



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

TENNESSEE STATE SCHOOL BOND AUTHORITY

**September 10, 2020
AGENDA**

1. Call meeting to order
2. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method by the University of Tennessee at Knoxville
3. Adjourn

**RESOLUTION TO APPROVE THE BORROWING OF
MONEY BY ANOTHER METHOD BY THE UNIVERSITY
OF TENNESSEE**

Recitals

Whereas the University of Tennessee-Knoxville (“UT-K”) desires to enter into an undetermined number of leases with terms possibly beginning in September 2020 and all ending, at the latest, on December 31, 2020, to supplement previously approved leases (the “Supplemental Leases”) for the rental of apartment units, beds or hotel rooms (collectively, the “Rooms” or, individually, a “Room”) in Knoxville, Tennessee including amending such existing leases to increase the number of Rooms leased; and

Whereas the Rooms will be for use by students who need to be quarantined due to a positive Covid-19 test or isolated due to possible exposure to Covid-19; and

Whereas the Rooms will be chosen based on factors including willingness to accept Covid-19 positive or symptomatic students, willingness to accept students to be isolated based on Covid-19 exposure, proximity to the UTK campus; availability of blocks of rooms or apartment units at the same location; and ownership by Tennessee based entities; and

Whereas the payments for the Supplemental Leases will be funded by UT-K through plant funds (Non-Auxiliary) and the amount of such payments must be capped by the amount of available plant funds.

BE IT RESOLVED BY THE TENNESSEE STATE SCHOOL BOND AUTHORITY:

1. In accordance with the authority provided by Tennessee Code Annotated Section 49-3-1205(11), the Authority gives its approval to the University of Tennessee to enter into the Supplemental Leases upon the condition that the total amount of payments for the Supplemental Leases made for the period September 2020 through December 31, 2020 shall not exceed the amount of plant funds available during such period.

BE IF FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of September 10, 2020.

Adopted by the Authority at its meeting on September 10, 2020.

JUSTIN P. WILSON, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

Jacqueline Felland

From: Sandi Thompson
Sent: Wednesday, September 9, 2020 3:31 PM
To: Kristi Harris; Austin Oakes ; Wilson, Barbara; Becky Douglas; Crystal Collins; Danny Gibbs (danny.gibbs@tbr.edu); David Burn; David Miller; David Topping; Diane Uhler; Dick Tracy; Jacqueline Felland; Jason Mumpower; Jennifer Pfeiffer; Jonathan (Jon) Shirley; Jonathan Rummel; Justin Ruffin; Kevin Bradley; Mark Graubner; Mark Paganelli, UT; Michelle Crowder, UT; Steven Gentile; Troy Williamson; Verna Howard; William Wood; Hipsky, Robin; Sharon Schmucker; Hopson, Tony (Tony); Angela Scott; Donna Jewell; James P. Urban; Patti Miller
Subject: TSSBA Staff Meeting
Importance: High
Categories: UT Issues

Good afternoon:

In the TSSBA staff meeting yesterday, UT requested approval from the TSSBA to enter into an undetermined number of leases with terms beginning in September 2020 and ending no later than December 31, 2020, for the rental of apartments or hotel rooms to provide housing for students who need to be quarantined due to a positive Covid-19 test, or isolated due to possible exposure to Covid-19.

During the discussion, TSSBA staff requested that UT establish a fixed dollar amount that it would not exceed in entering into these leases, so that once it reached this threshold, it would need to come before the TSSBA to request approval to fund additional leases, and provide this amount to the TSSBA staff.

In a subsequent conversation, UT pointed out that establishing a fixed dollar amount will remove UT's ability to negotiate the lease pricing and that providers will take advantage of knowing how much UT has available to spend. I have talked with the Comptroller and he is comfortable with UT's approach in view of UT's need for negotiating flexibility.

It is therefore recommended that the Authority provide approval to UT to enter into leases upon the condition that the total payments made for the period of September 2020 through December 31, 2020, shall not exceed the amount of plant funds available during the period. The draft Resolution contained in the staff packet would provide such approval and does not need to be changed.

The Comptroller said that he would be available to speak to the Constitutional officers if they have any questions or concerns.

Please let me know if you need any additional information in this regard.

Thank you.

Sandi

Sandra W. Thompson, CCTS

Director

Comptroller of the Treasury

Division of State Government Finance

425 Fifth Avenue North | Nashville, TN 37243

Sandi.Thompson@cot.tn.gov | Direct Line 615.747.5369 | Cell 615.823.0947

Jacqueline Felland

From: Sandi Thompson
Sent: Thursday, September 3, 2020 3:06 PM
To: Hopson, Tony (Tony)
Cc: Jacqueline Felland
Subject: RE: Additional Apartment/Hotel Leases

Tony:
I just sent you a teams appointment for 5 minutes from now.

Sandra W. Thompson, CCTS

Director

Comptroller of the Treasury

Division of State Government Finance

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From: Hopson, Tony (Tony) <ahopson4@utk.edu>
Sent: Thursday, September 3, 2020 2:53 PM
To: Sandi Thompson <Sandi.Thompson@cot.tn.gov>
Subject: Additional Apartment/Hotel Leases

Sandi -

Things are continuing to evolve on the UTK Campus and the hotel rooms/apartments leased are filling up quickly. To provide more flexibility and the ability to respond to needs more quickly, we are submitting a request for blanket approval of leases to the September 10 SBC related to Covid-19 housing for students (we have been discussing with Anne and Chloe). If approved, we would have the authority to add additional space subject to AG review of the leases. Do you have some time this afternoon or tomorrow morning to discuss how we would handle TSSBA approval?

We have one potential time sensitive lease, a hotel that will let us house Covid positive students. We're working on a short-term agreement through September 17 but would need to execute a longer-term agreement prior to that.

Thanks,

Tony

Jacqueline Felland

From: Hopson, Tony (Tony) <ahopson4@utk.edu>
Sent: Thursday, September 3, 2020 3:20 PM
To: Sandi Thompson; Jacqueline Felland
Subject: Fw: UT Covid Space Needs - September SBC Request
Attachments: Sept 10 SBC UT COVID - to OSA.docx; Copy of Summary of Beds for Covid-19-Current Only.xlsx
Categories: UT Issues

Please see email below and attached documents we sent to Anne and Chloe. Thanks, Tony

From: Oakes, Austin <aoakes1@utk.edu>
Sent: Wednesday, September 2, 2020 3:59 PM
To: Ann McGauran (Ann.McGauran@tn.gov) <Ann.McGauran@tn.gov>; Chloe Shafer Esq. (Chloe.Shafer@tn.gov) <Chloe.Shafer@tn.gov>
Cc: Hopson, Tony (Tony) <ahopson4@utk.edu>; Brown, Sybil <sybil@tennessee.edu>
Subject: UT Covid Space Needs - September SBC Request

Ann & Chloe,

As UTK continues to monitor the number of Covid-19 cases on campus, we are preparing and implementing plans to provide beds for students that are Covid -19 positive or symptomatic, or students to be isolated based on Covid-19 exposure. The attached table provides a summary of the number of beds available and utilization. As the need for additional beds has been increasing, the University is seeking additional hotels and apartments to house the students.

The attached Lead Sheet requests approval to negotiate and lease additional beds at various location as needed. This approval will allow the University to act quickly when the need is identified and when vacant rooms are found, and to meet the changing needs on campus. The criteria for selecting hotels/apartments will include the willingness to accept students under these conditions, proximity to the UTK campus, availability of blocks of rooms, and ownership by Tennessee based entities. All lease agreements would be subject to Attorney General approval.

The Lead Sheet is also attached.

Please let us know if you have any questions or need additional information.

Thank you,

Austin Oakes

Executive Director, Office of Capital Projects



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UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: **Approval of emergency leases**

Transaction Description: Transaction No. _____

- **Proposed Lease**

- **Locations:** Various Locations in Knoxville, TN
- **Landlord:** To Be Determined
- **Term:** September 2020 - December 31, 2020
- **Area / Costs:** TBD / All utilities, janitorial, overhead, and related costs deemed necessary to secure and maintain needed space(s).

- **Source of Funding:** Plant Funds (Non-Aux) (R)

- **Procurement Method:** Negotiated

Comment: These leases will be used by UTK for students that need to be quarantined due to a positive Covid-19 test or isolated due to possible exposure to Covid-19. These leases will supplement leases for this purpose previously approved by the Commission and could include amendments to those leases to increase the number of units, beds or rooms leased.

Lease locations will be selected based on factors including: willingness to accept Covid - 19 positive or symptomatic students, willingness to accept students to be isolated based on Covid-19 exposure, proximity to the UTK campus; availability of blocks of rooms or apartment units at the same location;; and ownership by Tennessee based entities.

Advertising is not required since the term of these leases is for one year or less and an unforeseen situation has arisen making it impractical to advertise. Due to the short-term of the leases, there is no termination for convenience.

All leases will be approved by the Attorney General in compliance with T.C.A §12-2-115. UT will provide a report of the leases executed under this approval and prior related Commission actions, together with the funds expended under such leases and the space utilization, , to the State Architect each month during 2020 and January 2021.

University of Tennessee - Knoxville
Status of Beds Related to Covid-19

Current Agreements

Location	Use Positive/Symptomatic	Total Number of Beds	Number of Beds In Use or Not Available*	Number of Beds Available	Notes
On Campus	Yes	43	37	6	
Embassy Suites	No	32	0	32	
Hilton Hotel	No	150	91	59	Currently 100 under contract
303 Flats (Apartments)	Yes	67	33	34	
Quarry Trail (Apartments)	Yes	17	5	12	
Total		309	166	143	

* **Not Available** – These beds are currently not available because the rooms are scheduled to be cleaned or the beds are in units with symptomatic students and cannot be assigned to other students.