



JASON E. MUMPOWER
Comptroller

TENNESSEE STATE SCHOOL BOND AUTHORITY

October 19, 2022

AGENDA

1. Call meeting to order
2. Approval of minutes from the September 8, 2022, meeting
3. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method for the University of Tennessee – Institute for Public Service
4. Adjourn

TENNESSEE STATE SCHOOL BOND AUTHORITY
September 8, 2022

The Tennessee State School Bond Authority (“TSSBA”, or the “Authority”) met on Thursday, September 8, 2022, at 9:38 a.m. in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. The Honorable Jason Mumpower, Comptroller of the Treasury, was present and presided over the meeting.

The following members were also present:

The Honorable David Lillard, State Treasurer
The Honorable Tre Hargett, Secretary of State
Commissioner Jim Bryson, Department of Finance and Administration
Dick Tracy, proxy for Dr. Flora Tydings, Chancellor, Tennessee Board of Regents
Luke Lybrand, proxy for Randy Boyd, President, University of Tennessee

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a physical quorum present, Mr. Mumpower called the meeting to order. Mr. Mumpower reminded those participating in the meeting that the meeting would be broadcasted and posted online. Mr. Mumpower stated that the first item on the agenda was the minutes of the July 26, 2022, and August 10, 2022, meetings of the Authority. Mr. Mumpower asked if there were any questions or discussion regarding the minutes. Hearing none, Mr. Bryson made a motion to approve the minutes, Mr. Mumpower seconded the motion, and Mr. Mumpower took the vote.

The minutes were approved unanimously.

Mr. Mumpower stated that the next item on the agenda was an update on the amendment to revisions to the TSSBA Revolving Credit Facility (“RCF”) due to the upcoming termination of the London InterBank Offered Rate (“LIBOR”) on June 30, 2023. Mr. Mumpower recognized Ms. Sandi Thompson, Director of the Division of State Government Finance (“SGF”) to present the report. Ms. Thompson stated that the LIBOR benchmark would be terminating on June 30, 2023. The LIBOR rate is used in the Authority’s RCF to calculate the interest amount due on the revolving loans for its short-term financed capital projects. Ms. Thompson stated that the banks providing the lines of credit to the Authority under the agreement would like to amend the agreement prior to the end of calendar year 2022. Ms. Thompson stated that the Authority are considering its options but may select the Secured Overnight Financing Rate (“SOFR”) to replace LIBOR. Ms. Thompson stated that this was a report item to inform the Authority of the pending change and that staff would bring an amendment forward to the Authority at a later date. Mr. Mumpower thanked Ms. Thompson, acknowledged receipt of the report, and asked if there were any questions.

Mr. Mumpower stated that the next item on the agenda was the consideration of a resolution to approve the borrowing of money by another method by the Tennessee Board of Regents (“TBR”) on behalf of the Tennessee College of Applied Technology (“TCAT”) Shelbyville at Winchester. Mr. Mumpower recognized Ms. Chloe Shafer, Associate General Counsel for TBR to present the request. Ms. Shafer stated that TBR would like to enter into a lease with the Winchester Airport Authority, Inc. to lease a hangar for a new aviation maintenance training program. Ms. Shafer stated that the program will be conducted at the Winchester airport.

Ms. Shafer explained the proposed lease had a 10-year term with the option to extend a total of four times at five years for each extension. Ms. Shafer explained that the first year’s rental amount was \$0.75 per square foot and that total annual effective costs were estimated to be \$78,062.70 per year. Mr. Mumpower asked if there was any discussion or questions on the item. Hearing none, Mr. Bryson moved approval of the request, Mr. Hargett seconded the motion, and Mr. Mumpower took the vote.

The motion was approved unanimously.

Mr. Mumpower stated that the next item on the agenda was the consideration of a resolution to approve the borrowing of money by another method by the University of Tennessee (“UT”). Mr. Mumpower recognized Mr. Austin Oakes, Assistant Vice President of the Office of Capital Projects at UT, to present the requests. Mr. Oakes stated that the first request from UT was for a lease at the University of Tennessee at Knoxville (“UTK”) with Courtyard Marriott Downtown Knoxville. Mr. Oakes explained that the lease was for up to three hotel rooms with a lease term of October 1, 2022, through April 1, 2023, and an estimated total cost of \$55,692. Mr. Hargett moved approval of the request and Mr. Tracy seconded the motion.

Mr. Mumpower asked why three hotel rooms were needed. Mr. Oakes replied that several international scholars from overseas had the opportunity to study and work at UTK. Mr. Oakes stated that these hotel rooms would be used to house the international scholars. Mr. Bryson asked where the rooms were located. Mr. Oakes explained that the rooms were at the Marriott in Downtown Knoxville and were less than two minutes away from UTK’s campus. Mr. Mumpower asked if there were any further questions or discussion. Hearing none, Mr. Mumpower took the vote.

The motion was approved unanimously.

Mr. Mumpower stated that the next item on the agenda was the consideration of a resolution to approve the borrowing of money by another method by the University of Tennessee at Martin (“UTM”). Mr. Mumpower recognized Mr. Oakes to present the request. Mr. Oakes stated that the request was for a lease with NR Planned Properties LLC in Jackson, Tennessee for 15,000 square feet of space. Mr. Oakes explained that the lease was for a term of 5 years beginning December 1, 2022, with an estimated total cost of \$293,250. Mr. Lillard made a motion to approve the request and Mr. Bryson seconded the motion. Mr. Mumpower asked if there were any questions or discussion regarding the item. Hearing none, Mr. Mumpower took the vote:

The motion was approved unanimously.

Mr. Mumpower stated that the next item on the agenda was a project for UTK. Mr. Mumpower recognized Mr. Oakes to present the request.

- University of Tennessee Knoxville – Neyland Stadium South Renovations (A94); Increase in cost of \$108,000,000 for total funding of \$288,000,000 of which \$232,600,000 will be financed by TSSBA (an increase of \$123,600,000); Term of Financing: \$133,100,000 to be financed for 30 years as long-term financing at an assumed taxable rate and \$99,500,000 to be financed over 10 years as short-term financing at an assumed taxable rate.

Mr. Oakes stated that the request for Neyland Stadium at UTK would increase the total project budget from \$180 million to \$288 million. Mr. Oakes stated that the increase would further the scope as outlined in the project description. Mr. Oakes explained this would include the expansion of south concourse 1, which will provide increased restroom and concession capacity along with a new kitchen facility. Mr. Oakes explained that the project would include stadium infrastructure upgrades including WiFi and both upgraded and new suite seating. Mr. Oakes stated that UT was requesting additional TSSBA funding of \$123.6 million with an estimated annual financing charge of \$22,916,400 to be funded with donations, ticket and fee income, corporate sponsorships, and facility rent. Mr. Oakes stated that donations were projected to average approximately \$16.9 million per year to service the ten-year debt and annual net revenues were expected to average approximately \$11.5 million per year to service the 30-year debt.

Mr. Tracy made a motion to approve the project and Mr. Hargett seconded the motion. Mr. Mumpower asked Ms. Thompson if SGF had conducted a feasibility analysis for the project. Ms. Thompson stated that SGF had conducted two feasibility studies separately on the long-term 30-year debt, and the shorter-term 10-year financing. Ms. Thompson stated that SGF had concluded that there would be sufficient revenues to cover the debt service for each of these financing terms.

Mr. Mumpower asked Mr. Oakes what contingencies were in place in the event of another pandemic or a national or global event impacted UT's ability to collect donor funds pledged to the project. Mr. Oakes stated that the change requested by UT represented an improvement of the security offered to repay the debt. Mr. Oakes explained that the initial request had pledged TV revenues to fund the project. Mr. Oakes explained that this request was seeking to create new, additional, revenue-generating spaces within the stadium to repay the debt. Mr. Oakes stated that these spaces were projected to generate sufficient cashflow to cover the cost of the project. Mr. Oakes explained that the TV revenues were no longer pledged to the project but did still exist and could help backstop the project if needed.

Mr. Mumpower asked if there were any other potential concerns related to the project that the Authority had not asked UT about. Mr. Oakes stated that cost escalation was a challenge in the market today given the high levels of inflation in the United States. Mr. Oakes stated that UT was fortunate to already have a construction manager already working with UT on the project and providing estimates. Mr. Oakes stated that UT believed it had taken reasonable allowances for the project given where cost escalation currently was. Mr. Mumpower thanked Mr. Oakes and asked the members if they had any questions or discussion concerning the project. Hearing none, Mr. Mumpower took the vote.

The motion was approved unanimously.

Mr. Mumpower stated that the next item on the agenda was a supplemental resolution authorizing and providing for the issuance and sale of Higher Educational Facilities Second Program Bonds, Series 2022, with the authority to sell the bonds and fix the details delegated to the Comptroller. Mr. Mumpower recognized Ms. Thompson to present the request. Ms. Thompson stated that staff was in the process of preparing for a bond sale for the Authority and were requesting approval of the supplemental resolution. Ms. Thompson stated that the members of the Authority had been provided a draft of the Preliminary Official Statement ("POS"), a notice of sale, a bond purchase agreement, and a letter from the Authority's financial adviser, Public Financial Management ("PFM"), recommending a competitive bond sale which is the Comptroller's preferred method of sale.

Ms. Thompson stated that the amount of new money bonds to be issued was not expected to exceed \$350 million. Ms. Thompson explained that staff expected the sale to include six or seven tax-exempt projects and three taxable projects. Ms. Thompson stated that the final sale amount would likely be approximately \$250-275 million. Ms. Thompson stated that staff expected to sell competitively but had included a bond purchase agreement in the unlikely event a negotiated sale was warranted. Mr. Hargett made a motion to approve the request and Mr. Bryson seconded the motion. Mr. Mumpower asked if there were any questions or discussion on the item. Hearing none, Mr. Mumpower took the vote.

The motion was approved unanimously.

Mr. Mumpower stated that concluded the business on the agenda. Mr. Bryson made a motion to adjourn, Mr. Lillard seconded the motion, and Mr. Mumpower took the vote.

The meeting was adjourned.

Approved on this ____ day of _____, 2022.

Respectfully submitted,

Sandra Thompson
Assistant Secretary

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

Recitals

Whereas the UT Law Enforcement Innovation Center (“LEIC”), an agency of the University of Tennessee Institute for Public Service, provides training that improves the quality of policing including the National Forensic Academy (“NFA”), an intensive, highly hands-on, and experience-based course of instruction requiring in person training to achieve the course learning objectives; and

Whereas LEIC plans to offer, by using safety protocols and social distancing, three (3) ten (10) week NFA sessions for professionals and one (1) three (3) week NFA session for college students in 2023; and

Whereas attendees will include county, city and state police officers; state bureau of investigation staff; and DOD personnel among others from across the country and internationally; and

Whereas the first NFA 2023 session will begin on January 8, 2023 and the last session will end on November 17, 2023; and

Whereas housing is provided for attendees as part of their tuition cost; and

Whereas the University of Tennessee advertised and solicited proposals for housing accommodations for the 2023 NFA sessions; and

Whereas one complete proposal was received in response to such solicitation and Corporate Quarters, Inc. was the only respondent, offering two locations and a proposed lease (the “Lease”) has been negotiated with Corporate Quarters, Inc. to act as an intermediary and provide rooms in an apartment complex meeting the bid criteria including location within twenty (20) minutes from LEIC; and

Whereas the terms of the Lease are: one hundred and twenty dollars (\$120.00) per night for up to fifteen (15) two (2) bedroom units with the nightly rate being lower than the state per diem rate of ninety-six dollars (\$96.00) per night in Anderson County with the apartments being fully furnished, including linens and kitchen appliances/utensils, and such rate also including utilities, parking, maintenance, internet service and cleaning prior to each arrival date; and

Whereas either party may terminate the Lease with 30-days prior notice; and

Whereas the total cost of the Lease is four hundred eight thousand, six hundred dollars and no cents (\$408,600.00) and the cost of the Lease will be paid through revenues from student tuition and fees.

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 Lease.

BE IF FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of October 19, 2022.

Adopted by the Authority at its meeting on October 19, 2022.

JASON E. MUMPOWER, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: **Approval of a lease**

Transaction Description: Transaction No. _____

• **Proposed Lease**

- **Location:** University of Tennessee – Institute for Public Service (IPS)
Anderson County – 1201 Oak Ridge Turnpike, Oak Ridge, TN
- **Landlord:** Corporate Quarters, Inc
- **Term:** Up to one year (4 sessions – 227 nights)
- **Area / Costs:** Up to fifteen (15) two (2) bedroom units

	\$/night	Estimated Total Cost
Cost per unit (incl utilities)		
January 8, 2023 – March 17, 2023	\$120/night	\$124,200
April 2, 2023 – June 9, 2023	\$120/night	\$124,200
July 9, 2023 – July 28, 2023	\$120/night	\$36,000
September 10, 2023 – November 17, 2023	\$120/night	<u>\$124,200</u>
		\$408,600

• **Source of Funding:** Tuition and fees (O)

Comment: The UT Law Enforcement Innovation Center (LEIC) is an agency of the University of Tennessee Institute for Public Service. LEIC expands capabilities of law enforcement personnel by providing training that improves the quality of policing. LEIC’s National Forensic Academy (NFA) is an intensive, highly hands-on, and experience-based course of instruction that requires in person training to achieve the course learning objectives.

The need for fully trained Crime Scene Investigators is critical and continues even in the COVID environment. Utilizing safety protocols and social distancing, LEIC plans to offer three (3) ten (10) week sessions for professionals and one (1) three (3) week session for college students in 2023. Attendees include county, city and state police officers; state bureau of investigation staff; and DOD personnel among others from across the country and internationally. Classes began January 8, 2023 and the last session ends November 17, 2023.

Housing is provided for attendees as part of the cost of the program. The University advertised and solicited proposals for housing accommodations. Corporate Quarters was the only respondent, offering two locations. The nightly

rate per person is lower than the state per diem rate of \$96.00 per night in Anderson County. Corporate Quarters will serve as an intermediary and provide the rooms in an apartment complex that met the bid criteria including location within 20 minutes of the LEIC. For each session, all rooms will be located at the same apartment complex. Corporate Quarters fully furnishes the apartments including linens and kitchen appliances/utensils. The rate includes maintenance, utilities, internet service and cleaning prior to each arrival date.

Either party may terminate this agreement with 30-days prior notice.

SSC Report:

EXECUTIVE SUMMARY

The UT Law Enforcement Innovation Center (LEIC) is an agency of the University of Tennessee Institute for Public Service. LEIC expands capabilities of law enforcement personnel by providing training that improves the quality of policing. Using the nation's best instructors and consultants, LEIC develops curricula for courses that can be delivered nationwide. Formed in 1997, LEIC is a leading training and technical assistance provider for the law enforcement community across the nation. Over the past 15 years, more than 30,000 law enforcement officers, other criminal justice practitioners, public safety workers, public school personnel, and community members have completed LEIC's training and educational programs.

LEIC's National Forensic Academy (NFA) is an intensive, highly hands-on, and experience based course of instruction that requires in person training to achieve the course learning objectives. Specialty areas such as a forensics lab, blood splatter room and residential crime scene mock-ups are used in the training.

NFA is a nationally scoped program with a high demand from local, state, and federal law enforcement agencies. The need for fully trained Crime Scene Investigators is critical and continues even in the COVID environment. Subject matter includes Crime Scene Management, Forensic Photography, Bloodstain Analysis, Latent Print Analysis among others which cannot be done online. Utilizing safety protocols and social distancing, LEIC plans to offer three (3) ten (10) week sessions for professionals and one (1) three (3) week session for college students in 2023. Attendees include county, city and state police officers; state bureau of investigation staff; and DOD personnel among others from across the country and internationally.

Classes begin January 8, 2023 and the last session ends November 17, 2023. Class times are 8:00-5:00 Monday through Friday, with occasional night classes such as night-time photography.

To accommodate the attendees, the University solicited proposals for housing accommodations through the UT System Procurement bid platform which includes a public website and an email blast. Fully furnished units within a 20-minute drive of the LEIC training center and including linens and kitchen appliance/utensils were required. One complete proposal was received and Corporate Quarters, Inc. was selected. The nightly rate per person is lower than the state per diem rate of \$96.00 per night in Anderson County (based on two people per apartment). Corporate Quarters will serve as an intermediary and provide the rooms at an apartment complex that met the bid criteria including location within 20 minutes of the LEIC. For each session, all rooms be located at the same apartment complex.

TERMS

The University proposes to lease up to 15 two (2) bedroom units from Corporate Quarters, Inc. Based on class schedule, rooms are needed over four periods -

1. January 8, 2023 – March 17, 2023
2. April 2, 2023 – June 9, 2023
3. July 9, 2023 – July 28, 2023
4. September 10, 2023 – November 17, 2023

The University will not pay for nights that fall outside of the dates listed above. Nightly rates are \$120 per night. Corporate Quarters fully furnishes the apartments including linens and kitchen appliances/utensils. The rate includes maintenance, utilities, internet service and cleaning prior to each arrival date.

The total cost is \$ 408,600 over all four periods listed above.

Either party may terminate this agreement for any reason by giving the other party at least 30 days' prior notice.

The rent will be paid through revenues from student tuition and fees.

REQUEST

Approval of a lease.

The University of Tennessee Lease Agreement

This lease agreement is dated 1/8/2023 (effective date), and is between The University of Tennessee, an instrumentality of the State of Tennessee ("University"), and Corporate Quarters Inc. ("Supplier").

The parties agree as follows:

A. Term and Termination:

1. Term: The term of this agreement begins on 1/8/2023 and ends on 11/17/2023.
2. Termination:
 - i. For Cause: If Supplier materially breaches this agreement, University may terminate this agreement immediately.
 - ii. Unrestricted Right: Either party may terminate this agreement for any reason by giving the other party at least 30 days' prior notice. Unless stated in Schedule 1, University will not be responsible for any damages, including cancellation fees.
 - iii. Work: If University terminates this agreement, upon receipt of University's notice of termination, Supplier shall immediately stop all work under this agreement.
3. Scope: See Schedule 1.

B. Financial:

1. Compensation: See Schedule 1.
2. Invoices:
 - i. Required: Unless the University elects to submit a payment request through the University's accounts payable process on Supplier's behalf, Supplier shall invoice the University.
 - ii. Invoice Contents: Supplier must include the following information on its invoices under this agreement:
 1. Addressed to the University;
 2. Invoice number (assigned by Supplier);
 3. Invoice date;
 4. Transaction date;
 5. Supplier name;
 6. Supplier contact for invoice questions (name, phone, or email);
 7. Supplier remittance address;
 8. Description of delivered goods or services provided and invoiced, including identifying information as applicable;

9. Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
10. Amount due for each compensable unit of good or service; and
11. Total amount due for the invoice period.

iii. Late Payment: University's payment will not be considered late unless University pays later than 45 calendar days after receiving Supplier's invoice.

3. Records; Audit:

- i. Records: Supplier shall maintain records for all expenses for which Supplier invoices the University under this agreement. Supplier shall maintain its records for at least 5 years, and shall maintain its records in accordance with generally accepted accounting principles.
- ii. Audit: During the term of this agreement and for 3 years after the last payment from the University to Supplier under this agreement, the State of Tennessee Comptroller or the University's internal audit, or both, may audit Supplier's records that relate to this agreement.
- iii. Assistance: Supplier shall provide the University with any documentation, access to information, or other assistance necessary for the University to ensure that Supplier complies with its obligations under this agreement.

4. PaymentWorks: Supplier must register as a vendor in University's vendor-management system, PaymentWorks.

C. Compliance:

1. Conflicts of Interest:

- i. Supplier states that no part of the Supplier's compensation will be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Supplier in connection with any work contemplated or performed under this agreement.
- ii. Supplier states that this agreement is immediately void if the Supplier is, or within the past 6 months has been, an employee of the State of Tennessee or if the Supplier is an entity in which a controlling interest is held by an individual who is, or within the past 6 months has been, an employee of the State of Tennessee.

2. Iran Divestment Act: The requirements of Tenn. Code Ann. § 12-12-101 et. seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, are a material provision of this agreement. Supplier

hereby certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

3. Illegal Immigrants: In compliance with the requirements of Tenn. Code Ann. § 12-3-309, Supplier hereby attests that it shall not knowingly utilize the services of an illegal immigrant in the United States in the performance of this agreement and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of this agreement.
4. Tennessee Department of Revenue: In compliance with the requirements of Tenn. Code Ann. § 12-3-306, the Supplier hereby attests that it has registered with the State of Tennessee's Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this agreement.
5. Debarment: Supplier hereby attests that the following are true statements:
 - i. Supplier is not currently debarred by the U.S. federal government.
 - ii. Supplier is not currently suspended by the U.S. federal government.
 - iii. Supplier is not currently named as an "excluded" supplier by the U.S. federal government.
6. Background Checks: This clause applies if Supplier will provide services on the University's accommodations.
 - i. General Obligation: Supplier will not knowingly assign any individual to provide services to University if the individual has a history of criminal conduct. For purposes of this agreement, "criminal conduct" means (a) that the person is listed on any state's sexual offender registry; (b) that person is listed on the Tennessee Abuse Registry, or (c) that the person has been convicted of a felony in any state.
 - ii. Prompt Background Checks: If the University requests, Supplier must perform a comprehensive criminal background check on any Supplier employee or sub-contractor.
7. Premises Rules: When Supplier is physically present on University accommodations, Supplier shall make reasonable efforts to cause its employees and permitted sub-contractors to:
 - i. Avoid alcohol use;
 - ii. Avoid illegal drug use;
 - iii. Avoid smoking;
 - iv. Comply with all access restriction protocols;
 - v. Comply with applicable firearms laws;
 - vi. Comply with applicable parking regulations.

8. Conduct: Supplier shall make reasonable efforts to ensure that Supplier's employees and sub-contractors will conduct themselves in a professional manner while on University accommodations, and while interacting with University employees, students, or visitors. Supplier must report, within 24 hours, to the University's Office of Procurement Services any complaints about Supplier's employees or sub-contractors engaging in the following behavior: sexually suggestive or harassing behavior; unwanted physical touching; unwanted photographs; alcohol use; illegal drug use; or physical manifestations of alcohol or drug use (e.g. Supplier's employee emits smells that indicate that the individual consumed alcohol recently).

D. Insurance: Supplier shall comply with Schedule 2 (Insurance).

E. General:

1. Assignment: This agreement is personal to Supplier. Accordingly, Supplier may not assign any rights or delegate any duties under this agreement.
2. Independent Supplier: The parties intend for their relationship to that of independent contractors. Supplier acknowledges that it is not an employee of University.
3. Governing Law: The laws of the state of Tennessee, without giving effect to its principles of conflicts of law, govern this agreement. The University's liability will be governed by the Tennessee Claims Commission Act.
4. Self-Insurance: The University is self-insured under the Tennessee Claims Commission Act, Tenn. Code Ann. §§ 9-8-301 et seq., which covers certain tort liability for actual damages of up to \$300,000 per claimant and \$1,000,000 per occurrence.
5. Use of University Intellectual Property: Except as allowed in this section, Supplier shall not use the University's name, marks, logos, or any other University-owned intellectual property for any reason, without the written consent of an authorized official of the University. During the term of this agreement, Supplier may list the University's name in Supplier's list of clients.
6. Third-Party Beneficiaries: There are no third-party beneficiaries to this agreement.
7. Severability: The parties intend as follows:
 - i. that if any provision of this agreement is held to be unenforceable, then that provision will be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded;

- ii. that if an unenforceable provision is modified or disregarded in accordance with this section, then the rest of the agreement will remain in effect as written; and
 - iii. that any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable.
- 8. Modification; Waiver: No amendment of this agreement will be effective unless it is in writing and signed by authorized officials of the parties. No waiver of satisfaction of a condition or failure to comply with an obligation under this agreement will be effective unless it is in writing and signed by an authorized official of the party granting the waiver, and no such waiver will constitute a waiver of satisfaction of any other condition or failure to comply with any other obligation.
- 9. Counterparts: If the parties sign this agreement in several counterparts, each will be deemed an original but all counterparts together will constitute one instrument.
- 10. Force Majeure:
 - i. If a Force Majeure Event prevents a party from complying with any one or more obligations under this agreement, that inability to comply will not constitute breach if (1) that party uses reasonable efforts to perform those obligations, (2) that party's inability to perform those obligations is not due to its failure to (A) take reasonable measures to protect itself against events or circumstances of the same type as that Force Majeure Event or (B) develop and maintain a reasonable contingency plan to respond to events or circumstances of the same type as that Force Majeure Event, and (3) that party complies with its obligations under section this section (E)(10)(iii).
 - ii. For purposes of this agreement, "Force Majeure Event" means, with respect to a party, any event or circumstance, whether or not foreseeable, that was not caused by that party and any consequences of that event or circumstance.
 - iii. If a Force Majeure Event occurs, the noncomplying party shall promptly notify the other party of occurrence of that Force Majeure Event, its effect on performance, and how long the noncomplying party expects it to last. Thereafter the noncomplying party shall update that information as reasonably necessary. During a Force Majeure Event, the noncomplying party shall use reasonable efforts to limit damages to the other party and to resume its performance under this agreement.
- 11. Notice:
 - i. For a notice or other communication under this agreement to be valid, it must be in writing and delivered (1) by hand, (2) by a national transportation company, with all fees prepaid, or (3) by registered or certified mail, return receipt requested and postage prepaid;

- ii. Subject to sub-section (iv) below, a valid notice or other communication under this agreement will be effective when received by the party to which it is addressed. It will be deemed to have been received as follows:
 - 1. if it is delivered by hand, delivered by a national transportation company, with all fees prepaid, or delivered by registered or certified mail, return receipt requested and postage prepaid, upon receipt as indicated by the date on the signed receipt; and
 - 2. if the party to which it is addressed rejects or otherwise refuses to accept it, or if it cannot be delivered because of a change in address for which no notice was given, then upon that rejection, refusal, or inability to deliver.
- iii. For a notice or other communication to a party under this agreement to be valid, it must be addressed using the information specified below for that party or any other information specified by that party in a notice in accordance with this section.

Supplier: See Schedule 1.

University:

Legal notices only; do not send invoices to this address:

The University of Tennessee

400 W Summit Hill Drive

UT Tower 9th Floor

ATTN: Office of Real Property

Fax: 865-974-2701

Email: contracts@tennessee.edu

- iv. If a notice or other communication addressed to a party is received after 5:00 p.m. on a business day at the location specified in the address for that party, or on a day that is not a business day, then the notice will be deemed received at 9:00 a.m. on the next business day.

F. Entire Agreement: This agreement constitutes the entire understanding between the parties with respect to the subject matter of this agreement and supersedes all other agreements, whether written or oral, between the parties. In the event that Supplier

maintains terms and conditions on its website, software, invoices, etc., such terms and conditions do not apply to the University.

Agreed: The parties are signing this agreement on the effective date listed in the introductory clause of this agreement.

The University of Tennessee

Signature: _____

Name: _____

Title: _____

Corporate Quarters, Inc.

Signature: _____

Name: _____

Title: _____

Approved as to form and legality:

Jonathan Skrmetti, Attorney General and Reporter

CORPORATE QUARTERS, INC NOTARY

STATE OF TENNESSEE
COUNTY OF _____

Before me, the undersigned notary of the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, swore to and acknowledged himself/herself to be _____ of _____, the within-named bargainor, and that he/she as such officer, executed the foregoing instrument for the purpose therein contained, by signing the name of the company by himself/herself as such officer.

WITNESS my hand and seal at office in _____, this ___ day of _____, 2022.

Notary Public

My Commission Expires: _____

UNIVERSITY OF TENNESSEE NOTARY

STATE OF TENNESSEE
COUNTY OF KNOX

Personally appeared before me, the undersigned Notary Public for Knox County, _____, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged that he/she is the _____ of the University of Tennessee and that he/she as officer, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the University of Tennessee by himself as officer.

Witness my hand and seal, at office in, this _ day of _____, 2022.

Notary Public.

My Commission Expires: _____

Schedule 1: Scope and Financial

Supplier address for notices:

Corporate Quarters Inc.
10912 Murdock Dr.
Knoxville, TN 37932

University department name and address for notices:

Law Enforcement Innovation Center
1201 Oak Ridge Turnpike
Oak Ridge, TN 37830

1. Scope: To provide housing for students of the Law Enforcement Innovation Center for the year of 2023, up to fifteen (15) two (2) bedroom two (2) bath apartments with the final count being submitted 30 days prior to check-in.
2. Work Made for Hire: N/A
3. Compensation: Supplier's pricing is as follows (if all 15 apartments leased):

2 Bedroom/2 bath suite Student Housing - Arrive 1/8/23 – 3/17/23

Housing for up to 30 people 15 Suites @ 120 per day x 69 days = \$ 124,200

2 Bedroom/2 bath suite Student Housing - Arrive 4/2/23 – 6/9/23

Housing for up to 30 people 15 Suites @ 120 per day x 69 days = \$ 124,200

2 Bedroom/2 bath suite Student Housing - Arrive 7/9/23 – 7/28/23

Housing for up to 30 people 15 Suites @ 120 per day x 20 days = \$ 36,000

2 Bedroom/2 bath suite Student Housing - Arrive 9/10/23 – 11/17/23

Housing for up to 30 people 15 Suites @ 120 per day x 69 days = \$ 124,200

4. Other terms:
 - a. University may terminate accommodations by providing at least 30 days notice to Supplier. In the event that University exercises this clause, Supplier will not charge the University any fees.

- b. Supplier must ensure that the accommodations for any given University group are located at the same property.
 - c. Supplier must ensure that all accommodations are within a 20-minute drive of 1201 Oak Ridge Turnpike, Oak Ridge, TN.
 - d. Supplier must ensure that all units are single-level (no interior stairs).
 - e. Supplier must ensure that all units are professionally cleaned before and after each University use.
 - f. Supplier must allow University staff to inspect the unit on the Friday before arrival date.
5. Travel: N/A

Schedule 2: Insurance

Supplier shall comply with the following terms regarding insurance:

1. **Additional Insurance Requirements:** Supplier's policies shall include, or be endorsed to include, the following provisions:
 - a. On insurance policies where The University of Tennessee is named as an additional insured, The University of Tennessee shall be an additional insured to the full limits of liability purchased by the Supplier, even if those limits of liability are in excess of those required by this contract.
 - b. The Supplier's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
2. **Notice of Cancellation:** Each insurance policy required by the insurance provisions of this contract shall provide the required coverage and shall not be suspended, voided, or canceled except after 30 days' prior written notice has been given to The University of Tennessee, except when cancellation is for non-payment of premium; then 10 days' prior notice may be given. Such notice shall be sent directly to:

The University of Tennessee Office of Risk Management
505 Summer Place - UTT 1048C
Knoxville, TN 37902

If any insurance company refuses to provide the required notices, the Supplier or its insurance broker shall notify The University of Tennessee of any cancellation, suspension or non-renewal of any insurance within 7 days of receipt of insurers' notification to that effect.

3. **Acceptability of Insurers:** Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Tennessee and with an "A.M. Best" rating of not less than A- VII. The University of Tennessee in no way warrants that the above-required minimum insurer rating is sufficient to protect the Supplier from potential insurer insolvency.
4. **Verification of Coverage:** Supplier shall furnish The University of Tennessee with certificates of insurance (ACORD form or equivalent) as required by this contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by The University of Tennessee before work commences. Each insurance policy required by this contract must be in effect at or prior to commencement of work under this contract and remain in effect for the duration of the project. Failure to maintain the insurance

policies as required by this contract or to provide evidence of renewal is a material breach of contract.

5. **Subcontractors:** Supplier’s certificate(s) shall include all subcontractors as additional insureds under its policies, or contractor shall furnish to The University of Tennessee separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
6. **Approval:** Any modification or variation from the insurance requirements in this contract shall be made by the risk management department, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.
7. **Waiver of Subrogation:** Supplier hereby waives any right of subrogation on the part of its insurance provider against the University. Supplier shall ensure that its insurance certificates include the following language:

The University of Tennessee, its Board of Trustees, officers, employees, agents, and volunteers are named as Additional Insureds with respect to the General and Automobile Liability policies. A Waiver of Subrogation applies to Workers Compensation and the General and Automobile Liability policies as evidenced on this certificate of insurance. All insurance policies above are primary and non-contributory to any other insurance available to the Certificate Holder. A thirty day notice of cancellation is required.

8. During the term of this agreement, Supplier must maintain the following insurance types and limits (or higher limits):

Workers Compensation (WC):	Statutory Limits – required in all contracts
Employers’ Liability Each Accident	\$ 100,000
Employers’ Liability Disease – each employee	\$ 100,000
Employers’ Liability Disease – policy limit	\$ 500,000
Commercial General Liability (CGL):	
Each Occurrence Limit	\$ 1,000,000
Damage to Rented Premises – Ea. Occ.	\$ 300,000
Medical Expense – any one person	\$ 10,000
Personal & Advertising Injury Limit	\$ 1,000,000
General Aggregate Limit	\$ 2,000,000
Products/Completed Ops. Aggregate Limit	\$ 2,000,000
Automobile Liability	
Combined Single Limit – each accident	\$ 1,000,000