



WORK SESSION - KINGSTON CITY COUNCIL

Tuesday, January 2, 2024

6:00 P.M.

A G E N D A

1. Invocation and Pledge
2. Call to Order
3. Citizens Comments
4. Discussion to of a request by the Tennessee Municipal League to re-affirm support for the restoration of the historical state shared sales tax relationship and the increased single-article cap revenue-sharing relationship between the State of Tennessee and local governments (City Manager David Bolling)
5. Discussion of recommendation to award a contract for GIS services funded through the American Rescue Plan Act (City Manager David Bolling, Utility Director Kevin Hamilton)
6. Discussion of the Council's intentions regarding the future of the Beautification Committee (Mayor Tim Neal)

THIS WORKSHOP IS OPEN TO THE PUBLIC AND WILL BE HELD IN THE CITY COUNCIL ROOM, ON THE 2nd FLOOR OF CITY HALL, AT 900 WATERFORD PLACE IN KINGSTON. IN ADDITION, ALL MEETINGS ARE LIVESTREAMED ON OUR WEBSITE, WWW.KINGSTONTN.GOV, AND WILL BE POSTED TO YOUTUBE. A LINK TO THE VIDEO WILL BE POSTED TO OUR FACEBOOK PAGE.



CITY OF KINGSTON

CITY COUNCIL

AGENDA INFORMATION SHEET

AGENDA DATE: 01/02/24

DEPARTMENT: Legislative

AGENDA CAPTION: Discussion of a request by the Tennessee Municipal League to re-affirm support for the restoration of the historical state shared sales tax relationship and the increased single-article cap revenue-sharing relationship between the State of Tennessee and the local governments

SUBMITTOR: City Manager David Bolling

SUMMARY: As some of you remember, Council adopted Resolution 22-2-08-01 formally supporting the restoration of the historical revenue-sharing relationship of recurring state shared sales tax and the allowance of local governments to receive sales tax revenue realized on items with a purchase price above \$1,600.

Unfortunately, despite a significant statewide lobbying effort, the proposed legislation failed to make it out committee during the last legislative session.

TML is planning to once again introduce this legislation and has asked that you consider a motion re-affirming the position that you took in 2022.

CITY MANAGER'S RECOMMENDATION: Approval

IMPLEMENTATION PROCESS: N/A

FISCAL NOTE / FUNDING SOURCE: N/A

ATTACHMENT(S): Summary of the Restore, Return and Relief proposal, copy of Resolution 22-2-08-01

RESTORE RETURN RELIEF

RESTORE

TML's legislation fully **RESTORES** the historic revenue sharing relationship between the state and municipalities by allowing municipalities to once again share in 100% of the state sales tax revenues flowing to the state's general fund and by allowing local governments to realize 100 % of the local share of sales tax revenues generated by the 2002 increase in the single article cap.

State-Shared Sales Tax

- First established in 1947 and maintained for 55 years, the revenue sharing relationship between the state and municipal governments was maintained through five subsequent increases in the state sales tax rate, with municipalities continuing to receive 4.6% of the total state sales tax , including those revenues associated with each new rate increase.
- To stave off a budget crisis in 2002, the state altered the historic sharing relationship with Tennessee's municipalities, when the state approved an increase in the state sales tax rate from 6% to 7 %, but the revenues associated with the 1% increase accrued entirely to the state's general fund and precluded sharing with cities.
- As a result of altering the historic sharing relationship in 2002, the state only returns 3.6% of total state sales tax revenues to municipalities.
- Last year, alone, this difference amounted to the state's general fund retaining \$78 million more had the 2002 change not been made.
- In the 20 years since that "temporary measure" was enacted, cities have been denied some \$933 million in additional sales tax revenues.

Single Article Cap

- Also, in 2002, the state increased the amount of the purchase price on a large, single item like a car or piece of furniture that is subject to the combined state and local option sales tax (9.75%) from \$1,600 to \$3,200. But rather than sharing that increased amount with local governments, the state claimed all of the Local Option Sales Tax (2.75%) revenues on sale items that cost between \$1,600 and \$3,200.
- Last year, alone, the state received \$74 million in sales tax revenue that were generated by the additional 2.75% levy on items with a purchase price above \$1,600. As a result, nearly \$37 million in sales tax revenues were diverted from local school systems and another \$37 million was diverted from local governments.
- Since its adoption in 2002, the state has received \$1.02 billion in sales tax collections from the increase of single article cap – revenues that would have benefitted the municipality, county, and school system where these purchases occurred.

The combined effect of these two "temporary" measures has allowed nearly \$2 billion in sales taxes to accrue entirely to the benefit of the state's general fund and at the expense of municipalities and municipal taxpayers. The returned revenue would provide relief to local taxpayers, allow local governments to meet funding demands necessary to maintain vital infrastructure, provide essential services to our citizens, fuel economic expansion, and afford the quality of life that has allowed this state to prosper.

RESTORE RETURN RELIEF

[Return to
Table of
Contents](#)

RETURN

TML's legislation **RETURNS** millions in locally-generated sales tax revenues to Tennessee towns and cities to assist with the ever-increasing costs of providing essential services that affords residents a high quality of life, and promotes an environment that has enabled existing businesses and industries to succeed and grow.

- The combined effect of the state's actions in 2002 has been to allow nearly \$2 billion in sales tax revenues to accrue entirely to the benefit of the state's general fund and at the expense of municipalities and municipal taxpayers.
- It has been 20 years since these two, "temporary" measures were adopted. In the two decades since these provisions took effect, the state of Tennessee's dynamic economic and fiscal policies has erased the conditions that led to these austerity measures.
- Tennessee state leaders have managed the budget with great care and a strong fiscally conservative approach to create a sustained period of economic vitality with eight consecutive years of surplus revenues and demonstrated fiscal performance.
- The state has amassed the healthiest of budget reserves, and the existence of recurring revenues allow for permanent restoration. Since the 2009 economic downturn, the governors and the General Assemblies have worked together to increase the State's rainy-day fund by \$1.1 billion and to bolster unrestricted budgetary reserves to \$9.3 billion. In addition, the State has an estimated \$2.75 to \$3.3 billion in unobligated recurring revenues.
- The state has never been in a better fiscal position to restore the historical relationship and return to the revenue-sharing practices that existed prior to 2002.
- Now is the time.

RESTORE RETURN RELIEF

[Return to
Table of
Contents](#)

RELIEF

TML's legislation brings tax **RELIEF** to our communities by returning more of the sales tax revenues already being collected locally.

- Cities are the economic engines of the state. On average, about 90% of sales tax revenues realized by the state, are generated within city limits. Or in other words, about \$9 out of every \$10 in state sales tax collections are generated within city limits.
- Economic growth is intentional and when it occurs, it is financed largely through city taxes paid by municipal residents and businesses.
- City tax collections pay for essential services such as police, fire, streets, water and sewers, schools, parks, libraries and other services and amenities that attract, nurture and support business and make our communities desirable places to live, work and raise our families.
- Each dollar of shared revenue returned to the community is a dollar less in local taxes that municipal taxpayers must provide to keep the State's economic engines producing.
- The restoration of these shared revenues would relieve the pressure on local property taxes that impact every citizen in our cities and towns. At a time of high inflation, the reallocation of 4 cents on every available dollar means budget flexibility and more resources for essential services.
- Our state is in a solid financial position. Our cities and towns should benefit through the reinstatement of state shared revenues that will mean tax relief for most Tennesseans.

RESOLUTION 22-2-08-01

A RESOLUTION SUPPORTING THE RESTORATION OF THE HISTORICAL STATE SHARED SALES TAX RELATIONSHIP AND THE INCREASED SINGLE-ARTICLE CAP REVENUE-SHARING RELATIONSHIP BETWEEN THE STATE OF TENNESSEE AND LOCAL GOVERNMENTS

WHEREAS, cities throughout the state of Tennessee are the economic engine of the state and today, 92% of the state's total sales tax collections are generated within city limits; and

WHEREAS, in 1947, the state began sharing 4.6% of each year's total state sales tax collections with cities for the purposes of recognizing the collective contribution of cities as the state's economic engine; thereby acknowledging that city residents incur a local tax burden that is directly attributable to financing, developing, and maintaining an economic environment that continues to generate a healthy portion of the sales tax revenue accruing to the state; and

WHEREAS, when confronting serious fiscal challenges in 2002, the state of Tennessee increased the state sales tax rate from 6% to 7%; however, cities were precluded from receiving their share of the 1% increase in sales tax revenue; and

WHEREAS, as a result of this change to the historical sharing relationship of state sales tax revenue, municipalities are only receiving a share of the state sales tax generated by 5.5% of the state sales tax rate rather than the full 7%; and

WHEREAS, because of this altered sharing relationship, the City of Kingston was denied an estimated \$93,805 in shared sales tax revenue in fiscal year 2021, and cities across Tennessee have been denied approximately \$835 million in shared sales tax revenues since its adoption; and

WHEREAS, at the same time in 2002, the state also doubled the amount of the purchase price of individual sale items (single-article cap items) subject to the combined state and local option sales tax of 9.75% from \$1,600.00 to \$3,200.00; and

WHEREAS, in addition to the state continuing to retain 100% of its 7% levy on the sale of single-article cap items, the state also captured, and continues to capture, 100% of the 2.75% portion of the sales tax levy that is customarily reserved for local government on the added sale of items with a purchase price above \$1,600.00; and

WHEREAS, since the adoption of the single-article cap increase in 2002, the state has received more than \$951 million in sales tax collections that would have benefitted cities, counties and school systems where these purchases occurred; and

WHEREAS, the returned revenue to cities, including Kingston, would (1) provide relief to local taxpayers and assist local governments in meeting the increasing demand for services, (2) provide an environment that has enabled existing businesses and industries to succeed, (3) promote further economic expansion, and (4) afford residents a high quality of life that has allowed the state of Tennessee to prosper.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Kingston, on behalf of its residents, formally supports the restoration of the historical revenue-sharing relationship of recurring state shared sales taxes in order for cities to once again receive 4.6% of all state general fund sales tax revenue. The Council also formally supports the allowance of local governments to receive sales tax revenues realized on items with a purchase price above \$1,600.00.

ADOPTED, this 8th day of February, 2022.



Mayor Timothy Neal

Attest:


City Clerk



CITY OF KINGSTON

CITY COUNCIL

AGENDA INFORMATION SHEET

AGENDA DATE: 01/02/24

DEPARTMENT: Water / Wastewater

AGENDA CAPTION: Discussion of recommendation to award a contract for GIS services funded through the American Rescue Plan Act

SUBMITTOR: City Manager David Bolling, Utility Director Kevin Hamilton

SUMMARY: One of the projects that we submitted to TDEC for approval under the American Rescue Plan Act was GIS services. While we obviously don't know what the final cost will be, we budgeted \$12,000 for the work in our ARPA application.

In all, we received four responses to our RFQ. After evaluating each, we are recommending that the project be awarded to East Tennessee GIS and Design. We've done work with them before, and they know our system. In addition, not only were they the only local firm to respond, but the only one from Tennessee. We feel that their experience and proximity will both serve our utility well. We're also happy to have the opportunity to support a Roane County business.

CITY MANAGER'S RECOMMENDATION: Approval to award the contract for GIS services to East Tennessee GIS and Design

IMPLEMENTATION PROCESS: TBD

FISCAL NOTE / FUNDING SOURCE: \$12,000 (est.) / ARPA utility funding

ATTACHMENT(S): Copy of the RFQ and the statement of qualifications for East Tennessee GIS and Design

CITY OF KINGSTON REQUEST FOR QUALIFICATIONS GIS SERVICES

The City of Kingston will be accepting statements of qualifications from qualified firms for the following:

GIS Services in connection with the Tennessee Department of Environment and Conservation American Rescue Plan Act (TDEC ARPA)

Proposals must be received by the City of Kingston by 2:00 p.m. EST on Thursday, October 12, 2023. Proposals should be submitted to David Bolling, City Manager, 900 Waterford Place, Kingston, TN 37763 no later than 2:00 p.m. EST on Thursday, October 12, 2023. Proposals received after 2:00 p.m. on October 12, 2023 will not be considered.

All proposals should be marked with the following language: **GIS SERVICES
STATEMENT OF QUALIFICATIONS FOR THE CITY OF KINGSTON TDEC ARPA**

Anticipated scope of work:

- Implementation of ArcGIS Survey123 on the City of Kingston's existing server
- Creation of custom electronic forms through ArcGIS Survey123
- Development of custom mobile applications along with corresponding web maps
- Addition of asset layers to the City of Kingston's existing mapping
- Establishment of real-time, web-based dashboards for management to monitor and access data entered from the field

Qualifications will be evaluated on the following factors:

- Specified experience or technical expertise of the firm in connection with the type of services to be provided
- Past record of performance on contracts with the community and other clients including quality of work, timeliness, and cost control.
- Capacity of firm to perform the work within time limitations, taking into consideration the current and planned workload of the firm.

To be evaluated properly, the following must be addressed in detail:

- **Qualifications** – Availability of qualified personnel and capacity of the firm to carry-out professional GIS services
- **Experience** – Experience and technical expertise of the firm and its personnel as well as information regarding projects previously undertaken, including the types and cost of projects.
- **Scope of Services** – Summarize scope and type of services understanding of program and tasks.

The City of Kingston is an Equal Opportunity Provider and Employer. The City of Kingston encourages Minority-owned Business Enterprises (MBEs) and Woman-owned Business Enterprises (WBEs) to submit qualifications.

The City of Kingston will award a contract to the firm, or firms, deemed most qualified to provide services as requested. The contract(s) will include scope and extent of work and other essential requirements.

The City of Kingston reserves the right to reject any and all proposals.

September 22, 2023

INSTRUCTIONS TO NEWSPAPER:

VIA EMAIL:

staylor@roanecounty.com

Roane County News

The above Notice is to be published as a **2 Column x 4 Inch Display Ad in the Classified Section of the Wednesday, September 27, 2023** edition of your newspaper. An affidavit of publication and the invoice should be sent to the addresses below. If you have any questions, please do not hesitate to contact Heather Allen at (615) 386-0222.

Thanks for your assistance.

Affidavit of Publication

David Bolling, City Manager
City of Kingston
P.O. Box 407
Kingston, TN 37763

Invoice

David Bolling, City Manager
City of Kingston
900 Waterford Place
Kingston, TN 37763



East TN GIS and Design
129 Brenray Drive
Harriman, TN 37748
Phone: (865) 283-1952
E-mail: mike@etngis.com

September 26, 2023

City of Kingston
David Bolling, City Manager
900 Waterford Place
Kingston, TN 37763

RE: GIS SERVICES STATEMENT OF QUALIFICATIONS FOR THE CITY OF KINGSTON TDEC ARPA

Since we commenced our collaboration with you in early 2021 to modernize existing maps of your water and sewer systems, you have expressed your aspiration to secure funding for the development of a modern GIS program. This program would leverage ESRI's ArcGIS for Utilities solutions, including mobile applications and digital forms, to enhance the precision of your digital mapping and provide your workforce with tailored tools for consistent asset data input and ongoing work tracking.

We welcome the opportunity to submit our qualifications and professional services to support the realization of these objectives. The proposed undertaking aims to modernize utility operations, enhance efficiency, and reduce operational expenses. The outcome of this project will be a contemporary GIS program that will serve generations of workers to come. It will serve as a lasting, indispensable resource for employee training and system diagnostics well into the future. Additionally, it will fortify Kingston against the impact of unforeseen employee turnover and furnish tools for ongoing operational efficiency improvements.

Qualifications:

With a team of three dedicated employees, East Tennessee GIS & Design is currently managing one active project and providing maintenance services to two existing partners. This demonstrates our capacity to efficiently carry out professional GIS services while ensuring ongoing support for our clients.

Experience:

East Tennessee GIS & Design is an accomplished agency in the GIS (Geographic Information Systems) field, boasting a decade of experience in utilizing ESRI products such as ArcGIS Enterprise, ArcGIS Online, Survey123, and Field Maps for ArcGIS. Our strength lies in facilitating the transformation of utility companies from paper-based processes to fully digital operations, harnessing the power of GIS technology to revolutionize how data is collected, managed, and utilized.

One notable milestone in our journey was our invitation to present at the ESRI User Conference in 2018, the largest GIS conference globally. During this prestigious event, we had the privilege of explaining the process of transitioning an 80-year-old utility company from reliance on paper maps and forms to a state-of-the-art digital ecosystem. Our efforts culminated in the migration of all utility assets into an online repository, creating an enterprise-level system. Furthermore, we recreated all paper-based forms within Survey123, seamlessly integrating GIS into the daily workflow of employees across various departments.

At East Tennessee GIS & Design, our mission extends beyond digitization. We fundamentally transform the way employees collect and share utility data. Through real-time dashboards, decision-makers gain the tools they need to answer critical questions promptly. These dashboards have not only empowered internal stakeholders but have also been instrumental in sharing data with state inspectors, ensuring compliance with regulatory standards.

Within the context of recent projects, our commitment to excellence shines through:

- **Etowah Utilities:** We undertook the digitization of Etowah Utilities, a project that involved the creation of an enterprise database with industry-standard fields for sewer data. This endeavor also encompassed the development of a mobile application for field data collection, complete ArcGIS Online account administration, and the incorporation of essential state data into a "base layer" feature. Remarkably, the initial phase of this four-part project was completed within just seven business days of receiving the required information from Etowah, all while adhering to the initial budget of \$2,000.
- **Benton Waterworks:** When Benton Waterworks required updated mapping and the collection of missing data points for their existing maps, we answered the call. Over two days, we gathered missing water asset data, created a map book for field employees, and converted the entire system into easily shareable shapefiles. This comprehensive project, which also facilitated data sharing with consulting engineers, was successfully completed for \$6,000 within fifteen business days.
- **Kingston Waterworks & Sewer System:** Our extensive work for Kingston Waterworks & Sewer System involved the digitization of paper maps, merging them with existing digital assets, and creating a comprehensive enterprise database. We fully administered an ArcGIS Online organization, including user setup, permissions, and data backups and successfully delivered these items for \$4,800.

These projects exemplify our unwavering commitment to delivering exceptional GIS services, streamlining utility operations, enhancing data management, and equipping our clients with cutting-edge solutions. We are eager to bring our expertise and dedication to your GIS needs, offering comprehensive support tailored to your specific requirements.

Scope of Services: We anticipate the following services to be included in this project:

- Implementation of ArcGIS Survey123 on your existing server.
- Creation of up to eight (8) custom electronic forms through ArcGIS Survey123.
- Development of up to two (2) custom mobile applications along with corresponding web maps.
- Addition of two (2) new asset layers to your existing mapping.
- Establishment of two (2) real-time, web-based dashboards for management to monitor and access data entered from the field. Please refer to the table of proposed deliverables on the next page for details.
- Purchase of three (3) Apple iPad Pro 11" Wi-Fi/Cellular 4th Generation Tablets.

We look forward to collaborating with you on this significant project and contributing to the advancement of your utility operations.

Sincerely,



Michael Bailey
Chief Technology Officer
East Tennessee GIS & Design
(865)283-1952
mike@etngis.com
www.etngis.com



ECONOMIC IMPACT ANALYSIS

St. Croix Bassmaster Open at Watts Bar Lake

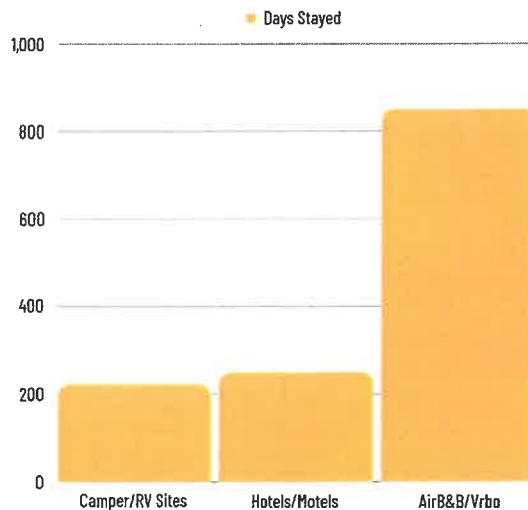


TOTAL DIRECT
EXPENDITURES

\$485,173

A total of 306 participants, from 36 states and five countries, visited Kingston for the 2023 St. Croix Bassmaster Open at Watts Bar Lake on September 14th-16th 2023. These individuals spent **\$148,948 on their lodging**, **\$65,880 on food**, **\$203,095 on gas** and **\$67,250 on tackle/shopping** - for a total of **\$485,173 in total direct expenditures**.

Daily Lodging Expenditures: \$92 (ADR)



179 Boaters
90 Co-Anglers
37 Staff Team Members
306 Total Participants

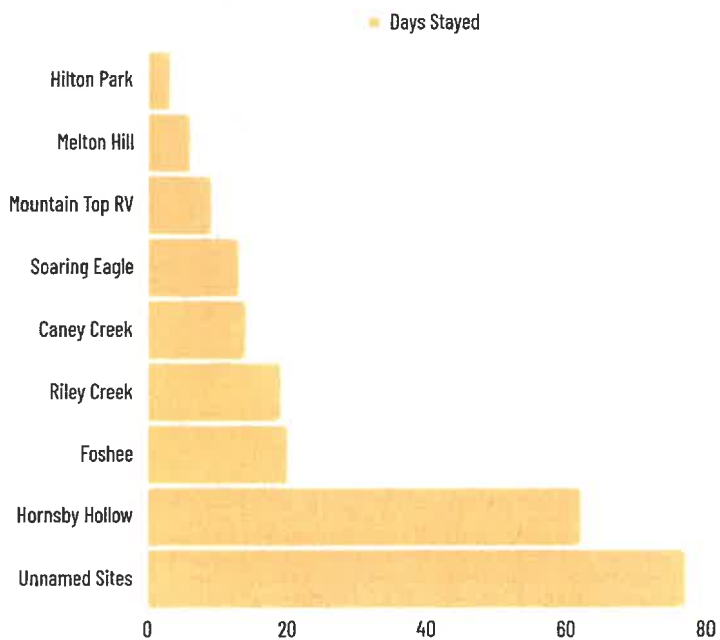




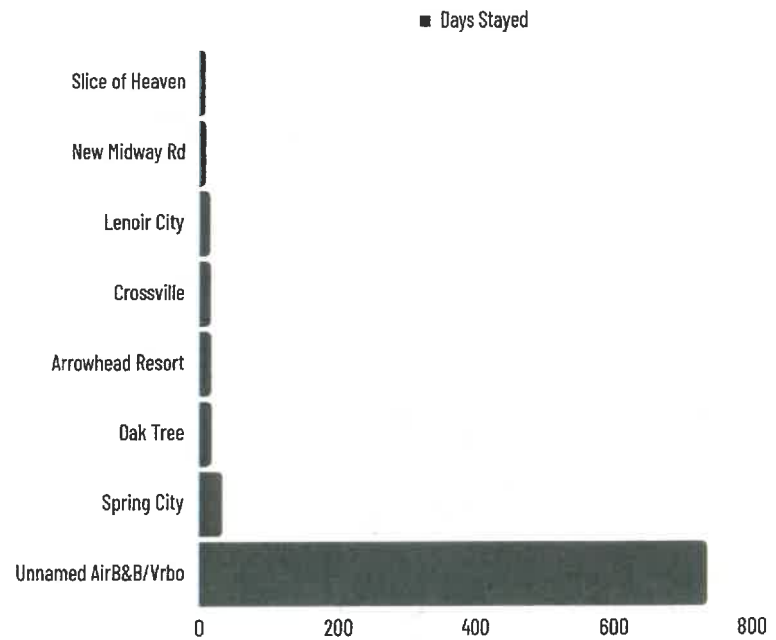
LODGING

The report highlights **lodging expenditures totaling \$149,948**, with Airbnb/VRBO emerging as the preferred choice, followed by hotels and campers/RVs. This data underscores a shifting trend in accommodation preferences.

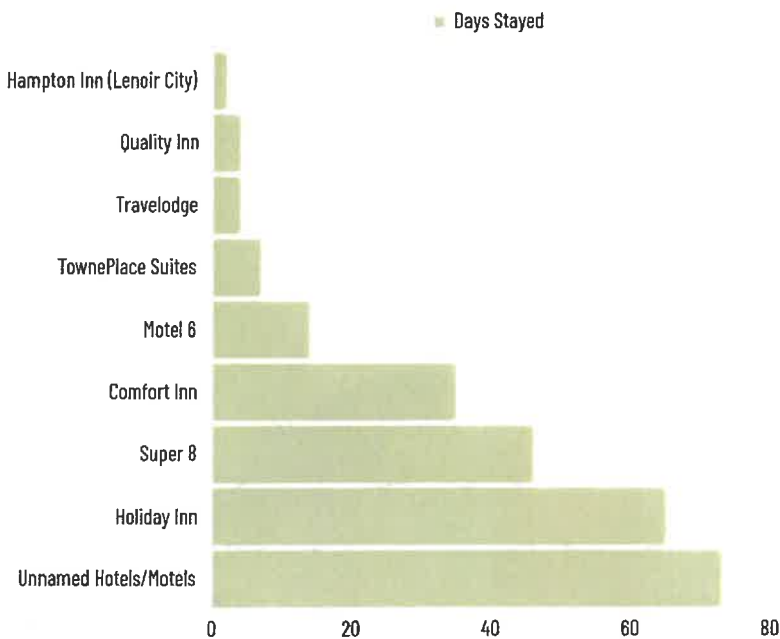
Campers / RV Sites : Total \$20,516



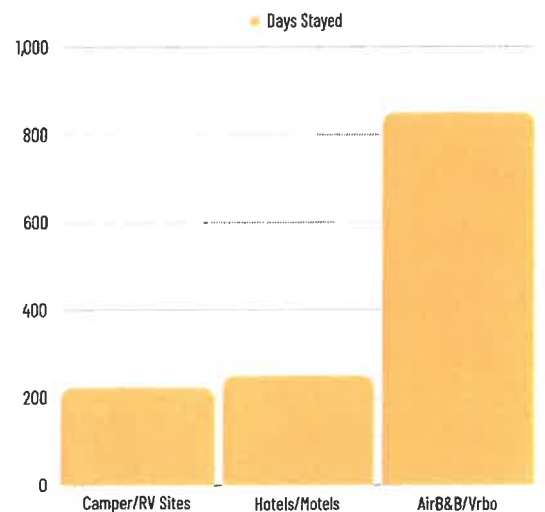
Air B&B / Vrbo : Total \$78,200



Hotels / Motels : Total \$50,232



Daily Lodging Expenditures: \$92 (ADR) Total \$148,948



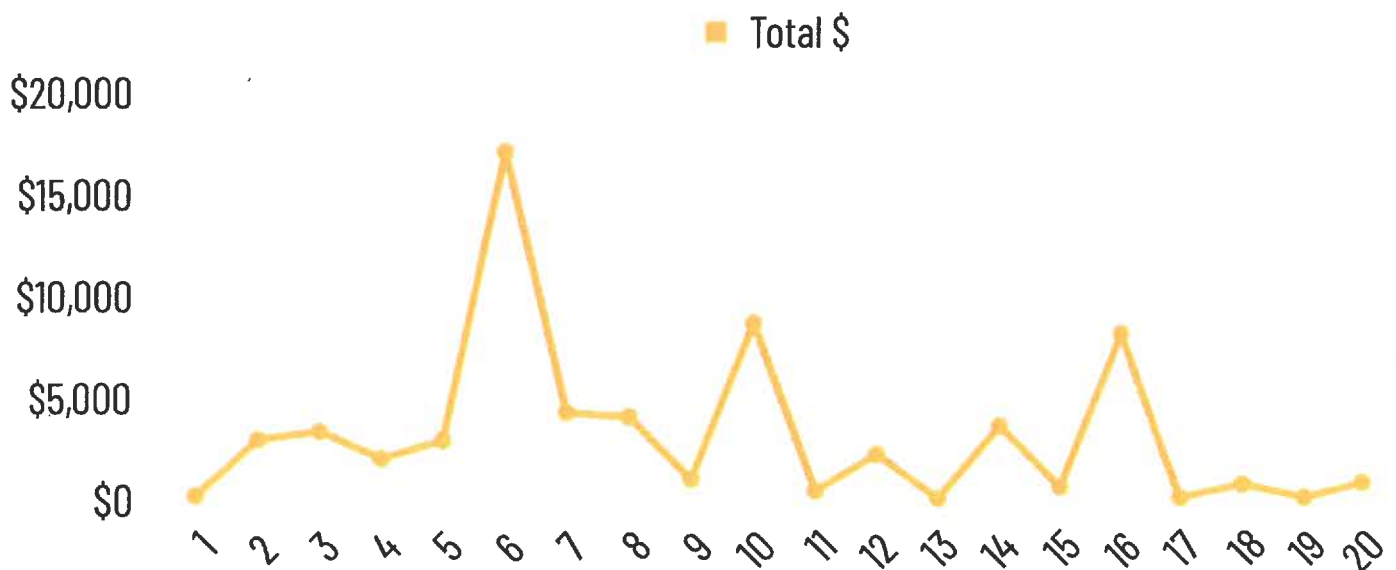
The Economic Impact Survey was conducted through a written survey to all participating anglers and co-anglers. Based upon the data received from the anglers and co-anglers, the following information was calculated with the utmost accuracy possible.



FOOD, GAS, SHOP

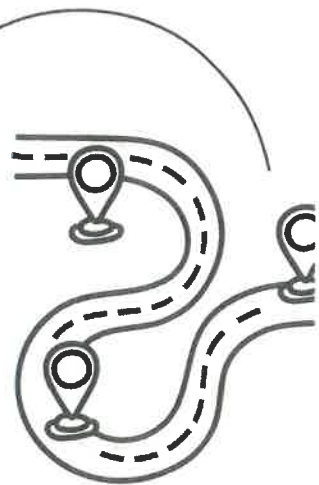
Survey data showed that the **daily food expenditures for overnight participants totaled \$62,424** with the majority of overnight participants eating out for approximately 6 meals during their stay, while 24 driving participants also contributed by eating out for approximately 6 meals which totaled \$3,456 in additional spending. Bringing the **total food expenditures to \$65,880.**

Daily Food Expenditures for Overnight Participants: \$36 (ADR)



Daily gas/oil expenditures were calculated using \$150 ADR for 269 participants who were on site for an average of 5 days which **totaled \$203,095 in gas/oil expenditures.**

Daily tackle/shopping/misc. expenditures were calculated using \$50 ADR for 269 participants who were on site for an average of 5 days which **totaled \$67,250 in tackle/shopping/misc. expenditures.**



The Economic Impact Survey was conducted through a written survey to all participating anglers and co-anglers. Based upon the data received from the anglers and co-anglers, the following information was calculated with the utmost accuracy possible.