: 21-03437

DATE: August 11, 2022
TO: Board of Mayor and Aldermen
FROM: Emily Wright, Planning Director
Kelly Dannenfelser, Asst. Director of Planning

SUBJECT:

Presentation On The Franklin Zoning Ordinance Annual Update
FMPC BOMA Joint Meeting 7/28/22

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the annual Zoning Ordinance update.

BACKGROUND/STAFF COMMENTS:

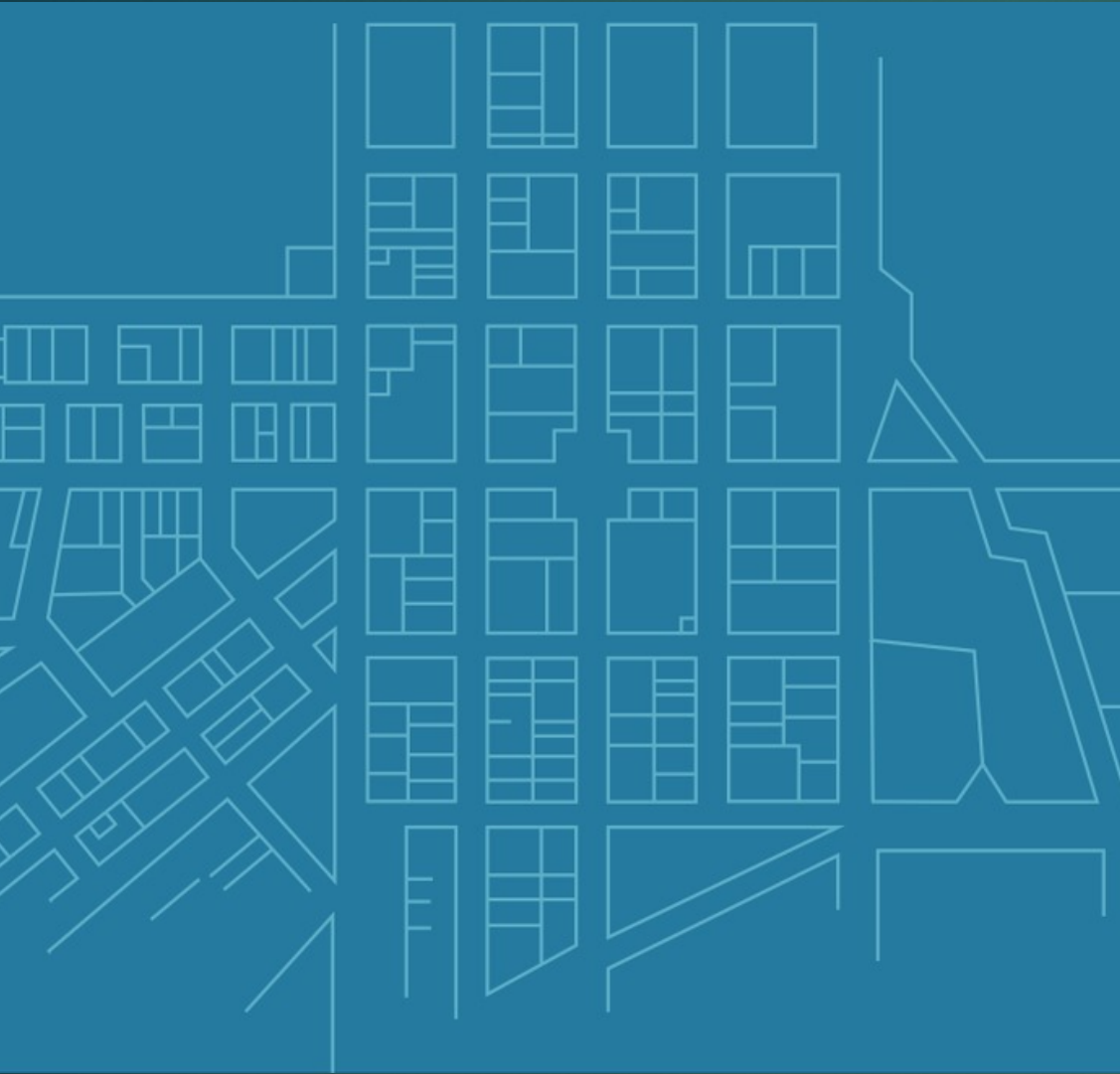
The Franklin Zoning Ordinance had a major update in 2019 and each year the staff undertakes an annual amendment. See the attached presentation.

FINANCIAL IMPACT:

N/A

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen acknowledge the annual Zoning Ordinance update.



Franklin Zoning Ordinance Annual Update

BOMA WORK SESSION

AUGUST 23, 2022

Annual Zoning Ordinance Update

- ◆ Potential amendments brought forward by staff for feedback by the BOMA and FMPC
- ◆ Feedback determines whether staff should proceed with an amendment
- ◆ Formal approval process in fall/winter

Topics

State Model Floodplain Ordinance update

Parking in floodway for public parks

Parking requirements in the Downtown District

Short term vacation rental part-time usage

Overhead utility line improvements for system upgrades

Convenience signs for parking areas

Performance agreements and sureties

Rezoning

State Model Floodplain Ordinance Update

- State of Tennessee Model Floodplain Ordinance was updated this year to provide more specificity to the current requirements

Proposed Amendment:

- Update the Floodplain Standards accordingly:
 - Substantial improvement
 - Elevation Certificates
 - Finished Construction Floodplain Elevation Certificates

Parking in Floodway for Public Parks

- Parking is currently permitted in the Floodway Fringe, but not in the Floodway
 - The floodway is where water is actively moving during flood events, is the highest hazard area, and is the quickest to flood
- Parks and City active recreation features are permitted in both the floodway and floodway fringe
- Parking spaces are needed for citizens to access the parks

Proposed Amendment:

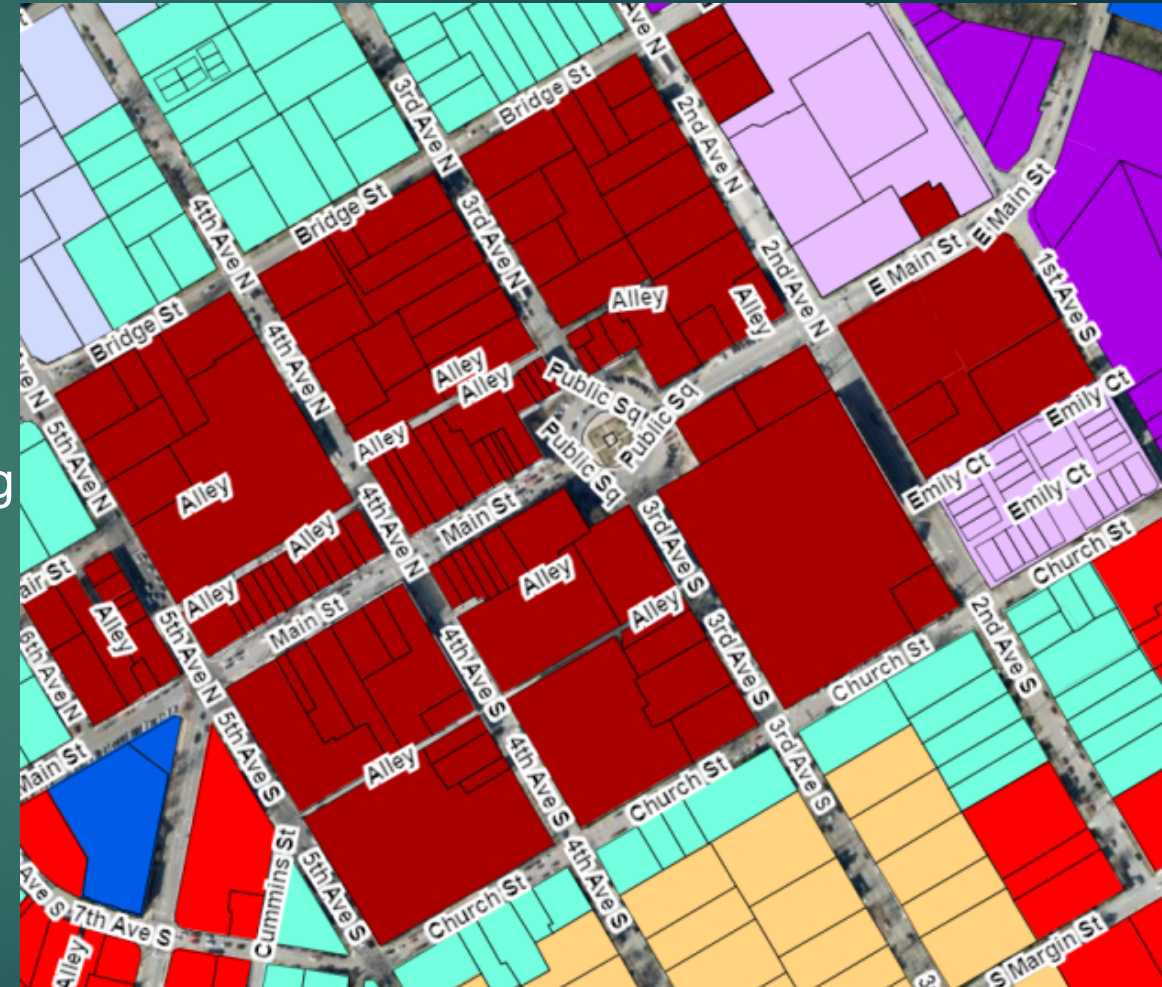
- Allow parking for public parks in the floodway because:
 - Temporary nature while using a park
 - City closes parks during flood events
 - City parks open during daylight hours

Parking in the DD district

- ◆ Recent example of Main Street building to enclose the area under the stairs, but could not meet parking requirement
- ◆ Ordinance currently provides some relief from parking requirements in Downtown District (DD)

Proposed Amendment:

- ◆ Allow up to 1,000 square foot addition without requiring additional parking spaces, so long as no existing parking spaces are removed for the addition



Short Term Vacation Rentals

- ◆ Zoning Ordinance standards are in place to promote community and protect neighborhood integrity
 - ◆ Chapter 5 of the Zoning Ordinance allows STVR in residential zoning districts with the condition that the “owner of the lot is a permanent occupant of the premises”
 - ◆ One criteria to be considered permanent occupant is that a person occupies a dwelling for more than 21 days a month on average within any 12-month period
 - ◆ Questions about permissibility of a STVR are often about how many nights a particular dwelling can be rented

Proposed Amendment

- ◆ Clearly state the maximum number of nights that an owner-occupied dwelling may be rented as a STVR in a rolling 12-month period (113)

Overhead Utility Improvements for System Upgrades

- ◆ Franklin Zoning Ordinance requires all new utilities to be placed underground
- ◆ Advances in high-speed Internet access are spurring improvements in existing service areas with above ground poles

Proposed Amendment:

- ◆ Allow providers to complete system upgrades in existing service areas on existing overhead poles and when not associated with development

Convenience Signs for Parking Areas

- ◆ Clarify standards for convenience signs that designate parking spaces
- ◆ Allow them in parking spaces and do not further regulate them in Zoning Ordinance
 - ◆ Accessible spaces subject to building codes
 - ◆ Spaces in HPO subject to Historic District Design Guidelines

Performance Agreements and Sureties



PERFORMANCE AGREEMENTS
ENSURE THE COMPLETION OF ALL
REQUIRED IMPROVEMENTS FOR A
DEVELOPMENT



SUFFICIENT SURETY IS
REQUIRED TO GUARANTEE
THE DEVELOPER HAS THE
FUNDS TO PAY AND IF THE
IMPROVEMENT IS NOT
COMPLETED, THE CITY CAN
CALL THE SURETY AND
COMPLETE THE
IMPROVEMENT ITSELF



IMPROVEMENTS ARE SOMETIMES
NOT BEING COMPLETED AND THE
CITY IS FINDING THE VALUE OF THE
SURETY IS NOT ENOUGH TO COVER
THE COST FOR THE CITY TO
COMPLETE THE IMPROVEMENT

Performance Agreements and Sureties

Proposed Amendment:

- ◆ Increase value of the performance agreement to 125% of actual cost of improvement (currently 110%)
- ◆ Consider surety reduction request when at least 75% of the improvements are completed (currently 50%)
- ◆ Do not reduce surety below 50% of the original agreement amount (currently 25% of value)
- ◆ Require a fee a re-inspections

Zoning Map Update

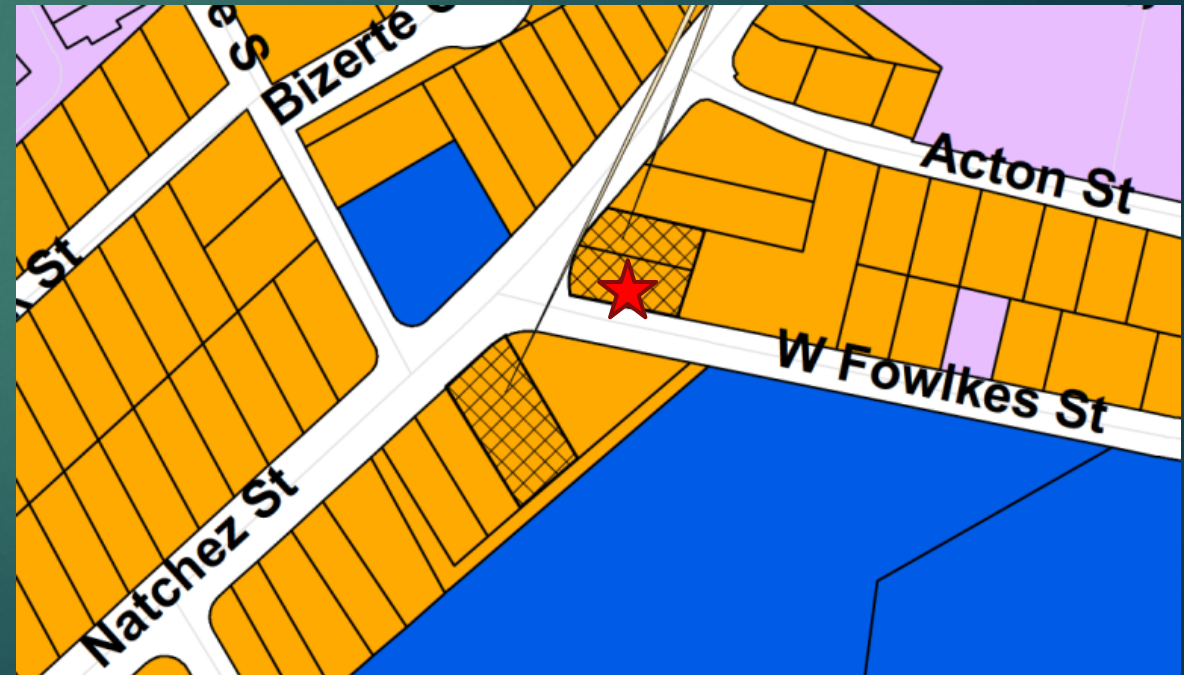
NATCHEZ STREET PROPERTIES/SHORTER CHAPEL AME CHURCH
REQUEST FOR CIVIC INSTITUTIONAL ZONING TO REFLECT EXISTING AND
DESIRED INSTITUTIONAL USES AND THE HISTORIC PRESERVATION
OVERLAY DISTRICT

MINOR LINEWORK CORRECTIONS TO THE SCENIC CORRIDOR OVERLAY
DISTRICT

Shorter Chapel AME Church

255 Natchez Street

- Building constructed ca. 1925
- Listed on the National Register of Historic Places; contributes to the integrity and quality of the historic neighborhood
- Serves as a vital spiritual and social organization in the neighborhood



Bazelia S. Harris Community Life Center

263 Natchez Street

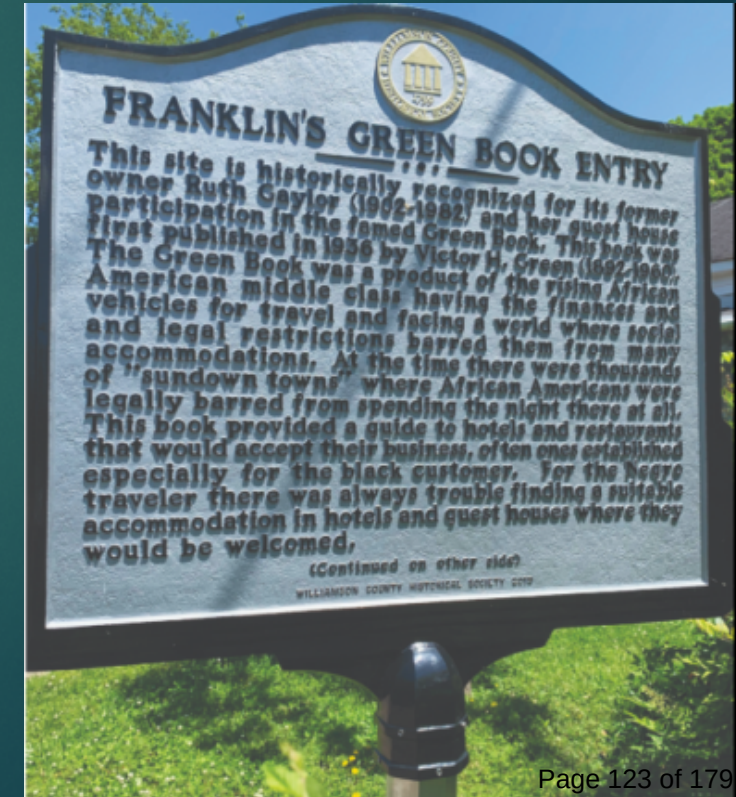
- Built in 2006
- Serves as a Welcome Center for the Natchez neighborhood
- Hosts receptions, business meetings, workshops, special events, and banquets, and serves food for families and after-school programs



Franklin's Green Book House

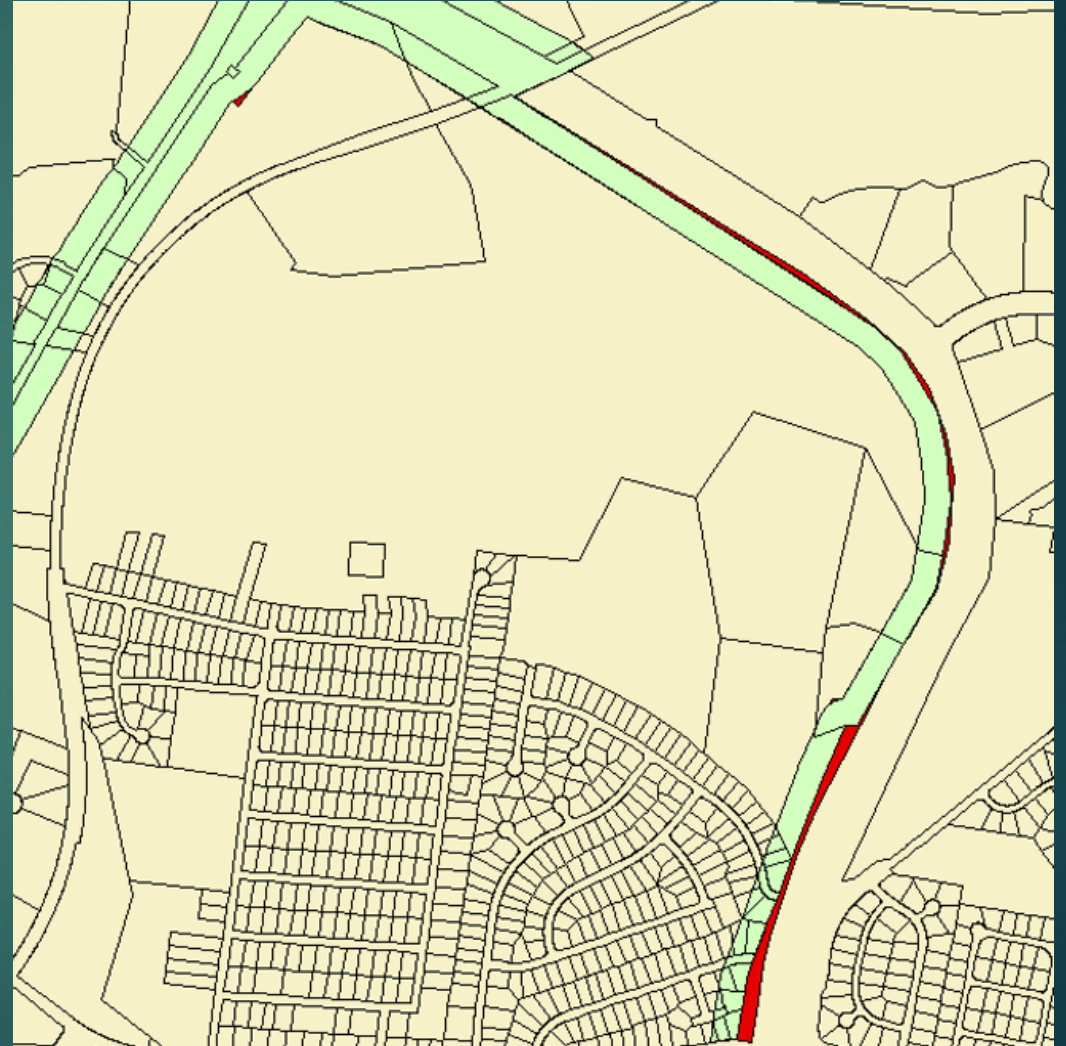
253 Natchez Street

- Constructed ca. 1900 with ca. 1940 addition
- Listed on the National Register of Historic Places; contributes to the integrity and quality of the historic neighborhood
- Served as a safe haven for African American travelers until integration
- Hosts an interpretative marker, which was installed by the Williamson County Historical Society in 2020
- Plans to preserve and interpret the home as a distinct cultural site for the neighborhood are underway



Scenic Corridor Overlay District Linework

- ◆ Very minor line corrections to accurately reflect the Zoning Ordinance text for setbacks along scenic corridors



Mack Hatcher Pkwy

Topics

State Model Floodplain Ordinance update

Parking in floodway for public parks

Parking requirements in the Downtown District

Short term vacation rental part-time usage

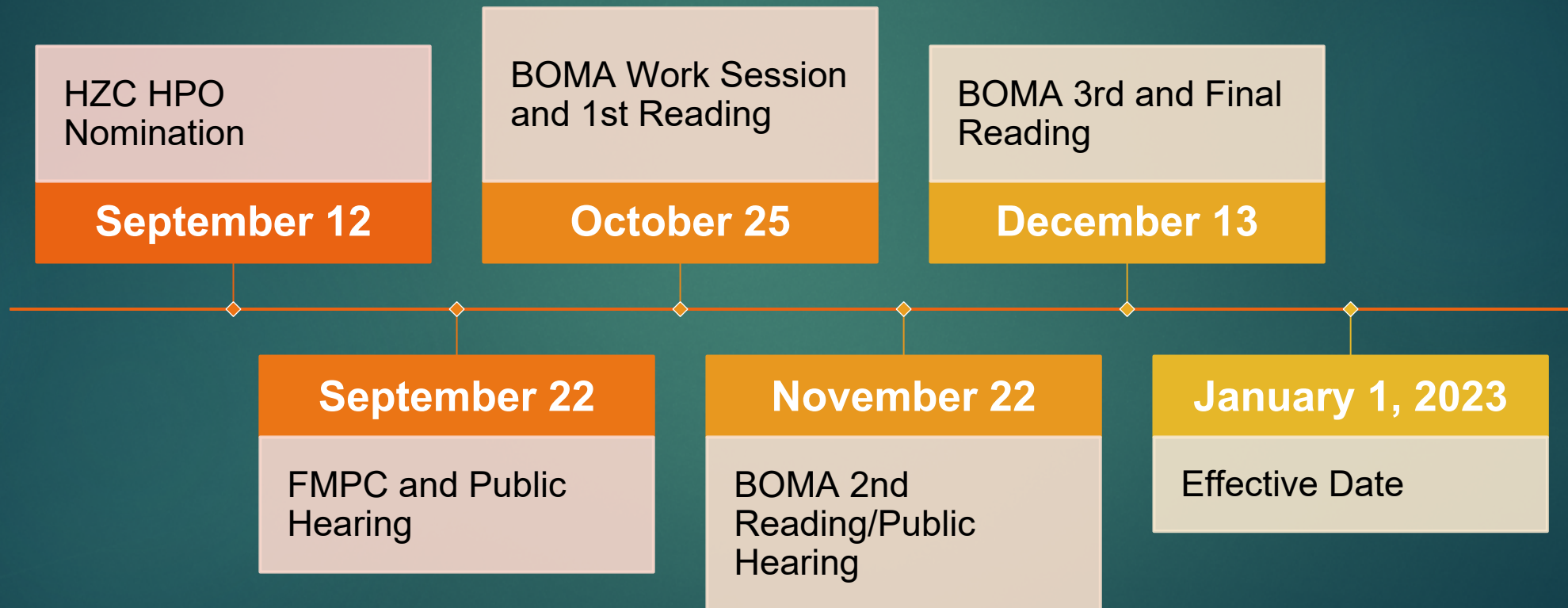
Overhead utility line improvements for system upgrades

Convenience signs for parking areas

Performance agreements and sureties

Rezoning

Next Steps





File #: 21-03465

DATE: August 10, 2022

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Eric Stuckey, City Administrator
Vernon Gerth, Asst. City Administrator Community Development
Kristine Brock, Asst. City Administrator/CFO
Mark Hilty, Asst. City Administrator Public Works

SUBJECT:

City Hall Redevelopment Project Update And Discussion Of Scenarios

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning

BACKGROUND/STAFF COMMENTS:

(Brief description of the history and supporting information regarding the item, including an explanation of why staff is recommending the action.)

FINANCIAL IMPACT:

(Include the cost of the item, how the item will be funded, which fund it will come from, if there are grants or loans involved and whether the item is included in the current approved budget.)

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve (item name).

New City Hall - Financial & Risk Capacity Scenarios

Summary

This workbook lays out three distinct financial scenarios for the redevelopment of a new City Hall:

- Scenario 1: Cost of Partial Building/Full Garage (Pages 3-4)
- Scenario 2: Cost of Full Master Plan (Pages 5-6)
- Scenario 3a-3b: Cost of Partial Building/Full Garage + Mixed-Use Office/Retail Building (Pages 7-10)

Major assumptions used include:

- All bonds issued for 20 years with level annual payments
- Minimum City Hall building assumed is 91,250 sq. ft.
- Construction costs for all government office building scenarios are standardized at the same amount - \$921/sq. ft. all-in cost. Commercial costs vary between Scenarios 3a & 3b.
- Does assume full garage on all scenarios
- On mixed use development scenario, takes same assumptions as developed by the Gibbs Planning Group and presented on July 13 to the Board of Mayor and Aldermen

These worksheets also assign a risk factor from Low to High for the City of Franklin. That risk factor is a calculated assessment of both the financial and legal risks to the City of each scenario.

A financial summary of each scenario is shown below. The "Additional Revenue Needed" shown below is the amount of money the City would need to raise in total and annually to afford scenarios 2 and 3.

	Size of Building	Cost of Building	Overall Cost	Cost per Sq. Ft		Risk Factor	Additional Revenue Needed		
				Construction	Overall		Total	Annually	Property Tax Cents
Scenario 1	91,250	\$ 84,000,000	\$ 101,602,500	\$ 921	\$ 1,113	Low	\$ -	\$ -	0.00
Scenario 2	115,700	\$ 106,400,000	\$ 134,586,500	\$ 921	\$ 1,163	Low	\$ 32,984,000	\$ 1,649,200	2.32
Scenario 3a	129,250	\$ 107,066,000	\$ 119,817,578	\$ 828	\$ 1,080	Moderate-High	\$ 18,215,078	\$ 910,754	1.28
Scenario 3b	129,250	\$ 118,980,822	\$ 139,445,162	\$ 921	\$ 1,232	Moderate-High	\$ 37,842,662	\$ 1,892,133	2.66

Building Summary	
Assumed Square Footage	91,250
Purpose:	Municipal Office

Financing Summary	
Municipal Purpose Building	
Controlling Agency	City of Franklin
Funding Stream	Property Tax Levy
Total Cost	\$ 84,000,000
Cash	\$ 15,000,000
Debt	\$ 69,000,000
Principal	\$ 69,000,000
Interest Rate	4.50%
Bond Rating	AAA
Debt Type	Tax-Exempt
Term	20
Cost per sq. ft. Const.	\$ 921
Cost per Sq. Ft.	\$ 1,113

Risk Assessment	
Risk	Low
Reasons:	
- Tax Exempt	
- 100% City-controlled	
- No increase in taxes necessary	

City of Franklin Debt Financing				Level Payments		\$ 5,080,125
Year	Principal	Interest	Total P& I	Annual Principal	Annual Interest	Annual P & I
1	\$ 69,000,000	\$ 3,105,000	\$ 72,105,000	\$ 1,975,125	\$ 3,105,000	\$ 5,080,125
2	\$ 65,550,000	\$ 2,949,750	\$ 68,499,750	\$ 2,130,375	\$ 2,949,750	\$ 5,080,125
3	\$ 62,100,000	\$ 2,794,500	\$ 64,894,500	\$ 2,285,625	\$ 2,794,500	\$ 5,080,125
4	\$ 58,650,000	\$ 2,639,250	\$ 61,289,250	\$ 2,440,875	\$ 2,639,250	\$ 5,080,125
5	\$ 55,200,000	\$ 2,484,000	\$ 57,684,000	\$ 2,596,125	\$ 2,484,000	\$ 5,080,125
6	\$ 51,750,000	\$ 2,328,750	\$ 54,078,750	\$ 2,751,375	\$ 2,328,750	\$ 5,080,125
7	\$ 48,300,000	\$ 2,173,500	\$ 50,473,500	\$ 2,906,625	\$ 2,173,500	\$ 5,080,125
8	\$ 44,850,000	\$ 2,018,250	\$ 46,868,250	\$ 3,061,875	\$ 2,018,250	\$ 5,080,125
9	\$ 41,400,000	\$ 1,863,000	\$ 43,263,000	\$ 3,217,125	\$ 1,863,000	\$ 5,080,125
10	\$ 37,950,000	\$ 1,707,750	\$ 39,657,750	\$ 3,372,375	\$ 1,707,750	\$ 5,080,125
11	\$ 34,500,000	\$ 1,552,500	\$ 36,052,500	\$ 3,527,625	\$ 1,552,500	\$ 5,080,125
12	\$ 31,050,000	\$ 1,397,250	\$ 32,447,250	\$ 3,682,875	\$ 1,397,250	\$ 5,080,125
13	\$ 27,600,000	\$ 1,242,000	\$ 28,842,000	\$ 3,838,125	\$ 1,242,000	\$ 5,080,125
14	\$ 24,150,000	\$ 1,086,750	\$ 25,236,750	\$ 3,993,375	\$ 1,086,750	\$ 5,080,125
15	\$ 20,700,000	\$ 931,500	\$ 21,631,500	\$ 4,148,625	\$ 931,500	\$ 5,080,125
16	\$ 17,250,000	\$ 776,250	\$ 18,026,250	\$ 4,303,875	\$ 776,250	\$ 5,080,125
17	\$ 13,800,000	\$ 621,000	\$ 14,421,000	\$ 4,459,125	\$ 621,000	\$ 5,080,125
18	\$ 10,350,000	\$ 465,750	\$ 10,815,750	\$ 4,614,375	\$ 465,750	\$ 5,080,125
19	\$ 6,900,000	\$ 310,500	\$ 7,210,500	\$ 4,769,625	\$ 310,500	\$ 5,080,125
20	\$ 3,450,000	\$ 155,250	\$ 3,605,250	\$ 4,924,875	\$ 155,250	\$ 5,080,125
	\$ 69,000,000	\$ 32,602,500	\$ 101,602,500	\$ 69,000,000	\$ 32,602,500	\$ 101,602,500

Synopsis:

Partial Building/Full Garage

Scenario 1 provides for a smaller building than the Master Plan originally proposed but the full underground garage. It is slightly larger than what was proposed earlier in 2022, but remains within the City's available funding capacity without need for additional revenues.

91,250 square feet is proposed to cover all employee and service needs to 2040. Principal and Interest payments are forecast to be level annually and just over \$5 million. Interest rates are forecast to be 4.5% - but this will change (as will the cost) when bonds are issued for this project in several years. For now, we are assuming that this would occur today and given recent increases in rates by the Federal Reserve Bank to fight inflation, 4.5% is a realistic rate even for a AAA credit such as Franklin.

This scenario poses a low risk financially and legally for the City of Franklin.

Building Summary	
Assumed Square Footage	115,700
Purpose:	Municipal Office

Financing Summary	
Municipal Purpose Building	
Controlling Agency	City of Franklin
Funding Stream	Property Tax Levy
Total Cost	\$ 106,400,000
Cash	\$ 15,000,000
Debt	\$ 91,400,000
Principal	\$ 91,400,000
Interest Rate	4.50%
Bond Rating	AAA
Debt Type	Tax-Exempt
Term	20
Revenue Requirements	
Additional Revenue Req'	\$ 32,984,000
Annual Revenue Req'	\$ 1,649,200
Value of One Cent (2022)	\$ 711,438
Increase in Property Tax	\$ 0.0232
Cost per sq. Ft. Const.	\$ 921
Cost per Sq. Ft. Fin.	\$ 1,163

Risk Assessment	
Risk	Low
Reasons:	
- Tax Exempt	
- 100% City-controlled	
- Increase in taxes necessary - 2+ Cents	

City of Franklin Debt Financing				Level Payments		\$ 6,729,325
Year	Principal	Interest	Total P&I	Annual Principal	Annual Interest	Annual P & I
1	\$ 91,400,000	\$ 4,113,000	\$ 95,513,000	\$ 2,616,325	\$ 4,113,000	\$ 6,729,325
2	\$ 86,830,000	\$ 3,907,350	\$ 90,737,350	\$ 2,821,975	\$ 3,907,350	\$ 6,729,325
3	\$ 82,260,000	\$ 3,701,700	\$ 85,961,700	\$ 3,027,625	\$ 3,701,700	\$ 6,729,325
4	\$ 77,690,000	\$ 3,496,050	\$ 81,186,050	\$ 3,233,275	\$ 3,496,050	\$ 6,729,325
5	\$ 73,120,000	\$ 3,290,400	\$ 76,410,400	\$ 3,438,925	\$ 3,290,400	\$ 6,729,325
6	\$ 68,550,000	\$ 3,084,750	\$ 71,634,750	\$ 3,644,575	\$ 3,084,750	\$ 6,729,325
7	\$ 63,980,000	\$ 2,879,100	\$ 66,859,100	\$ 3,850,225	\$ 2,879,100	\$ 6,729,325
8	\$ 59,410,000	\$ 2,673,450	\$ 62,083,450	\$ 4,055,875	\$ 2,673,450	\$ 6,729,325
9	\$ 54,840,000	\$ 2,467,800	\$ 57,307,800	\$ 4,261,525	\$ 2,467,800	\$ 6,729,325
10	\$ 50,270,000	\$ 2,262,150	\$ 52,532,150	\$ 4,467,175	\$ 2,262,150	\$ 6,729,325
11	\$ 45,700,000	\$ 2,056,500	\$ 47,756,500	\$ 4,672,825	\$ 2,056,500	\$ 6,729,325
12	\$ 41,130,000	\$ 1,850,850	\$ 42,980,850	\$ 4,878,475	\$ 1,850,850	\$ 6,729,325
13	\$ 36,560,000	\$ 1,645,200	\$ 38,205,200	\$ 5,084,125	\$ 1,645,200	\$ 6,729,325
14	\$ 31,990,000	\$ 1,439,550	\$ 33,429,550	\$ 5,289,775	\$ 1,439,550	\$ 6,729,325
15	\$ 27,420,000	\$ 1,233,900	\$ 28,653,900	\$ 5,495,425	\$ 1,233,900	\$ 6,729,325
16	\$ 22,850,000	\$ 1,028,250	\$ 23,878,250	\$ 5,701,075	\$ 1,028,250	\$ 6,729,325
17	\$ 18,280,000	\$ 822,600	\$ 19,102,600	\$ 5,906,725	\$ 822,600	\$ 6,729,325
18	\$ 13,710,000	\$ 616,950	\$ 14,326,950	\$ 6,112,375	\$ 616,950	\$ 6,729,325
19	\$ 9,140,000	\$ 411,300	\$ 9,551,300	\$ 6,318,025	\$ 411,300	\$ 6,729,325
20	\$ 4,570,000	\$ 205,650	\$ 4,775,650	\$ 6,523,675	\$ 205,650	\$ 6,729,325
	\$ 91,400,000	\$ 43,186,500	\$ 134,586,500	\$ 91,400,000	\$ 43,186,500	\$ 134,586,500

Synopsis:

Construction of the Full Master Plan

Scenario 2 is of similar complexity to Scenario 1 except that instead of building the reduced footprint of 91,250 sq.ft, this shows the cost of building the full master plan amount of 115,700.

The major difference between Scenario 1 and Scenario 2, however, is that the cost exceeds available funding as forecast through the ten-year Capital Investment Program financing model. An additional \$32,984,000 would be required to service the necessary debt to cover the costs of the full build-out. This could be raised from increasing local property taxes. The amount - estimated at 2.32 cents - is shown under the box labeled "Revenue Requirements" on the left.

Overall, this remains a low risk scenario - all bonds would be tax-exempt, the building would be for governmental purpose and controlled by the City of Franklin, but nearly \$33 million which could go to other purposes and opportunities would now be dedicated to constructing City Hall.

New City Hall - Financial & Risk Capacity Scenarios

Scenario 3a

Building Summary	
Assumed Square Footage	129,250
Purpose:	Municipal Office/ Private Office / Private Retail

Financing Summary	
Municipal Purpose Building	
Assumed Square Footage	91,250
Controlling Agency	City of Franklin
Funding Stream	Property Tax Levy
Total Cost	\$ 84,000,000
Cash	\$ 15,000,000
Debt	\$ 69,000,000
	
Principal	\$ 69,000,000
Interest Rate	4.50%
Bond Rating	AAA
Debt Type	Tax-Exempt
Term	20
Cost per Sq. Ft. Const	\$ 921
Cost per Sq. Ft. Fin.	\$ 1,113

Private Office/Retail Building	
Assumed Square Footage	38,000
Controlling Agency	Franklin IDB
Funding Stream	Rents/ City Subsidy
Total Cost	\$ 23,066,000
Cash	\$ -
Debt	\$ 23,066,000
	
Principal	\$ 23,066,000
Interest Rate ⁷	6.17%
Bond Rating	TBD
Debt Type	Taxable
Term	20
Cost per Sq. Ft. Const	\$ 607
Cost per Sq. Ft. Fin.	\$ 1,000

Overall Financials	
Total Construction Cost	\$ 107,066,000
Total Overall Cost (20 yrs.)	\$ 139,599,698
Less Net Office Rents	\$ (19,782,121)
Net Overall Cost (20 yrs.)	\$ 119,817,578
	
Composite Cost/Sq. Ft.	\$ 828
Composite Cost/Sq. Ft.	\$ 1,080

Revenue Requirements	
Additional Revenue Req'	\$ 18,215,078
Annual Revenue Req'	\$ 910,754
Value of One Cent (2022)	\$ 711,438
Increase in Property Tax	\$ 0.0128

Risk Assessment	
Risk	Moderate-High
Reasons:	
- Dependent upon Office Rental Market	
- Dependent upon Retail Rental Market	
- Private Office Ownership Transferred to IDB	
- City Appropriation required to backup	
- Rents alone cannot pay for full debt service	
- Additional Revenues Necessary to offset	
- Increase in taxes necessary	
- 32 years to payback	

City of Franklin Financing - Municipal Office						\$ 5,080,125
Year	Principal	Interest	Total P&I	Annual Principal	Annual Interest	Annual P & I
1	\$ 69,000,000	\$ 3,105,000	\$ 72,105,000	\$ 1,975,125	\$ 3,105,000	\$ 5,080,125
2	\$ 65,550,000	\$ 2,949,750	\$ 68,499,750	\$ 2,130,375	\$ 2,949,750	\$ 5,080,125
3	\$ 62,100,000	\$ 2,794,500	\$ 64,894,500	\$ 2,285,625	\$ 2,794,500	\$ 5,080,125
4	\$ 58,650,000	\$ 2,639,250	\$ 61,289,250	\$ 2,440,875	\$ 2,639,250	\$ 5,080,125
5	\$ 55,200,000	\$ 2,484,000	\$ 57,684,000	\$ 2,596,125	\$ 2,484,000	\$ 5,080,125
6	\$ 51,750,000	\$ 2,328,750	\$ 54,078,750	\$ 2,751,375	\$ 2,328,750	\$ 5,080,125
7	\$ 48,300,000	\$ 2,173,500	\$ 50,473,500	\$ 2,906,625	\$ 2,173,500	\$ 5,080,125
8	\$ 44,850,000	\$ 2,018,250	\$ 46,868,250	\$ 3,061,875	\$ 2,018,250	\$ 5,080,125
9	\$ 41,400,000	\$ 1,863,000	\$ 43,263,000	\$ 3,217,125	\$ 1,863,000	\$ 5,080,125
10	\$ 37,950,000	\$ 1,707,750	\$ 39,657,750	\$ 3,372,375	\$ 1,707,750	\$ 5,080,125
11	\$ 34,500,000	\$ 1,552,500	\$ 36,052,500	\$ 3,527,625	\$ 1,552,500	\$ 5,080,125
12	\$ 31,050,000	\$ 1,397,250	\$ 32,447,250	\$ 3,682,875	\$ 1,397,250	\$ 5,080,125
13	\$ 27,600,000	\$ 1,242,000	\$ 28,842,000	\$ 3,838,125	\$ 1,242,000	\$ 5,080,125
14	\$ 24,150,000	\$ 1,086,750	\$ 25,236,750	\$ 3,993,375	\$ 1,086,750	\$ 5,080,125
15	\$ 20,700,000	\$ 931,500	\$ 21,631,500	\$ 4,148,625	\$ 931,500	\$ 5,080,125
16	\$ 17,250,000	\$ 776,250	\$ 18,026,250	\$ 4,303,875	\$ 776,250	\$ 5,080,125
17	\$ 13,800,000	\$ 621,000	\$ 14,421,000	\$ 4,459,125	\$ 621,000	\$ 5,080,125
18	\$ 10,350,000	\$ 465,750	\$ 10,815,750	\$ 4,614,375	\$ 465,750	\$ 5,080,125
19	\$ 6,900,000	\$ 310,500	\$ 7,210,500	\$ 4,769,625	\$ 310,500	\$ 5,080,125
20	\$ 3,450,000	\$ 155,250	\$ 3,605,250	\$ 4,924,875	\$ 155,250	\$ 5,080,125
	\$ 69,000,000	\$ 32,602,500	\$ 101,602,500	\$ 69,000,000	\$ 32,602,500	\$ 101,602,500

City of Franklin Financing - Both		
Municipal (Property Tax)	IDB (Sales Tax)	Total City Contrib.
\$ 5,080,125	\$ 1,949,860	\$ 7,029,985
\$ 5,080,125	\$ 1,924,860	\$ 7,004,985
\$ 5,080,125	\$ 1,891,170	\$ 6,971,295
\$ 5,080,125	\$ 1,386,922	\$ 6,467,047
\$ 5,080,125	\$ 862,508	\$ 5,942,633
\$ 5,080,125	\$ 841,761	\$ 5,921,886
\$ 5,080,125	\$ 820,599	\$ 5,900,724
\$ 5,080,125	\$ 799,014	\$ 5,879,139
\$ 5,080,125	\$ 776,997	\$ 5,857,122
\$ 5,080,125	\$ 754,540	\$ 5,834,665
\$ 5,080,125	\$ 731,634	\$ 5,811,759
\$ 5,080,125	\$ 708,269	\$ 5,788,394
\$ 5,080,125	\$ 684,437	\$ 5,764,562
\$ 5,080,125	\$ 660,129	\$ 5,740,254
\$ 5,080,125	\$ 635,334	\$ 5,715,459
\$ 5,080,125	\$ 610,044	\$ 5,690,169
\$ 5,080,125	\$ 584,247	\$ 5,664,372
\$ 5,080,125	\$ 557,935	\$ 5,638,060
\$ 5,080,125	\$ 531,096	\$ 5,611,221
\$ 5,080,125	\$ 503,721	\$ 5,583,846
\$ 101,602,500	\$ 18,215,078	\$ 119,817,578

Synopsis: Partial City Hall Building/Full Garage/Mixed-Use Office/Retail Building

Scenario 3a is the most complicated of the City Hall Financial Scenarios. It starts with Scenario 1 - a 91,250 sq. ft. government use City Hall costing \$101,602,500, funded through Tax-Exempt bonds with the full G.O. credit of the City of Franklin behind it. Bonds are issued for 20 years.

But it also includes a 38,000 sq. ft. mixed-use development at the corner of 3rd & Church. This building uses estimated per square footage costs provided by the Gibbs Design Group of \$607/ sq.ft. This building - which has 36,100 leasable sq. footage (19,000 sq. ft. for office and 17,100 sq. ft. for retail) - would not legally be able to be financed directly by the City of Franklin. Instead a third-party conduit would have to issue the debt to build the building. This scenario assumes a mechanism the City has used before and is used by other cities in the State of Tennessee - the Industrial Development Board (IDB). Franklin has used its IDB once before - to issue and service the debt for the TIF district in Cool Springs around the Nissan headquarters (2005). And since it is for a for-profit purpose, the bonds issued would not be eligible for tax exemption and thus cost more. We estimate the 38,000 square foot taxable building costing slightly less than \$38 million with an interest rate of 6.17%. There is no way to estimate what rating these bonds would receive at this time.

All assumptions made for this mixed-use structure - from size of building, to the cost of the building, to rental rates, to operational costs, have been taken directly from the Gibbs Planning Group report: City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee, dated June 28, 2022 and presented at the Board of Mayor and Alderman meeting of July 13, 2022. Additional costs have been made to account for the minimum staffing of the IDB.

With all of those assumptions taken together, this is the riskiest of scenarios from both a financial and legal standpoint for the City of Franklin. Annual subsidy from the City of Franklin to service the IDB bonds **AFTER** rents are accounted for would range from more than \$500,000 to \$1.9 million annually for 20 years, cumulatively resulting in a taxpayer contribution of \$18.2 million. To avoid state constitutional concerns on the use of property tax revenues, the City may avoid property tax support of the for-profit building. As a result, sales taxes are shown herein and would be redistributed from operations to service the IDB debt. It is estimated the payback on this investment of Sales Tax would take approximately 32 years.

Industrial Development Board Bonds						\$ 1,899,860
Year	A	B	C (A x B)	D	E	F (D+E)
	Principal	Interest	Total P&I	Annual Principal	Annual Interest	Annual P & I
1	\$ 23,066,000	\$ 1,422,019	\$ 24,488,019	\$ 477,841	\$ 1,422,019	\$ 1,899,860
2	\$ 21,912,700	\$ 1,350,918	\$ 23,263,618	\$ 548,942	\$ 1,350,918	\$ 1,899,860
3	\$ 20,759,400	\$ 1,279,817	\$ 22,039,217	\$ 620,043	\$ 1,279,817	\$ 1,899,860
4	\$ 19,606,100	\$ 1,208,716	\$ 20,814,816	\$ 691,144	\$ 1,208,716	\$ 1,899,860
5	\$ 18,452,800	\$ 1,137,615	\$ 19,590,415	\$ 762,245	\$ 1,137,615	\$ 1,899,860
6	\$ 17,299,500	\$ 1,066,514	\$ 18,366,014	\$ 833,346	\$ 1,066,514	\$ 1,899,860
7	\$ 16,146,200	\$ 995,413	\$ 17,141,613	\$ 904,447	\$ 995,413	\$ 1,899,860
8	\$ 14,992,900	\$ 924,312	\$ 15,917,212	\$ 975,548	\$ 924,312	\$ 1,899,860
9	\$ 13,839,600	\$ 853,211	\$ 14,692,811	\$ 1,046,649	\$ 853,211	\$ 1,899,860
10	\$ 12,686,300	\$ 782,110	\$ 13,468,410	\$ 1,117,750	\$ 782,110	\$ 1,899,860
11	\$ 11,533,000	\$ 711,009	\$ 12,244,009	\$ 1,188,850	\$ 711,009	\$ 1,899,860
12	\$ 10,379,700	\$ 639,909	\$ 11,019,609	\$ 1,259,951	\$ 639,909	\$ 1,899,860
13	\$ 9,226,400	\$ 568,808	\$ 9,795,208	\$ 1,331,052	\$ 568,808	\$ 1,899,860
14	\$ 8,073,100	\$ 497,707	\$ 8,570,807	\$ 1,402,153	\$ 497,707	\$ 1,899,860
15	\$ 6,919,800	\$ 426,606	\$ 7,346,406	\$ 1,473,254	\$ 426,606	\$ 1,899,860
16	\$ 5,766,500	\$ 355,505	\$ 6,122,005	\$ 1,544,355	\$ 355,505	\$ 1,899,860
17	\$ 4,613,200	\$ 284,404	\$ 4,897,604	\$ 1,615,456	\$ 284,404	\$ 1,899,860
18	\$ 3,459,900	\$ 213,303	\$ 3,673,203	\$ 1,686,557	\$ 213,303	\$ 1,899,860
19	\$ 2,306,600	\$ 142,202	\$ 2,448,802	\$ 1,757,658	\$ 142,202	\$ 1,899,860
20	\$ 1,153,300	\$ 71,101	\$ 1,224,401	\$ 1,828,759	\$ 71,101	\$ 1,899,860
	\$ 23,066,000	\$ 14,931,198	\$ 37,997,198	\$ 23,066,000	\$ 14,931,198	\$ 37,997,198

Notes

- ¹ Assumption of Total Leasable sq. ft. comes from City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee. Gibbs Planning Group. June 28th, 2022. Page 10.
- ² Assumption of Rental Rate comes from "Figure 13. Economic Return Summary Base Case" City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee. Gibbs Planning Group. June 28th, 2022. Page 10.
- ³ Assumption of Total Leasable sq. ft. comes from City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee. Gibbs Planning Group. June 28th, 2022. Page 10.
- ⁴ Assumption of Rental Rate comes from "Figure 13. Economic Return Summary Base Case" City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee. Gibbs Planning Group. June 28th, 2022. Page 10.
- ⁵ Assumption of Operating Costs comes from "Figure 12: Annual Operating Expenses Upon Stabilization" City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee. Gibbs Planning Group. June 28th, 2022. Page 9.
- ⁶ Assumption of Annual IDB (Industrial Development Board) Operating Costs comes from City of Franklin, Tennessee staff best estimates to reconstitute IDB and provide minimal overhead management of property manager, private counsel, auditing and accounting services.
- ⁷ Taxable vs. Tax Exempt Spread is based on highest taxable bracket of 37%. (In other words, the taxable rate is assumed to be 37% higher than the tax-exempt rate).

Offsetting Revenue Potential							
G	H	I	J	K ((G x H)+(I x J))	L	M	N (K+L+M)
Office Sq. Footage ¹	Rental Rate ²	Retail Sq. Footage ³	Rental Rate ⁴	Total Rental Income (Gross)	Less Operating Cost ⁵	Less Annual IDB Cost ⁶	Net Rental Income
-	\$ 45.00	-	\$ 35.00	\$ -	\$ -	\$ (50,000)	\$ (50,000)
-	\$ 45.00	-	\$ 35.00	\$ -	\$ -	\$ (25,000)	\$ (25,000)
6,333	\$ 45.90	5,700	\$ 35.70	\$ 494,190	\$ (460,000)	\$ (25,500)	\$ 8,690
12,667	\$ 46.82	11,400	\$ 36.41	\$ 1,008,148	\$ (469,200)	\$ (26,010)	\$ 512,938
19,000	\$ 47.75	17,100	\$ 37.14	\$ 1,542,466	\$ (478,584)	\$ (26,530)	\$ 1,037,352
19,000	\$ 48.71	17,100	\$ 37.89	\$ 1,573,315	\$ (488,156)	\$ (27,061)	\$ 1,058,099
19,000	\$ 49.68	17,100	\$ 38.64	\$ 1,604,781	\$ (497,919)	\$ (27,602)	\$ 1,079,261
19,000	\$ 50.68	17,100	\$ 39.42	\$ 1,636,877	\$ (507,877)	\$ (28,154)	\$ 1,100,846
19,000	\$ 51.69	17,100	\$ 40.20	\$ 1,669,615	\$ (518,035)	\$ (28,717)	\$ 1,122,863
19,000	\$ 52.72	17,100	\$ 41.01	\$ 1,703,007	\$ (528,395)	\$ (29,291)	\$ 1,145,320
19,000	\$ 53.78	17,100	\$ 41.83	\$ 1,737,067	\$ (538,963)	\$ (29,877)	\$ 1,168,226
19,000	\$ 54.85	17,100	\$ 42.66	\$ 1,771,808	\$ (549,743)	\$ (30,475)	\$ 1,191,591
19,000	\$ 55.95	17,100	\$ 43.52	\$ 1,807,245	\$ (560,737)	\$ (31,084)	\$ 1,215,423
19,000	\$ 57.07	17,100	\$ 44.39	\$ 1,843,389	\$ (571,952)	\$ (31,706)	\$ 1,239,731
19,000	\$ 58.21	17,100	\$ 45.28	\$ 1,880,257	\$ (583,391)	\$ (32,340)	\$ 1,264,526
19,000	\$ 59.38	17,100	\$ 46.18	\$ 1,917,862	\$ (595,059)	\$ (32,987)	\$ 1,289,816
19,000	\$ 60.56	17,100	\$ 47.11	\$ 1,956,220	\$ (606,960)	\$ (33,647)	\$ 1,315,613
19,000	\$ 61.78	17,100	\$ 48.05	\$ 1,995,344	\$ (619,099)	\$ (34,320)	\$ 1,341,925
19,000	\$ 63.01	17,100	\$ 49.01	\$ 2,035,251	\$ (631,481)	\$ (35,006)	\$ 1,368,763
19,000	\$ 64.27	17,100	\$ 49.99	\$ 2,075,956	\$ (644,111)	\$ (35,706)	\$ 1,396,139

Annual Subsidy Required
O (F-N)
\$ 1,949,860
\$ 1,924,860
\$ 1,891,170
\$ 1,386,922
\$ 862,508
\$ 841,761
\$ 820,599
\$ 799,014
\$ 776,997
\$ 754,540
\$ 731,634
\$ 708,269
\$ 684,437
\$ 660,129
\$ 635,334
\$ 610,044
\$ 584,247
\$ 557,935
\$ 531,096
\$ 503,721
\$ 18,215,078

Payback Summary: The chart below shows the estimated time it would take for the City to recoup its initial investment. Because a subsidy to service the annual debt service is necessary for the 20 years the debt will be issued for, the IDB will be unable to begin paying the City back until year 21. This will take another 12 years to fully repay the City the over \$18 million necessary over the debt servicing period. The City should fully recoup the investment in year 32.

Payback Summary: The chart below shows the estimated time it would take for the City to recoup its initial investment. Because a subsidy to service the annual debt service is necessary for the 20 years the debt will be issued for, the IDB will be unable to begin paying the City back until year 21. This will take another 12 years to fully repay the City the over \$18 million necessary over the debt servicing period. The City should fully recoup the investment in year 32.	Payback				
	Gross Expenses	Gross Revenues	Subsidy Amount	Cumulative	
	1 \$ 1,949,860	\$ -	\$ 1,949,860	\$ 1,949,860	
	2 \$ 1,924,860	\$ -	\$ 1,924,860	\$ 3,874,720	
	3 \$ 2,385,360	\$ 494,190	\$ 1,891,170	\$ 5,765,890	← Rents begin to come in to IDB
	4 \$ 2,395,070	\$ 1,008,148	\$ 1,386,922	\$ 7,152,812	
	5 \$ 2,404,974	\$ 1,542,466	\$ 862,508	\$ 8,015,320	← Rents maximize to 95% occupancy as recommended by Gibbs Planning Group (within 5 years)
	6 \$ 2,415,076	\$ 1,573,315	\$ 841,761	\$ 8,857,082	Cumulative City Investment Increasing
	7 \$ 2,425,381	\$ 1,604,781	\$ 820,599	\$ 9,677,681	
	8 \$ 2,435,891	\$ 1,636,877	\$ 799,014	\$ 10,476,695	
	9 \$ 2,446,612	\$ 1,669,615	\$ 776,997	\$ 11,253,692	
	10 \$ 2,457,547	\$ 1,703,007	\$ 754,540	\$ 12,008,232	
	11 \$ 2,468,701	\$ 1,737,067	\$ 731,634	\$ 12,739,866	
	12 \$ 2,480,077	\$ 1,771,808	\$ 708,269	\$ 13,448,135	
	13 \$ 2,491,682	\$ 1,807,245	\$ 684,437	\$ 14,132,572	
	14 \$ 2,503,518	\$ 1,843,389	\$ 660,129	\$ 14,792,700	
	15 \$ 2,515,591	\$ 1,880,257	\$ 635,334	\$ 15,428,034	
	16 \$ 2,527,906	\$ 1,917,862	\$ 610,044	\$ 16,038,078	
	17 \$ 2,540,467	\$ 1,956,220	\$ 584,247	\$ 16,622,325	
	18 \$ 2,553,279	\$ 1,995,344	\$ 557,935	\$ 17,180,260	
	19 \$ 2,566,347	\$ 2,035,251	\$ 531,096	\$ 17,711,357	
	20 \$ 2,579,677	\$ 2,075,956	\$ 503,721	\$ 18,215,078	← Maximum City Investment
	21 \$ 693,414	\$ 2,117,475	\$ (1,424,061)	\$ 16,791,016	Cumulative City Investment Decreasing
	22 \$ 707,282	\$ 2,159,825	\$ (1,452,543)	\$ 15,338,474	
	23 \$ 721,427	\$ 2,203,021	\$ (1,481,594)	\$ 13,856,880	
	24 \$ 735,856	\$ 2,247,081	\$ (1,511,225)	\$ 12,345,655	
	25 \$ 750,573	\$ 2,292,023	\$ (1,541,450)	\$ 10,804,205	
	26 \$ 765,585	\$ 2,337,864	\$ (1,572,279)	\$ 9,231,926	
	27 \$ 780,896	\$ 2,384,621	\$ (1,603,725)	\$ 7,628,201	
	28 \$ 796,514	\$ 2,432,313	\$ (1,635,799)	\$ 5,992,402	
	29 \$ 812,444	\$ 2,480,959	\$ (1,668,515)	\$ 4,323,887	
	30 \$ 828,693	\$ 2,530,579	\$ (1,701,885)	\$ 2,622,002	
	31 \$ 845,267	\$ 2,581,190	\$ (1,735,923)	\$ 886,079	
Payback to City occurs in Year 32					
32 \$ 862,173	\$ 2,632,814	\$ (1,770,641)	\$ (884,562)	← City Repaid	

New City Hall - Financial & Risk Capacity Scenarios

Scenario 3b

Building Summary	
Assumed Square Footage	129,250
Purpose:	Municipal Office/ Private Office / Private Retail

Financing Summary	
Municipal Purpose Building	
Assumed Square Footage	91,250
Controlling Agency	City of Franklin
Funding Stream	Property Tax Levy
Total Cost	\$ 84,000,000
Cash	\$ 15,000,000
Debt	\$ 69,000,000
	
Principal	\$ 69,000,000
Interest Rate	4.50%
Bond Rating	AAA
Debt Type	Tax-Exempt
Term	20
Cost per Sq. Ft. Const	\$ 921
Cost per Sq. Ft. Fin.	\$ 1,113

Private Office/Retail Building	
Assumed Square Footage	38,000
Controlling Agency	Franklin IDB
Funding Stream	Rents/ City Subsidy
Total Cost	\$ 34,980,822
Cash	\$ -
Debt	\$ 34,980,822
	
Principal	\$ 34,980,822
Interest Rate ⁷	6.17%
Bond Rating	TBD
Debt Type	Taxable
Term	20
Cost per Sq. Ft. Const	\$ 921
Cost per Sq. Ft. Fin.	\$ 1,516

Overall Financials	
Total Construction Cost	\$ 118,980,822
Total Overall Cost (20 yrs.)	\$ 159,227,282
Less Net Office Rents	\$ (19,782,121)
Net Overall Cost (20 yrs.)	\$ 139,445,162
Composite Cost/Sq. Ft.	\$ 921
Composite Cost/Sq. Ft.	\$ 1,232

Revenue Requirements	
Additional Revenue Req'	\$ 37,842,662
Annual Revenue Req'	\$ 1,892,133
Value of One Cent (2022)	\$ 711,438
Increase in Property Tax	\$ 0.0266

Risk Assessment	
Risk	Moderate-High
Reasons:	
- Dependent upon Office Rental Market	
- Dependent upon Retail Rental Market	
- Private Office Ownership Transferred to IDB	
- City Appropriation required to backup	
- Rents alone cannot pay for full debt service	
- Additional Revenues Necessary to offset	
- Increase in taxes necessary	
- 42 years to payback	

City of Franklin Financing - Municipal Office						\$ 5,080,125
Year	Principal	Interest	Total P&I	Annual Principal	Annual Interest	Annual P & I
1	\$ 69,000,000	\$ 3,105,000	\$ 72,105,000	\$ 1,975,125	\$ 3,105,000	\$ 5,080,125
2	\$ 65,550,000	\$ 2,949,750	\$ 68,499,750	\$ 2,130,375	\$ 2,949,750	\$ 5,080,125
3	\$ 62,100,000	\$ 2,794,500	\$ 64,894,500	\$ 2,285,625	\$ 2,794,500	\$ 5,080,125
4	\$ 58,650,000	\$ 2,639,250	\$ 61,289,250	\$ 2,440,875	\$ 2,639,250	\$ 5,080,125
5	\$ 55,200,000	\$ 2,484,000	\$ 57,684,000	\$ 2,596,125	\$ 2,484,000	\$ 5,080,125
6	\$ 51,750,000	\$ 2,328,750	\$ 54,078,750	\$ 2,751,375	\$ 2,328,750	\$ 5,080,125
7	\$ 48,300,000	\$ 2,173,500	\$ 50,473,500	\$ 2,906,625	\$ 2,173,500	\$ 5,080,125
8	\$ 44,850,000	\$ 2,018,250	\$ 46,868,250	\$ 3,061,875	\$ 2,018,250	\$ 5,080,125
9	\$ 41,400,000	\$ 1,863,000	\$ 43,263,000	\$ 3,217,125	\$ 1,863,000	\$ 5,080,125
10	\$ 37,950,000	\$ 1,707,750	\$ 39,657,750	\$ 3,372,375	\$ 1,707,750	\$ 5,080,125
11	\$ 34,500,000	\$ 1,552,500	\$ 36,052,500	\$ 3,527,625	\$ 1,552,500	\$ 5,080,125
12	\$ 31,050,000	\$ 1,397,250	\$ 32,447,250	\$ 3,682,875	\$ 1,397,250	\$ 5,080,125
13	\$ 27,600,000	\$ 1,242,000	\$ 28,842,000	\$ 3,838,125	\$ 1,242,000	\$ 5,080,125
14	\$ 24,150,000	\$ 1,086,750	\$ 25,236,750	\$ 3,993,375	\$ 1,086,750	\$ 5,080,125
15	\$ 20,700,000	\$ 931,500	\$ 21,631,500	\$ 4,148,625	\$ 931,500	\$ 5,080,125
16	\$ 17,250,000	\$ 776,250	\$ 18,026,250	\$ 4,303,875	\$ 776,250	\$ 5,080,125
17	\$ 13,800,000	\$ 621,000	\$ 14,421,000	\$ 4,459,125	\$ 621,000	\$ 5,080,125
18	\$ 10,350,000	\$ 465,750	\$ 10,815,750	\$ 4,614,375	\$ 465,750	\$ 5,080,125
19	\$ 6,900,000	\$ 310,500	\$ 7,210,500	\$ 4,769,625	\$ 310,500	\$ 5,080,125
20	\$ 3,450,000	\$ 155,250	\$ 3,605,250	\$ 4,924,875	\$ 155,250	\$ 5,080,125
	\$ 69,000,000	\$ 32,602,500	\$ 101,602,500	\$ 69,000,000	\$ 32,602,500	\$ 101,602,500

Industrial Development Board Bonds						\$ 2,881,239
Year	A Principal	B Interest	C (A x B) Total P&I	D Annual Principal	E Annual Interest	F (D+E) Annual P & I
1	\$ 34,980,822	\$ 2,156,568	\$ 37,137,390	\$ 724,671	\$ 2,156,568	\$ 2,881,239
2	\$ 33,231,781	\$ 2,048,739	\$ 35,280,520	\$ 832,500	\$ 2,048,739	\$ 2,881,239
3	\$ 31,482,740	\$ 1,940,911	\$ 33,423,651	\$ 940,328	\$ 1,940,911	\$ 2,881,239
4	\$ 29,733,699	\$ 1,833,083	\$ 31,566,781	\$ 1,048,157	\$ 1,833,083	\$ 2,881,239
5	\$ 27,984,658	\$ 1,725,254	\$ 29,709,912	\$ 1,155,985	\$ 1,725,254	\$ 2,881,239
6	\$ 26,235,616	\$ 1,617,426	\$ 27,853,042	\$ 1,263,813	\$ 1,617,426	\$ 2,881,239
7	\$ 24,486,575	\$ 1,509,597	\$ 25,996,173	\$ 1,371,642	\$ 1,509,597	\$ 2,881,239
8	\$ 22,737,534	\$ 1,401,769	\$ 24,139,303	\$ 1,479,470	\$ 1,401,769	\$ 2,881,239
9	\$ 20,988,493	\$ 1,293,941	\$ 22,282,434	\$ 1,587,299	\$ 1,293,941	\$ 2,881,239
10	\$ 19,239,452	\$ 1,186,112	\$ 20,425,564	\$ 1,695,127	\$ 1,186,112	\$ 2,881,239
11	\$ 17,490,411	\$ 1,078,284	\$ 18,568,695	\$ 1,802,955	\$ 1,078,284	\$ 2,881,239
12	\$ 15,741,370	\$ 970,455	\$ 16,711,825	\$ 1,910,784	\$ 970,455	\$ 2,881,239
13	\$ 13,992,329	\$ 862,627	\$ 14,854,956	\$ 2,018,612	\$ 862,627	\$ 2,881,239
14	\$ 12,243,288	\$ 754,799	\$ 12,998,086	\$ 2,126,440	\$ 754,799	\$ 2,881,239
15	\$ 10,494,247	\$ 646,970	\$ 11,141,217	\$ 2,234,269	\$ 646,970	\$ 2,881,239
16	\$ 8,745,205	\$ 539,142	\$ 9,284,347	\$ 2,342,097	\$ 539,142	\$ 2,881,239
17	\$ 6,996,164	\$ 431,314	\$ 7,427,478	\$ 2,449,926	\$ 431,314	\$ 2,881,239
18	\$ 5,247,123	\$ 323,485	\$ 5,570,608	\$ 2,557,754	\$ 323,485	\$ 2,881,239
19	\$ 3,498,082	\$ 215,657	\$ 3,713,739	\$ 2,665,582	\$ 215,657	\$ 2,881,239
20	\$ 1,749,041	\$ 107,828	\$ 1,856,869	\$ 2,773,411	\$ 107,828	\$ 2,881,239
	\$ 34,980,822	\$ 22,643,961	\$ 57,624,782	\$ 34,980,822	\$ 22,643,961	\$ 57,624,782

Notes

¹ Assumption of Total Leasable sq. ft. comes from [City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee](#). Gibbs Planning Group. June 28th, 2022. Page 10.

² Assumption of Rental Rate comes from "Figure 13. Economic Return Summary Base Case" [City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee](#). Gibbs Planning Group. June 28th, 2022. Page 10.

³ Assumption of Total Leasable sq. ft. comes from [City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee](#). Gibbs Planning Group. June 28th, 2022. Page 10.

⁴ Assumption of Rental Rate comes from "Figure 13. Economic Return Summary Base Case" [City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee](#). Gibbs Planning Group. June 28th, 2022. Page 10.

⁵ Assumption of Operating Costs comes from "Figure 12: Annual Operating Expenses Upon Stabilization" [City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee](#). Gibbs Planning Group. June 28th, 2022. Page 9.

⁶ Assumption of Annual IDB (Industrial Development Board) Operating Costs comes form City of Franklin, Tennessee staff best estimates to reconstitute IDB and provide minimal overhead management of property manager, private counsel, auditing and accounting services.

⁷ Taxable vs. Tax Exempt Spread is based on highest taxable bracket of 37%. (In other words, the taxable rate is assumed to be 37% higher than the tax-exempt rate).

City of Franklin Financing - Both		
Municipal (Property Tax)	IDB (Sales Tax)	Total City Contrib.
\$ 5,080,125	\$ 2,931,239	\$ 8,011,364
\$ 5,080,125	\$ 2,906,239	\$ 7,986,364
\$ 5,080,125	\$ 2,872,549	\$ 7,952,674
\$ 5,080,125	\$ 2,688,302	\$ 7,448,427
\$ 5,080,125	\$ 1,843,887	\$ 6,924,012
\$ 5,080,125	\$ 1,823,140	\$ 6,903,265
\$ 5,080,125	\$ 1,801,978	\$ 6,882,103
\$ 5,080,125	\$ 1,780,393	\$ 6,860,518
\$ 5,080,125	\$ 1,758,376	\$ 6,838,501
\$ 5,080,125	\$ 1,735,919	\$ 6,816,044
\$ 5,080,125	\$ 1,713,013	\$ 6,793,138
\$ 5,080,125	\$ 1,689,648	\$ 6,769,773
\$ 5,080,125	\$ 1,665,816	\$ 6,745,941
\$ 5,080,125	\$ 1,641,508	\$ 6,721,633
\$ 5,080,125	\$ 1,616,713	\$ 6,696,838
\$ 5,080,125	\$ 1,591,423	\$ 6,671,548
\$ 5,080,125	\$ 1,565,626	\$ 6,645,751
\$ 5,080,125	\$ 1,539,314	\$ 6,619,439
\$ 5,080,125	\$ 1,512,476	\$ 6,592,601
\$ 5,080,125	\$ 1,485,100	\$ 6,565,225
\$ 101,602,500	\$ 37,842,662	\$ 139,445,162

Synopsis: Partial City Hall Building/Full Garage/Mixed-Use Office/Retail Building
Scenario 3b is the most complicated of the City Hall Financial Scenarios. It starts with Scenario 1 - a 91,250 sq. ft. government use City Hall costing \$101,602,500, funded through Tax-Exempt bonds with the full G.O. credit of the City of Franklin behind it. Bonds are issued for 20 years.
But it also includes a 38,000 sq. ft. mixed-use development at the corner of 3rd & Church. (The difference, between this and scenario 3a is using the more conservative \$921/sq. ft. estimate for the commercial building as well as the government office building.) This building - which has 36,100 leasable sq. footage (19,000 sq. ft. for office and 17,100 sq. ft. for retail) - would not legally be able to be financed directly by the City of Franklin. Instead a third-party conduit would have to issue the debt to build the building. This scenario assumes a mechanism the City has used before and is used by other cities in the State of Tennessee - the Industrial Development Board (IDB). Franklin has used its IDB once before - to issue and service the debt for the TIF district in Cool Springs around the Nissan headquarters (2005). And since it is for a for-profit purpose, the bonds issued would not be eligible for tax exemption and thus cost more. We estimate the 38,000 square foot taxable building costing slightly more than \$57.6 million with an interest rate of 6.17%. There is no way to estimate what rating these bonds would receive at this time.
All assumptions made for this mixed-use structure - from size of building, to rental rates, to operational costs, have been taken directly from the Gibbs Planning Group report: City Hall Development Mixed-Use Economic Feasibility Analysis - City of Franklin Tennessee , dated June 28, 2022 and presented at the Board of Mayor and Alderman meeting of July 13, 2022. Additional costs have been made to account for the minimum staffing of the IDB.
With all of those assumptions taken together, this is the riskiest of scenarios from both a financial and legal standpoint for the City of Franklin. Annual subsidy from the City of Franklin to service the IDB bonds AFTER rents are accounted for would range from \$1.5 to \$2.9 years, cumulatively resulting in a taxpayer contribution of \$37.8 million. To avoid state constitutional concerns on the use of property tax revenues, the City may avoid property tax support of the for-profit building. As a result, sales taxes are shown herein and would be redistributed to service the IDB debt. It is estimated the payback on this investment of Sales Tax would take approximately 43 years.

Offsetting Revenue Potential							
G Office Sq. Footage ¹	H Rental Rate ²	I Retail Sq. Footage ³	J Rental Rate ⁴	K ((G x H)+(I x J)) Total Rental Income (Gross)	L Less Operating Cost ⁵	M Less Annual IDB Cost ⁶	N (K+L+M) Net Rental Income
-	\$ 45.00	-	\$ 35.00	\$ -	\$ -	\$ (50,000)	\$ (50,000)
-	\$ 45.00	-	\$ 35.00	\$ -	\$ -	\$ (25,000)	\$ (25,000)
6,333	\$ 45.90	5,700	\$ 35.70	\$ 494,190	\$ (460,000)	\$ (25,500)	\$ 8,690
12,667	\$ 46.82	11,400	\$ 36.41	\$ 1,008,148	\$ (469,200)	\$ (26,010)	\$ 512,938
19,000	\$ 47.75	17,100	\$ 37.14	\$ 1,542,466	\$ (478,584)	\$ (26,530)	\$ 1,037,352
19,000	\$ 48.71	17,100	\$ 37.89	\$ 1,573,315	\$ (488,156)	\$ (27,061)	\$ 1,058,099
19,000	\$ 49.68	17,100	\$ 38.64	\$ 1,604,781	\$ (497,919)	\$ (27,602)	\$ 1,079,261
19,000	\$ 50.68	17,100	\$ 39.42	\$ 1,636,877	\$ (507,877)	\$ (28,154)	\$ 1,100,846
19,000	\$ 51.69	17,100	\$ 40.20	\$ 1,669,615	\$ (518,035)	\$ (28,717)	\$ 1,122,863
19,000	\$ 52.72	17,100	\$ 41.01	\$ 1,703,007	\$ (528,395)	\$ (29,291)	\$ 1,145,320
19,000	\$ 53.78	17,100	\$ 41.83	\$ 1,737,067	\$ (538,963)	\$ (29,877)	\$ 1,168,226
19,000	\$ 54.85	17,100	\$ 42.66	\$ 1,771,808	\$ (549,743)	\$ (30,475)	\$ 1,191,591
19,000	\$ 55.95	17,100	\$ 43.52	\$ 1,807,245	\$ (560,737)	\$ (31,084)	\$ 1,215,423
19,000	\$ 57.07	17,100	\$ 44.39	\$ 1,843,389	\$ (571,952)	\$ (31,706)	\$ 1,239,731
19,000	\$ 58.21	17,100	\$ 45.28	\$ 1,880,257	\$ (583,391)	\$ (32,340)	\$ 1,264,526
19,000	\$ 59.38	17,100	\$ 46.18	\$ 1,917,862	\$ (595,059)	\$ (32,987)	\$ 1,289,816
19,000	\$ 60.56	17,100	\$ 47.11	\$ 1,956,220	\$ (606,960)	\$ (33,647)	\$ 1,315,613
19,000	\$ 61.78	17,100	\$ 48.05	\$ 1,995,344	\$ (619,099)	\$ (34,320)	\$ 1,341,925
19,000	\$ 63.01	17,100	\$ 49.01	\$ 2,035,251	\$ (631,481)	\$ (35,006)	\$ 1,368,763
19,000	\$ 64.27	17,100	\$ 49.99	\$ 2,075,956	\$ (644,111)	\$ (35,706)	\$ 1,396,139

Annual Subsidy Required
O (F-N)
\$ 2,931,239
\$ 2,906,239
\$ 2,872,549
\$ 2,368,302
\$ 1,843,887
\$ 1,823,140
\$ 1,801,978
\$ 1,780,393
\$ 1,758,376
\$ 1,735,919
\$ 1,713,013
\$ 1,689,648
\$ 1,665,816
\$ 1,641,508
\$ 1,616,713
\$ 1,591,423
\$ 1,565,626
\$ 1,539,314
\$ 1,512,476
\$ 1,485,100
\$ 37,842,662

Payback Summary: The chart below shows the estimated time it would take for the City to recoup its initial investment. Because a subsidy to service the annual debt service is necessary for the 20 years the debt will be issued for, the IDB will be unable to begin paying the City back until year 21. This will take another 22 years to fully repay the City the just under \$38 million necessary over the debt servicing period. The City should fully recoup the investment in year 42.

Payback						
	Gross Expenses	Gross Revenues	Subsidy Amount	Cumulative		
1	\$ 2,931,239	\$ -	\$ 2,931,239	\$ 2,931,239		
2	\$ 2,906,239	\$ -	\$ 2,906,239	\$ 5,837,478		
3	\$ 3,366,739	\$ 494,190	\$ 2,872,549	\$ 8,710,027	← Rents begin to come in to IDB	
4	\$ 3,376,449	\$ 1,008,148	\$ 2,368,302	\$ 11,078,329		
5	\$ 3,386,353	\$ 1,542,466	\$ 1,843,887	\$ 12,922,216	← Rents maximize to 95% occupancy as recommended by Gibbs Planning Group (within 5 years)	
6	\$ 3,396,456	\$ 1,573,315	\$ 1,823,140	\$ 14,745,357	Cumulative City Investment Increasing	
7	\$ 3,406,760	\$ 1,604,781	\$ 1,801,978	\$ 16,547,335		
8	\$ 3,417,270	\$ 1,636,877	\$ 1,780,393	\$ 18,327,729		
9	\$ 3,427,991	\$ 1,669,615	\$ 1,758,376	\$ 20,086,105		
10	\$ 3,438,926	\$ 1,703,007	\$ 1,735,919	\$ 21,822,024		
11	\$ 3,450,080	\$ 1,737,067	\$ 1,713,013	\$ 23,535,037		
12	\$ 3,461,457	\$ 1,771,808	\$ 1,689,648	\$ 25,224,685		
13	\$ 3,473,061	\$ 1,807,245	\$ 1,665,816	\$ 26,890,501		
14	\$ 3,484,897	\$ 1,843,389	\$ 1,641,508	\$ 28,532,009		
15	\$ 3,496,971	\$ 1,880,257	\$ 1,616,713	\$ 30,148,722		
16	\$ 3,509,285	\$ 1,917,862	\$ 1,591,423	\$ 31,740,145	Cumulative City Investment Decreasing	
17	\$ 3,521,846	\$ 1,956,220	\$ 1,565,626	\$ 33,305,772		
18	\$ 3,534,658	\$ 1,995,344	\$ 1,539,314	\$ 34,845,086		
19	\$ 3,547,727	\$ 2,035,251	\$ 1,512,476	\$ 36,357,562		
20	\$ 3,561,056	\$ 2,075,956	\$ 1,485,100	\$ 37,842,662		← Maximum City Investment
21	\$ 693,414	\$ 2,117,475	\$ (1,424,061)	\$ 36,418,600		
22	\$ 707,282	\$ 2,159,825	\$ (1,452,543)	\$ 34,966,058		
23	\$ 721,427	\$ 2,203,021	\$ (1,481,594)	\$ 33,484,464		
24	\$ 735,856	\$ 2,247,081	\$ (1,511,225)	\$ 31,973,239		
25	\$ 750,573	\$ 2,292,023	\$ (1,541,450)	\$ 30,431,789		
26	\$ 765,585	\$ 2,337,864	\$ (1,572,279)	\$ 28,859,510		
27	\$ 780,896	\$ 2,384,621	\$ (1,603,725)	\$ 27,255,785		
28	\$ 796,514	\$ 2,432,313	\$ (1,635,799)	\$ 25,619,986		
29	\$ 812,444	\$ 2,480,959	\$ (1,668,515)	\$ 23,951,471		
30	\$ 828,693	\$ 2,530,579	\$ (1,701,885)	\$ 22,249,586		
31	\$ 845,267	\$ 2,581,190	\$ (1,735,923)	\$ 20,513,663		
32	\$ 862,173	\$ 2,632,814	\$ (1,770,641)	\$ 18,743,022		
33	\$ 879,416	\$ 2,685,470	\$ (1,806,054)	\$ 16,936,967		
34	\$ 897,004	\$ 2,739,180	\$ (1,842,175)	\$ 15,094,792		
35	\$ 914,944	\$ 2,793,963	\$ (1,879,019)	\$ 13,215,773		
36	\$ 933,243	\$ 2,849,843	\$ (1,916,599)	\$ 11,299,174		
37	\$ 951,908	\$ 2,906,839	\$ (1,954,931)	\$ 9,344,242		
38	\$ 970,946	\$ 2,964,976	\$ (1,994,030)	\$ 7,350,213		
39	\$ 990,365	\$ 3,024,276	\$ (2,033,910)	\$ 5,316,302		
40	\$ 1,010,173	\$ 3,084,761	\$ (2,074,589)	\$ 3,241,713		
41	\$ 1,030,376	\$ 3,146,457	\$ (2,116,080)	\$ 1,125,633		
42	\$ 1,050,984	\$ 3,209,386	\$ (2,158,402)	\$ (1,032,769)	← City Repaid	

New City Hall - Financial & Risk Capacity Scenarios

Available Cash

This summary estimates available Fund Balance in the General Fund at the end of FY 2022 and as a result the available amount of cash available to spend on capital projects. As a reminder, the City of Franklin's Fund Balance policy for the General Fund sets forth that the any amount of fund balance over 45% of the current year's general fund expenditures (for FY 2023, this amount is estimated to be what is shown in row J - or \$20,278,079) is available to dedicated to capital projects. Row A shows the amount of fund balance programmed in to support approved projects in the FY 2022-2031 CIP. The favorable results of FY 2021 and FY 2022 have generated significant amounts of additional cash which can be used to lower borrowing needs.

<u>A</u>	Planned CIP Usage - 1/2022		\$	16,866,103
<u>B</u>	General Fund Fund Balance	6/30/2021	\$	65,481,510
<u>C</u>	Conservative Est. Surplus/ (Deficit)	6/30/2022	\$	7,500,000
<u>D (B+C)</u>	Total Est. Fund Balance (GF)	6/30/2022	\$	72,981,510
<u>E</u>	Total GF Expenditures	FY 2023	\$	94,896,513
<u>F (B/E)</u>	Total Est. Fund Balance as % of GF Exp.			76.9%
<u>G</u>	Minimum Fund Balance Reserve	33%	\$	31,632,171
<u>H</u>	Supplemental Reserve	33%-45%	\$	11,071,260
<u>I (D-G-H)</u>	Available for Capital Projects	Above 45%	\$	30,278,079
<u>J (G+H+I)</u>	Total GF Fund Balance	6/30/2022	\$	72,981,510
<u>K (I-A)</u>	Available Cash for CIP Above Planned Use		\$	13,411,976



City of Franklin, Tennessee

City Hall Redevelopment Project Update & Scenarios

August 23, 2022
Board of Mayor & Alderman

Outline

- Review of Project Progress**
- Legal & Financial Considerations**
- Financial Scenarios**
 - Scenario 1: Partial Building/Full Garage**
 - Scenario 2: Full Master Plan Build-Out**
 - Scenario 3a-3b: Partial Building/Full Garage & Mixed Use Office & Retail Building**
- Recommendation**
- Next Steps**



Project Review

Review of Project Progress

2020:

- Board of Mayor and Alderman authorized Phase 1 work on the replacement of the current City Hall (selection of architecture firms & the establishment of goals/objectives of the Master Plan)

2021:

- Public Engagement for the Master Plan
- Development of the Master Plan

2022:

- Review of available financial resources for City Hall redevelopment
- BOMA approved Phase 2 work on the replacement of the current City Hall through Schematic Design work
- External consultant evaluation of feasibility of Office/Retail use on a portion of current City Hall site (Gibbs Design Group)
- Reprogramming of Master Plan to accommodate smaller footprint within existing financial resources

Review of Project Progress

Reprogramming

- Staff and Studio8/OHM architects have worked throughout 2022 to reevaluate the current and future staffing needs (20-year outlook) of the City Hall and worked to reduce the 115,700 sq. ft. size called for in the Master Plan to a smaller footprint that would cost less than \$107 million, fitting within the City's existing financial resources.
- While work is continuing, this presentation and financial scenarios take into account that work and propose a reduced footprint of 91,250 square feet at a cost of \$84,000,000. This is approximately \$9 million more than the threshold recommended in February 2022. This gap is made up with cash generated by favorable year-end results from FY 2021 (audited) and FY 2022 (estimated surplus).



Legal & Financial Considerations

Legal & Financial Considerations

Structure of Potential City Hall Financing

Scenario	Purpose	Financing	Issuer
Scenario 1	Partial Building/Full Garage	G.O. Debt/Cash (Tax-exempt)	City of Franklin
Scenario 2	Full Master Plan	G.O. Debt/Cash (Tax-exempt)	City of Franklin
Scenario 3a	Partial Building/Full Garage/Mixed Use Office/Retail	G.O. Debt/Cash (Tax-Exempt) / Taxable Debt	City of Franklin / Franklin IDB
Scenario 3b	Partial Building/Full Garage/Mixed Use Office/Retail	G.O. Debt/Cash (Tax-Exempt) / Taxable Debt	City of Franklin / Franklin IDB

Financial Structure of Bond Financing

City Tax-Exempt General Obligation (“GO”) Bonds

- City Approval Process
- City’s Credit Rating of Aaa/AAA
- Tax-Exempt Interest Rates

Industrial Development Board Taxable Non-GO Bonds

- IDB Approval Process, including additional documents between the City and IDB
- IDB debt credit rating is unknown but will be lower than the City’s rating (lower rating results in higher interest rates)
- Taxable Interest Rates (higher)

Legal Structure of Bond Financing

City Tax-Exempt General Obligation (“GO”) Bonds

- Typical structure – public projects, minimal private use
- GO pledge OK under TN Constitution “Lending of Credit” clause (cities cannot lend their credit to private entities without a referendum)
- Federal tax-exemption OK under federal tax rules

Industrial Development Board Taxable Non-GO Bonds

- Long-term private use of projects
- No GO pledge because of TN Constitutional limitations
- No federal tax-exemption permitted under federal tax rules
- State law permits IDB Bonds for broad range of privately used projects secured by project revenues
- State law permits City financial support via annual appropriation, but City may avoid property tax support because of TN Constitutional limitations



Financial Scenarios

Financial Scenarios

Overall Assumptions:

- Assigned a Risk Factor Guide from Low to High gauging the financial and legal risk to the City of each option
- All bonds issued for 20 years with level annual payments
- Minimum City Hall building assumed is 91,250 sq. ft.
- Construction costs for government office scenarios are standardized at the same amount - \$921/sq. ft. all-in cost. Commercial Scenario 3a and 3b have a range of potential square footage costs.
- All scenarios assume construction of the full garage
- For Scenarios 3a & 3b (mixed use development scenarios), takes same assumptions as developed by the Gibbs Planning Group and presented on July 13 to the Board of Mayor and Aldermen

Scenario 1: Partial Building/Full Garage (pg. 3-4)

- Smaller building than the Master Plan
- 91,250 square feet
- Meets current and future staffing projections
- Total Construction Cost est. at \$84 million, total cost with financing charges is \$101 million
- \$15 million in cash / \$69 million debt
- Annual debt service just over \$5 million
- Tax-Exempt bonds issued for 20 years
- Level annual payments

Risk Assessment: Low

Building Summary	
Assumed Square Footage	91,250
Purpose:	Municipal Office

Financing Summary	
Municipal Purpose Building	
Controlling Agency	City of Franklin
Funding Stream	Property Tax Levy
Total Cost	\$ 84,000,000
Cash	\$ 15,000,000
Debt	\$ 69,000,000
	
Principal	\$ 69,000,000
Interest Rate	4.50%
Bond Rating	AAA
Debt Type	Tax-Exempt
Term	20
Cost per sq. ft. Const.	\$ 921
Cost per Sq. Ft.	\$ 1,113

Risk Assessment	
Risk	Low
Reasons:	
- Tax Exempt	
- 100% City-controlled	
- No increase in taxes necessary	

Scenario 2: Full Master Plan Build-Out (pg. 5-6)

- Full construction of Master Plan
- 115,700 square feet
- Meets current & future staffing projections
- Total Construction Cost est. at \$106.6 million, total cost with financing charges is nearly \$135 million
- \$15 million in cash / \$91.6 million debt
- Annual debt service just over \$6.7 million
- Tax-Exempt bonds issued for 20 years
- Level annual payments
- Requires additional revenue to service debt (2.3 additional cents of Property Tax)

Risk Assessment: Low

Building Summary	
Assumed Square Footage	115,700
Purpose:	Municipal Office

Financing Summary	
Municipal Purpose Building	
Controlling Agency	City of Franklin
Funding Stream	Property Tax Levy
Total Cost	\$ 106,600,000
Cash	\$ 15,000,000
Debt	\$ 91,600,000
Principal	\$ 91,600,000
Interest Rate	4.50%
Bond Rating	AAA
Debt Type	Tax-Exempt
Term	20

Revenue Requirements	
Additional Revenue Req'	\$ 33,278,500
Annual Revenue Req'	\$ 1,663,925
Value of One Cent (2022)	\$ 711,438
Increase in Property Tax	\$ 0.0234
Cost per sq. Ft. Const.	\$ 921
Cost per Sq. Ft. Fin.	\$ 1,166

Risk Assessment	
Risk	Low
Reasons:	
- Tax Exempt	
- 100% City-controlled	
- Increase in taxes necessary - 2+ Cents	

Scenario 3a&b: Partial Building/Full Garage AND Mixed-Use Office/Retail Building (pg. 7-10)

- Most complicated scenario
- 129,250 square feet

Municipal Office Building (shown at right)

- Same as Scenario 1
- 91,250 square feet
- Meets current & future staffing needs
- Total Construction Cost est. at \$84 million,
- \$15 million in cash / \$69 million debt
- Annual debt service just over \$5 million
- Tax-Exempt bonds issued for 20 years
- Level annual payments
- Controlled by City of Franklin

Building Summary	
Assumed Square Footage	130,250
Purpose:	Municipal Office / Private Office / Private Retail

Financing Summary	
Municipal Purpose Building	
Assumed Square Footage	91,250
Controlling Agency	City of Franklin
Funding Stream	Property Tax Levy
Total Cost	\$ 84,000,000
Cash	\$ 15,000,000
Debt	\$ 69,000,000
	
Principal	\$ 69,000,000
Interest Rate	4.50%
Bond Rating	AAA
Debt Type	Tax-Exempt
Term	20
Cost per Sq. Ft. Const	\$ 921
Cost per Sq. Ft. Fin.	\$ 1,113

Scenario 3a: Partial Building/Full Garage AND Mixed-Use Office/Retail Building (pg. 7-10)

Mixed Use Office/Retail (shown at right)

- 38,000 square feet (36,100 leasable)
- Total Construction Cost est. at \$23 million (tot. financing cost \$38 million)
- Assumes costs from external consultant
- Cost partially offset through rents (\$19.8 million in rents earned over 20 years)
- Taxable Bonds req'd for issue (@ 6.17%)
- Subsidy required to cover annual shortfall in debt payments (ranging from \$0.5-1.9M/yr.)
- Owned by Franklin IDB

Private Office/Retail Building	
Assumed Square Footage	38,000
Controlling Agency	Franklin IDB
Funding Stream	Rents/ City Subsidy
Total Cost	\$ 23,066,000
Cash	\$ -
Debt	\$ 23,066,000
	
Principal	\$ 23,066,000
Interest Rate ⁷	6.17%
Bond Rating	TBD
Debt Type	Taxable
Term	20
Cost per Sq. Ft. Const	\$ 607
Cost per Sq. Ft. Fin.	\$ 1,000

Scenario 3b: Partial Building/Full Garage AND Mixed-Use Office/Retail Building (pg. 7-10)

Mixed Use Office/Retail (shown at right)

- 38,000 square feet (36,100 leasable)
- Total Construction Cost est. at \$34.9 million (tot. financing cost \$57.6 million)
- Assumes same cost as rest of City Hall
- Cost partially offset through rents (\$19.8 million in rents earned over 20 years)
- Taxable Bonds req'd for issue (@ 6.17%)
- Subsidy required to cover annual shortfall in debt payments (ranging from \$1.5-2.9M/yr.)
- Owned by Franklin IDB

Private Office/Retail Building		
Assumed Square Footage		38,000
Controlling Agency		Franklin IDB
Funding Stream		Rents/ City Subsidy
Total Cost	\$	34,980,822
Cash	\$	-
Debt	\$	34,980,822
		
Principal	\$	34,980,822
Interest Rate ⁷		6.17%
Bond Rating		TBD
Debt Type		Taxable
Term		20
Cost per Sq. Ft. Const	\$	921
Cost per Sq. Ft. Fin.	\$	1,516

Scenario 3a-b: Partial Building/Full Garage AND Mixed-Use Office/Retail Building

- Assumptions on rental earnings, leasable space and operational costs have been taken directly from the report presented by the Gibbs Planning Group to the BOMA on July 13, 2022.
- Assumptions on financing structure and legal obligations have come from City Staff and our financial advisors and bond counsel.
- Mixed-use office/retail building would be owned by IDB, but City would be logical choice to cover shortfall between annual debt service and rents received. City subsidy must be via annual appropriation, and property tax support may be avoided.
- Subsidy ranges over 20 years between \$18.2-\$37.8 million, resulting in a payback of 32-42 years

Risk Assessment: Moderate-High

Building Summary	
Assumed Square Footage	129,250
Purpose:	Municipal Office/ Private Office / Private Retail
Risk Assessment	
Risk	Moderate-High
Reasons:	
- Dependent upon Office Rental Market - Dependent upon Retail Rental Market - Private Office Ownership Transferred to IDB - City Appropriation required to backup - Rents alone cannot pay for full debt service - Additional Revenues Necessary to offset - Increase in taxes necessary	



Recommendation

Recommendation

- **Scenario 1 - “A Master Plan with a budget”**
- **Meets current and future staffing projections**
- **Builds foundation for additional space and allows for future flexibility**
- **Fits within City’s existing financial capacity without a tax increase**
- **Balances the future needs by preserving capacity for future capital / operational needs in the community**



Next Steps

Next Steps

- **Address BOMA questions and additional information needs.**
- **Determine which Scenario to proceed with. Becomes basis for Schematic Design.**
- **Come back in Fall 2022 to present “test fits” of Scenario 1 to BOMA and the community.**



City of Franklin, Tennessee
City Hall

Slide 22

Questions

City Hall Development
Mixed-Use Economic Feasibility Analysis
City of Franklin, Tennessee

Prepared for
City of Franklin, Tennessee

Prepared by
Gibbs Planning Group

June 28th, 2022



Figure 1: Franklin TN is in the Middle Tennessee Region, approximately 20 miles south of Nashville, TN.

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Mixed-Use Economic Feasibility Analysis

City of Franklin, Tennessee

June 27, 2022



Figure 2: View of Franklin city hall looking northeast (Source Google Earth)

Executive Summary

This study finds, that upon completion, and full lease-up, the City of Franklin's planned new city hall building's 38,000 square feet (sf) of speculative commercial space is projected to generate an annual net operating income of \$1.3 million before debt service. This income is projected to grow in-line with 3 percent annual rent inflation and result in a payback period of approximately 18-years, from the time the building's commercial is fully leased in 2028. Gibbs Planning Group (GPG) estimates that the 38,000-sf space will generate approximately \$1.8 million in annual gross rental revenue and cost approximately \$500,000 to operate per year.

Based on estimates from OHM Advisors & Studio Eight Design, the total costs to develop the 38,000 sf commercial area is projected to be approximately \$25 million / \$690 per rentable sf. This proforma's base case, assumes the 19,000 sf of second floor rentable office space is leased at \$45 square foot per year (sf/yr.) gross (landlord responsible for all operating expenses) and 17,100 sf of first floor rentable retail space is leased at \$35 sf/yr. net (tenant responsible for reimbursing all operating expenses). These income projections assume the city hall's retail space will be leased at a 15-20 percent discount and the office space leased at a 5 percent discount to newly constructed commercial spaces along Main Street in downtown Franklin.

The proforma's rent projections have been underwritten based on 2022 data and have been assumed to grow at 3 percent annual inflation to \$51 sf/yr. (office) and \$39 sf/yr. (retail) by the time the project is complete in 2026. Since retail rent typically includes an operating expense reimbursement (estimated at \$13 sf/yr.), retail total revenue per square foot (\$48 sf/yr.) is only slightly higher than office space revenue. Therefore, GPG does not estimate a material difference to the annual income projection and returns if the ground floor is leased to office or retail businesses.

Executive Summary (Cont.)

Based on estimates provided by OHM Advisors, GPG assumes the city hall project will take nearly four years to develop (inclusive of engineering, permitting). Additionally, per industry trends, this analysis assumes the commercial space will require another two years to fully lease (6 years total). Assuming the 38,000-sf commercial is financed with 65 percent debt (\$16 million) and 35 percent equity (\$9 million), the commercial is estimated to generate an annual return from cash flow of 5 percent in year 1 (cash-flow after debt service divided by invested equity), growing to 7 percent in year 6 (from the time the project is leased up). This results in an estimated payback period on invested equity of 14-years from the time the project is leased up and approximately 20-years from the initial project start date.

GPG understands that the City of Franklin does not expect to sell the property upon stabilization (fully leased). However, for underwriting purposes, GPG completed a discounted cash flow model to calculate the annualized return on invested equity which is typically defined as an internal rate of return (IRR). In order to calculate an IRR, GPG had to make assumptions on what the property's value would be worth upon stabilization.

For private-sector real estate development comparisons, if the 38,000 sf commercial were sold (acknowledged this is not the city's intent) over a 10-year period at a cap rate of 6.5 percent, the project is estimated to effectively break even with a 0.7 percent IRR and 1.07x equity multiple (defined as total distributions divided by invested equity). The IRR is less than the annual cash-on-cash yield of 5 percent because it is assumed that the property would be worth less than total construction costs upon stabilization. However, per Figure 3 below, over a 20-year period, this IRR increases to 8 percent as the project's estimated value is expected to grow in-line with rent inflation and eventually exceed its project total costs by 2036. It is important to stress that these numbers are estimates and subject to changes in capital markets and cost estimates as the project's floor plans become more developed.

Figure 3: City Hall Commercial Development Key Financial Metrics

20-year Period	
2022 Rents	Retail \$35 sf/yr. Office: \$45 sf/yr.
Total Costs	\$25 million
Estimated Equity Required	\$9 million (35% of Costs)
Annual Income Before Debt Service (at stabilization)	\$1.3 million
Annual Cash Flow After Debt Service (at stabilization)	\$400,000
Total Projected Cash Flow Over 20-years ^[2]	\$9 million
IRR ^[3]	8%
Equity Multiple ^[3]	3.3x

Source: GPG base case underwriting.

^[1] Total hold period year defined from when first investment is made in 2022.

^[2] Cash flow is after debt principal amortization. For 10-year hold, cash flow would increase by \$1.3 million if debt principal amortization is excluded and over a 20-year period would increase by \$5 million if debt principal amortization is excluded.

^[3] For the purpose of calculating an IRR and Equity Multiple, it was assumed the property would be sold for a 6.5% cap rate in 2042. Equity Multiple is defined as total distributions divided by invested equity.

Background

Gibbs Planning Group, Inc. (GPG) has been retained by the City of Franklin as a sub-consultant to OHM Advisors as an independent, third-party consultant. GPG's scope is to develop an economic proforma model to assess the proposed city hall facility's 38,000 sf of speculative commercial's potential over a 20-year period, assuming given development costs and other factors provided by others.

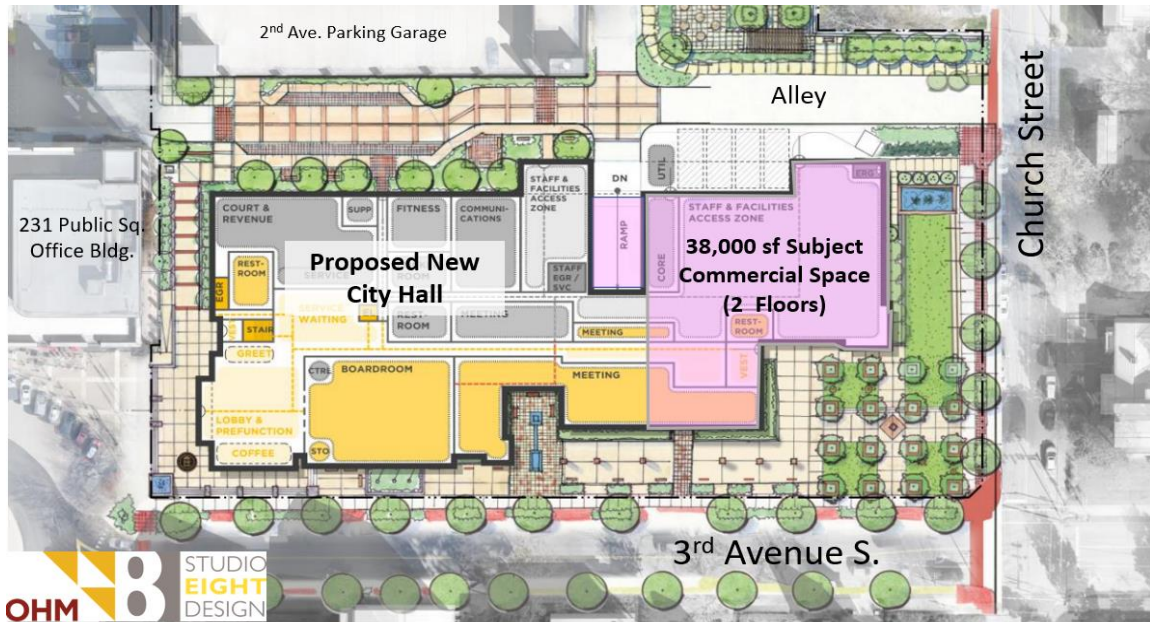


Figure 4: Franklin City Hall Concept Plan; Source S 8 Design Architects and OHM Advisors

As part of this analysis, GPG developed and assessed the following issues in this study:

- A proforma that projects the development's future cash flows over a 20-year period
- A breakdown of estimated construction costs, leasing revenue, and annual operating expenses to operate the development project
- The anticipated timeline for realizing these revenues
- Key financial return metrics over 10- and 20-year periods

Project Overview

The subject city hall site is located in downtown Franklin at 109 Third Avenue South between Main and Church Streets. The office and retail portion of the redeveloped site is understood to be built as a two-floor structure on the south side of the building with pedestrian access off Third Avenue and Church Street, as shown in Figure 4 above.

This analysis assumes that the retail and office space will be leased to multiple tenants, which may result in some interior demising walls. For this analysis, it was assumed that 5 percent of the gross buildable area (the exterior wall floor plate) would not be rentable. Approximately 17,100 sf is budgeted for retail space on the first floor, and 19,000 sf of office space on the second floor. Given that there is not a material difference between gross office and gross retail rents, the mixture of office and retail could be adjusted without a material change to cash flow projections. Lastly, it was understood that since the City of Franklin owns the parcel, there is no value attributed to the land for acquisition cost purposes.

Project Development Expenses

Building Construction Costs (Hard Costs)

Based on estimates provided by OHM Advisors and Studio Eight Design, GPG assumed that the total building construction costs (hard costs) to develop the building would be \$275/ sf to achieve “white box” construction standards. The white box building would entail completing all exterior work and completing most of the interior work with installed drywall, an American Disabilities Act (ADA) compliant restroom, electrical, plumbing, heating ventilation and air conditioning (HVAC), and a fire suppression system.

This analysis has also assumed that the developer (City of Franklin) would be responsible for providing an additional \$75 /sf for landlord work, including adding partition walls, building out additional amenities, laying down flooring, and \$50 sf for tenant improvement allowance to cover flooring upgrades, fixtures, and equipment (FF&E), paint, and any additional tenant needs required to lease up the space. The proforma also budgeted a 5 percent hard and soft cost contingency and a 12.5 percent inflation contingency. Based on the above assumptions, the total building (hard) cost budget is estimated to be \$19.4 million or \$525/sf.

Figure 5: Building’s 38,000 sf Commercial Construction (Hard) Cost Budget

Hard Costs	Per Rentable SF	Total Costs
Total Costs for Shell	\$274 ^[1]	\$10,400,000
Landlord Work (for leasing)	\$75	\$2,700,000
Tenant Improvement Allowance	\$50	\$1,800,000
Urban Parks	\$44	\$1,600,000
Inflation Contingency	\$57	\$2,100,000
General Contingency	\$23	\$800,000
Total Hard Costs	\$525/sf	\$19,400,000

Source: OHM Advisors / Studio Eight Design and GPG. ^[1] Based on 38,000 sf 2 story gross buildable envelope

Professional Services Expenses (Soft Costs)

Based on estimated architectural and engineering costs provided by OHM, and GPG’s projected pre-development costs, including permitting, and legal, the 38,000-sf commercial’s soft cost’s will be approximately \$2.3 million (\$60/sf). GPG has also budgeted \$350,000 to cover working capital costs once the project is completed and in lease up (i.e., when operating expenses are not yet covered by rental revenue).

Soft costs also include approximately \$500,000 budgeted for third party leasing brokerage fees to lease up the office and retail space. Typically, fees for new leases are 6 percent of the total leasing revenue (this analysis assumes that leases are structured on 5-year terms).

GPG has also budgeted \$150,000 in insurance to cover builders’ risk and any general liability insurance while the project is under construction. All these figures are estimates and should be further substantiated by their respective third-party providers, once the architecture and engineering are closer to completion.

Figure 6: Soft Cost Budget

Soft Costs	Cost PSF	Total Cost
Architecture and Engineering	\$56	\$2,030,000
Geotech, Phase I, & Other	\$1	\$50,000
Legal - City PUD / GC legal	\$3	\$100,000
Building Permits	\$2	\$80,000
Retail Leasing Commissions	\$6	\$200,000
Office Leasing Commissions	\$8	\$290,000
Marketing	\$1	\$30,000
FF&E (Common Area, Lobbies)	\$3	\$100,000
Occupancy Certificate	\$1	\$30,000
Builders Risk	\$4	\$140,000
General Liability (Project Specific)	\$1	\$20,000
Operating expenses during lease up	\$10	\$350,000
Soft Cost Inflation Contingency Ex. A&E	\$5	\$170,000
Soft Cost General Contingency Exc. A&E	\$2	\$70,000
Total Soft Costs	\$100/sf	\$3,640,000

Source: OHM Advisors / Studio Eight Design and GPG.

Financing Costs

Financing assumptions are currently unknown for the project. This proforma assumes that traditional financing is obtained through a 65 percent loan to cost construction loan. GPG assumed that this loan would carry an interest rate of 3.5 percent over the full duration of the loan. The loan was estimated to be interest only during the construction and permitting period, and 30-years amortization after stabilization (starting in year 7). Based on traditional bank lending fees of 1 percent, and 0.75 percent debt brokerage fees, the total financing fees are estimated to be \$400,000. This interest rate is estimated to be lower than typical private development cost of capital given the City of Franklin's strong credit rating and assumes a financial guarantee.

Figure 7: Total Project Sources & Uses

	At Closing ^[1]			Fully Capitalized ^[1]		
Sources of Capital	Amount	Per RSF	% Total	\$ Amount	Per RSF	% Total
Construction Loan	\$430,000	\$11	100%	16,240,000	\$450	65%
Sponsor Equity	\$0	\$0	0%	8,740,000	\$240	35%
Total Sources	\$430,000	\$11	100%	24,980,000	\$690	100%
Uses of Capital	Amount	Per RSF	% Total	\$ Amount	Per RSF	% Total
Acquisition Costs	\$0	\$0	0%	0	\$0	0%
Hard Costs	\$0	\$0	0%	19,420,000	\$540	78%
Soft Costs	\$0	\$0	0%	4,560,000	\$130	18%
Financing Costs	\$430,000	\$11	100%	430,000	\$10	2%
Interest Shortfall	\$0	\$0	0%	560,000	\$20	2%
Total Uses	\$430,000	\$11	100%	\$24,980,000	\$690	100%

Source: GPG^[1] Figure totals may not match due to rounding.

Building Commercial Rental Assumptions

There are limited comparable Class A office and retail properties in downtown Franklin. Per Figure 8 below, office properties downtown that are larger than 10,000 sf are estimated to rent between \$31 and \$50/sf. Assuming the city hall property is built to near Class A standards, GPG estimates that the property could lease for \$45/sf gross (landlord pays all operating expenses) based on today's (2022) figures and \$51/sf gross by the time the project is completed (2026), growing at 3 percent per annum thereafter (at the start of the lease).

GPG has also assumed that the office space will take approximately two years to fully lease after the building's development is completed. In 2021, downtown Franklin absorbed 50,000 sf of office space and 17,000 sf YTD 2022. Thus, assuming an average annual rate of 35,000 sf of office space is absorbed, the city hall site would have to take about 30 percent of downtown's office leasing activity each year until the property is stabilized.

Figure 8: Estimated Downtown Franklin Office Lease Rates (larger than 10,000 sf office buildings)

Office Address	Star	Building SF	Asking Rent	Estimated Gross Lease Rate	Rent Data Point Date	2022 Rent Adjusted For Inflation	Vacancy
101 E. Main St.	4	38,792	n/a	n/a	n/a	n/a	8%
231 Public Sq ^[1]	4	41,000	\$47.5	\$47.5	2022	\$47.5	14%
230 Franklin Rd	3	310,000	\$38.0	\$48.0	2022	\$48.0	50%
198 E. Main St.	3	14,000	\$27-4	\$37-50	2020	\$39-53	0%
135 5 th Ave	3	19,000	\$37.5	\$37.5	2022	\$37.5	29%
124 1 st Ave	3	11,308	\$20.0	\$30.0	2021	\$30.9	0%
210 E. Main St.	3	11,192	\$20.0	\$30.0	2016	\$35.8	0%
131 3 rd Ave N.	2	19,829	\$32-41	\$42-51	2021	\$43-52.5	0%
320 Main St.	2	12,672	\$30.0	\$40.0	2018	\$45.0	0%
604 W. Main St.	2	10,488	\$16.3	\$26.3	2012	\$35.3	0%

Source: CoStar June 2022. Public Square vacancy is limited to lower-level space that was recently made available

Retail rents significantly vary based upon their location along Main Street and the size of the tenant space (smaller spaces typically yield a higher rent premium). Per the table below, retail lease rates in downtown Franklin are quoted on a net basis (tenant pays for operating expenses) and are estimated to range between \$40 and \$50/sf.

Actual rental rates are difficult to underwrite given that the city hall commercial is expected to have no direct street frontage along Main Street which is home to a majority of the city's commercial properties. If the city hall commercial space was located with frontage along Main Street, this analysis would estimate average rents to be \$50/sf (for smaller spaces of 2,000 sf and under) and approximately \$40 to \$45/sf for larger spaces (above 2,000). Given the city hall's proposed commercial's location, there is likely to be a discount to account for the more limited foot traffic and minimal views. There is also uncertainty over the average size of the city hall's retail spaces. Given these factors, GPG's base case assumes the city hall's retail space is leased at an average rate of \$35 net (in 2022 figures) and growing at 3 percent per annum, representing a 15 to 20 percent discount as compared to comparable downtown retail spaces.

Figure 9: Estimated Downtown Franklin Retail Lease Rates

Office Building Address	Star	Building Size	Year Built/Renovated	Asking Rent	Expenses	Rent Data Point Date	2022 Rent Adjusted for Inflation	Vacancy
100 E. Main St.	4	19,000 sf	2019	\$40.0	Net	2020	\$42.4	8%
231 Public Sq	4	4,430 sf	1974/2018	\$46.5	Net	2019	\$49.3	0%
230 Franklin Rd	3	310,000 sf	1927/1980	\$48.0	Net	2022	\$48.0	n/a
108-403 4th Ave	2	26,000 sf	1977	\$20.0	Net	2005	\$33.1	n/a
421 Main St	2	10,000 sf	1900	\$23.0	Net	2007	\$35.8	0%
504-508 W Main	2	11,000 sf	1935	\$35.0	Net	2017	\$40.6	0%
324 Main St	2	5,000 sf	1900	\$31.0	Net	2013	\$40.4	32%
334 Main St	2	8,500 sf	1900	\$40.0	Net	2022	\$40.0	18%
342-344 Main St	2	9,359 sf	1935	\$25.0	Net	2007	\$38.9	0%

Source: CoStar June 2022

Comparable Properties

231 Public Square: Redeveloped in 2018, the project encompasses 41,000 sf across 4-stories (fourth floor is set back). The property is 100 percent occupied, with the exception of a new basement suite the developer is bringing to market, which can range from 2,000 to 5,725 sf. The property has a roof deck and 30 surface parking spaces. Office users likely park in the public garage on 4th Ave S. Adjacent to the County Court House. In 2021, tech startup, Thinks, relocated from New York City to 231 Public Square.



Figure 10: 101 E. Main St, 39,000 sf 2-story above left, 231 Public Square office building 41,000 sf 3.5-stories

101 E Main St: Built in 2020, the property encompasses nearly 39,000 sf across two stories. Office suites range from 1,200 sf to over 10,000 sf. The property has interior clear heights of 15'6" for retail and 12'0" for office. Parking is provided through a free surface lot with 131 total spaces. Retail spaces range from 1,200 sf to 2,850 sf. Boutique fitness provider, Manduu, recently relocated from the Cool Springs submarket to 101 E Main.

135 5th Ave: Redeveloped in 2017, the property encompasses 19,000 sf of office across two stories and is currently 100 percent occupied. Asking rents for the property were \$35 sf/yr and \$37.5 sf/yr full-service gross in 2020 and 2022 respectively. Current tenants include Waterford Law - a legal, tax and business consulting firm.

131 3rd Ave N: Built in 2009, the property is two stories encompassing 19,000 sf with office suites ranging from 700 sf to 5,500 sf, and commanding rents up to 41 full-service gross. The property is home to a diverse range of tenants, including Wheelhouse Investments LLC and Urban Science LLC.

Factory at Franklin: The Factory at Franklin is a mixed-use property located approximately 0.75 miles northeast of downtown. The Factory is currently leasing office space ranging from 2,500 to 80,000 sf. Asking rents for office space at the Franklin are \$38 net (or approximately \$48-50 sf/yr. gross).

While the Factory's tenant base may slightly differ from downtown Franklin due to its proximity to the area, there may be some overlap among tenants in the technology, advertising, and media industry looking for creative office space. GPG expects new Class A downtown to be higher than the Factory, given its more suburban location. However, this rent comp would need to be adjusted for the size of each retail tenant. Recent office leasing activity includes Diakonia, who will be relocating from a suburban office building in Cool Springs.



Figure 11: Historic Factory at Franklin mixed-use commercial district. (Source: Cushman & Wakefield)

Building Operating Expense Assumptions

Operating expenses are typically grouped into controllable (i.e., payroll, repairs, and maintenance, etc.) and non-controllable expenses. (i.e., taxes, insurance, utilities). This study estimated the annual expenses for the city hall redevelopment by interviewing property managers and analyzing comparable properties. It was assumed that the property would be staffed with a part time property manager (using about 30 percent of their time managing the property), a property management support staff (with about 5 percent of their time dedicated), an engineer/maintenance tech (about 25 percent of their time dedicated), and a janitorial staff member (about 25 percent of their time dedicated).

These figures are likely to fluctuate based on how much operating synergies property management could achieve managing nearby buildings (or the city hall offices). Since the property will be newly constructed, most of the capital items will be covered by a warranty (e.g., roof, HVAC system). Thus, the repair and maintenance budget mainly consist of routine maintenance (e.g., light fixtures, painting, pest control, building management system maintenance, HVAC, and plumbing service contracts) The biggest non-controllable expense estimate was property taxes. Based on comparable properties, GPG assumed that property taxes would be approximately \$4.0 per sf. This should be further substantiated with a property-tax estimate study. For utilities, GPG assumed that the annual cost for electric, gas and water would be \$1.8 per sf. Lastly, GPG's proforma underwrote all operating expenses growing by 3 percent inflation per annum.

Figure 12: Annual Operating Expenses Upon Stabilization

Controllable Expenses	2022 Annual Expenses
Repairs & Maintenance	\$29,000
Management Fee	50,000
Property Management Payroll	\$39,000
Engineering Payroll	\$29,000
Elevator Maintenance	\$5,000
Window Washing	\$5,000
Fire Protection	\$3,000
Trash Removal	\$5,000
Landscaping	\$2,000
Janitorial	\$23,000
Admin & General	\$23,000
Non-Controllable Expenses	
Utilities	\$65,000
Insurance	\$14,000
Weather/Snow Removal	\$1,000
RE Taxes	\$144,000
Total Operating Expenses	\$460,000

Source: GPG

Tenant Improvement Allowances:

This analysis assumed that each lease would be structured on a 5-year term. Upon expiration of this term, it was assumed that there was a 75 percent probability that the tenant would renew their lease. If the tenant renews, it was assumed that the landlord would be responsible for providing \$5/sf in tenant improvement allowance and paying a leasing commission of 3 percent. Should the tenant not renew, it was assumed that it would cost \$20/sf in new tenant improvement allowance, and a 6 percent leasing commission to lease up the vacant suite. The weighted average cost of these two scenarios were modelled into the proforma.

Analysis Summary

Upon stabilization, GPG projects that the office and retail will generate approximately \$1.3 million in annual net operating income growing by 3 percent per year. Based on financing of 65 percent loan to cost at 3.5 percent with a 30-year amortization schedule, this would result in a 1.4x debt service coverage ratio (DSCR) and \$33,000 in monthly free cash flow (\$400,000 per annum), growing as rental rates increase by 3 percent per year.

GPG understands that the City of Franklin does not expect to sell the property upon stabilization-fully leased. However, for valuation purposes, GPG completed a discounted cash flow model to understand what the internal rate of return (IRR) would be on the property, equity multiple, and net profit, assuming a 10 and 20-year hold period. This assumes the property is sold at a 6.5 percent cap rate at the end of the hold period. The outcome of this model is listed in the table below. Lastly, GPG ran an upside rent scenario where average

market rents are \$40 sf/yr for retail and \$50 sf/yr for office. The results of this summary are listed in Figure 13.

Figure 13: Economic Return Summary Base Case

	10-year ^[1]	20-year ^[1]
2022 Rents	Retail \$35 sf/yr Office: \$45 sf/yr	Retail \$35 sf/yr Office: \$45 sf/yr
Total Costs	\$25 million	\$25 million
Equity Required	\$9 million	\$9 million
IRR	1 percent	8 percent
Equity Multiple	1.1x	3.2x
Total Cash Flow Over Hold Period ^[2]	\$2 million	\$10 million

Source: GPG base case underwriting. ^[1] Total hold period year defined from when first investment is made. ^[2] Cash flow is after debt principal amortization. For 10-year hold, cash flow would increase by \$1.3 million if debt principal amortization is excluded and over a 20-year period would increase by \$5 million if debt principal amortization is excluded.

Figure 14: Economic Return Summary Upside

	10-year ^[1]	20-year ^[1]
2022 Rents	Retail \$40 sf/yr Office: \$50 sf/yr	Retail \$40 sf/yr Office: \$50 sf/yr
Total Costs	\$25 million	\$25 million
Equity Required	\$9 million	\$9 million
IRR	6 percent	10 percent
Equity Multiple	1.6x	4.0x
Total Cash Flow Over Hold Period ^[2]	\$3 million	\$14 million

Source: GPG base case underwriting. ^[1] Total hold period year defined from when first investment is made. ^[2] Cash flow is after debt principal amortization. For 10-year hold, cash flow would increase by \$1.3 million if debt principal amortization is excluded and over a 20-year period would increase by \$5 million if debt principal amortization is excluded.

Analysis Assumptions

GPG has assumed the following factors in the completion of this commercial market development analysis:

1. The city hall's commercial first floor: 17,100 sf rentable space for retail, restaurants, service or offices. Second floor: 19,000 sf rentable office space; 38,000 total gross commercial space
2. 5-year minimum lease terms, with (1) 5 year option by commercial tenants
3. No land costs assigned to the commercial space costs or tenant lease rates
4. Third-party professional real estate leasing group for all commercial space
5. No costs are assigned to commercial building costs and tenant leases for underground parking development or maintenance.
6. City hall office rents are assumed discounted 5% and retail rents are discounted 15% to 20% of comparable downtown Franklin commercial properties
7. Use of adjacent city parking structure is available to city hall commercial businesses

8. Existing Church Street and Third Avenue South on-street parking will remain

Analysis Assumptions (Cont.)

9. The speculative office component will be designed with a separate entrance and lobby and elevator
10. No competitive office or retail centers will be developed within the defined Franklin area by 2026 other than the city hall property
11. Total employment growth for the trade area is estimated to be 6 percent from 2021 to 2026.
12. The city hall commercial space will be designed, built, leased, and managed per local market norms and according to the American Institute of Architects, American Planning Association, American Society of Landscape Architects, Congress for New Urbanism, International Council of Shopping Centers, the Urban Land Institute, and other appropriate organizations best practices.

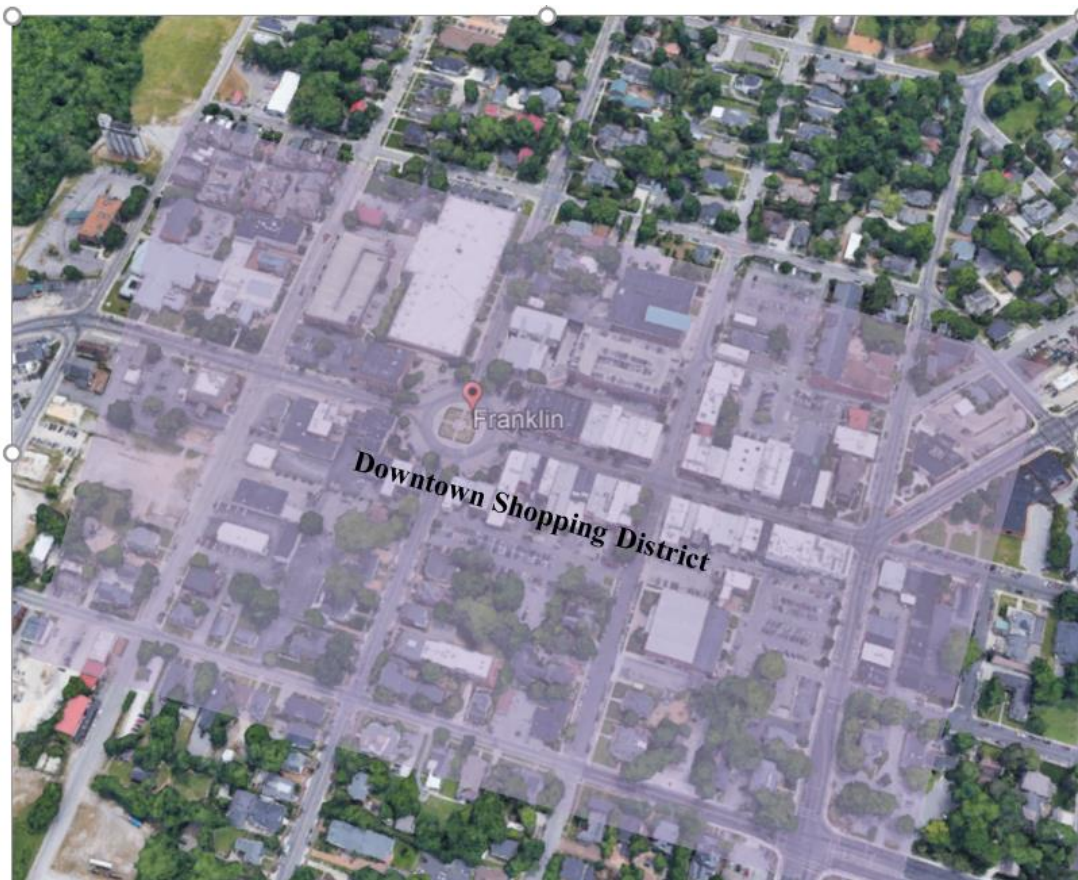


Figure 15: View of downtown Franklin and the city hall site looking southeast

Methodology

This study utilized market-level data from third party data providers including CoStar as well as interviews from local property management firms and real estate operators to determine the key assumptions driving financial returns. Supportable demand analysis was supplemented from office and retail market study reports

GPG conducted for the City of Franklin. GPG's financial proforma utilized a discounted cash flow analysis typically used by private developers and real estate investors to evaluate acquisition and development opportunities.

Limits of Study

The findings of this study represent GPG's best estimates of the economic potential of the City of Franklin's proposed city hall speculative commercial development. Every reasonable effort has been made to ensure that the data contained in this study reflects the most accurate and timely information possible and is believed to be reliable.

This study is based on estimates, assumptions and other information developed by GPG's independent research effort, general knowledge of the commercial real estate industry, market data from real estate listing services and consultations with the client and its representatives. This report is based on information that was current as of June 27, 2022 and GPG has not undertaken any update of its research effort since such date. No responsibility is assumed for inaccuracies in reporting by the client, its agent and representatives or in any other data source used in preparing or presenting this study.

This report may contain prospective financial information, estimates, or opinions that represent GPG's view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a precise level of income or profit will be achieved, that particular events will occur, or that a specific price will be offered or accepted.

Actual results achieved during the period covered by this prospective financial analysis may vary from those described in this report, and the variations may be material. Therefore, no warranty or representation is made by GPG that any of the projected values or results contained in this study will be achieved.

This study **should not** be the sole basis for programming, planning, purchasing, financing, or development of the proposed commercial real estate project. This study is for the use of the City of Franklin, Tennessee's proposed city hall commercial development's general planning purposes only and is void for other locations or organizations.

End of Study

Appendix: Summary of Financial Assumptions

Franklin City Hall Redevelopment Proforma											
Gibbs Planning Group											
Capitalization Summary & Assumptions											
Sources of Capital				Future Funding			Fully Capitalized				
	At Closing			\$ Amount	Per RSF	% of Total	\$ Amount	Per RSF	% of Total		
	\$ Amount	Per RSF	% of Total								
Senior Construction Loan	\$429,263	\$12	100.0%	\$15,806,606	\$438	64.4%	\$16,235,870	\$450	65.0%		
Sponsor Equity	\$0	\$0	0.0%	\$8,742,391	\$242	35.6%	\$8,742,391	\$242	35.0%		
Total Sources	\$429,263	\$11	100.0%	\$24,548,998	\$680	100.0%	\$24,978,261	\$692	100.0%		
Uses of Capital											
	\$ Amount	Per RSF	% of Total	\$ Amount	Per RSF	% of Total	\$ Amount	Per RSF	% of Total		
Acquisition Costs	\$0	\$0	0.0%	\$0	\$0	0.0%	\$0	\$0	0.0%		
Hard Costs	\$0	\$0	0.0%	\$19,424,695	\$538	79.1%	\$19,424,695	\$538	77.8%		
Soft Costs	\$0	\$0	0.0%	\$4,562,079	\$126	18.6%	\$4,562,079	\$126	18.3%		
Financing Costs & Fees	\$429,263	\$12	100.0%	\$0	\$0	0.0%	\$429,263	\$12	1.7%		
Interest Shortfall	\$0	\$0	0.0%	\$562,224	\$16	2.3%	\$562,224	\$16	2.3%		
Total Uses	\$429,263	\$11	100.0%	\$24,548,998	\$680	100.0%	\$24,978,261	\$692	100.0%		
Construction Debt Metrics				Sale Assumptions				Property Use			
Loan Tranche	Amount	Spread	LTC	PSF	Exit Date	11/30/2032	Month 120	Est. Rent 2022	Est. Rent 2026		SF
Construction Loan	\$16,235,870	3.50%	65.0%	\$450	Exit NCF (FWD Looking)		\$1,491,692	\$45.0 yr/sf Gross	\$51 yr/sf Gross		19,000
					Exit Cap Rate		6.50%	\$35.0 yr/sf NN	\$39 yr/sf NN		17,100
Total / WAV	\$16,235,870	3.50%	65.0%	\$450	Exit Debt Yield		9.2%	Total Commerical Rentable SF			36,100
					Stabilized Yield on Cost		5.97%	Estimated Gross Building Envelope			38,000
Senior Construction Loan				Senior Financing Costs				Project Timing			
LTC	65.0%			Origination Fee	\$162,359	1.00%		Milestone	Date Begin	Month Begin	Duration
Fully Funded Loan Amount	\$16,235,870			LIBOR Cap Fee	\$17,535	0.11%		Start of Soft Costs	11/30/2022	0	0
Interest Rate	3.50%			Broker Fee	\$121,769	0.75%		Soft Costs	11/30/2022	0	31
				Legal	\$75,000			Land Hard Costs	8/31/2025	33	4
				Title Insurance	\$27,601			Hard Costs	8/31/2025	33	16
				Due Diligence	\$25,000			TCO	12/31/2026	50	1
				Closing Costs	\$429,263			Lease-Up	2/28/2027	52	22
								Stabilization	1/31/2029	74	0
Refinance Debt Assumptions [1]				Returns Summary				Loan Repayment			
Refinance (Y/N)	Yes			Contributions	(\$8,742,391)			Loan Repayment	9/30/2028	Month 70	
Refinance Date	9/30/2028	Month 70		Distributions	\$9,434,787						
Refinance NCF*	\$1,322,409			Profit	\$692,396						
Reversion Cap Rate	6.50%			IRR	1.1%						
DSCR - Sizing	1.59x			Equity Multiple	1.08x						
Gross Loan Proceeds	\$16,235,870	0.71									
Closing Costs	\$0	0.00%									
Net Loan Proceeds	\$16,235,870	\$0									
Debt Yield / LTV	8.1%	79.8%									
Interest Rate (Fixed)	3.50%										
Amortization Schedule	30 Years										
Debt Constant	5.39%										
Interest Only Months	0 Months										
Net Cash Out	\$0										
[1] The purpose of the debt refinance assumption is to convert the loan from interest only to amortization											

Appendix: Summary of Cost Assumptions

Franklin City Hall Redevelopment Proforma

Gibbs Planning Group

Project Budget

		36,100	
	PSF		TOTAL BUDGET
Acquisition Costs			
Purchase Price	\$0		-
Acquisition Closing Costs	\$0		-
Total Acquisition Costs	\$0		-
Hard Costs			
Total Costs fo Shell	\$274		10,412,000
Landlord Work	\$75		2,707,500
Tenant Improvement Allowance	\$50		1,805,000
Urban Parks	\$44		1,600,000
Inflation Contingency	12.55%	\$57	2,073,970
General Contingency	5.00%	\$23	826,225
Total Hard Costs	\$538		19,424,695
Soft Costs			
A&E	\$56		2,030,000
Geotech, Phase I, & Other	\$1		50,000
Legal - City PUD / GC legal	\$3		100,000
Building Permits	\$2		75,000
Retail Leasing Commissions	6.00%	\$6	202,085
Office Leasing Commissions	6.00%	\$8	288,693
Marketing	\$1		25,000
FF&E (Common Area, Lobbys)	\$3		100,000
CO	\$1		25,000
Builders Risk	\$4		135,375
General Liability (Project Specific)	\$1		18,050
Operating expenses during leasup	\$10		350,000
Soft Cost Inflation Contingency Ex. A&E	12.55%	\$5	171,847
Soft Cost General Contingency Exc. A&E	5.00%	\$2	68,460
Total Soft Costs	\$101		3,639,510
TOTAL PROJECT COSTS BEFORE FINANCING	\$639		23,064,206
Construction Financing Costs			
Senior Lender Origination Fee	\$4		162,359
Senior Mortgage Broker Fee	\$3		121,769
Senior Legal	\$2		75,000
Senior Title Insurance	\$1		27,601
Senior Due Diligence	\$1		25,000
Senior Interest Shortfall	\$16		562,224
Total Construction Financing Costs	\$27		991,487
Developer Fee	4.00%	\$26	922,568
TOTAL PROJECT COSTS	\$692		24,978,261

Appendix: Summary of Cash Flows Over 10-years

Franklin City Hall Redevelopment Proforma												
Gibbs Planning Group												
Cash Flow Model												
Loan Year		0	1	2	3	4	5	6	7	8	9	10
Operating Year		0	0	0	0	0	1	2	3	4	5	6
Date	TOTAL	11/30/2022	11/30/2023	11/30/2024	11/30/2025	11/30/2026	11/30/2027	11/30/2028	11/30/2029	11/30/2030	11/30/2031	11/30/2032
Revenue												
Total Net Commercial Income	10,203,334	-	-	-	-	-	739,254	1,617,256	1,874,280	1,932,299	1,990,268	2,049,976
Effective Gross Income	10,203,334	-	-	-	-	-	739,254	1,617,256	1,874,280	1,932,299	1,990,268	2,049,976
Operating Expenses												
General OpEx	(1,761,341)	-	-	-	-	-	(206,250)	(281,188)	(301,558)	(314,583)	(324,021)	(333,741)
RE Taxes During Construction	(1,000,932)	-	-	-	-	-	(121,500)	(165,645)	(170,614)	(175,733)	(181,005)	(186,435)
Management Fee	(300,085)	-	-	-	-	-	(19,928)	(47,443)	(55,625)	(57,293)	(59,012)	(60,783)
Total Operating Expenses	(3,062,358)	-	-	-	-	-	(347,678)	(494,276)	(527,797)	(547,610)	(564,038)	(580,959)
Net Operating Income	7,140,976	-	-	-	-	-	391,576	1,122,981	1,346,483	1,384,689	1,426,230	1,469,017
Replacement Reserves	(111,524)	-	-	-	-	-	(13,538)	(18,456)	(19,010)	(19,580)	(20,168)	(20,773)
Total Project NCF	7,029,453	-	-	-	-	-	378,038	1,104,524	1,327,473	1,365,109	1,406,063	1,448,245
Unlevered Project Costs												
Acquisition Costs	(0)	(0)	-	-	-	-	-	-	-	-	-	-
Hard Costs Spent to Date	-	-	-	-	-	-	-	-	-	-	-	-
Soft Costs Spent to Date	-	-	-	-	-	-	-	-	-	-	-	-
Bridge Financing Costs	-	-	-	-	-	-	-	-	-	-	-	-
Land Hard Cost Remaining	19,424,695	-	-	-	-	-	-	-	-	-	-	-
Vertical Hard Costs Remaining	(19,424,695)	-	-	-	(4,856,174)	(14,568,521)	-	-	-	-	-	-
Soft Costs Remaining	(4,562,079)	-	(1,410,659)	(2,346,924)	(804,495)	-	-	-	-	-	-	-
Total Unlevered Project Costs	(23,986,774)	(0)	(1,410,659)	(2,346,924)	(5,660,669)	(14,568,521)	-	-	-	-	-	-
Residual Sale												
Gross Sales Proceeds	22,949,105	-	-	-	-	-	-	-	-	-	-	22,949,105
Sales Costs	(458,982)	-	-	-	-	-	-	-	-	-	-	(458,982)
Net Sales Proceeds	22,490,123	-	-	-	-	-	-	-	-	-	-	22,490,123
Tenant Improvement Allowance	-	-	-	-	-	-	-	-	-	-	-	(315,875)
Leasing Commissions	-	-	-	-	-	-	-	-	-	-	-	(332,738)
Unlevered Net Cash Flow	3,260,586	(0)	(1,410,659)	(2,346,924)	(5,660,669)	(14,568,521)	378,038	1,104,524	1,327,473	1,365,109	1,406,063	23,289,754
Contributions	(25,610,377)	(0)	(1,410,659)	(2,346,924)	(5,660,669)	(14,568,521)	-	-	-	-	-	-
Distributions	28,870,963	-	-	-	-	-	378,038	1,104,524	1,327,473	1,365,109	1,406,063	23,289,754
NOI Shortfall												
Capitalized Levered Costs	-	-	-	-	-	-	-	-	-	-	-	-
Total Construction Costs	(23,986,774)	(0)	(1,410,659)	(2,346,924)	(5,660,669)	(14,568,521)	-	-	-	-	-	-
Equity Contributions	8,742,391	-	1,410,659	2,346,924	4,984,808	-	-	-	-	-	-	-
Construction Costs Remaining for Debt	15,244,383	0	-	-	675,861	14,568,521	-	-	-	-	-	-
Senior Construction Debt												
Senior Debt Closing Costs	(429,263)	(429,263)	-	-	-	-	-	-	-	-	-	-
All-In Coupon												
		3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Beginning Balance	-	429,263	445,048	461,414	1,154,242	16,009,144	16,215,208	(0)	(0)	(0)	(0)	(0)
Closing Cost Funding	Funding Type: Sequential	429,263	-	-	-	-	-	-	-	-	-	-
Construction Cost Funding	Max Funding: \$16,235,870	-	-	-	675,861	14,568,521	-	-	-	-	-	-
Gross Interest Expense	1,408,807	-	15,785	16,365	16,967	286,380	584,102	489,206	-	-	-	-
Interest Paid from NOI	(846,583)	-	-	-	-	-	(378,038)	(468,545)	-	-	-	-
Interest Shortfall	562,224	-	15,785	16,365	16,967	286,380	206,064	20,662	-	-	-	-
Debt Repayment	(16,235,870)	-	-	-	-	-	-	(16,235,870)	-	-	-	-
Ending Balance		429,263	445,048	461,414	1,154,242	16,009,144	16,215,208	(0)	(0)	(0)	(0)	(0)
Refinance Debt												
Refinance (Y/N)	Yes	-	-	-	-	-	-	-	-	-	-	-
Rate	3.50%	-	-	-	-	-	-	-	-	-	-	-
Net Loan Amount	\$16,235,870	-	-	-	-	-	-	-	-	-	-	-
Monthly Payment	\$72,906	-	-	-	-	-	-	-	-	-	-	-
Month Start	Month 70	-	-	-	-	-	-	-	-	-	-	-
IO Period End	Month 70	-	-	-	-	-	-	-	-	-	-	-
Beginning Balance	-	-	-	-	-	-	-	16,187,851	15,893,590	15,588,508	15,272,208	-
Loan Funding	16,235,870	-	-	-	-	-	-	16,235,870	-	-	-	-
Amortization	(1,291,593)	-	-	-	-	-	-	(48,019)	(294,261)	(305,082)	(316,300)	(327,931)
Paydown	(14,944,277)	-	-	-	-	-	-	-	-	-	-	(14,944,277)
Ending Balance	-	-	-	-	-	-	-	16,187,851	15,893,590	15,588,508	15,272,208	(0)
Interest Expense	2,353,722	-	-	-	-	-	-	97,794	580,615	569,794	558,575	546,944
Annual Payment	3,645,316	-	-	-	-	-	-	145,813	874,876	874,876	874,876	874,876
LEVERED NET CASH FLOW												
Contributions	(8,742,391)	(0)	(1,410,659)	(2,346,924)	(4,984,808)	(0)	0	490,167	452,598	490,234	531,187	7,470,602
Distributions	9,434,787	-	-	-	-	-	0	490,167	452,598	490,234	531,187	7,470,602

Appendix: Summary of Net Operating Income Over 20-years

Partially Stabilized																				
Loan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Loan Month	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
Year Ending	11/30/2023	11/30/2024	11/30/2025	11/30/2026	11/30/2027	11/30/2028	11/30/2029	11/30/2030	11/30/2031	11/30/2032	11/30/2033	11/30/2034	11/30/2035	11/30/2036	11/30/2037	11/30/2038	11/30/2039	11/30/2040	11/30/2041	11/30/2042
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy	0.0%	0.0%	50.0%	100.0%	50%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Commercial Income	-	-	-	-	360,866	863,673	1,013,481	1,043,885	1,075,202	1,107,458	1,140,682	1,174,902	1,210,149	1,246,454	1,283,847	1,315,896	1,355,373	1,396,034	1,437,915	1,481,053
Office Rental Income	-	-	-	-	252,606	604,571	709,437	730,720	752,641	775,221	798,477	822,431	847,104	872,518	898,693	925,654	953,423	982,026	1,011,487	1,041,832
Retail Rental Income	-	-	-	-	164,690	234,131	250,009	259,394	267,176	275,191	283,447	291,950	300,730	309,730	319,022	326,986	336,795	346,899	357,306	368,025
Reimbursable Income	-	-	-	-	(38,908)	(85,119)	(98,646)	(101,700)	(104,751)	(107,893)	(111,130)	(114,464)	(117,898)	(121,435)	(125,078)	(128,427)	(132,280)	(136,248)	(140,335)	(144,545)
Less: Vacancy Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Commercial Income	-	-	-	-	739,254	1,617,256	1,874,280	1,932,299	1,990,268	2,049,976	2,111,475	2,174,820	2,063,364	2,307,266	2,376,484	2,440,109	2,513,312	2,588,712	2,666,373	2,746,364
Effective Gross Income	-	-	-	-	739,254	1,617,256	1,874,280	1,932,299	1,990,268	2,049,976	2,111,475	2,174,820	2,063,364	2,307,266	2,376,484	2,440,109	2,513,312	2,588,712	2,666,373	2,746,364
Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Controllable Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	(24,750)	(33,743)	(34,755)	(35,797)	(36,871)	(37,977)	(39,117)	(40,290)	(41,499)	(42,744)	(44,026)	(45,125)	(46,479)	(47,873)	(49,310)	(50,789)
Management Fee	-	-	-	-	(19,928)	(47,443)	(55,625)	(57,293)	(59,012)	(60,783)	(62,606)	(64,484)	(66,419)	(68,411)	(70,464)	(72,223)	(74,389)	(76,621)	(78,920)	(81,287)
Property Management Payroll	-	-	-	-	(33,000)	(44,990)	(46,340)	(47,730)	(49,162)	(50,637)	(52,156)	(53,720)	(55,332)	(56,992)	(58,702)	(60,167)	(61,972)	(63,831)	(65,746)	(67,719)
Engineering Payroll	-	-	-	-	(34,750)	(33,743)	(34,755)	(35,797)	(36,871)	(37,977)	(39,117)	(40,290)	(41,499)	(42,744)	(44,026)	(45,125)	(46,479)	(47,873)	(49,310)	(50,789)
Elevator Maintenance	-	-	-	-	(4,500)	(6,135)	(6,319)	(6,509)	(6,704)	(6,905)	(7,112)	(7,326)	(7,545)	(7,772)	(8,005)	(8,205)	(8,451)	(8,704)	(8,965)	(9,234)
Window Washing	-	-	-	-	(4,500)	(6,135)	(6,319)	(6,509)	(6,704)	(6,905)	(7,112)	(7,326)	(7,545)	(7,772)	(8,005)	(8,205)	(8,451)	(8,704)	(8,965)	(9,234)
Fire Protection	-	-	-	-	(2,250)	(3,068)	(3,160)	(3,254)	(3,352)	(3,452)	(3,556)	(3,663)	(3,773)	(3,886)	(4,002)	(4,102)	(4,225)	(4,352)	(4,483)	(4,617)
Trash Removal	-	-	-	-	(4,500)	(6,135)	(6,319)	(6,509)	(6,704)	(6,905)	(7,112)	(7,326)	(7,545)	(7,772)	(8,005)	(8,205)	(8,451)	(8,704)	(8,965)	(9,234)
Landscaping	-	-	-	-	(1,500)	(2,045)	(2,106)	(2,170)	(2,235)	(2,302)	(2,371)	(2,442)	(2,515)	(2,591)	(2,668)	(2,735)	(2,817)	(2,901)	(2,988)	(3,078)
Janitorial	-	-	-	-	(19,500)	(26,585)	(27,383)	(28,204)	(29,050)	(29,922)	(30,819)	(31,744)	(32,696)	(33,677)	(34,687)	(35,553)	(36,620)	(37,719)	(38,850)	(40,016)
Admin & General	-	-	-	-	(19,500)	(26,585)	(27,383)	(28,204)	(29,050)	(29,922)	(30,819)	(31,744)	(32,696)	(33,677)	(34,687)	(35,553)	(36,620)	(37,719)	(38,850)	(40,016)
Advertising	-	-	-	-	-	-	(11,935)	(16,272)	(16,760)	(17,262)	(17,780)	(18,314)	(18,863)	(19,429)	(20,012)	(20,512)	(21,127)	(21,761)	(22,413)	(23,086)
Non Controllable Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	(54,750)	(74,643)	(76,882)	(79,188)	(81,564)	(84,011)	(86,531)	(89,127)	(91,801)	(94,555)	(97,392)	(99,823)	(102,817)	(105,902)	(109,079)	(112,351)
Insurance	-	-	-	-	(12,000)	(16,360)	(16,851)	(17,356)	(17,877)	(18,413)	(18,966)	(19,535)	(20,121)	(20,724)	(21,346)	(21,879)	(22,535)	(23,211)	(23,908)	(24,625)
Weather/Snow Removal	-	-	-	-	(750)	(1,023)	(1,053)	(1,085)	(1,117)	(1,151)	(1,185)	(1,221)	(1,258)	(1,295)	(1,334)	(1,367)	(1,408)	(1,451)	(1,494)	(1,539)
RE Taxes	-	-	-	-	(121,500)	(165,645)	(170,614)	(175,733)	(181,005)	(186,435)	(192,028)	(197,789)	(203,722)	(209,834)	(216,129)	(221,524)	(228,170)	(235,015)	(242,068)	(249,328)
Total Operating Expenses	-	-	-	-	(347,878)	(494,276)	(527,797)	(547,610)	(564,038)	(580,959)	(598,398)	(616,339)	(634,830)	(653,876)	(673,491)	(690,309)	(711,012)	(732,343)	(754,313)	(776,942)
Net Operating Income	-	-	-	-	391,576	1,122,981	1,346,483	1,384,689	1,426,230	1,469,017	1,513,088	1,558,480	1,428,534	1,653,392	1,702,993	1,749,806	1,802,300	1,856,369	1,912,060	1,969,422
Replacement Reserves	-	-	-	-	(13,538)	(18,456)	(19,010)	(19,580)	(20,168)	(20,773)	(21,396)	(22,038)	(9,361)	(23,380)	(24,081)	(24,803)	(25,548)	(26,314)	(27,103)	(27,917)
Tenant Improvements	-	-	-	-	-	-	-	-	-	(315,875)	-	-	-	-	(366,186)	-	-	-	-	(424,510)
Leasing Commission	-	-	-	-	-	-	-	-	-	(335,738)	-	-	-	-	(385,735)	-	-	-	-	(447,173)
Net Cash Flow	-	-	-	-	378,038	1,104,524	1,327,473	1,365,109	1,406,063	793,631	1,491,692	1,536,443	1,419,174	1,630,012	926,992	1,725,002	1,776,752	1,830,055	1,884,957	1,069,823