

AGENDA

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

Monday, October 7, 2024 @ 11:00 AM

1. Call meeting to order.
2. Confirmation of Meeting Advertisement and Quorum Present.
3. Minutes approval for the August 26, 2024, special monthly meeting.
4. Recognition of any person wishing to address the Board.
5. **Volkswagen Project**

Resolution:

- a. A resolution authorizing the purchase of an H200ne-W155 Compressor from Ingersoll Rand Industrial, U.S., Inc. for replacement of an existing compressor, in the amount of \$236,950.36, with an allowance for installation of \$45,000.00, for an amount not to exceed \$281,950.36.
6. Volkswagen Funding Progress Summary, Economic Development Programs Summary, Tax Increment Financing (TIF) Summary, and e2i2 Program Summary presented by Eleanor Liu.
7. **e2i2 Project**

Resolutions:

- a. A resolution authorizing the Industrial Development Board Chair or Vice-Chair to execute an Extension Deposit Agreement with Tennessee-American Water Company, in substantially the form attached, for the installation of approximately 1,520 linear feet of six (6") inch water main and two public fire hydrants for the St. Stephens water main extension, for the e2i2 project, for a cost not to exceed \$142,914.00.
- b. A resolution authorizing the Industrial Development Board Chair or Vice-Chair to execute a License Agreement with the State of Tennessee, acting by and through its Commissioner of Transportation, and the City of Chattanooga, in substantially the form attached, for a temporary forty (40') foot locked gate opening in the State's controlled access fence at mile marker 1.569 adjacent to I-75N, with a term that will

automatically terminate upon completion of the e2i2 construction project, with this being at an annual fee of zero dollars (\$0).

- c. A resolution authorizing the Industrial Development Board Chair or Vice-Chair, the City of Chattanooga Chief Financial Officer, Deputy Chief Financial Officer, and Budget Officer to execute all documents relating to capital project retainage for the e2i2 capital project and future Wastewater capital projects procured through the Industrial Development Board, and on behalf of the Industrial Development Board of the City of Chattanooga.

8. Other Business – Discussion Items

9. Adjournment.



**INDUSTRIAL DEVELOPMENT BOARD
SPECIAL MONTHLY MEETING MINUTES**

John P. Franklin Sr. City Council Building

Assembly Room

Chattanooga, Tennessee

for

Monday, August 26, 2024

11:01 AM

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

Also Present were: Attorney for the Board, Phillip A. Noblett; Jermaine Freeman (Chief of Staff); Charita Allen (ECD); Mark Mamantov (Bass Berry & Sims); Mark Heinzer (Wastewater); Steve Jay and Shane Cook (Brasfield & Gorrie); Justin Bolender and Shane Shepard (Jacobs); Luke Bowling (Big Sky Landscapes); Austin Cantrell (Bridge Public Affairs); Janice Gooden (CALEB); Audra Kelly (SETD); Gail Hart (Real Property); Helen Burns Sharp (ATM); Charles Wysong; Bill Payne and Clay Oliver (Public Works); Jonathan Kelly (Chattanooga Football Club); Eleanor Liu, Brian Smart, Paul Boylan, and Javaid Majid (Finance); Mike Pare (Times-Free Press); Sarah Mattson; and Rick Monzingo (Lookouts).



Vice-Chair Jones called the meeting to order, confirmed the meeting was duly advertised, and established that a quorum was present to conduct business with six members present.



MONTHLY MEETING OF AUGUST 5, 2024 – MINUTES APPROVAL

On motion of Mr. Adkins, seconded by Mr. Parker, the minutes of the August 5, 2024, monthly meeting were unanimously approved.



PUBLIC COMMENTS

No one from the public had comments.

PRESENTATION – UPDATE ON CLASS A POWER PROJECT

Mr. Mark Heinzer (Administrator for the City’s Wastewater Department) gave the presentation. We did this presentation about six or seven months ago. This project has reached the stage where we will be coming to the next meeting for a resolution to sign the contract with the design firm. The project is similarly structured to the e2i2 project where we will be doing the design build contract. The City will fund the project and run through the IDB.

We did an energy audit at the wastewater treatment plants last year, and we thought of a lot of ways that we can streamline what we are doing out there. This is also an energy project. It is not just a biosolids project. We are looking at a technology called thermo-hydrolysis process or THP that will supercharge our processing of biosolids and methane production. The investment at the time was looking to be \$130-\$150 million. We are looking at how we can do engineering along with that and trying to get that within our budget.

We have money through the WIFIA loan to cover the project. That loan will cover 49% of the project costs. We also have funds set aside for this project as well to cover the remainder. The deadline to complete this project for the WIFIA loan is 2028. We do have a timeline that we are working with.

Currently, we have 12-15 trucks of biosolids per day that come out of our diagnosis of biosolids, a byproduct of wastewater treatment. It is a whole lot of dead bacteria and other stuff that we use as fertilizer. We process it and convert it to a Class B fertilizer which has a permit from the agricultural department as a fertilizer. It is a certified fertilizer in the State of Tennessee. We test it and take it to farms around the community. It is a big cost. We also get methane off of that because that is what bacteria produces but methane gets flared away and not used for energy at this time.

What we are looking to do is to install this thermo-hydrolysis process which basically supercharges the digestion of the biosolids and will reduce our trucks in half and will also produce more methane as a result. That methane can then be converted to energy or we can put it into the grid as a renewable energy for the community use. We have a lot of options with that. We are looking at all of the different options as part of this project as well. The biggest thing here also is it will get us to a higher class of biosolids. It has a readily distributable product that can go in a lot of different places that we cannot go with the Class B. It will not only reduce the number of trucks but reduce (inaudible). This is a win, win all the way around as an investment in the future.

Beyond that we even have more opportunities once we get this underway and have more opportunities to do similar post processing for additional post processing to actually make a marketable product. You can look at accepting food waste from food manufacturers and restaurants and things like that which can also be used to create more of that methane. All and all this looks at the future as to how we can reduce our energy use and generate energy from the process and we got towards the next phase of the wastewater treatment. We are looking at a renewable energy product and will help pay for itself over time. It increases the capacity of our

plants with regard to the biosolids. It is a big construction project and will help local businesses that are participating in that project and also can help the City either if we want to use our natural gas vehicles for waste collection or things like that and we can also do something with other city departments and support that as well and support local agriculture for less cost.

This is structured very similar to the e2i2 project. The City will be the owner, and we will do all of the leg work for this project and project management. We do look to the City Council for resolutions on this as well as this board for resolutions to make sure this is all done according to plan and that the authority on this as design build contract would be with the Industrial Development Board and we would put the funds to this board for distribution. We talked about this a few months ago but wanted to refresh your memory because next month we would like to submit a resolution to sign the contract with the design build firm. The timeline is set to finish by December 2028. We are right now in the procuring of that design build team and moving to the stage of design pre-construction.

Mr. Adkins asked if the waste or any of the produced fertilizer have hazardous waste to it? Mr. Heinzer said not to their knowledge. We test it everyday for the parameters that the state requires and it always passes that and if it does not, we take it to the landfill. We never applied as an agriculture fertilizer anything to have any kind of hazardous waste. (inaudible) We are not concerned with any problems but we do not know until we actually get some statistical data.

Mr. Adkins asked how many people you think you will be hiring for this? Mr. Heinzer said probably six to ten. It depends on whether we outsource any of the energy production side of it. We would have to hire some different skills that we do not have today or we could outsource that. What makes the most financial sense. Would be six people to handle the equipment and maybe ten if we are going to do the energy management in-house. If we are not going to do it in-house, then we would not hire those other four additional folks.

Mr. Floyd said that is after construction. Yes, there is going to be a lot of jobs related to the construction that he cannot quantify but thinks one of the consulting teams had 20,000 hours of work that they were looking to put into this. It is a lot of work. Mr. Adkins asked about Veteran's preference for hiring. Mr. Heinzer said that would be a question for the procurement department or purchasing and is not sure what the requirements are and the loan has some stipulations. Mr. Heinzer does not know the answer to that specifically but would have to rely on the purchasing department to know a little better.

Mr. Parker said the deadline for completion is the end of December 2028, are there financial ramifications if you do not meet this with the funding? Mr. Heinzer said when they secured the loan back in November 2022, we questioned that as well. It seems they are pretty amenable to extensions, not that we want to rely on that. The teams they have selected have said and we have committed them to the timeframe and they all committed to the timeframe and do not think there would be any ramifications for that. If there was, they would find a way to make it work. We would probably reallocate capital dollars.

Attorney Noblett said that the reason you are coming to this board is the Industrial Development Board is a development authority under state law and that is the reason based upon T.C.A. 12-10-124 this body can be able to do a design build project. Mr. Heinzer said correct. Because of that, that is why this property during the construction process will also be leased to the IDB and they will have the project under their control during this time. The contracts will also be with the IDB. This entire project is within the confines of the wastewater treatment plant property so there will be a portion that would be assigned a lease to this board throughout the duration of construction. Going back to the construction aspect, the funding is December 31, 2028, and according to the timeline the construction gets completed in November of 2028. That is another reason for the time sensitivity of this matter.

Mr. Floyd said as far as the new technology. It is innovative. It will be used for 20 years in Europe. It is not necessarily that cutting edge there is only a handful of installations in the U.S. probably half a dozen. One in Washington, D.C., one in Virginia Beach, Franklin, TN, now has theirs, there are some out in the west, and some in the Midwest as well. It is more and more common now. Basically, this is a pressure cooker. High temp, high pressure, and the materials are put through that and broken down much easier for our existing digesters to consume and generate the methane. It is heat and pressure. There is nothing too fancy about it, but it is not something that has been used here until recently in the U.S. In Europe, the 20+ that have been in place over there are all still operating 20 years ago and they are all still operating which is a good sign they are useful technology and has been making its way across the U.S. in the last 10 years. The one in Franklin has been complete about a year. We are not the first in Tennessee.



e2i2 Sanitary Sewer Overflow (SSO)

On motion of Mr. Parker, seconded by Mr. Floyd,

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE CHANGE ORDER NO. 2 TO THE PROGRESSIVE DESIGN BUILD CONTRACT FOR THE E2I2 SANITARY SEWER OVERFLOW (SSO) ABATEMENT PROGRAM – SOUTH LEE HWY. AND WEST CHICKAMAUGA EQUALIZATION STATIONS, CONTRACT NO. W-20-001-201, WITH BRASFIELD & GORRIE, LLC, TO EXECUTE PHASE 2 OF THE PROJECT AND APPROVING EXHIBIT F - FORM OF CONTRACT PRICE AMENDMENT, IN SUBSTANTIALLY THE FORM ATTACHED, IN THE AMOUNT OF ONE HUNDRED FORTY-SEVEN MILLION SEVEN HUNDRED NINETEEN THOUSAND TWO HUNDRED FORTY-FOUR DOLLARS (\$147,719,244.00), FOR A TOTAL AMOUNT OF ONE HUNDRED FIFTY-THREE MILLION EIGHTY-SEVEN THOUSAND EIGHT HUNDRED SIXTY-EIGHT DOLLARS (\$153,087,868.00).

Mr. Heinzer said this is Phase 2 of the project. The \$147 million is the guaranteed maximum price with the 50% design phase. We have approved the finance from a performance perspective and are ready to sign the contract to get the project built. This is a project that is called out in our Consent Decree and is something we have to do to appease the federal government as well as the state with regard to our wastewater services to the community. We do have the funds to do this and would need approval to sign the contract.

The motion carried.

ADOPTED

South Broad District Plan Area

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

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA AUTHORIZING THE EXECUTION OF AN INTERLOCAL COOPERATIVE AGREEMENT (TRANSFER OF TAX INCREMENT REVENUES TO AND FROM SPORTS AUTHORITY) WITH THE SPORTS AUTHORITY OF THE COUNTY OF HAMILTON AND THE CITY OF CHATTANOOGA, TENNESSEE.

Mr. Jermaine Freeman said there are two resolutions coming before the Board today related to the South Broad Project. Both of these resolutions are for process items that we need to make sure we do in the form of executing the amendment to the Economic Impact Plans that have already been adopted by City Council and County Commission. The first resolution is basically a resolution that memorializes in the form of an Interlocal Agreement the transfer of funds from this body to the Sports Authority of the City and Hamilton County to help debt service on the bonds. The second resolution that will come before this body is the approval of the subordinate Tax Increment Financing loans that are part of the financing structure and capital that was again approved by the City Council and the County Commission and their amendments to the Economic Impact Plans.

Mr. Mark Mamantov spoke that the first resolution relates to the Interlocal Agreement. As the Board hopefully recalls Mr. Mamantov gave a presentation at the last meeting about this but the first one relates to the allocation of the Tax Increment Revenues from the Sports Authority to pay debt service on the senior bonds of \$85 million. The County's Tax Increment Revenues flow through the County IDB, then to this body, and then onto the Sports Authority to pay the debt. Once those revenues are adequate to pay that debt, it will flow back down to this body and the excess to pay the Tax Increment Note which is the next item on the agenda. This agreement is one of the steps that we need to provide for the flow of funds for them to be in the right place to help pay for the debt for the stadium.

Attorney Noblett wanted to make sure he understood that this body is receiving Tax Increment Revenues on the TIF that is outstanding and those TIF revenues will then be given to the debt service on the Sports Authority and will be returned in the Tax Increment Revenues for the County and then to the extent that the Tax Increment Revenues exceed the amount after a certain period of time to pay the debt service, then it will come back to the City. Mr. Mamantov said yes, the County's Tax Increment Revenues are only being used to pay the \$80 million senior bonds. The City is being used for the \$5 million subordinate bond. The Sports Authority is issuing them the remaining amount of City increment would be available to pay this Tax Increment note. Based on the projections that we have from Younger who did estimate based on the property tax revenues in the South Broad District and based on various calculations that our financial advisors and underwriters made, it will probably be somewhere between three to six years before the revenues would start flowing back to this body to pay the Tax Increment note. That is assuming the development takes off and is already taking off in the South Broad District in particular the development around the stadium.

Attorney Noblett said that this board's obligation is the \$5 million. Mr. Mamantov said the \$5 million is the Sports Authority's second level bond. This board will have a \$10 million note to the site owner, Pipe Properties, which is going to pay for site prep. They are going to give us a pad ready site that we can build the stadium on for \$10 million. They have to bring it down for various environmental reasons and is quite expensive and take the risk that the area around the stadium will get paid back. The team is putting \$19 million into the stadium. The \$3 million is cash equity and never get paid back. The \$16 million will be the same thing. They are betting that this stadium will enlighten the entire district. If this does not work, they will basically lose \$26 million. If it does work, everybody is going to be very happy. There is a significant penalty if this area does not grow.

The motion carried.

ADOPTED

On motion of Mr. Floyd, seconded by Mr. Adkins,

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA AUTHORIZING THE EXECUTION OF TAX INCREMENT FINANCING DOCUMENTS RELATED TO THE SOUTH BROAD DISTRICT PLAN AREA.

The motion carried.

ADOPTED

Growing Small Business Incentive Grants

On motion of Mr. Parker, seconded by Mr. Floyd,

A RESOLUTION AUTHORIZING AN AWARD OF A GROWING SMALL BUSINESS INCENTIVE GRANT TO BIG SKY LANDSCAPES, LLC, IN THE AMOUNT OF TEN THOUSAND DOLLARS (\$10,000.00). (SBI-30)

Ms. Sarah Mattson (Director of Entrepreneurship) said they are presenting two businesses that they are recommending for the Growing Small Business Incentive which is an incentive and reward for businesses that are adding five or more jobs in the previous 18 months for a maximum of \$10,000.00.

The first presenter is Luke Bowling with Big Sky Landscapes, LLC. Mr. Bowling is from Chattanooga and in 2018 after he graduated from the University of Tennessee at Chattanooga, he was working two or three different jobs in mostly the fitness and health industry in Chattanooga as a personal trainer full-time, as a sports coach at one of the high schools here, and doing some various construction work to make ends meet. As he was doing jobs on the side, he started to realize that there was really a big demand for landscaping work. After further discussion, there was a real opportunity because the standard was so low and wanted to help redefine the standard for people who were enlisting a landscape company for other services.

In 2019, Mr. Bowling decided to quit his jobs part-time and full-time and put all his eggs into this basket. The two things as they were growing was commercial maintenance contracts and landscape installations. They do annual maintenance contracts for a lot of small businesses or commercial building spaces or HOA's that are in or around the Chattanooga area. They maintain all of their grass. The other half of what they do is installing landscapes. They do a lot of landscape installations for developers and large commercial construction companies as well as residentially. They install everything from outdoor lighting to irrigation systems, hardscapes, retaining walls, etc. anything that has anything to do with the outdoors. Mr. Bowling had a presentation of the areas.

In 2019, they started with two part-time people and a little over four years later they got right at 30 full-time people and are a diverse group of people who shares a couple of things in common which is they like to be outside and work hard. Everyone on the team has a strong work ethic and dedication to caring about the esthetics of our City. A lot of projects they do are new construction or development projects where the first thing that anybody is going into or interacting the development sees the landscape. There was another picture of an apartment complex where they installed the landscaping for irrigation. Over four years, they have grown over 1,000%.

There is a business magazine called Inc. and every year they do a list of the 5,000 fastest growing companies in the country. He applied and found out that not only did they make the list but made 416 for the country, the 8th fastest growing company in Tennessee, and #1 fastest growing company in Chattanooga. They have a team that really care about their work and love doing landscaping on the Chattanooga area. They have 30 full-time and one part-time employees.

The motion carried.

ADOPTED

On motion of Mr. Adkins, seconded by Mr. Floyd,

A RESOLUTION AUTHORIZING AN AWARD OF A GROWING SMALL BUSINESS INCENTIVE GRANT TO BEAUTIFUL GAME, INC. D/B/A CHATTANOOGA FOOTBALL CLUB, IN THE AMOUNT OF TEN THOUSAND DOLLARS (\$10,000.00). (SBI-31)

Mr. Jonathan Kelly represents the Chattanooga Football Club Beautiful Game ownership piece of our organization. CFC is 16 years old now. The mission is to use soccer to build strong relationships for the greater good of the City of Chattanooga. In 2009, a core group of influential locals, athletes, and business owners started this club. Today we are playing on MLS pro which is men's professional soccer league here in the U.S. and Canada that is affiliated and connected to Major League Soccer. Chattanooga FC front office and soccer operations teams now provide over 44 part-time jobs across all management departments. The women's team competes in the WPSO which is a top amateur women's soccer league that plays in the summer. Our youth academy provides coaching and training for over 700 Chattanooga kids and over 40 full and part-time jobs for coaches and administration.

They joined the new league last November MLS pro, 12 MLS next pro teams from across major cities in the U.S. and Canada are now traveling to Chattanooga which includes Chicago, New York, Boston, Toronto, Miami, Orlando, Charlotte which is a majority of the ones playing in the eastern conference. They increased their full-time staff in June 2023, they had nine full-time staff, they now have 39 full-time staff, created new jobs, and attracted talent to support the growth of the team within the City, 26 new full-time jobs have been created in addition to the existing jobs. They hired two Veterans in the youth academy. One from the Army and one from the Marine Corps. They created a dedicated community relations department and executed 150 community events. In 2024, we are on track to meet that and probably go above that.

We moved offices to 436 Market Street above the Johnson Publishing Building and took over the entire floor. We were finalists for the Chamber of Commerce Chattanooga Small Business Awards this year. We have jointly been working with Business Network International (BNI) and organized three quarterly networking events and focus on supporting Chattanooga small businesses. They have announced acceptance in the MLS next which is the elite use soccer program which will drive elite use soccer development here in the City and will recognize continued recognition of Chattanooga as an elite soccer destination. They celebrated the groundbreaking on the new building at 1620 Riverfront Parkway to open in 2026 that will drive again more jobs, drive significant new business, and new opportunities to the downtown area.

This small business grant will support further growth, more job opportunities and creation. They are planning a launch of 191 River Street as a retail place on the Northshore centrally located and will be soccer-focused retail store and bring business to the Northshore. Youth academy support through coaching, education, and development. They are also considering working with the City on creating a foot-saw indoor program for across the board city engagement for more youth and families. They plan on increasing investment directly to support our community relations leading to even more community engagement. We will further develop our women's team and women's sports here in Chattanooga. All of this activity they hope and believe will create 20 additional new jobs full and part-time across these growing ventures. We are also looking at creating an e-sports initiative because FIFA is the largest or most popular sports video game in the world and considering creating any sports initiative with any sports teams for Chattanooga.

The motion carried.

ADOPTED

OTHER BUSINESS – DISCUSSION ITEMS

There were no other business or discussion items.

There being no further business, the meeting adjourned at 11:35 AM.

GORDON PARKER, *Secretary*

APPROVED:

KERRY HAYES, *Chair*

RESOLUTION

A RESOLUTION AUTHORIZING THE PURCHASE OF AN H200NE-W155 COMPRESSOR FROM INGERSOLL RAND INDUSTRIAL, U.S., INC. FOR REPLACEMENT OF AN EXISTING COMPRESSOR, IN THE AMOUNT OF TWO HUNDRED THIRTY-SIX THOUSAND NINE HUNDRED FIFTY AND 36/100 DOLLARS (\$236,950.36), WITH AN ALLOWANCE FOR INSTALLATION OF FORTY-FIVE THOUSAND DOLLARS (\$45,000.00), FOR AN AMOUNT NOT TO EXCEED TWO HUNDRED EIGHTY-ONE THOUSAND NINE HUNDRED FIFTY AND 36/100 DOLLARS (\$281,950.36).

BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby authorizing the purchase of an H200ne-W155 Compressor from Ingersoll Rand Industrial, U.S., Inc. for replacement of an existing compressor, in the amount of \$236,950.36, with an allowance for installation of \$45,000.00, for an amount not to exceed \$281,950.36.

ADOPTED: October 7, 2024

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

KERRY HAYES, Chair

GORDON PARKER, Secretary

Industrial Development Board



Resolution Request Form

(This form is only required for resolutions requiring expenditure of IDB Funds)

Date Prepared: September 27, 2024

Preparer: William C. Payne

Department: Public Works

Brief Description of Purpose for Resolution:

Resolution Number (if approved by _____)

An IDB resolution is requested to authorize the Prurchase of an H200ne-W155 Compressor from Ingersoll Rand Industrial, U.S, Inc. for replacement of an existing compressor in the amount of \$236,950.36 with an allowance for installation of \$45,000 for a total not-to-exceed of \$281,950.36.

| | | |
|---------------------------------------|---|---|
| Name of Vendor/Contractor/Grant, etc. | <u>Ingersoll Rand Industrial, US, Inc</u> | New Contract/Project? (Yes or No) <u>No</u> |
| Total project cost \$ | <u>281,950.36</u> | Funds Budgeted? (YES or N) <u>Yes</u> |
| Amount Funded \$ | <u>281,950.36</u> | Provide Fund <u>NR04</u> |
| New Funding Required \$ | _____ | Provide Cost Center <u>Z11399</u> |
| | | Proposed Funding Source if not budgeted _____ |
| | | Grant Period (if applicable) _____ |

List all other funding sources and amount for each contributor.

| <u>Amount(s)</u> | <u>Grantor(s)</u> |
|---------------------|----------------------------|
| _____ | _____ |
| <u>\$140,975.18</u> | <u>City of Chattanooga</u> |
| <u>\$140,975.18</u> | <u>Hamilton County</u> |

Agency Grant Number _____

Contract Administered I City _____

CFDA Number if known _____

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

Headquarters: Davidson, NC

Branch: Chattanooga, TN

Approved by: _____

Reviewed by: FINANCE OFFICE

DESIGNATED OFFICIAL/ADMINISTRATOR _____

Please submit completed form to @budget, City Attorney and City Finance Officer



Clay Oliver
**CITY OF CHATTANOOGA - VW
PROJECT**

Quote Reference # CTS-208270

Quote Valid until 10/19/2024

E200ne-W155 Premium 2-stage Oil Free VSD Compressor

The new E-Series oil-free rotary screw compressors utilize state-of-the-art design features to achieve unparalleled energy efficiency. Uncompromising in the superb reliability you expect from Ingersoll Rand, these compressors provide continuous 100% oil-free air per ISO 8573-1:2010 Class 0. E-series offers an optimized total package for risk free operation at a low total operating cost.

- Meets ISO 8573-1:2010 Class 0 specifies air quality standards for processes within the food and beverage, pharmaceutical, textile, and electronics industries
- Airend features optimized rotor profile that delivers up to 13.5% improved efficiency and best-in-class airflow capacity
- Stainless steel components, dual-vented seals, and precision machined-rotors with advanced UltraCoat protection ensure trouble-free operation
- Reduce your maintenance costs with longer maintenance intervals and patented long life consumables to ensure peak performance with reduced change-out
- Long-life components are designed to withstand 46°C maximum ambient temperature. Optional High Ambient package designed to withstand 55°C maximum ambient temperature



Representative image may not represent quoted product configuration.

| Technical Information | | | | | | | | | |
|-----------------------|------|---------------|-----|----------------|----------|--------------------------------------|----------------------------------|---------------------|-------|
| Rated Pressure | | Nominal Power | | Capacity (FAD) | | Dimensions (Length x Width x Height) | | Weight (Air-cooled) | |
| bar g | psig | kW | hp | m3 / min | cfm | mm | in | kg | lb |
| 8 | 115 | 200 | 268 | 12.0-34.6 | 425-1222 | 3457 mm, 2159 mm, 2446 mm | 136.1 in, 85.0 in, 96.3 in | 4949 | 10888 |

Josh Ernest
(423) 595-0257
joshua.ernest@irco.com

CITY OF CHATTANOOGA
- VW PROJECT
Quote Reference
#CTS-208270

Start Up and Commissioning

Service Details

| Scope of Service | Included |
|--|----------|
| Commissioning performed by factory trained and certified technicians | Yes |
| Confirm proper installation per operator's manual | Yes |
| Check operating temperatures, pressures, amperage and other key parameters per Ingersoll Rand 47-point checklist | Yes |
| Check rotation of 3 phase motors | Yes |
| Adjust and set control set points and key operating parameters | Yes |
| Basic operator training 30 min | Yes |
| How to get service help if needed | Yes |
| Maintenance schedule review | Yes |
| Install review & validation | Yes |



Investment Summary for CITY OF CHATTANOOGA - VW PROJECT (09/19/2024)

| Line # | Product Description | Qty | Unit Price | Extended Price |
|--------|---|-----|--------------|----------------|
| 1.0 | E200-355N (50HZ AND 60HZ) | 1 | \$235,294.36 | \$235,294.36 |
| | Included Component | | | |
| | Option: Starter, 200-250KW 380-460V 60HZ (WC-VSD) | 1 | | |
| | Factory Fill: UltraEL 16\000 Hr. Life Coolant | 1 | | |
| | 200 kW Main Drive Motor | 1 | | |
| | E200ne-W155 Premium 2-stage Oil Free VSD Compressor | 1 | | |
| | Cooling: Watercooled with Aftercooler | 1 | | |
| | Xe145 Controller w/ RMS | 1 | | |
| | Option: Timer Drain | 1 | | |
| | Option: Water Stop Valve Included | 1 | | |
| <hr/> | | | | |
| 2.0 | Start Up and Commissioning | 1 | \$1,656.00 | \$1,656.00 |
| | Included Component | | | |
| | OIL FREE | 1 | | |
| <hr/> | | | | |

| | |
|------------------------------|---------------------|
| Product/Service Quote Amount | \$236,950.36 |
| Freight Amount | PPA |
| Total Quote Amount | \$236,950.36 |

Josh Ernest
 (423) 595-0257
 joshua.ernest@irco.com

CITY OF CHATTANOOGA
 - VW PROJECT
 Quote Reference
 #CTS-208270

General Terms

| | | |
|-----------------------|--------------|---|
| Lead Time: | 8 Weeks | Pricing and availability is subject to change without notice. Upon submission of your order, please include the following information: payment terms, preferred payment method, purchase order number, tax status (if exempt please include a copy of your tax exemption certificate with your order). |
| Payment Terms: | NET 30 | |
| FOB: | EX WORKS | For US, please remit all payments to Ingersoll Rand, 15768 Collections Center Drive, Chicago, IL, 60693. For Canada, please remit all payments to IR Canada Sales & Service ULC, C/O T10223C PO Box 4918 STN A, Toronto, ONTARIO M5W 0C9, Canada. Also, please be aware that Ingersoll Rand accepts payment via credit card, and EFT. |
| Freight Terms: | Prepay & Add | |

Progress Payments apply to orders exceeding \$100,000 USD. Standard progress payment terms are 30% at order acceptance, 30% at Eight (8) weeks after purchase order, and 40% upon shipment.

Josh Ernest
 (423) 595-0257
 joshua.ernest@irco.com

CITY OF CHATTANOOGA
 - VW PROJECT
 Quote Reference
 #CTS-208270

STANDARD TERMS AND CONDITIONS OF SALE INDUSTRIAL TECHNOLOGIES AND SERVICES

1. **General** Any written or oral order received from Buyer by Ingersoll-Rand Industrial, U.S., Inc., ("Company") is governed by the Standard Terms and Conditions of Sale outlined herein ("Terms"). COMPANY'S ACCEPTANCE OF BUYER'S ORDER IS EXPRESSLY CONDITIONED ON BUYER'S ACCEPTANCE OF THESE TERMS. Company rejects any terms and conditions inconsistent with these Terms and to any other terms proposed by Buyer in accepting Company's proposal. No agreement, oral or written, in any way claiming to modify these Terms and Conditions will be binding on Company unless agreed to in writing by an authorized representative of Company.
2. **Taxes** Prices do not include any present or future Federal, State, or local property, license, privilege, sales, use, excise, gross receipts or other like taxes or assessments applicable to this order ("Taxes"). All Taxes will be itemized separately. Buyer will be responsible for the payment of any Taxes to Company unless Buyer provides a valid exemption certificate. If the exemption certificate is not recognized by the governmental taxing authority, Buyer will reimburse Company for any Taxes, including any interest or penalty assessed against Company.
3. **Title and Risk of Loss** Title and risk of loss or damage to equipment will pass to Buyer upon tender of delivery FOB Company facility, except that Buyer grants Company a lien on and a purchase money security interest in and to all of the right, title, and interest of Buyer in the equipment purchased hereunder until full payment has been made.
4. **Credit Terms**
 - a. **Payment.** Buyer shall pay the amounts due and owing to Company identified on each invoice in full and in accordance with the terms specified on each invoice.
 - b. **Invoice Disputes.** Buyer shall notify Company in writing of any dispute with any invoice (along with substantiating documentation) prior to the invoice due date. Invoices for which no such timely notification is received shall be deemed accepted by Buyer as true and correct. The parties shall seek to resolve all such disputes expeditiously and in good faith. Should any dispute arise with respect to any goods delivered by Company to Buyer, Buyer shall nevertheless pay all invoices covering goods not in dispute, without setoff, defense or counter-claim.
 - c. **Late Payments.** On any invoice not paid when due, Buyer shall pay a late charge from the due date to the date of actual payment at the lesser of the simple interest rate of 12% per annum calculated monthly or the highest rate permissible under applicable law. Buyer shall reimburse Company for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these Terms and Conditions or at law (which Company does not waive by the exercise of any rights hereunder), Company shall be entitled to suspend the delivery of any goods if Buyer fails to pay any amounts when due.
 - d. **Acceleration.** Should Buyer fail to make any payment required hereunder, Company may, without notice, declare all obligations of Buyer to Company ("Obligations") immediately due and payable, whether or not such late charges are included in any statement of account rendered by Company to Buyer.
 - e. **No Partial Payments.** Buyer irrevocably agrees that it will not, without Company's prior written consent in each instance, tender any payments for less than the full amount of the invoices to which said payment applies ("Partial Payments"). Any Partial Payments tendered by or for the account of Buyer shall not extinguish or otherwise affect any unpaid portion of the subject invoices, despite any notation on or accompanying said payment such as "in full payment," "in full satisfaction," or words of similar effect.
 - f. **Sufficient Funds.** Buyer represents that all checks issued to Company will be honored by the drawee bank, and that no checks will be so issued unless Buyer then has funds on deposit in an amount sufficient to cover all checks issued by Buyer. Buyer acknowledges that this representation will be materially relied upon by Company in extending credit to Buyer.
 - g. **Right to Set Off.** Any payment received by Company from Buyer may be applied by Company against any obligation owing by Buyer to Company, regardless of any statement appearing on or referring to such payment, without discharging Buyer's liability for any additional amounts owing by Buyer to Company. The acceptance by Company of such payment shall not constitute a waiver of Company's right to pursue any remaining balance. With respect to any monetary obligations of Company to Buyer, including without limitation, volume rebates and advertising rebates, Company may, at any time, setoff and appropriate and apply such amounts against any sums that are, or will become, owing, due or payable to Company by Buyer under these Terms and Conditions or any other agreement.
5. **Financial Condition of Buyer**
 - a. **Receipt of Goods While Insolvent** In the event that Buyer receives any goods from Company while Buyer is insolvent (as such term is used in §2- 702 of the Uniform Commercial Code, United-States of America), this writing and the invoices received from Company relating to such goods shall constitute Company's demand for reclamation of such goods.
 - b. **Withdraw of Credit Approval** Company reserves the right before shipment of any goods ordered by Buyer from Company, to require that all or a portion of the purchase price relating thereto be paid to Company, in good funds, prior to shipment.
 - c. **Material Adverse Change in Financial Condition** Notwithstanding the stated due date of any obligations, all Obligations shall become immediately due and payable, without notice, in the event that Company determines there to have been a material adverse change in the financial condition or business affairs of Buyer so that in Company's reasonable judgment Buyer's ability to pay the Obligations has become impaired.
 - d. **Verification of Credit References.** Company is authorized to contact any credit references provided by Buyer, and to disclose any information reasonably necessary to determine Buyer's credit worthiness. Company is also authorized to obtain personal credit reports on any partner, principal, officer, or potential guarantor in determining Buyer's creditworthiness. Company may also disclose any information concerning its relationship with Buyer which is requested by anyone identifying themselves as an existing or potential creditor of Buyer.
 - e. **Disclosure of Buyer's Right to a Statement of Reasons for Action.** If this application is not approved in full or if any other adverse action is taken with respect to Buyer's credit, Buyer has the right to request within 60 days of Company's notification of such adverse action, a statement of specific reasons for such action, which statement will be provided within 30 days of said request.
6. **Delivery** Company will deliver goods within a reasonable time after receipt of Buyer's order and in no event will delivery dates be construed as falling within the meaning of "time is of the essence."
7. **Force Majeure** Company will not be liable for any loss or damage due to delays arising from causes beyond the reasonable control of Company, including but not limited to any acts of God, fire, flood, earthquake or explosion, strikes or other labor difficulties, wars, riots, terrorist threats, national emergencies, or acts of governments. In such events, Company will have additional time within which to deliver or perform as may be reasonably necessary under the circumstances. If Buyer requires drawings, procedures, standards or similar material for approval, delivery schedules will be calculated from the time such approvals are received by Company. Any hold points, witness points, or Buyer inspection requirements must be identified by Buyer at the time of quotation and/or order placement. Additional inspection or testing required by Buyer will extend delivery dates accordingly.
8. **Storage Fee** If Buyer is not able to accept delivery on the date agreed to by the parties, Buyer will pay Company a storage fee equivalent to one and one half percent (1.5%) of the total order value per calendar month or fraction thereof (calculated and charged on a per day basis) until the date of delivery ("Storage Fee"). Additionally, if Company is performing installation services and at the time of delivery Buyer's location is not ready or is unsafe for installation, Company reserves the right to postpone or to discontinue work. In such event, Company may charge Buyer an amount equivalent to the Storage Fee until such time that the location is ready and safe for installation, as determined by Company.
9. **Warranty** Company warrants, to purchasers from a Company authorized seller (each a "Buyer"), that the equipment manufactured by it and services provided by it will be free from defects in material and workmanship, for the duration of the specified Warranty Period. For new equipment, a period of twelve (12) months from the date of initial operation not to exceed eighteen (18) months from shipment, whichever first occurs, except for the Airend of new oil-flooded rotary screw air compressors, which is for the duration as detailed in the 5 Year Airend Parts Warranty below; for parts and services, six (6) months from the date of shipment; for services, six (6) months from the date of installation, inclusive of transportation and installation costs if installed by Company or six (6) months from the date of delivery exclusive



of transportation and installation costs if not installed by Company (each a "Warranty Period"). Equipment or parts manufactured by others are warranted only to the extent of the original manufacturer's warranty to Company.

5 Year Airend Parts Warranty: Company Warrants , to a Buyer, that the Airend, as defined below, of new oil-flooded rotary screw air compressors manufactured by Company, will be free from defects in material and workmanship for a period of five (5) years from the date of initial operation not to exceed sixty-six (66) months from shipment, whichever occurs first. This Airend warranty is strictly contingent on the Buyer's demonstration that Buyer used only genuine Company replacement parts and lubricant in maintaining the defective compressor, according to Company's recommendations, for the duration of the Warranty Period. Use of non-genuine Company replacement parts or lubricants will void this Airend warranty. Company reserves the right to request a coolant sample from Buyer, or to perform coolant sample analysis, upon Buyer's Airend warranty claim. If Buyer makes a compliant Airend warranty claim during the Warranty Period, Company will only be responsible for, at its option, providing a new or remanufactured replacement Airend part and standard freight charges. Buyer will be required to provide Company with the defective Airend in exchange for the replacement Airend. For the purposes of this Airend warranty, the "Airend" is defined as the set of two rotors (one male and one female), the housing, and the bearings for a single-stage compressor and two (2) sets of two rotors (one male and one female), the housing and the bearings for a two-stage compressor. This Airend warranty specifically excludes other parts like the Airend shaft seal, gears, and pulleys, as well as expedited freight, labor, and any other costs associated with repair or replacement of Airend.

- 10. **Order Cancellation** If Buyer cancels an order, Buyer will pay a cancellation fee to Company in an amount equal to Company's direct out of pocket costs incurred plus a percentage of the order value to cover sales and administrative expenses. The percentage is based on the proportion of time which has elapsed from the date the order is placed to the originally scheduled shipment date as follows:

| Percent of time elapsed from PO date to scheduled ship date | Cancellation fee % of PO Value |
|---|--------------------------------|
| 0-10% | 5% |
| 11-20% | 15% |
| 21-30% | 25% |
| 31-40% | 35% |
| 41-50% | 45% |
| 51-60% | 55% |
| 61-70% | 65% |
| 71-80% | 75% |
| 81-90% | 85% |
| 91-100% | 95% |

- 11. **Compliance with Laws** Company will comply with all applicable laws and regulations in effect in the location of manufacture on the date an order is placed. Compliance with any local governmental laws or regulations relating to location, use, or operation of the equipment, or its use in conjunction with other equipment, will be the sole responsibility of Buyer. Equipment purchased hereunder is produced in accordance with all applicable requirements of Section 6, 7, and 12 of the Fair Labor Standards Act as amended and of regulations and orders of the United States Department of Labor issued under Section 14 thereof. Where applicable, the Federal Equal Credit Opportunity Act prohibits creditors from discrimination against credit applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided that the applicant has the capacity to enter into a binding contract); because of all or part of the applicant's income derives from any public assistance programs; or because the applicant has in good faith exercised any right under the Consumer Protection Act. The federal agency that administers compliance with this law concerning the creditor is the Federal Trade Commission, Washington, D.C.
- 12. **Data Privacy** Buyer understands and agrees that certain of the Products include technology that allows Company to collect technical and product-related information regarding such Products and to conduct remote diagnostics testing of such Products. This technology allows Company to better serve and assist Buyer in the event such Products need to be repaired, and to maintain and improve the Products. Buyer agrees to grant and hereby grants Company a transferable, sub-licensable, non-exclusive, non-revocable, worldwide right to access and use the data collected and processed by the technology for Company's business purposes, including analysis, research, and development. In addition, Company may share such information with its affiliates, subsidiaries, and service providers; and with third parties but only in an aggregate, de-identified format, with third parties for research, statistical and business purposes unless otherwise agreed to or in accordance with the applicable privacy policy. To the extent that Company receives any individually identifiable personal information regarding Buyer from such technology, Company's policy is to protect the confidentiality of such information, and to prohibit the unlawful disclosure of Buyer's personal information to third parties. Company will take reasonable steps to insure the safety of Buyer's personal information.
- 13. **Export Control** Buyer agrees not to disclose or export, either directly or indirectly, any Company technology or information, or the direct product thereof, to any destination or person if such disclosure or export is prohibited by U.S. laws and regulations. In particular, Buyer will not use and will not permit any third party to use Company technology or information in connection with the design, production, use or storage of chemical, biological or nuclear weapons or missiles of any kind. This paragraph will survive the termination of this contract.
- 14. **Patent Indemnity** Company will defend Buyer against any proceeding based upon a claim that the equipment manufactured by Company infringes any U.S. patent, provided that Company is promptly notified in writing and given authority, information, and assistance for defense of the same. If any claim materially interferes with Buyer's use of the equipment, Company will, at its option, procure for Buyer the right to continue to use such equipment, modify it so that it becomes non-infringing, replace it with non-infringing equipment, or will remove the equipment and refund the purchase price. Company does not accept any liability whatsoever in respect to patents claiming more than the equipment furnished hereunder or claiming methods or processes to be carried out with the aid of such equipment. The foregoing states the entire liability of Company with regard to patent infringement.
- 15. **Limitation of Liability** THE REMEDIES OF BUYER SET FORTH HEREIN ARE EXCLUSIVE, AND THE TOTAL LIABILITY OF COMPANY WITH RESPECT TO THIS CONTRACT, WHETHER BASED ON CONTRACT, WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHERWISE, WILL NOT EXCEED THE PURCHASE PRICE FOR THE EQUIPMENT, PART OR SERVICE THAT IS THE BASIS FOR THE CLAIM. IN NO EVENT WILL COMPANY BE LIABLE TO BUYER, ANY SUCCESSORS IN INTEREST, OR ANY BENEFICIARY OR ASSIGNEE OF THIS CONTRACT FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES, OR LOST PROFITS OR REVENUE ARISING OUT OF THIS CONTRACT OR ANY BREACH THEREOF, OR ANY DEFECT IN, OR FAILURE OF, OR MALFUNCTION OF THE EQUIPMENT, PART OR SERVICE HEREUNDER, WHETHER OR NOT SUCH LOSS OR DAMAGE IS BASED ON CONTRACT, WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY, OR OTHERWISE.
- 16. **Assignment** Buyer will not assign or transfer this contract without the prior written consent of Company, and such consent will not be unreasonably withheld. Additionally, Buyer will not sell all or a substantial portion of its assets to another entity (the "Successor") without the prior written consent of Company. In the event that Buyer does not provide such notice to Company and the business previously conducted by Buyer is or may be continued by the Successor, Buyer shall be liable for and shall pay on demand the amount of all accounts receivable due by Successor to Company arising from the date of such sale of assets to the date Company learns of such asset sale.
- 17. **No Waiver** No waiver by Company of any of the provisions of this Contract is effective unless explicitly set forth in writing and signed by Company. No failure to exercise, partial exercise, or delay in exercising, any right, remedy, power or privilege arising from this Contract operates, or may be construed, as a waiver thereof.
- 18. **Governing Law** The rights and obligations of the parties will be governed by the laws of the State of North Carolina excluding any conflict of law provisions. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this contract.
- 19. **No Reference Required** Buyer and Company agree that each order shall constitute a separate contract, the performance of which will be governed exclusively by these Terms. This Agreement shall govern an order regardless of whether or not this document is attached to or referenced in the order. Excluded from applicability to an order include, but are not limited to: (i) any other terms and conditions contained in the order, including terms contained on the reverse side of the order; (ii) any reference in an order to Buyer's Internet site for terms and conditions; (iii) any reference in an order to any other agreement, document or terms unless agreed to in writing by the Parties. In the event of a conflict between any terms and conditions of an order (except (iii) above), Terms shall prevail and govern the order.

Josh Ernest
(423) 595-0257
joshua.ernest@irco.com

CITY OF CHATTANOOGA
- VV PROJECT
Quote Reference
#CTS-208270

**CHATTANOOGA PURCHASING DIVISION
SOLE SOURCE JUSTIFICATION FORM**

Sole source purchases are goods and services available from only one supplier, and cannot be procured through the competitive bidding process because of the existence of a single source of supply, or other reason below. Justification for this basis must be provided, per purchase order.

Description of item/service, its function and cost estimate \$ 280,000

This is a sole source vendor because:

- Sole provider of proprietary rights, and/or is a licensed or patented good or service.
- Sole provider of items that are repair parts of or upgrades to existing equipment/systems.
- Sole provider of factory-authorized warranty service.
- Sole provider with specialized facilities or technical competence.
- Sole provider of unique equipment or products not offered by others.

Please attach the suggested vendor's letter stating the reasons that it is considered a sole source for the product/service.

What steps were taken to verify that these features are not available elsewhere?
(Attach any additional explanation)

Other brands/manufacturers were examined (List specific company names, phone numbers and contact names, and explain why there were not suitable)

Other vendors were contacted (List specific company names, phone numbers and contact names, and explain why these were not suitable).

What specific feature makes this item unique and why is this feature needed for your project? The facility utilizes 5 other Ingersoll Rand compressors that function in series with the compressor to be replaced. Using another manufacturer would introduce unnecessary complexity to the installation, operation, and maintenance of the system

Suggested Vendor: Ingersoll Rand Company

Department: Public Works Contact: Clay Oliver (423)643-6161 moliver@chattanooga.gov

My department's recommendation for sole source is based upon an objective review of the good/service being required and appears to be in the best interest of the City.


Department Head's Signature

9-13-24
Date

WA
09-12-24

9/11/2024

RE: Sole Source Documentation for Volkswagen Project

Dear Clay Oliver,

Please accept this letter as our formal notice that Ingersoll Rand (IR) is the sole source supplier for the Ingersoll Rand E200ne air compressor. This is the only compressor on the market that meets VW's required specifications for this project. IR provides this product on a "build-to-order" basis from our factory in Mocksville, North Carolina, and there are no other companies that provide this product. IR provides a 12 month factory warranty with this equipment. IR will also provide factory trained IR technicians for the startup and commissioning of this equipment to ensure that installation has been performed correctly - this will ensure that there are no breaches of the warranty. IR is also able to provide installation support on this equipment by either directly performing the installation or indirectly assisting other installation contractors with this service.

Sincerely,

Josh Ernest

Account Manager
Ingersoll Rand Company

Phone: 423-595-0257

Email: Joshua.Ernest@irco.com

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
ECD - VOLKSWAGEN INCENTIVE PROJECT
VW FUNDING PROGRESS SUMMARY
As of Sep 26, 2024

| FIRST MOU | Final Grant Budget Amount | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent, Encumbered & Contingencies | Grant Status |
|--|---------------------------|--------------------------------------|---------------------------------|---|-------------------------------------|-----------------|
| 6.1 Site Preparation - State | 92,919,998 | 92,919,998 | - | - | 100.00% | Ended 6/30/2015 |
| 6.2 Infrastructure - State | 72,795,525 | 72,795,525 | - | - | 100.00% | Ended 6/30/2015 |
| 7.4 Training Facility - State | 39,995,942 | 39,995,942 | - | - | 100.00% | Ended 6/30/2015 |
| 9.10 Marketing & Public Relations - State | 1,965,905 | 1,965,905 | - | - | 100.00% | Ended 4/30/2017 |
| TOTAL STATE FUNDING | 207,677,370 | 207,677,370 | - | - | 100.00% | |
| 6.2 Infrastructure - Local (Hamilton County & City of Chattanooga) | 40,000,000 | 39,946,743 | - | 53,256 | 99.87% | Ongoing |
| 9.5 Welcome Center - Local (VW decided not to build it) | - | - | - | - | N/A | |
| TOTAL LOCAL FUNDING | 40,000,000 | 39,946,743 | - | 53,257 | 99.87% | |
| TOTAL FUNDING | 247,677,370 | 247,624,113 | - | 53,257 | 99.98% | |

| SECOND MOU | Final Grant Budget Amount | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent, Encumbered & Contingencies | Grant Status |
|--|---------------------------|--------------------------------------|---------------------------------|---|-------------------------------------|----------------|
| 3.1 Facility Development - State | 168,877,867 | 168,877,867 | - | - | 100.00% | Ended 3/6/2020 |
| TOTAL STATE FUNDING | 168,877,867 | 168,877,867 | - | - | 100.00% | |
| VW SUV - Local (Hamilton County & City of Chattanooga) | 52,500,000 | 52,048,430 | - | 451,570 | 99.14% | Ongoing |
| TOTAL LOCAL FUNDING | 52,500,000 | 52,048,430 | - | 451,570 | 99.14% | |
| TOTAL FUNDING | 221,377,867 | 220,926,297 | - | 451,570 | 99.80% | |

| THIRD MOU & LETTER OF INTENT (LOI) | Final Grant Budget Amount | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent, Encumbered & Contingencies | Grant Status |
|--|---------------------------|--------------------------------------|---------------------------------|---|-------------------------------------|-----------------|
| Electric Vehicle Expansion - State | 50,000,000 | 50,000,000 | - | - | 100.0% | Ended 1/10/2024 |
| TOTAL STATE FUNDING | 50,000,000 | 50,000,000 | - | - | 100.0% | |
| Electric Vehicle Expansion (Hamilton County & City of Chattanooga) | 5,000,000 | - | - | 5,000,000 | 0.00% | Ongoing |
| TOTAL LOCAL FUNDING | 5,000,000 | - | - | 5,000,000 | 0.00% | |
| TOTAL FUNDING | 55,000,000 | 50,000,000 | - | 5,000,000 | 90.91% | |

| FIRST MOU, SECOND MOU, THIRD MOU & LOI | Final Grant Budget Amount | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent, Encumbered & Contingencies |
|--|---------------------------|--------------------------------------|---------------------------------|---|-------------------------------------|
| TOTAL FUNDING | 524,055,237 | 518,550,410 | - | 5,504,827 | 98.95% |

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
ECD - VOLKSWAGEN INCENTIVE PROJECT
VW FUNDING PROGRESS SUMMARY
As of Sep 26, 2024

| FIRST MOU | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Contract Amount | Adj. For Grant Amount Not Expended at Grant Expiration Date | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|--|----------------------------------|------------------------------------|-----------------------|---|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|---|------------------------|-------------------------------------|
| 6.1 Site Preparation - State ¹ | 79,614,864 | 16,405,000 | 96,019,864 | (3,099,867) | 92,919,998 | 92,919,998 | - | 92,919,998 | - | - | 100.00% | 100.00% |
| 6.2 Infrastructure - State ¹ | 70,000,000 | 2,795,525 | 72,795,525 | - | 72,795,525 | 72,795,525 | - | 72,795,525 | - | - | 100.00% | 100.00% |
| 7.4 Training Facility - State ¹ | 40,000,000 | - | 40,000,000 | (4,058) | 39,995,942 | 39,995,942 | - | 39,995,942 | - | - | 100.00% | 100.00% |
| 9.10 Marketing & Public Relations - State ¹ | 1,966,200 | (275) | 1,965,925 | (20) | 1,965,905 | 1,965,905 | - | 1,965,905 | - | - | 100.00% | 100.00% |
| TOTAL STATE FUNDING | 191,581,064 | 19,200,250 | 210,781,314 | (3,103,945) | 207,677,370 | 207,677,370 | - | 207,677,370 | - | - | 100.00% | 100.00% |
| 6.2 Infrastructure - Local ² | 40,000,000 | - | 40,000,000 | N/A | 40,000,000 | 39,946,743 | - | 39,946,743 | - | 53,256 | 99.87% | 99.87% |
| 9.5 Welcome Center - Local | 6,000,000 | (6,000,000) | - | - | - | - | - | - | - | - | N/A | N/A |
| TOTAL LOCAL FUNDING | 46,000,000 | (6,000,000) | 40,000,000 | - | 40,000,000 | 39,946,743 | - | 39,946,743 | - | 53,257 | 99.87% | 99.87% |
| TOTAL IDB FUNDING FOR FIRST MOU | 237,581,064 | 13,200,250 | 250,781,314 | (3,103,945) | 247,677,370 | 247,624,113 | - | 247,624,113 | - | 53,257 | 99.98% | 99.98% |

¹ State grant 6.1, 6.2, and 7.4 ended on 6/30/2015; State grant 9.10 ended on 4/30/2017. Total of these four State grants per grant contract is \$210,781,314. \$3,103,945 was not used.

² Total local infrastructure does not include 6.3 Public roads and 6.4 Railway Lines as they are not managed by the IDB.

| SECOND MOU | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Total Amended Budget | Adj. For Grant Amount Not Expended at Grant Expiration Date | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|---|----------------------------------|------------------------------------|----------------------|---|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|---|------------------------|-------------------------------------|
| 3.1 Facility Development - State ³ | 165,778,000 | 3,099,867 | 168,877,867 | N/A | 168,877,867 | 168,877,867 | - | 168,877,867 | - | - | 100.00% | 100.00% |
| TOTAL STATE FUNDING | 165,778,000 | 3,099,867 | 168,877,867 | N/A | 168,877,867 | 168,877,867 | - | 168,877,867 | - | - | 100.00% | 100.00% |
| VW SUV - Local | 52,500,000 | - | 52,500,000 | N/A | 52,500,000 | 52,048,430 | - | 52,048,430 | - | 451,570 | 99.14% | 99.14% |
| TOTAL LOCAL FUNDING | 52,500,000 | - | 52,500,000 | N/A | 52,500,000 | 52,048,430 | - | 52,048,430 | - | 451,570 | 99.14% | 99.14% |
| TOTAL IDB FUNDING FOR SECOND MOU | 218,278,000 | 3,099,867 | 221,377,867 | N/A | 221,377,867 | 220,926,297 | - | 220,926,297 | - | 451,570 | 99.80% | 99.80% |

³ State grant 3.1 ended on 3/6/2020

| THIRD MOU | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Total Amended Budget | Adj. For Grant Amount Not Expended at Grant Expiration Date | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|---|----------------------------------|------------------------------------|----------------------|---|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|---|------------------------|-------------------------------------|
| Electric Vehicle Expansion ⁴ | 50,000,000 | - | 50,000,000 | N/A | 50,000,000 | 50,000,000 | - | 50,000,000 | - | - | 100.0% | 100.0% |
| TOTAL STATE FUNDING | 50,000,000 | - | 50,000,000 | N/A | 50,000,000 | 50,000,000 | - | 50,000,000 | - | - | 100.0% | 100.0% |
| Electric Vehicle Expansion | 5,000,000 | - | 5,000,000 | N/A | 5,000,000 | - | - | - | - | - | 0.00% | 0.00% |
| TOTAL LOCAL FUNDING | 5,000,000 | - | 5,000,000 | N/A | 5,000,000 | - | - | - | - | - | 0.00% | 0.00% |
| TOTAL IDB FUNDING FOR THIRD MOU | 55,000,000 | - | 55,000,000 | N/A | 55,000,000 | 50,000,000 | - | 50,000,000 | - | - | 90.91% | 90.91% |

⁴ State grant ended on 1/10/2024

| FIRST & SECOND & THIRD MOU & LOI | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Total Amended Budget | Adj. For Grant Amount Not Expended at Grant Expiration Date | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|---|----------------------------------|------------------------------------|----------------------|---|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|---|------------------------|-------------------------------------|
| TOTAL IDB FUNDING FOR FIRST & SECOND & THIRD MOU | 510,859,064 | 16,300,117 | 527,159,181 | (3,103,945) | 524,055,237 | 518,550,410 | - | 518,550,410 | - | 504,827 | 98.95% | 98.95% |

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - FIRST MOU
 As of Sep 26, 2024

| Description | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Contract Amount | Adj. For Grant Amount Not Expended at Grant Expiration Date | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Jun 20, 2024 | Change in Encumbrances | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|---|----------------------------------|------------------------------------|-----------------------|---|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|------------------------|---------------------------------|---|------------------------|-------------------------------------|
| ----- GRANT ENDED 6/30/2015 ----- | | | | | | | | | | | | | | |
| 6.1 SITE PREPARATION | | | | | | | | | | | | | | |
| Clearing, Grubbing & Mass Grading | 1,664,957 | - | 1,664,957 | - | 1,664,957 | 1,664,957 | - | 1,664,957 | - | - | - | - | 100% | 100% |
| Grubbing & Erosion Control | 2,704,391 | - | 2,704,391 | (110,911) | 2,593,480 | 2,593,480 | - | 2,593,480 | - | - | - | - | 100% | 100% |
| Fine Grading (Site Pad) | 50,428,531 | 8,949,529 | 59,378,060 | (312,448) | 59,065,612 | 59,065,612 | - | 59,065,612 | - | - | - | - | 100% | 100% |
| Stone Pad | 7,483,865 | - | 7,483,865 | - | 7,483,865 | 7,483,865 | - | 7,483,865 | - | - | - | - | 100% | 100% |
| Stream Relocation | 5,436,511 | - | 5,436,511 | 83,275 | 5,519,786 | 5,519,786 | - | 5,519,786 | - | - | - | - | 100% | 100% |
| Detention Pond | 997,907 | 3,604,471 | 4,602,378 | (1,424,905) | 3,177,473 | 3,177,473 | - | 3,177,473 | - | - | - | - | 100% | 100% |
| North Area | - | 2,358,855 | 2,358,855 | (1,613,304) | 745,551 | 745,551 | - | 745,551 | - | - | - | - | 100% | 100% |
| Construction Access Roads | 718,565 | - | 718,565 | - | 718,565 | 718,565 | - | 718,565 | - | - | - | - | 100% | 100% |
| Rammed Aggregate Piers | 1,874,615 | - | 1,874,615 | - | 1,874,615 | 1,874,615 | - | 1,874,615 | - | - | - | - | 100% | 100% |
| Design, RPR, Survey, Testing, Project Support | 8,305,522 | 1,492,145 | 9,797,667 | 278,426 | 10,076,093 | 10,076,093 | - | 10,076,093 | - | - | - | - | 100% | 100% |
| TOTAL 6.1 SITE PREPARATION * | 79,614,864 | 16,405,000 | 96,019,864 | (3,099,867) | 92,919,998 | 92,919,998 | - | 92,919,998 | - | - | - | - | 100% | 100% |
| ----- GRANT ENDED 6/30/2015 ----- | | | | | | | | | | | | | | |
| 6.2 INFRASTRUCTURE | | | | | | | | | | | | | | |
| VW Test Track | 1,915,000 | - | 1,915,000 | (9,482) | 1,905,518 | 1,905,518 | - | 1,905,518 | - | - | - | - | 100% | 100% |
| VW Electric Transformer Station | 10,945,000 | - | 10,945,000 | (9,690) | 10,935,310 | 10,935,310 | - | 10,935,310 | - | - | - | - | 100% | 100% |
| VW Mixing Yard | 10,025,000 | - | 10,025,000 | 1,819,244 | 11,844,244 | 11,844,244 | - | 11,844,244 | - | - | - | - | 100% | 100% |
| VW Parking Lots for Employees | 12,700,000 | 2,091,000 | 14,791,000 | (1,613,586) | 13,177,414 | 13,177,414 | - | 13,177,414 | - | - | - | - | 100% | 100% |
| VW Tank Farm (Fluids Storage) & Utilities | 30,445,000 | - | 30,445,000 | (17,473) | 30,427,527 | 30,427,527 | - | 30,427,527 | - | - | - | - | 100% | 100% |
| VW Planning, Engineering, Etc | 3,970,000 | 245,855 | 4,215,855 | (38,079) | 4,177,776 | 4,177,776 | - | 4,177,776 | - | - | - | - | 100% | 100% |
| North Area Grading | - | 368,145 | 368,145 | (130,935) | 237,210 | 237,210 | - | 237,210 | - | - | - | - | 100% | 100% |
| North Area Non-reimbursable | - | 90,525 | 90,525 | - | 90,525 | 90,525 | - | 90,525 | - | - | - | - | 100% | 100% |
| TOTAL 6.2 INFRASTRUCTURE | 70,000,000 | 2,795,525 | 72,795,525 | - | 72,795,525 | 72,795,525 | - | 72,795,525 | - | - | - | - | 100% | 100% |
| Subtotal State (6.1 & 6.2) | 149,614,864 | 19,200,525 | 168,815,389 | (3,099,867) | 165,715,523 | 165,715,522 | - | 165,715,522 | - | - | - | - | 100% | 100% |

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - FIRST MOU
 As of Sep 26, 2024

| Description | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Contract Amount | Adj. For Grant Amount Not Expended at Grant Expiration Date | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Jun 20, 2024 | Change in Encumbrances | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|--|----------------------------------|------------------------------------|-----------------------|---|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|------------------------|---------------------------------|---|------------------------|-------------------------------------|
| 7.4 TRAINING FACILITY ----- GRANT ENDED 6/30/2015 ----- | | | | | | | | | | | | | | |
| Training Center | 22,900,000 | 148,110 | 23,048,110 | - | 23,048,110 | 23,048,110 | - | 23,048,110 | - | - | - | - | 100% | 100% |
| Equipment for Training Center | 13,500,000 | (327,889) | 13,172,111 | (4,058) | 13,168,053 | 13,168,053 | - | 13,168,053 | - | - | - | - | 100% | 100% |
| Related Planning Cost | 3,600,000 | 179,779 | 3,779,779 | - | 3,779,779 | 3,779,779 | - | 3,779,779 | - | - | - | - | 100% | 100% |
| Total 7.4 ST. TRAINING FACILITY | 40,000,000 | - | 40,000,000 | (4,058) | 39,995,942 | 39,995,942 | - | 39,995,942 | - | - | - | - | 100% | 100% |
| 9.10 MARKETING & PUBLIC RELATIONS ----- GRANT ENDED 4/30/2017 ----- | | | | | | | | | | | | | | |
| 9.10 Visitor's Center ** | 200,000 | (275) | 199,725 | - | 199,725 | 199,725 | - | 199,725 | - | - | - | - | 100% | 100% |
| 9.10 Capital Purchase (Roof Sign) | 239,580 | (30,460) | 209,120 | - | 209,120 | 209,120 | - | 209,120 | - | - | - | - | 100% | 100% |
| 9.10 Capital Purchase & Professional Fees (Admin & Planning) | 26,620 | (15,204) | 11,416 | (20) | 11,397 | 11,397 | - | 11,397 | - | - | - | - | 100% | 100% |
| 9.10 Professional Fees, Grant & Award (Education partnership) | 1,500,000 | (500,000) | 1,000,000 | - | 1,000,000 | 1,000,000 | - | 1,000,000 | - | - | - | - | 100% | 100% |
| 9.10 Salaries, Benefits & Taxes (Plant Tours) | - | 27,117 | 27,117 | - | 27,117 | 27,117 | - | 27,117 | - | - | - | - | 100% | 100% |
| 9.10 Professional Fees, Grants & Award (Marketing Expenses) | - | 518,547 | 518,547 | - | 518,547 | 518,547 | - | 518,547 | - | - | - | - | 100% | 100% |
| Total 9.10 MARKETING & PUBLIC RELATIONS | 1,966,200 | (275) | 1,965,925 | (20) | 1,965,905 | 1,965,905 | - | 1,965,905 | - | - | - | - | 100% | 100% |
| TOTAL ALL STATE FUNDS | 191,581,064 | 19,200,250 | 210,781,314 | (3,103,945) | 207,677,370 | 207,677,370 | - | 207,677,370 | - | - | - | - | 100% | 100% |

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
ECD - VOLKSWAGEN INCENTIVE PROJECT
LOCAL FUNDING PROGRESS REPORT - FIRST MOU
As of Sep 26, 2024

| Description | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Jun 20, 2024 | Change in Encumbrances | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|---|----------------------------------|------------------------------------|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|------------------------|---------------------------------|---|------------------------|-------------------------------------|
| VW Streets, Lanes, etc., including Helipad | 8,345,835 | - | 8,345,835 | 8,345,835 | - | 8,345,835 | - | - | - | - | 100.00% | 100.00% |
| VW Railroads, Loading Dept | 10,080,801 | - | 10,080,801 | 10,080,801 | - | 10,080,801 | - | - | - | - | 100.00% | 100.00% |
| VW Fire Dept Building, garage and equipment | 3,070,609 | - | 3,070,609 | 3,070,609 | - | 3,070,609 | - | - | - | - | 100.00% | 100.00% |
| VW Construction Lanes | 1,640,533 | - | 1,640,533 | 1,640,533 | - | 1,640,533 | - | - | - | - | 100.00% | 100.00% |
| VW Guard House and Fence | 1,310,219 | - | 1,310,219 | 1,310,219 | - | 1,310,219 | - | - | - | - | 100.00% | 100.00% |
| Drive Around Property | 553,714 | - | 553,714 | 553,714 | - | 553,714 | - | - | - | - | 100.00% | 100.00% |
| Scrap Yard | 118,933 | - | 118,933 | 118,933 | - | 118,933 | - | - | - | - | 100.00% | 100.00% |
| VW Water, Waste & Stormwater | 6,093,236 | - | 6,093,236 | 6,093,236 | - | 6,093,236 | - | - | - | - | 100.00% | 100.00% |
| VW Gas, Telecom, Power (Additional Utility Infra) | 1,120,472 | - | 1,120,472 | 1,120,472 | - | 1,120,472 | - | - | - | - | 100.00% | 100.00% |
| VW Planning, Engineering, Etc | 7,665,648 | - | 7,665,648 | 7,612,392 | - | 7,612,392 | - | - | - | 53,256 | 99.31% | 99.31% |
| TOTAL 6.2 INFRASTRUCTURE - LOCAL FUNDING | 40,000,000 | - | 40,000,000 | 39,946,743 | - | 39,946,743 | - | - | - | 53,256 | 99.87% | 99.87% |
| Welcome Center | 6,000,000 | (6,000,000) | - | - | - | - | - | - | - | - | N/A | N/A |
| TOTAL 9.5 OTHER LOCAL FUNDING | 6,000,000 | (6,000,000) | - | - | - | - | - | - | - | - | N/A | N/A |
| TOTAL LOCAL FUNDINGS (Managed by IDB) * | 46,000,000 | (6,000,000) | 40,000,000 | 39,946,743 | - | 39,946,743 | - | - | - | 53,257 | 99.87% | 99.87% |

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

* Total local infrastructure does not include 6.3 Public roads and 6.4 Railway Lines as they are not managed by the IDB.

Changes Since Prior Report - FIRST MOU

As of Sep 26, 2024

| | | Expenditures | | Encumbrances | | Change | | | | |
|--|--|-------------------|-------------------|--------------|-------------|--------------|--------------|--------|-------------|-----------------------|
| | | This Report | Last Report | This Report | Last Report | Expenditures | Encumbrances | Actual | Encumbrance | Comments |
| Z10101 | Clearing, Grubbing & Mass Grading | 1,664,957 | 1,664,957 | - | - | - | - | | | |
| Z10102 | Grubbing & Erosion Control | 2,593,480 | 2,593,480 | - | - | - | - | | | |
| Z10103 | Fine Grading (Site Pad) | 59,065,612 | 59,065,612 | - | - | - | - | | | |
| Z10104 | Stone Pad | 7,483,865 | 7,483,865 | - | - | - | - | | | |
| Z10105 | Stream Relocation | 5,519,786 | 5,519,786 | - | - | - | - | | | |
| Z10106 | Detention Pond | 3,177,473 | 3,177,473 | - | - | - | - | | | |
| Z10107 | North Area | 745,551 | 745,551 | - | - | - | - | | | |
| Z10109 | Construction Access Roads | 718,565 | 718,565 | - | - | - | - | | | |
| Z10110 | Rammed Aggregate Piers | 1,874,615 | 1,874,615 | - | - | - | - | | | |
| Z10111 | Design, RPR, Survey, Testing & Project Support | 10,076,093 | 10,076,093 | - | - | - | - | | | |
| TOTAL 6.1 SITE PREPARATION | | 92,919,998 | 92,919,998 | - | - | - | - | - | - | Grant ended 6/30/2015 |
| Z10301 | VW Test Track | 1,905,518 | 1,905,518 | - | - | - | - | | | |
| Z10306 | VW Electric Transformer Station | 10,935,310 | 10,935,310 | - | - | - | - | | | |
| Z10307 | VW Mixing Yard | 11,844,244 | 11,844,244 | - | - | - | - | | | |
| Z10308 | VW Parking Lots for Employees | 13,177,414 | 13,177,414 | - | - | - | - | | | |
| Z10312 | VW Tank Farm (Fluids Storage) & Utilities | 30,427,527 | 30,427,527 | - | - | - | - | | | |
| Z10315 | VW Planning, Engineering, Etc | 4,177,776 | 4,177,776 | - | - | - | - | | | |
| Z10316 | North Area Grading | 237,210 | 237,210 | - | - | - | - | | | |
| Z10317 | North Area Non-reimbursable | 90,525 | 90,525 | - | - | - | - | | | |
| TOTAL 6.2 INFRASTRUCTURE | | 72,795,525 | 72,795,525 | - | - | - | - | - | - | Grant ended 6/30/2015 |
| Z10601 | Training Center | 23,048,110 | 23,048,110 | - | - | - | - | | | |
| Z10602 | Equipment for Training Ctr | 13,168,053 | 13,168,053 | - | - | - | - | | | |
| Z10603 | Related Planning Cost | 3,779,779 | 3,779,779 | - | - | - | - | | | |
| TOTAL 7.4 ST. TRAINING FACILITY | | 39,995,942 | 39,995,942 | - | - | - | - | - | - | Grant ended 6/30/2015 |
| Z00701 | Visitor's Center | 199,725 | 199,725 | - | - | - | - | | | |
| Z00702 | | | | | | | | | | |
| Z00703 | Capital Purchase (Roof Sign) | 209,120 | 209,120 | - | - | - | - | | | |
| Z00704 | Capital Purchase & Professional Fees (Admin & Planning) | 11,397 | 11,397 | - | - | - | - | | | |
| Z00705 | Professional Fees, Grant & Award (Education partnership) | 1,000,000 | 1,000,000 | - | - | - | - | | | |
| Z00706 | Salaries, Benefits & Taxes (Plant Tours) | 27,117 | 27,117 | - | - | - | - | | | |
| Z00707 | Professional Fees, Grants & Award (Marketing Expenses) | 518,547 | 518,547 | - | - | - | - | | | |
| TOTAL 9.10 MARKETING & PUBLIC RELATIONS | | 1,965,905 | 1,965,905 | - | - | - | - | - | - | Grant ended 4/30/2017 |

| Changes Since Prior Report - FIRST MOU | | | | | | | | | | |
|--|---|--------------------|--------------------|--------------|-------------|--------------|--------------|----------|-------------|----------|
| As of Sep 26, 2024 | | | | | | | | | | |
| | | Expenditures | | Encumbrances | | Change | | | | |
| | | This Report | Last Report | This Report | Last Report | Expenditures | Encumbrances | Actual | Encumbrance | Comments |
| Z10401 | VW Streets, Lanes, etc., including Helipad | 8,345,835 | 8,345,835 | - | - | - | - | | | |
| Z10402 | VW Railroads, Loading Dept | 10,080,801 | 10,080,801 | - | - | - | - | | | |
| Z10403 | VW Fire Dept Building, garage and equipment | 3,070,609 | 3,070,609 | - | - | - | - | | | |
| Z10404 | VW Construction Lanes | 1,640,533 | 1,640,533 | - | - | - | - | | | |
| Z10405 | VW Guard House and Fence | 1,310,219 | 1,310,219 | - | - | - | - | | | |
| Z10409 | VW Drive Around Property | 553,714 | 553,714 | - | - | - | - | | | |
| Z10411 | VW Scrap Yard | 118,933 | 118,933 | - | - | - | - | | | |
| Z10412 | VW Water, Waste & Stormwater | 6,093,236 | 6,093,236 | - | - | - | - | | | |
| Z10413 | VW Gas, Telecom, Power (Additional Utility Infra) | 1,120,472 | 1,120,472 | - | - | - | - | | | |
| Z10415 | VW Planning, Engineering, Etc | 7,612,392 | 7,612,392 | - | - | - | - | | | |
| TOTAL 6.2 INFRASTRUCT LOCAL FUNDING | | 39,946,743 | 39,946,743 | - | - | - | - | - | - | |
| Z00801 | Welcome Center | - | - | - | - | - | - | | | |
| TOTAL 9.5 WELCOME CTR LOCAL FUNDING | | - | - | - | - | - | - | - | - | |
| TOTAL | | 247,624,113 | 247,624,113 | - | - | - | - | - | - | |

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - SECOND MOU
 As of Sep 26, 2024

| Description | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Jun 20, 2024 | Change in Encumbrances | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|---------------------------------------|----------------------------------|------------------------------------|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|------------------------|---------------------------------|---|------------------------|-------------------------------------|
| Infrastructure I | 22,271,000 | 6,649,804 | 28,920,804 | 24,714,941 | - | 24,714,941 | - | - | - | 4,205,863 | 85.46% | 85.46% |
| Manufacturing Equipment | 140,635,000 | (677,937) | 139,957,063 | 144,162,926 | - | 144,162,926 | - | - | - | (4,205,863) | 103.01% | 103.01% |
| TOTAL 3.1 FACILITY DEVELOPMENT | 165,778,000 | 3,099,867 | 168,877,867 | 168,877,867 | - | 168,877,867 | - | - | - | - | 100.00% | 100.00% |
| TOTAL STATE FUNDS | 165,778,000 | 3,099,867 | 168,877,867 | 168,877,867 | - | 168,877,867 | - | - | - | - | 100.00% | 100.00% |

----- GRANT ENDED 3/6/2020 -----

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 LOCAL FUNDING PROGRESS REPORT - SECOND MOU
 As of Sep 26, 2024

| Description | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Jun 20, 2024 | Change in Encumbrances | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|--|----------------------------------|------------------------------------|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|------------------------|---------------------------------|---|------------------------|-------------------------------------|
| Major Underground Additions | 723,725 | (267,894) | 455,831 | 455,831 | - | 455,831 | - | - | - | - | 100.00% | 100.00% |
| Paint Shop Capacity Increase | 1,344,385 | 241,357 | 1,585,742 | 1,585,742 | - | 1,585,742 | - | - | - | - | 100.00% | 100.00% |
| Production and Logistics Building Addition | 22,802,333 | 207,197 | 23,009,530 | 23,009,530 | - | 23,009,530 | - | - | - | - | 100.00% | 100.00% |
| Assembly Finish Building Extension & Infra. | 8,590,958 | 295,658 | 8,886,616 | 8,886,616 | - | 8,886,616 | - | - | - | - | 100.00% | 100.00% |
| Technical Center Pilot Program Extension | 4,968,082 | (253,229) | 4,714,853 | 4,714,853 | - | 4,714,853 | - | - | - | - | 100.00% | 100.00% |
| Body Shop Robots Fixtures Integration | 2,460,223 | 2,979,843 | 5,440,066 | 5,420,707 | - | 5,420,707 | - | - | - | 19,359 | 99.64% | 99.64% |
| VW SUV B Planning Costs | 7,425,329 | 578,553 | 8,003,882 | 7,863,634 | - | 7,863,634 | - | - | - | 140,248.00 | 98.25% | 98.25% |
| VW SUV B Contingency | 1,085,098 | (1,085,098) | - | - | - | - | - | - | - | - | 0.00% | 0.00% |
| VW SUV B Site Preparation | 3,099,867 | (2,696,387) | 403,480 | 111,517 | - | 111,517 | - | - | - | 291,963 | 27.64% | 27.64% |
| TOTAL 6.1 VW SUV - LOCAL FUNDING | 52,500,000 | - | 52,500,000 | 52,048,430 | - | 52,048,430 | - | - | - | 451,570 | 99.14% | 99.14% |
| TOTAL LOCAL FUNDINGS (Managed by IDB) | 52,500,000 | - | 52,500,000 | 52,048,430 | - | 52,048,430 | - | - | - | 451,570 | 99.14% | 99.14% |

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

| Changes Since Prior Report - SECOND MOU | | | | | | | | | | |
|---|---|--------------------|--------------------|---------------|-----------------|--------------|--------------|----------|-------------|----------------------|
| As of Sep 26, 2024 | | | | | | | | | | |
| | | Expenditures | | Encumbrances | | Change | | | | |
| | | This Report | Last Report | This Report | Last Report | Expenditures | Encumbrances | Actual | Encumbrance | Comments |
| Z01001 | Infrastructure I | 24,714,941.48 | 24,714,941.48 | - | - | - | - | | | |
| Z01003 | Manufacturing Equipment | 144,162,925.72 | 144,162,925.72 | - | - | - | - | | | |
| TOTAL 3.1 FACILITY DEVELOPMENT - STATE | | 168,877,867 | 168,877,867 | - | - | - | - | - | - | Grant ended 3/6/2020 |
| Z00902 | Major Underground Additions | 455,831.00 | 455,831.00 | - | - | - | - | | | |
| Z00904 | Paint Shop Capacity Increase | 1,585,741.95 | 1,585,741.95 | - | - | - | - | | | |
| Z00905 | Production and Logistics Building Addition | 23,009,530.27 | 23,009,530.27 | - | - | - | - | | | |
| Z00906 | Assembly Finish Building Extension & Infra. | 8,886,616.12 | 8,886,616.12 | - | - | - | - | | | |
| Z00907 | Technical Center Pilot Program Extension | 4,714,852.72 | 4,714,852.72 | - | - | - | - | | | |
| Z00913 | Body Shop Robots Fixtures Integration | 5,420,706.50 | 5,420,706.50 | - | - | - | - | | | |
| Z00918 | VW SUV B Planning Costs | 7,863,634.37 | 7,863,634.37 | - | - | - | - | | - | |
| Z00919 | VW SUV B Contingency | - | - | - | - | - | - | | | |
| Z00920 | VW SUV B Site Preparation | 111,517.33 | 111,517.33 | - | - | - | - | - | | |
| TOTAL 1.1 VW SUV - LOCAL FUNDING | | 52,048,430 | 52,048,430 | - | - | - | - | - | - | |
| Contingency | | | | | | | | | | |
| | | This Report | Last Report | Change | Comments | | | | | |
| Z00919 | VW SUV B Contingency | - | - | - | | | | | | |
| TOTAL | | 220,926,297 | 220,926,297 | - | - | - | - | - | - | |

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 STATE FUNDING PROGRESS REPORT - THIRD MOU
 As of Sep 26, 2024

| Description | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Jun 20, 2024 | Change in Encumbrances | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|--|----------------------------------|------------------------------------|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|------------------------|---------------------------------|---|------------------------|-------------------------------------|
| State 3rd MOU Electric Vehicle Expansion | 50,000,000 | - | 50,000,000 | 50,000,000 | - | 50,000,000 | - | - | - | - | 100.00% | 100.00% |
| TOTAL STATE FUNDING | 50,000,000 | - | 50,000,000 | 50,000,000 | - | 50,000,000 | - | - | - | - | 100.00% | 100.00% |

----- GRANT ENDED 1/10/2024 -----

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

CITY OF CHATTANOOGA INDUSTRIAL DEVELOPMENT BOARD
 ECD - VOLKSWAGEN INCENTIVE PROJECT
 LOCAL FUNDING PROGRESS REPORT - THIRD MOU
 As of Sep 26, 2024

| Description | Original Grant / Contract Budget | Grant / Contract Budget Adjustment | Final Grant Budget Amount | PJTD Expenditures As of Jun 20, 2024 | Current Expenditures | PJTD Expenditures As of Sep 26, 2024 | Encumbrances As of Jun 20, 2024 | Change in Encumbrances | Encumbrances As of Sep 26, 2024 | Available Budget (Over Expenditures & Encumbrances) | % Spent and Encumbered | % Spent, Encumbered & Contingencies |
|--|----------------------------------|------------------------------------|---------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|------------------------|---------------------------------|---|------------------------|-------------------------------------|
| Local 3rd MOU Electric Vehicle Expansion | 5,000,000 | - | 5,000,000 | - | - | - | - | - | - | 5,000,000 | 0.0% | 0.0% |
| TOTAL LOCAL FUNDING | 5,000,000 | - | 5,000,000 | - | - | - | - | - | - | 5,000,000 | 0.00% | 0.00% |
| TOTAL LOCAL FUNDINGS (Managed by IDB) | 5,000,000 | - | 5,000,000 | - | - | - | - | - | - | 5,000,000 | 0.00% | 0.00% |

These reports are intended to represent the budgets available to the IDB and do not reflect the entire incentive package.

| Changes Since Prior Report - THIRD MOU | | | | | | | | | | |
|--|--|-------------------|-------------------|--------------|-------------|--------------|--------------|----------|-------------|-----------------------|
| As of Sep 26, 2024 | | | | | | | | | | |
| | | Expenditures | | Encumbrances | | Change | | | | |
| | | This Report | Last Report | This Report | Last Report | Expenditures | Encumbrances | Actual | Encumbrance | Comments |
| Z11302 | State 3rd MOU Electric Vehicle | 50,000,000.00 | 50,000,000.00 | - | - | - | - | | | |
| TOTAL STATE FUNDING | | 50,000,000 | 50,000,000 | - | - | - | - | - | - | Grant ended 1/10/2024 |
| Z11301' | Local 3rd MOU Electric Vehicle Expansion | - | - | - | - | - | - | | | |
| TOTAL LOCAL FUNDING | | - | - | - | - | - | - | - | - | |

IDB - ECONOMIC DEVELOPMENT PROGRAMS SUMMARY

PJTD EBS & CLOUD (Since inception)

As of 9/26/2024

| Acct | Activity | Description | NR11 | NR13 | NR14 | NR14 | NR14 | NR15 | NR16 | NR17 | NR18 | TOTAL |
|---------|---------------------------------------|---|---------------------------------|-----------------------------|----------------------|------------------------|---------------------|----------------------|----------------------------|-----------------------------|----------------------|--------------|
| | | | GROWING SMALL BUS. Z00303 | TECH WORKFORCE Z00304 | IDB-PILOTS Z00306 | IDB-ADMIN * Z300310 | IDB LOANS Z00315 | MITIGATION Z00307 | BUSINESS DEV. Z00308 | RENEWING CHATT Z00312 | INNOVATION Z00313 | |
| 101101 | Interfund Cash | | 129,574.02 | 335,000.00 | ----- | 2,060,077.31 | ----- | 11,000.00 | 25,000.00 | 20,000.00 | 170,000.00 | 2,750,651.33 |
| 124212' | NR COVID-19 Loans | | - | - | - | - | 211,923.93 | - | - | - | - | 211,923.93 |
| 124901 | Allowance for Notes Receivable | | - | - | - | - | (31,789.00) | - | - | - | - | (31,789.00) |
| 172102 | Restricted Cash with Agent | | - | - | - | - | 288,196.58 | - | - | - | - | 288,196.58 |
| 513140 | 102601 | IDB EDLP - VW | - | - | 1,250,000.00 | - | - | - | - | - | - | 1,250,000.00 |
| 513140 | 102602 | IDB EDLP - Southern Champion Tray | - | - | 180,914.58 | - | - | - | - | - | - | 180,914.58 |
| 513140 | 102603 | IDB EDLP - Gastamp | - | - | 1,223,700.84 | - | - | - | - | - | - | 1,223,700.84 |
| 513140 | 102604 | IDB EDLP - YanFeng | - | - | 73,031.78 | - | - | - | - | - | - | 73,031.78 |
| 513140 | 102605 | IDB EDLP - Plastic Omnium Auto | - | - | 286,572.24 | - | - | - | - | - | - | 286,572.24 |
| 513140 | 102606 | IDB EDLP - Homeserve | - | - | 44,619.62 | - | - | - | - | - | - | 44,619.62 |
| 513140 | 102607 | IDB EDLP - M & M Industries | - | - | 113,163.29 | - | - | - | - | - | - | 113,163.29 |
| 513140 | 102608 | IDB EDLP - Van De Wiele | - | - | 27,065.25 | - | - | - | - | - | - | 27,065.25 |
| 513140 | 102609 | IDB EDLP - Coca-Cola | - | - | 118,684.02 | - | - | - | - | - | - | 118,684.02 |
| 513140 | 102610 | IDB EDLP - Puregraphite | - | - | 16,889.09 | - | - | - | - | - | - | 16,889.09 |
| 513140 | 102611 | IDB EDLP - Steam Logistics | - | - | 245.14 | - | - | - | - | - | - | 245.14 |
| 524107 | City of Chattanooga Appropriation | | 200,000.00 | 450,000.00 | - | - | - | 44,000.00 | - | - | - | 694,000.00 |
| 576101 | Miscellaneous Revenue | | - | - | 5.00 | 6,686.47 | 120.51 | - | - | - | - | 6,811.98 |
| 801604 | Transfer from Non Reported (NR) Funds | | 200,000.00 | - | - | - | - | - | 50,000.00 | 50,000.00 | 200,000.00 | 500,000.00 |
| | | | | | | | | | | | | |
| | | Bridge Loan related expenses - managed by SETDD | | | | | | | | | | |
| 538101 | Bad Debt Expense | | | | | | (31,789.00) | - | - | - | - | (31,789.00) |
| 704213 | Debris Removal & Cleanup | | - | - | - | - | - | - | - | - | - | - |
| 704602 | Training Costs | | - | 25,000.00 | - | - | - | - | - | - | - | 25,000.00 |
| 784101 | Appropriations | | - | 50,000.00 | - | - | - | - | 25,000.00 | - | - | 75,000.00 |
| 782201 | Awards | | - | - | 56,000.00 | - | - | - | - | - | - | 56,000.00 |
| 782202 | Donations | | - | 40,000.00 | - | - | - | - | - | - | - | 40,000.00 |
| 782207 | Grant Award | | 270,425.98 | - | 51,000.00 | - | - | 33,000.00 | - | 30,000.00 | 30,000.00 | 414,425.98 |
| 811604 | Transfer to Non Reported (NR) Funds | | - | - | 674,500.01 | - | - | - | - | - | - | 674,500.01 |
| | | Operating income (loss) | 129,574.02 | 335,000.00 | 2,553,390.84 | 6,686.47 | (31,668.49) | 11,000.00 | 25,000.00 | 20,000.00 | 170,000.00 | 3,218,982.84 |
| | | | - | - | | - | | - | - | - | - | - |

IDB - e2i2 Program Summary

As of 9/26/2024

NR26' Z00317'
 Project Number: N10029
 Project Name: IDB-E2I2 SSO Abatement Program
 Award Number: FY24-N10029-524201
 Award Name: FY24-N10029-Transfer from City of Chattanooga

| Acct | Description | Project Budget | Encumbrance | Since inception Actual |
|---------|---|----------------|-------------|------------------------|
| 101101 | Interfund Cash | | | (336,439.00) |
| 125101 | AR Accruals | | | - |
| 125105' | AR Miscellaneous | | | - |
| 201101 | Accounts Payable | | | - |
| 201103 | AP Miscellaneous | | | - |
| 212197 | PPM Miscellaneous Clearing Account (Debit) | | | 4,886,862.00 |
| 212198 | PPM Miscellaneous Clearing Account (Credit) | | | (4,886,862.00) |
| 524201 | Reimbursement from City of Chattanooga | | | 4,550,423.00 |
| 761117 | CIP Sanitary Sewer Construction | 153,087,868.00 | 357,667.00 | 4,883,912.00 |
| 761103 | CIP Engineer's Easement Negotiations | | | 2,950.00 |
| 761101 | CIP Expense | | | - |
| 781301 | Fees, Licenses, & Permits | | | - |
| | Total Expenses | | | 4,886,862.00 |
| | Operating income (loss) | | | (336,439.00) |

RESOLUTION

A RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT BOARD CHAIR OR VICE-CHAIR TO EXECUTE AN EXTENSION DEPOSIT AGREEMENT WITH TENNESSEE-AMERICAN WATER COMPANY, IN SUBSTANTIALLY THE FORM ATTACHED, FOR THE INSTALLATION OF APPROXIMATELY 1,520 LINEAR FEET OF SIX (6") INCH WATER MAIN AND TWO PUBLIC FIRE HYDRANTS FOR THE ST. STEPHENS WATER MAIN EXTENSION, FOR THE E2I2 PROJECT, FOR A COST NOT TO EXCEED ONE HUNDRED FORTY-TWO THOUSAND NINE HUNDRED FOURTEEN DOLLARS (\$142,914.00).

BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby authorizing the Chair or Vice-Chair to execute an Extension Deposit Agreement with Tennessee-American Water Company, in substantially the form attached, for the installation of approximately 1,520 linear feet of six (6") inch water main and two public fire hydrants for the St. Stephens water main extension, for the e2i2 project, for a cost not to exceed \$142,914.00.

ADOPTED: October 7, 2024

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

KERRY HAYES, Chair

GORDON PARKER, Secretary



Tyler Cross, PE P 423.602-4930
1500 Riverside Drive F 423.495.9227
Chattanooga, TN 37406
Tyler.Cross@amwater.com

August 30, 2024

Mark D. Heinzer
City of Chattanooga
1206 Market Street
Chattanooga, TN 37402

RE: St Stephens water main extension

Mr. Heinzer,

Regarding your request for the cost of a water main installation for the above project, we have completed our preliminary survey, and it will be necessary to install approximately 1520' of 6" main and 1 fire hydrant. The estimated cost for the main extension is \$138,614.00 and the cost of the fire hydrant is \$4,300.00.

We will require a check in the amount of \$142,914.00 before we can schedule construction. After the job is completed, we will adjust your deposit to actual costs and refund any money you have remaining or bill you for the additional amount required.

For the public hydrants, which is non-refundable, please sign this letter in the space below indicating your agreement (1) for us to install the hydrants and (2) to the cost estimate. Return the signed letter back to us for our part of the execution.

Attached is a copy of our Main Extension Agreement, which covers the deposit and refund provision for the water main. Please sign and return the agreement to us. Upon receipt of this agreement, we will have our officers fully execute it and we will return a copy to you for your records.

If you have any questions regarding this matter, please contact me at (423) 771-4713.

Sincerely,

Tyler Cross, PE

I request installation of this hydrant and agree to the estimated cost.

_____, (Mark D. Heinzer) _____ (Date)

Enclosures

EXTENSION DEPOSIT AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 20____, by and between the TENNESSEE-AMERICAN WATER COMPANY, hereinafter called the "WATER COMPANY" and City of Chattanooga, Wastewater Department hereinafter called the "DEPOSITOR."

WHEREAS, the DEPOSITOR desires an extension of the water distribution mains of the WATER COMPANY as hereinafter described.

W I T N E S S E T H:

FIRST: The WATER COMPANY contracts and agrees to lay the water main (s) as shown in red on the diagram which is hereto attached and made a part hereof, which main (s) and described and located as follows:

Install approximately 1520 LF of 6" water main
And 2 public fire hydrants
For the St Stephens water main extension

SECOND: It is expressly understood and agreed that if the WATER COMPANY shall be delayed or prevented from installing the water main (s) hereinabove described because of its inability to secure pipe or other necessary construction materials, or for any other causes beyond its control, such inability or delay in performance shall be excused; provided, however, that if such inability or delay in performance shall extend for a period of more than one (1) year from the date hereof, the DEPOSITOR shall have the right to cancel and terminate this Agreement on thirty (30) days' written notice to the WATER COMPANY and thereafter both parties shall be relieved of all duties and obligations arising hereunder. If the DEPOSITOR cancels and terminates this Agreement, the WATER COMPANY shall refund in full the amount of the deposit and any supplemental deposit(s) made by the DEPOSITOR within thirty (30) days of the date of such termination. The right to cancel and terminate this Agreement by the DEPOSITOR shall not be revoked, however, if the WATER COMPANY has received the necessary pipe and construction materials and the DEPOSITOR has made the deposit as hereinafter required, in which event the WATER COMPANY shall have the obligation to prosecute diligently the work of installing the water main (s) hereinabove described until said work is completed.

THIRD: The DEPOSITOR hereby agrees to deposit with the WATER COMPANY, upon receipt of written notice from the WATER COMPANY that it is prepared and able to go forward with the work provided in Paragraph FIRST hereof, and amount equal to (a) the estimated number of feet of pipe to be installed multiplied by the estimated Unit Cost Per Foot of Main, plus the estimated cost of all other facilities (excluding public fire hydrants, hydrant laterals, service lines and meters) which the WATER COMPANY shall have determined are required to render adequate service, less (b) a credit equal to the amount produced by multiplying the estimated Unit Cost Per Foot of Main by forty-five (45) and by multiplying this result by the number of Bona Fide Prospective Customers whose premises abut said extension and will be directly connected thereto. If the water main, pipes, and fire hydrants described in this Agreement are not constructed by the WATER COMPANY for any reason, the WATER COMPANY shall refund in full the original deposit and any supplemental deposit(s) to the DEPOSITOR within (30) days of the date of written demand for refund by the DEPOSITOR.

FOURTH: Upon completion of the installation of the water main (s) described in Paragraph FIRST above, or as soon thereafter as may be practicable, the WATER COMPANY shall furnish to the DEPOSITOR a statement of actual cost. In the event that such statement of cost is less than the original estimate of cost, the WATER COMPANY shall promptly return to the DEPOSITOR the difference between such amounts. In the event that such statement of cost exceeds the original estimate of cost, the DEPOSITOR shall promptly make a further deposit with the WATER COMPANY in an amount equal to the difference between such amounts. It is the intent of this paragraph that the DEPOSITOR shall deposit the actual cost to the WATER COMPANY, less the credit provided for in Paragraph THIRD above.

FIFTH: The WATER COMPANY hereby agrees to refund to the DEPOSITOR, during the period of ten (10) years from the actual date of the original deposit hereunder, for each additional Bona Fide Customer for which a service line has been connected to the extension in question an amount equal to the completed actual Unit Cost Per Foot of Main used in calculating the final deposit multiplied by forty-five (45).

SIXTH: The ownership of the water main (s) installed hereunder shall at all times be and remain in the WATER COMPANY, its successors and assigns.

SEVENTH: This Agreement shall be valid and binding on the WATER COMPANY only when executed by its President or a Vice President.

EIGHTH: This Agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the respective parties.

NINTH: Any notice given hereunder shall be deemed sufficient if in writing and sent by registered mail to the WATER COMPANY at 9 Wiehl St. Chattanooga, TN 37403 and to
(address of WATER COMPANY)
the DEPOSITOR at 455 Moccasin Bend Road, Chattanooga, TN 37405 .
(address of DEPOSITOR)

TENTH: This Agreement is entered into pursuant to the legally established Rules and Regulation of the WATER COMPANY, and the words, phrases, and terms hereof are to be understood and interpreted in conformity with said Rules and Regulations, which are hereby incorporated herein by reference.

Executed in duplicate by the parties hereto on the date first above written,

WITNESS:

TENNESSEE AMERICAN WATER COMPANY

_____ By _____
Jon Sparkman – Manager of Engineering

WITNESS:

DEPOSITOR

_____ By _____
Mark D. Heinzer, Administrator Wastewater
City of Chattanooga

SUPPLEMENTAL MEMORANDUM

This Supplemental Memorandum is executed by the parties hereto under and pursuant to the provisions of paragraph THIRD of an Extension Deposit Agreement in writing between the parties entered into on the _____ day of _____, 20_____, for the installation by the WATER COMPANY of a certain water main (s) described therein in the paragraph FIRST. It is therefore agreed and stipulated:

The estimated cost of the extension is \$ 142,914.00 Dollars.

Credit is allowed for 0 Bona Fide Prospective Customers at the rate of \$ _____ Dollars each for a total amount of \$ 0.00 Dollars in accordance with paragraph THIRD (b) of the Extension Deposit Agreement.

The amount of deposit received from the DEPOSITOR (S) 142,914.00 Dollars.

The Supplemental Memorandum shall be attached to the original Extension Deposit Agreement.

Dated _____

Date of Deposit

TENNESSEE AMERICAN WATER COMPANY

WITNESS: _____

By _____

Jon Sparkman – Manager of Engineering

WITNESS: _____

DEPOSITOR: _____

Mark D. Heinzer, Administrator Wastewater
City of Chattanooga

EXTENSION DEPOSIT
AGREEMENT
BETWEEN

TENNESSEE-AMERICAN
WATER COMPANY

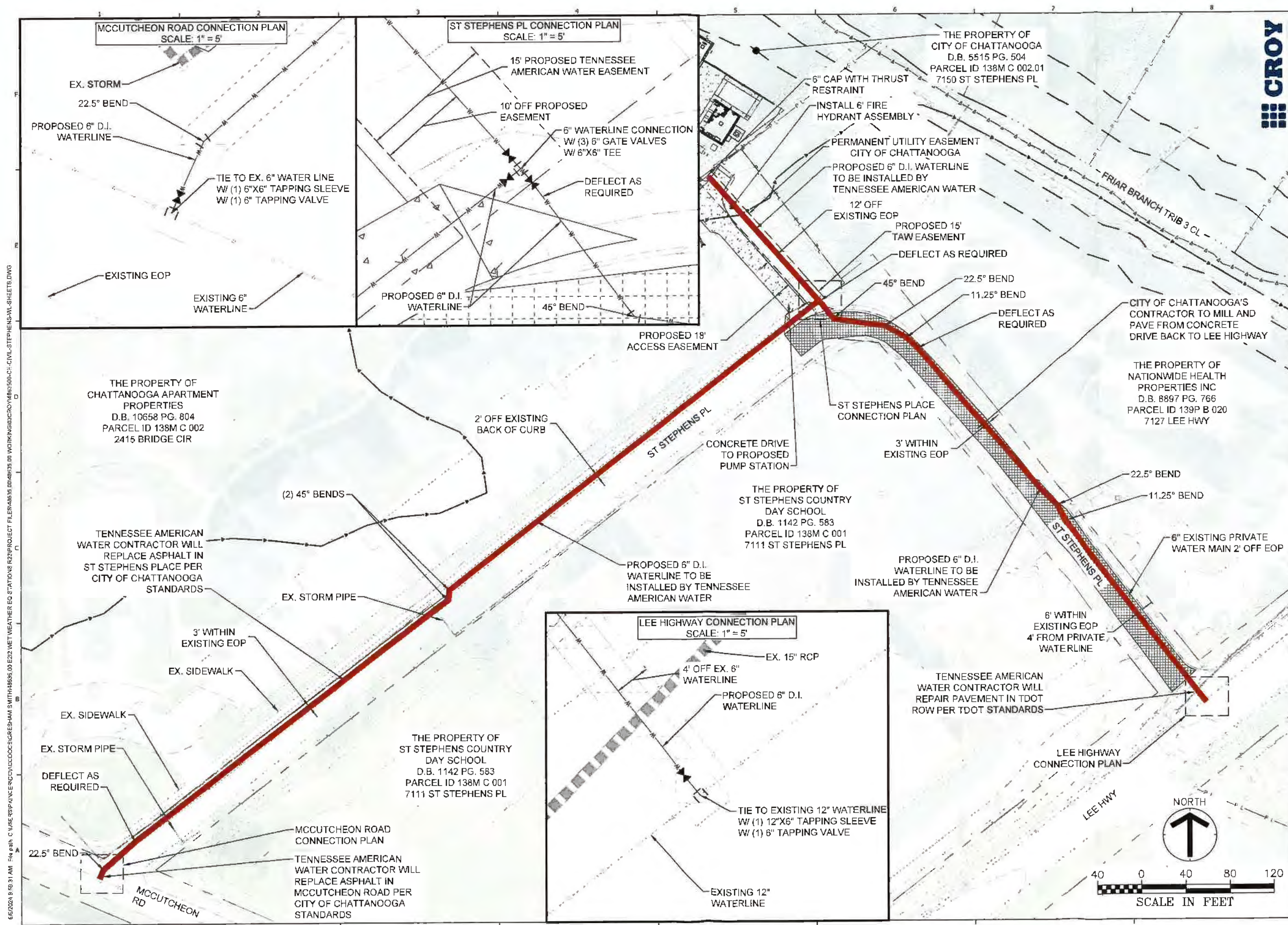
AND

City of Chattanooga
Wastewater Department
455 Moccasin Bend Road
Chattanooga, TN 37405

DATED

Covering the installation of
Approximately 1520 LF of 6" water main
And 2 public fire hydrants
For the St Stephens water main extension

WBS# - _____



MCCUTCHEON ROAD CONNECTION PLAN
SCALE: 1" = 5'

ST STEPHENS PL CONNECTION PLAN
SCALE: 1" = 5'

LEE HIGHWAY CONNECTION PLAN
SCALE: 1" = 5'

CROY

Gresham Smith
222 Second Avenue South
Suite 1400
Nashville, TN 37201
615.770.8100

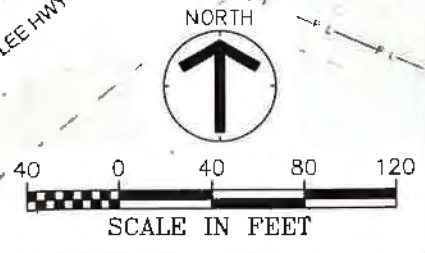


e212 SSO ABATEMENT PROGRAM PHASE 1 - SOUTH
LEE HWY EQ STATION
CITY OF CHATTANOOGA, TN
CONSENT DECREE PROGRAM

| REV | DATE | DESCRIPTION |
|-----|------|-------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
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| | | |

THIS LINE IS ONE INCH LONG WHEN PLOTTED: FULL SCALE
THIS DRAWING MUST BE USED IN CONJUNCTION WITH THE APPLICABLE GOVERNING TECHNICAL SPECIFICATIONS AND OTHER CONTRACT DOCUMENTS.
PROJECT NO: 48635.00
DATE: MARCH 2024
DISC. LEAD: DNW DESIGNER: RMH CHECKER: MDB

SHEET TITLE
**SOUTH LEE HIGHWAY
ST STEPHENS PL
WATER LINE PLAN**
SHEET **C165**



6/6/2024 9:50:31 AM S:\g\p\4\NCE\RD\CV\CCDC\GRESHAM\SMITH\48635_00\EQ212\WET\WEATHER EQ STATIONS\R2\PROJECT FILES\48635_00\48635_00\WORKING\GRO\Y\M863500-CH-CIVIL-STEPHENS-AW-SHEETS.DWG

RESOLUTION

A RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT BOARD CHAIR OR VICE-CHAIR TO EXECUTE A LICENSE AGREEMENT WITH THE STATE OF TENNESSEE, ACTING BY AND THROUGH ITS COMMISSIONER OF TRANSPORTATION, AND THE CITY OF CHATTANOOGA, IN SUBSTANTIALLY THE FORM ATTACHED, FOR A TEMPORARY FORTY (40') FOOT LOCKED GATE OPENING IN THE STATE'S CONTROLLED ACCESS FENCE AT MILE MARKER 1.569 ADJACENT TO I-75N, WITH A TERM THAT WILL AUTOMATICALLY TERMINATE UPON COMPLETION OF THE E2I2 CONSTRUCTION PROJECT, WITH THIS BEING AT AN ANNUAL FEE OF ZERO DOLLARS (\$0).

BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby authorizing the Chair or Vice-Chair to execute a License Agreement with the State of Tennessee, acting by and through its Commissioner of Transportation, and the City of Chattanooga, in substantially the form attached, for a temporary forty (40') foot locked gate opening in the State's controlled access fence at mile marker 1.569 adjacent to I-75N, with a term that will automatically terminate upon completion of the e2i2 construction project, with this being at an annual fee of zero dollars (\$0).

ADOPTED: October 7, 2024

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

KERRY HAYES, Chair

GORDON PARKER, Secretary

This Instrument prepared by:
State of Tennessee
Department of Transportation
Region 2
7512 Volkswagen Drive
Chattanooga, TN 37416
(Local Government)

Project No. I-75-1(7)0
Tract: 1
Hamilton County
Request No. 7199

LICENSE AGREEMENT

THIS AGREEMENT is made and entered into as of this the _____ day of _____, 2024 by and between THE STATE OF TENNESSEE, acting by and through its Commissioner of Transportation, (hereinafter referred to as “State”) and the **CITY OF CHATTANOOGA, TENNESSEE** and the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA (hereinafter referred to as “Licensees”).

WHEREAS, Licensees desire to use a portion of the Licensed Premises for a temporary forty (40’) foot locked gate opening in the state’s controlled access fence at mile marker 1.569 adjacent to I-75 N for the purpose of constructing storage tanks in Hamilton County, Tennessee; and

WHEREAS, the State is willing to permit said use of the Licensed Premises subject to certain conditions.

NOW, THEREFORE, in consideration of the execution of this License Agreement, it is mutually agreed between the parties hereto as follows:

1. **LICENSE** – Licensees are hereby granted permission to use the Licensed Premises for a temporary forty (40’) foot gated opening in the state’s controlled access fence at mile marker 1.569 adjacent to I-75 N for the purpose of constructing storage tanks in Hamilton County, Tennessee, being more specifically described in Exhibit A, attached hereto, and made a part of this License Agreement (hereinafter referred to as the “Improvements”).
2. **USE OF LICENSED PREMISES** - Licensees shall be permitted to use the Licensed Premises **for a public use purpose, subject to cancellation for failure to continue public use** for the construction of the Improvements. Licensees may only use the Licensed Premises between 9:00 pm eastern time and 6:00 am eastern time Sunday through Thursday. The opening shall be used for large construction equipment only and shall not be used as a staff entrance. Licensees shall not be permitted to use the Licensed Premises for any other purpose or at any other times of the day except by prior written permission of the State. Licensees’ use of the Licensed Premises is subject to any easements of record and to the right of any utility owner to operate and maintain any existing utility facilities within the Licensed Premises.
3. **FEE** – Licensees shall pay \$0 per year to the State for the use of the Licensed Premises.
4. **TERM** – This License Agreement shall be effective upon execution by the parties and shall terminate upon the completion of construction of the project. Licensees

shall restore the Licensed Premises to its original condition upon termination of this Licensed Agreement.

5. **ACCESS** – Licensees shall be provided access to the Licensed Premises upon coordination with TDOT Region 2 Operations for all planned times of the uses authorized herein. TDOT shall be provided a key to the gate placed on the controlled access fence.
6. **TRAFFIC CONTROL** - At no time will work authorized by this license agreement interfere with the normal flow of traffic on roadways adjoining the Licensed Premises. Licensees are responsible for providing traffic control for this work zone in accordance with the requirements of the current *Manual on Uniform Traffic Control Devices*. Final entrance plans, including traffic control and signing, shall be reviewed and approved by TDOT before work may begin. If proper traffic control is not in place, TDOT may order Licensees to stop work until proper traffic control is put in place.
7. **FIRE HAZARD** - The Property shall not be used for the manufacture or storage of flammable material or for any other purpose deemed by the STATE or the Federal Highway Administration to be a potential fire hazard or other hazard to the highway. The determination as to whether or not a use constitutes such a hazard shall be in the sole discretion of the STATE or the Federal Highway Administration. The operation and maintenance of said property will be subject to regulation by the STATE to protect against fire or other hazard which could impair the use, safety or appearance of the highway. LICENSEES shall provide access, at all times, for firefighters and accompanying equipment.
8. **DAMAGE TO STATE PROPERTY** - Licensees shall be liable for any damage to state property resulting from Licensees' use of the Licensed Premises and/or installation and operation of the Improvements, including but not limited to, the roadway, shoulders, guardrail, drainage, landscaping, signs and controlled-access fences. All repair or replacement of such damage shall be made in accordance with the current TDOT Standard Specifications for Road and Bridge Construction, TDOT Standard Drawings and any other applicable design and/or construction standards or guidelines.
9. **LIABILITY** - Licensees shall assume all liability for claims arising out of conduct on the part of the Licensees for which they would be liable under the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101, et seq., up to the limits for which it can be held liable for such conduct under that act, arising from its use of the Licensed Premises. In addition, Licensees shall require that any contractor of Licensees that performs any work on the Licensed Premises, including any installation, maintenance, or operation of the Improvements, shall indemnify and hold harmless the State and all of its officers, agents and employees from all suits, actions or claims of any character arising from the contractor's acts or omissions in the prosecution of the work.
10. **INSURANCE** - The Licensees, their successors and assigns, agree to maintain adequate public liability insurance, which may include self-insurance, and will provide satisfactory evidence of such insurance to the State. Further, the liability limits of this insurance must not be less than the exposure and limits of the Licensees' liability under the Tennessee Governmental Tort Liability Act, Tenn. Code Ann. § 29-20-101, et seq. The insurance policy shall include a provision for the insurance company to notify the State in writing of any cancellation or changes of the policy at least 30 days in advance of the cancellation or change. In addition, Licensees shall require that any contractor of Licensees that performs any work on the Licensed Premises, including any installation, maintenance, or operation of the Improvements, shall provide proof of adequate and appropriate general liability insurance providing liability coverage in an amount not less than

\$1 million dollars per occurrence and \$300,000 per claimant, naming the State of Tennessee as an additional insured.

11. **PERMITS** – Licensees are responsible for obtaining and paying the costs of all permits, licenses or other approvals by any regulatory body having jurisdiction over the uses authorized herein. Prior to commencing the work authorized herein, Licensees shall notify Tennessee One Call regarding any excavation(s) and shall ensure that the provisions of TCA 65-31-101 et seq. are met.
12. **COMPLIANCE** – All work on the Licensed Premises shall be performed in compliance with current TDOT Landscape Design Guidelines and TDOT Standard Drawings in addition to applicable federal, state and local laws and regulations. Should Licensees fail or neglect to comply with any term or condition of this License Agreement or to comply with written notice and demand, this License shall be subject to termination. In the event of such termination, Licensees shall immediately remove any and all of its Improvements from the licensed Premises and surrender all rights and privileges under this License Agreement; otherwise, on written notification by the State, the Improvements will be removed and said Licensed Premises restored to its former condition in a timely manner at the expense of the Licensees.
13. **TITLE VI ASSURANCES** – The Licensees for themselves, their successors in interest and assigns, as part of the consideration hereof does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the property described in this License Agreement for a purpose for which the State or a State program or activity is extended or for another purpose involving the provision of similar services or benefits, the Licensees shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations shall be amended.
14. **AMERICANS WITH DISABILITIES ACT ASSURANCES** – The Licensees for themselves, their successors in interest and assigns, as part of the consideration hereof does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the property described in this License Agreement for a purpose for which the State or a State program or activity is extended or for another purpose involving the provision of similar services or benefits, the Licensees shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 28, Code of Federal Regulations, Parts 35 and 36, Nondiscrimination on the Basis of Disability in State and Local Government Services and Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities, and as said regulations shall be amended. The Licensees further agree that if any pedestrian facilities are constructed, maintained, or operated on the property described in this License, the Licensees shall construct, maintain, and operate such facilities in compliance with the Architectural and Transportation Barriers Compliance Board’s “Accessibility Guidelines for Pedestrian Facilities in Public Rights-of-Way” (proposed 36 CFR Part 1190; published in the Federal Register, July 26, 2011).
15. **REVERSION** – In the event that the Licensed Premises is needed for a transportation project, Licensees shall remove any and all of its Improvements from the Licensed Premises and surrender all rights and privileges under this License Agreement within 60 days of receiving written notice from the State. In the event that the Licensed Premises is needed for a highway maintenance project, the use of the Licensed Premises will cease temporarily until the maintenance project is completed. In the event that a utility owner needs to maintain an

existing utility facility, the Licensees' use of the Licensed Premises may cease or be impaired until the utility maintenance activity is completed.

- 16. **ADJACENT PROPERTY** – Licensees state and affirm that the Improvements constructed and maintained on the Licensed Premises are not relevant to any adjacent property's activities, features, or attributes that qualify the adjacent property for protection under Section 4(f) of the Department of Transportation Act of 1966 (Pub. L. 89—670, 80 Stat. 931) now codified at 23 U.S.C. § 138, 49 U.S.C. § 303, and 23 CFR Part 774 (hereinafter referred to as "Section 4(f)"). Therefore, neither the act of reversion nor termination of this Agreement, nor any transportation related activities occurring on the Licensed Premises (including, but not limited to, maintenance activities, construction activities, etc.), would result in a substantial impairment to the activities, features, or attributes that may qualify Licensees' adjacent or nearby property for protection under Section 4(f).
- 17. **NO PERMANENT OWNERSHIP** – Licensees do not currently possess, nor through this Agreement acquire, permanent ownership or control over the Licensed Premises.
- 18. **TERMINATION** – The State may terminate this License at will with 60 days written notice to Licensees.
- 19. **ASSIGNMENT** – The License shall not be transferred, conveyed or assigned to another party without prior written approval from the State.

TO THE LICENSEES:

City of Chattanooga, Tennessee
Real Property Division
Attention: Gail Hart
101 East 11th Street, Suite G-18
Chattanooga, Tennessee 37402

TO THE STATE:

Department of Transportation
Brian Dickerson, Excess Land Office
Suite 600, James K. Polk Building
505 Deaderick Street
Nashville, Tennessee 37243-0337

Industrial Development Board of the City of Chattanooga
101 East 11th Street
Chattanooga, Tennessee 37402

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

LICENSEES:

CITY OF CHATTANOOGA, TENNESSEE

Richard J. Beeland
Administrator of Economic Development

DATE: _____

INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA

DATE: _____

APPROVED AS TO FORM

License Agreement
Request No. 7199

AND LEGALITY:

Attorney for Licensees

DATE: _____

STATE OF TENNESSEE

Howard H. Eley
Deputy Governor and Commissioner
Tennessee Department of Transportation

DATE: _____

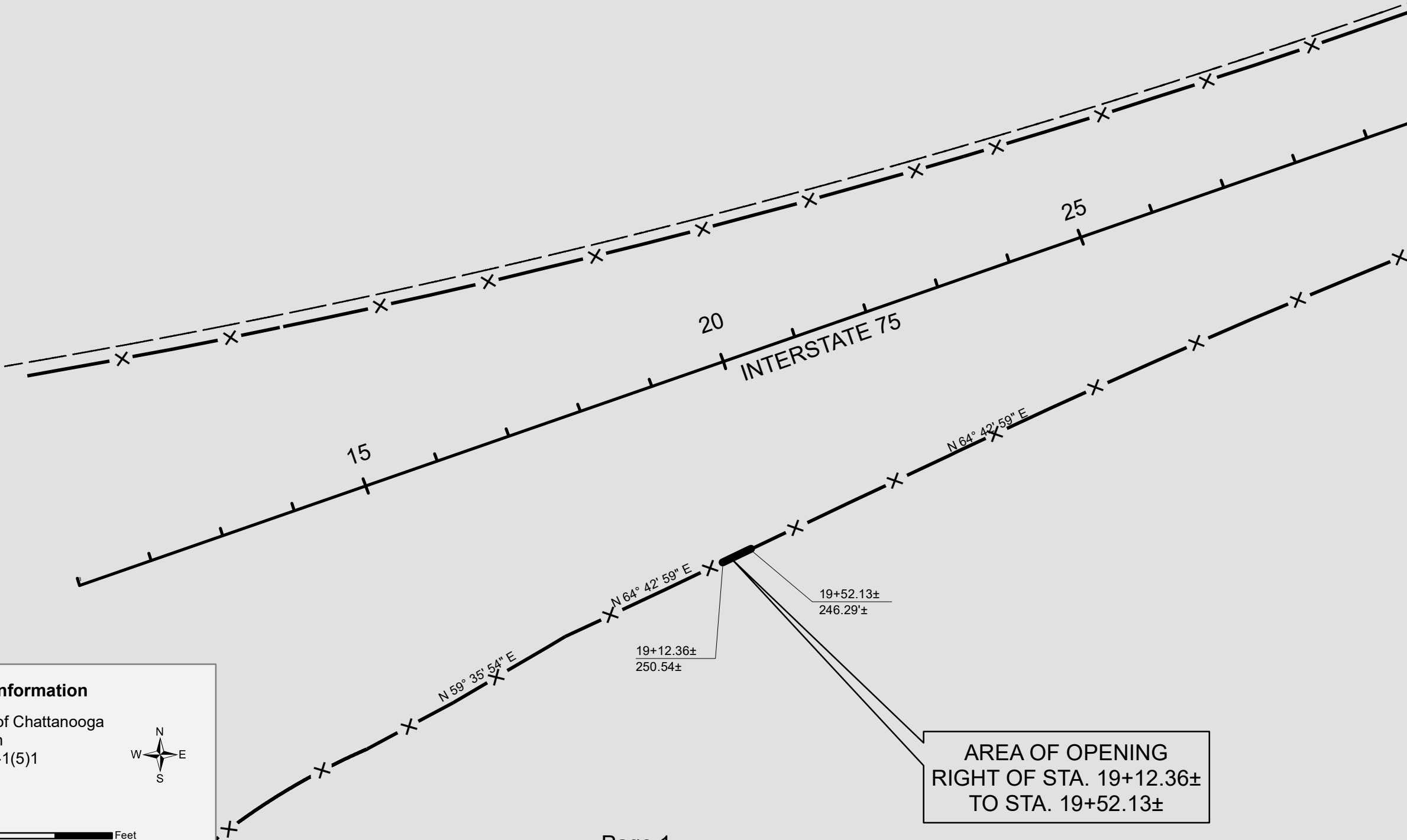
APPROVED AS TO FORM
AND LEGALITY:

Leslie South, General Counsel
Tennessee Department of Transportation

DATE: _____

City of Chattanooga - Access Opening - I-75

POT-1+00.00



AREA OF OPENING
RIGHT OF STA. 19+12.36±
TO STA. 19+52.13±

Map Information

Requestor: City of Chattanooga
County: Hamilton
Federal No: I-75-1(5)1
State No: N/A
Tract No: 1



1 inch = 150 feet
0 37.5 75 150 225 300 Feet

EXHIBIT A

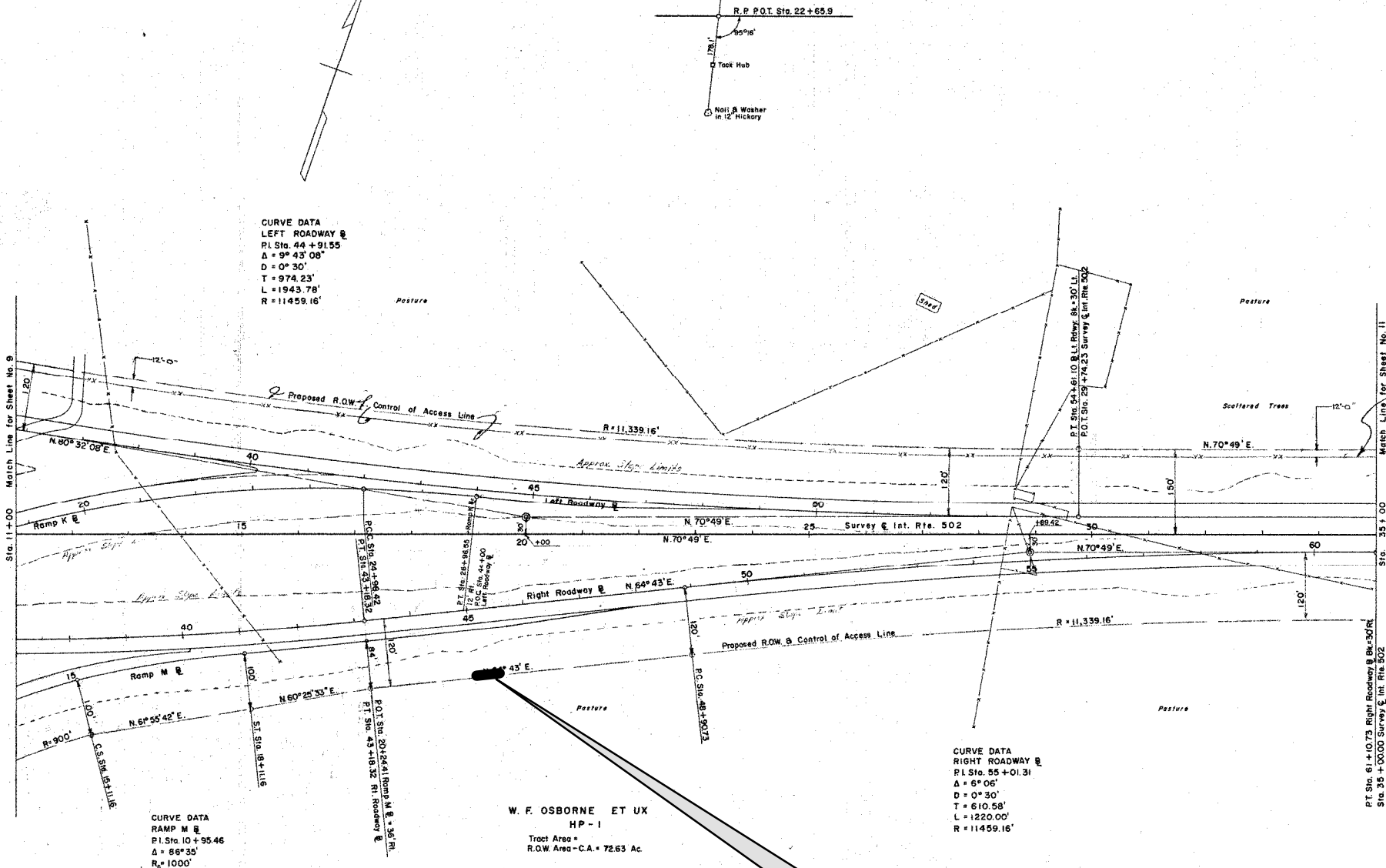
City of Chattanooga - Access Opening - I-75

| FED. ROAD DIST. NO. | T E N | FEDERAL AID PROJECT NO. | FISCAL YEAR | SHEET NO. | TOTAL SHEETS |
|---------------------|-------|-------------------------|-------------|-----------|--------------|
| 3 | N | I-75-1(5) 0 | 1958 | 10 | 31 |

R.O.W.
PART - 2
PROJ. I-75-1(5)1

| FED. ROAD DIST. NO. | T E N | FEDERAL AID PROJECT NO. | FISCAL YEAR | SHEET NO. | TOTAL SHEETS |
|---------------------|-------|-------------------------|-------------|-----------|--------------|
| 3 | N | I-75-1(5) 0 | 1958 | 11-C | 336 |

REV. 4-20-60: CHANGED CONTROL OF ACCESS LINE & FENCE AS REQUIRED BY THE ELECTRIC POWER BOARD OF CHATTANOOGA FOR REASONS AS DESCRIBED IN NOTE.



NOTE: FENCE TO BE INSTALLED TO BE IN LINE WITH THE CONTROL OF ACCESS LINE TO BE INSTALLED AS SHOWN ON THIS PLAN. THE FENCE TO BE INSTALLED TO BE IN LINE WITH THE CONTROL OF ACCESS LINE TO BE INSTALLED AS SHOWN ON THIS PLAN. THE FENCE TO BE INSTALLED TO BE IN LINE WITH THE CONTROL OF ACCESS LINE TO BE INSTALLED AS SHOWN ON THIS PLAN.

Map Information

Requestor: City of Chattanooga
 County: Hamilton
 Federal No: I-75-1(5)1
 State No: N/A
 Tract No: 1

1 inch = 261 feet

AREA OF OPENING
RIGHT OF STA. 19+12.36±
TO STA. 19+52.13±

RESOLUTION

A RESOLUTION AUTHORIZING THE INDUSTRIAL DEVELOPMENT BOARD CHAIR OR VICE-CHAIR, THE CITY OF CHATTANOOGA CHIEF FINANCIAL OFFICER, DEPUTY CHIEF FINANCIAL OFFICER, AND BUDGET OFFICER TO EXECUTE ALL DOCUMENTS RELATING TO CAPITAL PROJECT RETAINAGE FOR THE E2I2 CAPITAL PROJECT AND FUTURE WASTEWATER CAPITAL PROJECTS PROCURED THROUGH THE INDUSTRIAL DEVELOPMENT BOARD, AND ON BEHALF OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA.

BE IT RESOLVED, that the Industrial Development Board of the City of Chattanooga is hereby authorizing the Chair or Vice-Chair, the City of Chattanooga Chief Financial Officer, Deputy Chief Financial Officer, and Budget Officer to execute all documents relating to capital project retainage for the e2i2 capital project and future Wastewater capital projects procured through the Industrial Development Board, and on behalf of the Industrial Development Board of the City of Chattanooga.

ADOPTED: October 7, 2024

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF CHATTANOOGA

Attest:

KERRY HAYES, Chair

GORDON PARKER, Secretary