

# **AGENDA**

## **MONTHLY MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE**

**Monday, August 5, 2024 @ 11:00 AM**

1. Call meeting to order.
2. Confirmation of Meeting Advertisement and Quorum Present.
3. Minutes approval for the July 1, 2024, monthly meeting.
4. Recognition of any person wishing to address the Board.
5. **Presentation of e2i2 Quarterly Report and Class A Power Project update.**
6. **Resolutions:**
  - a. A resolution authorizing the expenditure of up to \$450,000.00 for the purchase of temporary and permanent sanitary sewer easements, in accordance with City purchasing rules, for the construction of Contract No. W-20-001-201, e2i2 SSO Abatement Program Phase 1 – South Lee Hwy. and West Chickamauga EQ Stations.
  - b. A resolution approving Change Order No. 1 with Brasfield & Gorrie, LLC, of Birmingham, AL, for Contract No. W-20-001-201, e2i2 SSO Abatement Program Phase 1 – South Lee Hwy. and West Chickamauga EQ Stations, to increase by \$238,624.00 due to additional design and property services, for a revised amount of \$5,130,000.00, for a total amount of \$5,368,624.00.
7. **Presentation overview of the subordinate TIF financing needed for the South Broad stadium project.**
8. **Other Business – Discussion Items:**
  - a. Discuss response letter to the Tennessee Comptroller of the Treasury for the financial audit by Eleanor Liu.
  - b. FYI – copy of the IDB Annual Debt Report filed with the State Comptroller’s Office.
9. Adjournment.



**INDUSTRIAL DEVELOPMENT BOARD  
MONTHLY MEETING MINUTES  
John P. Franklin Sr. City Council Building  
Assembly Room  
Chattanooga, Tennessee  
for  
Monday, July 1, 2024  
11:05 AM**

Present were Kerry Hayes (Chair), Althea Jones (Vice-Chair), Gordon Parker (Secretary), Ray Adkins, Jimmy F. Rodgers, Jr., and Nadia Kain. Absent was Jim Floyd (Assistant Secretary) and Melody Shekari.

Also Present were: Attorney for the Board, Phillip A. Noblett; Gail Hart (Real Property); Dave Flessner (Times-Free Press); Adam Myers (Chattanooga Chamber); Bill Payne, Clay Oliver, and Elizabeth Goss (Public Works); Eleanor Liu and Paul Boylan (Finance); Janice Gooden (CALEB); and Jermaine Freeman (Chief of Staff).



Chairman Hayes called the meeting to order, confirmed the meeting was duly advertised, and established that a quorum was present to conduct business.



**ELECTION OF OFFICERS**

The 2024-2025 officers were elected:

- Kerry Hayes – Chair – (Jones/Parker)**
- Althea Jones – Vice-Chair – (Kain/Rodgers)**
- Gordon Parker – Secretary – (Rodgers/Jones)**
- Jim Floyd – Assistant Secretary – (Rodgers/Parker)**



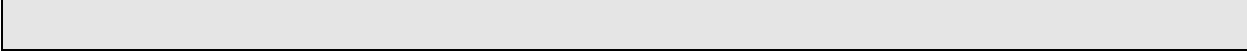
**MONTHLY MEETING OF JUNE 3, 2024 – MINUTES APPROVAL**

On motion of Mr. Parker, seconded by Ms. Jones, the minutes of the June 3, 2024, monthly meeting were unanimously approved.



**PUBLIC COMMENTS**

No one from the public had comments.



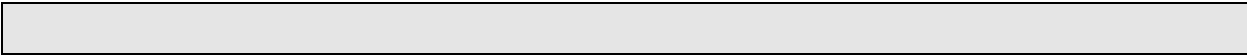
**VW FUNDING PROGRESS REPORT AND  
ECONOMIC DEVELOPMENT PROGRAMS SUMMARY**

Ms. Liu is happy to report that there were no transactions in the Volkswagen Funding Progress Report. We are at 98.95%. The first MOU is \$53,257 spent. The second MOU is \$451,570 spent. The third MOU is \$5 million spent.

With regard to the Economic Development Programs Summary, the NR14 column cash balance is \$2,057,732.25. The rest of the cash balances already have contingent purposes.

The third report is the TIF report. For calendar year 2023, the TIF payments came from the City and County. To date, total payments by Hamilton County and City are \$6,055,105.56.

Mr. Parker had a question for Ms. Liu about zero balances for the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> MOUs. Mr. Bill Payne said that there is a small amount of money left from both the 1<sup>st</sup> and 2<sup>nd</sup> MOUs. VW has been continuing to look at some projects that could fit within that scope of work so we can continue to do that.



On motion of Mr. Parker, seconded by Ms. Jones,

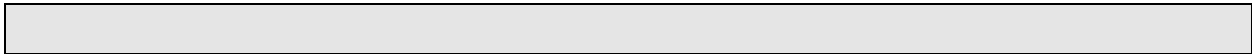
**A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE A RIGHT OF ENTRY ON A TEMPORARY BASIS FOR CERTAIN REAL PROPERTY LOCATED AT 7134 LEE HIGHWAY, CHATTANOOGA, TN, IDENTIFIED AS TAX MAP NO. 139P-C-007, FOR THE PURPOSES OF CONDUCTING SURVEYING, SUBSURFACE SOIL INVESTIGATION, AND PROPERTY APPRAISAL TO OBTAIN A NEW SANITARY SEWER EASEMENT RELATING TO THE HOMESERVE PILOT PROPERTY.**

Mr. Bill Payne gave a brief reasoning behind the project. Ms. Elizabeth Goss is the project manager. This is part of the e2i2 project which is one of the IDB's projects. There is a new line that needs to go in that would cross a portion of the HomeServe property, but they have some permeable pavement on the property. These investigations are needed.

Ms. Elizabeth Goss said this is part of the e2i2 project. The City owned parcel on St. Stephens Place which is across from Lee Highway with pump station reversion structure we will (inaudible) flow and we need to get it back to our parcel which is on Lee Highway. The practical way to do this is to come through the HomeServe property which lies adjacent to the City property on Lee Highway. A part of this is for the appraisal process which will include potential for a future permit access agreement because this HomeServe property is the easiest way we can access our property due to the topography and Consent Decree.

This does not have anything to do with what HomeServe has done. We are asking the Board's permission. The tenant has been notified. They have dealt with Mr. Edwards and HomeServe and met with them several times, and they have given us homework and questions asked. This is the last step with the parking lot. We need an engineering study. It will be done in one day and will go back to the lab to study. We should get it back pretty soon. The appraisal process will probably take a month and a half. They have gone back to HomeServe several times and talked about different things they can agree on. One of those being to ensure that we can get them access the whole way through construction.

The motion carried.



On motion of Ms. Kain, seconded by Mr. Adkins,

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA WITH RESPECT TO AN AMENDMENT TO AN ECONOMIC IMPACT PLAN FOR THE SOUTH BROAD DISTRICT PLAN AREA AS AMENDED BY COUNCIL OF THE CITY OF CHATTANOOGA.**

Mr. Jermaine Freeman said that at our last meeting this body took action to create an amendment to the Economic Impact Plan for the South Broad Stadium Project. That will allow the new financing structure that was approved by both the City Council and County Commission to move forward. During the process of the City Council adopting their resolution for the Economic Impact Plan, the City Council wanted to change one paragraph that was in the amendment to specify and call out the fact that there will be a certain level of debt service protection for the City throughout the TIF.

We are coming back to this Board for acknowledgement of the fact that the City Council made its own amendment to the amendment to allow for the City's capture and protection of debt service revenues throughout the time of the TIF. That was one paragraph that they basically changed which reads, "notwithstanding the foregoing and the provisions on Section 6 below, the City percentage as defined below irrespective of the City property taxes allocated to debt service shall not be less than 25% provided that the Chief Financial Officer of the City is directed pursuant to Tenn. Code Ann. § 9-23-13(g) to establish the debt service amount in a manner such as the debt service amount would not exceed 25% permitted by applicable law." This is an amendment to the amendment that the City Council wanted to make sure that the portion of revenue is protected that will continue to flow to the City's General Fund during the TIF that it is protected within the 25% threshold.

Chairman Hayes asked what the Board's role was. Mr. Freeman said that the Board is being asked because of the way the Economic Impact Plan is written, the Board is being asked to acknowledge the City Council's amendment to your amendment so we can move forward and keep the project rolling. Attorney Noblett said that this body has to pass the Economic Impact Plan. This is the last stop on the train.

The motion carried.

Chairman Hayes announced the groundbreaking for this project is Monday, July 15<sup>th</sup> at 10:30 AM.



### **OTHER BUSINESS – DISCUSSION ITEMS**

- **Discussion by the Chattanooga Chamber regarding PILOT policies and procedures.**

Mr. Freeman would like to give an update on where the conversations with the PILOT policies have been. We will get an update from Adam Myers with the Chattanooga Chamber (Vice-President of Economic Development). We had hoped to bring a draft of the policies today, but Mr. Myers has had robust and meaningful conversations with the City Council. We anticipate those conversations will continue and want to give him a chance to update the Board and talk about the next steps.

Mr. Myers followed up from the last IDB meeting in March we had some conversations about PILOT policies. We have been taking a look at the policies that we have presented in partnership with Mr. Freeman, the City staff, and Administration, and we have taken feedback from this IDB Board saying how has City Council felt about these policies. We have had a number of conversations with many City Council members to garner some feedback and garner what they would like to see in the policies. Much like this Board, they definitely want to see a focus on target industry specific in order to be able to delegate authority for the IDB to approve the PILOT policies without having to go back to City Council.

We have taken a look at target industry folks' strategy plan in partnership with the City as well as the County. We also took a glance on the State's targeted industry too. We are focusing on manufacturing automotive vehicle parts, machinery and robotics, outdoor products, specialty food, aviation and aerospace manufacturing, which is a key target for the State, medical devices and pharmaceuticals (life sciences sector), and operations using very enhanced manufacturing processes which often need to hire average wages, freight services, financial services, and created media, as well as, software information technology, office projects, and headquarters for relocation, expansion, and retention of international and national primary regional headquarters of established companies.

Additionally, we have looked at future technologies as well for this targeted industry like quantum computing, electric vehicle parts manufacturing, biomedical, smart city technology, industrial design, engineering, and robotics technologies. These are the targeted industries they are focusing on PILOT policies.

Another feedback from Council so far, we have not talked to all council members yet but are continuing to work with City Council. The next steps are that we want to make sure our matrix is set up to where it is encouraging investment in disadvantaged areas to make sure we have cap established, and what they would look like for projects, and the IDB's authority.

Mr. Freeman said Council has given them some assignments. We are now working with the Chamber to make sure that we can answer any outstanding questions they have. We would like to meet with the Council members so there can be open discussion and review of their recommendations and feedback with regard to this policy.

As we talk about the policy, the City of Chattanooga does not currently have any existing policy regarding jobs PILOTs at all. We do have existing policies for projects that are related to affordable housing PILOTs which this body does not see and comes before the City's Health, Educational, and Housing Facility Board.

The IDB has never had a policy regarding jobs PILOTs. We are not asking for the City Council to give up its ability to review PILOTs. We are saying that working with the Chattanooga Chamber of Commerce which receives an appropriation from the City Council in our budget every year which is a trust economic development partner are there certain key types of industries that the Council is comfortable delegating responsibility to this Board for, and that we can all agree that there are key industries we are trying to recruit to the City of Chattanooga, grow for the City of Chattanooga, and if these projects meet certain prescribed investment and job creation thresholds.

What the Chamber has been working with the Administration on is seeing if Council has an appetite to say we can all agree that since the Chamber is our trusted partner and there are certain key industries we are pursuing, we are comfortable that if those projects within those key industries that need certain prescribed investment job creation thresholds, we are comfortable with the IDB reviewing those up to a cap.

The Council's role does not go away because they would have ultimate power over which industries and projects would fit within this delegation resolution the Chamber is recommending. Any company that comes to the City and is seeking a PILOT that would not fall within this prescribed threshold or within this private industry sector would still come before City Council as well as the County Commission for PILOT approval the way they currently do. That will not change.

Mr. Freeman wants to make that clear that the City Council's role is not going away. We are simply asking them are there some target industries that we think you all can agree with the Administration and move along in the field when it comes to economic development in Chattanooga that the IDB can approve that these are targeted industries that we all can agree on. We will continue to work with the Council to make sure that we can get a meeting scheduled to make sure we can have public discussion about policies so that everyone is clear.

Chairman Hayes recapped that the Council has requested the economic development community how to look at the draft as it currently stands and the framework. Mr. Freeman said that the Council would like the Chamber to investigate. We would ask the Council if they would be okay with meeting in Economic Development Committee or Strategic Planning Session to have a robust discussion over the policies similar to the new housing process. This could come back in the Fall.

Mr. Rodgers asked if it is still the plan to hold off on requesting or presenting any new requests for PILOTs until these policies get implemented? Mr. Freeman does not know if they have ever committed to that. Realistically, if a PILOT came before us tomorrow for a PILOT, because there is no policy, a project would then be heard before the City Council and County Commission. If it were the City Council's will to hear the presentation and resolution, they would have the ability to do that. Because we do not have a policy in place, if a project came before the City and County and said we are interested in expanding in Chattanooga and are requesting and here is what the structure looks like, that then comes before the City Council and County Commission for review. They have the authority whether or not to do that.

Mr. Rodgers' concern is that when we started this process back last Fall, the minutes reflect the representation that no PILOT would be brought before the Board until this gets resolved. It is important because this is taking a while and for good reason, but at the same time, the public needs to know this is going to continue to be a process that is not going to surprise anyone with something during the interim period of time. We can put something in place and amend it, we do not necessarily have to have this ultimate product in place. There can be amendments to it. That is Mr. Rodgers' concern from a timeline.

Mr. Freeman is not aware of any projects that are in the hopper right now. As we continue to move forward with this process, Mr. Freeman does feel confident that we can get this process resolved and have a policy that we can put in place over the next couple of months. Again, Mr. Freeman does not know of any projects in the hopper right now anyway. They all work out just in terms of time.

Mr. Freeman will keep the Board in the loop about when the Council plans to meet on this for some time this month, and we will wait to hear more as that process unfolds.

- **Discussion by Eleanor Liu regarding the Tennessee Comptroller of the Treasury letter for the financial report.**

Ms. Liu recapped that the reason we received the letter from the State Comptroller's Office was because we presented last year's financial reports a negative or deficit of net position. That is due to interest in payments payable reported. We currently have three TIFs that we are receiving tax increment revenue on. The loan agreement is at 3.5% interest that is due. Part of the schedule loan agreement, the City has received an interest payment before the principal payment. All that is fine except the payment received so far is about \$20,000.00 a year for the past four years. For the past two years, the interest payment alone has been over \$140,000.00 a year. Therefore, I record an interest payable which is what triggered the negative net position. Trying to resolve the problem, we had a meeting with CFO, Mr. Majid, Brian Smart, and TIF attorney, Mr. Mamantov, and Weston Porter, auditor. At the meeting, it was discussed that the accounting sheet could be changed due to the loan itself is a non-course loan. The principal and interest payment disclosure can be in the notes section. Pretty much everyone agreed with that, but auditor, Weston Porter, wants to review the Knox County IDB, and their financial reports to see how they report. We are waiting for the final word from Mr. Porter within a couple of weeks.

Chairman Hayes says that it sounds like there is a little bit of disagreement about the timing with which these things were recorded. We are trying to see what the best practice. Ms. Liu said more like the position the way it is disclosed. Whether on the main body of the financial statement or another section. We will have this recapped for discussion next month as long as you are continuing to figure this out. Ms. Liu said today is July 1<sup>st</sup> and we will start a new fiscal year and Ms. Liu must close last year. For her benefit, Ms. Liu is the one that gets this resolved because she knows. Ms. Liu is pretty confident we should have a final word at this next meeting.

Attorney Noblett asked Ms. Liu if there was anything else that needs to be added to the note. Ms. Liu said if we agree to all the external audit, Ms. Liu will remove that interest payment from the financial statement. The dollar amount to be put in the notes section. We can do that for the current year based on what Ms. Liu has learned.

Mr. Rodgers asked Ms. Liu if the Comptroller's Office is not pressuring her for a response to them. It is a matter of future reporting. Ms. Liu said it looks that way from the language we discussed. Chairman Hayes said that we need to respond in writing at some point. Will this body need to act on the letter to authorize? Attorney Noblett said yes because it is to the Board of Directors of the IDB. We will make sure the staff make sure that get prepared so we can take action to make sure we respond to them in writing.



Mr. Rodgers said the last sentence said that you can send a response to this letter after noting about future reports. Mr. Rodgers said he may be wrong, but he does not agree that it requires a response. Attorney Noblett said it got made. Mr. Rodgers said that it does not say we could not do it. Attorney Noblett said it is always good for us to tell them we are thinking about them though. Chair Hayes recommends that it be done to make sure. Chair Hayes asked Ms. Liu to have time for the next meeting to have a draft of something that summarizes something for the Board to look at.

- **HomeServe**

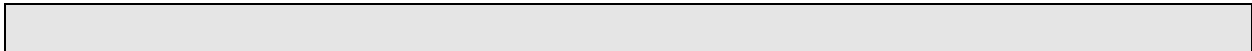
Mr. Rodgers said for the record for the minutes he wants to note that he did have a concern about the HomeServe resolution to the extent that it is unclear from looking with the Tennessee Secretary of State's office, and he passed out a handout, which HomeServe entity that we as an IDB are dealing with. There are three potential ones and was just concerned seeing that Mr. Payne has described that nothing they were here for the purposes of the resolution had to do *per se* with HomeServe itself. He will certainly let it go and am concerned to know when he sees something like that from a legal standpoint it kind of raises a yellow flag of who we are dealing with. Which one of these entities. Hopefully to the state that HomeServe comes back before us we can have it pinned down.

Attorney Noblett went back and checked since he does have access to all of our documents that were involved. We are actually dealing with HomeServe USA Corp. out of Pennsylvania, which shows it is an active corporation at this point time in 2009. This was done – Wade Hinton was the attorney for the Board at the time this issue went down in 2017 and the County, Mr. Taylor, was the attorney for it and showed that Mr. John Kitsey who is the Chief Operating Officer from HomeServe USA Corp., and they are out of Connecticut. Different corporations, but it is the HomeServe USA Corp. that is domiciled in Pennsylvania.

Chairman Hayes said we need to make sure the corporation is in good standing with the Secretary of State's Office just as a matter of protocol.

The next few meetings are Monday, August 5<sup>th</sup> and Monday, September 9<sup>th</sup>.

Chairman Hayes wanted to acknowledge Dave Flessner in the audience that he understands this is his last meeting at least in his capacity as a reporter for the Times-Free Press. Thank you very much for the transparency to what this Board does and appreciates it very much.



There being no further business, on motion of Ms. Jones, seconded by Mr. Parker, the meeting adjourned at 11:45 AM.

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**GORDON PARKER, *Secretary***

APPROVED:

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**KERRY HAYES, *Chair***

RESOLUTION

A RESOLUTION AUTHORIZING THE EXPENDITURE OF UP TO FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$450,000.00) FOR THE PURCHASE OF TEMPORARY AND PERMANENT SANITARY SEWER EASEMENTS, IN ACCORDANCE WITH CITY PURCHASING RULES, FOR THE CONSTRUCTION OF CONTRACT NO. W-20-001-201, E2I2 SSO ABATEMENT PROGRAM PHASE 1 – SOUTH LEE HWY. AND WEST CHICKAMAUGA EQ STATIONS.

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BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby authorizing the expenditure of up to \$450,000.00 for the purchase of temporary and permanent sanitary sewer easements, in accordance with City purchasing rules, for the construction of Contract No. W-20-001-201, e2i2 SSO Abatement Program Phase 1 – South Lee Hwy. and West Chickamauga EQ Stations.

ADOPTED: August 5, 2024

THE INDUSTRIAL DEVELOPMENT  
BOARD OF THE CITY OF CHATTANOOGA

Attest:

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KERRY HAYES, Chair

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GORDON PARKER, Secretary

RESOLUTION

A RESOLUTION APPROVING CHANGE ORDER NO. 1 WITH BRASFIELD & GORRIE, LLC, OF BIRMINGHAM, AL, FOR CONTRACT NO. W-20-001-201, E2I2 SSO ABATEMENT PROGRAM PHASE 1 – SOUTH LEE HWY. AND WEST CHICKAMAUGA EQ STATIONS, TO INCREASE BY TWO HUNDRED THIRTY-EIGHT THOUSAND SIX HUNDRED TWENTY-FOUR DOLLARS (\$238,624.00) DUE TO ADDITIONAL DESIGN AND PROPERTY SERVICES, FOR A REVISED AMOUNT OF FIVE MILLION ONE HUNDRED THIRTY THOUSAND DOLLARS (\$5,130,000.00), FOR A TOTAL AMOUNT OF FIVE MILLION THREE HUNDRED SIXTY-EIGHT THOUSAND SIX HUNDRED TWENTY-FOUR DOLLARS (\$5,368,624.00).

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BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby approving Change Order No. 1 with Brasfield & Gorrie, LLC, of Birmingham, AL, for Contract No. W-20-001-201, e2i2 SSO Abatement Program Phase 1 – South Lee Hwy. and West Chickamauga EQ Stations, to increase by \$238,624.00 due to additional design and property services, for a revised amount of \$5,130,000.00, for a total amount of \$5,368,624.00.

ADOPTED: August 5, 2024

THE INDUSTRIAL DEVELOPMENT  
BOARD OF THE CITY OF CHATTANOOGA

Attest:

\_\_\_\_\_  
KERRY HAYES, Chair

\_\_\_\_\_  
GORDON PARKER, Secretary



# Design-Build Change Order Form

For use with DBIA Document No. 535 *Standard Form of General Conditions of Contract Between Owner and Design-Builder.*

Change Order Number: 1	Change Order Effective Date: August 5, 2024 (date when executed by both parties)
Project: e2i2 SSO Abatement Program Phase 1-South Lee Hwy and West Chickamauga EQ Stations Contract No. W-20-001-201	Design-Builder's Project No: 26633
	Date of Agreement: April 25, 2023
Owner: Industrial Development Board of the City of Chattanooga	Design-Builder: Brasfield & Gorrie, L.L.C.

Scope of the Change: This Design-Build Change Order incorporates Professional Services Change Order 1 thru 5 (attached) into the Agreement. This includes incorporating Change Order Requests (CORs) 1, 2, 3, 4, 5, 7, 9, 10, 13, 14, 18, 23, 26, and 27 into the e2i2 Phase 1 scope of services. The scope, clarifications and terms in each COR apply.

Original Contract Price:	\$ 5,130,000.00
Net Change by Previous Change Order No(s) to:	\$ 0.00
This Change Order Increase/Decrease (attach breakdown):	\$ 238,624.00
New Contract Price:	\$ <b>5,368,624.00</b>

Original Phase 1 Contract Completion Date:	July 25, 2024
Adjustments by Change Order No(s) to:	0 (calendar days)
This Change Order Contract Time Increase/Decrease:	0 (calendar days)
Revised Phase 1 Completion Date:	<b>July 25, 2024</b>

By executing this Change Order, Owner and Design-Builder agree to modify the Agreement's Scope of Work, Contract Price and Contract Time as stated above. Upon execution, this Change Order becomes a Contract Document issued in accordance with DBIA Document No. 535, *Standard Form of General Conditions of Contract Between Owner and Design-Builder.*

**OWNER:**

**DESIGN-BUILDER:**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: Ben Harris  
Printed Name: Ben Harris  
Title: Vice President & Division Manager  
Date: 7-24-24

DBIA Change Log

<b>Contract No.</b>		W-20-001-201	
<b>Project Name:</b>		e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations	
<b>Design Builder:</b>		Brasfield & Gorrie, L.L.C.	
	Brief Description	Change Order Amount	<b>TOTALS</b>
<b>Executed Contract</b>			<b>\$ 5,130,000.00</b>
<b>DBIA Change Order 1</b>	Executes Professional Services Change Orders 1 thru 5	\$ 238,624.00	<b>\$ 238,624.00</b>
<b>DBIA Change Order 2</b>			<b>\$ -</b>
<b>DBIA Change Order 3</b>			<b>\$ -</b>
<b>DBIA Change Order 4</b>			<b>\$ -</b>
<b>DBIA Change Order 5</b>			<b>\$ -</b>
<b>Revised Contract Amount</b>		\$ 238,624.00	<b>\$ 5,368,624.00</b>



CITY OF CHATTANOOGA  
WASTEWATER DEPARTMENT

455 Moccasin Bend Road  
Chattanooga, TN 37405

## PROFESSIONAL SERVICES CHANGE ORDER

Contract No.:	<u>W-20-001-201</u>	Change Order No.:	<u>1</u>
Project Name:	<u>e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations</u>	Date Issued:	<u>4/30/2024</u>
Design-Builder:	<u>Brasfield &amp; Gorrie, L.L.C.</u>	Purchase Order No.:	<u>PUR132518</u>
Requested By:	<u>City of Chattanooga</u>	City PPM No.:	<u>C10495</u>

Original Contract Completion Date	<u>7/25/2024</u>	SRF Loan No.		Original Contract Amount	\$	<u>5,130,000.00</u>
Amended Contract Completion	<u>NA</u>		<u>N/A</u>	Net Change by Previous COs	\$	<u>35,952.00</u>
Additional Time on this CO	<u>0</u>			Contract Amount Prior to this CO	\$	<u>5,165,952.00</u>
<b>NEW CONTRACT COMPLETION DATE</b>	<b>7/25/2024</b>			<b>Total Amount of this CO</b>	\$	<b><u>31,982.00</u></b>
				<b>NEW CONTRACT AMOUNT</b>	\$	<b><u>5,197,934.00</u></b>

**Brief Summary of Changes (Additional pages included)**

This Change Order incorporates the deductive and additive changes in the attached Brasfield & Gorrie Change Order Requests 1 thru 4, 7, 9, 10, 13 and 14. The attached Change Order Requests include a total deductive amount of (\$74,589.00) and a total additive amount of \$106,571.00 for a total additive amount of \$31,982.00. The net task amount changes are shown in the table below. Page two of this package provides a detailed table of deductive and additives amounts per task. The attached Change Order Request packages provide supporting documentation.

**Revised Scope Description/Details**

Task No.	Description	Current Fee	Billed to Date	Additional Fee	Revised Fee
Task 1	Project Management - Phase 1	\$ 839,036.00	\$ 419,323.00	\$ 3,556.00	\$ 842,592.00
Task 2	Phase I Meetings	\$ 785,379.00	\$ 393,546.00	\$ -	\$ 785,379.00
Task 3	Surveying, Mapping, and Utility Locates	\$ 274,702.00	\$ 81,403.00	\$ (26,289.00)	\$ 248,413.00
Task 4	Geotechnical, Hydrogeological, and Environ. Eval.	\$ 257,640.00	\$ 181,379.00	\$ 17,193.00	\$ 274,833.00
Task 5	Permitting and Approvals	\$ 151,312.00	\$ 43,869.00	\$ 7,174.00	\$ 158,486.00
Task 6	Alternatives Analysis and Project Definition	\$ 207,861.00	\$ 207,861.00	\$ -	\$ 207,861.00
Task 7	Design through 60 Percent	\$ 1,729,625.00	\$ 1,150,824.00	\$ 36,628.00	\$ 1,766,253.00
Task 8	Cost Estimating, Scheduling, and Constr. Reviews	\$ 788,280.00	\$ 364,586.00	\$ (6,280.00)	\$ 782,000.00
Task 9	Guaranteed Maximum Price Proposal	\$ 96,165.00	\$ -	\$ -	\$ 96,165.00
<b>TOTAL CONTRACT AMOUNT</b>		<b>\$ 5,130,000.00</b>	<b>\$ 2,842,791.00</b>	<b>\$ 31,982.00</b>	<b>\$ 5,161,982.00</b>

**Contractor Acknowledgement:**

<input type="checkbox"/> No Change in Contract Amount is required.	<input checked="" type="checkbox"/> A Change in Contract Amount is required.	<b>\$ 31,982.00</b>
<input checked="" type="checkbox"/> No Change in Contract Time is required.	<input type="checkbox"/> A Change in Contract Time is required.	<b>days</b>

**APPROVALS**

PROGRAM MANAGER		DESIGN BUILDER	
Prj. Controls Approver 1 <u>VM</u>	Prj. Controls Approver 2 <u>CLH</u>		
<u>Xavier Pedeux</u> Xavier Pedeux (May 1, 2024 08:20 EDT)		<u>Steve Jay</u> Steve Jay (May 20, 2024 08:25 CDT)	
CITY PROJECT MANAGER		ASSISTANT CITY ENGINEER	
<u>Elizabeth Guss</u>		<u>Dennis Malone</u> Dennis Malone (May 5, 2024 21:12 EDT)	
DIRECTOR OF ENGINEERING, WASTEWATER DEPARTMENT		ADMINISTRATOR, WASTEWATER DEPARTMENT	
<u>Tony Kinder</u> Tony Kinder (May 6, 2024 09:17 EDT)		<u>Mark Heinzer</u> Mark Heinzer (May 6, 2024 09:24 EDT)	

Change Order Request Summary

<b>Contract No.</b>		W-20-001-201									
<b>Project Name:</b>		e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations									
<b>Design-Builder:</b>		Brasfield & Gorrie, L.L.C.									
	Brief Description	Task 1 - Phase 1 Project Management	Task 2 - Phase 1 Meetings	Task 3 - Surveying, Mapping, and Utility Locates	Task 4 - Geotechnical, Hydrogeological, and Environ. Eval.	Task 5 - Permitting and Approvals	Task 6 - Alternatives Analysis and Project Definition	Task 7 - Design through 60 Percent	Task 8 - Cost Estimating, Scheduling, and Constr. Reviews	Task 9 - Guaranteed Maximum Price Proposal	TOTALS
	<b>Executed Contract Amounts</b>	\$ 839,036.00	\$ 785,379.00	\$ 274,702.00	\$ 257,640.00	\$ 151,312.00	\$ 207,861.00	\$ 1,729,625.00	\$ 788,280.00	\$ 96,165.00	\$ 5,130,000.00
<b>COR #1</b>	Reduce North Lee Highway Conveyance Scope			\$ (36,401.00)		\$ (3,820.00)		\$ (28,088.00)	\$ (6,280.00)		\$ (74,589.00)
<b>COR #2</b>	Add North Lee Highway Conveyance Rehab							\$ 36,401.00			\$ 36,401.00
<b>COR #3</b>	Field Investigation Changes				\$ 4,303.00						\$ 4,303.00
<b>COR #4</b>	Add Restroom Design for SLEQ and WCEQ Pump Stations							\$ 15,463.00			\$ 15,463.00
<b>COR #5</b>	On-Hold										\$ -
<b>COR #6</b>	Not Accepted - Void										\$ -
<b>COR #7</b>	24" Force Main Survey at SLEQ			\$ 10,112.00							\$ 10,112.00
<b>COR #8</b>	On-Hold										\$ -
<b>COR #9</b>	Conveyance Phase 1 Environmental Site Assessments				\$ 7,640.00						\$ 7,640.00
<b>COR #10</b>	Crayfish Work Plan					\$ 5,056.00					\$ 5,056.00
<b>COR #11</b>	N/A										\$ -
<b>COR #12</b>	N/A										\$ -
<b>COR #13</b>	St. Stephens Place Water Line Design	\$ 3,556.00				\$ 5,938.00		\$ 12,852.00			\$ 22,346.00
<b>COR #14</b>	SLEQ tank site - Shared Driveway Work				\$ 5,250.00						\$ 5,250.00
	<b>Revised Contract Amount</b>	\$ 842,592.00	\$ 785,379.00	\$ 248,413.00	\$ 274,833.00	\$ 158,486.00	\$ 207,861.00	\$ 1,766,253.00	\$ 782,000.00	\$ 96,165.00	\$ 5,161,982.00
	<b>Net Contract Changes</b>	\$ 3,556.00	\$ -	\$ (26,289.00)	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 31,982.00
	<b>Billed to Date</b>	\$419,323.00	\$393,546.00	\$81,403.00	\$181,379.00	\$43,869.00	\$207,861.00	\$1,150,824.00	\$364,586.00		\$ 2,842,791.00
	<b>Remaining in Contract</b>	\$ 423,269.00	\$ 391,833.00	\$ 167,010.00	\$ 93,454.00	\$ 114,617.00	\$ -	\$ 615,429.00	\$ 417,414.00	\$ 96,165.00	\$ 2,319,191.00



Change Log

<b>Contract No.</b>		W-20-001-201									
<b>Project Name:</b>		e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations									
<b>Engineer:</b>		Brasfield & Gorrie, L.L.C.									
	Brief Description	Task 1 - Phase 1 Project Management	Task 2 - Phase 1 Meetings	Task 3 - Surveying, Mapping, and Utility Locates	Task 4 - Geotechnical, Hydrogeological, and Environ. Eval.	Task 5 - Permitting and Approvals	Task 6 - Alternatives Analysis and Project Definition	Task 7 - Design through 60 Percent	Task 8 - Cost Estimating, Scheduling, and Constr. Reviews	Task 9 - Guaranteed Maximum Price Proposal	TOTALS
	<b>Executed Contract</b>	\$ 839,036.00	\$ 785,379.00	\$ 274,702.00	\$ 257,640.00	\$ 151,312.00	\$ 207,861.00	\$ 1,729,625.00	\$ 788,280.00	\$ 96,165.00	\$ 5,130,000.00
<b>CO #1</b>	CORs 1-4, 7, 9, 10, 13, & 14	\$ 3,556.00	\$ -	\$ (26,289.00)	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 31,982.00
<b>CO #2</b>	COR 23		\$ 35,952.00								\$ 35,952.00
<b>Change #3</b>											\$ -
<b>Change #4</b>											\$ -
<b>Change #5</b>											\$ -
<b>Final Contract Amount</b>		\$ 842,592.00	\$ 821,331.00	\$ 248,413.00	\$ 274,833.00	\$ 158,486.00	\$ 207,861.00	\$ 1,766,253.00	\$ 782,000.00	\$ 96,165.00	\$ 5,197,934.00
<b>Net Contract Changes</b>		\$ 3,556.00	\$ 35,952.00	\$ (26,289.00)	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 67,934.00
<b>Billed to Date</b>		\$419,323.00	\$393,546.00	\$81,403.00	\$181,379.00	\$43,869.00	\$207,861.00	\$1,150,824.00	\$364,586.00		\$ 2,842,791.00
<b>Remaining in Contract</b>		\$ 423,269.00	\$ 427,785.00	\$ 167,010.00	\$ 93,454.00	\$ 114,617.00	\$ -	\$ 615,429.00	\$ 417,414.00	\$ 96,165.00	\$ 2,355,143.00



CITY OF CHATTANOOGA  
WASTEWATER DEPARTMENT

455 Moccasin Bend Road  
Chattanooga, TN 37405

## PROFESSIONAL SERVICES CHANGE ORDER

Contract No.:	<u>W-20-001-201</u>	Change Order No.:	<u>2</u>
Project Name:	<u>e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations</u>	Date Issued:	<u>4/30/2024</u>
Design-Builder:	<u>Brasfield &amp; Gorrie, L.L.C.</u>	Purchase Order No.:	<u>PUR132518</u>
Requested By:	<u>City of Chattanooga</u>	City PPM No.:	<u>C10495</u>

Original Contract Completion Date	<u>7/25/2024</u>	SRF Loan No.		Original Contract Amount	\$	<u>5,130,000.00</u>
Amended Contract Completion	<u>NA</u>		<u>N/A</u>	Net Change by Previous COs	\$	
Additional Time on this CO	<u>0</u>			Contract Amount Prior to this CO	\$	<u>5,130,000.00</u>
<b>NEW CONTRACT COMPLETION DATE</b>	<b>7/25/2024</b>			<b>Total Amount of this CO</b>	\$	<b><u>35,952.00</u></b>
				<b>NEW CONTRACT AMOUNT</b>	\$	<b><u>5,165,952.00</u></b>

**Brief Summary of Changes (Additional pages included)**

This CO includes compensation for easement staking to assist the appraiser with visualizing the easement areas and communicating the information to the property owners. The work under this CO includes staking fourteen (14) easement exhibits (EX-4 through EX-17) including North Lee Highway Conveyance which includes General Shale and Emerald properties, S Lee highway EQ Tank fill forcemain (HomeServe), and the Tennessee American Waterline easement along St Stephens Place. This staking does not include the potential permanent access easement through the HomeServe property.

**Revised Scope Description/Details**

Task No.	Description	Current Fee	Billed to Date	Additional Fee	Revised Fee
Task 1	Project Management - Phase 1	\$ 842,592.00	\$ 553,508.00		\$ 842,592.00
Task 2	Phase I Meetings	\$ 785,379.00	\$ 516,405.00		\$ 785,379.00
Task 3	Surveying, Mapping, and Utility Locates	\$ 266,333.00	\$ 91,316.00	\$ 35,952.00	\$ 302,285.00
Task 4	Geotechnical, Hydrogeological, and Environ. Eval.	\$ 274,833.00	\$ 251,833.00		\$ 274,833.00
Task 5	Permitting and Approvals	\$ 158,486.00	\$ 72,197.00		\$ 158,486.00
Task 6	Alternatives Analysis and Project Definition	\$ 207,861.00	\$ 207,861.00		\$ 207,861.00
Task 7	Design through 60 Percent	\$ 1,766,253.00	\$ 1,551,604.00		\$ 1,766,253.00
Task 8	Cost Estimating, Scheduling, and Constr. Reviews	\$ 782,000.00	\$ 548,925.00		\$ 782,000.00
Task 9	Guaranteed Maximum Price Proposal	\$ 96,165.00	\$ -	\$ -	\$ 96,165.00
<b>TOTAL CONTRACT AMOUNT</b>		<b>\$ 5,179,902.00</b>	<b>\$ 3,793,649.00</b>	<b>\$ 35,952.00</b>	<b>\$ 5,215,854.00</b>

**Contractor Acknowledgement:**

<input type="checkbox"/> No Change in Contract Amount is required.	<input checked="" type="checkbox"/> A Change in Contract Amount is required.	<b>\$ 35,952.00</b>
<input checked="" type="checkbox"/> No Change in Contract Time is required.	<input type="checkbox"/> A Change in Contract Time is required.	<b>days</b>

**APPROVALS**

PROGRAM MANAGER		DESIGN BUILDER	
Prj. Controls Approver 1 <u>VM</u>	Prj. Controls Approver 2 <u>CLH</u>		
<u>Xavier Pedeux</u> Xavier Pedeux (Apr 30, 2024 10:30 EDT)		<u>Steve Jay</u> Steve Jay (Apr 30, 2024 10:15 CDT)	
CITY PROJECT MANAGER		ASSISTANT CITY ENGINEER	
<u>Elizabeth Goss</u>		<u>Dennis Malone</u> Dennis Malone (May 3, 2024 13:54 EDT)	
DIRECTOR OF ENGINEERING, WASTEWATER DEPARTMENT		ADMINISTRATOR, WASTEWATER DEPARTMENT	
<u>Tony Kinder</u> Tony Kinder (May 3, 2024 19:03 EDT)		<u>Mark Heinzer</u> Mark Heinzer (May 3, 2024 20:16 EDT)	

Change Log

<b>Contract No.</b>		W-20-001-201									
<b>Project Name:</b>		e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations									
<b>Engineer:</b>		Brasfield & Gorrie, L.L.C.									
	Brief Description	Task 1 - Phase 1 Project Management	Task 2 - Phase 1 Meetings	Task 3 - Surveying, Mapping, and Utility Locates	Task 4 - Geotechnical, Hydrogeological, and Environ. Eval.	Task 5 - Permitting and Approvals	Task 6 - Alternatives Analysis and Project Definition	Task 7 - Design through 60 Percent	Task 8 - Cost Estimating, Scheduling, and Constr. Reviews	Task 9 - Guaranteed Maximum Price Proposal	TOTALS
	<b>Executed Contract</b>	\$ 839,036.00	\$ 785,379.00	\$ 274,702.00	\$ 257,640.00	\$ 151,312.00	\$ 207,861.00	\$ 1,729,625.00	\$ 788,280.00	\$ 96,165.00	\$ 5,130,000.00
<b>CO #1</b>	CORs 1-5, 7, 9, 10, 13, & 14	\$ 3,556.00	\$ -	\$ (8,369.00)	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 49,902.00
<b>CO #2</b>				\$ 35,952.00	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 35,952.00
<b>Change #3</b>											\$ -
<b>Change #4</b>											\$ -
<b>Change #5</b>											\$ -
<b>Final Contract Amount</b>		\$ 842,592.00	\$ 785,379.00	\$ 302,285.00	\$ 274,833.00	\$ 158,486.00	\$ 207,861.00	\$ 1,766,253.00	\$ 782,000.00	\$ 96,165.00	\$ 5,215,854.00
<b>Net Contract Changes</b>		\$ 3,556.00	\$ -	\$ 27,583.00	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 85,854.00
<b>Billed to Date</b>		\$ 553,508.00	\$ 516,405.00	\$ 91,316.00	\$ 251,833.00	\$ 72,197.00	\$ 207,861.00	\$ 1,551,604.00	\$ 548,925.00	\$ -	\$ 3,793,649.00
<b>Remaining in Contract</b>		\$ 289,084.00	\$ 268,974.00	\$ 210,969.00	\$ 23,000.00	\$ 86,289.00	\$ -	\$ 214,649.00	\$ 233,075.00	\$ 96,165.00	\$ 1,422,205.00



CITY OF CHATTANOOGA  
WASTEWATER DEPARTMENT

455 Moccasin Bend Road  
Chattanooga, TN 37405

## PROFESSIONAL SERVICES CHANGE ORDER

Contract No.:	<u>W-20-001-201</u>	Change Order No.:	<u>3</u>
Project Name:	<u>e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations</u>	Date Issued:	<u>5/7/2024</u>
Design-Builder:	<u>Brasfield &amp; Gorrie, L.L.C.</u>	Purchase Order No.:	<u>PUR132518</u>
Requested By:	<u>City of Chattanooga</u>	City PPM No.:	<u>C10495</u>

Original Contract Completion Date	<u>7/25/2024</u>	SRF Loan No.		Original Contract Amount	\$	<u>5,130,000.00</u>
Amended Contract Completion	<u>NA</u>		<u>N/A</u>	Net Change by Previous COs	\$	<u>67,934.00</u>
Additional Time on this CO	<u>0</u>			Contract Amount Prior to this CO	\$	<u>5,197,934.00</u>
<b>NEW CONTRACT COMPLETION DATE</b>	<b><u>7/25/2024</u></b>			<b>Total Amount of this CO</b>	\$	<b><u>17,920.00</u></b>
				<b>NEW CONTRACT AMOUNT</b>	\$	<b><u>5,215,854.00</u></b>

**Brief Summary of Changes (Additional pages included)**

This CO includes additional work to perform property boundary surveys and legal property descriptions for the West Chick EQ station site, the South Lee EQ pump station site, South Lee EQ Tank site and the HomeServe property on Lee Highway. See attached Brasfield & Gorrie Change Order Request No. 5 for backup information. Note CO 1 and CO 2 both included errors in the "Current Fee" and "Revised Fee" columns. This CO 3 includes accurate totals to date for these two columns based on CO 1, 2 and 3.

**Revised Scope Description/Details**

Task No.	Description	Current Fee	Billed to Date	Additional Fee	Revised Fee
Task 1	Project Management - Phase 1	\$ 842,592.00	\$ 553,508.00		\$ 842,592.00
Task 2	Phase I Meetings	\$ 785,379.00	\$ 516,405.00		\$ 785,379.00
Task 3	Surveying, Mapping, and Utility Locates	\$ 284,365.00	\$ 91,316.00	\$ 17,920.00	\$ 302,285.00
Task 4	Geotechnical, Hydrogeological, and Environ. Eval.	\$ 274,833.00	\$ 251,833.00		\$ 274,833.00
Task 5	Permitting and Approvals	\$ 158,486.00	\$ 72,197.00		\$ 158,486.00
Task 6	Alternatives Analysis and Project Definition	\$ 207,861.00	\$ 207,861.00		\$ 207,861.00
Task 7	Design through 60 Percent	\$ 1,766,253.00	\$ 1,551,604.00		\$ 1,766,253.00
Task 8	Cost Estimating, Scheduling, and Constr. Reviews	\$ 782,000.00	\$ 548,925.00		\$ 782,000.00
Task 9	Guaranteed Maximum Price Proposal	\$ 96,165.00	\$ -	\$ -	\$ 96,165.00
<b>TOTAL CONTRACT AMOUNT</b>		<b>\$ 5,197,934.00</b>	<b>\$ 3,793,649.00</b>	<b>\$ 17,920.00</b>	<b>\$ 5,215,854.00</b>

**Contractor Acknowledgement:**

<input type="checkbox"/> No Change in Contract Amount is required.	<input checked="" type="checkbox"/> A Change in Contract Amount is required.	<b>\$ 17,920.00</b>
<input checked="" type="checkbox"/> No Change in Contract Time is required.	<input type="checkbox"/> A Change in Contract Time is required.	<b>days</b>

**APPROVALS**

PROGRAM MANAGER		DESIGN BUILDER	
Pj. Controls Approver 1 <u>VM</u>	Pj. Controls Approver 2 <u>CLH</u>		
<u>Xavier Pedeux</u> Xavier Pedeux (May 9, 2024 11:47 EDT)		<u>Steve Jay</u> Steve Jay (May 10, 2024 11:10 CDT)	
CITY PROJECT MANAGER		ASSISTANT CITY ENGINEER	
<u>Elizabeth Goss</u> Elizabeth Goss (May 10, 2024 13:06 EDT)		<u>Dennis Malone</u> Dennis Malone (May 13, 2024 15:41 EDT)	
DIRECTOR OF ENGINEERING, WASTEWATER DEPARTMENT		ADMINISTRATOR, WASTEWATER DEPARTMENT	
<u>Tony Kinder</u> Tony Kinder (May 13, 2024 15:48 EDT)		<u>Mark Heinzer</u> Mark Heinzer (May 14, 2024 21:00 EDT)	

Change Log

**Contract No.** W-20-001-201  
**Project Name:** e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations  
**Engineer:** Brasfield & Gorrie, L.L.C.

	Brief Description	Task 1 - Phase 1 Project Management	Task 2 - Phase 1 Meetings	Task 3 - Surveying, Mapping, and Utility Locates	Task 4 - Geotechnical, Hydrogeological, and Environ. Eval.	Task 5 - Permitting and Approvals	Task 6 - Alternatives Analysis and Project Definition	Task 7 - Design through 60 Percent	Task 8 - Cost Estimating, Scheduling, and Constr. Reviews	Task 9 - Guaranteed Maximum Price Proposal	TOTALS
	<b>Executed Contract</b>	\$ 839,036.00	\$ 785,379.00	\$ 274,702.00	\$ 257,640.00	\$ 151,312.00	\$ 207,861.00	\$ 1,729,625.00	\$ 788,280.00	\$ 96,165.00	\$ 5,130,000.00
<b>CO #1</b>	CORs 1-5, 7, 9, 10, 13, & 14	\$ 3,556.00	\$ -	\$ (26,289.00)	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 31,982.00
<b>CO #2</b>	COR 23			\$ 35,952.00							\$ 35,952.00
<b>CO #3</b>	COR 5			\$ 17,920.00							\$ 17,920.00
<b>Final Contract Amount</b>		\$ 842,592.00	\$ 785,379.00	\$ 302,285.00	\$ 274,833.00	\$ 158,486.00	\$ 207,861.00	\$ 1,766,253.00	\$ 782,000.00	\$ 96,165.00	\$ 5,215,854.00
<b>Net Contract Changes</b>		\$ 3,556.00	\$ -	\$ 27,583.00	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 85,854.00
<b>Billed to Date</b>		\$ 553,508.00	\$ 516,405.00	\$ 91,316.00	\$ 251,833.00	\$ 72,197.00	\$ 207,861.00	\$ 1,551,604.00	\$ 548,925.00	\$ -	\$ 3,793,649.00
<b>Remaining in Contract</b>		\$ 289,084.00	\$ 268,974.00	\$ 210,969.00	\$ 23,000.00	\$ 86,289.00	\$ -	\$ 214,649.00	\$ 233,075.00	\$ 96,165.00	\$ 1,422,205.00



**CITY OF CHATTANOOGA  
WASTEWATER DEPARTMENT**

455 Moccasin Bend Road  
Chattanooga, TN 37405

## PROFESSIONAL SERVICES CHANGE ORDER

Contract No.: <u>W-20-001-201</u>	Change Order No.: <u>4</u>
Project Name: <u>e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations</u>	Date Issued: <u>5/13/2024</u>
Design-Builder: <u>Brasfield &amp; Gorrie, L.L.C.</u>	Purchase Order No.: <u>PUR132518</u>
Requested By: <u>City of Chattanooga</u>	City PPM No.: <u>C10495</u>

Original Contract Completion Date <u>7/25/2024</u>	SRF Loan No. <u>N/A</u>	Original Contract Amount \$ <u>5,130,000.00</u>	
Amended Contract Completion <u>NA</u>		Net Change by Previous COs \$ <u>85,854.00</u>	
Additional Time on this CO <u>0</u>		Contract Amount Prior to this CO \$ <u>5,215,854.00</u>	
<b>NEW CONTRACT COMPLETION DATE</b> <u>7/25/2024</u>		<b>NEW CONTRACT AMOUNT</b> \$ <u>5,241,579.00</u>	

**Brief Summary of Changes (Additional pages included)**

This Change Order adds Design Build Phase 1 services for the high priority retaining wall delegated designs to support the project critical path for the TDOT and LDO permitting process and schedule. These delegated designs were part of the originally planned early procurement process which are not being executed therefore the need for this CO. This only includes these retaining wall designs and does not include retaining wall installation or any other cost or service. This change order is NOT include physical construction activities.

**Revised Scope Description/Details**

Task No.	Description	Current Fee	Billed to Date	Additional Fee	Revised Fee
Task 1	Project Management - Phase 1	\$ 842,592.00	\$ 553,508.00		\$ 842,592.00
Task 2	Phase I Meetings	\$ 785,379.00	\$ 516,405.00		\$ 785,379.00
Task 3	Surveying, Mapping, and Utility Locates	\$ 302,285.00	\$ 91,316.00		\$ 302,285.00
Task 4	Geotechnical, Hydrogeological, and Environ. Eval.	\$ 274,833.00	\$ 251,833.00		\$ 274,833.00
Task 5	Permitting and Approvals	\$ 158,486.00	\$ 72,197.00		\$ 158,486.00
Task 6	Alternatives Analysis and Project Definition	\$ 207,861.00	\$ 207,861.00		\$ 207,861.00
Task 7	Design through 60 Percent	\$ 1,766,253.00	\$ 1,551,604.00	\$ 25,725.00	\$ 1,791,978.00
Task 8	Cost Estimating, Scheduling, and Constr. Reviews	\$ 782,000.00	\$ 548,925.00		\$ 782,000.00
Task 9	Guaranteed Maximum Price Proposal	\$ 96,165.00	\$ -	\$ -	\$ 96,165.00
<b>TOTAL CONTRACT AMOUNT</b>		<b>\$ 5,215,854.00</b>	<b>\$ 3,793,649.00</b>	<b>\$ 25,725.00</b>	<b>\$ 5,241,579.00</b>

**Contractor Acknowledgement:**

<input type="checkbox"/> No Change in Contract Amount is required.	<input checked="" type="checkbox"/> A Change in Contract Amount is required. <u>\$ 25,725.00</u>
<input checked="" type="checkbox"/> No Change in Contract Time is required.	<input type="checkbox"/> A Change in Contract Time is required. <u>days</u>

### APPROVALS

PROGRAM MANAGER		DESIGN BUILDER	
Prj. Controls Approver 1 <u>VM</u>	Prj. Controls Approver 2 <u>CLH</u>	 Steve Jay (May 22, 2024 19:32 CDT)	
 Xavier Pedeux (May 22, 2024 15:03 EDT)			
CITY PROJECT MANAGER		ASSISTANT CITY ENGINEER	
 Elizabeth Guss		 Dennis Malone (May 23, 2024 08:50 EDT)	
DIRECTOR OF ENGINEERING, WASTEWATER DEPARTMENT		ADMINISTRATOR, WASTEWATER DEPARTMENT	
 Tony Kinder (May 23, 2024 08:52 EDT)		 Mark Heizer (May 23, 2024 14:59 EDT)	

Change Log

<b>Contract No.</b>		W-20-001-201									
<b>Project Name:</b>		e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations									
<b>Engineer:</b>		Brasfield & Gorrie, L.L.C.									
	Brief Description	Task 1 - Phase 1 Project Management	Task 2 - Phase 1 Meetings	Task 3 - Surveying, Mapping, and Utility Locates	Task 4 - Geotechnical, Hydrogeological, and Environ. Eval.	Task 5 - Permitting and Approvals	Task 6 - Alternatives Analysis and Project Definition	Task 7 - Design through 60 Percent	Task 8 - Cost Estimating, Scheduling, and Constr. Reviews	Task 9 - Guaranteed Maximum Price Proposal	TOTALS
	<b>Executed Contract</b>	\$ 839,036.00	\$ 785,379.00	\$ 274,702.00	\$ 257,640.00	\$ 151,312.00	\$ 207,861.00	\$ 1,729,625.00	\$ 788,280.00	\$ 96,165.00	\$ 5,130,000.00
<b>CO #1</b>	CORs 1-4, 7, 9, 10, 13, & 14	\$ 3,556.00	\$ -	\$ (26,289.00)	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 31,982.00
<b>CO #2</b>	COR 23			\$ 35,952.00							\$ 35,952.00
<b>CO #3</b>	COR 5			\$ 17,920.00							\$ 17,920.00
<b>CO #4</b>	COR 26							\$ 25,725.00			\$ 25,725.00
<b>Final Contract Amount</b>		\$ 842,592.00	\$ 785,379.00	\$ 302,285.00	\$ 274,833.00	\$ 158,486.00	\$ 207,861.00	\$ 1,791,978.00	\$ 782,000.00	\$ 96,165.00	\$ 5,241,579.00
<b>Net Contract Changes</b>		\$ 3,556.00	\$ -	\$ 27,583.00	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 62,353.00	\$ (6,280.00)	\$ -	\$ 111,579.00
<b>Billed to Date</b>		\$ 553,508.00	\$ 516,405.00	\$ 91,316.00	\$ 251,833.00	\$ 72,197.00	\$ 207,861.00	\$ 1,551,604.00	\$ 548,925.00	\$ -	\$ 3,793,649.00
<b>Remaining in Contract</b>		\$ 289,084.00	\$ 268,974.00	\$ 210,969.00	\$ 23,000.00	\$ 86,289.00	\$ -	\$ 240,374.00	\$ 233,075.00	\$ 96,165.00	\$ 1,447,930.00



CITY OF CHATTANOOGA  
WASTEWATER DEPARTMENT

455 Moccasin Bend Road  
Chattanooga, TN 37405

## PROFESSIONAL SERVICES CHANGE ORDER

Contract No.:	<u>W-20-001-201</u>	Change Order No.:	<u>5</u>
Project Name:	<u>e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations</u>	Date Issued:	<u>6/28/2024</u>
Design-Builder:	<u>Brasfield &amp; Gorrie, L.L.C.</u>	Purchase Order No.:	<u>PUR132518</u>
Requested By:	<u>City of Chattanooga</u>	City PPM No.:	<u>C10495</u>

Original Contract Completion Date	<u>7/25/2024</u>	SRF Loan No.		Original Contract Amount	\$ <u>5,130,000.00</u>
Amended Contract Completion	<u>NA</u>		<u>N/A</u>	Net Change by Previous COs	\$ <u>111,579.00</u>
Additional Time on this CO	<u>0</u>			Contract Amount Prior to this CO	\$ <u>5,241,579.00</u>
<b>NEW CONTRACT COMPLETION DATE</b>	<b>7/25/2024</b>			<b>NEW CONTRACT AMOUNT</b>	\$ <b>5,368,624.00</b>

**Brief Summary of Changes (Additional pages included)**

This CO adds work that was not included in the Phase 1 scope including: COR 18, attached, which includes 1) SLEQ Station No-Rise Analysis 2) evaluate multiple permanent site access alternatives for the SLEQ Station tank site after completion of the BODR. Additional McCutcheon Stormwater Pond clearing, re-grading, will be included in a future CO. This CO also adds COR 27, attached, to evaluate existing HomeServe pavement for SLEQ tank site permanent access route through HomeServe parking lot.

**Revised Scope Description/Details**

Task No.	Description	Current Fee	Billed to Date	Additional Fee	Revised Fee
Task 1	Project Management - Phase 1	\$ 842,592.00	\$ 628,401.00	\$ 3,225.00	\$ 845,817.00
Task 2	Phase I Meetings	\$ 785,379.00	\$ 583,515.00		\$ 785,379.00
Task 3	Surveying, Mapping, and Utility Locates	\$ 302,285.00	\$ 102,544.00		\$ 302,285.00
Task 4	Geotechnical, Hydrogeological, and Environ. Eval.	\$ 274,833.00	\$ 252,748.00	\$ 11,797.00	\$ 286,630.00
Task 5	Permitting and Approvals	\$ 158,486.00	\$ 108,517.00	\$ 97,014.00	\$ 255,500.00
Task 6	Alternatives Analysis and Project Definition	\$ 207,861.00	\$ 207,861.00		\$ 207,861.00
Task 7	Design through 60 Percent	\$ 1,791,978.00	\$ 1,653,298.00	\$ 15,009.00	\$ 1,806,987.00
Task 8	Cost Estimating, Scheduling, and Constr. Reviews	\$ 782,000.00	\$ 603,593.00		\$ 782,000.00
Task 9	Guaranteed Maximum Price Proposal	\$ 96,165.00	\$ -	\$ -	\$ 96,165.00
<b>TOTAL CONTRACT AMOUNT</b>		<b>\$ 5,241,579.00</b>	<b>\$ 4,140,477.00</b>	<b>\$ 127,045.00</b>	<b>\$ 5,368,624.00</b>

**Contractor Acknowledgement:**

<input type="checkbox"/> No Change in Contract Amount is required.	<input checked="" type="checkbox"/> A Change in Contract Amount is required.	<u>\$ 127,045.00</u>
<input checked="" type="checkbox"/> No Change in Contract Time is required.	<input type="checkbox"/> A Change in Contract Time is required.	<u>                    </u> days

**APPROVALS**

PROGRAM MANAGER		DESIGN BUILDER	
Prj. Controls Approver 1 <u>VM</u>	Prj. Controls Approver 2 <u>CLK</u>	<u>Steve Jay</u> Steve Jay (Jul 1, 2024 22:05 CDT)	
CITY PROJECT MANAGER		ASSISTANT CITY ENGINEER	
<u>Elizabeth Goss</u> Elizabeth Goss (Jul 2, 2024 09:58 EDT)		<u>Dennis Malone</u> Dennis Malone (Jul 2, 2024 10:50 EDT)	
DIRECTOR OF ENGINEERING, WASTEWATER DEPARTMENT		ADMINISTRATOR, WASTEWATER DEPARTMENT	
<u>Tony Kinder</u> Tony Kinder (Jul 2, 2024 10:52 EDT)		<u>Mark Heizer</u> Mark Heizer (Jul 6, 2024 08:56 EDT)	



Change Log

<b>Contract No.</b>		W-20-001-201									
<b>Project Name:</b>		e2i2 SSO Abatement Program Phase 1 - South Lee Hwy and West Chickamauga EQ Stations									
<b>Engineer:</b>		Brasfield & Gorrie, L.L.C.									
	Brief Description	Task 1 - Phase 1 Project Management	Task 2 - Phase 1 Meetings	Task 3 - Surveying, Mapping, and Utility Locates	Task 4 - Geotechnical, Hydrogeological, and Environ. Eval.	Task 5 - Permitting and Approvals	Task 6 - Alternatives Analysis and Project Definition	Task 7 - Design through 60 Percent	Task 8 - Cost Estimating, Scheduling, and Constr. Reviews	Task 9 - Guaranteed Maximum Price Proposal	TOTALS
	<b>Executed Contract</b>	\$ 839,036.00	\$ 785,379.00	\$ 274,702.00	\$ 257,640.00	\$ 151,312.00	\$ 207,861.00	\$ 1,729,625.00	\$ 788,280.00	\$ 96,165.00	\$ 5,130,000.00
<b>CO #1</b>	CORs 1-5, 7, 9, 10, 13, & 14	\$ 3,556.00	\$ -	\$ (26,289.00)	\$ 17,193.00	\$ 7,174.00	\$ -	\$ 36,628.00	\$ (6,280.00)	\$ -	\$ 31,982.00
<b>CO #2</b>	COR 23			\$ 35,952.00							\$ 35,952.00
<b>CO #3</b>	COR 5			\$ 17,920.00							\$ 17,920.00
<b>CO #4</b>	COR 26							\$ 25,725.00			\$ 25,725.00
<b>CO #5</b>	COR 18 & 27	\$ 3,225.00			\$ 11,797.00	\$ 97,014.00		\$ 15,009.00			\$ 127,045.00
<b>Final Contract Amount</b>		\$ 845,817.00	\$ 785,379.00	\$ 302,285.00	\$ 286,630.00	\$ 255,500.00	\$ 207,861.00	\$ 1,806,987.00	\$ 782,000.00	\$ 96,165.00	\$ 5,368,624.00
<b>Net Contract Changes</b>		\$ 6,781.00	\$ -	\$ 27,583.00	\$ 28,990.00	\$ 104,188.00	\$ -	\$ 77,362.00	\$ (6,280.00)	\$ -	\$ 238,624.00
<b>Billed to Date</b>		\$ 628,401.00	\$ 583,515.00	\$ 102,544.00	\$ 252,748.00	\$ 108,517.00	\$ 207,861.00	\$ 1,653,298.00	\$ 603,593.00	\$ -	\$ 4,140,477.00
<b>Remaining in Contract</b>		\$ 217,416.00	\$ 201,864.00	\$ 199,741.00	\$ 33,882.00	\$ 146,983.00	\$ -	\$ 153,689.00	\$ 178,407.00	\$ 96,165.00	\$ 1,228,147.00



## THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA

### BOARD OF DIRECTORS:

Kerry Hayes, Chair  
Althea Jones, Vice-Chair  
Gordon Parker, Secretary  
James Floyd, Assistant Secretary  
Ray Adkins, Member  
Jimmy F. Rodgers, Jr., Member  
Nadia Kain, Member  
Melody Shekari, Member

Phillip A. Noblett, Counsel

August 5, 2024

Mr. Justin Garcia  
Contract Audit Review Specialist  
Tennessee Comptroller of the Treasury  
Cordell Hull Building  
425 Rep. John Lewis Way N.  
Nashville, TN 37243

Re: Industrial Development Board for the City of Chattanooga, Tennessee

Dear Mr. Garcia:

In response to your letter dated April 15, 2024, the Industrial Development Board for the City of Chattanooga, Tennessee ("IDB"), responds as follows:

- 1) Starting in Fiscal Year 2024 Financial Report, the IDB will remove the Tax Increment Financing loan interest liability from the Financial Statement and disclose that information in the Note section; and
- 2) We will disclose the schedule of changes in the Lease Assets in the Note section of the Financial Report.

Please let me know if this revised method of referencing Tax Increment Financing interest liability of the Board and this revised schedule of changes in Lease Assets suggested by our accountants is acceptable by the Comptroller for the coming Fiscal Year.

Sincerely,

Kerry Hayes, Chair

KH/mem

100 E. 11<sup>th</sup> Street, Suite 200 – Chattanooga, TN 37402  
(423) 643-8250 - Facsimile (423) 643-8255



JASON E. MUMPOWER  
Comptroller

April 15, 2024

Board of Directors  
Industrial Development Board of the City of Chattanooga, Tennessee  
100 East 11th Street, Suite 200  
c/o Chattanooga City Attorney's Office  
Chattanooga, TN 37402

Board of Directors:

We have reviewed the annual financial report on the Industrial Development Board of the City of Chattanooga, Tennessee for the fiscal year ended June 30, 2023, as audited by Henderson, Hutcherson and McCullough, Certified Public Accountants. As a result, this report has been filed as part of the public records of the State of Tennessee.

The audited financial statements are the responsibility of management. The following was observed during the review of the financial report.

The Statement of Net Position reported a deficit unrestricted net position balance of \$(221,621) at year end. Management should take necessary steps to ensure this deficit is eliminated.

The Notes to the Financial Statements did not disclose the schedule of changes in lease assets. Please refer to the *Codification of Governmental Accounting and Financial Reporting Standards* (2022-2023 Edition), Sections 2300.117-.118 and L20.711-5, for disclosure requirements considered essential to fair presentation.

Responsible officials should ensure that future reports submitted to our office address the above items. If you need to contact our office, please call 615.401.7810 or email [Justin.Garcia@cot.tn.gov](mailto:Justin.Garcia@cot.tn.gov). You may also send a response to this letter to the Tennessee Comptroller of the Treasury Division of Local Government Audit, Cordell Hull Building, 4<sup>th</sup> Floor, 425 Rep. John Lewis Way N., Nashville, TN 37243.

Sincerely,

A handwritten signature in black ink that reads "Justin Garcia".

Justin Garcia  
Contract Audit Review Specialist

11175

Board of Directors  
Industrial Development Board of the City of Chattanooga, Tennessee  
April 15, 2024  
Page 2 of 2

cc: Henderson, Hutcherson and McCullough  
Certified Public Accountants  
1200 Market Street  
Chattanooga, TN 37363



Jason E. Mumpower  
Comptroller

## IDB Report - Industrial Development Board of the City of Chattanooga, Tennessee - 2024

### Contacts

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
IDB President	Kerry Hayes	Chairman
<b>Company / Government</b>		<b>Address</b>
Chattanooga		100 East 11th Street, Suite 200, Chattanooga TN 37402
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
kerry.hayes@gmail.com	9014815104	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Board Member	Gordon Parker	Secretary
<b>Company / Government</b>		<b>Address</b>
Chattanooga		100 East 11th Street, Suite 200, Chattanooga TN 37402
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
sgordonparker1@gmail.com	4238383099	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Board Member	Nadia Kain	Member
<b>Company / Government</b>		<b>Address</b>
Chattanooga		100 East 11th Street, Suite 200, Chattanooga TN 37402
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
nadiak@scoutrealtorgroup.com	4235448996	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Board Member	Melody Shekari	Member
<b>Company / Government</b>		<b>Address</b>
Chattanooga		100 East 11th Street, Suite 200, Chattanooga TN 37402
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
melody@melodyshekari.com	4232402463	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Board Member	Ray Adkins	Member
<b>Company / Government</b>		<b>Address</b>
Chattanooga		100 East 11th Street, Suite 200, Chattanooga TN 37402

<b>Email</b>	<b>Phone</b>	<b>Extension</b>
adkins@epbf.com	4234883188	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Board Member	Althea Jones	Vice Chair
<b>Company / Government</b>	<b>Address</b>	
Chattanooga	100 East 11th Street, Suite 200, Chattanooga TN 37402	
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
arjones@tva.gov	8653855183	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Board Member	Jimmy F. Rodgers, Jr.	Member
<b>Company / Government</b>	<b>Address</b>	
Chattanooga	100 East 11th Street, Suite 200, Chattanooga TN 37402	
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
jrodgers@summersfirm.com	4232652385	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Board Member	James Floyd	Assistant Secretary
<b>Company / Government</b>	<b>Address</b>	
Chattanooga	100 East 11th Street, Suite 200, Chattanooga TN 37402	
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
jim.floyd@inspexservices.com	4234219078	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Authorized Representative	Javaid Majid	CFO
<b>Company / Government</b>	<b>Address</b>	
Chattanooga	100 East 11th Street, Suite 200, Chattanooga TN 37402	
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
jmajid@chattanooga.gov	4236437368	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
IDB Legal Counsel	Phillip Noblett	Counsel
<b>Company / Government</b>	<b>Address</b>	
Chattanooga	100 East 11th Street, Suite 200, Chattanooga TN 37402	
<b>Email</b>	<b>Phone</b>	<b>Extension</b>
pnoblett@chattanooga.gov	4236438233	

<b>Contact Type</b>	<b>Full Name</b>	<b>Title</b>
Financial Advisor	Jamie Zurkiya	Treasurer

**Company / Government**

City of Chattanooga

**Address**

100 East 11th Street, Suite 200, Chattanooga TN 37402

**Email**

jzurkia@chattanooga.gov

**Phone**

4236437271

**Extension****Debt Issues****Name of Debt Issue & Issue Year**

YMCA 2020

**Project Name / Debt Purpose Description**

YMCA

**Trustee, Paying Agent, or Debt Holder**

Truist Bank (Teresa Waller)

**Final Maturity Date**

12/01/2026

**Original Dollar Amount**

\$6,900,000.00

**Principal Outstanding Amount (Fiscal Year End)**

\$694,651.00

**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

No

**IDB Debt or Conduit Debt**

Conduit

**Federal Tax Submission Status**

Tax Exempt

**Type of Sale**

Loan

**Name of Debt Issue & Issue Year**139 Partners d/b/a Evergreen Real Estate - MLK Blvd  
Extension - Riverwalk - Pinnacle Bank 2018**Project Name / Debt Purpose Description**

Riverwalk

**Trustee, Paying Agent, or Debt Holder**

Pinnacle Bank (Jerry Hampton)

**Final Maturity Date**

12/10/2036

**Original Dollar Amount**

\$3,500,000.00

**Principal Outstanding Amount (Fiscal Year End)**

\$2,464,252.00

**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

No

**IDB Debt or Conduit Debt**

Conduit

**Federal Tax Submission Status**

Taxable

**Type of Sale**

Loan

**Name of Debt Issue & Issue Year**

North Access Road Plan Area Tax Increment Revenue Note

**Project Name / Debt Purpose Description**North Commerce Center on North Access Road - public infrastructure  
costs including road improvements**Trustee, Paying Agent, or Debt Holder**

Access Road, LLC or Sam Berry (Rise Partners)

**Final Maturity Date**

05/01/2047

**Original Dollar Amount**

\$9,900,000.00

**Principal Outstanding Amount (Fiscal Year End)**

\$8,754,000.00

**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

No

**IDB Debt or Conduit Debt**

Direct

**Federal Tax Submission Status**

Tax Exempt

**Type of Sale**

Loan

**Name of Debt Issue & Issue Year**East Chattanooga Rising (Nippon Paint Automotive Company)  
- Tubman Site 2020**Project Name / Debt Purpose Description**

Nippon Paint Auto Comp

**Trustee, Paying Agent, or Debt Holder**

City of Chattanooga

**Final Maturity Date**

12/31/2040

**Original Dollar Amount**

\$4,000,000.00

**Principal Outstanding Amount (Fiscal Year End)**

\$3,985,232.00

**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

No

**IDB Debt or Conduit Debt**

Conduit

**Federal Tax Submission Status**

Taxable

**Type of Sale**

Loan

**Name of Debt Issue & Issue Year**

2018C IDB Revenue Refunding 2010 Bonds Taxable

**Project Name / Debt Purpose Description**

Refunding

**Trustee, Paying Agent, or Debt Holder**

Bank of NY Mellon or Josh McCutcheon (City)

**Final Maturity Date**

10/01/2024

**Original Dollar Amount**

\$28,200,000.00

**Principal Outstanding Amount (Fiscal Year End)**

\$5,145,000.00

**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

Yes

**IDB Debt or Conduit Debt**

Direct

**Federal Tax Submission Status**

Taxable

**Type of Sale**

Direct Placement

**Name of Debt Issue & Issue Year**

Black Creek Mountain 2013

**Project Name / Debt Purpose Description**

Black Creek

**Trustee, Paying Agent, or Debt Holder**

Pinnacle Bank or Andy Stone

**Final Maturity Date**

12/31/2031

**Original Dollar Amount**

\$9,089,045.00

**Principal Outstanding Amount (Fiscal Year End)**

\$8,619,332.00



**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

No

**IDB Debt or Conduit Debt**

Conduit

**Federal Tax Submission Status**

Taxable

**Type of Sale**

Loan

**Name of Debt Issue & Issue Year**

2018A IDB Revenue Refunding 2007 Bonds

**Project Name / Debt Purpose Description**

Refunding

**Trustee, Paying Agent, or Debt Holder**

Bank of NY Mellon or Josh McCutcheon (City)

**Final Maturity Date**

10/01/2028

**Original Dollar Amount**

\$32,235,000.00

**Principal Outstanding Amount (Fiscal Year End)**

\$24,544,000.00

**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

Yes

**IDB Debt or Conduit Debt**

Direct

**Federal Tax Submission Status**

Tax Exempt

**Type of Sale**

Direct Placement

**Name of Debt Issue & Issue Year**

Blue Cross Blue Shield 2023

**Project Name / Debt Purpose Description**

Blue Cross Blue Shield

**Trustee, Paying Agent, or Debt Holder**

Bank of NY Mellon or Mandy Savage (BCBS)

**Final Maturity Date**

01/01/2028

**Original Dollar Amount**

\$200,000,000.00

**Principal Outstanding Amount (Fiscal Year End)**

\$200,000,000.00

**Report on Debt Obligation**

Yes

**Balloon Debt Structure**

No

**Derivatives Associated with Debt**

No

**Refunding Issue**

No

**IDB Debt or Conduit Debt**

Conduit

**Federal Tax Submission Status**

Tax Exempt

**Type of Sale**

Loan



# CLEAR CHATTANOOGA

WATER FOR LIFE

e2i2 SSO Abatement Program  
Industrial Development Board Update

August 5, 2024

# AGENDA

- e2i2 Program Overview
- Project Cost
- Project Schedule
- Next Steps



**CLEAR** CHATTANOOGA  
WATER FOR LIFE



# e2i2 Program - Overview

- **e2i2** = **E**nvironmental and **E**conomic **I**nfrastructure **I**mprovement
- Joint Project between:
  - **C**ity of Chattanooga in partnership with the **IDB**
  - Hamilton County Water and Wastewater Treatment Authority (**WWTA**)
- Goals
  1. **R**educe Sanitary Sewer Overflows (**SSO**)
  2. Stay in **C**ompliance with EPA Consent Decree (**CD**)
  3. Promote **R**egional **E**conomic **G**rowth



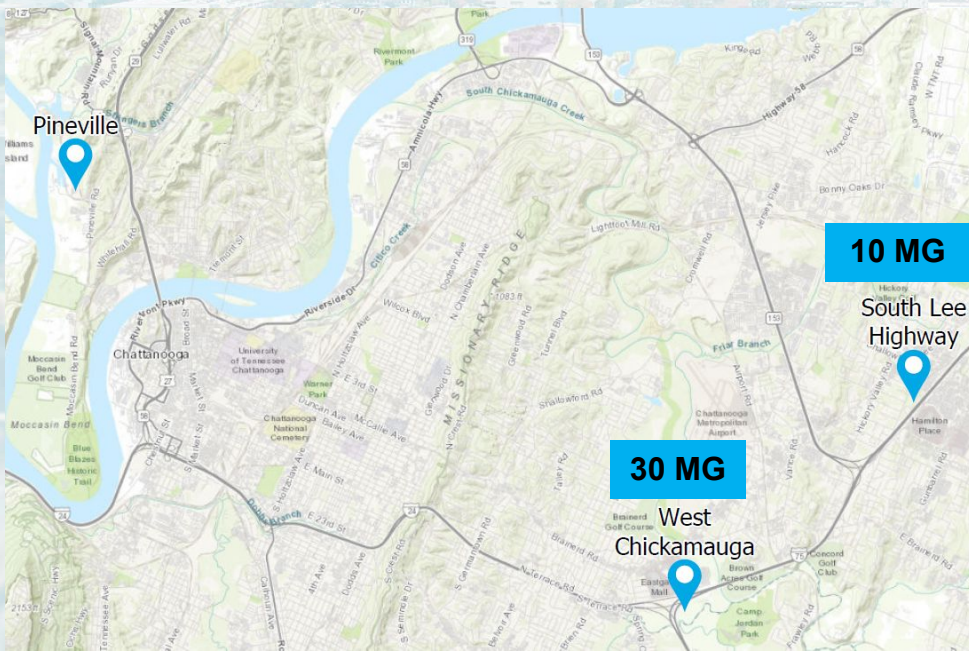
# e2i2 Program - Overview

- Executed with Progressive Design-Build (PDB) method
- Program Roles
  - **IDB**
    - Selected **Design-Builder** summer 2023
    - Owner during design & construction
    - **Leases ownership of properties**
  - **City**
    - Owner after construction
    - Operates and maintains facilities



# e2i2 Program Map

- Two sites, 40 Million Gallons of Wet Weather Storage



## Hamm Road EQ Stations

# e2i2 Program – Project Status

- Design-Build Phase 1 complete – **July 2023 thru July 2024**
- Phase 1 Design Build Fee - **\$5.4 million**
  - Includes DBIA CO 1 for **\$239k** (see next slide for details)
- Easement acquisition - **\$450k** (ongoing)
- 60% Guaranteed Maximum Price - **\$147.8 million**
- 60% Design completed – **June 6, 2024**
- Ongoing activities include final design, permitting, & easement acquisition



# e2i2 Program – Project Status

- DBIA CO 1 for **\$239k** - presented for approval today
- This Change Order covers additional design services including:
  - Deduct for removal of pipeline upgrades
  - Additional permitting
  - Additional waterline extension
  - Easements, surveying, and site access design
  - Addition of retaining wall design





# e2i2 Program - Financing

- EPA Water Infrastructure Finance and Innovation Act of 2014 (**WIFIA**)
  - 51% fund balance / 49% WIFIA loan
- Total Project Cost - **\$153.7 million** (as of 60% GMP)

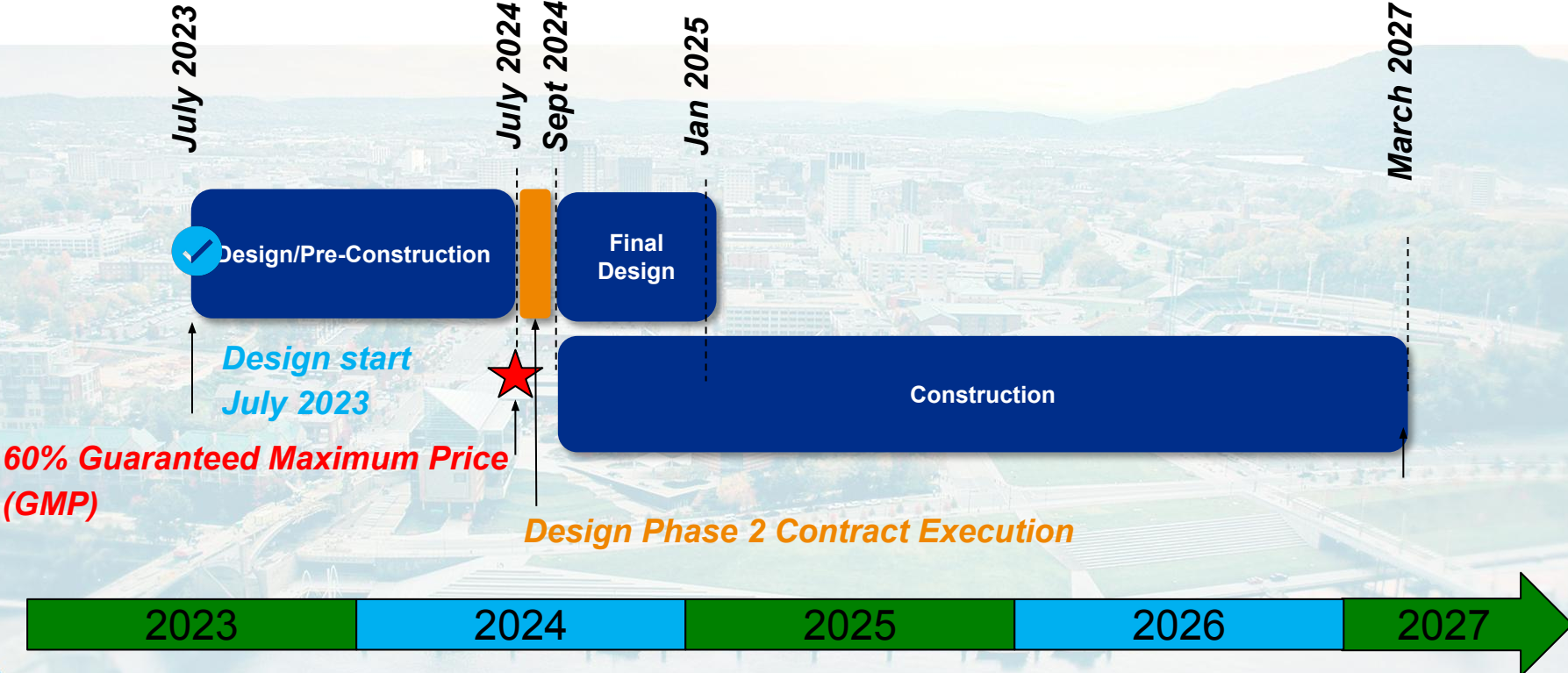


# e2i2 Program – City & WWTA Partnership

- Capital costs split for West Chick EQ site: **70% for City - 30% for WWTA**
  - **WWTA - approx. \$26.3 million**
  - **City – approx. \$61.3 million**
- **City** is responsible for:
  - Project initiation, engineering, procurement and project execution
- **WWTA** is responsible for:
  - Down payment and monthly pay increments for its total contribution



# e2i2 Program - Timeline



# Next Steps

- **August 26, 2024** IDB Meeting
  - Consideration for approval of construction cost
  - **\$153.7 million** (as of 60% GMP)
- Final design scheduled for **Sept 2024 thru Jan 2025**
- Construction scheduled for **Sept 2024 thru March 2027**



**Questions?**

**Thank you.**



**CLEAR CHATTANOOGA**  
WATER FOR LIFE