

TENNESSEE STATE SCHOOL BOND AUTHORITY

March 24, 2025

The Tennessee State School Bond Authority (the “TSSBA”, or the “Authority”) met on March 24, 2025, at 2:02 p.m., CT, in the Volunteer Conference Center on the 2nd floor of the Cordell Hull Building, Nashville, Tennessee. Commissioner Jim Bryson, Department of Finance and Administration, 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
Jamie Wayman, proxy for the Honorable David H. Lillard, Jr., State Treasurer
Dick Tracy, proxy for Dr. Flora W. Tydings, Chancellor, Tennessee Board of Regents

The following member participated electronically as authorized by Tennessee Code Annotated § 8-44-108:

Luke Lybrand, proxy for Randy Boyd, President, University of Tennessee (“UT”)

The following member was absent:

The Honorable Bill Lee, Governor

Commissioner Bryson recognized a physical quorum present, with Mr. Lybrand participating electronically, and asked Ms. Sandi Thompson, TSSBA Assistant Secretary and Director of the Division of State Government Finance (SGF), to call the roll. Ms. Thompson called the roll:

Commissioner Bryson – Present
Secretary Hargett – Present
William Wood – Present
Jamie Wayman – Present
Luke Lybrand – Present
Dick Tracy – Present

Commissioner Bryson called the meeting to order. In accordance with Public Chapter 300 and Board guidelines, Commissioner Bryson asked Ms. Thompson if any requests for public comment had been received. Ms. Thompson responded that no requests for public comment had been received.

Commissioner Bryson stated that the first item on the agenda was the consideration and approval of the minutes from the December 16, 2024, meeting of the Authority. Commissioner Bryson asked if there were any questions or discussion regarding the minutes. Hearing none, Commissioner Bryson asked for a motion to approve the minutes. Secretary Hargett moved approval of the minutes, Mr. Wayman seconded the motion, and Ms. Thompson took the roll:

Commissioner Bryson – Aye
Secretary Hargett – Aye
William Wood – Aye
Jamie Wayman – Aye
Luke Lybrand – Aye
Dick Tracy – Aye

The minutes were unanimously approved.

Commission Bryson stated that the next item on the agenda was the consideration and approval of a “Resolution to Approve the Borrowing of Money by Another Method by the University of Tennessee, Health Science Center” – Corporate Quarters. Commissioner Bryson recognized Mr. Austin Oakes,

Assistant Vice President of the Office of Capital Projects at UT to present the request. Mr. Oakes explained that UT was requesting a housing lease with a five-year term. Mr. Oakes stated the lease is for approximately eleven two-bedroom apartment units located at 960 East 3rd Street, Chattanooga, Tennessee. Mr. Oakes stated the rent would be paid from student tuition and fees. Mr. Oakes stated this space would provide housing for the medical and dental students on clinical rotation with UT Health Science Center's College of Medicine – Chattanooga. Commissioner Bryson asked if there were any questions or comments. Secretary Hargett then moved approval of the request, Commissioner Bryson seconded the motion, and Ms. Thompson took the roll:

Commissioner Bryson – Aye
Secretary Hargett – Aye
William Wood – Aye
Jamie Wayman – Aye
Luke Lybrand – Aye
Dick Tracy – Aye

The motion was approved unanimously.

Commissioner Bryson stated that the next item on the agenda was the consideration and approval of a “Resolution to Approve the Borrowing of Money by Another Method by Middle Tennessee State University” – Amendment to lease with City of Shelbyville. Commissioner Bryson recognized Mr. Bill Waits, Assistant Vice President of the Office of Campus Planning and Architect at Middle Tennessee State University (“MTSU”) and Mr. Alan Thomas, Vice President for Business and Finance at MTSU to present the request. Mr. Waits explained that MTSU was requesting an amendment to the lease between the City of Shelbyville and MTSU. Mr. Waits stated the amendment would increase the leased space by 4.8 acres at the existing rental rate for the first lease year with 1% rate increases annually, to support future expansion of the MTSU Aerospace facilities at the Shelbyville Municipal Airport. Commissioner Bryson asked how the property would be developed and utilized. Mr. Waits explained that the first phase of development would focus on moving the professional pilot flight operations facility with approximately 1,000 students from the Murfreesboro municipal airport to the Shelbyville municipal airport. Mr. Waits explained that MTSU would be constructing instructional space, and hangar space to house approximately 50 aircraft for MTSU. Mr. Waits stated that MTSU planned for future development phases to move other aerospace concentrations such as the maintenance management program to the Shelbyville airport property. Commissioner Bryson asked if there were any questions or comments. Secretary Hargett then moved approval of the request, Jamie Wayman seconded the motion, and Ms. Thompson took the roll:

Commissioner Bryson – Aye
Secretary Hargett – Aye
William Wood – Aye
Jamie Wayman – Aye
Luke Lybrand – Aye
Dick Tracy – Aye

The motion was approved unanimously.

Commissioner Bryson stated the next item on the agenda was the consideration and approval of a project for the Tennessee Board of Regents at Tennessee Technological University (“TTU”). Commissioner Bryson recognized Mr. Jim Cobb, Director of Capital Projects and Planning, and Dr. Claire Stinson, Vice President for Planning and Finance at TTU to present the request.

- Tennessee Technological University – J.J. Oakley Innovation Center Residence Hall (933); Cost: \$72,560,000 of which \$56,000,000 will be funded by TSSBA; Term of Financing: 30 years at an assumed tax-exempt rate.

Mr. Cobb stated TTU was requesting approval of \$56,000,000 of bond funding for this project. Mr. Cobb stated the total project budget for the first phase of the project is \$72,560,000. Mr. Cobb stated the funding

is for the residence hall that would be approximately 98,000 square feet with 400 beds. Mr. Cobb stated that plant funds would be used to fund the remaining balance of the project that is not being financed by the TSSBA. Commissioner Bryson asked if there were any questions. Secretary Hargett moved approval of the request, and Mr. Wood seconded the motion. Commissioner Bryson 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. Commissioner Bryson asked Ms. Thompson to take roll:

Commissioner Bryson – Aye
Secretary Hargett – Aye
William Wood – Aye
Jamie Wayman – Aye
Luke Lybrand – Aye
Dick Tracy – Aye

The motion was approved unanimously.

Commissioner Bryson stated the next item on the agenda is the approval of the “Supplemental Resolution Authorizing and Providing for the Issuance and Sale of Higher Educational Facilities Second Program Bonds” for the 2025 Series Bonds and delegate the authority to the Comptroller to sell and fix the details of the bonds. Commissioner Bryson called upon Ms. Thompson to present the information. Ms. Thompson stated in accordance with the TSSBA Debt Management Policy, detailed information on the purpose of the bond financing, the proposed structure of the financing, the source of payment to be pledged to the financing, the proposed method of sale, the proposed financing team, and an estimate of all costs associated with the financing was to be presented to the Authority and staff.

Ms. Thompson stated for the transaction that she, with the assistance of SGF staff, Bond Counsel, Financial Advisor, and members of the financing team, had prepared a draft Preliminary Official Statement (“POS”), that described the proposed transaction and the security for the debt that is fully compliant with all legal requirements. Ms. Thompson stated the POS was presented to the members of the Authority for review in advance of the TSSBA meeting at which this Supplemental Resolution is to be adopted.

Ms. Thompson stated the Supplemental Resolution included:

- The **original purpose** of the financing is to issue new money bonds to fund project costs;
- **New money bonds** are authorized by this resolution to be issued in an amount not to exceed **\$250,000,000**; there are projects that are currently financed in the RCF, that could be financed with long-term debt.
- **Proposed structure** – the structure of the financing for **new money bonds** would be 20-30 year, level debt service with some bonds structured to amortize over a shorter period in order that the projects to be financed were not financed beyond their useful life; may be issued as **Tax-Exempt or Taxable debt**;
- **Proposed method of sale** - Bonds may be sold through a **competitive or negotiated sale**; The preferred method is competitive, and the TSSBA’s financial advisors have provided a recommendation letter to sell the bonds through a competitive sale; however, if it is in the Authority’s best interest, it may negotiate the sale of its bonds.
- Interest cost – the True Interest Cost (TIC) of the bonds shall not exceed **5.5% for tax-exempt bonds and 6.5% for taxable bonds**

Ms. Thompson stated the following documents were provided in conjunction with the proposed bond transaction and are referenced in the supplemental resolution:

- **Preliminary Official Statement**, the most recent draft of which was distributed to the members of the TSSBA for their review prior to this meeting at which the supplemental bond resolution is to be approved.
- **Continuing Disclosure Undertaking** in substantive form (from the most recent bond sale - 2022 transaction),
- **Notice of Sale** in substantive form (draft for this transaction for competitive bond sale) to be executed by the Authority;
- **PFM Recommendation Letter**, indicating that the financial advisor recommended that the TSSBA sell the bonds competitively.
- Form of **Bond Purchase Agreement** in the event the TSSBA negotiates the bond sale.

Commissioner Bryson moved approval of the Supplemental Resolution, Dick Tracy seconded the motion, and Ms. Thompson took roll:

Commissioner Bryson – Aye
 Secretary Hargett – Aye
 William Wood – Aye
 Jamie Wayman - Aye
 Luke Lybrand – Aye
 Dick Tracy – Aye

The motion was approved unanimously.

Commissioner Bryson stated that concluded the business on the agenda. Mr. Wood made a motion to adjourn, Mr. Wayman seconded the motion, and Ms. Thompson took the role:

Commissioner Bryson – Aye
 Secretary Hargett – Aye
 William Wood – Aye
 Jamie Wayman - Aye
 Luke Lybrand – Aye
 Dick Tracy – Aye

The meeting was adjourned.

Approved on this 19th day of May, 2025.

Respectfully submitted,


 Sandra Thompson
 Assistant Secretary