



City of Franklin

Mailing Address:
109 3rd Ave S
Franklin, TN 37064
(615) 791-3217

Meeting Agenda

Work Session

Tuesday, May 26, 2026

5:00 PM

Williamson County
Auditorium

MEETING LOCATION

Williamson County Auditorium
1320 West Main Street

CALL TO ORDER

CITIZEN COMMENTS

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

WORK SESSION DISCUSSION ITEMS

1. Small Business Administration Office Of Disaster Recovery Presentation

Sponsors: Tracy Gale

2. Innovation Center Presentation

Sponsors: Kris Schneider

3. Development Activity Report

Sponsors: Michael Walters Young, Katherine Harelson

4. *Consideration Of Resolution 2026-32, A Resolution Authorizing The Use Of Competitive Sealed Proposal Procurement Method For Selecting Sanitary Sewer Pretreatment Program Support Services

Sponsors: Michelle Hatcher

5. *Consideration Of Ordinance 2026-13, An Ordinance To Amend The City Of Franklin Municipal Code, Title 12, Chapter 1 And Appendix A – Comprehensive Fees And Penalties, Chapter 12, Building, Utility, Etc. Codes To Increase Minimum Nonresidential Plan Review Fees And Establish A Residential And Fire Protection Plan Review Fee. Establishing A Public Hearing On June 9, 2026
Finance 5/14/26, 3-0

Sponsors: Tom Marsh, Alex Brown, Alex Bearden

6. *Consideration Of COF Contract No. 2026-0148, With Lodestar (Previously PMA Management Group) Regarding Third-Party Administrator Services For City Of Franklin Self-Insured Workers Compensation Program

Sponsors: Kristine Brock, Sara Sylvis

7. Consideration Of Resolution 2026-13, A Resolution Acknowledging A Concept Plan For The Former DePriest Property And Closure Of A Portion Of Strahl Street And Future Unification Of The Property As Park Space

Sponsors: Lisa Clayton, Heather Eusebio

8. Discussion Of Updated E-Bike Legislation Changes

Sponsors: Eric Stuckey, Shauna Billingsley

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.

U.S. Small Business Administration

Office of Disaster Recovery and Resilience (ODR&R)

Disaster Loan Program Overview



U.S. Small Business
Administration

Office of Disaster Recovery and Resilience Mission Statement

ODR&R's core mission remains to support the SBA's delivery of disaster assistance, with an expanded focus on recovery and resilience through enhanced coordination and a whole-of-Agency approach to deploying all SBA programs to improve recovery outcomes and to build economic resilience through its existing mitigation lending program.



Types of Disaster Loans

The **SBA Disaster Recovery Loan Program** provides low-interest loans to help businesses of **any size** individuals (homeowners and renters), nonprofit/private organizations rebuild and recover after a declared disaster. These loans are for uninsured or uncompensated disaster losses.

Physical Disaster Loans

- ❑ **Business Disaster Loans** – Businesses and non-profit organizations to repair or replace property losses.
- ❑ **Home Disaster Loans** – Homeowners and renters to repair or replace property losses and or personal belongings.
- ❑ **Mitigation Assistance** - Additional funds to rebuild stronger:roofing, grading, drainage, elevating structures, adding a safe room, wind/hazard-resistant improvements etc.

Economic Injury Disaster Loans (EIDLs)

Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the declared disaster.



Disaster Loan Limits

Borrower	Purpose	Max Amt.
Business of any size and Non-profits	Repair or replace real estate, equipment, furniture, etc.	\$2 million
Small Businesses, Small Agricultural Cooperatives and most Private Non-Profit Organizations, aquaculture businesses	Working capital loans to meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster (EIDLs).	\$2 million* <i>*unless business qualifies as a Major Source of Employment (MSE)*</i>
Individual Homeowner	Repair or replace real property	\$500,000
Individual Homeowner or Renter	Repair or replace personal property	\$100,000
Business of any size, Non-profit or Homeowner	Mitigate / prevent future loss	20% of verified physical loss* *Not to exceed \$500,000 for home loans



Benefits of an SBA Disaster Loan



- ✓ Low, fixed interest rates
- ✓ NO interest and NO payment for 12 months
- ✓ Up to 30 years to repay
- ✓ No prepayment penalty
- ✓ Funds available even if insurance has not settled
- ✓ Loan can be used for relocation and refinance
- ✓ Mitigation funds available (up to 2 years to request funds)
- ✓ Businesses are eligible for physical and EIDL
- ✓ No obligation to take the loan if approved

Note: Disaster loan funds come *directly from the U.S. Treasury*

Loan and Insurance Requirements

Requirements for loan approval



Eligibility

Damaged property must be in a declared area.



Credit History

Applicants must have a credit history acceptable to SBA.



Repayment

Applicants must show the ability to repay loan.

Borrowers must maintain appropriate insurance as a condition of most loans



Hazard Insurance

Is required on all secured loans



Flood insurance

Is required for properties located in a Special Flood Hazard Area (SFHA) and for properties damaged in a flood disaster.

Economic Injury Disaster Loan (EIDL)

EIDL funds can be used for regular operating expenses such as:

- ✓ Rent
- ✓ Utilities
- ✓ Taxes
- ✓ Payroll and the continuation of health care benefits
- ✓ Marketing
- ✓ Fixed debt payments

EIDL funds cannot be used for:

- ❖ Expanding facilities
- ❖ Opening a new location
- ❖ Buying fixed assets
- ❖ Repairing physical damages
- ❖ Refinancing debt
- ❖ Paying out dividends or bonuses
- ❖ Paying back loans to stockholders or principals



Maximum loan amount is

\$2,000,000 (can be increased if business is considered a Major Source Employer or MSE)



Help meet working capital needs caused by the incident



EIDLs do not replace lost revenue, lost profits or fund expansion

SBA Disaster Loans vs. SBA Guaranteed Loans

- SBA's Disaster funds come **directly from the U.S. Treasury**
- Applicants **do not** go through a bank to apply. Instead apply directly to SBA's Disaster Assistance Program at: sba.gov/Disaster
- Applicants can have an existing SBA Disaster Loan (even COVID-19 EIDL) and still qualify for a loan for this disaster
- Disaster loans **cannot** be consolidated



SBA & Resource Partners

How SBA Resource Partners help businesses year round

- ✓ Prepare financial statements and apply for an SBA disaster loan.
- ✓ Successfully stay in business.
- ✓ Develop business models and marketing plans.
- ✓ Consider alternative funding sources.
- ✓ Identify ways to reduce costs.
- ✓ Technical training.
- ✓ Government contracting.
- ✓ Update management and technical services.

Locate an SBA office near you by visiting:

[SBA.gov/local-assistance](https://www.sba.gov/local-assistance)



Women's Business Centers



ODR&R Outreach and Engagement

Our team remains in Tennessee to ensure all communities have access to disaster/preparedness information. To assist with the widest distribution, please share our outreach material with your contacts, post to your website and social media accounts. We are available to attend local events, workshops, speaking engagements, participate/host resource and preparedness fairs, etc.

Contact: Tracy Gale, Field Public Affairs Specialist

Phone: (352) 454-0419

Email: tracy.gale@sba.gov

Let us know how we can serve you and your community

Questions



For more information about SBA's disaster assistance program and to apply, visit: [Disaster assistance | U.S. Small Business Administration](#)

Contact SBA's Customer Service Center **1-800-659-2955**

- ❖ For people who are deaf, hard of hearing, or have a speech disability, please dial **7-1-1** to access telecommunications relay services

Or by email at: DisasterCustomerService@sba.gov

Thank you for joining



Scan QR code to follow us on Social Media



U.S. Small Business Administration



File #: 26-0607

DATE: 5/26/2026

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Michael Walters Young, Chief Budget & Performance Officer
Katherine Harelson, Budget & Performance Analyst

SUBJECT:

Development Activity Report

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the development activity that occurred in Franklin during the first quarter of the 2026 calendar year.

BACKGROUND/STAFF COMMENTS:

Each quarter, the Board of Mayor and Aldermen receives a report summarizing development activity within the community. In the first quarter of 2026, development activity has remained steady, with permitting levels aligning (but slightly lower) with those observed over the last five years. Impact fee collections are lower overall compared to the first quarter of 2025. This is due to the slightly lower building permit numbers combined with the variability of the fees being assessed by development type. In the first quarter, construction value for permitted projects stands at \$100.2 million, which is a 72% decrease from the first quarter of 2025. This decrease is due to larger commercial projects starting construction in the previous year.

In addition, the Board of Mayor and Aldermen requested quarterly updates on staff's progress in implementing recommendations from the Development Customer Survey. In the last year, staff has engaged in extensive internal discussions and collaborated with the Development Services Advisory Commission. These efforts have produced several key initiatives, including:

- The development of a small customer satisfaction survey that is distributed at various stages of the development process;
- A redesign of development maps to enhance public accessibility; and
- The formation of a focus group dedicated to evaluating how the City communicates information about growth to various internal and external stakeholders.

This update will also provide data from the first six months of customer satisfaction survey responses, along with progress updates on each of the initiatives listed above.

FINANCIAL IMPACT:

There is no financial impact.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen acknowledge the Development Activity Report.



HISTORIC
FRANKLIN
TENNESSEE

BOMA WORK SESSION -

DEVELOPMENT ACTIVITY REPORT



OVERVIEW

1st Quarter Development Activity

January - March 2026

- Permitting Activity
- Permit & Impact Fees
- Housing & Construction Costs

Survey Response Update

Next Steps



2026: FIRST QUARTER



2026 PERMITTING ACTIVITY: FIRST QUARTER

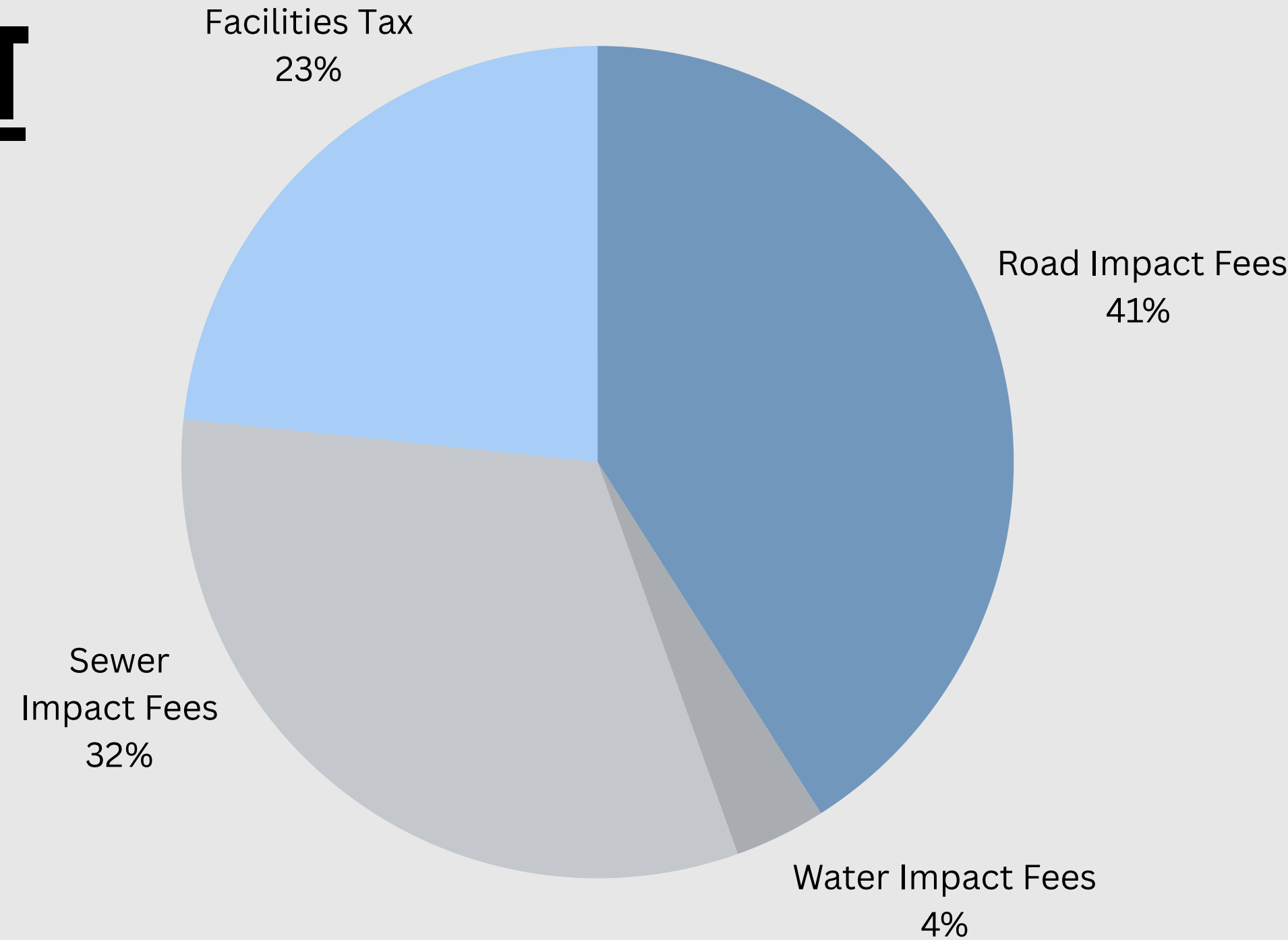
	2022	2023	2024	2025	2026
Building Permits	296	237	295	285	230
Trade Permits	1,113	1,000	1,282	1,305	1,044
Fire Permits	N/A	2	66	112	80

- Building permit activity in the first quarter of the calendar year is lower than in 2025 (19% decrease). However, growth remains stable and comparable to the last five years.
- The first quarter of the calendar year is considered the “slow season” for construction due to winter weather.



2026 PERMIT AND IMPACT FEES: FIRST QUARTER

- **Permit Fees:** \$519,983
- **Road Impact Fees:** \$452,717
- **Water Impact Fees:** \$39,194
- **Sewer Impact Fees:** \$354,806
- **Facilities Tax:** \$257,879



2026 HOUSING & CONSTRUCTION COSTS: FIRST QUARTER

New Dwelling Units Under Construction

Single Family	Townhome	Multifamily
57 units	3 units	0 units

Construction Values

Residential	Non-Residential	Total
\$66,838,938	\$33,357,470	\$100,196,408

Westhaven Active Adult and Astor Club





DEVELOPMENT SURVEY FOLLOW-UP

Quarterly Update

At the request of the BOMA, Staff will provide an update at least once a quarter on internal efforts to address recommendations that came from the last Development Customer Survey.

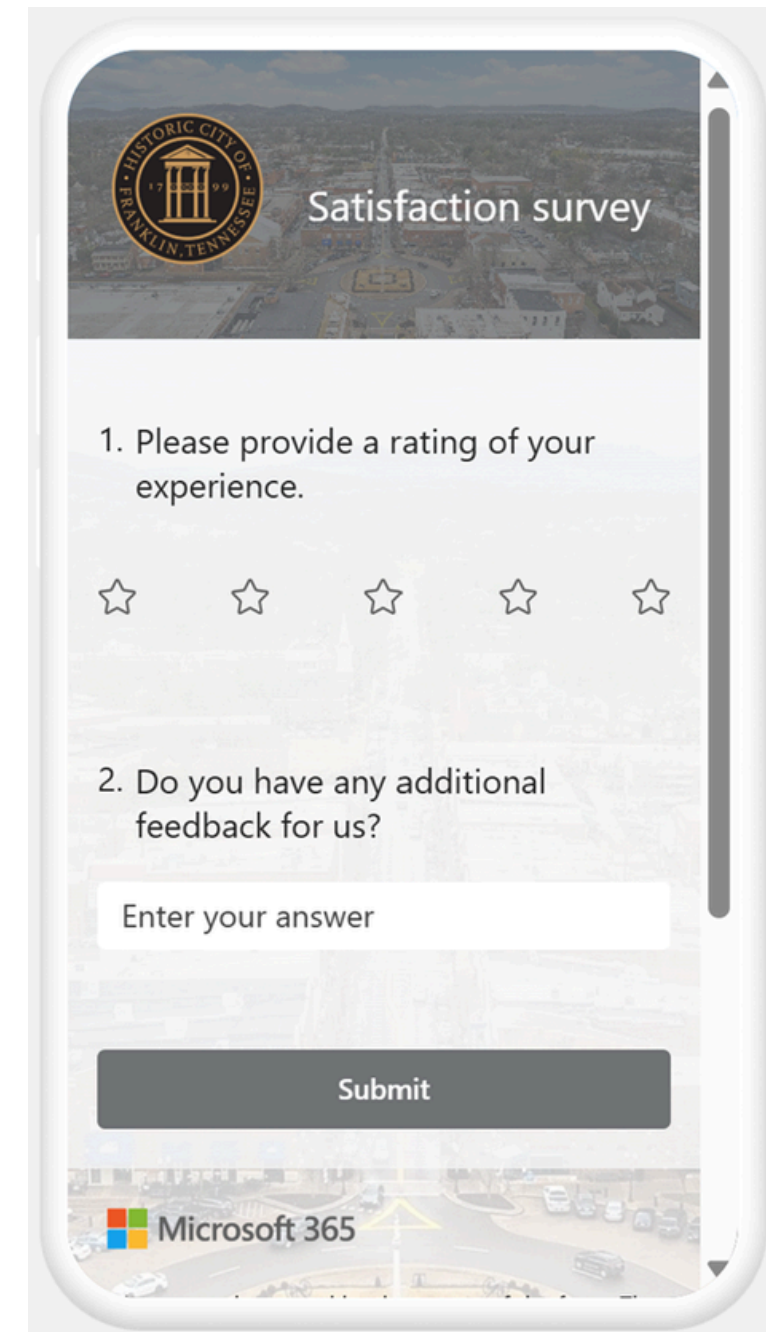
QR CODES – MINI SURVEYS

The mini surveys went live in early October!

Total Responses	57
Average Rating	4.7 Stars

“The online portal was simple, navigable and complete. Both the automated and human responses were well constructed and informative. However, the best aspect of the process was that, while I know that I am not, I was treated by [staff member] as if I were her only customer.”

Mobile View

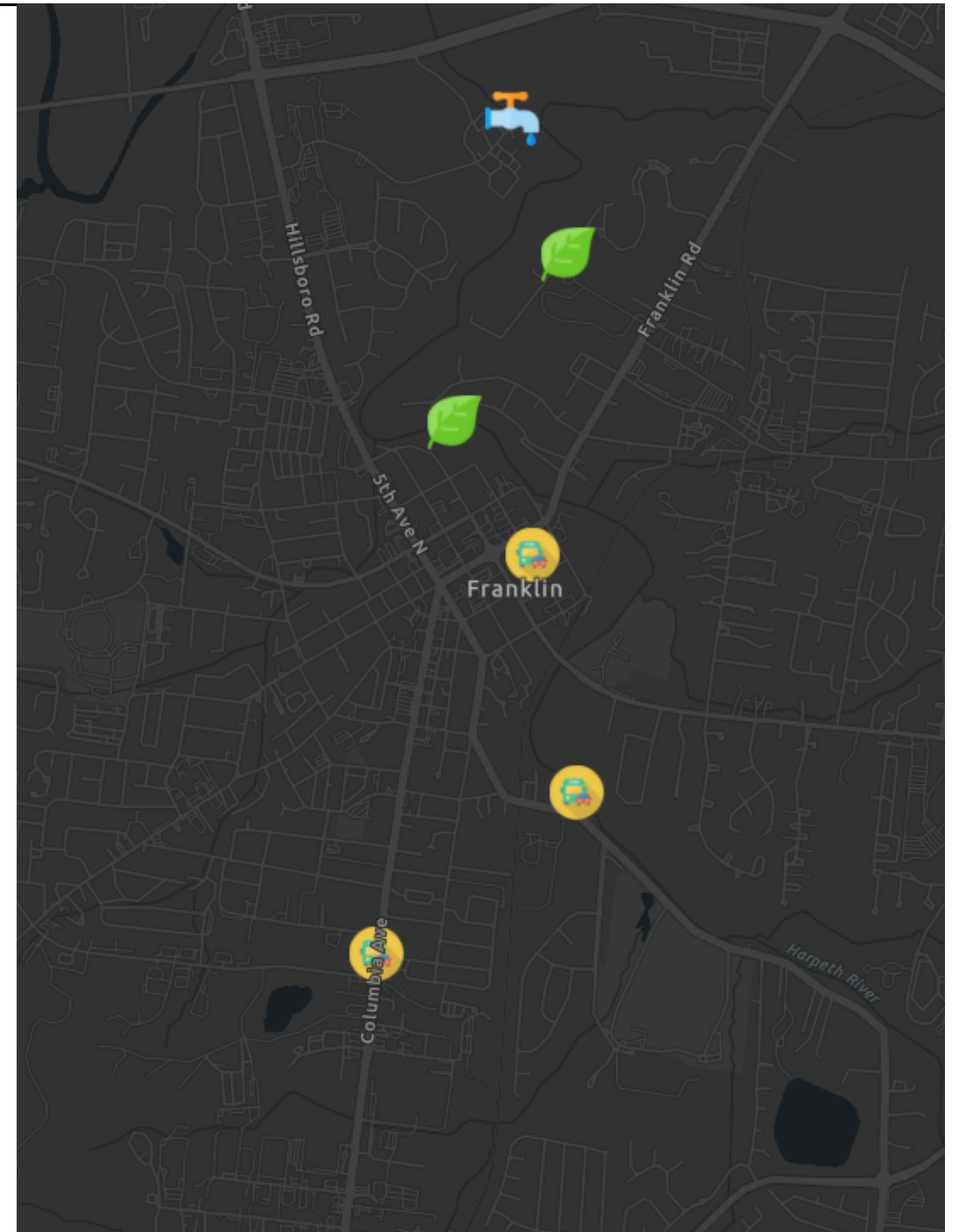


The screenshot shows a mobile survey interface for the Historic City of Franklin, Tennessee. At the top, there is a header with the city's logo and the title "Satisfaction survey". The first question asks for a rating of the experience, with a five-star rating scale. The second question asks for additional feedback, with a text input field labeled "Enter your answer" and a "Submit" button. The Microsoft 365 logo is visible at the bottom of the screen.

OTHER UPDATES – ENHANCING TRANSPARENCY

Growth Communication Strategy - Communications and Development Services staff have drafted a communication strategy to help spread valuable information about growth to the residents of Franklin. Presentations of this new strategy have been made to different community groups such as FrankTalks and the Downtown Rotary Club. ***Staff is open to meeting with other groups that are interested in learning more.***

Development Customer Survey - Staff is in the beginning stages of preparing the 2nd Development Customer Survey. The goal is to have the survey live sometime Fall 2026.



THANK YOU!





File #: 26-0447

DATE: 5/26/2026
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Michelle Hatcher, Director of Water Management

SUBJECT:

*Consideration Of Resolution 2026-32, A Resolution Authorizing The Use Of Competitive Sealed Proposal Procurement Method For Selecting Sanitary Sewer Pretreatment Program Support Services

PURPOSE:

The purpose of this resolution would be to authorize the use of the competitive sealed proposal procurement method for choosing the service provider for sanitary sewer pretreatment program support services for a term of award for the Water Reclamation Facility Division of the Water Management Department.

BACKGROUND/STAFF COMMENTS:

Tennessee law and City ordinance both require the Board of Mayor and Aldermen to authorize use of the competitive sealed proposal procurement method for choosing suppliers and/or service providers whenever the Board determines that the uses of competitive sealed bidding is either not practicable or not advantageous for the City.

For the planned procurement of sanitary sewer pretreatment program support services, competitive sealed bidding is either not practicable or not advantageous to the City because qualifications, experience, and competence are more important than price in making the purchase, and because there is more than one solution to this purchasing issue and the competitive sealed proposal procurement method will assist in choosing the best solution and service provider.

FINANCIAL IMPACT:

The financial impact of the procurement remains to be determined.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Resolution 2026-32.

RESOLUTION 2026-32

**A RESOLUTION AUTHORIZING THE USE OF THE COMPETITIVE SEALED PROPOSAL
PROCUREMENT METHOD FOR CHOOSING THE SERVICE PROVIDER FOR SANITARY SEWER
PRETREATMENT PROGRAM SUPPORT SERVICES FOR A TERM OF AWARD**

WHEREAS, pursuant to Tenn. Code Ann. § 12-3-1207 the City may use competitive sealed proposals rather than competitive sealed bids when the City adopts a process for the use of competitive sealed proposals and determines that the use of competitive sealed bidding is either not practicable or not advantageous to the City; and

WHEREAS, the City passed Ordinance 2019-24 on August 13, 2019, authorizing the use of the competitive sealed proposal procurement method; and

WHEREAS, should the City choose to pursue conducting its own competitive process for establishing the basis of pricing pursuant to sealed submittals and published legal notice, then City staff requests authority to use the competitive sealed proposal procurement method for determining which service provider to recommend for award of sanitary sewer pretreatment program support services, for a term of award; and

WHEREAS, the Board of Mayor and Aldermen find that the use of the competitive sealed proposal procurement method is advantageous to the City because qualifications, experience, and competence are more important than price in making the purchase, and because there is more than one solution to this purchasing issue and the competitive sealed proposal procurement method will assist in choosing the best solution and service provider there is no readily identifiable solution to this purchasing issue and the competitive sealed proposals will assist in identifying one or more solutions and service providers.

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

Should the City choose to pursue conducting its own competitive process for establishing the basis of pricing pursuant to sealed submittals and published legal notice, then the City is authorized to use the competitive sealed proposal procurement method pursuant to the standards set forth in Municipal Code § 5-504 for determining which service provider to recommend for award of sanitary sewer pretreatment program support services for a term of award because qualifications, experience, and competence are more important than price in making the purchase, and because there is more than one solution to this purchasing issue and the competitive sealed proposal procurement method will assist in choosing the best solution and service provider there is no readily identifiable solution to this purchasing issue and the competitive sealed proposals will assist in identifying one or more solutions and service providers.

IT IS SO RESOLVED AND DONE on this ____ day of _____, 2026.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

By: _____
Cayce Anderson
City Recorder

By: _____
Dr. Ken Moore
Mayor

Approved as to Form:

By: _____
Shauna R. Billingsley
City Attorney



File #: 26-0576

DATE: 5/26/2026
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Tom Marsh, Director of Building and Neighborhood Services
Alex Brown, Asst. Director of BNS
Alex Bearden, Development Services Manager

SUBJECT:

*Consideration Of Ordinance 2026-13, An Ordinance To Amend The City Of Franklin Municipal Code, Title 12, Chapter 1 And Appendix A – Comprehensive Fees And Penalties, Chapter 12, Building, Utility, Etc. Codes To Increase Minimum Nonresidential Plan Review Fees And Establish A Residential And Fire Protection Plan Review Fee. Establishing A Public Hearing On June 9, 2026
Finance 5/14/26, 3-0

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Ordinance 2026-13 to amend the City of Franklin Municipal Code, Title 12, Chapter 1 and Appendix A - Comprehensive Fees and Penalties, Chapter 12, Building, Utility, Etc. Codes to Increase Minimum Nonresidential Plan Review Fees and Establish A Residential and Fire Protection Plan Review Fee.

BACKGROUND/STAFF COMMENTS:

Staff has reviewed fees assessed by the City for plan review services of both non-residential and residential properties. There are four proposed changes:

- Nonresidential Plan Review Fee: Increase from \$50.00 to \$250.00
- Fire Protection Plan Review Fee: New Fee - set at \$50.00
- Residential Plan Review Fee: New Fee - set at \$100.00 (NOTE: Would apply ***only*** to new single-family construction > 2,000 sq. ft.)
- Resubmittal Review Fees (3rd Submittal & After): After the first two review cycles, 50% of the original review fee would be assessed with each subsequent resubmittal. (*This has existed in the Municipal Code for over a decade but has yet to be implemented.*)

FINANCIAL IMPACT:

Should all proposed fees be adopted, the potential revenue increase generated by Ordinance 2026-13 would be just under \$400,000 annually.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Ordinance 2026-13.

ORDINANCE 2026-13

AN ORDINANCE TO AMEND THE CITY OF FRANKLIN MUNICIPAL CODE, TITLE 12, CHAPTER 1 AND APPENDIX A – COMPREHENSIVE FEES AND PENALTIES, CHAPTER 12, BUILDING, UTILITY, ETC., CODES TO INCREASE MINIMUM NONRESIDENTIAL PLAN REVIEW FEES AND ESTABLISH A RESIDENTIAL AND FIRE PROTECTION PLAN REVIEW FEE.

WHEREAS, The City of Franklin provides plan review services related to private development to ensure compliance with various City Ordinances, City Development Standards, and Federal and State Requirements; and

WHEREAS, due to the cost of materials and labor, it is necessary for the City of Franklin to set fees to be partially reimbursed for these costs; and

WHEREAS, no review fee is currently enacted to cover the administrative costs of residential and fire protection plan review programs; and

WHEREAS, in consideration of the administrative costs associated with plan review, it is necessary to set fees for the City of Franklin to cover such administration.

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

SECTION I. That Title 12, Chapter 1, Section 12-102 (5) of the City of Franklin Municipal Code is hereby deleted in its entirety and replaced with the following:

(5) Section 109.8 Plan Review Fee, is created and approved to read as follows:

A plan review fee for construction documents is hereby established by the City of Franklin in accordance with the schedule as specified in Appendix A, Comprehensive Fees and Penalties. The plan review fee shall be paid at time of submitting blueprints for review and shall be for initial submittal and only one additional review when corrected or revised version of the original blueprints is submitted for a second review. The plan review fee is required for all projects other than new single-family detached dwellings equal to or less than 2,000 total gross square feet and renovations, additions, accessory structures, swimming pools, retaining walls, and demolition associated with single-family detached dwellings.

Construction plans reviewed and approved will be valid for one year from the date of approval.

SECTION II. Appendix A to the Franklin Municipal Code, Comprehensive Fees and Penalties, Chapter 12 – Building, Utility, Etc., Codes, is hereby deleted in its entirety and replaced with the following:

<i>Appeal Fee to the Building and Streets Standard Board of Appeals</i>	\$250.00
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<p><i>Permit Fees for all buildings and structures except for detached, single-family dwellings and additions to detached, single-family dwellings. Includes swimming pools, renovations, and tenant build-outs that are larger in scope than the simple permit criteria below. Fees include electrical, plumbing,-mechanical, and fire protection permits.</i></p>	
<p><i>Total Valuation (stated valuation by applicant shall be compared to the most current International Code Council Standard Building Valuation Data and the greater of the two shall be used for purposes of calculating the fee using the table below)</i></p>	
<p>\$1.00—\$999.00</p>	<p>\$30.00</p>
<p>\$1,000.00—\$4,999.00</p>	<p>\$30.00 for the first \$1,000.00 plus \$8.50 for each additional \$1,000.00 or fraction thereof</p>
<p>\$5,000.00—\$14,999.00</p>	<p>\$64.00 for the first \$5,000.00 plus \$6.75 for each additional \$1,000.00 or fraction thereof</p>
<p>\$15,000.00—\$39,999.00</p>	<p>\$132.00 for the first \$15,000.00 plus \$4.75 for each additional \$1,000.00 or fraction thereof</p>
<p>\$40,000.00—\$99,999.00</p>	<p>\$251.00 for the first \$40,000.00 plus \$4.00 for each additional \$1,000.00 or fraction thereof</p>
<p>\$100,000.00—\$499,999.00</p>	<p>\$491.00 for the first \$100,000.00 plus \$2.50 for each additional \$1,000.00 or fraction thereof</p>
<p>\$500,000.00—\$999,999.00</p>	<p>\$1,491.00 for the first \$500,000.00 plus \$1.75 for each additional \$1,000.00 or fraction thereof</p>

\$1,000,000.00 and above	\$2,366.00 for the first \$1,000,000.00 plus \$1.25 for each additional \$1,000.00 or fraction thereof
<i>Building permit fees for new construction and additions to detached, single-family dwellings - includes fees for electrical, plumbing, and mechanical permits (fee is updated annually at start of each fiscal year based on CPI for inflation).</i>	\$0.79 per square foot under roof including storage areas accessible by permanent stairways/doorways
Simple Permit (does not include new construction or additions) - projects of limited scope in existing buildings not requiring plan review, including: Building - Accessory buildings and demolitions. Electrical - installation of 5 devices or less, 3 circuits or less, temporary services, low voltage, and single family detached residential service releases of <200 amps. Plumbing - installation of 5 devices or less, gas piping pressure testing, water and sewer service repair/installation, water heater change-outs. Mechanical - installation of 5 devices or less, gas piping pressure testing, and equipment change-out. Other permits required by the municipal code and administered by Building and Neighborhood Services for which fees are not enumerated.	\$50.00 for each category that applies
Additional electrical inspection services (multiple fees may apply to each permit)	
Electrical occupancy finals	\$75.00
Service release > 200 amps	\$0.50 per amp per service, minimum \$100.00 per service
Service release up to and including 200 amps	\$50.00
Additional mechanical refrigeration inspection services	Minimum of \$27.00 + \$5.25 for each \$1,000.00 of valuation (equipment and labor)
<i>Technology Fee</i>	\$10.00 per permit

<i>Licenses - Gas Plumbers (Annual)</i>	\$25.00
<i>Lot Bonds</i>	\$10,000.00
<i>Processing Fee for Permit Refunds</i>	\$50.00
<i>Reinspection Fee</i>	\$50.00
<i>Special Events/After Hours Inspections</i>	\$75.00 per hour per employee (min. 2 hours)
<i>Violations</i>	\$50.00 per offense per day
<i>Residential Plan Review Fee (Applies to new construction greater than 2,000 total gross square feet under roof)</i>	\$100.00
<i>Fire Protection Plan Review Fee</i>	\$50.00
<i>Nonresidential Plan Review Fees</i> <i>Total Valuation (stated valuation by applicant shall be compared to the most current International Code Council Standard Building Valuation Data and the greater of the two shall be used for purposes of calculating the fee using the table below)</i>	
Total valuation, \$0—\$100,000.00	\$250.00
\$100,001.00—\$5,000,000.00	\$250.00 plus the value over the first \$100,000 × .0005 rounded up to the nearest dollar
\$5,000,001.00 and up	\$2,500.00 plus the value over the first \$5,000,000.00 × .0001 rounded up to the nearest dollar
Plan review fee when consultant reviews the entire plan	\$200.00 plus 100% consultant
Consultant Fees	100% passed on to applicant
Additional plan review cycles after initial and 1st re-review	50% of calculated plan review fee

Pre-Certificate of Use and Occupancy Inspection Fee	\$0.00
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SECTION III. BE IT FINALLY ORDAINED by the Board of Mayor and Aldermen of the City of Franklin, Tennessee, that this Ordinance shall take effect from and after its passage on third and final reading, the health, safety, and welfare of the citizens of Franklin, Tennessee, requiring it.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

By: _____
Cayce Anderson
City Recorder

By: _____
Dr. Ken Moore
Mayor

Approved as to form by:

William E. Squires
Deputy City Attorney

PASSED FIRST READING: _____
PUBLIC HEARING HELD: _____
PASSED SECOND READING: _____
PASSED THIRD READING: _____



File #: 26-0359

DATE: 5/26/2026
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Kristine Brock, Asst. City Administrator/CFO
Sara Sylvis, Benefits Manager

SUBJECT:

*Consideration Of COF Contract No. 2026-0148, With Lodestar (Previously PMA Management Group) Regarding Third-Party Administrator Services For City Of Franklin Self-Insured Workers Compensation Program

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning the proposed approval of Contract 2026-0148 with Lodestar (previously PMA Management Group) to continue third-party administrator services for the City of Franklin's self-insured workers' compensation program.

BACKGROUND/STAFF COMMENTS:

The City of Franklin implemented a self-insured workers' compensation program on July 1, 2020, which required securing third-party administrator services to manage workers' compensation claims. In furtherance of that need, the City released Solicitation No. 2025-019, requesting proposals for liability, property, and workers' compensation products and services, including third-party administrator services for the City's workers' compensation program. Following a careful review of the submitted proposals, City staff recommends award of Contract No. 2026-0148 to Lodestar (previously PMA Management Group) for third-party administrator services. The contract term is three years with two one-year renewal options, for a potential total contract duration of five years.

FINANCIAL IMPACT:

The cost of workers' compensation claims fluctuates based on the frequency of claims incurred by the City. Claim costs are allocated back to the applicable department in which the injured employee resides. In addition to claim costs, the City pays a flat monthly administration fee to Lodestar and a CINCH claims portal fee, both of which are determined based on the prior fiscal year's budget and exposure. For FY 2025, the total annual fee was \$14,405 or \$1,200 per month. As a self-insured

entity, the City bears 100% of workers' compensation claim costs; the flat monthly fee represents a service charge for third-party administration.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Alderman approve Contract No. 2026-0148.

**AGREEMENT FOR THIRD PARTY
CLAIM ADMINISTRATIVE SERVICES
COF Contract No. 2026-0148**

THIS IS AN AGREEMENT for third party claim administrative services (“**TPA services**”) made as of the ____ day of _____ 2026, by and between Lodestar Claims & Risk Services, Inc. (“**LODESTAR**”), a corporation duly incorporated under the laws of the Commonwealth of Pennsylvania, whose principal offices are located at 380 Sentry Parkway, Blue Bell, PA 19422 and The City of Franklin, Tennessee (“**Client**”), a political subdivision of the State of Tennessee, whose principal place of business is located at 109 3rd Avenue South, Franklin, TN 37064.

RECITALS

CLIENT is authorized by the State of Tennessee to self-insure its workers’ compensation program, or has procured a policy of insurance with an insurance company for its workers’ compensation insurance program;

LODESTAR, a duly authorized provider of third party administrator (“**TPA**”) services in the State of Tennessee, hereby agrees to provide Client TPA and other services which are more fully described herein; and

CLIENT, having selected **LODESTAR** to provide TPA and other services, desires to enter into an agreement with **LODESTAR** on the terms and conditions set forth herein.

ACCORDINGLY, in consideration of the foregoing and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. DEFINITIONS

- a) “**ALAE**” shall mean any cost or expense in connection with the administration, investigation, adjustment or defense of claims on behalf of Client.
- b) “**Claim File**” shall mean the file, either electronic or paper, for any open or closed claim which is provided to **LODESTAR** at the inception of this Agreement or created during this Agreement.
- c) “**Indemnity Claim**” shall mean any reported workers’ compensation claim that is not a Medical Only Claim or Record Only Claim.
- d) “**Clinical Case Manager**” shall mean a nurse who provides either on-site or telephonic medical management services in connection with workers’ compensation claims.
- e) “**Medical Only Claim**” shall mean any reported workers’ compensation claim meeting all of the following criteria: (1) there is no (a) subrogation activity, (b) litigation activity and the claim is not otherwise contested, (c) indemnity paid, salary in lieu of indemnity paid or time lost from work beyond the state prescribed waiting period, (d) investigation or review regarding compensability or liability assessment, or (e) carrier report, excess reporting requirement, client meeting (other than a routine meeting where the claim is noted) or settlement authority approval; (2) the claim is open for less than 12 months from the date of injury or accident; and (3) total paid amount does not exceed \$3,500.

- f) **“Qualified Claim”** shall mean any Indemnity Claim, Medical Only Claim, or Record Only Claim occurring within the term of this Agreement, as well as any Takeover Claim that LODESTAR agrees to service under this Agreement and any any Indemnity Claim, Medical Only Claim, or Record Only Claim occurring within the term of the Prior Agreement.
- g) **“Prior Agreement”** shall mean the prior agreement for third party claim administrative services entered into between LODESTAR and Client.
- h) **“Record Only Claim”** shall mean any incident reported for statistical purposes only and specifically identified as a Record Only Claim at the time of the initial report, with no (1) reserve, (2) involvement of LODESTAR personnel for follow up, outreach or any other activity other than recording the incident in LODESTAR’s system, (3) subrogation activity, (4) litigation activity and the claim is not otherwise contested, (5) payment of any type required or time lost from work, (6) investigation or review regarding compensability or liability assessment, or (7) carrier report, excess reporting requirement, client meeting or settlement authority approval.
- i) **“Takeover Claim”** shall mean any open claim which has been: (1) administered by Client or Client’s third party administrator prior to the inception of this Agreement; and (2) subsequently transferred to LODESTAR for servicing on or after the inception of this Agreement. Closed claims with accident dates prior to the Effective Date (as defined below) and subsequently reopened during the term of this Agreement will be considered Takeover Claims.

2. TERM

This Agreement is effective beginning January 1, 2026 (“Effective Date”) for a term of three years until December 31, 2028. LODESTAR and Client may agree to extend the term of the Agreement for up to two additional one year extension options. If any option is agreed, LODESTAR may increase its fees hereunder by five percent of the fees in effect at the end of the immediately preceding term.

3. TPA SERVICES

- a) LODESTAR shall provide customary and appropriate workers’ compensation claim handling services for all Qualified Claims. Specifically, with regard to:
 - i. Indemnity Claims - LODESTAR will provide the services required to make a determination regarding compensability, make reserve recommendations to the Client, pay the appropriate level of indemnity benefits and medical bills and expenses as provided in this Agreement, and under appropriate circumstances, attempt to resolve the claim.
 - ii. Medical Only Claims - LODESTAR services will consist of the payment of medical bills and expenses as provided in this Agreement and making reserve recommendations to the Client.
 - iii. Record Only Claims - LODESTAR services will consist only of making a record of the injury or accident.

LODESTAR shall determine whether a claim is an Indemnity Claim, a Medical Only Claim, or a Record Only Claim for all purposes under this Agreement.

- b) LODESTAR shall provide claim handling services for Qualified Claims from the date of first report of injury or first notice of claim for the term of this Agreement.
 - i. Client acknowledges that it is not entitled to any refund if Client requests that LODESTAR cease servicing a Qualified Claim prior to resolution of any open claim or if LODESTAR terminates this Agreement due to Client's breach.
 - ii. Should LODESTAR agree to service Client's Takeover Claims through the resolution of each such claim, then any early termination of this Agreement shall accelerate the Client's obligation to pay LODESTAR all claim handling fees related to the Takeover Claims or, at LODESTAR's option, LODESTAR may cease servicing the claims prior to the resolution of any such claim.
- c) LODESTAR shall have full discretion to establish reserves for any Qualified Claim up to \$24,999. This amount may be changed at any time by Client upon 10 days prior written notice to LODESTAR.
- d) LODESTAR shall file all required forms in the adjustment of Qualified Claims pursuant to the applicable workers' compensation statutory and regulatory scheme.
- e) LODESTAR will provide status reports in accordance with LODESTAR's customary business practice for all Qualified Claims having total incurred losses of \$50,000 or above.
- f) If requested by Client during the term of this Agreement, LODESTAR will provide up to four telephonic claim reviews annually based on mutually agreed upon claims selection.
- g) If requested by Client during the term of this Agreement, LODESTAR will provide an annual stewardship report.
- h) LODESTAR agrees to review and seek approval from Client with respect to a recommended course of action regarding a Qualified Claim.

4. EXCESS REPORTING SERVICES

- a) LODESTAR will report to Client's excess insurance carrier or carriers ("**Carrier(s)**") all Qualified Claims serviced by LODESTAR which meet Client's excess insurance reporting requirements, subject to the following requirements:
 - i. Client shall promptly provide LODESTAR with copies of all applicable excess policies and contact information, as well as amended or modified policies, endorsements, and any excess claim reporting thresholds or standards agreed by the Client and Carrier(s).
 - ii. Client shall direct Carrier(s) to promptly provide LODESTAR with copies of all claim notice confirmations, claim reports, and any similar reports provided by Carrier(s) to Client.
 - iii. Client shall promptly provide claim data for conversion to LODESTAR's computer system for purposes of determining historical loss information.

- iv. Client shall instruct its attorneys to advise LODESTAR when in the attorney's professional opinion one of Client's claims meets the reporting thresholds or standards.
- b) Client's failure to meet the requirements set forth above shall relieve LODESTAR of its obligation to report excess claims to Carrier(s). LODESTAR shall not be obligated to report any claims not serviced by LODESTAR.
- c) LODESTAR will attempt to collect non-aggregate excess claim recoveries on behalf of the Client for a period of 60 days (from the date of the initial request), after which LODESTAR will turn over pursuit of the outstanding balance to the Client for the reimbursable funds, and possess no further collection obligations or responsibilities for that outstanding balance.

5. MANAGED CARE SERVICES

- a) Client agrees to exclusively utilize the following LODESTAR managed care services:
 - i. LODESTAR's medical bill review and repricing services, which may include but are not limited to:
 - 1. reviewing medical documents for appropriateness, relatedness to the injury or accident, unbundling, and conformity to applicable fee schedule or usual and customary re-pricing; and
 - 2. utilizing LODESTAR's complex bill review process to review certain medical bills for possible additional savings.
 - ii. LODESTAR's managed care networks which include:
 - 1. traditional networks (e.g. physicians and medical facilities);
 - 2. specialty networks (e.g. providers of durable medical equipment, diagnostic testing, physical therapy, pain management, home health, and dental services);
 - 3. state specific networks (e.g. California Medical Provider Network, Texas Health Care Network); and
 - 4. out-of-network services from LODESTAR and third party vendors.
 - iii. LODESTAR's pharmacy benefit management program (e.g. bill repricing, home-delivery, brand-to-generic conversion, customized formularies, narcotic management, drug utilization review).
 - iv. Utilization of clinical case management services when any of the following criteria are met:
 - 1. surgical procedure;
 - 2. spinal cord injury;

3. occupational disease or a pandemic requiring medical treatment;
4. third degree burns;
5. multiple complex fractures;
6. crush injuries requiring poor initial medical outcome;
7. head injuries with cognitive impairment or loss of consciousness;
8. immediate post-injury hospital admission;
9. multiple trauma; or
10. adjuster identified assignments.

Continued clinical case management will proceed at the discretion of LODESTAR.

- b) LODESTAR shall also provide the Medicare related services set forth in Exhibit A to this Agreement.
- c) LODESTAR's Clinical Case Managers are authorized to provide LODESTAR's pharmacy intervention services on all claims at LODESTAR's discretion to assist with seeking improved claim outcomes. The Program will review incoming claimant medications which are outside of Centers for Disease Control guidelines, and recommend an intervention strategy which may include potential weaning, drug testing, and peer reviews to attempt to mitigate long term dependency at the point of sale.
- d) LODESTAR is authorized to employ utilization review services for evaluation of reasonableness, necessity, duration, and frequency of treatment or medication. These services may include, but are not limited to the following:
 - i. Prospective Review - a review prior to treatment or admission conducted by an experienced registered nurse to validate the necessity, frequency and duration of treatment.
 - ii. Concurrent Review - a review during the course of treatment conducted by an experienced registered nurse to evaluate treatment and planned procedures and establish target completion dates.
 - iii. Retrospective Utilization Review- a review after the completion of treatment conducted by an experienced registered nurse to identify inappropriate treatment utilization.
 - iv. Peer Review or Physician Advisor Review - physician-to-physician review and contact to resolve questions related to treatment and diagnosis.
- e) LODESTAR is authorized to employ prospective and concurrent utilization review services that may also include the use of physician advisor review such as for cases that are complicated and warrant physician review to resolve treatment or diagnosis questions.
- f) Upon Client request, LODESTAR will utilize LODESTAR Care24 point of injury nurse triage to assist with determining the direction of care when an injury is reported. This service may include but is not limited to a Clinical Case Manager providing self-care recommendations to the claimant, first notice of loss reporting, direction of care into the network or to a panel provider, or a recommendation for use of emergency room care.
- g) LODESTAR may retain third party vendors for the purpose of providing specific medical management

services.

6. RISK CONTROL SERVICES

a) Upon request, LODESTAR will:

- i. perform a risk management assessment;
- ii. prepare a more detailed analysis of specific risk-related issues, or prepare custom risk control strategies and implementation plans;
- iii. provide the following risk control services: industrial hygiene assessment, ergonomic risk assessment, and consultation services (e.g. strategic risk control plan facilitation, and employee communication initiatives, as well as management, supervisor and employee development programs and occupational health service programs);
- iv. create and administer a specific risk control service project mutually agreed upon with Client.

b) Any risk control services provided are solely to assist Client in reducing Client's exposure to risk of loss. Evaluations concern only such conditions and practices as may be evident at the time of LODESTAR's visits. **THE SERVICES PERFORMED UNDER THIS AGREEMENT BY LODESTAR SHALL NOT BE CONSTRUED AS APPROVAL BY LODESTAR OF CLIENT'S OPERATIONS, PROCESSES, SERVICES, PRODUCT DESIGN OR PRODUCT FUNCTION. THE PARTIES AGREE THAT, WHILE LODESTAR WILL PERFORM RISK CONTROL SERVICES WITHIN INDUSTRY STANDARDS, NO GUARANTEES OR OTHER SIMILAR ASSURANCES CAN BE MADE BY LODESTAR THAT IT HAS DISCOVERED ALL OF CLIENT'S PAST, CURRENT, OR FUTURE RISKS OR HAZARDS. THE PARTIES FURTHER AGREE THAT BY PROVIDING THE SERVICES SPECIFIED HEREUNDER, LODESTAR IS NOT MAKING ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY OR FITNESS OF CLIENT'S PRODUCTS OR PROCESSES FOR A PARTICULAR PURPOSE, COMPLIANCE WITH ANY LAW OR REGULATION, OR ANY OTHER WARRANTY, AND ANY LIABILITY OF LODESTAR, ITS AFFILIATES OR AGENTS, FOR DIRECT, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, FROM ANY CAUSE WHATSOEVER, IS EXPRESSLY DISCLAIMED, EVEN IF LODESTAR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS SECTION OF THE AGREEMENT SHALL SURVIVE THE TERMINATION OF THE AGREEMENT.**

7. RISK MANAGEMENT INFORMATION SYSTEM ("RMIS")

a) LODESTAR will provide the following RMIS services:

- i. upon request, a standard conversion of Client's existing claims data into LODESTAR's claim system. A standard conversion shall be from one electronic source and a customized conversion shall be from two or more sources;

- ii. access to LODESTAR's RMIS for up to six users, provided Client agrees to the terms and conditions of the License Agreement when first accessing LODESTAR's RMIS;
 - iii. standard reports available through LODESTAR's RMIS;
 - iv. One monthly data file transfer to a single carrier or RMIS system (“**Standard Data Feed**”);
 - v. customized reporting reasonably acceptable to LODESTAR, subject to additional terms, conditions and fees as may be agreed upon by the parties. LODESTAR will provide a reasonable estimate of the costs of preparation of any such reports to Client in advance;
- b) LODESTAR warrants LODESTAR's RMIS against malfunctions, errors, or loss of data which are due solely to errors on its part. If Client notifies LODESTAR in writing and furnishes adequate documentation of any such malfunction, error or loss of data, then:
- i. in the event of a malfunction, error or loss of data, upon notice from Client within 20 days of the event, LODESTAR will recreate the reports designated by Client without an additional fee, using data as of the recreation date.
 - ii. the maximum and only liability of LODESTAR for such malfunction, error or loss of data shall be its obligation to recreate reports or regenerate data as described above.
- c) **THE WARRANTIES STATED IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL LODESTAR BE LIABLE FOR ANY LOSS OR DAMAGE TO REVENUES, PROFITS, OR GOODWILL OR OTHER DIRECT, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND RESULTING FROM ITS PERFORMANCE OR FAILURE TO PERFORM UNDER THIS SECTION, INCLUDING WITHOUT LIMITATION ANY INTERRUPTION OF BUSINESS, EVEN IF LODESTAR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. THIS SECTION OF THE AGREEMENT SHALL SURVIVE THE TERMINATION OF THE AGREEMENT.**
- d) Obligations of Client regarding use of LODESTAR's RMIS:
- i. Client shall adhere to state and federal law with regard to protecting the privacy of any claimant whose information may appear in LODESTAR's RMIS. Client agrees to use all available security features and to notify LODESTAR promptly of all potential and actual breaches of the system.
 - ii. Client agrees that no information in LODESTAR's RMIS will be used as a pretext for retaliatory or other illegal or unfair discriminatory employment practices in violation of any federal or state statute or regulation.
- e) General Provisions regarding LODESTAR'S RMIS:
- i. Client agrees to limit access to LODESTAR's RMIS to those persons who perform the essential functions of claim and risk management, including protecting security access

passwords and communications, except that this provision is not intended to limit Client from generating and using reports and statistics for legitimate business purposes.

- ii. Unless otherwise stated, Client's access to LODESTAR's RMIS will end upon termination of the Agreement.

8. LITIGATION SUPPORT SERVICES

- a) In the event a Qualified Claim managed by LODESTAR pursuant to this Agreement: (x) enters into litigation; or (y) is scheduled for a workers' compensation hearing; or (z) involves a potential third-party (subrogation) claim (collectively, (x), (y) and (z), "**Disputed Claim**"), LODESTAR will:
 - i. make recommendations to Client regarding claim matters relevant to the Disputed Claim;
 - ii. assist Client in the retention and appointment of counsel selected by Client to represent Client in and regarding such legal matters, and assist Client in the selection of expert witnesses and vendors;
 - iii. pursue all appropriate subrogation claims as directed by Client.
- b) LODESTAR is authorized to utilize legal bill analyzer services to review and process legal invoices from all defense counsel utilized by the Client.

9. SECTION 111 REPORTING

- a) Client understands and acknowledges that it is a Responsible Reporting Entity ("**RRE**") as defined by the Centers for Medicare and Medicaid Services ("**CMS**"), and is responsible for the reporting requirements as set forth in Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007.
- b) Client authorizes LODESTAR or LODESTAR's designee to undertake Client's Section 111 reporting requirements as Client's Account Manager/Reporting Agent as it relates to Client's Qualified Claims. Client further agrees to fully cooperate with LODESTAR, including the execution of any documents necessary for such authorization.
 - i. LODESTAR shall not provide any Section 111 reporting services for Client's Record Only Claims.
 - ii. LODESTAR shall not undertake Section 111 reporting activities for Client's claims which were converted from Client's prior TPA to LODESTAR but were never serviced by LODESTAR.
- c) Client acknowledges and agrees to provide LODESTAR with complete, accurate, and timely data, as well as completed CMS documentation, for Section 111 reporting purposes.
- d) Upon receipt of complete, accurate claim data, LODESTAR shall commence reporting of Client's data to CMS, and shall continue for as long as LODESTAR provides claims handling services for Client's Qualified Claims.
- e) LODESTAR shall have no liability for any failure of (i) Client to register as a RRE; (ii) Client to

execute any documents necessary to authorize LODESTAR or LODESTAR's designee as its Account Manager/Reporting Agent; or (iii) Client or its prior TPA to report Client's claims when they were first required to do so.

10. FUNDING of CLAIMS and EXPENSES

- a)** LODESTAR will continue to maintain a non-interest bearing checking account in LODESTAR's name ("**Payment Account**") with LODESTAR's bank, which is to be funded by Client but which LODESTAR will administer for the purposes of paying Qualified Claims and ALAE, in accordance with the procedures set forth in this Section. LODESTAR will provide Client with a monthly schedule ("**Payment Register**") outlining all claim payments, ALAE, and correction items funded by LODESTAR and will contain the name of the payee, date of payment, amount of payment, and claim number for all transactions occurring during the prior month.
- b)** LODESTAR will automatically withdraw funds from Client's account at Client's bank through the Automated Clearing House System ("**ACH Debit**") for deposit to the Payment Account. ACH Debit activities will occur on a daily basis. Client acknowledges that it has signed an Authorization to Access Account Form prior to the inception of LODESTAR's services. The amount of the automatic withdrawal shall equal the total amount of payments made during that business day. Client shall not be required to maintain a minimum balance in the Payment Account.
- c)** Should Client fail at any time to maintain the required funding after receiving notification from LODESTAR, LODESTAR will stop providing all services, including ceasing to pay claims and expenses, until such funding has been restored and any related LODESTAR bank charges, fees, or penalties have been paid by Client.
- d)** LODESTAR is not obligated to pay any claims or expenses on behalf of Client unless the required funds are made available by Client to LODESTAR to do so. Should LODESTAR advance funding on the part of Client, then Client shall immediately reimburse LODESTAR or LODESTAR will stop providing services, including ceasing to pay claims and expenses, until full reimbursement has been received and any related LODESTAR bank charges, fees, or penalties have been paid by Client. LODESTAR shall have no liability to Client for any penalties, fines or assessments incurred due to Client's failure to maintain sufficient funds in the Payment Account or LODESTAR's election to stop performing services as a result thereof.
- e)** This Section of the Agreement shall survive the termination of the Agreement.

11. CLAIM HANDLING SERVICE FEE

- a)** For claim handling services to be rendered under this Agreement, Client shall pay LODESTAR an annual estimated fee, based upon the projected number of new claims to be serviced by LODESTAR during the term of this Agreement. The annual estimated fee due to LODESTAR is \$32,690, to be paid in 12 installments. Client shall pay the initial installment at the inception of this Agreement and subsequent installments monthly thereafter.

At the end of each term year of this Agreement, LODESTAR shall calculate for that year the actual fees for services based upon the number of claims multiplied by the following per claim fees:

- i. \$1,450 for each Indemnity Claim;
- ii. \$235 for each Medical Only Claim;
- iii. \$25 for each Record Only Claim.

If LODESTAR determines that additional claim handling fees apply, then LODESTAR may bill such additional claim handling fees as they are incurred or in any other reasonable manner as LODESTAR shall determine. Any reconciliation during a term year shall be duly accounted in the reconciliation after the term year. A Qualified Claim previously classified as a Record Only Claim or a Medical Only Claim may be reclassified during any reconciliation if the claim has evolved in a manner that satisfies the requirements for another type of Qualified Claim. In that case, only the difference between the prior rate and the new rate shall be charged as part of the reconciliation.

12. OTHER FEES

As compensation for the TPA services provided in this Agreement, Client agrees to pay LODESTAR the fees identified in the Fee Schedule attached to this Agreement as Exhibit A and incorporated into this Agreement by reference as an integral part of this Agreement. Payment shall be due as fees are incurred. Fees that are due annually or monthly shall be due on the effective date of this Agreement and each annual or monthly anniversary thereafter, as applicable. The fees set forth in Exhibit A can be changed by LODESTAR if new arrangements are made by LODESTAR and its third party vendors. LODESTAR shall provide Client notice of any change in fees within 10 business days of the implementation of the change.

13. PAYMENT of FEES

LODESTAR will bill Client for fees when due. If the bills are not paid within 30 days after receipt, LODESTAR reserves the right to charge Client interest at an annual rate of 12% on all overdue payments, and to stop providing services, including ceasing to pay claims and expenses, until such bills and interest have been paid in full.

14. CONFIDENTIALITY

a) The parties acknowledge and agree that information emanating from either party's business in any form may be confidential and proprietary in nature. Each party will use its reasonable best efforts during and after the termination of this Agreement to preclude the duplication, use or disclosure of any such confidential and proprietary information to any third party, unless such duplication or disclosure is specifically authorized under this Agreement, state law, or otherwise by the party claiming ownership. In addition, the parties agree that information contained in a Claim File or LODESTAR's RMIS or otherwise provided in the context of this relationship shall be considered confidential and proprietary, and may constitute privileged and/or attorney work product protected from discovery by law and/or rules of court. Therefore, neither party will release any such information unless:

- i. compelled by an order of a court of competent jurisdiction;

- ii. mandated by an insurance code, claim practices act, workers' compensation law, or other applicable law or regulation to provide information to the claimant or other person; or
 - iii. mandated by applicable court discovery rules.
- b) If there is an obligation to release part but not all of the information, the part deemed not responsive will be withheld, but nothing in this Agreement is intended to abrogate the duty of either party to comply in good faith with such discovery requests.
- c) Each party agrees that the information contained within LODESTAR's RMIS must be treated in a confidential manner by all users who may gain authorized access to LODESTAR's RMIS.
- d) Client agrees LODESTAR (or its representative) may de-identify and thereafter utilize Client's information for benchmarking and related purposes.
- e) LODESTAR processes on behalf of Client personal information disclosed to it by Client and personal information that Client has asked LODESTAR to collect for the purpose of administering Qualified Claims in accordance with this agreement (including managed care services, reporting, and other related support services) and providing risk control services. LODESTAR shall not sell or share with third parties for marketing purposes personal information it collects pursuant to this Agreement. LODESTAR shall not retain, use or disclose personal information relating to Client's injured workers for any commercial purpose other than for the purpose of administering Qualified Claims in accordance with this agreement (including managed care services, reporting, and other related support services), providing risk control services or as permitted by applicable law. LODESTAR may disclose information to vendors to the extent necessary or advisable to provide the services required under this Agreement.
- f) Where applicable, (1) LODESTAR shall comply with all applicable sections of the California Consumer Privacy Act and the regulations promulgated thereunder as in effect from time to time (the "CCPA") and corresponding Tennessee Information Protection Act ("TIPA") and LODESTAR shall notify Client if it determines it is unable to comply, (2) Client shall have the right, upon notice, to take reasonable and appropriate steps to stop and remediate LODESTAR's unauthorized use of personal information under the CCPA and TIPA and (3) Client shall inform LODESTAR of any consumer request made pursuant to the CCPA and TIPA with which it must comply.
- g) Upon Client's request, LODESTAR shall provide Client with its most recently completed SOC 2 or equivalent report.
- h) This Section of the Agreement shall survive the termination of the Agreement.

15. NATURE of RELATIONSHIP

- a) LODESTAR agrees to perform the services described in this Agreement as an independent contractor and not as an agent or employee of Client. Client retains no control or direction over LODESTAR, its employees or agents, or over the detail, manner or methods of the performance of the services described herein.
- b) LODESTAR retains third party vendors to provide services under this Agreement and LODESTAR's charges to Client may vary from the itemized charge to LODESTAR. Client acknowledges and agrees that

LODESTAR may receive allowances or payments from vendors in connection with LODESTAR's utilization of vendor services as consideration for LODESTAR's efforts in the management, administration and integration of the services. If Client requests the use of a vendor not offered by LODESTAR ("Client Vendor"), LODESTAR may disapprove the use of the Client Vendor in its sole discretion. If LODESTAR does not disapprove the Client Vendor and the Client Vendor services Client's Qualified Claims, then Client shall be responsible for all aspects of managing and monitoring the Client Vendor's performance, including service levels, costs and data security requirements. Client authorizes and directs LODESTAR to share with the Client Vendor information in its possession related to the Qualified Claims being serviced by the Client Vendor. LODESTAR shall have no liability with respect to any act or omission of the Client Vendor. Client shall hold LODESTAR harmless from liabilities resulting from LODESTAR's utilization of any third party vendor selected by Client if the vendor does not meet requirements determined by LODESTAR. So long as funds are available in the Payment Account, LODESTAR shall pay on behalf of Client all invoices submitted by a Client Vendor to LODESTAR in the amount set forth in such invoice.

16. TERMINATION

- a)** This Agreement may be terminated upon 90 days advance written notice by either party with or without cause.
- b)** This Agreement may be terminated:
 - i.** by mutual agreement of the parties;
 - ii.** by LODESTAR if Client is in default in payment of any fees or expenses due hereunder or fails to maintain the requisite claim funding levels as required herein and LODESTAR has given Client prior written notice of such default five days prior to the date set for termination;
 - iii.** by the non-breaching party if the other party breaches (other than a monetary breach) under any of the terms, covenants and conditions hereunder and the non-breaching party has given the breaching party prior written notice of such breach 20 days prior to the date set for termination and the breaching party has failed to cure such breach prior to the termination date;
 - iv.** by one party if the other party becomes insolvent or bankrupt, is placed into receivership, makes an assignment for the benefit of creditors, or is levied upon or sold by Sheriff's sale;
 - v.** by LODESTAR or Client if LODESTAR fails to obtain any required state or federal licensing for providing services hereunder; or
 - vi.** by LODESTAR or Client if any state regulatory entity fails to approve or subsequently disapproves or revokes the self-insured status of Client. LODESTAR or Client may choose to suspend all or part of LODESTAR's obligations under this Agreement or terminate this Agreement with respect to a state or states where Client loses its self-insured status.
- c)** This Agreement shall be deemed terminated upon its normal expiration.

- d) Upon termination of this Agreement pursuant to paragraph (c) above, LODESTAR shall service Client's remaining open claims pursuant to the terms of this Agreement, unless Client directs LODESTAR to cease servicing the open claims. Upon termination of this Agreement pursuant to paragraph (b) above, LODESTAR shall have no further obligation to service Client's remaining open claims and LODESTAR shall be entitled to return the Claim Files to Client in electronic form. LODESTAR may at its option keep a copy of the Claim Files for LODESTAR's records. Client shall be responsible for payment of all fees incurred by LODESTAR up to and including the date of termination.
- e) Client and LODESTAR acknowledge that certain approved indemnity, medical and expense payments may still be in process of payment upon the date of termination. Therefore Client agrees that Client will remain responsible for payment of any and all indemnity, medical and expense payments which may be processed by LODESTAR for a Qualified Claim, which shall include, at a minimum, the maintenance of a claim funding mechanism for at least 45 days after the Agreement terminates. In addition, LODESTAR shall return to Client any outstanding checks remaining unpaid after termination. LODESTAR shall not be responsible for Client's escheat obligations with regard to issued but unrepresented checks either before or after the termination of this Agreement.
- f) LODESTAR may utilize the Payment Account for any outstanding amounts owed by Client to LODESTAR prior to returning unallocated funding to Client.
- g) This Section of the Agreement shall survive the termination of this Agreement. Nothing in this Section of the Agreement shall limit any other remedy that may be available to LODESTAR.

17. INDEMNIFICATION, HOLD HARMLESS, and LIMITATION OF LIABILITY

- a) To the fullest extent permitted by law, LODESTAR shall indemnify, defend and hold harmless Client, its affiliates, officers, directors, employees, and agents, from and against all claims, losses, damages, costs, liability or expenses, including attorneys' fees, caused by or resulting from claims from third parties alleging negligence or willful misconduct of LODESTAR, its officers, directors, employees or agents. However the parties agree that LODESTAR, its directors, officers, agents or employees, will not be liable to Client or any third party for claims arising from LODESTAR's performance under this Agreement in those cases where LODESTAR acted at the request of or with the consent of Client.
- b) Client agrees that it will not hold LODESTAR liable for, or reduce the compensation of LODESTAR with respect to, any failure of LODESTAR to deliver any services resulting from any failure to cooperate on the part of Client or the prior administrator.
- c) Promptly after the receipt by any party seeking indemnification under this section ("**Indemnitee**") of notice of the commencement of any action or the assertion of any claim against such Indemnitee by a third party, such Indemnitee shall give such indemnifying party written notice thereof and the indemnifying party shall have the right to undertake the defense of such action or claim. If the indemnifying party fails to defend or, after undertaking such defense, fails to prosecute or withdraws from such defense, the Indemnitee shall have the right to undertake the defense and settlement thereof at the indemnifying party's expense. If the indemnifying party is defending such action or claim, the Indemnitee may retain separate counsel at its sole cost and expense and may participate in the defense of such action or claim. An indemnifying party may only settle an action or claim with the consent of the Indemnitee, which consent shall not be unreasonably withheld or delayed. If the Indemnitee does not consent to a settlement proposed by the indemnifying party that includes a full release of

Indemnatee from all claims at issue, the Indemnatee shall be responsible for any settlement, award, judgment or damages incurred above the settlement amount proposed by the indemnifying party, as well as all costs and expenses, including attorneys' fees, incurred in the defense of the claims from the date of the proposal.

- d) The indemnification provided in this section represents the sole remedy for actions or claims brought by third parties.
- e) Neither party shall be liable to the other party for punitive or consequential damages.
- f) Client agrees that LODESTAR's total liability to Client under this Agreement shall not exceed the amount of claim handling fees billed and collected by LODESTAR during the 3 year period immediately preceding the date Client first notifies LODESTAR in writing of any potential action or claim. This limitation of liability shall not apply to contract or tort claims filed by Client against LODESTAR.
- g) Any claim under this Agreement must be brought by the party within two years of the event forming the basis of the claim.
- h) This Section of the Agreement shall survive the termination of the Agreement.

18. NOTICES

All notices required to be given by one party to the other under this Agreement will be in writing and will be sent by first class US mail, postage prepaid, or by nationally recognized overnight carrier and will be addressed as set forth below or to such other address as may be designated in writing by either party in accordance with the provisions of this Agreement and will be effective upon receipt.

For Client:	HR Director City of Franklin 109 3 rd Avenue South City Hall Franklin, TN 37064
With a copy to:	Shauna Billingsley, City Attorney City of Franklin 109 3 rd Avenue South Franklin, TN 37064
For LODESTAR:	President LODESTAR Management Corp. 380 Sentry Parkway Blue Bell, PA 19422
With a copy to:	General Counsel LODESTAR Management Corp. 380 Sentry Parkway Blue Bell, PA 19422

19. NON SOLICITATION of LODESTAR'S EMPLOYEES

Client agrees not to directly solicit for employment, either as an employee or an independent contractor, employees of LODESTAR during the term of this Agreement or for a period of one year following its termination. The parties acknowledge the difficulty in determining a specific damage amount for breach of this section, therefore, as liquidated damages and not as a penalty, if Client breaches the terms of this section, Client shall pay LODESTAR an amount equal to one year's base salary of each employee hired. This section of the Agreement shall survive the termination of the Agreement.

20. ASSIGNMENT

This Agreement is non-transferable to the successors or assigns of LODESTAR unless the successor assumes the same obligations of LODESTAR in writing. Such assignment shall be provided to the City within 15 days after the assignment.

21. COOPERATION

- a) Client and its agents, representatives and employees will promptly report to LODESTAR all notices of injuries, losses or claims for which Client may be liable under its self-insurance program, and to provide all necessary documents and materials to LODESTAR, including but not limited to excess policies, which are necessary to provide the services hereunder.
- b) Each party and its agents will cooperate fully with the other party in connection with its obligations hereunder and upon reasonable request, assist in the investigation, litigation, settlement and/or defense of a particular Qualified Claim. Upon prior notice from Client, all Claim Files will be open to Client's inspection at reasonable times, at the office of LODESTAR. LODESTAR may, at its own option within five business days of such request provide Client or Client's representative with limited access to LODESTAR's RMIS for the purposes of reviewing Claim Files electronically.
- c) This Section of the Agreement shall survive the termination of the Agreement.

22. WARRANTIES and REPRESENTATIONS

- a) By affixing its authorized signature below, Client warrants that it has been duly authorized and/or otherwise possesses all requisite authority and may lawfully enter into this Agreement.
- b) By affixing its authorized signature below, LODESTAR warrants that it has been duly authorized and/or otherwise possesses all requisite authority and may lawfully enter into this Agreement.

23. MODIFICATION

LODESTAR may seek to modify fees if: (i) LODESTAR's fees and charges were based upon inaccurate or erroneous data, or Client's business changes materially in the nature or volume of business or claims from what was originally contemplated at the inception of the Agreement; or (ii) during the term of this Agreement, legislative and/or regulatory changes materially impact or change the scope of LODESTAR's services or responsibilities. If the parties are unable to reach an agreement with regard to the modification, then either party may terminate this Agreement with 60 days written notice to the other party, with the current fee structure remaining in effect.

LODESTAR will continue to provide services for the 60 day notice period, after which LODESTAR will return all Claim Files to Client and submit a final billing to Client.

24. MISCELLANEOUS

- a) **Governing Law; Jury Trial Waiver.** This Agreement and all disputes relating in any way to this Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its principles of conflicts of laws.
- b) **Entire Agreement.** This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes all prior written or oral agreements, representations, warranties, negotiations, or understandings. The parties further represent and warrant that they have not relied on any representations, warranties or statements as an inducement to entering this Agreement other than what is expressly written herein.
- c) **No Waiver.** No delay or omission on the part of any party in exercising any right hereunder will operate as a waiver of such right or of any other right under this Agreement. A waiver on any one occasion will not be construed as a bar to or waiver of any right or remedy on any other occasion.
- d) **Standard of Care.** LODESTAR shall discharge its obligations under this Agreement with commercially reasonable care, skill, prudence and diligence.
- e) **Force Majeure.** The obligations of either LODESTAR or the Client under this Agreement will be suspended for the duration of any force majeure applicable to that party. The term “force majeure” means any cause not reasonably within the control of the party claiming suspension, including without limitation, an act of God, industrial disturbance, war, riot, weather related disaster, earthquake, and/or governmental action. Client’s obligation to fund its claims and expenses shall continue uninterrupted during this Agreement and shall not be subject to a force majeure event. The party claiming suspension pursuant to this section of the Agreement shall take all commercially reasonable steps to resume performance as soon as possible without incurring unreasonably excessive costs.
- f) **Severability.** If any provision of this Agreement conflicts with the laws of the State of Tennessee, then the provision shall not be enforceable to the extent of such conflict. The provisions of this Agreement are to be deemed severable, and the invalidity or unenforceability of any provision will, unless material and going to the essence of the Agreement as a whole, not affect or impair the remaining provisions which will continue in full force and effect.
- g) **Counterparts; Electronic Signature.** This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall constitute a single instrument. The intentional action in electronically signing this Agreement shall be evidence of consent to be legally bound by this Agreement. Further, the parties agree that this Agreement may be signed and/or transmitted by electronic mail of a .PDF document or electronic signature (e.g., DocuSign or similar electronic signature technology) and thereafter maintained in electronic form, and that such electronic record shall be valid and effective to bind the party so signing as a paper copy bearing such party’s hand-written signature. The parties further consent and agree that the electronic signatures appearing on this Agreement shall be treated, for purpose of validity, enforceability and admissibility, the same as hand-written signatures. Each party agrees not to contest the admissibility or enforceability of the electronically signed copy of this Agreement in any proceeding arising out of this Agreement.

- h) **Captions.** The captions and headings to the various Sections of this Agreement have been inserted for convenience of reference only, and shall not have the effect of amending or changing the express terms or provisions of this Agreement.
- i) **Ambiguities.** The parties agree that the terms and language of this Agreement are the result of detailed negotiations between the parties and, as a result, there shall be no presumption that any ambiguities in this Agreement shall be resolved against either party. Any controversy over the construction of this Agreement shall be decided in light of its business purposes, without regard to events of authorship or negotiation.
- j) **Calculation of Time.** All references herein to days shall be to calendar days, unless an express reference is made to business days. In the event the last day for compliance falls on a Saturday, Sunday, or Holiday, the period for compliance shall be deemed to include the following business day.
- k) **Amendment.** Except as otherwise set forth in this Agreement, this Agreement will not be amended except as mutually agreed in a writing signed by both parties.
- l) **Use of Client Name and/or Logo.** During the term of this Agreement, Client authorizes LODESTAR to utilize Client's name and/or logo in promotional or marketing efforts.

25. COMPLIANCE WITH TENNESSEE REGULATIONS

It is agreed and understood by LODESTAR and Client that the parties agree to, and will comply with, the provisions of Tenn. Comp. R. & Regs. 0780-1-81-.03 through 0780-1-81-.08: (1) as attached to this Amendment; (2) as incorporated into the Agreement as Exhibit B; and (3) as annotated by LODESTAR and Client within the margins of Exhibit B.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on the day and year first written above.

LODESTAR MANAGEMENT CORP.

CITY OF FRANKLIN

BY: Michael MacAulay

BY: _____

TITLE: President

TITLE: _____

Approved as to form:

 Shauna R. Billingsley, City Attorney

Exhibit A – Other Services Fee Schedule

All fees are billed as incurred unless specifically agreed otherwise.

<u>Service Type</u>	<u>Amount</u>
<u>Managed Care:</u>	
Medical and pharmacy bill review and repricing	\$9.50 per bill, plus 29% of savings over and above fee schedule and/or usual and customary
Utilization review	\$125 per review
Clinical case management services	\$105 per hour
Catastrophic Clinical Services	\$185 per hour
Medical consultant review	\$255 per review
LODESTAR Care 24	\$103 per call
LODESTAR Care 24 Set-Up	\$2,500 - \$3,000
LODESTARcare Rx+ Pharmacy Intervention Services	\$75 per review
Medical Director	\$250 per hour
<u>Medicare Solutions</u>	
Section 111 Reporting	\$9.50 per claim queried
Medicare Set-Aside Allocation	\$2,200 each
CMS Submissions	\$630 each
Update (of prior MSA report)	\$800 - \$2,200 per report
Rush Request of MSA	\$500
Medicare Conditional Payment Research	\$130 each
Medicare Conditional Payment Appeal or Dispute	\$260 each
Medicare Conditional Payment Research Final Demand	\$55 each
Medical Cost Projections	\$1,900 each
Evidenced Based MSA	\$2,200 each
Life Care Plan	\$185 per hour
Resolution Services	\$130 per hour
Medicare/Social Security Verification	\$225 each
Medicaid Conditional Payment Research	\$260 each
Medicare Advantage Plan Conditional Payment Negotiation	\$525 each
Treasury lien resolution	\$750 - \$1,250 each
Liability Conditional Payment Canvass	\$90 each
Liability Conditional Payment Dispute or Appeal	\$375 each
Liability Medicare Advantage Conditional Payment Dispute or Appeal	\$525 each
Provider Relations Specialist	\$110 per hour

<u>Information Systems:</u>	
RMIS fee	\$x,xxx per year for up to 3 users \$500 per year each additional user
Standard Data Conversion	Not applicable
Customized Reporting/Programming	\$200 per hour
Standard Data Feed Set-Up	\$3,000 per year
Standard Data Feed	\$250-\$300 per month
<u>Risk Control:</u>	
General	\$145 per hour (AOS), \$175 per hour (CA)
Industrial Hygiene Services	\$180 per hour
Special Projects	To be determined
<u>Claim Adjustment:</u>	
Vocational Rehabilitation	\$105 per hour
Claim Indexing	Per prevailing market rate
Legal Bill Analyzer	3% of gross billed charges
<u>Other:</u>	
Administrative	\$XXXXX annually
Account Implementation	Not applicable
Non-standard claim intake	\$20 per claim
Subrogation Specialist Services	20% of gross recovery
Excess & Second Injury Fund Recovery Services	2% of gross recovery
Recover At Work	\$125 per hour
Recover At Work Special Projects	To be determined
Standard Data Extract (upon termination)	\$6,000
OSHA reporting preparation services	\$20 per incident \$3,000 annual minimum
OSHA Special Projects	To be determined
Each Claim Review in excess of two per year	\$2,500 per review, per day plus LODESTAR expenses
Onsite claim review	Travel incurred by LODESTAR personnel is reimbursed in full by the client
Physical File Storage	To be determined

EXHIBIT B
COMPLIANCE WITH TENN. COMP. R. & REGS. 0780-1-81-.03
THROUGH 0780-1-81-.08

LODESTAR and Client agree to, and will comply with, the following Tennessee Rules and Regulations from the Department of Commerce and Insurance, Division of Insurance, relating to administration of self-insurance workers' compensation programs by single employers or pools:

Agreed, understood,
and to be complied
with by LODESTAR.

Agreed, understood,
and to be complied
with by Client.

07-1-81-.03 WRITTEN AGREEMENT NECESSARY

- (1) No third party administrator shall act as such without a written agreement between the third party administrator and the employer or pool, and the written agreement shall be retained as part of the official records of the employer or pool and the third party administrator for the duration of the agreement and for five (5) years thereafter. The agreement shall contain all provisions required by this Chapter, except insofar as these requirements do not apply to the functions performed by the third party administrator.
- (2) The written agreement shall include a statement of all of the duties that the third party administrator is expected to perform on behalf of the employer or pool.
- (3) The employer, pool, or third party administrator may, with written notice, terminate the written agreement for cause as provided in the agreement. The employer or pool shall fulfill any and all lawful obligations with respect to workers' compensation benefits affected by the written agreement, regardless of any dispute between the employer or pool and the third party administrator.

Agreed, understood,
and to be complied
with by LODESTAR.

Agreed, understood,
and to be complied
with by Client.

07-1-81-.04 PAYMENT TO THIRD PARTY ADMINISTRATOR

The payment of claim payments forwarded by the employer or pool to the third party administrator shall not be deemed to have been paid to the employee until the payments are actually received by the employee, unless any different standard has been promulgated under the workers' compensation law by the Department of Labor and Workforce Development.

07-1-81-.05 MAINTENANCE OF INFORMATION

- (1) A third party administrator shall maintain and make available to the employer or pool complete books and records of all transactions performed on behalf of the employer or pool. The books and records shall be maintained in accordance with prudent standards of insurance record keeping and shall be maintained by the third party administrator for a period of not less than five (5) years from the date of their creation, unless the agreement between the employer or pool and the third party administrator is terminated prior to the five (5) years.
- (2) The Commissioner shall have access to all books and records maintained by the third party administrator for the purposes of examination, audit, and inspection. Pursuant to the Commissioner's role, applicable common law and statutory protections and privileges, and examination and investigative authority including those conferred under T.C.A. § § 50-6-405, 56-1-409, and any other provisions of T.C.A. Title 56 or 50 that may be pertinent, any documents, materials, or other information in the possession or control of the Commissioner that are furnished by a third party administrator, insurance producer, or an employee or agent thereof acting on behalf of the third party administrator, insurance producer, or obtained by the Commissioner shall be confidential by law and privileged, shall not be subject to public inspection as provided in T.C.A. § 10-7-503, may be shielded from subpoena or eligible for a protective order under applicable laws and court procedure rules, and may be shielded from discovery or inadmissible as evidence in any private civil action. However, the Commissioner is authorized to use such documents, materials or other information in furtherance of any regulatory or legal action brought as part of the Commissioner's official duties. The costs of such examination, audit, or inspection, including such experts which the Commissioner deems necessary to contract, may be assessed, in the discretion of the Commissioner, to the third party administrator, employer, or pool.
- (3) The Commissioner or any person who received documents, materials, or other information while acting under the authority of the Commissioner may resist under any applicable laws and court rules being called to testify in any private civil action concerning any confidential documents, materials, or information referenced in Paragraph (2) of this Rule. By this Rule, the Commissioner does not waive any right he or she may have to determine and assert the scope of confidentiality and privilege relating to particular documents, materials, or other information obtained or maintained under the Commissioner's authority.
- (4) In order to assist in the performance of his or her duties, the Commissioner:

- a. May share documents, materials, or other information, including the confidential and privileged documents, materials, or information subject to Paragraph (2) of this Rule, with other state and federal agencies, provided that the recipient agrees in writing to maintain the confidentiality and privileged status of the document, material, or other information;
 - b. May receive documents, materials, or information, including otherwise confidential and privileged documents, materials, or information, from the NAIC, its affiliates or subsidiaries and shall maintain as confidential or privileged any document, material, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the documents, materials, or information; and
 - c. May enter into agreements governing sharing and use of information consistent with this Paragraph.
- (5) To the extent allowed under applicable law, the Commissioner deems that no waiver of any applicable privilege or claim of confidentiality in the documents, materials, or information is intended or shall occur as a result of disclosure to the Commissioner under this Rule or as a result of sharing as authorized in Paragraph (4) of this Rule.
- (6) Nothing in this Chapter shall prohibit the Commissioner from releasing documents related to contested cases or examination reports or orders which are open to public inspection pursuant to T.C.A. § 10-7-503.
- (7) The employer or pool shall own the records generated by the third party administrator pertaining to the employer or pool, however, the third party administrator shall retain the right to continuing access to books and records necessary to permit the third party administrator to fulfill all of its contractual obligations to employers or pools. Nothing in this paragraph shall restrict the ability of a third party administrator to make copies of documents in their possession after the termination of their agreement with the employer or pool.
- (8) If the employer or pool and the third party administrator cancel their agreement pursuant to Rule 0780-1-81-.03(3), notwithstanding the provisions of Paragraph (1) of this Rule, the third party administrator may by written agreement with the employer or pool transfer all records to a new third party administrator rather than retain them for five (5) years. In such cases, the new third party administrator shall acknowledge, in writing, that it is responsible for retaining the records of the prior third party administrator as required in Paragraph (1) of this Rule.

07-1-81-06 RESPONSIBILITIES OF EMPLOYER OR POOL

- (1) If an employer or pool utilizes the services of a third party administrator, the employer or pool shall be responsible for determining the benefits, premium rates, and claims payment procedures applicable to the benefits and for securing reinsurance, stop loss insurance or excess coverage, if any. The rules pertaining to these matters shall be provided, in writing by the employer or pool to the third party administrator. The responsibilities of the third party administrator as to any of these matters shall be set forth in the written agreement between the third party administrator and the employer or pool.
- (2) Nothing in this Chapter shall relieve an employer or pool of the ultimate responsibility for the competent administration and timely payment of workers' compensation benefits as required by T.C.A. § § 50-6-205 and 56-8-104 and any rules promulgated thereunder.

07-1-81-07 COLLECTION OF MONIES AND PAYMENTS OF CLAIMS

- (1) All monies collected by a third party administrator on behalf of or for an employer or pool, and the return of monies received from that employer or pool, shall be held by the third party administrator in a fiduciary capacity. The monies shall be immediately remitted to the person entitled to them or shall be deposited promptly in a fiduciary account established and maintained by the third party administrator in a federally or state insured financial institution. The written agreement between the third party administrator and the employer or pool shall provide for the third party administrator to periodically, but no less than quarterly, render an accounting to the employer or pool detailing all transactions performed by the third party administrator pertaining to the business underwritten by the employer or pool.
- (2) If monies deposited in a fiduciary account have been collected on behalf of or for one or more employers or pools, the third party administrator shall keep records clearly recording the deposits in and withdrawals from the account on behalf of each employer or pool. The third party administrator shall keep copies of all the records and, upon request of an employer or pool, shall furnish the employer or pool with copies of the records pertaining to the deposits and withdrawals.

- (3) All claims paid by the third party administrator from funds collected on behalf of or for an employer or pool shall be paid only on drafts, electronic transfer, or checks of and as authorized by the employer or pool.
- (4) All third party administrators shall comply with the prompt pay standards set forth in both T.C.A. Title 50 and Title 56 for the payment of workers' compensation benefits.

Agreed, understood,
and to be complied
with by LODESTAR.

Agreed, understood,
and to be complied
with by Client.

07-1-81-.08 DISCLOSURE OF CHARGES AND FEES

Third party administrators shall disclose to the employer or pool all affiliates of the third party administrator providing services to the employer or pool and any fees in addition to those paid to the third party administrator for such services.



File #: 26-0226

DATE: 5/26/2026
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Lisa Clayton, Director of Parks & Recreation
Heather Eusebio, Research & Planning Specialist

SUBJECT:

Consideration Of Resolution 2026-13, A Resolution Acknowledging A Concept Plan For The Former DePriest Property And Closure Of A Portion Of Strahl Street And Future Unification Of The Property As Park Space

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2026-13, a resolution acknowledging the conceptual plan for the former DePriest property and authorizing staff to initiate public engagement and advisory board review.

BACKGROUND/STAFF COMMENTS:

The City of Franklin owns the parcel near Strahl Street and Franklin Battlefield Park where the former DePriest structure was removed in September 2025, and following that removal, staff began evaluating how the property could be better integrated into the surrounding park and battlefield. Working with the Battle of Franklin Trust, the City developed a high-level concept plan that presents a long-term vision for unifying the area as expanded park space. The plan is intentionally preliminary and serves as a tool for discussion with residents, advisory boards, and other stakeholders rather than a detailed design.

One of the major ideas within the concept is the possible closure of a portion of Strahl Street, with the existing asphalt repurposed to support a more cohesive park environment. This element remains conceptual and would require further analysis, public engagement, and formal approval before any action could occur. The concept does not yet address specific design features such as historic fencing, interpretive elements, signage, landscaping, or amenities, as those will be developed in later phases as funding becomes available.

Since the concept was presented to the Board of Mayor and Aldermen on February 24, seven meetings with various groups and residents were held throughout March, April, and May, and a

spreadsheet summarizing the comments from those meetings has been provided. Overall, participants expressed strong support for the development of the park, though opinions on the potential closure of Strahl Street varied depending on the group. A resolution has been prepared that advances one option involving the closure of a section of the street, but the Board may wish to consider an alternative. If the Board chooses to modify the concept plan, the decision could be moved from June 9th to June 23rd to allow staff time to return the plan to the consultant for revisions. The final vote on the resolution would then take place on June 23rd. The property is still scheduled to be deeded to the city by the end of the fiscal year from Franklin's Charge or early summer of 2026.

FINANCIAL IMPACT:

This resolution does not authorize construction or funding of the plan. Implementation of amenities identified in the concept master plan, upon its approval, will be supported through the Parks and Recreation Department's general fund budget.

RECOMMENDATION:

Staff recommends that the Board of Mayor and Aldermen approve Resolution 2026-13.

RESOLUTION 2026-13

A RESOLUTION ACKNOWLEDGING A CONCEPT PLAN FOR THE FORMER DEPRIEST PROPERTY AND CLOSURE OF A PORTION OF STRAHL STREET AND FUTURE UNIFICATION OF THE PROPERTY AS PARK SPACE

WHEREAS, the City of Franklin, Tennessee (“City”) is the owner of property located in the vicinity of Strahl Street and the Franklin Battlefield Park, where the former DePriest structure was removed in September 2025; and

WHEREAS, City staff has prepared a high-level conceptual plan for the subject property to illustrate potential future use of the site as unified park space and to serve as a discussion tool for engagement with surrounding residents, advisory commissions, boards, and other stakeholders; and

WHEREAS, the concept contemplates the potential closure of a portion of Strahl Street and the repurposing of the existing asphalt roadway in order to create a cohesive park area, subject to further study, public input, and formal approvals; and

WHEREAS, details related to historic fencing, interpretive signage, water or dog fountain amenities, and other park features are not shown in the concept plan and would be considered and refined during future phases of planning and development; and

WHEREAS, the Board of Mayor and Aldermen desires to formally acknowledge the concept plan and authorize City staff to begin the public and inter-board engagement process over the coming months.

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

1. The Board hereby acknowledges the concept plan for the former DePriest property as a non-binding planning and communication tool.
2. City staff is authorized to use the concept plan to begin public engagement and advisory board review, starting with the Civil War Historical Commission.
3. This Resolution does not approve street closure, construction, or funding, and any such actions shall require separate approvals.

IT IS SO RESOLVED AND DONE on this ____ day of _____, 2026.

ATTEST:

CITY OF FRANKLIN, TENNESSEE:

By: _____

**Angie Skarp
City Recorder**

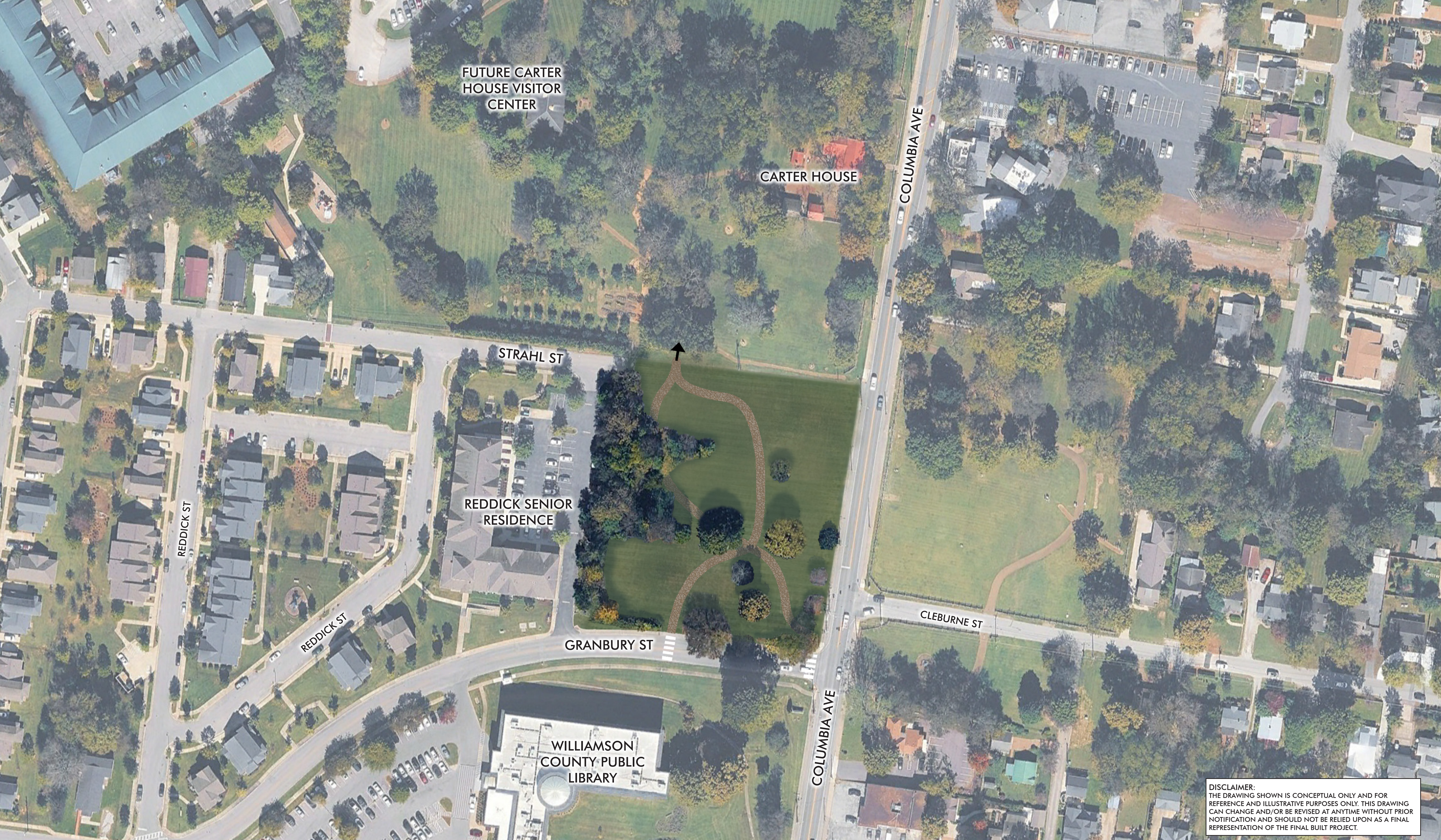
By: _____

**Dr. Ken Moore
Mayor**

Approved as to Form:

By: _____

William E. Squires
Deputy City Attorney



DISCLAIMER:
THE DRAWING SHOWN IS CONCEPTUAL ONLY AND FOR REFERENCE AND ILLUSTRATIVE PURPOSES ONLY. THIS DRAWING CAN CHANGE AND/OR BE REVISED AT ANYTIME WITHOUT PRIOR NOTIFICATION AND SHOULD NOT BE RELIED UPON AS A FINAL REPRESENTATION OF THE FINAL BUILT PROJECT.



LANDSCAPE
ARCHITECTURE
& LAND PLANNING

PARK CONCEPT PLAN
FRANKLIN BATTLEFIELD PARK
FRANKLIN, WILLIAMSON COUNTY, TN

JANUARY 07, 2026
Project #25118



Carter Hill Park Expansion Concept Master Plan Public Meetings

DATE OF MEETING	MEETING TITLE	COMMENTS FROM EACH MEETING
24-Feb-26	Worksession: Board of Mayor & Alderman	1 Concept is good in theory overall.
		2 Receive Feedback from Various Groups & Committees
		3 Conduct Neighborhood Meetings
		4 Meet with Residents in the Area
26-Mar-26	Franklin's Charge, Inc.	1 In favor of closing Strahl Street to make one park as shown on the concept plan.
		2 In favor of the current master plan and amenities to be included in the plan.
		3 In favor of evaluating the alignment of Cleburne Street and Granbury Street.
2-Apr-26	City of Franklin Civil War Historical Commission	1 Install Fencing with Openings along Columbia and side streets for pedestrian access
		2 Install Interpretative Signage
		3 Will there be an monuments or other items in the future on this side of the park?
		4 In favor of closing Strahl Street but only to the back entrance the Reddick Senior parking area, parking area stays open.
		5 Plant more trees & landscaping
		6 Trails should be a connector to Columbia's sidewalks for Strahl Street Residents.
		7 Meet with the residents to understand their history of Strahl Street.
		8 Picnic benches and maybe a table for visitors to the park.
		9 Add doggie pot and water fountain for people & dogs.
		10 Make trails ADA accessible from this property to the Carter House Visitors Center.
		11 Engage State Historical Preservation Commission on improvements.
		12 Evaluate the realignment of Cleburne Steet and Granbury Street redlight intersection.
		13 Provide a passage way from the park to the Reddick Center for those residents (keep tree line but somewhere that allows for access).
		14 Add ADA parking, a minimum of a couple of spaces once the master plan is complete.

2-Apr-26	Leadership Team Plus & Friends of Franklin Parks Executive Board Members	1 In favor of closing a portion of Strahl Street and return to grass and trails.
		2 Strahl Street: Evaluate whether to close another portion with bollards only from the back entrance of the Reddick Senior Center to Reddick Street as an option. Asphalt stays for emergency purposes only. This would deter "cut through" traffic through the Reddick Center.
		3 ADA Pedestrian Connections
		4 Heritage Act - evaluate this act to understand how it can impact a realignment of Cleburne Street & Granbury Street red light intersection.
		5 Receive Feedback from SHPO and the State Wars Commission on the plan.
		6 Interpretive Signage
		7 Extend Fencing
		8 Add no parking signage and no thru traffic signs near Reddick Center.
		9 Keep existing entrance on Granbury for Maintenance Access.
		10 Combine separate parcels into one park as much as possible.

20-Apr-26	Historic Zoning Commission Design Review Committee	1 In favor of closing a portion of Strahl Street and return to grass and trails.
		2 Strahl Street: Not in favor of closing another portion with bollards only from the back entrance of the Reddick Senior Center to Reddick Street as an option.
		3 ADA Pedestrian Connections
		4 Meet with the residents to understand their history of Strahl Street.
		5 Picnic benches and maybe a table for visitors to the park.
		6 Add doggie pot and water fountain for people & dogs.
		7 Make trails ADA accessible from this property to the Carter House Visitors Center.
		8 Engage State Historical Preservation Commission on improvements.
		9 Evaluate the realignment of Cleburne Steet and Granbury Street redlight intersection.
		10 Install Fencing with Openings along Columbia and side streets for pedestrian access

27-Apr-26	Strahl Street Neighborhood Meeting On-Site	1	Not in favor of Closing Strahl Street but if the City does, then create a more straightforward path to access Columbia.
	<i>13 - in attendance</i>	2	Picnic benches and maybe a table for visitors to the park.
	<i>4:30-pm - 6:15pm</i>	3	Have shade structures at picnic area if in direct sun.
		4	Do not remove trees between Reddick Senior Center and the Park.
		5	Create an access to the park from the Reddick Senior Center Area.
		6	Add more lighting to the park as early mornings are dark.
		7	Keep some open space for play
5-May-26	Reddick Senior Center	1	Not in favor of Closing Strahl Street at all
	<i>22 - in attendance</i>	2	Make Strahl Street a 1-way street only and create a crosswalk for park users with signage. One way should be right turn in only.
	<i>4:00pm - 5:15pm</i>	3	Concerns for emergency vehicles not able to get to them is Strahl Street is closed in any manner.
		4	Concerns with traffic flow as vehicles use it as a "cut through" daily, blasting music late at night.
		5	Concerns for visitors who may use their parking lot as parking for the park, even Battle of Franklin Trust staff who is using it temporarily.
		6	Pro crosswalk across Strahl.
		7	Pro speed bumps going into Strahl to slow down traffic.
		8	Increase signage for law enforcement of thru traffic.
		9	Add more shade to area and do not remove trees.
		10	Some concerns with leading a trail to their property, will park visitors wander onto their property or use their parking lot.
14-May-26	Battle of Franklin Trust & Franklin Parks & Recreation Staff	1	Strahl Street: Close section shown on concept master plan with providing more direct path for Strahl Street residents to access Columbia Ave sidewalks.
		2	Not in favor of using bollards to close Strahl Street, specifically after meeting with local residents in the area. This step could come as a second step to assist if thru traffic becomes an issue.
		3	Evaluate the realignment of Cleburne Steet and Granbury Street redlight intersection.
		4	Adding interpretative signage to the site
		5	Work to connect the site through trails and extend trails along Columbia Ave in front of the library. Work with the County to accomplish this task.

6	Install Fencing with Openings along Columbia and side streets for pedestrian access
7	Engage in a memorandum of understanding on sharing costs of creating the site while Battle of Franklin Trust will mow the site yearly.
8	Picnic benches and maybe a table for visitors to the park.
9	Add doggie pot and water fountain for people & dogs.
10	Make trails ADA accessible from this property to the Carter House Visitors Center.
11	Engage State Historical Preservation Commission on improvements.



File #: 26-0575

DATE: 5/26/2026
TO: Board of Mayor and Aldermen
FROM: Eric Stuckey, City Administrator
Eric Stuckey, City Administrator
Shauna Billingsley, City Attorney

SUBJECT:

Discussion Of Updated E-Bike Legislation Changes

PURPOSE:

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning current Municipal Code sections relative to play vehicles, bikes, and e-bikes within the City and 2026 Public Chapter 651.

BACKGROUND/STAFF COMMENTS:

Franklin Municipal Code provides that bicycles are prohibited on sidewalks and areas posted as "off-limits." Bicycles are allowed on all roads pursuant to state law. Franklin Municipal Code provides that skateboards and wheeled play vehicles are prohibited entirely on certain downtown streets. Skateboard and wheeled play vehicles are allowed on certain other streets and sidewalks but must be ridden as far right as possible, ridden single file and yield to pedestrians, not include an attachment, ridden within a reasonable speed, and not endanger others or property.

The state law provides that bicycles and e-bike riders on a roadway have the same rights and duties as motor vehicle drivers. State law also provided that no play vehicles are allowed on highway inside city limits except on a sidewalk and roller skates, coasters, and similar wheeled devices are prohibited on the roadway unless the local authorities designate special areas. As of today, the City has not designated special areas.

This year, the state passed HB1712, Public Chapter 651, which allows local governments to regulate e-bikes. The law classifies e-bikes into 3 classes, each with max speeds, motor types, and where they are allowed.

Tennessee E-Bike Law — TCA §55-8-301 through §55-8-307

Three-Class System | Enacted 2016 (Public Chapter 823)

CLASS 1	CLASS 2	CLASS 3
<p>Max Speed: ≤ 20 mph</p> <p>Motor Type: Pedal-Assist Only</p> <p>Roads/Streets: ✓ All roads where bikes allowed</p> <p>Bike Paths: ✓ Bike paths & trails (default)</p> <p>Sidewalks: Only if locally authorized + motor off</p>	<p>Max Speed: ≤ 20 mph</p> <p>Motor Type: Throttle Allowed</p> <p>Roads/Streets: ✓ All roads where bikes allowed</p> <p>Bike Paths: ✓ Bike paths & trails (default)</p> <p>Sidewalks: Only if locally authorized + motor off</p>	<p>Max Speed: ≤ 28 mph</p> <p>Motor Type: Pedal-Assist Only</p> <p>Roads/Streets: ✓ Streets & highways</p> <p>Bike Paths: Δ Paths only if adjacent to road OR locally permitted</p> <p>Sidewalks: Only if locally authorized + motor off</p>

Additional Requirements: No license, registration, or insurance required. Class 3: Minimum age 14, helmet required for all riders/passengers. Modifications that change speed class without updating label = Class C, misdemeanor.

The new law authorizes the City to prohibit Class 1 and Class 2 e-bikes on bicycle paths or trails within public parks and greenways, and requires such prohibition to be submitted to the Tennessee Department of Safety. By current law, Class 3 e-bikes are prohibited on greenways and paths or trails. The new law authorizes the City to regulate or prohibit Class 1 and Class 2 e-bikes on any part of a street or highway where bicycles are authorized to travel.

With these new changes, and based on comments received by the public, the Board should discuss whether the City should prohibit e-bikes on roadways, trails, or parks. In doing, the Board should also consider allowing play wheeled items in areas of the City.

FINANCIAL IMPACT:

If the Board decides to prohibit e-bikes signs would likely be required.

RECOMMENDATION:

Staff requests the Board of Mayor and Alderman to give direction on authorizing or regulating e-bikes and other play vehicles.

Play Vehicles, Bicycles & E-Bikes on City Streets

Franklin Municipal Code · Tennessee State Law · Public Chapter 651

Presented to the Board of Mayor and Aldermen
City of Franklin, Tennessee

Shauna R. Billingsley, City Attorney

Overview

01

Franklin Municipal Code

Current rules for bicycles, play vehicles & skateboards (Title 15, Chapter 4)

02

Tennessee State Bicycle Law

TCA §55-8-171 through §55-8-173 — statewide standards

03

Tennessee E-Bike Law

TCA §55-8-301–307 — three-class system, sidewalk & path rules

04

Public Chapter 651 (2026)

New state law allowing local governments to submit park/greenway e-bike bans to Dept. of Safety

05

Options for the Board

Potential amendments to align Franklin's code with state law and community needs

Franklin Municipal Code – Title 15, Chapter 4

Bicycles & Play Vehicles on City Streets and Sidewalks

General Bicycle Rules

- Prohibited from operation on sidewalks and areas posted as off-limits
- Bicycles must be equipped per applicable state equipment standards Operators under 16 must wear a bicycle helmet
- No carrying more persons than the bicycle is designed for

Skateboards & Wheeled Play Vehicles

- Prohibited entirely on key downtown streets: Central St., Main St. (N&S), School St., Prospect St., Sanborn St., Cheney to W. Bow St., Aiken Ave.
- On all other streets/sidewalks: ride as far right as practicable, single file, yield to pedestrians
- No attachment to or towing by any motor vehicle
- Speed must be reasonable; no endangerment of persons or property
- Violation is a Class C misdemeanor

Tennessee State Law — TCA §55-8-171 to §55-8-173

Operation of Bicycles and Play Vehicles — Statewide Standards

§55-8-171 — Applicability

Bicycle regulations apply on all highways and paths set aside for exclusive bicycle use. These provisions extend to electric bicycles as defined in §55-8-301. Parents and guardians may not knowingly permit children to violate these rules.

§55-8-172 — Traffic Laws Apply

Bicycle and e-bike riders on a roadway have the same rights and duties as motor vehicle drivers, except for provisions inapplicable to bicycles. E-bikes are not subject to licensing, titling, registration, or financial responsibility laws.

§55-8-173 — Riding & Play Vehicles

- Riders must use a permanent seat; no extra passengers beyond design capacity
- No playing on a highway inside city limits except on the sidewalk
- Roller skates, coasters, and similar wheeled devices are prohibited on the roadway unless local authorities designate special areas
- Violation: Class C Misdemeanor

Tennessee E-Bike Law — TCA §55-8-301 through §55-8-307

Three-Class System | Enacted 2016 (Public Chapter 823)

CLASS 1

Max Speed:

≤ 20 mph

Motor Type:

Pedal-Assist Only

Roads/Streets:

✓ All roads where bikes allowed

Bike Paths:

✓ Bike paths & trails (default)

Sidewalks:

Only if locally authorized + motor off

CLASS 2

Max Speed:

≤ 20 mph

Motor Type:

Throttle Allowed

Roads/Streets:

✓ All roads where bikes allowed

Bike Paths:

✓ Bike paths & trails (default)

Sidewalks:

Only if locally authorized + motor off

CLASS 3

Max Speed:

≤ 28 mph

Motor Type:

Pedal-Assist Only

Roads/Streets:

✓ Streets & highways

Bike Paths:

⚠ Paths only if adjacent to road OR locally permitted

Sidewalks:

Only if locally authorized + motor off

Additional Requirements: Helmets required if under 16. No license, registration, or insurance required. Class 3: Minimum age 16, helmet required for all riders/passengers. Modifications that change speed class without updating label = Class C misdemeanor.

New Law: Tennessee Public Chapter 651 (2026)

SB1782 / HB1712 — Enacted April 2026 | Amends TCA Title 55, Chapter 8

What Does Public Chapter 651 Do?

- ▶ Authorizes local governments (city/county) to prohibit Class 1 and Class 2 e-bikes on bicycle paths on streets or highways and trails within public parks and greenways by resolution or ordinance.
- ▶ Requires any local government adopting such a prohibition to submit a copy of the resolution or ordinance to the Tennessee Department of Safety.
- ▶ Directs the Department of Safety to compile and publish on its website a statewide list of all public parks and greenways where Class 1 and Class 2 e-bike operation is prohibited.
- ▶ Does not change the existing ban on Class 3 e-bikes on paths/trails (unless adjacent to a road or locally permitted) — that restriction remains in TCA §55-8-306(a)(3). Riders of Class 3 e-bikes must be 16 or older.

Key Implication for Franklin: The City may now formally prohibit Class 1 & 2 e-bikes on greenways/park paths. That prohibition must be enacted by ordinance or resolution and filed with the state.

Gap Analysis: Current Franklin Code vs. State Law

Where the Franklin Municipal Code may need updating in light of state law changes

Topic	Franklin Code	State Law (TCA)	Gap / Action Needed?
Bicycles on sidewalks	Prohibited except where posted otherwise	Allowed unless restricted by locality	Code aligns — no conflict
Play vehicles (skates, skateboards)	Restricted on downtown streets; regulated elsewhere	Restricted to sidewalks or designated areas in city limits	Code aligns with state; more specific
E-Bikes — General	Not specifically addressed in current FMC	Regulated as bicycles (§55-8-301–307)	⚠ Gap: No local e-bike ordinance
E-Bikes on Sidewalks	Silent (sidewalk bike prohibition applies indirectly)	Prohibited unless locally authorized + motor off	⚠ Gap: No explicit local rule
E-Bikes on Greenways/Paths	Silent — no ordinance on e-bikes in parks/greenways	Class 1–2 allowed; Class 3 restricted. PC 651 enables local ban.	⚠ Gap: PC 651 creates new option not yet exercised

Options for the Board of Mayor and Aldermen

Potential amendments to Franklin's Municipal Code in response to State Law & Community Needs

A

No Action — Status Quo

Retain current code as-is. Franklin's existing restrictions on bicycles and play vehicles remain in effect. No local e-bike ordinance is enacted; state law defaults apply. E-bikes are treated the same as bicycles on all city streets and paths.

✓ No legislative action required

✗ No local oversight of growing e-bike use on greenways; no formal compliance with PC 651 notification process

B

Enact E-Bike Ordinance — Adopt State Defaults

Add a new section to FMC Title 15 formally adopting the three-class e-bike system. Confirm Class 1 & 2 are allowed where bikes are allowed; codify that Class 3 is limited to roadways; clarify that no e-bike may operate under power on a sidewalk.

✓ Provides clarity for riders and enforcement officers; incorporates updated state law

✗ Does not restrict e-bikes on greenways; no change to park/path access

C

Prohibit E-Bikes on Specific Greenways/Park Paths (PC 651)

Utilize authority granted under Public Chapter 651 to adopt a resolution or ordinance restricting Class 1 and/or Class 2 e-bikes on designated Franklin greenways and park trails. File with the Dept. of Safety for statewide publication.

✓ Protects pedestrian-heavy paths; leverages new state authority; publicizes rules citywide

✗ Requires specific designation of paths; may reduce recreational cycling access; enforcement complexity

D

Comprehensive Update — Full Code Modernization

Comprehensively revise Title 15, Chapter 4 to address traditional bicycles, all classes of e-bikes, skateboards/play vehicles, and path access in one modernized chapter. Define designated areas, signage requirements, and penalties consistent with state law.

✓ Most thorough approach; addresses all gaps; future-proofs the code

✗ Most time and staff resources required; may benefit from stakeholder input process before adoption

Suggested Next Steps

1

Direct the City Attorney to prepare a draft e-bike ordinance for FMC Title 15, Chapter 4, incorporating the state three-class system (Option B as a baseline).

2

Review city greenways and park trails — identify specific paths where e-bike restrictions may be warranted under Public Chapter 651 (Option C).

3

Consider a public comment or stakeholder engagement period (cycling advocates, parks users, Franklin Police) before a final vote.

4

If the Board desires a comprehensive code update (Option D), authorize staff to develop a full draft with proposed signage standards and bring back for a work session.



State of Tennessee

PUBLIC CHAPTER NO. 651

SENATE BILL NO. 1782

By Johnson

Substituted for: House Bill No. 1712

By Reeves

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 8, relative to electric bicycles.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-8-306(a), is amended by deleting subdivisions (1)-(3) and substituting instead:

(1) A class 1 electric bicycle or a class 2 electric bicycle may be operated on any part of a street or highway where bicycles are authorized to travel. As used in this section, "any part of a street or highway where bicycles are authorized to travel" includes a bicycle lane or other portion of a roadway designated for exclusive use by bicyclists, the shoulder or berm, and a path or trail intended for use by bicyclists.

(2)(A) A local government may regulate or prohibit, by resolution or ordinance, the operation of a class 1 electric bicycle or class 2 electric bicycle on any part of a street or highway where bicycles are authorized to travel within its jurisdiction, including any part of a state highway, if the local government determines that the regulation or prohibition is necessary, in the interest of public safety.

(B) A state agency having jurisdiction over any part of a street or highway where bicycles are authorized to travel, may regulate or prohibit, by rule or policy, the operation of a class 1 electric bicycle or class 2 electric bicycle on that part of the street or highway, if the state agency determines that the regulation or prohibition is necessary, in the interest of public safety.

(3) A class 3 electric bicycle shall not be operated on any part of a path or trail where bicycles are authorized to travel, unless:

(A) The bicycle lane, shoulder or berm, or path or trail is within or adjacent to the street, highway, or state highway; or

(B) The governing body of the local government in which that bicycle lane, shoulder or berm, or path or trail is located or a state agency having jurisdiction over that bicycle lane, shoulder or berm, or path or trail permits, by resolution or ordinance of a local government or by rule or policy of a state agency, the operation of a class 3 electric bicycle on that bicycle lane, shoulder or berm, or path or trail.

SECTION 2. Tennessee Code Annotated, Section 55-8-307(a), is amended by deleting the language "under fourteen (14) years of age" and substituting instead the language "under sixteen (16) years of age".

SECTION 3. Section 1 of this act takes effect upon becoming a law, the public welfare requiring it. Section 2 of this act takes effect July 1, 2026, the public welfare requiring it.

SENATE BILL NO. 1782

PASSED: March 16, 2026



RANDY McNALLY
SPEAKER OF THE SENATE



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 1st day of April 2026



BILL LEE, GOVERNOR