



JASON E. MUMPOWER
Comptroller

TENNESSEE STATE SCHOOL BOND AUTHORITY
DECEMBER 16, 2024
AGENDA

1. Call meeting to order, establish that there is a physical quorum, and receive public comment on actionable agenda items in accordance with 2023 Public Chapter 300 and Board guidelines
2. Approval of minutes from the November 14, 2024, meeting
3. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method for University of Tennessee Institute for Public Service – Corporate Quarters Lease
4. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method for Austin Peay State University – Airport Lease
5. Consideration and approval of staff recommendation of Financial Advisor for the Tennessee State School Bond Authority
6. Adjourn

TENNESSEE STATE SCHOOL BOND AUTHORITY
November 14, 2024

The Tennessee State School Bond Authority (the “TSSBA”, or the “Authority”) met on November 14, 2024, at 8:30 a.m., CT, in House Hearing Room III on the 1st floor of the Cordell Hull Building, Nashville, Tennessee. The Honorable David H. Lillard, Jr., State Treasurer, was present and presided over the meeting.

The following members were physically present:

William Wood, proxy for The Honorable Jason Mumpower, Comptroller of the Treasury
The Honorable Tre Hargett, Secretary of State
Commissioner Jim Bryson, Department of Finance and Administration
Angela Scott, proxy for Dr. Flora W. Tydings, Chancellor, Tennessee Board of Regents
David Miller, proxy for Randy Boyd, President, University of Tennessee

The following member was absent:

The Honorable Bill Lee, Governor

Treasurer Lillard recognized a physical quorum present and called the meeting to order. In accordance with Public Chapter 300 and Board guidelines Treasurer Lillard asked Ms. Sandi Thompson, Director of the Division of State Government Finance (SGF) and TSSBA Assistant Secretary, if any requests for public comment had been received. Ms. Thompson responded that no requests for public comment had been received.

Treasurer Lillard stated that the first item on the agenda was the consideration and approval of the minutes from the October 2, 2024, meeting of the Authority. Treasurer Lillard asked if there were any questions or discussion regarding the minutes. Hearing none, Treasurer Lillard asked for a motion to approve the minutes. Commissioner Bryson moved approval of the minutes and Mr. Wood seconded the motion. Treasurer Lillard took the vote and the minutes were unanimously approved.

Treasurer Lillard stated the next item on the agenda was the consideration and approval of a project for the University of Tennessee (UT). Treasurer Lillard recognized Mr. Austin Oakes, Assistant Vice President of the Department of Capital Projects at UT to present the request.

- University of Tennessee, Martin – New Residence Hall (A102); \$50,000,000 of which \$49,000,000 will be financed by TSSBA; Term of Financing: 30 years at an assumed tax-exempt rate.

Mr. Oakes stated UT had a request for approval to finance a new residence hall at the University of Tennessee, Martin (UTM) through the TSSBA. Mr. Oakes stated the housing project would be to demolish the existing Browning Residence Hall and replace it with two four-story residence halls for a total of 110,000 square feet of space with 400 beds. Mr. Oakes stated that the debt service would be repaid with housing revenues from UTM’s housing revenues. Secretary Hargett moved to approve the request, and Mr. Miller seconded the motion. Treasurer Lillard asked Ms. Thompson if SGF had completed a feasibility study. Ms. Thompson stated that SGF had completed the feasibility analysis and determined that the pledged revenues from the project would be sufficient to cover the annual debt service. Treasurer Lillard took the vote, and the project was unanimously approved.

Treasurer Lillard stated the next item on the agenda was the consideration and approval of a project for the Tennessee Board of Regents at Middle Tennessee State University (MTSU). Treasurer Lillard recognized Mr. Bill Waits, Assistant Vice President of Campus Planning and Architect, at MTSU to present the request.

- Middle Tennessee State University – New Parking Structure (463); Cost: \$27,000,000 of which \$25,130,000 will be financed by TSSBA; Term of Financing: 30 years at an assumed tax-exempt rate.

Mr. Waits stated that MTSU was requesting funding for a new parking structure that would be built on a section of the existing Womack Lane Housing site. Mr. Waits stated the structure would provide a net gain of approximately 600 parking spaces for use by students only. Mr. Waits stated that Parking Auxiliary fees would pay the debt service. Mr. Waits stated that the project cost included the demolition of the entire Womack Lane Housing site, however, the demolition of a section reserved for a future housing development would be paid with Housing Auxiliary fees. Mr. Waits further explained that part of the Womack Lane Housing site would be used for a Public Private Partnership (P3) housing project that is currently in the RFP stage. Mr. Waits stated there are currently 243 students housed at the site who have been notified the housing would no longer be available after August 2025, and other housing options were available with an equivalent fee. Treasurer Lillard asked Ms. Thompson if SGF had completed a feasibility study. Ms. Thompson stated that SGF had completed the feasibility analysis and determined that the pledged revenues from the project would be sufficient to cover the annual debt service. Secretary Hargett moved to approve the request and Mr. Miller seconded the motion. Treasurer Lillard took the vote, and the project was unanimously approved.

Treasurer Lillard stated that concluded the business on the agenda. Secretary Hargett made a motion to adjourn, and Mr. Miller seconded the motion. The motion was unanimously approved, and the meeting was adjourned.

Approved on this _____ day of _____, 2024.

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 three (3) ten (10) week NFA sessions for professionals and one (1) three (3) week NFA session for college students in 2025; 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 2025 session will begin on January 5, 2025, and the last session will end on November 14, 2025; and

Whereas housing is provided for attendees as part of the cost of the program; and

Whereas a proposed lease (“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 fifty dollars and no cents (\$150.00) per night for up to sixteen (16) two (2) bedroom units with the nightly rate being lower than the state per diem rate of one hundred and nineteen dollars and no cents (\$119.00) per night in Anderson County, or two hundred and thirty-eight dollars and no cents (\$238.00) per night double occupancy, with the apartments for each session to be located in the same apartment complex and 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 five hundred twenty-nine thousand fifty dollars and no cents (\$529,050.00) 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 IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and this resolution shall be effective as of December 16, 2024.

Adopted by the Authority at its meeting on December 16, 2024.

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. 2024-12-001

- **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:** One (1) year, with two (2) renewal options - one (1) year each
4 student sessions –15 units for 227 nights
Instructor housing -1 unit for 122 nights
- **Area / Costs:** Up to sixteen (16) two (2) bedroom units
Year 1: Nightly Rate: \$150, Maximum Cost: \$529,050.00

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

- **Procurement Method:** Advertised

- **FRF Rate:** N/A

Comment: This lease will provide housing for students of the UT Law Enforcement Innovation Center (LEIC), an agency of the University of Tennessee Institute for Public Service. Two proposals were received from two proposers. Corporate Quarters was the best evaluated proposer. Classes begin January 5, 2025 and the last session ends November 14, 2025. There are 3 ten week sessions for professionals and 1 three week session for college students planned for 2025.

The lease provides for two (2) one (1) year extension options exercisable upon 30 days' notice prior to end of term. Corporate Quarters must notify the University of any increases in its cost no less than 180 days prior to end of term and may pass along such increases in the renewal term.

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

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. Subject matter includes Crime Scene Management, Forensic Photography, Bloodstain Analysis, Latent Print Analysis among others which cannot be done online. LEIC plans to offer three (3) ten (10) week sessions for professionals and one (1) three (3) week session for college students in 2025. 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 5, 2025 and the last session ends November 14, 2025.

Housing is provided for attendees as part of the cost of the program. The nightly rate per person is lower than the state per diem rate of \$119.00 per night in Anderson County, or \$238.00 per night double occupancy. 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.

Approval is requested of a lease with Corporate Quarters for units that meet the criteria including proximity to campus, fully furnished units, and the rental rate.

TERMS:

The University proposes to lease up to sixteen (16) two (2) bedroom units from Corporate Quarters.

FUNDING:

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

REQUEST:

Approval of lease.

CERTIFICATION OF FUNDS

Please be advised that The University of Tennessee Institute for Public Service has adequate resources that are not encumbered or otherwise obligated from which to make related payments in accordance with the real property lease with **Corporate Quarters, Inc.** in the amount of **Five hundred twenty-nine thousand fifty and 00/100 (\$529,050.00) per year.**

_____ Date: _____
David L. Miller
Senior Vice President & Chief Financial Officer



STATE OF TENNESSEE
Department of General Services
State of Tennessee Real Estate Asset Management

WRS Tennessee Tower, 24th Floor
312 Rosa L. Parks Ave.,
Nashville, TN 37243
Telephone: (615) 741-2315

STREAM USE ONLY	
Date Received:	
Received by:	
Transaction #	

Real Estate Transaction Request Form RPM-1A (2/2018)

Acquisition

Section I - Agency Information			
Agency	University of Tennessee		
Contact	Robbie Pope		
Phone #	865-974-4837		
E-mail Address	rpope@tennessee.edu	Requested Closing Date*	ASAP

*Not less than 180 days from date of received

Section II - Property Information			
Current Owner	Waterstone Apartments	Description of Building(s), if applicable	
Property Address	2411 Wave Rock Way	Type of Building(s)	Apartments
		Number of Buildings	16 - 2Br apartments
City / County	Knoxville/Knox	Description of Bldgs. - Attach list if more than two buildings	Size
Assessor Map and Parcel			2 BRs
Owner's Deed Book & Page			Year Built
Size of Land (Acres)		Current Use of Property	Apartments

Section III - Action Requested	
<input checked="" type="checkbox"/> - Acquisition	<input type="checkbox"/> - Special Service
<input type="checkbox"/> Fee Simple <input checked="" type="checkbox"/> Leasehold <input type="checkbox"/> Easement / ROW <input type="checkbox"/> Gift	<input type="checkbox"/> Appraisal <input type="checkbox"/> Survey <input type="checkbox"/> Title Service <input type="checkbox"/> Other - Specify: <input type="checkbox"/> Inter-Agency Agreement <input type="checkbox"/> Transfer of Jurisdiction <input type="checkbox"/> Boundary Lines
Comment for Lead Sheet - Please explain, in detail, how the acquisition will benefit the State (include specific comment about any buildings on the property that may be demolished or used and the building(s) condition):	
Requesting to lease apartments from Corporate Quarters for the Law Enforcement Innovation Center (LEIC) an agency of the University of Tennessee Institute for Public Service. LEIC's National Forensic Academy provides instruction that requires in person training to achieve the course learning objectives. See Executive Summary for more details.	

Section IV - Funding				
A	Total Estimated Cost	\$ 529,050.00		
B	Source of Funds	<input type="checkbox"/> - Gift	<input type="checkbox"/> - Agency Budget	<input type="checkbox"/> - Federal <input checked="" type="checkbox"/> - Other
	Sources	Amount	Fiscal Year	Type of Funds
1	Tuition and fees	\$ 320,700.00	24/25	Tuition and Fees
2	Tuition and fees	\$ 208,350.00	25/26	Tuition and fees
3				
4				
C	If the source of funding is a line item in the budget, please specify the line item.			
D	Who is paying the Real Estate Management ("REM") fee and other costs?	<input type="checkbox"/> - Funding Source	<input checked="" type="checkbox"/> - Other	
	If Agency is paying REM fee, please complete the following information:		If other, please specify	
	Allotment Code:	332.01		UT
	Fund:	Tuition and Fees (O)		
	Cost Center:			

Section V - Seller Party Information

Name	Corporate Quarters	Phone Number	865-675-3146
Mailing Address	10912 Murdock Drive	E-Mail Address	
City / State / Zip	Knoxville, TN 37932		

Section V.a. - Third Party Intermediator

Name		Phone Number	
Mailing Address		E-Mail Address	
City / State / Zip			

Section VI - Required Information

A	Does your agency have a master plan for its department?	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO
B	If yes, is this property part of this master plan?	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO
C	What is the last date the master plan was updated? Date:		
D	Are there any other costs (i.e., Immediate repairs) in addition to the acquisition?	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO
E	Is the purchase contiguous to other State owned property?	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO
F	Are there any agreements (i.e., Leases) that need to be cancelled?	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO
G	Are there any required governmental approvals (i.e., SLAF, Wetlands, TVA, etc.,)	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO
H	Are there any special requirements or issues that need to be addressed with STREAM?	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO
I	Are there additional Operating Expenses associated with this acquisitions	<input type="checkbox"/> - YES	<input checked="" type="checkbox"/> - NO

Back-up Documents

- Photo of Building, if applicable
- Map showing other State properties in relation to subject
- Aerial Photo
- Site Plan, if available
- Master Plan, if applicable
- Has a Phase I Environmental Site Assessment been done? Date report prepared:
- Facility Assessment, if building(s) are to be retained
- Third Party Cost Worksheet, if applicable
- Transaction Screen Questionnaire
- Copies of Governmental approvals, if required

GENERAL - Information Agency feels is important to report/communicate

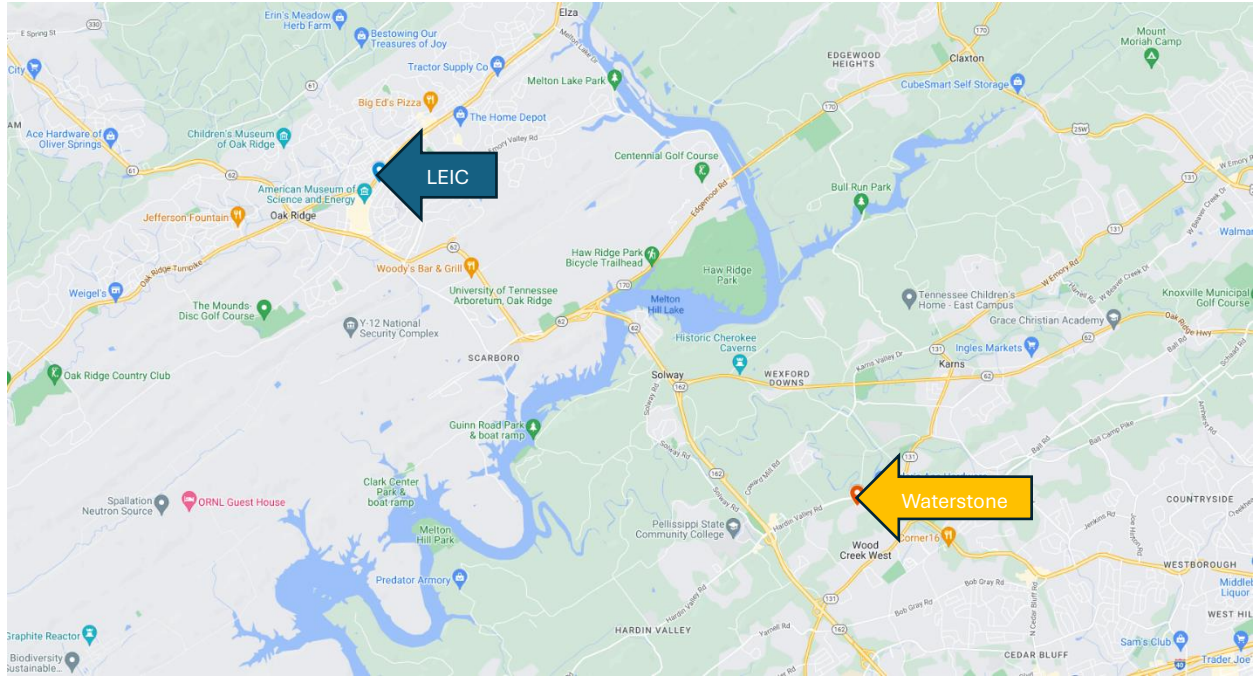
An RFP was issued in November 2024 and there were two respondents. Corporate Quarters was the best evaluated proposer.

Must be signed and dated by the requesting Agency Fiscal Officer

Signed:	
Printed:	David L. Miller, SVP & Chief Financial Officer Date:

Must be signed and dated by the requesting Agency Head

Signed:	
Printed:	Austin Oakes, Associate Vice President, Capital Projects Date: 11/22/24



The University of Tennessee

Lease Agreement

This lease agreement is dated _____, 202__ (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 1/5/2025 and ends on 11/14/2025.
 - i. Options: University shall have two (2) one (1) year options to extend the Term, exercisable in writing thirty (30) days before expiration of the then current term, with the beginning and end dates for each such annual option term to be agreed upon by the parties in writing.
 - ii. Rate: If Supplier’s cost for the accommodations and/or services for an option term increases year-over-year, the University’s cost as detailed in Schedule 1 shall increase commensurately with Supplier’s cost increase, but in no event shall University’s cost increase be more than Supplier’s cost increase. Supplier shall notify University in writing ninety (90) days before expiration of the then current term if there will be any increase in cost should an option be exercised.

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. Non-Boycott of Israel: Pursuant to Tenn. Code Ann. § 12-4-119, Supplier certifies that it is not currently engaged in, and will not for the duration of the agreement, engage in a boycott of Israel, as defined by Tenn. Code Ann. § 12-4-119(a)(1).
5. 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.
6. 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.
7. 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.
 - 8. 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.
 - 9. 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
Knoxville, TN 37902
ATTN: Office of Real Property

Email: contracts@tennessee.edu

With a copy to: rpope@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

Corporate Quarters, Inc.

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to form and legality:

Jonathan Skrmetti, Attorney General and Reporter

SUPPLIER 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 bargainer, 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 _____, 202__.

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, Austin Oakes, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged that he is the Associate Vice President – Capital Projects of the University of Tennessee and that he 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 _____, 202__.

Notary Public.

My Commission Expires: _____

Schedule 1: Scope and Financial

Supplier address for notices:

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

University department name and address for invoices and non-legal 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 2025, up to sixteen (16) 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 16 apartments leased) Note: instructor housing not for full 10 weeks:

STUDENT HOUSING

2 Bedroom/2 bath suite Student Housing - Arrive 1/5/25 – 3/14/25

Housing for up to 30 people 15 Suites @ \$150 per day x 69 days = \$155,250

2 Bedroom/2 bath suite Student Housing - Arrive 3/30/25 – 6/6/25

Housing for up to 30 people 15 Suites @ \$150 per day x 69 days = \$155,250

2 Bedroom/2 bath suite Student Housing - Arrive 7/13/25 – 8/1/25

Housing for up to 30 people 15 Suites @ \$150 per day x 20 days = \$45,000

2 Bedroom/2 bath suite Student Housing - Arrive 9/7/25 – 11/14/25

Housing for up to 30 people 15 Suites @ \$150 per day x 69 days = \$155,250

INSTRUCTOR HOUSING

2 Bedroom/2 bath suite Student Housing - Arrive 1/26/25 – 2/28/25

Housing for up to 2 people 1 Suites @ \$150 per day x 34 days = \$5,100

2 Bedroom/2 bath suite Student Housing - Arrive 4/20/25 – 5/23/25

Housing for up to 2 people 1 Suite @ \$150 per day x 34 days = \$5,100

2 Bedroom/2 bath suite Student Housing - Arrive 7/13/25 – 8/1/25

Housing for up to 2 people 1 Suite @ \$150 per day x 20 days = \$3,000

2 Bedroom/2 bath suite Student Housing - Arrive 9/28/25 – 10/31/25

Housing for up to 2 people 1 Suite @ \$150 per day x 34 days = \$5,100

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, unless University approves otherwise in writing.
- 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

**RESOLUTION TO APPROVE THE
BORROWING OF MONEY BY ANOTHER METHOD BY
AUSTIN PEAY STATE UNIVERSITY**

Recitals

Whereas, Austin Peay State University (“APSU”) is asking that it be allowed to enter into a lease (the “Lease”) with the Clarksville Regional Airport Authority (“CRAA”), a Tennessee regional airport authority, for certain property (the “Property”) in conjunction with APSU’s purchase of an airplane hangar (the “Hangar”) located on the Property; and

Whereas, the Property is approximately 14,083 square feet and is located at the Clarksville Regional Airport, 200 Airport Road, Building CH-3, Clarksville, Tennessee;

Whereas, APSU currently uses a portion of the Hangar to operate its aviation sciences program (the “Program”); and

Whereas, the Lease of the Property in conjunction with the purchase of the Hangar will permit APSU to use the entire Hangar (14,083 square feet), allowing for the growth and stability of APSU’s Program; and

Whereas, the term of the Lease will be for 99 years; and

Whereas, the base rental rate under the Lease is \$21,840.00 per year (compared to the current rental rate for a portion of the Hangar of \$31,128.00 per year), which may be increased by the current CPI rate every 5 years after the first 10 years of the Lease; and

Whereas, the Lease permits APSU to terminate the Lease with a 90-day notice and sell the Hangar or other improvements back to CRAA for fair market value at any time; and

Whereas, the Lease allows APSU to access the airport common areas, parking, lobby, tarmac, and other areas for APSU’s operational needs; and

Whereas, APSU will receive title to the Hangar upon execution of the Lease and bill of sale for the sum of \$780,000.00; and

Whereas, the Lease will be funded by revenues from the Program.

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 Tennessee State School Bond Authority (the “Authority”) gives its approval for TCAT 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 December 16, 2024.

Adopted by the Authority at its meeting on December 16, 2024.

JASON E. MUMPOWER, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

Ms. Sandi Thompson
Director State Government Finance
Tennessee Comptroller of the Treasury
Cordell Hull Building
425 Rep. John Lewis Way N.
Nashville, TN 37243-3400

October 31, 2024

Dear Ms. Thompson,

Austin Peay State University (APSU) requests TSSBA approval of a land lease between the Clarksville Regional Airport Authority (CRAA) and APSU. The lease execution will be in conjunction with purchasing a hangar (approximately 14,083 square feet footprint) located on the lease parcel at the Clarksville Regional Airport, 200 Airport Road, Building CH-3, Clarksville, TN, 37042. APSU is the lessee in this agreement and will lease the land to operate the aviation sciences program in the space.

APSU currently operates its aviation science in the same space but within a smaller portion of the hangar. The opportunity arose to purchase the entire hangar (14,083 square feet footprint) and lease the land for 99 years from CRAA. This lease will allow for the growth and stability of the program.

The proposed lease term is for 99 years from the effective date with a base lease amount of \$21,840 per year and may be increased by the current CPI rate every 5 years; this is a savings compared to the current rental rate for the partial hangar of \$31,128. APSU's aviation science program revenue is to be used to fund lease payments, as it is currently doing so. The agreement includes provisions for APSU to be able to exit the lease with a 90-day notice and sell the hangar back to the airport for market value at any time. The lease includes access to airport facilities, parking, lobby, tarmac, and other areas for APSU's operational needs of the program. The airport areas will remain subject to airport security and FAA regulations. APSU will receive title to the hangar upon executing the lease and the bill of sale (included in the lease as Exhibit B).

The Tennessee State Attorney General's Office drafted and reviewed the lease with APSU's General Counsel. If approved by TSSBA, we will next seek approval from the State Building Commission. The CRAA has approved and signed the lease. Please see the enclosed proposed lease agreement.

Thank you for your consideration. Please don't hesitate to contact me if you have questions or need additional information regarding this request.

Sincerely,



Shahrooz Roohparvar, MBA
VP for Finance & Administration and Chief Financial Officer
roohparvars@apsu.edu
Direct: (931) 221-7884

This instrument prepared by:
Austin Peay State University
601 College Street, Clarksville, TN 37044
in association with the Tennessee Office of the Attorney General and Reporter
P.O. Box 20207, Nashville, TN 37202-0207

LAND LEASE AGREEMENT

This Lease Agreement (the “Lease”), is made and entered into as of this ____ day of _____, 2024, by and between

Clarksville Regional Airport Authority
a Tennessee regional airport authority, organized and
chartered pursuant to Tennessee law

hereinafter called the Lessor, and

Austin Peay State University
a Tennessee institution of higher education

hereinafter called APSU or Lessee.

RECITALS:

WHEREAS, Lessor is the operator and owner of the Clarksville Regional Airport (the “Airport”);

WHEREAS, as part of the approximately 497 acre parcel that comprises the Airport, Lessor owns the approximately 14,083 square foot parcel of land located on the Airport and more particularly described on Exhibit A, attached hereto and incorporated herein by reference (the “Land”), on which an approximately 14,083 square foot building having an address of 200 Airport Road, and commonly known as Building CH-3 (the “Building”) is located; and

WHEREAS, Lessor has agreed to sell the Building to APSU and, in connection therewith, the parties have agreed to enter into this Lease.

NOW, THEREFORE, in consideration of the use and occupancy of the Land, benefits, covenants, and agreements contained herein, the rents to be paid to Lessor, and the mutual covenants contained in this Lease, the parties agree as follows:

1. **GRANT:** Lessor hereby leases to APSU, and APSU hereby leases from Lessor the Land

and all herein described rights incident thereto for and during the Term (as defined below), upon and subject to the terms, provisions, and conditions set forth herein.

2. **TERM:** The “Term” of this Lease shall commence on the Effective Date and shall end at twelve o’clock midnight Clarksville, Tennessee time, on the date which is ninety-nine (99) years from the Effective Date, unless earlier terminated as set forth in this Lease. “Effective Date” means the date upon which the conveyance of the Building to APSU has been made in accordance with the terms of Section 5 below, as evidenced by delivery of the Bill of Sale to APSU.

3. **RENTAL:**
 - a) **RENT:** Except as otherwise specifically set forth in this Lease and as adjusted pursuant to Section 3b below, APSU shall pay to Lessor rent (“Rent”) in the initial amount of One Thousand Eight Hundred and Twenty Dollars (\$1,820.00) per month for a yearly total of Twenty-One Thousand Eight Hundred and Forty Dollars (\$21,840.00). Rent shall be due on the first day of each month commencing on the Effective Date and continuing throughout the Term. Rent payable hereunder for any period of time less than one month shall be determined by prorating the monthly rental herein specified, based on the actual number of days in the month. Rent shall be paid to Lessor in accordance with Section 3c below.
 - b) **RENT ADJUSTMENT:** The Rent shall be set at the amount in Section 4a above for the first 10 years of the Term. At the conclusion of the first 10 years of the Term and every 5 years thereafter (each an “Adjustment Date”), Lessor has the discretion to raise the Rent by no more than the CPI adjustment for the previous year. The potential increase is limited by the one-year CPI amount and is not a compounded adjustment from the last increase (i.e. Consumer Price Index for All Urban Consumers (CPI-U), US City Average, All Items, not seasonally adjusted). In the event Lessor intends to increase the Rent at an Adjustment Date, Lessor shall provide written notice to APSU not less than sixty (60) days prior to the date of the Adjustment Date with the amount of the Rent due for the forthcoming 5-year period and a description of how such amount was calculated. If written notice is not received by APSU at least sixty (60) days in advance of any Adjustment Date, no adjustment of Rent shall be permitted for such period.
 - c) **AUTOMATIC DEPOSITS:** Lessor shall complete and execute an Authorization Agreement for Automatic Deposits (ACH Credits) Form, using the form provided to Lessor by APSU prior to the Effective Date. Once this executed form has been provided to APSU by Lessor, all payments to Lessor under this or any other contract the Lessor has with APSU shall be made through the State of Tennessee’s Automated Clearing House wire transfer system.
 - d) **DELINQUENT RENT:** If any Rent owed by APSU to Lessor hereunder is not paid within sixty (60) days following the due date, Lessor may, in its sole discretion, impose as additional rent an interest charge in an amount not to exceed the statutory maximum under the Tennessee Prompt Pay Act, Tenn. Code Ann. §§12-4-701, *et seq.*

4. **DELIVERY OF POSSESSION/BUILDING SALE:** Promptly after execution of this Lease, APSU shall remit to Lessor the sum of \$780,000.00 by wire transfer in accordance with instructions to be provided by Lessor to APSU as the purchase price for the Building. Lessor shall thereafter execute a Bill of Sale in the form attached hereto as Exhibit B and deliver the same to APSU together with possession of the Building and the Land.

5. **APSU'S RIGHTS AND OBLIGATIONS:**

a) **RIGHTS GRANTED TO APSU:** Lessor grants to APSU the following rights and privileges:

i) The exclusive right to use the Land twenty-four (24) hours a day and seven (7) days a week in connection with its educational program and for the purpose of supporting, maintaining, and using the Building, any improvements hereinafter constructed on the Land in accordance with Subsection 6.b)i. below (the "Future Improvements"), and the Land for aviation, training, and related uses (the "Permitted Use"). The Building and the Future Improvements are hereinafter collectively referred to as the "Improvements";

ii) The right to use space around the Land and at the Airport (such as the airport parking lots, utility access areas, the tarmac), and the right of ingress and egress to and from the Land twenty-four (24) hours a day and seven (7) days a week for APSU's instructors, students, employees, contractors, subcontractors, suppliers, agents, invitees, and other representatives ("APSU's Associates") in connection with the Permitted Use and the occupancy of the Land and operations as authorized by this Lease;

iii) The right to use of other common spaces at the Airport (such as the airport lobby and visitor spaces) during operating hours and, with prior notice to Lessor, at any time twenty-four (24) hours per day and seven (7) days a week for the purpose of supporting, maintaining, and using the Improvements and Land at the Airport for the Permitted Use.

iv) The right to peaceably and quietly have, hold, and enjoy the Land and remain in peaceable possession thereof during the Term; and

v) The right to install, operate, maintain, repair, and store all equipment necessary for the conduct of the APSU's operations as authorized by this Lease, including but not limited to, maintenance materials, cleaning materials, tools, parts, spares, and other aircraft components. These operations may occur within a reasonable distance outside of, but adjacent to, or around the Land and surrounding the Improvements.

b) **ALTERATIONS AND IMPROVEMENTS BY APSU:**

i) Authorization for Improvements. APSU shall have the right to make any

improvements, alterations, additions, demolitions, or other changes to the Improvements during the Term without obtaining Lessor's consent, except as otherwise provided herein, and Lessor shall cooperate with APSU to provide temporary construction easements or licenses to allow APSU to perform such improvements, alterations, additions, demolitions, or other changes. However, the plans and specifications for any alterations or improvements to Improvements will be submitted to the Lessor, in advance of the commencement of any work, for its information, and APSU agrees that all of the construction and work will be performed in accordance with all state and federal laws and regulations.

- ii) Documentation. Within sixty (60) days after completion of any improvements or alterations to the Improvements, APSU shall submit to Lessor copies of as-built plans and specifications for Lessor's informational purposes only.
- iii) Incorporation of Improvements. Subject to the terms of this Lease, it is understood and agreed that any Improvements shall be enjoyed by APSU during the Term without additional rental therefore.
- iv) Request for Repairs. It is the responsibility of APSU to report any damage, necessary repairs, or maintenance to the Land or Airport common areas to Lessor promptly. Lessor must maintain Airport common areas in a professional and working manner and make necessary repairs to the Airport property that are reasonably necessary to continue Airport operations. APSU shall be responsible for making all repairs and handling all maintenance of the Improvements. APSU shall be liable for the cost to mitigate any and all damage to the Land caused by APSU's use, including, but not limited to, damage due to fuel spillage or damage due to APSU's improper or negligent operation as determined in accordance with Tennessee law.

c) **ACCESS AND PARKING:**

- i) Access to Airport. Lessor agrees that APSU and APSU's Associates are authorized to ingress and egress across the common areas of the Airport and use of the tarmac (in the areas designated by Lessor, for the purposes for which they were designed) on a non-exclusive basis and to the extent reasonably necessary for APSU's use, occupancy, and operations at the Land. During special events at the Airport, APSU acknowledges that the standard operation procedure at the Airport may be altered such that egress and ingress to the Land may be altered by Lessor. Lessor will notify APSU in writing of any special events or closures as soon as practicable that could impede APSU's normal access to or use of the Land or Airport property and make alternative arrangements for APSU's use, so as not to disrupt its use of the Land or Airport for the Permitted Use.
- ii) Parking. APSU may park its vehicles in the parking areas at the Airport at

any and all times without additional payment. APSU shall inform APSU's Associates not to leave disabled vehicles for prolonged parking or storage outside of the Improvements nor to allow the storage of equipment or vehicles not directly related to the Permitted Use. Lessor must contact APSU before towing vehicles in Airport parking areas around the Land to confirm they are not one of APSU's authorized vehicles.

iii) Access to Airspace. Lessor agrees that APSU and APSU's Associates are authorized to use of the airspace at and above the Airport (the "Airspace"). APSU shall have non-exclusive use of the Airspace for the Permitted Use throughout the Term, in coordination with the Lessor and in compliance with all FAA and Airport regulations.

- d) **USE OF LEASED PREMISES AND COMPLIANCE WITH ALL LAWS AND REGULATIONS:** APSU shall use the Land only for the Permitted Use and APSU and APSU's Associates shall comply at all times, at APSU's sole cost, with any and all laws and regulations (as amended or otherwise modified from time to time) that are applicable to APSU's business, and APSU's use, occupancy, or operations at the Land or the Airport (the "Laws and Regulations"). Upon a written request by Lessor, APSU will verify, within a reasonable time frame, compliance with any Laws and Regulations.
- e) **NO UNAUTHORIZED USE:** APSU and APSU's Associates shall use the Land and the Airport only for purposes that are expressly authorized by this Lease or by a separate written authorization by Lessor and shall not engage in any unauthorized use of the same.
- f) **OPERATIONS AND MAINTENANCE BY APSU:** APSU shall operate and maintain the Land and all Improvements in a condition that is reasonably clean, free of debris, safe, sanitary, and in good repair and shall not accumulate or permit the accumulation of any trash, refuse, debris, or anything which creates a fire hazard or nuisance or causes inconvenience to adjoining properties.
- g) **UTILITIES:** APSU shall pay the costs of any utilities it contracts for serving the Improvements, including but not limited to telephone, gas, electricity, water, sewer, internet services, and garbage and trash removal used by APSU and shall make such deposits as are required to secure service. Any repairs of the utility lines that service the Improvements, other than those that are the responsibility of the utility service, are the responsibility of APSU. Lessor shall allow reasonable access to the Airport property as needed to effectuate utility or maintenance repairs as needed by APSU.
- h) **SIGNS:** APSU shall not place, or cause to be placed, any sign or signs on the Land unless otherwise agreed to in writing by Lessor. All signs are subject to the approval of the Lessor, which shall not be unreasonably withheld, and such signs shall be in conformity with the local laws and customs.

i) **SECURITY:** APSU is responsible to comply (at APSU's sole cost) with all security measures that Lessor (so long as Lessor is being reasonable), the United States Transportation Security Administration, the United States Department of Homeland Security ("Homeland Security"), FAA, or any other governmental entity having jurisdiction may require in connection with the Airport, including, but not limited to, any access credential requirements, any decision to remove APSU's access credentials, and any civil penalty obligations and other costs arising from a breach of security requirements caused or permitted by APSU or APSU's Associates. APSU shall take steps to reasonably protect and preserve security at the Airport.

j) **ENVIRONMENTAL PROVISIONS:**

i) In the event Lessor, or Lessor's agent, discovers hazardous materials on the Land during the Term, Lessor shall promptly notify APSU. In the event APSU, or APSU's agent, discovers hazardous materials on the Land during the Term of this Lease, APSU shall promptly notify Lessor. APSU agrees that no activity will be conducted on the Land that will use or produce any hazardous materials or substances, except materials and supplies necessary for the purpose of aviation training and education, provided that such hazardous materials and/or substances are used, handled, removed, disposed and stored in compliance with all applicable environmental laws and regulations.

ii) **HAZARDOUS MATERIALS:**

A) APSU agrees to operate on the Land and to maintain the Land in accordance with applicable Environmental Laws. APSU further covenants that it will under no circumstances dispose of any Hazardous Materials by dumping or burning by fire, either upon or off the Airport in any manner or fashion, but shall dispose of the same only in accordance with environmentally accepted practices and disposal procedures.

B) APSU shall respond to any release or threat of release of Hazardous Materials in accordance with applicable Laws and Regulations. If Lessor has reasonable cause to believe that any such release or threat of release has occurred as a result of the activities of APSU, Lessor may request, in writing, that APSU conduct reasonable testing and analysis (using qualified independent experts acceptable to Lessor) to show that APSU is complying with applicable Environmental Laws.

iii) In making the representations and agreements set forth in this Lease, APSU does not undertake any obligation to remediate, or take any other action with respect to, or incur any liability for the cost of remediating or taking other action with respect to, any environmental condition affecting the Land

that (i) has resulted from the migration of Hazardous Materials to the Land from off-site sources or adjacent Airport or other property, or (ii) is not attributable to the activities of APSU's Associates.

6. **APSU'S SALE OF IMPROVEMENTS DURING THE TERM:** If there are Improvements located on the Land, APSU may choose to sell the Improvements at any time during the Term. However, prior to selling or agreeing to transfer the Improvements to another owner, Lessor shall have the first-right of refusal to purchase the Improvements at the then current appraised fair market value, as determined by a State of Tennessee Real Estate Asset Management (STREAM), or equivalent state agency at the time, approved appraiser. Lessor must give notice to APSU of its intent to exercise the right to purchase the Improvements for the appraised value within thirty (30) days of receipt of notice of APSU's intent to sell the Improvements. If Lessor chooses not to take advantage of the first-right of refusal to purchase the Improvements or does not respond within said thirty (30) day period, APSU may sell the Improvements to a new owner. In the event that APSU sells the Improvements to a new owner, Lessor shall unconditionally consent to an assignment of this Lease to the new owner for the remaining Term. After the assignment of this Lease and conveyance of the Improvements to the new owner, Lessor will release APSU from any further obligations or liabilities under this Lease.
7. **TERMINATION FOR NON-APPROPRIATION:** This Lease is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated, APSU reserves the right to terminate the Lease upon written notice to the Lessor. Termination under this Section shall not be deemed a breach of the Lease by APSU.
8. **TERMINATION FOR CONVENIENCE:** APSU may terminate this Lease for convenience without cause and for any reason. APSU shall give Lessor at least ninety (90) days written notice before the termination becomes effective. Termination under this Section shall not be deemed a breach of the Lease by APSU. In the event of such termination, the Lessee shall transfer ownership of the Improvements to the Lessor in its then current condition, and the Lessee shall have no further payment or other obligations to the Lessor under this Lease from and after the effective date of such termination.
9. **LESSOR'S OPTION TO PURCHASE IMPROVEMENTS AT LEASE TERMINATION.** At least six (6) months prior to the expiration of the Term, Lessor should provide written notice to APSU of Lessor's intent to either: a) purchase the Improvements at the appraised fair market value, or b) require APSU to remove the Improvements from the Land at APSU's sole cost and expense upon the expiration of the Term.

The fair market value shall be determined by a state licensed appraiser authorized by the State of Tennessee Real Estate Asset Management or equivalent agency at the time. The appraiser shall take into account the condition of the Improvements and all other relevant factors. The parties shall work in good faith to execute a purchase and sale agreement memorialized by a bill of sale and payment of funds within thirty (30) days of the expiration of the Term.

If Lessor fails to provide the required notice within the timeframe specified above, it shall be deemed that Lessor has elected to purchase the Improvements at the fair market value as determined by the appraisal, and the parties shall proceed to complete the purchase and sale transaction as set forth herein.

10. **RIGHTS AND OBLIGATIONS OF LESSOR:**

- a) **EXCLUSIVITY:** Lessor hereby grants APSU the right to be the exclusive institution of higher education at the Airport and the only training and educational program operator at the Airport.
- b) **COMMON AREAS:** Lessor has the sole discretion to perform any maintenance or repairs and to construct any additions or improvements to the common or public areas of the Airport as it sees fit, and to perform such maintenance or repairs and construct such additions or improvements at the times and places it deems necessary or desirable, so long as APSU's ability to use the Land and Airport for the Permitted Use is not unduly impaired. Lessor shall make commercially reasonable efforts to mitigate any adverse impact to APSU's operations on the Land.
- c) **AERIAL APPROACHES:** Lessor reserves to itself and its successors and assignees, for the use and benefit of the public, the right of navigation over the Land for the passage of aircraft utilizing the Airport or the navigable airspace above the Land, and to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent APSU from erecting, or permitting to be erected, any building or other structure on or adjacent to the Land which, in the reasonable opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft. Notwithstanding the foregoing to the contrary, in no event shall Lessor object to the erection or existence of any improvement on the Land of equal height or less than the Building.
- d) **LESSOR ENFORCEMENT OF APPLICABLE RULES AND REGULATIONS:** Lessor agrees to uniformly enforce at all times all applicable Airport Rules and Regulations, the Airport Minimum Standards, FAA regulations and Orders, and federal and state laws regarding operation of the Airport.
- e) **FAA AND AIRPORT INSTRUMENTS:** The FAA and Lessor reserve the right to place on and around the Land such instruments and equipment as are desirable or necessary to facilitate Airport operations, provided such instrumentation or equipment does not unreasonably interfere with the Permitted Use.

- 11. **INSURANCE:** The State of Tennessee, including APSU, self-insures its exposures in general liability, automobile liability, professional malpractice, and workers' compensation. The current limits of liability for general liability, professional malpractice, and automobile liability are \$300,000.00 per person and \$1 million per occurrence, but are

subject to change based on then-current law. The limits of liability under workers' compensation are those set forth in Tenn. Code Ann. §§ 50-6-101, *et seq.* The statutes that authorize actions against the State of Tennessee, establish the State's limit of liability, and authorize self-insurance through the Risk Management Fund, are set forth in Tenn. Code Ann. §§ 9-8-101, *et seq.*

APSU's self-insurance program insures all liability created under Title 9, Chapter 8 of the Tennessee Code Annotated, for all State departments, agencies and institutions, including State institutions of higher education, and any entity deemed by the General Assembly to be a State agency for the purpose of participating in the State's self-insurance program.

12. **LIABILITY:** APSU will be responsible for any and all damages, injury, and claims which may result from APSU's use, occupancy or condition of the Land to the extent such liability is imposed by Tenn. Code Ann. §§ 9-8-101, *et seq.* Lessor will be responsible for any and all damages, injury, and claims which may result from Lessor's ownership of the Land to the extent that such liability is imposed by applicable law. Each party shall be responsible for its own negligence and shall be liable for actual damages only.

13. **DEFAULT AND REMEDIES:**

- a) **DEFAULT BY APSU:** The occurrence of any of the following events shall constitute a default by APSU under this Lease unless cured within thirty (30) days following written notice of such violation from Lessor: (i) APSU fails to timely pay any Rent; (ii) APSU or APSU's Associates violate any requirement under this Lease; (iii) APSU files for bankruptcy; and (iv) APSU ceases operations on the Land and abandons the Building for more than sixty (60) consecutive days. If the nature of APSU's obligation is such that more than thirty (30) days are reasonably required for performance or cure, APSU shall not be in default if APSU commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion or APSU takes prompt steps to require APSU's Associates to cease violating the requirements of the Lease.

If APSU fails to perform or breach any provision of this Lease other than the agreement of APSU to pay Rent and fails to timely cure the breach as provided in the Section, the Lessor may terminate this Lease or take any such action it is legally entitled to take. Any and all monetary claims against the State of Tennessee, including APSU or its employees, shall be heard and determined by the Tennessee Claims Commission of the State of Tennessee in the manner prescribed by law. Damages recoverable against APSU shall be expressly limited to claims paid by the Claims Commission pursuant to T.C.A. § 9-8-301 *et seq.*

- b) **DEFAULT BY LESSOR:** The occurrence of any of the following events shall constitute a default by Lessor under this Lease unless cured within thirty (30) days following written notice of such violation from APSU: (i) the issuance by any court of competent jurisdiction of an injunction in anyway preventing or restraining the use of the Airport, so as to substantially affect APSU's use of the Land for the

Permitted Use and the remaining in force of such injunction for any period of time; provided, however, that such injunction is not due to the acts or omissions of APSU at the Airport; (ii) the assumption by the United States Government or any authorized agency thereof of the operations, control, or use of the Airport, or any substantial part or parts thereof, in a manner as substantially to restrict APSU for any period of time from full use of the Land, and in that event, a just and proportionate part of the Rent hereunder shall be abated prior to APSU's termination of the Lease; (iii) any other breach of the terms of this Lease by Lessor, which is not adequately remedied within thirty (30) days of the mailing of written notices thereof to Lessor; or (iv) any property damage or activities by Lessor or persons to whom Lessor has granted rights with respect to the Airport that substantially affect APSU's use of the Land for the Permitted Use (examples can include, but are not limited to, inability to use the Airport for the Permitted Use such as downed Aircraft or damaged Tower or tarmac, etc.). If the nature of Lessor's obligation is such that more than thirty (30) days are reasonably required for performance or cure, Lessor shall not be in default if Lessor commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

If Lessor shall fail to perform or breach any provision of this Lease and fails to timely cure the breach as provided in this Section, APSU may terminate this Lease or take any such action it is legally entitled to take, including instituting litigation to compel performance of this Lease. In the event APSU terminates this Lease due to default by Lessor, Lessor shall be obligated to purchase the Improvements from APSU at the then-current fair market value, as determined by a State of Tennessee Real Estate Asset Management (STREAM), or equivalent state agency at the time, approved appraiser.

- c) **SURVIVAL:** The provisions of this Section and the remedies and rights provided in this Section shall survive any expiration or termination of this Lease.
- d) **ASSIGNMENT AND SUBLETTING:** APSU shall not assign this Lease or sublet all or any portion of the Land without the prior written consent of the Lessor unless it is tied to the transfer of ownership of the Improvements.

14. **CASUALTY:**

- a) If the Land or Improvements are totally destroyed or more than twenty-five percent (25%) of the floor space of the Improvements rendered unusable by fire or other casualty, APSU, in its sole discretion, shall have the option to terminate the Lease by giving written notice to the Lessor within sixty (60) days after destruction or damage. Upon such termination of the Lease, APSU shall be entitled to receive and retain all insurance proceeds payable as a result of the casualty, and APSU shall clear any remaining debris and return the Land to a reasonably cleared condition.

- b) **APSU's Repair Obligation:** If APSU does not exercise its termination right under Section 11(a) or if casualty to the Improvements renders less than twenty-five percent (25%) of the Improvements unusable, APSU shall repair and restore the Improvements to at least substantially the same condition or usability as it was in immediately prior to the occurrence of the casualty. APSU shall commence such repair and restoration work within one hundred and twenty (120) days after the occurrence of the casualty and shall diligently prosecute the same to completion. APSU's rent obligation shall not be reduced or abated during the period of repair and restoration, unless such casualty was due to the negligence or willful conduct of Lessor.
- c) **Lessor's Repair Obligation:** If the casualty damages the Airport, or Airport equipment or property (including but not limited to the tower, tarmac, or other airport amenities), is damaged or unusable in a manner so as to even minimally prevent APSU from fully using the Land or Improvements for the Permitted Use under this Lease, the Lessor shall repair and restore the Airport to a condition that is suitable for APSU's full enjoyment for the Permitted Use. The Lessor shall commence such repair and restoration work within thirty (30) days after receiving notice of the casualty and shall diligently prosecute the same to completion within one hundred twenty (120) days thereafter. During the period of time that the Lessor is repairing and restoring the Airport, APSU's obligation to pay rent shall be abated. If the Lessor is unable to complete the repairs within one hundred twenty (120) days, APSU shall have the right to terminate this Lease and require the Lessor to purchase the Improvements at fair market value as determined by a state appraiser.

15. **NOTICES:** All Notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

To the Lessor at:

Mr. John Patterson
 Executive Director
 Clarksville Regional Airport
 200 Airport Road
 Clarksville, Tennessee 37042

To APSU at:

Mr. Shahrooz Roohparvar
 VP Finance & Administration
 Austin Peay State University
 PO Box 4635
 Clarksville, TN 37044

- 16. **TIME OF THE ESSENCE:** Time is of the essence of this Lease, and the terms and provisions of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns to the respective parties hereto.
- 17. **HOLDING OVER:** In the event APSU remains in possession of the Land after the expiration of the Term, or any extension thereof, this Lease shall be automatically extended on a month-to-month basis, subject to thirty (30) days termination by either party, and

otherwise on the terms and conditions herein specified, so far as applicable.

18. **NO WAIVER:** The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of Rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by APSU of any term, covenant, or condition of this Lease, other than the failure of APSU to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent.
19. **NON-INTERFERENCE WITH OPERATION OF AIRPORT:** APSU expressly agrees that APSU will not conduct operations in or on the Land in a manner that in the reasonable judgment of Lessor (i) interferes or might interfere with the reasonable use by others of common facilities at the Airport, (ii) hinders or might hinder police, fire fighting, or other emergency personnel in the discharge of their duties, (iii) would or would be likely to constitute a hazardous condition at the Airport, (iv) would or would be likely to increase the premiums for insurance policies maintained by Lessor unless such operations are not otherwise prohibited hereunder and the APSU pays the increase in insurance premiums occasioned by such operations, (v) is in contradiction to any rule, regulation, directive or similar restriction issued by agencies having jurisdiction over the Airport including FAA, Homeland Security, Transportation Security Administration and Customs and Border Patrol, or (vi) would involve any illegal purposes.
20. **EMERGENCY CLOSURES:** During time of war or national emergency, Lessor shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly-owned air navigation facilities and/or other areas or facilities of the Airport. If any such agreement is executed, the provisions of this Lease, insofar as they are inconsistent with provisions of the agreement with the Government, will be suspended. The Lessor shall use its best efforts in the negotiation of any such agreement to ensure the continuation of the activities on the Land during the term of the agreement.

Should Lessor prevent APSU from using the Land for its Permitted Use for any reason, including but not limited to emergency closures referenced above, APSU's obligation to pay rent shall be suspended for the period of time that it is prevented from use the Land. However, APSU, in its sole discretion, may request Lessor to cooperate with APSU to identify a suitable alternative location at the Airport until the return to use of the Land. Should the period during which APSU is prevented from using the Land extend for longer than ninety (90) days, then APSU may elect, in its sole discretion, to terminate this Lease by providing Lessor with at least thirty (30) days prior notice of its intent to terminate and subject to Section 9 above regarding first-right of refusal and sale of Improvements. Upon the date of termination, APSU shall have no further obligations under this Lease.
21. **OPTION TO LEASE OR PURCHASE TRADE IN:** In the event that a new terminal,

combined hangar section, or other improvement(s) is made by Lessor to Airport during the Term, APSU may request the option to trade in the Improvements for an equivalent space within the new hangar or other improvement. If a new space or hangar is negotiated, and upon any transfer to APSU of new space at the Airport, this Lease shall terminate and be superseded by the new agreement between APSU and Lessor for the same current rental rate and remaining term as this Lease, if not agreed to longer.

22. **APPROVALS:** The Lessor fully understands that this Lease is not binding except and until all appropriate APSU and State officials' signatures have been fully obtained, approval of this Lease has been given by the State Building Commission, approval by the Tennessee State School Bond Authority, if applicable, and the fully executed document returned to the Lessor.
23. **INTERPRETATION:** References in the text of this Lease to articles, sections or exhibits pertain to articles, sections or exhibits of this Lease, unless otherwise specified. The terms "hereby," "herein," "hereof," "hereto," "hereunder" and any similar terms used in this Lease refer to this Lease. The term "including" shall not be construed in a limiting nature, but shall be construed to mean "including, without limitation." Words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons. Any headings preceding the text of the articles and sections of this Lease, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect the meaning, construction or effect of this Lease. Words importing the singular shall include the plural and vice versa. Words of the masculine gender shall be deemed to include correlative words of the feminine and neuter genders.
24. **FORCE MAJEURE:** If Lessor or APSU is delayed or hindered in any performance under this Lease by a force majeure event, such performance shall be excused to the extent so delayed or hindered during the time when such force majeure event is in effect, and such performance shall promptly occur or resume thereafter at the expense of the party so delayed or hindered. A "force majeure event" is an act or event, whether foreseen or unforeseen, that prevents a party in whole or in part from performing as provided in this Lease, that is beyond the reasonable control of and not the fault of such party, and that such party has been unable to avoid or overcome by exercising due diligence, and may include, but is not limited to, acts of nature, war, riots, strikes, accidents, fire, and changes in law.
25. **GOVERNING LAW:** This Lease has been made in and will be construed in accordance with the laws of the State of Tennessee.
26. **AMENDMENTS AND WAIVERS:** No amendment to this Lease shall be binding on Lessor or APSU unless reduced to writing and signed by both parties and approved by all required State of Tennessee entities. No provision of this Lease may be waived, except pursuant to a writing executed by the party against whom the waiver is sought to be

enforced.

27. **SEVERABILITY:** If any provision of this Lease is determined to be invalid, illegal, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect if both the economic and legal substance of the transactions that this Lease contemplates are not affected in any manner materially adverse to any party. If any provision of this Lease is held invalid, illegal, or unenforceable, the parties shall negotiate in good faith to modify this Lease to fulfill as closely as possible the original intents and purposes of this Lease.
28. **MERGER:** This Lease constitutes the final, complete, and exclusive Lease between the parties on the matters contained in this Lease. All prior and contemporaneous negotiations and Leases between the parties on the matters contained in this Lease are expressly merged into and superseded by this Lease. In entering into this Lease, neither party has relied on any statement, representation, warranty, nor Lease of the other party except for those expressly contained in this Lease.
29. **RELATIONSHIP OF PARTIES:** This Lease does not create any partnership, joint venture, employment, or agency relationship between the parties. Nothing in this Lease shall confer upon any other person or entity any right, benefit, or remedy of any nature.
30. **FURTHER ASSURANCES:** Each party shall execute any document or take any action that may be necessary or desirable to consummate and make effective a performance that is required under this Lease.
31. **SIGNATORY'S AUTHORITY:** Each person signing this Lease in a representative capacity expressly represents that the signatory has the subject party's authority to so sign and that the subject party will be bound by the signatory's execution of this Lease. Each party expressly represents that except as to approval specifically required by this Lease, such party does not require any third-party's consent to enter into this Lease, including the consent of any spouse, insurer, assignee, licensee, secured lender, or regulatory agency.
32. **RECORDS RETENTION:** Lessor shall maintain documentation for all charges against APSU under this Lease. The books, records and documentation of Lessor, insofar as they relate to payments pursuant to this Lease with APSU, shall be maintained for a period of five (5) full years from the date of what amounts to the final payment under this Lease, and shall be subject to the review, at any reasonable time and upon reasonable notice by the appointed representatives of the State or Comptroller of the Treasury.

IN WITNESS WHEREOF, this Lease has been executed by the parties hereto:

LESSOR

APSU

BY: Sammy Stuard

BY: _____

BY: _____

Approved as to form and legality:

Jonathan Skrmetti
Attorney General & Reporter



Add notaries for lessor and APSU

Sammy Stuard personally appeared before me on this the 23 day of Oct, 2024, and signed this document as evidenced by their signature.

John Patterson
John Patterson, Notary Public

Commission expires March 17, 2027

**EXHIBIT A
To Lease Agreement**

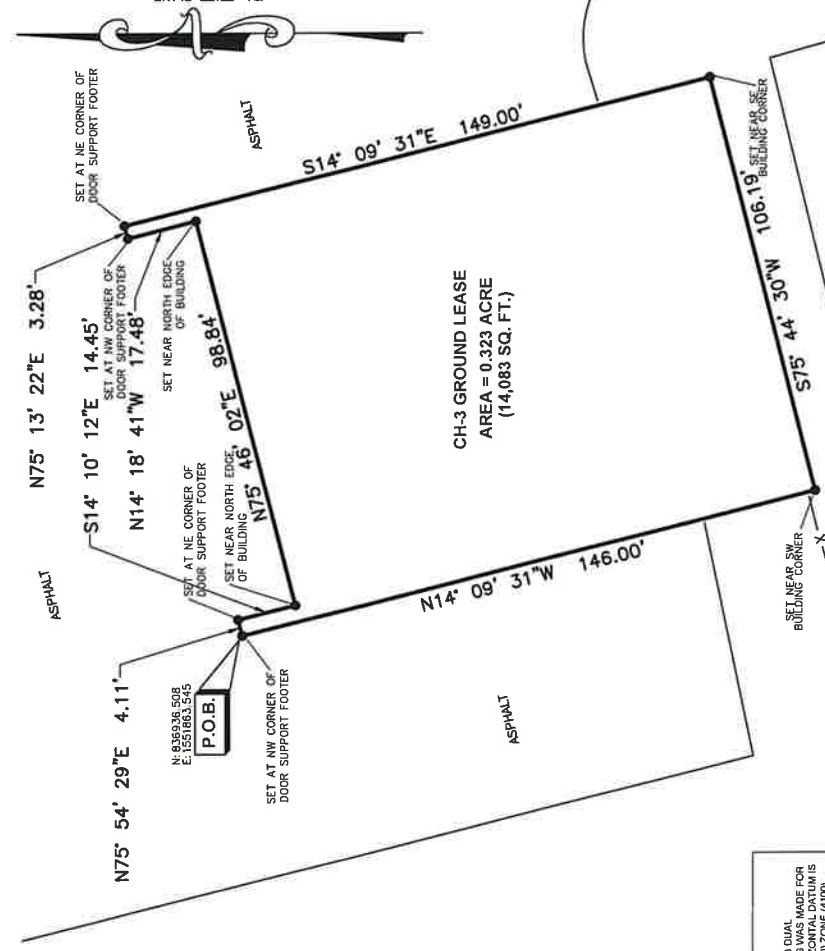
DRAWING/DESCRIPTION OF THE LAND



VICINITY MAP

LEGEND

- PROPOSED LEASE LINE
- CENTERLINE OF ROAD
- X-X-X- CHAINLINK FENCE
- X-X-X- EDGE OF PAVEMENT
- NAIL SPIKE W/ WASHER TN-#1809 (SET)



CH-3 GROUND LEASE
 AREA = 0.323 ACRE
 (14,083 SQ. FT.)

DEED REFERENCE OWNERS:
 CLARKSVILLE REGIONAL AIRPORT
 200A OUTLAW FIELD RD
 CLARKSVILLE, TN 37042
 GROUND LEASE ADDRESS:
 OUTLAW FIELD RD
 CLARKSVILLE, TN 37042

TAX PARCEL ID: 019 00100 00003019 (PORTION)
 INSIDE THE CITY LIMITS OF CLARKSVILLE, TN

CLIENT:
 AUSTIN PEAY STATE UNIVERSITY
 C/O: YIBING WU - PROJECT MANAGER
 CAPITAL PLANNING, DESIGN & CONSTRUCTION
 255 MARION ST, #10
 CLARKSVILLE, TENNESSEE 37040



BACON | FARMER | WORKMAN
 ENGINEERING & TESTING, INC.
 500 SOUTH THIRD STREET 403 N. COURT STREET 1215 BRIDGE STREET
 CLARKSVILLE, TN 37040 CLARKSVILLE, TN 37040 CLARKSVILLE, TN 37040
 PHONE: 731.254.4300 PHONE: 731.254.4300 PHONE: 731.254.4300
 898 DOWNE BROOK RD. 807 ARROW RD. DATE 2
 PHONE: 731.354.4992 PHONE: 731.354.4992

PROJECT NO:	24444
DATE:	10/02/2024
CONTRACT:	CC-LW
SCALE:	1" = 30'

SHEET	SV1
GROUND LEASE SURVEY	
CLARKSVILLE REGIONAL AIRPORT	
FOR: CLARKSVILLE, MONTGOMERY COUNTY, TN.	
FOR: AUSTIN PEAY STATE UNIVERSITY	

SURVEY NOTE:
 THIS SITE SURVEY WAS COMPLETED USING A TRIMBLE R12 AND TRIMBLE R4 DUAL FREQUENCY GPS RECEIVERS. A STATIC OBSERVATION WITH OPUS PROCESSING WAS MADE FOR HORIZONTAL CONTROL. FOLLOWED UP BY AN RTK SURVEY OF THE SITE. - HORIZONTAL DATUM IS TENNESSEE STATE PLANE (4100), COORDINATES: NAD_83(2011) (NAD_83(2011) ZONE 1400), DATUM: NAD_83(2011), COMBINED FACTOR: 1.0002250 FROM OPUS SOLUTION DATED SEPTEMBER 13, 2024.
 ALL BEARINGS AND COORDINATES SHOWN ARE TENNESSEE STATE PLANE (4100). ALL DISTANCES SHOWN ARE HORIZONTAL SURFACE DISTANCE IN U.S. SURVEY FEET.

SURVEYOR'S CERTIFICATE
 I HEREBY CERTIFY THAT THE SURVEY DEPICTED BY THIS PLAT WAS DONE BY PERSONS UNDER MY DIRECT SUPERVISION BY THE METHOD OF GPS POSITIONING. THE INFORMATION SHOWN HEREON IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF THE RELATIVE POSITIONAL ACCURACY IS 0.015'. THE SURVEY AS SHOWN HEREON MEETS OR EXCEEDS THE ACCURACY REQUIREMENTS OF THE STATE OF TENNESSEE FOR CATEGORY I SURVEY.

Frank C. Colay

R.L.S.# 1689
 DATE: OCTOBER 2, 2024
 THIS PROPERTY IS SUBJECT TO ALL PREVIOUSLY CONVEYED RIGHT-OF-WAYS AND EASEMENTS
 FIELD WORK: SEPTEMBER 30, 2024



AUSTIN PEAY STATE UNIVERSITY

CH-3 GROUND LEASE DESCRIPTION

A 0.323 acre (14,083 sq. ft.) tract of land as surveyed by Frank C. Coley PLS #1809 with the firm of Bacon Farmer Workman Engineering and Testing Inc. of Murray, Kentucky in October of 2024, located on the east side of Outlaw field Road, inside the Clarksville Regional Airport, lying in the City of Clarksville, Montgomery County, Tennessee and being more particularly described as follows:

Commencing at the centerline intersections of Outlaw Field Road and Tiny Town Road and thence running south with the centerline of Outlaw field road approximately 3260' to a point; thence easterly approximately 132' to the True Point of Beginning, said Point of Beginning have Tennessee State Plane Coordinates of N: 836936.508 E: 1551863.545 and is a Nail Spike w/washer TN - #1809 (set) at the northwest corner of the door support footer;

THENCE N 75°54'29" E a distance of 4.11' to a Nail Spike w/washer TN - #1809 (set) at the northeast corner of the door support footer;

THENCE S 14°10'12" E a distance of 14.45' to a Nail Spike w/washer TN - #1809 (set) near the north edge of building;

THENCE N 75°46'02" E a distance of 98.84' to a Nail Spike w/washer TN - #1809 (set) near the north edge of building;

THENCE N 14°18'41" W a distance of 17.48' to a Nail Spike w/washer TN - #1809 (set) at the northwest corner of the door support footer;

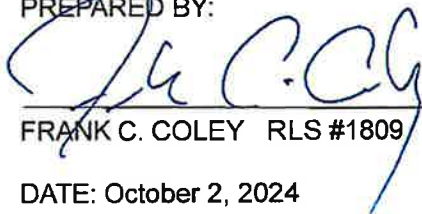
THENCE N 75°13'22" E a distance of 3.28' to a Nail Spike w/washer TN - #1809 (set) at the northeast corner of the door support footer;

THENCE S 14°09'31" E a distance of 149.00' to a Nail Spike w/washer TN - #1809 (set) near the southeast building corner;

THENCE S 75°44'30" W a distance of 106.19' to a Nail Spike w/washer TN - #1809 (set) near the southwest building corner;

THENCE N 14°09'31" W a distance of 146.00' point of beginning.

PREPARED BY:


FRANK C. COLEY RLS #1809

DATE: October 2, 2024

BACON FARMER WORKMAN ENGINEERING AND TESTING INC.
1215 DIUGUID DRIVE
MURRAY, KY. 42071
(207)753-7307



EXHIBIT B
To Lease Agreement

FORM OF BILL OF SALE

BILL OF SALE

THIS BILL OF SALE (the "Bill of Sale") is executed and delivered as of the ___ day of _____, 2024 (the "Effective Date"), by Clarksville Regional Airport Authority ("Seller"), to and in favor of Austin Peay State University ("Buyer").

WITNESSETH:

WHEREAS, Seller and Buyer have entered into that certain Land Lease Agreement (the "Lease Agreement") pursuant to which Seller agreed to lease to Buyer a certain 14,083+/- sf parcel of land having an address of 200 Airport Road (the "Land") and to sell to Buyer all improvements and all personal property, including Building CH-3 (the "Personal Property") on the Land; and

WHEREAS, simultaneously with the execution of this Bill of Sale, the "term" of the Lease Agreement has commenced; and

WHEREAS, under the terms of the Lease Agreement, Seller is required to enter into this Bill of Sale at Closing, conveying the Personal Property to Buyer.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Transfer. Seller hereby sells, transfers and conveys the Personal Property to Buyer. Seller represents and warrants to Buyer that: (i) Seller has good and merchantable title to the Personal Property; (ii) the Personal Property is not subject to any liens, financing statements, security interests, or other encumbrances; and (iii) Seller has the right, power, and authority to convey the Personal Property to Buyer. The Personal Property is being transferred in its "AS-IS" condition without any warranties

2. Binding Effect. This Bill of Sale shall be binding on Seller and its successors and assigns.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed as of the day and year first above written.

SELLER:

CLARKSVILLE REGIONAL AIRPORT
AUTHORITY, a Tennessee regional airport
authority, organized and chartered pursuant to
Tennessee law

By: _____

Name: _____
Title: _____

Austin Peay State University
 Clarksville Regional Airport Land Lease
 Rent Payment Schedule

	<u>Additional Rent*</u>	<u>Annual Rent</u>
Year 1	-	21,840.00
Year 2	-	21,840.00
Year 3	-	21,840.00
Year 4	-	21,840.00
Year 5	-	21,840.00
Year 6	-	21,840.00
Year 7	-	21,840.00
Year 8	-	21,840.00
Year 9	-	21,840.00
Year 10	-	21,840.00
Year 11	436.80	22,276.80
Year 12	-	22,276.80
Year 13	-	22,276.80
Year 14	-	22,276.80
Year 15	-	22,276.80
Year 16	445.54	22,722.34
Year 17	-	22,722.34
Year 18	-	22,722.34
Year 19	-	22,722.34
Year 20	-	22,722.34
Year 21	454.45	23,176.78
Year 22	-	23,176.78
Year 23	-	23,176.78
Year 24	-	23,176.78
Year 25	-	23,176.78
Year 26	463.54	23,640.32
Year 27	-	23,640.32
Year 28	-	23,640.32
Year 29	-	23,640.32
Year 30	-	23,640.32
Year 31	472.81	24,113.12
Year 32	-	24,113.12
Year 33	-	24,113.12
Year 34	-	24,113.12
Year 35	-	24,113.12
Year 36	482.26	24,595.39
Year 37	-	24,595.39
Year 38	-	24,595.39
Year 39	-	24,595.39

Year 40	-	24,595.39
Year 41	491.91	25,087.29
Year 42	-	25,087.29
Year 43	-	25,087.29
Year 44	-	25,087.29
Year 45	-	25,087.29
Year 46	501.75	25,589.04
Year 47	-	25,589.04
Year 48	-	25,589.04
Year 49	-	25,589.04
Year 50	-	25,589.04
Year 51	511.78	26,100.82
Year 52	-	26,100.82
Year 53	-	26,100.82
Year 54	-	26,100.82
Year 55	-	26,100.82
Year 56	522.02	26,622.84
Year 57	-	26,622.84
Year 58	-	26,622.84
Year 59	-	26,622.84
Year 60	-	26,622.84
Year 61	532.46	27,155.29
Year 62	-	27,155.29
Year 63	-	27,155.29
Year 64	-	27,155.29
Year 65	-	27,155.29
Year 66	543.11	27,698.40
Year 67	-	27,698.40
Year 68	-	27,698.40
Year 69	-	27,698.40
Year 70	-	27,698.40
Year 71	553.97	28,252.37
Year 72	-	28,252.37
Year 73	-	28,252.37
Year 74	-	28,252.37
Year 75	-	28,252.37
Year 76	565.05	28,817.42
Year 77	-	28,817.42
Year 78	-	28,817.42
Year 79	-	28,817.42
Year 80	-	28,817.42
Year 81	576.35	29,393.76
Year 82	-	29,393.76
Year 83	-	29,393.76

Year 84	-	29,393.76
Year 85	-	29,393.76
Year 86	587.88	29,981.64
Year 87	-	29,981.64
Year 88	-	29,981.64
Year 89	-	29,981.64
Year 90	-	29,981.64
Year 91	599.63	30,581.27
Year 92	-	30,581.27
Year 93	-	30,581.27
Year 94	-	30,581.27
Year 95	-	30,581.27
Year 96	611.63	31,192.90
Year 97	-	31,192.90
Year 98	-	31,192.90
Year 99	-	31,192.90

*Assumes 2% CPI on Increase Years



JASON E. MUMPOWER
Comptroller

MEMORANDUM

Date: December 16, 2024

To: Members of the Tennessee State School Bond Authority

From: Sandi Thompson, Director, Division of State Government Finance

Re: Staff Recommendation to the Tennessee State School Bond Authority
on Selection of Financial Advisor

On Monday, October 7, 2024, the Division of State Government Finance (SGF) distributed a request for proposal (RFP) seeking a financial advisor for the State to serve the State Funding Board (for the state's general obligation debt) and the two State-level revenue debt issuers: Tennessee Local Development Authority (TLDA) and Tennessee State School Bond Authority (TSSBA) (together "the Issuers") for the period commencing January 1, 2025, through December 31, 2027.

The RFP was emailed to the following 13 independent financial advisory firms. The list of firms was compiled by SGF from The Bond Buyer's list of "Top Financial Advisors for the First Nine Months 2024" and included other financial advisory firms doing business in the state of Tennessee.

Acacia Financial Group
BLX Group
CSG Advisors, Inc
Cumberland Securities
Frasca & Associates, LLC
Hilltop Securities
Kaufman, Hall & Assoc.

KNN Public Finance
Lamont Financial
Kidwell & Company
Piper Sandler
Public Financial Management, Inc. (PFM)
Public Resources Advisory Group (PRAG)

Questions regarding the proposal from potential respondents were due by email on Monday, October 14, 2024. There were no questions received. However, our office received an email from Kaufman, Hall & Assoc. thanking us for including them in the RFP process. They stated that they were politely declining to respond to the RFP.

The Technical and Cost proposals were due by 12:00 PM, noon CT, Friday, November 1, 2024. One proposal was received from PFM Financial Advisors, LLC (PFM), on Thursday, October 31, 2024. The Technical Proposal was emailed to the staff of the board members for their review on November 15, 2024. The Cost Proposal was opened on Friday, November 22, 2024, to prepare an analysis of the costs (and comparison to the prior contract term costs) to be provided to staff at the meeting to be held on Monday, December 9, 2024.

At the meeting on Monday, December 9, 2024, staff discussed the proposal. It was communicated, and all agreed, that since one proposal was received, there would be no in-person interviews. SGF noted that PFM had provided exemplary services to the state over the past five years. The following attributes were highlighted to support the strengths of the services that PFM had provided:

- Excellence in structuring the state's financial transactions
- Readily accessible analysts to respond to, and provide assistance in, various requests/needs
- Depth of professional expertise and resources
- Guidance in securing proper short-term, long-term financing, and credit products (RCF)
- Knowledge of and commitment to the Tennessee market, market participants, etc.

Based on the results of the review of the technical response, staff concluded that PFM, as the state's current financial advisor; i) was the only firm to respond to the RFP; ii) is the largest financial advisory firm in the country; iii) has the largest amount of expertise and resources with responsive staff/analysts, and iv) is the most qualified to serve the Issuers.

An analysis was performed of the current cost proposal, and it was noted that the cost of the contract in the amount of \$708,314 for the three-year contract period was \$6,646 less than the previous three-year contract amount of \$714,960. It was determined that most of the variance in cost was a combination of an increase in retainer fees in the amount of \$12,854, a decrease in the advisory fees (transactional fees) in the amount of \$46,500, and an increase in expenses in the amount of \$27,000. The decrease in advisory fees reflected the impact of the Tax Reform Act of 2018 with the elimination of tax-exempt advance refundings. Based on a preliminary review of the proposal, it appeared that the pricing was reasonable.

Based on the foregoing discussion, staff concluded that it would make its recommendation for PFM to serve as financial advisor for the period of January 1, 2025, through December 31, 2027. This recommendation is to be presented to the State Funding Board at its meeting on December 16, 2024, as well as the Tennessee State School Bond Authority and the Tennessee Local Development Authority at their scheduled meetings on that date as well.

COST PROPOSAL

(Note, all fees and expenses must be disclosed in this form)

Proposer: PFM Financial Advisors LLC

(Firm name)

By: Lawrence S. Lowe
(signature)

ANNUAL BUDGETED BILLINGS*

	Calendar Year 2025	Calendar Year 2026	Calendar Year 2027
Advisory Fee	\$80,000	\$130,000	\$225,000
Advisory Fee Expenses	\$7,000	\$14,000	\$21,000
Special Project	\$22,500	\$0	\$0
Retainer Fee	\$64,800	\$66,096	\$67,418
Retainer Fee Expenses	\$3,500	\$3,500	\$3,500
TOTAL	\$177,800	\$213,596	\$316,918

* Any subcontracted financial advisory services must be included in the contract cap.

COST PROPOSAL (cont'd)

HOURLY RATES*

Names	Calendar Year 2025	Calendar Year 2026	Calendar Year 2027
Managing Directors	\$380	\$388	\$395
Lauren Lowe	\$380	\$388	\$395
Joshua McCoy	\$380	\$388	\$395
Todd Fraizer, CFA	\$380	\$388	\$395
Ryan Conway	\$380	\$388	\$395
Daniel Kozloff	\$380	\$388	\$395
Matthew Eisel, CFA	\$380	\$388	\$395
Sarah Schirmer ^(a)	N/A ^(a)	N/A ^(a)	N/A ^(a)
Directors			
George Hu ^(a)	N/A ^(a)	N/A ^(a)	N/A ^(a)
Senior Managing Consultants	\$275	\$281	\$286
Marcie Lewis	\$275	\$281	\$286
Elise Lomel	\$275	\$281	\$286
Senior Analysts/Analysts	\$240	\$245	\$250
Albert Brown	\$240	\$245	\$250

* Hourly Rate(s) per contract year for each employee listed in II. B. above

(a) Services provided by PFM affiliates (if requested) are provided upon request and under separate agreement and fee schedules.

1. Are the hourly rates listed above applicable for special projects?

The hourly rates for special projects is \$375/hour.

2. Would the financial advisory fee vary based on the identity of the Issuer, the size or structure of the issue and whether the sale is competitive or negotiated?

Yes, budget assumes a minimum fee of: \$65,000 for State of TN General Obligation & TLDA transactions & \$80,000 for TSSBA transactions.

MAXIMUM CONTRACT CAP

State procurement policy requires that every contract have a maximum cap for the period of the contract. Please provide your not-to-exceed cap for services and for expenses for the contract period January 1, 2025, through December 31, 2027.

Advisory Fee	<u>\$ 457,500</u>
Retainer Fee	<u>\$ 198,314</u>
Expenses	<u>\$ 52,500</u>
Total	<u>\$ 708,314</u>

1. As a service provider do you believe there is a more efficient way to price your services? If so, please describe this pricing and quantify the savings benefit to the Issuers.

Many of PFM's FA client's transaction fees are based on the size of the financing; however, we are not proposing an alternative to how the State and PFM's contract is currently structured.

Financial Advisor Request for Proposal Cost Proposal Analysis

Cost Proposal 2020

	FY 2020 (6 months)	FY 2021	FY2022	FY2023 (6 months)
Retainer Fees	\$ 30,000.00	\$ 61,200	\$ 62,424	\$ 31,836
per month	5,000	5,100	5,202	5,306
Retainer Fee Expense	1,750	3,500	3,500	1,750
per month	292	292	292	292
Advisory Fees		75,000	85,000	320,000
per issuance		75,000	85,000	106,667
Advisory Fee Expenses		3,000	3,000	9,000
per issuance		3,000	3,000	3,000
Special Project	24,000			
TOTAL	\$ 55,750.00	\$ 142,700.00	\$ 153,924.00	\$ 362,586.00

Cost Proposal 2025

	2025	2026	2027
Retainer Fees	\$ 64,800	\$ 66,096	\$ 67,418
per month	5,400	5,508	5,618
Retainer Fee Expense	3,500	3,500	3,500
per month	292	292	292
Advisory Fees	80,000	130,000	225,000
per issuance (TSSBA)	80,000		80,000
per issuance (GO)		65,000	65,000
per issuance (TLDA)		65,000	
Advisory Fee Expenses	7,000	14,000	21,000
per issuance	7,000	7,000	7,000
Special Project	22,500.00		
TOTAL	\$ 177,800.00	\$ 213,596.00	\$ 316,918.00