

memo

Hamblen County Assessor

To: Mayor Chris Cutshaw
From: Keith Ely
CC: Sherry Turley
Date: 2-12-25
Re: 2025 Reappraisal Plan

This memo is regarding a request that I received on 2-7-25 from the State Division of Property Assessments located in Greeneville, TN. They are requesting that the Hamblen County 2025 Reappraisal Plan be completed and approved by the Hamblen County Commission so that the Comptroller's Office can receive the plan by the end of February 2025.

This plan is three-fold; First, it lays out the responsibilities of the Assessor's Office regarding which maps and parcels will be reviewed per year for the next four years, covers staffing to perform the duties and accuracy of the plan. Secondly, it holds the Hamblen County Assessor accountable to follow and implement the plan. Thirdly, it holds the Hamblen County Commission accountable in supporting and funding the Assessor's Office.

I apologize for the short notice, but with the short notice that I received, it was not possible to have the 2025 reappraisal plan prepared by the committee meetings on 2-10-25. I would appreciate your support and understanding in this matter.

Thank you, Keith Ely

**5 - YEAR
REAPPRAISAL PLAN**

Hamblen County

SUBMISSION DATE:

February 14, 2025

ASSESSOR OF PROPERTY

Keith Ely

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Hamblen County

4 - YEAR VISUAL INSPECTION CYCLE

START DATE OF INSPECTION CYCLE: JULY 1st, 2020

ASSESSOR: Keith Ely

URBAN 1'=50' & 100' MAPS	<u>20,395</u>	(Except C/I/Other)
RURAL 1'=400' MAPS	<u>8,768</u>	(Except C/I/Other)
COMMERCIAL/INDUSTRIAL	<u>2,843</u>	
ALL OTHER TOTAL	<u>808</u>	
PARCELS	<u>32,814</u>	
PARCELS ENTERED	<u>32,814</u>	

TOTAL MAPS	1" = 50'	<u>0</u>
	1' = 100'	<u>236</u>
	1" = 400'	<u>58</u>

1ST INSPECTION YEAR

PARCELS TO BE INSPECTED FOR 2021

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
4,032	3,191	347	176	7,746	23.6%

MAPS TO BE INSPECTED FOR 2021

1" = 400' Maps	Qtr 1: 3,5,6,7,10,11,12,13,15,16
	Qtr 2: 17,18,19
	Qtr 3: 20,21,22,23,24
	Qtr 4: 26,27

1" = 100' Maps	Qtr 1: 9o,10l,10m,11d,11i,11n,11o,11p,12l,12g,12k,13o,13p,15e,16l,16m,16o
	Qtr 2: 17c,17d,17e,17f,17i,17j,17k,17l,17m,17n,17o,17p,19a,19g,19h,19i
	Qtr 3: 22m,24c,24d,24f,24g,24h,24j,24k,24l,24m,24n
	Qtr 4: 26g,26h,26j,26l,26n,26o,27b,27i,27j,27k,27l

1" = 50' Maps	

PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:	23.6%
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% OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
5%	5%	5%	5%	5%

2ND INSPECTION YEAR

PARCELS TO BE INSPECTED FOR 2022

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
4,063	3,705	620	195	8,583	26.2%

MAPS TO BE INSPECTED FOR 2022

1" = 400' Maps	Qtr 1: 25,28,29,35,36,37
	Qtr 2: 44,45,47,48
	Qtr 3: 49,50,51,58,59,61,62,63,64,66,67
	Qtr 4: 52,54,55,56,57

1" = 100' Maps	Qtr 1: 35a,35b,35c,35d,35g,35l,35n,35o,36i,43b,43c,43h,43j,43n
	Qtr 2: 47a,47c,47d,47e,47f,47g,47h,47i,47j,47k,47l,47n,47o,47p,48a,48b,48e,48g,48h
	Qtr 3: 48j,48n,48o,49d,49j,49k,49l,50b,50d,50g,50j,50m,50n,50o,50p,51a,51n,51o
	Qtr 4: 54a,54b,54c,54e,54f,54g,54h,55b,55h,57b,57i,57j,58i,63g

1" = 50' Maps	

PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:	26.2%
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% OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
5%	5%	5%	5%	5%

3RD INSPECTION YEAR

PARCELS TO BE INSPECTED FOR 2023

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
5,541	1,704	844	143	8,232	25.1%

MAPS TO BE INSPECTED FOR 2023

1" = 400' Maps	Qtr 1: 31,32,38,39
	Qtr 2: 40,43
	Qtr 3: 41,46,53
	Qtr 4: 42

1" = 100' Maps	Qtr 1: 31l,32e,32j,32k,32m,32n,32o,38l,39e,39f,39i,39j,39k,39l,39m,39n,39o,39p
	Qtr 2: 40a,40b,40c,40d,40e,40f,40g,40h,40i,40j,40k,40l,40o,40p
	Qtr 3: 41a,41b,41c,41d,41e,41f,41g,41h,41l,41n,46d,46f,46k,53f,53c
	Qtr 4: 42a,42b,42c,42f,42g,42h,42i,42j,42k,42m,42o,42p

1" = 50' Maps	

PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:	25.1%
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% OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
5%	5%	5%	5%	5%

4TH INSPECTION YEAR

PARCELS TO BE INSPECTED FOR 2024

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
6,759	168	1,032	294	8,253	25.2%

MAPS TO BE INSPECTED FOR 2024

1" = 400' Maps	Qtr 1: None
	Qtr 2: 33
	Qtr 3: 34
	Qtr 4: None

1" = 100' Maps	Qtr 1: 18a,18b,18c,18i,18j,18k,18l,18m,18n,18o,18p,25a,25b,25c,25d,25e,25f,25g
	Qtr 2: 25h,25i,25j,25k,25l,25m,25n,25o,25p,33a,33b,33c,33d,33e,33f,33g,33i,33j,33k
	Qtr 3: 33l,33m,33n,33o,33p,34a,34b,34c,34d,34f,34g,34h
	Qtr 4: 34i,34j,34k,34m,34n,34o,34p,56e

1" = 50' Maps	

PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:	25.2%
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% OF PARCELS CHECKED FOR QUALITY CONTROL

URBAN	RURAL	COMM/IND	OTHER	TOTAL %
5%	5%	5%	5%	5%

5TH INSPECTION YEAR

PARCELS TO BE INSPECTED FOR 2025

URBAN	RURAL	COMM/IND	OTHER	TOTAL	% TOTAL
				0	0.0%

MAPS TO BE INSPECTED FOR 2025

1" = 400' Maps	Not Applicable

1" = 100' Maps	Not Applicable

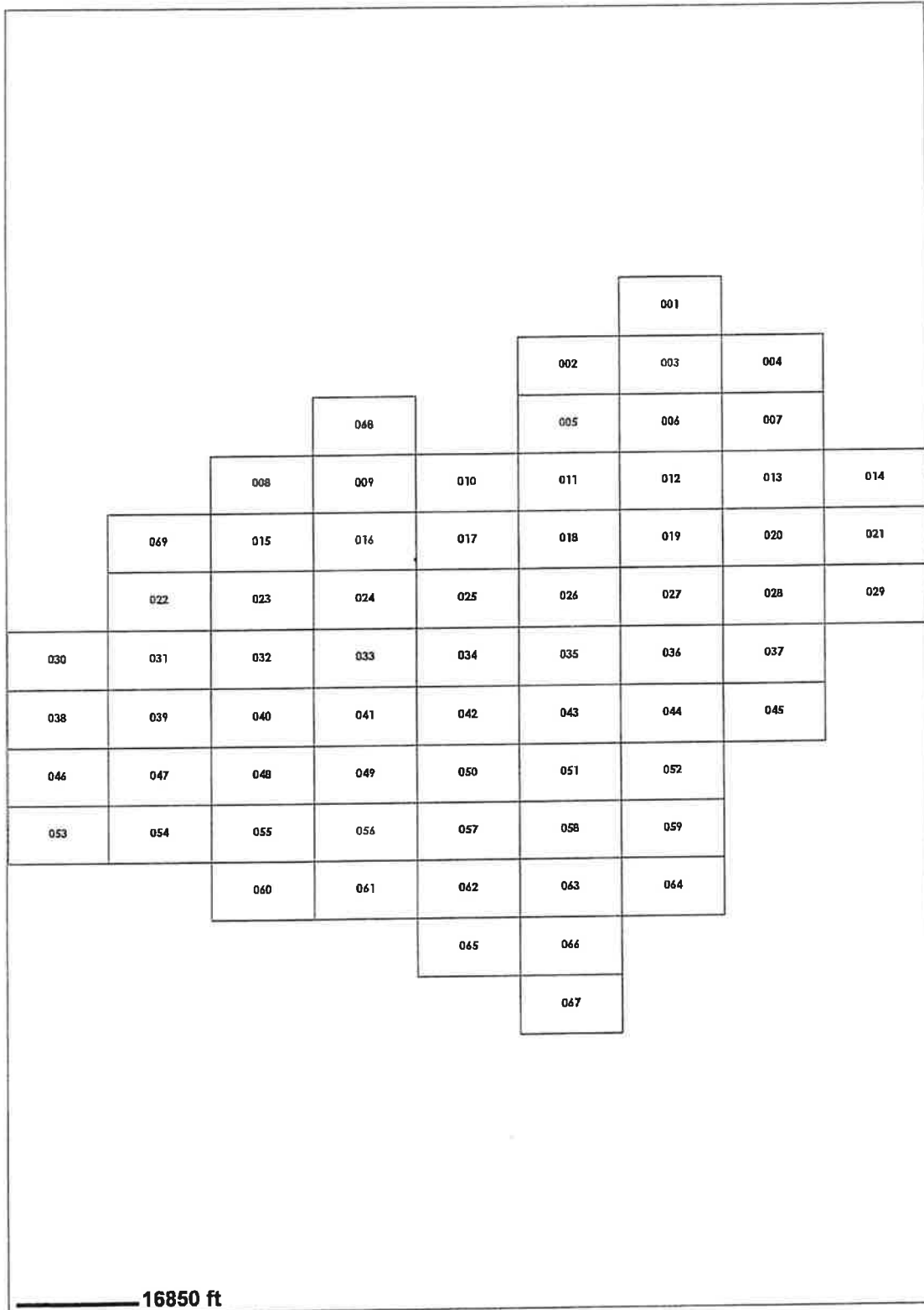
1" = 50' Maps	

PERCENTAGE OF TOTAL PARCELS TO BE INSPECTED THIS YEAR:	0.0%
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% OF PARCELS CHECKED FOR QUALITY CONTROL

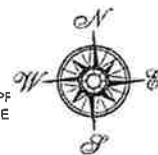
URBAN	RURAL	COMM/IND	OTHER	TOTAL %
5%	5%	5%	5%	5%

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HAMBLLEN COUNTY, TENNESSEE

DISCLAIMER: THIS MAP IS FOR PROPERTY TAX ASSESSMENT PURPOSES ONLY. IT WAS CONSTRUCTED FROM PF RECORDED IN THE OFFICE OF THE REGISTER OF DEEDS, AND IS NOT CONCLUSIVE AS TO LOCATION OF PROPE



HIP.

NARRATIVE INFORMATION --- VISUAL INSPECTION

A. **Field Inspectors:** The assessor's office will utilize trained, competent field personnel to measure and list all types of improvements in the field. Assistance may be requested from the Division of Property Assessments (DPA) upon encountering any special or unique improvements where additional expertise is needed.

B. **Training Recommended:** The assessor's office will participate in DPA, CTAS, and/or TnAAO seminars, workshops, and courses relating to current procedures and valuation of properties.

C. **Quarterly Progress Reports:** The assessor's office will provide a quarterly progress report to the DPA that accurately documents progress achieved during the reporting period. This report will show the number of parcels reviewed, current data entry status, and a listing of the maps that have been reviewed.

D. **Accuracy of All Attributes:** Both land and improvements will be reviewed on every parcel during the review phase for accuracy and completeness. This includes the physical attributes of the land, such as topography, and tree lines that may have changed since the last inspection cycle.

E. **Changes to Parcels:** Any new structures, additions, and remodeling will be keyed in the current file to maintain fairness and equity among all property owners. Changes held until reappraisal or future years, if any, will be nominal in nature. Review will be considered complete when changes have been entered into the CAMA system.

D. **Geographic Areas Assigned:** Annual visual inspection of parcels are defined for each year in this report. The inspection of all rural, urban, commercial and exempt properties will be completed by the end of the cycle explained within this report.

F. **Map Maintenance Schedule and Explanations:** Map maintenance will be worked on a daily basis, with the CAMA file being current at all times. Sales verification procedures will comply with procedures outlined in current publications of the DPA.

G. **Use of Aerial Photography for Review:** Maps may be reviewed using a combination of on-site inspection and aerial photography and/or oblique imagery for all attributes of the parcels, provided that the outcome will result in accurate assessments. On-site field review will be utilized when accurate information cannot be ascertained from the aerial and/or oblique imagery.

H. **Quality Assurance Efforts Planned:** Quality of work for visual review and data entry will be maintained by the assessor. All field review work and data entry will be subjected to quality control measures by a staff member in the office who did not complete the initial work. Additionally, assessment summaries and other tools within the CAMA system will be reviewed on a regular basis to identify any irregularities in value which may indicate significant errors.

NARRATIVE INFORMATION – REVALUATION YEAR

- A. **Personnel Needs:** The assessor's office will ensure that staff adequate in quantity and training will be available to perform the functions necessary to complete a timely and acceptable revaluation program. Where additional expertise is needed, the assessor's office may request assistance from the DPA while understanding that existing DPA workload may limit the amount of resources available during the revaluation year. It is further understood that DPA assistance will generally be prioritized first for 6- and 5-year reappraisal cycle counties and lastly for 4-year reappraisal cycle counties.
- B. **Office Space and Equipment Needs:** Adequate office supplies and necessary equipment for the assessor's office will be planned and budgeted for so that a timely and acceptable revaluation program can be completed.
- C. **Use of Aerial Photographs / Oblique Imagery:** Aerial photography and/or oblique imagery will be utilized to review and update location, access, land grades, improvements, tree lines, acreage, etc. Additional tools that integrate CAMA data into geographic information systems (GIS) will also be used to evaluate and update the consistency of improvement types, land tables, NBHD codes, etc.
- D. **Assistance of Division of Property Assessments:** Technical support in developing base rates (base house, commercial improvement types, etc.), OBY rates, small tract valuation tables, market and use farm schedules, and commercial and industrial property valuation may be requested from the DPA while understanding the constraints as mentioned in section A above.
- E. **Development of Sales File:** Sales data will be entered into the CAMA system in a timely manner to ensure the most relevant, accurate information is available for revaluation purposes. It is understood and acknowledged that ninety (90) days from the date of recording should be considered the maximum amount of time for sales data entry. The assessor's office will make reasonable efforts to minimize the number of days that elapse between the recording of deeds and sales data entry during the revaluation year.
- F. **Neighborhood Codes:** Neighborhood codes will be checked for consistency and delineated in a manner that is reasonable for mass appraisal purposes.

G. Improvement Valuation:

1. **Base Rate Development:** Residential improvement values (base house) will be based on the most current market derived data available. Commercial rates will be derived from Marshall & Swift Valuation Service and adjusted for the local market.
2. **Out Building and Yard Items:** OBY costs and depreciation tables will be derived from Marshall & Swift Valuation Service. If the local market dictates a deviation from the published cost data, sufficient evidence will be collected and maintained to support such a deviation.
3. **Collection & Use of Income & Expense Information:** Questionnaires will be sent to selected income producing properties during the revaluation year for use in property valuation and appeals.
4. **Quality Assurance Efforts:** The quality of work completed by field personnel and data entry staff will be reviewed and monitored on a regular basis by the assessor or senior staff. In addition, assessment summaries will be monitored for any irregularities.

H. Land Valuation:

1. **Rural Land & Use Value:** Market value schedules with any necessary size and location adjustments will be developed by the assessor with DPA assistance as needed. Use value schedules will be developed by the DPA pursuant to current state law.
2. **Unit of Measure Tables:** UM tables will be used to value residential land from 0 to 14.99 acres (small tracts). DPA assistance may be requested.
3. **Commercial & Industrial:** Commercial/industrial land, whether urban or rural, will be reviewed and revalued according to current market data. DPA assistance may be requested.
4. **Quality Control:** The assessor will conduct quality control at all times with a review of randomly selected parcels. Statistical analysis will be utilized to identify outliers and to ensure standard statistical measures are achieved.

- I. **Mineral and/or Leaseholds:** Applicable questionnaires will be mailed to identified properties in the revaluation year by the assessor's office. DPA assistance in the valuation of leaseholds or mineral interests may be requested.

J. **Valuation Analysis:** Statistical analysis will be performed by the DPA to ensure final statistics fall within acceptable standards in all categories of properties. Final value correlation will consider all approaches to value with the most applicable being utilized in each instance where sufficient data exists.

K. **Mapping and Ownership:** Mapping and ownership information will be kept as current as reasonably possible during the revaluation year understanding the importance of timely information during revaluation.

L. **New Construction:** New improvements and/or remodeling will be kept as current as reasonably possible during the revaluation year with emphasis on (including, but not limited to): effective year built (EYB) or condition, proration, and accurate OBY data.

M. **Final Value Meeting:** A final value meeting between the assessor's office and the DPA will address all aspects of revaluation. The final analysis will be based upon standard statistical measures of performance. It is understood and acknowledged that the DPA must approve the final product of the revaluation effort.

N. **Hearings (Formal and Informal):** The assessor's staff will be responsible for informal hearings, and it is understood and acknowledged that DPA assistance for informal hearings cannot be guaranteed. Assistance with formal hearings may be requested from the DPA by submitting such requests on a parcel-by-parcel basis directly to the DPA assistant director for field operations.

Is your county currently on the IMPACT system? Yes No

Do you plan to change to another system? Yes No

If so, list the name and the date: _____

_____ Date

ASSESSOR'S PERSONNEL ASSIGNMENT

POSITION # 1	
TITLE	PROPERTY ASSESSOR
NAME	Keith Ely
YEARS OF SERVICE	20
PHASE RESPONSIBILITY	ALL PHASES OF THE REAPPRAISAL PROGRAM
POSITION # 2	
TITLE	DEPUTY ASSESSOR
NAME	Sherry Turley
YEARS OF SERVICE	35
PHASE RESPONSIBILITY	All Phases of the Reappraisal Program
POSITION # 3	
TITLE	PERSONAL PROPERTY/CLERK
NAME	Sherry Turley
YEARS OF SERVICE	35
PHASE RESPONSIBILITY	PERSONAL PROPERTY, KEYPUNCH, AND CLERICAL DUTIES
POSITION # 4	
TITLE	MAPPING
NAME	Anna Warren
YEARS OF SERVICE	4
PHASE RESPONSIBILITY	MAPPING AND CLERICAL DUTIES AS NEEDED
POSITION # 5	
TITLE	FIELD REVIEW
NAME	Bobby Davis and Todd Marshall
YEARS OF SERVICE	25 and 19
PHASE RESPONSIBILITY	REVIEW OF PROPERTY AND NEW CONSTRUCTION
POSITION # 6	
TITLE	Sales Coordinator
NAME	Suzanne Smith
YEARS OF SERVICE	25
PHASE RESPONSIBILITY	Ownership and Sales Data
POSITION # 7	
TITLE	New Property Coordinator
NAME	Amy Greene
YEARS OF SERVICE	8
PHASE RESPONSIBILITY	New Construction Entry

Signature Page

ASSESSOR OF PROPERTY (Signature)

DATE

COUNTY MAYOR / EXECUTIVE (Signature)

DATE

CHAIRMAN, COUNTY COMMISSION (Signature)

DATE

ATTACHED RESOLUTION FOR 4 OR 5 YEAR CYCLES?
YES _____ NO _____

DATE SUBMITTED TO STATE BOARD OF EQUALIZATION:
DATE _____

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING
A CONTINUOUS FIVE (5) YEAR REAPPRAISAL CYCLE**

WHEREAS, Tenn. Code Ann. § 67-5-1601 establishes a general six (6) year reappraisal for updating and equalizing property values for every county in Tennessee for property tax purposes, and

WHEREAS, a six (6) year reappraisal program consists of an on-site review of each parcel of real property over a five-year period followed by revaluation of all such property in the year following completion of the review period and includes a current value updating during the third year of the review cycle and sales ratio studies during the second and fifth years of the review cycle, and

WHEREAS, Tenn. Code Ann. § 67-5-1601 provides that upon the submission of a plan by the assessor and upon approval of the State Board of Equalization, a reappraisal program may be completed by a continuous five (5) year cycle comprised of an on-site review of each real property over a four (4) year period followed by revaluation of all such property in the year following completion of the review period, and

WHEREAS, the county legislative body of _____ County understands that by approving such a five (5) year reappraisal cycle a sales ratio study will be conducted during the second and fourth years of the review cycle, and the centrally assessed properties and commercial/industrial tangible personal property will be equalized by the sales ratio adopted by the State Board of Equalization;

NOW, THEREFORE, BE IT RESOLVED by the county legislative body of _____ County, meeting in _____ session on this the _____ day of _____, _____, that:

PURSUANT to Tenn. Code Ann. § 67-5-1601, reappraisal shall be accomplished in _____ County by a continuous five (5) year cycle beginning _____, comprised of an on-site review of each parcel of real property over a four (4) year period followed by revaluation of all such property for tax year _____.

Adopted this _____ day of _____, _____.

APPROVED:

County Mayor (or Executive)

ATTEST:

County Clerk

MEMORANDUM OF UNDERSTANDING

between

Hamblen County and The Division of Property Assessments

DATE: 2/14/25

TO: Keith Ely, Assessor of Property

Chris Cutshaw, County Mayor (or Executive)

RE: Hamblen County 5 Year Reappraisal Program

FROM: Tennessee Comptroller of the Treasury
Division of Property Assessments

The purpose of this memorandum of understanding is to clarify the areas of responsibility for all parties involved in the reappraisal of Hamblen County. It is intended to express the requirements needed to successfully complete reappraisal and to define the extent of involvement expected of the Comptroller's Division of Property Assessments. A reappraisal program is defined as the updating of all values in the county by analyzing current information and establishing new tables, models, schedules, rates and depreciation.

Tenn. Code Ann. § 67-5-1601 provides for assessors of property to have the option to reappraise either on a 6- year cycle with an update of values in the third year or to reappraise on a 4- or 5-year cycle with no updates. Tenn. Code Ann. § 67-5-1601 (d) requires the Division of Property Assessments to provide technical assistance to counties during the year of reappraisal. The resources available to the Division of Property Assessments enable them to provide technical assistance to counties during the reappraisal year; however, the amount of division involvement will be determined by the workload resulting from all counties that are scheduled for reappraisal during each year.

The amount of Division of Property Assessments involvement must be determined and clearly understood prior to the county producing a plan for reappraisal. The assessor of property will prepare a plan that accomplishes reappraisal in accordance

with standards and procedures prescribed by the Division of Property Assessments. The reappraisal plan must include all specific items identified in this memorandum of understanding.

I. County Responsibility

The assessor of property will be responsible for ensuring that all phases of the reappraisal program are conducted in accordance with Division of Property Assessment's policies and procedures relating to **property valuation, sales verification, appeal defense and statistical standards**. The county must **resolve data quality reports, provide accurate property characteristics, provide adequate data entry, demonstrate its ability to organize and manage a program, provide adequate staffing and provide financial support**.

A. Property Valuation: All types of property will be valued following standard procedures.

1. Residential - Residential properties will be valued by determining the proper base rate for each residential improvement type in the jurisdiction. The base rates will be developed using sale properties with recently constructed improvements whenever possible to reduce the difficulties of estimating depreciation and to increase the accuracy of the land values. The base rate analysis will consider the new depreciation that will automatically be calculated when the year of reappraisal changes. The assessor of property shall retain all base rate analyses for appeal purposes. Appropriate depreciation and/or effective age will be used to adjust groups of parcels where market evidence supports it. When additional depreciation or effective age changes are used to adjust values, market analysis must be retained to support the adjustments. Individual property characteristics will not be improperly altered to achieve acceptable analysis results. Outbuildings and Yard Items (OBYs) will be valued using standard abbreviations and updated cost tables. The cost tables will be developed from nationally recognized cost services and calibrated to the local market. The assessor of property will retain all necessary supporting documentation for review and appeal purposes. Residential land will be valued using accepted appraisal practices and available computer techniques. All residential market area (neighborhood) delineation codes will be reviewed to determine their accuracy, and the necessary action will be taken to correct any changes indicated by the market since the last reappraisal program.

2. Rural Land - Rural land will be valued using standard rural land valuation procedures. Rural sales will be located and verified to determine if they meet the requirements of a valid transaction. All rural sales will be reviewed by the assessor of property or a staff member

with either the buyer, seller, or agent to determine the conditions of the sale and if any adjustments are needed. A rural land sales verification form will be completed on all rural sales. These forms will be maintained in the assessor of property's office for review and use in appeals. Rural land will be valued using the rural land valuation tables. Appropriate sales analysis must be conducted to produce a rural land schedule and to determine all factors affecting value. Areas of the county that cannot be valued using the base rural land schedule will be valued using the rural land schedule adjusted to the appropriate level of value. Land grade maps will be used to determine the appropriate land grade for each parcel. The land grade maps, if not already available, will be constructed by using Natural Resources Conservation Service (NRCS) soil survey information. All maps will be updated to reflect the most current base features such as wooded areas and areas that have been cleared since the last reappraisal program. All rural market area (neighborhood) delineation codes will be reviewed to insure they conform to current market conditions.

3. Commercial/Industrial Property - All commercial and industrial property shall be valued using standard valuation procedures. The listing of commercial and industrial properties will be reviewed for accuracy. All commercial property will be reviewed to determine if valuation by the income approach is the most appropriate method. In these instances, it will be necessary to gather sufficient income and expense data from the market to calculate an indication of value by the income approach. Completed income and expense forms will be retained for review and appeal purposes. All income data must be analyzed by making comparisons with like properties such as comparing offices to offices, warehouses to warehouses, and restaurants to restaurants. All commercial sales will be verified to determine if any special circumstances such as personal property or unusual financing are included. Commercial and industrial base rates will be developed for each type of commercial and industrial improvement in the jurisdiction. This is typically accomplished using a combination of local information and a professional cost service. All industrial properties shall be revalued using the most appropriate method, typically the cost approach. All commercial and industrial land will be revalued using the most appropriate unit of comparison, and all pertinent information such as zoning will be indicated on the land valuation maps. All analyses and sales information used to determine the commercial and industrial land values will be retained by the assessor of property for review and appeal purposes. All commercial and industrial market area (neighborhood) delineation codes will be verified to determine if they need to be revised due to changes in the market.

4. Small Tracts - Land that does not qualify as a farm and is not part of an organized development is considered a small tract. It is typically valued as an individual unit and priced per unit or per acre. A total countywide small tract analysis must be accomplished in order to determine reasonable values. After the analysis has been accomplished and a pricing guide developed, the existing small tracts are to be reviewed to determine consistency. After making any needed adjustments to improve consistency, the small tracts will be revalued using accepted appraisal practices and any appropriate computer-assisted techniques. The assessor of property will maintain all analyses and sales information used in the valuation of small tracts for review and appeal purposes. All market area (neighborhood) delineation codes that influence the valuation of small tracts will be reviewed to determine accuracy, and any adjustments needed will be made.

5. Unique Properties - Usually, unique properties will exist in a county that will require special treatment. These can be lake properties, mobile homes, large industrial complexes, mineral interest, leasehold interest, etc. The reappraisal plan will address these properties and explain how they will be valued.

B. Sales Verification: A major element in the success of a reappraisal program is the completeness and accuracy of the sales file. The Division of Property Assessments maintains a publication entitled *Property Assessor's Procedures for Sales Data Collection and Verification* to guide assessors through this process. These procedures will be followed to ensure the necessary accuracy in sales analysis. Any attempt to influence the results of the analysis by inaccurate sales verification must be avoided. The quality of the final statistical analysis depends on the integrity of the sales file, and every effort should be made to ensure its accuracy. The assessor of property will maintain records on the verification of sales for review and appeal purposes.

C. Appeal Defense: Any reappraisal program must have the necessary data and information to defend the appraisals. The assessor of property and staff must have the ability to present the value-supporting data in a manner that provides the property owners and appeal boards with the information necessary to understand how and why the value conclusions were determined. The assessor of property and staff will resist making unnecessary changes just to satisfy the property owner when the appraisal is otherwise correct. All elements of the valuation process must consider the appeal process. An effort must be made to maintain sufficient data to defend the values, and this data includes the following: base rate analysis; sales analysis;

cost information; land valuation information; adjustments to sales; income and expense information; and any other information that will be useful in the appeal process.

D. Statistical Standards for Reappraisal: The Division of Property Assessments utilizes statistical standards developed by the International Association of Assessing Officers (IAAO) for evaluating the results of reappraisal programs. The reappraisal program should be completed with these standards as the goal. Failure to meet these standards indicate the reappraisal program may be flawed and unacceptable. The standards apply to property by its statutory classification such as residential, commercial/industrial, and farm. Within each classification, properties may be further stratified based on a detailed analysis of the information available. The data used to produce the analysis must be accurate and uninfluenced by personal bias. The discovery of inaccurate data that has an influence on the results of the statistical analysis will be considered in the overall evaluation of the program. If the results of the statistical analysis fail to meet acceptable standards, said results will be reported to the State Board of Equalization for appropriate action.

E. Data Quality Reports: Data quality reports include edits that enable the assessor to identify data problems. Since the success of a reappraisal program is determined by the accuracy of the data, each county must identify and resolve errors found on data quality reports. Typically, this information is produced from the assessor of property's computer file and analyzed locally. Counties utilizing the state computer-assisted mass appraisal (CAMA) system may contact Division of Property Assessments staff for assistance as needed to generate data quality reports. Counties operating independent CAMA systems are expected to accomplish this without Division assistance.

F. Data Entry: A reappraisal increases the amount of data entry because of changes and adjustments to the file, especially where extensive field reviews are required. Any plan for reappraisal must consider this additional data entry workload.

G. Organization and Management: The completion of a successful reappraisal program is dependent upon the ability of the assessor of property to organize work activities and to manage employees throughout the reappraisal cycle. Any reappraisal plan must consider topics including but not limited to: staffing (both in quantity and in assignment of duties), training, quality control, and office space.

H. Approval for 4-Year and 5-Year Cycles: The assessor of property in any county that plans a 4- or 5-year reappraisal program must have approval by resolution from the county legislative body. The plan for reappraisal prepared by the assessor of property must be submitted for review to the county executive and the county legislative body. The county legislative body must provide the funding to accomplish the reappraisal program as outlined in the plan for reappraisal.

II. Division of Property Assessments' Responsibility:

Tenn. Code Ann. § 67-5-1601 provides that all work (accomplished by the assessor of property) is subject to the supervision and approval of the director of the Division of Property Assessments. The Division of Property Assessments is required to supervise and direct all reappraisal and revaluation programs. The Division of Property Assessments' statutory responsibilities include providing technical assistance and ensuring the accuracy of the reappraisal program. All counties conducting reappraisal programs accept the condition of limited involvement from the Division of Property Assessments and agree to maintain records and provide sufficient data and reports to enable the Division of Property Assessments to evaluate the quality of the reappraisal program.

A. Technical Assistance: Technical assistance is provided to a county by staff members of the Division of Property Assessments. The amount of technical assistance to be provided by the Division of Property Assessments will be determined after considering available resources and existing workload of county reappraisal programs scheduled during each year.

Examples of technical assistance to the assessor's office may include:

- Residential Base Rate Development
- Residential Analysis
- OBY Cost Tables Development
- Rural Land Schedule Development
- Homesite Analysis
- Commercial & Industrial Base Rate Development
- Income & Expense Analysis
- Commercial Market Analysis
- Industrial Property Appraisal
- Small Tract Sales Analysis
- Small Tract Pricing Guide Development
- Sales Adjustments Determination
- Sales Verification Instruction
- Unique Properties Appeal Preparation
- Data Preparation for Appeals Defense
- Overall Statistical Results Review
- Data Quality Reports Production
- Assessable Mineral Interest Valuation
- Assessable Leasehold Interest Valuation
- On-The-Job Training for Assessor's Staff
- Market Area (Neighborhood) Delineation Codes Review

B. Modification of Responsibility

Due to level of expertise, number of staff members, and resources available to the assessor of property, there may be a need to modify areas of responsibility in the memorandum of understanding. The purpose of the modification of responsibility is to provide latitude between the assessor and the division regarding the identified areas of responsibility. The following are specific modifications to this agreement that will be mutually beneficial for both parties and allow for better utilization of resources during the revaluation program:

III. Accuracy of Program

The assessor of property will prepare a final value report at the end of the revaluation year that will give an overview of the reappraisal program and support the value indications. The accuracy of the reappraisal program shall be determined by a review of the supporting documentation for the following: base rate development; land valuation; application of market adjustments; market area (neighborhood) delineation codes analysis; rural land sales analysis; small tract analysis; identification and valuation of unique properties; completeness of the sales file; quality of records developed for appeal defense; results of the statistical analysis; resolution of the data quality reports; and correctness of property characteristic data.

IV. Computer Appraisal System

In the event the assessor of property chooses to change the current CAMA system, information regarding the new system and a detailed plan of implementation must be included with the reappraisal plan for approval by the State Board of Equalization.

V. Failure to Comply

It is the expressed intent of this memorandum of understanding to provide the county and the Division of Property Assessments with a clear understanding of the responsibility of each party

regarding the completion of the next reappraisal program. It is the intent of the Division of Property Assessments to take whatever action necessary to ensure the accurate and timely completion of the reappraisal program. Failure on the part of the county on any of the items agreed to herein shall result in the reporting of said failure to the State Board of Equalization for appropriate action.

It is with full understanding that we accept the conditions identified in this memorandum of understanding and accept responsibility to accomplish all items identified herein. We recognize that failure on the part of the county legislative body or the assessor of property to complete the agreed to requirements will result in the action identified herein.

County Mayor (or Executive) _____
Signature _____ *Date* _____

Assessor of Property _____
Signature _____ *Date* _____

Appraisal Manager
Div. of Property Assessments _____
Signature _____ *Date* _____

Area Appraisal Manager
Div. of Property Assessments _____
Signature _____ *Date* _____

Assistant Director
Div. of Property Assessments _____
Signature _____ *Date* _____



HAMBLEN COUNTY DEPARTMENT OF EDUCATION

210 East Morris Boulevard
Morristown, Tennessee 37813
Phone (423) 586-7700 • Fax (423) 586-7747

*The mission of Hamblen County Schools is to educate students
so they can be challenged to successfully compete in their chosen fields.*

ARNOLD W. BUNCH, JR.
Superintendent of Schools

BOARD OF EDUCATION

Carolyn Clawson

Johnny Denton

Bradley Harville

Clyde Kinder

Darlene Smith

Jerrold Weems

Robert Workman

February 13, 2025

Hamblen County Commission
511 West 2nd North St.
Morristown, TN 37814

Dear Commission:

On February 11, 2025, the Hamblen County Board of Education approved a 2-year lease for modular units to house students at Meadowview Middle School for the duration of the classroom enclosure project. Due to the multi-year obligation of funds, county commission approval is also required. The Board requests approval of this lease from the Hamblen County Commission. Please see page two of the attached lease agreement for details concerning the lease term and payments.

If you need any further information, please feel free to contact me. Again, thank you for your continued support of our students.

Respectfully,

A handwritten signature in black ink, appearing to read "Jared Ladd".

Jared Ladd
Supervisor of Business



Mobile Modular Management Corporation
 530 Ethridge Road
 Arcade, GA 30549
 704-519-4000
www.mgrc.com

Lease Quotation and Agreement	
Quote #	Q-494351
Date of Quote	01/24/2025
Quote Expiration Date:	02/14/2025
Lease Term:	24 Months
Lessee PO#:	

Lessee Name and Billing Address	Site Information	Lessor Name
Hamblen County Department of Education ("Lessee") 210 E Morris Blvd Morristown, TN 37813 Seth Schweitzer Phone: 865-679-1404 ssschweitzer@lewisgroup.net	Gerald Wilkes 1623 Meadowview Lane Morristown, TN 37814 Cell: 423-273-7916 wilkesj@hcboe.net	Mobile Modular Management Corporation a Division of McGrath RentCorp ("Lessor") Questions? Contact: Andrew Sawicki Direct Phone: (615) 648-9599 andrew.sawicki@mobilemodular.com

Equipment and Accessories	Qty	Monthly Rent	Extended Rent	Taxable
Campus Maker ModPod, 154x65 MS(NonStdW) (154x651354' BoltedVinyl Wrapped Gypsum2 Exterior, 12 Interior12 windows)	1	\$13,260.00	\$13,260.00	N
Filter Replacement Program	1	\$27.00	\$27.00	N
RNT, Ramp	1	\$720.00	\$720.00	N
Equipment and Accessories Monthly Subtotal:			\$14,007.00	

Charges Upon Delivery	Qty	Charge Each	Total One Time	Taxable
Campus Maker ModPod, 154x65 MS(NonStdW) (154x651354' BoltedVinyl Wrapped Gypsum2 Exterior, 12 Interior12 windows)				
Delivery	11	\$2,681.47	\$29,496.17	N
Block and Level Building	1	\$55,768.74	\$55,768.74	N
Skirting, Install	438	\$25.00	\$10,950.00	N
RNT, Install or Delivery (Ramp Install)	1	\$2,875.69	\$2,875.69	N
Charges Upon Delivery Subtotal:			\$99,090.60	

Charges Upon Return	Qty	Charge Each	Total One Time	Taxable
Campus Maker ModPod, 154x65 MS(NonStdW) (154x651354' BoltedVinyl Wrapped Gypsum2 Exterior, 12 Interior12 windows)				
Return	11	\$2,681.47	\$29,496.17	N
Prepare Equipment For Removal	1	\$46,978.33	\$46,978.33	N
Cleaning Fee	11	\$450.00	\$4,950.00	N
Skirting, Removal	438	\$4.00	\$1,752.00	N
RNT, Removal (Ramp Removal)	1	\$2,875.69	\$2,875.69	N
Estimated Charges Upon Return Subtotal:			\$86,052.19	



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Total Estimated Charges	
Subtotal of Monthly Rent	\$14,007.00
Personal Property Expense	\$928.20
Taxes on Monthly Charges	\$0.00
Total Charges per Month (including tax)	\$14,935.20
Charges Upon Delivery (including tax)	\$99,090.60
Estimated Charges Upon Return (including tax)*	\$86,052.19
Estimated Initial Invoice*	\$114,025.80

*Charges upon return will be charged at Lessor's then-current rates for lease terms greater than 12 months.

Special Notes

- If required, engineered foundation plans + \$3620.00
- Block and level prices quoted reflect standard install methods, excluding footers. If footers are required please advise.
- Mobile Modular will handle removal of foundation blocks/piers and anchors at end of lease term.

- Additional Information**
- Quote is valid for 30 days.
 - Lessee's site must be dry, compacted, level and accessible by normal truck delivery. Costs to dolly, crane, forklift, etc. will be paid by Lessee. Unless noted, prices do not include permits, ramp removal, stairs, foundation systems, foundation system removal, temporary power, skirting, skirting removal, engineering, taxes or utility hookups.
 - Subject to equipment availability. Unless noted, equipment and related furnishings, finishes, accessories and appliances provided are previously leased and materials, dimensions, and specifications vary. Detailed specifications may be available upon request.
 - For lease transactions, Lessor reserves the right to substitute equal or better equipment prior to delivery without notice.
 - This transaction is subject to prior credit approval. Security deposit and payment in advance may be required.
 - **Sales Tax will be calculated based on the tax rate at the time of invoicing.**
 - **Unless otherwise noted, prices do not include prevailing wages, Davis-Bacon wages, or other special or certified wages.**

Estimated Equipment Value

The Estimated Equipment Value is listed below. Lessee is solely responsible for complying with all insurance requirements set forth in the Lease Terms and Conditions attached hereto.

Equipment Description	Qty	Estimated Equipment Value (each)
Campus Maker ModPod, 154x65 MS(NonStdW)	1	\$546,000.00



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This Lease Quotation and Agreement is entered into by and between Lessor and Lessee effective as of the date signed by Lessee. This Lease Quotation and Agreement includes the terms and conditions set forth in the following two documents (collectively, the "Agreement"), each of which is incorporated herein by this reference:

1. **Lease Terms and Conditions** attached hereto; and
2. **Supplemental Lease Terms and Conditions** located at (<https://www.mobilemodular.com/contractterms>), as the same may be updated from time to time in the sole and absolute discretion of Lessor.

IN THE EVENT THE LESSOR AND LESSEE HAVE ENTERED INTO A MASTER LEASE AGREEMENT, THE TERMS OF SUCH MASTER LEASE AGREEMENT ARE INCORPORATED HEREIN BY THIS REFERENCE, ARE DEEMED A PART OF THIS AGREEMENT, AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS IN THIS AGREEMENT.

By signing below, Lessee: (1) acknowledges and agrees that it has received, read and understands the terms of this Agreement and agrees to be bound by the terms of this Agreement, including prices and specifications, and (2) instructs Lessor to make appropriate arrangements for the preparation and delivery of the Equipment identified herein. This Agreement may be executed in one or more counterparts (including through the use of electronic signatures), each of which shall be deemed an original and all of which shall constitute one and the same Agreement. Upon execution of this Agreement, Lessor shall generate a Lease Agreement Number, which shall be referenced on all Lessor invoices.

No document provided by Lessee, including, without limitation, Lessee's purchase orders, work orders, bills of lading, or forms for receipt or acknowledgment or authorization ("**Lessee Forms**"), nor the terms and conditions associated with such Lessee Forms, shall amend, modify, supplement, waive, or release any term or condition of this Agreement (or the Master Lease Agreement, as applicable) even if such Lessee Forms are signed by an agent or representative of Lessor. The terms and conditions of this Agreement (or the Master Lease Agreement, as applicable) shall prevail over any Lessee Forms, and any inconsistent or additional terms and conditions in Lessee Forms shall be deemed void *ab initio* and of no force or effect.

The individuals signing this Agreement affirm that they are duly authorized to execute this Agreement by and on behalf of the parties hereto.

LESSOR:
 Mobile Modular Management Corporation
 a Division of McGrath RentCorp

LESSEE:
 Hamblen County Department of Education

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



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LEASE TERMS AND CONDITIONS

- LEASE.** Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the Equipment (as defined below). The lease of any Equipment is governed by the terms of this Agreement. The Equipment is and shall remain the personal property of Seller.
- TERMS.** All capitalized terms used and not otherwise defined herein, will have the meanings set forth in this Agreement. As used in this Agreement, the following definitions shall apply: "Accessories" shall mean any additions, attachments, or accessories to the modular buildings, or ancillary services, provided by Lessor to Lessee and identified in this Agreement; "Equipment" shall mean the modular buildings, Accessories, and/or Services identified in this Agreement, together with any replacements, repairs, additions, attachments or accessories hereafter rented to Lessee under this Agreement.
- PAYMENTS AND PRICE ADJUSTMENTS.** Lessee agrees to pay to Lessor each payment specified herein on a net invoice basis. Payment terms are net due upon receipt unless otherwise agreed upon in writing. All payments due from Lessee pursuant to this Agreement shall be made by Lessee without any abatement or setoff of any kind whatsoever arising from any cause whatsoever. Prices will be increased by Lessor for unknown circumstances or conditions, including, but not limited to, driver waiting time, special transport permits, difficult site conditions and/or increases in fuel prices.
- LEASE TERM; EARLY TERMINATION.** The Lease Term and Monthly Rent, each of which are specified in this Agreement, shall commence on the date the Equipment is delivered to the Site (the "Start Rent Date"), unless a different date is mutually agreed upon in writing, and shall continue thereafter for the number of months specified in this Agreement as the Lease Term. Lessee agrees to pay the Total Charges per Month specified in this Agreement (as may be adjusted pursuant to Section 5 below) for each month during the Lease Term and any extensions thereof. A month is defined as thirty (30) calendar days; rent will be billed monthly unless otherwise specified in this Agreement (but rent shall be due and owing even in the absence of actual receipt by Lessee of an invoice or bill). In the event that Lessee terminates this Agreement prior to the expiration of the Lease Term, Lessor shall be entitled to charge an early termination fee, even if such termination occurs prior to delivery of the Equipment. Such fee shall be determined by Lessor, in its sole discretion, following the receipt of the termination request. Such early termination fee may include, but shall not be limited to, charges related to the preparation of the Equipment for delivery and/or the rental value of this Agreement. In no event shall any such early termination fee exceed the total value of this Agreement. Lessor shall not be liable to Lessee for any failure or delay in obtaining, delivering or setting up the Equipment. If Lessee delays delivery of the Equipment for any reason for thirty (30) days or longer from the original delivery date mutually agreed upon between both parties, Lessor may, in Lessor's sole discretion, charge Lessee a monthly storage fee equal to the Monthly Rent starting on the original delivery date, and/or terminate this Agreement, subject to the early termination provisions set forth above.
- EXTENSION OF LEASE TERM.** Upon expiration of the initial Lease Term set forth in this Agreement, the lease of the Equipment shall automatically be extended on a month-to-month basis until the Equipment is returned to Lessor. This Agreement does not expire and the terms and conditions hereof shall remain in full force and effect for any extension of the Lease Term, unless otherwise agreed upon by Lessor and Lessee in writing. Lessor may periodically revise the Total Charges per Month from those reflected in this Agreement if the lease of the Equipment is extended beyond the initial Lease Term. If the lease of the Equipment is extended beyond the initial Lease Term, Lessor may revise the charges for the Charges Upon Return from those specified in this Agreement to reflect Lessor's then-current market rates for such services.
- PREPARATION FOR REMOVAL OF THE EQUIPMENT.** Prior to the scheduled removal of the Equipment, Lessee shall, at a minimum: (a) provide clear access to the Equipment for Lessor to dismantle and remove the Equipment from the Site by industry-standard trucking methods; (b) disconnect all utilities; (c) remove all personal property of Lessee's from the Equipment; and (d) in the case of Equipment that includes plumbing, flush the plumbing lines clean and ensure that no foreign matter remains in any fixtures. Plumbing must be properly disconnected by Lessee at its sole cost and expense. Lessee will be responsible for costs of repair required by improper plumbing disconnection to the extent that the Equipment is damaged. Any components, parts or accessories supplied by Lessor must be returned with the Equipment. In the event that Lessee fails to meet the requirements herein, additional charges may be incurred by Lessee for additional labor, waiting time, or dry-runs in the event that Lessor is unable to return the Equipment as scheduled.
- RETURN OF EQUIPMENT.** Lessee must provide a minimum of thirty (30) days prior, written notice to Lessor when requesting to return the Equipment. Lessee is responsible for complying with the requirements set forth in the "Preparation for Removal of the Equipment" section of these Lease Terms and Conditions. Unless otherwise agreed upon by Lessor in writing, Lessee shall continue to be responsible for payment of the Total Charges per Month set forth in this Agreement (as may be adjusted pursuant to Section 5 hereto) until the return of the Equipment to Lessor is completed. The Total Charges per Month will be prorated in one-half (1/2) month increments only. If the Equipment is returned within the first fifteen (15) days of the billing period, Lessee shall be responsible for paying half of the Total Charges per Month; if Equipment is returned between the sixteenth (16th) and thirtieth (30th) days of the billing period, Lessee shall be responsible for paying the entire amount of the Total Charges per Month. The charges reflected in this Agreement for Charges Upon Return will be adjusted for any Lease Term longer than twelve (12) months or if the Lease is extended beyond the initial Lease Term, pursuant to Section 5.
- WARRANTIES; DISCLAIMER.** Lessor warrants to Lessee that the Equipment, when delivered and set up and under normal use and regular service and maintenance by Lessee, shall be free from major defects in materials and workmanship that prevent any normal use and operation. Accessories supplied by Lessor pursuant to this Agreement but not owned by Lessor shall not be subject to the foregoing warranty, but shall carry the applicable warranty of the Accessory owner, which Lessor hereby assigns to Lessee to the extent transferable. Lessor's liability under this warranty shall be limited to the replacement or repair of the defective Equipment (during Lessor's normal working hours), at Lessor's option; provided, however, that Lessee shall provide written notice of any failure or defect to Lessor within four (4) days after discovery, and within the applicable warranty period, and failure to provide such notice in a timely manner may result in a limitation of this warranty at Lessor's sole option. If Lessee does not grant clear, unobstructed access for any such repairs between 8:00 a.m. and 5:00 p.m., Monday through Friday, Lessee shall bear the cost of repair rates for labor at the applicable overtime rates. This warranty does not



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extend to any Equipment subjected to improper application, damaged by accident or abuse, or repaired or altered outside of Lessor's facilities without prior written authorization from Lessor. **THE EXPRESS WARRANTIES CONTAINED IN THIS AGREEMENT ARE LESSOR'S SOLE AND EXCLUSIVE WARRANTIES WITH RESPECT TO THE EQUIPMENT AND SERVICES, AND ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES, GUARANTEES, PROMISES, AFFIRMATION OR REPRESENTATIONS OF ANY KIND, EXPRESSED OR IMPLIED, WHICH MAY BE DEEMED APPLICABLE TO THE EQUIPMENT OR SERVICES, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE, WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OR TRADE OR ANY OTHER MATTER. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, ALL EQUIPMENT AND SERVICES ARE BEING PROVIDED "AS IS", "WHERE IS, WITH ALL FAULTS". LESSOR SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, THERETO. LESSEE HAS SELECTED ALL EQUIPMENT FOR LESSEE'S INTENDED USE AND RECOGNIZES THAT LESSOR IS NOT A DESIGNER OR MANUFACTURER OF ANY EQUIPMENT.**

9. **TAXES.** Lessee agrees to be responsible for all charges, fees and taxes (local, state and federal) levied or assessed upon Lessee or Lessor relating to the ownership, leasing, rental, sale, possession, use or operation of the Equipment (including, without limitation, sales, use and personal property taxes); provided, however, that the foregoing obligation shall not apply to any local, state or federal income tax assessed against the Lessor as a result of this Agreement which shall continue to be the obligation of Lessor. Lessee shall pay all such taxes for which it is responsible to the appropriate taxing authorities or, if directed or invoiced by Lessor, pay such amounts to Lessor for remittance by Lessor to the appropriate taxing authorities.

10. **LOSS OR DAMAGE.** Upon delivery and until the Equipment is removed from the Site by Lessor or its authorized agent, Lessee assumes all risk of loss or damage to the Equipment. Should any Equipment damaged be capable of repair, the Equipment shall be repaired and restored to its condition existing prior to such damage, at Lessee's sole cost and expense. In the event any of the Equipment is damaged beyond repair or is lost, stolen or wholly destroyed, this Agreement shall cease and terminate as to such Equipment as of the date of the event, accident or occurrence causing such loss or destruction, and Lessee shall pay Lessor within forty-five (45) days thereafter, an amount equal to the full replacement value of the Equipment, which payment obligation shall survive the termination of this Agreement.

11. **INSURANCE.** Lessee shall procure and maintain, at its sole expense (including all premiums, deductibles and self-insured retentions), (i) property insurance covering the loss, theft, destruction, or damage to the Equipment in an amount not less than the full replacement value thereof (and with a deductible no higher than \$25,000), naming Lessor as loss payee of the proceeds, and (ii) commercial general liability insurance (minimum of \$1,000,000 per occurrence and \$2,000,000 in the aggregate) (and with a deductible no higher than \$25,000), naming Lessor and its designees as additional named insureds. Lessee's insurance shall be primary and non-contributory to any insurance maintained by Lessor or any other additional insureds or additional named insureds. The liability insurance policy shall contain coverage for all contractual indemnity obligations of Lessee set forth in this Agreement, cross-liability and waiver of subrogation provisions in favor of Lessor and any other additional insureds. All evidence of all required insurance shall be in a form reasonably acceptable to Lessor and with a company having an A.M. Best rating of A- (VII) or better, and shall not be subject to cancellation without thirty (30) days' prior written notice to Lessor. Lessee shall provide to Lessor insurance certificates and endorsements (including without limitation, additional insured and loss payee endorsements) evidencing compliance with the insurance requirements of this Agreement (including without limitation, the deductible amounts and waiver of subrogation) prior to delivery of the Equipment and shall maintain all required insurance coverage until the Equipment is returned to Lessee. Lessor will not and does not provide insurance for any of Lessee's personal property that may be in or on any Equipment.

12. **INDEMNIFICATION AND LIMITATION OF LIABILITY.**

(a) **LESSEE ON BEHALF OF ITSELF, ITS SUCCESSORS, ASSIGNS, PARENTS, SUBSIDIARIES, VENDORS, SUBCONTRACTORS, AND AFFILIATES, AND THEIR RESPECTIVE REPRESENTATIVES, DIRECTORS, OFFICERS, MANAGERS, VENDORS, MEMBERS, SHAREHOLDERS, PARTNERS, CONTRACTORS, EMPLOYEES, AGENTS, AND ASSIGNS (EACH, A "LESSEE PARTY," AND COLLECTIVELY, THE "LESSEE PARTIES") SHALL INDEMNIFY, DEFEND, RELEASE, AND HOLD HARMLESS LESSOR, ITS SUCCESSORS, ASSIGNS, PARENTS, SUBSIDIARIES, VENDORS, CONTRACTORS, AND AFFILIATES, AND THEIR RESPECTIVE REPRESENTATIVES, DIRECTORS, OFFICERS, MANAGERS, VENDORS, MEMBERS, SHAREHOLDERS, PARTNERS, CONTRACTORS, EMPLOYEES, AGENTS, AND ASSIGNS (EACH A "LESSOR INDEMNIFIED PARTY," AND COLLECTIVELY, THE "LESSOR INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL LOSSES, FEES, COSTS, EXPENSES, CLAIMS, LIABILITIES, DAMAGES, PENALTIES, FINES, FORFEITURES, AND SUITS (INCLUDING COSTS OF DEFENSE, SETTLEMENT AND REASONABLE ATTORNEYS' FEES, ENVIRONMENTAL CONSULTANTS AND EXPERT WITNESS FEES AT TRIAL AND ON APPEAL) (COLLECTIVELY, "LOSSES") RELATING TO, ARISING OUT OF OR IN CONNECTION WITH: (1) ANY BREACH OR NON-FULFILLMENT OF ANY COVENANT, AGREEMENT, OR OBLIGATION TO BE PERFORMED BY LESSEE PURSUANT TO THIS AGREEMENT, OR ANY INACCURACY IN OR BREACH OF ANY OF THE REPRESENTATIONS OF LESSEE SET FORTH IN THIS AGREEMENT; (2) THE OCCURRENCE OF ANY EVENT SET FORTH IN SECTION 13; (3) THE SELECTION, USE, POSSESSION, DELIVERY, RENTING, LEASING, SUBLEASING, OPERATION, TRANSPORT, MAINTENANCE, CONDITION, REPAIR, REPLACEMENT, REPOSSESSION, RETURN OR STORAGE OF ANY EQUIPMENT OR ANY SERVICES; (4) ANY FAILURE BY ANY LESSEE PARTY TO COMPLY WITH ANY APPLICABLE LAW IN CONNECTION WITH ANY EQUIPMENT OR THE SERVICES OR THIS AGREEMENT; (5) ANY DEATH OR BODILY INJURY TO ANY PERSON OR DESTRUCTION OR DAMAGE TO ANY PROPERTY TO WHICH THE ACTS OR OMISSIONS OF A LESSEE PARTY CONTRIBUTED; OR (6) ANY NEGLIGENT OR INTENTIONAL ACT OR OMISSION OF ANY LESSEE PARTY FOR ANY ACTION RELATED TO OR ANY USE OF ANY EQUIPMENT. THIS INDEMNITY SHALL APPLY EVEN IF SAID LOSSES ARE OCCASIONED, BROUGHT ABOUT OR CAUSED BY THE CONCURRENT NEGLIGENCE OF ANY LESSOR INDEMNIFIED PARTY, UNLESS A COURT OF COMPETENT JURISDICTION SHOULD DETERMINE THAT THE LOSSES WERE PROXIMATELY CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL ACTS OR OMISSIONS OF A LESSOR INDEMNIFIED PARTY. IF THE FOREGOING**



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OBLIGATIONS ARE NOT ENFORCEABLE AGAINST LESSEE UNDER APPLICABLE LAW, LESSEE AGREES TO INDEMNIFY, DEFEND, RELEASE AND HOLD HARMLESS LESSOR INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL LOSSES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, INCLUDING, WITHOUT LIMITATION, TO THE EXTENT OF THE ACTS OR OMISSIONS OF THE LESSEE PARTIES' NEGLIGENT OR WORSE CONDUCT. THIS INDEMNIFICATION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

(b) TO THE FULLEST EXTENT NOT PROHIBITED BY LAW, LESSOR'S LIABILITY, IF ANY, SHALL BE LIMITED TO THE VALUE OF RENTAL FEES AND ALL OTHER AMOUNTS PAID BY LESSEE AND RECEIVED BY LESSOR UNDER THIS AGREEMENT FOR THE EQUIPMENT AND/OR SERVICES, AND LESSOR SHALL HAVE NO LIABILITY TO LESSEE OR ANY THIRD-PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

13. **EVENTS OF DEFAULT; REMEDIES.** Each of the following shall constitute an "Event of Default": (1) failure by Lessee to make any payment within ten (10) days after its due date; (2) failure by Lessee to perform any other obligation under this Agreement, and the continuance of such default for ten (10) days after written notice thereof by Lessor to Lessee; (3) any material misrepresentation or false statement of fact by Lessee; (4) the loss, theft, damage, destruction or the attempted sale or encumbrance by Lessee of any of the Equipment; or (5) Lessee's dissolution, termination of existence, discontinuance of business, insolvency, or the commencement of any bankruptcy proceedings by or against, Lessee. Lessee acknowledges that any Event of Default will substantially impair the lease value of the Equipment hereof. Upon the occurrence of any Event of Default, Lessor may, without notice, exercise one or more of the following remedies: (1) declare all unpaid payments under this Agreement to be immediately due and payable; (2) terminate this Agreement as to any or all items of the Equipment; (3) take possession of the Equipment wherever found, and for this purpose enter upon any premises of Lessee and remove the Equipment, without any liability to Lessee; (4) direct Lessee at its expense to promptly prepare the Equipment for pickup by Lessor; (5) proceed by appropriate action either in law or in equity to enforce performance by Lessee of the terms of this Agreement or to recover damages for the breach hereof, including attorneys' fees and any other expenses paid or incurred by Lessor in connection with the repossession of the Equipment; (6) apply the security deposit specified in this Agreement ("Security Deposit") to payment of Lessor's costs, expenses and attorney fees in enforcing the terms of this Agreement and to indemnify Lessor against any damages sustained by Lessor; and/or (7) recover the replacement cost of any Equipment which Lessor is unable to repossess. Lessor's waiver of any Event of Default shall not constitute a waiver of any other Event of Default or of any term or condition of this Agreement. No right or remedy referred to herein is intended to be exclusive and each may be exercised concurrently or separately and from time to time. In the event of repossession, Lessee waives any bond posting requirement.

Lease Terms and Conditions, Rev. 07/01/2022



**HAMBLEN COUNTY DEPARTMENT OF EDUCATION
FORMAL BID RECOMMENDATION FORM #14**

SL
Reviewed by

SCHOOL OR
CENTRAL OFFICE DEPT. Hamblen Co. Dept. of Education - Capital

ITEM(S) BEING BID Meadowview Middle School Portables - 2 year lease - 5 Portable Units

QUANTITY _____

FUNDS: School Title I IDEA ARRA RTTT Bldg Prog Capital Other(specify) _____

BID PROCEDURE: Each item of \$10,000 or more must be formally bid. Invitation to submit sealed bids must contain following information: school/Central Office department issuing bid; item being bid; statement that "faxes will be rejected"; address where bid specs may be picked up; date, time, location of bid opening; statement that "HCBOE reserves the right to accept or reject any and all bids." Bids must be published in local newspaper for 3 days (if item cost is \$50,000 or more, it must be advertised regionally). At least three bids should be obtained whenever possible. Items purchased from exclusive sources must be verified on vendor letterhead and signed by a vendor official. Bid opening must be no sooner than three weeks after first publication of ad.

<u>VENDORS INVITED TO BID</u>	<u>DATE CONTACTED</u>	<u>BID RESPONSE</u>
1. <u>Mobile Modular</u>	<u>1/30/25</u>	<u>\$ 14,935.20/month</u>
2. _____	_____	\$ _____
3. _____	_____	\$ _____
4. _____	_____	\$ _____
5. _____	_____	\$ _____
6. _____	_____	\$ _____
7. _____	_____	\$ _____
8. _____	_____	\$ _____

IT IS HEREBY RECOMMENDED THAT THE ITEM(S) LISTED AT THE TOP OF THIS PAGE
BE PURCHASED FROM Mobile Modular AT THE BID PRICE OF \$ 543,587.59

Justification must be given below when low bid is not recommended
(previous service is not in itself sufficient justification):
Total Cost - \$543,587.59

Installation cost \$99,090.60 / Take Down Cost \$86,052.19
2 year lease \$358,444.80

PRINCIPAL (SUPERVISOR) SIGNATURE *Heather Clement* DATE 2-2-25

NOTE: When submitting this form to system accountant for approval, attach following items
 --newspaper advertisement; dates
 --invitation to bid; clean copy of specs
 --list of all persons invited to bid (use spreadsheet if necessary)
 --copy of all bid documents received
 --sign-in sheet of persons present at bid opening
 This form and above data to be maintained with supporting purchase documentation.