



GREER MIDDLE COLLEGE
CHARTER HIGH SCHOOL
HOME OF THE BLAZERS

Board of Directors Special Meeting Minutes

April 7, 2015

Greenville Technical College -Benson Campus

Type of Meeting: Special Board Meeting

Meeting Facilitator: John Mansure, Vice-Chair

Mission Statement: The mission of Greer Middle College is to provide equitable opportunities for all students to acquire an education focused on linkages among technology, careers, and rigorous academics to produce graduates who are prepared to enter the global workforce of the 21st century. Greer Middle College aspires to create an equitable community of learners in which mutual respect, trust, integrity, and the pursuit of ideas are valued and appreciated.

In attendance:

Board: John Mansure (Vice-Chair), Eddie Burch, Russell Christopher, Brian Dentler, Ron Hofmann, Darin Scheidly, Donna Smith, Pauline Sternick

Absent: Vernon Rutland (Chair), Ted Hoffman (Treasurer), Tony Kouskolekas

Personnel Committee: Allison Peterson **Absent:** Melinda Hall

1. Call to Order at 6:05 PM
2. Approval of Agenda
Motion to approve agenda: Darin Scheidly
2nd: Eddie Burch
Vote: Unanimous
3. Public Comments - none
4. Approval of March 23, 2015 Meeting Minutes
Motion to approve minutes as amended: Pauline Sternick
2nd: Darin Scheidly
Vote: Unanimous
5. New Business
 - a. Board members present signed the following Board Policy Documents: Confidentiality, Conflict of Interest, and Board Technology. Signed documents will be stored in Board Notebook in School Office (B22).

7. Old Business

- a. Ground Lease – see attachment below

Motion to approve Greer Middle College, Inc. Ground Lease Agreement as presented:

Darin Scheidly

2nd: Eddie Burch

Vote: Unanimous

- b. Attendance at April 24 Budget and Control Board meeting

Action Item: Pauline Sternick will send out information on BCB meeting and Board members will respond to Pauline if they are able to attend the meeting in Columbia on April 24 or not.

8. Executive Session to discuss personnel and contractual matters

Motion to enter Executive Session to discuss personnel and contractual matters at 6:25 PM:

Ron Hofmann

2nd: Brian Dentler

Vote: Unanimous

Ted Hoffman (Treasurer) joined the meeting during Executive Session.

Returned from Executive Session at 8:20 PM.

9. Board Action

Motion to hire Jimmy Armstrong for principal position: Eddie Burch

2nd: Ted Hoffman

Roll Call Vote:

Ayes: Eddie Burch, Russell Christopher, Brian Dentler, Ted Hoffman, Ron Hofmann, John Mansure, Darin Scheidly, Donna Smith, Pauline Sternick

Nays: none

Motion to authorize Personnel Committee to come up with terms, by 2:00 PM on Thursday, April 9, 2015, for a salary-based 2 year contract for Jimmy Armstrong with board designated salary cap to be presented to Mr. Armstrong by Board Chair on Friday, April 10, 2015: Darin Scheidly

2nd: Eddie Burch

Vote: Unanimous

Action Item: Donna Smith and Pauline Sternick will conduct comparative salary analysis and present findings to Personnel Committee by Thursday, April 9, 2015.

10. Adjournment

Motion to adjourn at 8:45 PM: Darin Scheidly

2nd: Eddie Burch

Vote: Unanimous

Greer Middle College, Inc.

Ground Lease Agreement

THIS AGREEMENT ("Lease") is made and entered into this ___ day of _____, 2015 by and between Greenville Technical College, an agency of Greenville County, SC (the "Landlord") and Greer Middle College, Inc., a South Carolina non-profit corporation ("Tenant").

1. **PROPERTY:** Landlord, for and in consideration of the rents, covenants and agreements herein contained does hereby demise and lease unto Tenant, and Tenant does hereby lease from Landlord, certain property situated in the County of Greenville and State of South Carolina as follows ("Property"):

See Exhibit A

2. **QUIET ENJOYMENT:** It is understood and agreed that subject to the terms of this Lease, and to all covenants, restrictions, easements, liens and mortgages of record that Tenant, paying the rent hereby reserved, and performing and observing the covenants hereof, may peacefully hold and enjoy the said Property throughout the duration of this Lease without any disturbance by the Landlord, its successors, or assigns, or any person lawfully claiming through it.
3. **USE:** The Property shall be used by Tenant for the purpose of constructing and operating a public charter school or equivalent charter school providing public education and for no other purpose whatsoever without the prior written consent of the Landlord. The Tenant shall be allowed to construct improvements on the Property for such use and to place temporary improvements, including but not limited to, modular buildings and portable facilities on the Property for operating the school during the Lease Term.
4. **LEASE TERM:** Tenant shall have and hold the Property for a term of 50 years, commencing on _____, 2015, which date shall be after the date of approval of this Lease by the Budget and Control Board, as evidenced by the signature of its authorized representative set forth on the signature page of this Lease (the "Commencement Date") and ending on _____, 2065 ("Lease Term").
5. **HOLDOVER:** If Tenant holds over at the end of the Lease Term without Landlord's written consent, Tenant shall pay Landlord as liquidated damages, a sum equal to 150% the amount of rent and other charges, including but not limited to, trash and debris removal, and removal and relocation of any temporary structures, portable buildings and modular buildings located on the Property, at the highest monthly rate provided herein for all the time Tenant shall so retain possession of the Property, provided that the exercise of Landlord's rights under this clause shall not be interpreted as a grant of permission to Tenant to continue in possession.
6. **RENT:** During the entire Lease Term, Tenant covenants and agrees to pay to Landlord as rent for the Property, One and no/100 Dollars (\$1.00) per year, as nominal rent, payable in advance on the first day of each year of the Lease without demand and without any deduction or set-off unless paid in full by Tenant on or about the Commencement Date. Rent shall be payable to Greenville Technical College and mailed to P.O. Box 5616, Greenville, SC 29606.

7. UTILITIES AND EASEMENTS:

- a. Tenant agrees to pay all charges for electricity, water, telephone, cable, gas, heating, fuel, 20% of annual sewer and maintenance fees, any costs pertaining to or associated with the lift station used by the Tenant and any other charges for utilities used related to the Property. Tenant will have its own metering for all such utility services. Further, Tenant shall be entitled to connect or draw from any existing utility services presently serving Landlord's adjacent property. In no event shall Landlord be liable for any interruption or failure in the supply of any utilities or services to the Property.
 - b. Landlord hereby grants to Tenant, its successors and assigns, a general, non-exclusive easement over, under, on, or through such portions of the Landlord's adjacent property as may be necessary (as determined in Landlord and Tenant's reasonable discretion) to allow Tenant to have access to, and construct connections with, all utility services, including electricity, water, sewage, telephone, and cable television. This easement will also include the right to go upon the Landlord's adjacent property for the purpose of repairing, restoring, or upgrading any such utilities. The duration of such aforementioned easements shall be limited to the Lease Term.
 - c. Landlord hereby grants to Tenant, its successors and assigns, a general, non-exclusive easement over, under, on, or through such portions of the Landlord's adjacent property as may be necessary (as determined in Landlord and Tenant's reasonable discretion) for the purpose of draining surface water and storm water to the appropriate receptacles, including the storm water retention pond currently located on the Landlord's adjacent property. Tenant shall have no maintenance obligations related to the storm water detention pond currently located on Landlord's adjacent property. The duration of such aforementioned easements shall be limited to the Lease Term.
 - d. Landlord hereby grants to Tenant, its successors and assigns, a general, non-exclusive easement over, under, on, or through such portions of Landlord's adjacent property as may be necessary (as determined in Landlord and Tenant's reasonable discretion) to allow Tenant to have access to the Property, including, but not limited to, the right to use existing roads and/or driveways connecting the Property to public roads. The duration of such aforementioned easements shall be limited to the Lease Term.
 - e. Landlord hereby grants to Tenant, its successors and assigns, a general, non-exclusive easement over, under, on, or through such portions of Landlord's adjacent property as may be necessary (as determined in Landlord and Tenant's reasonable discretion) to allow Tenant and its contractors or other agents to construct the public charter school on the Property. The duration of such aforementioned easements shall be limited to the Lease Term.
 - f. Landlord hereby grants to Tenant, its successors and assigns, a general, non-exclusive easement to use Landlord's existing parking facilities on Landlord's adjacent property.
8. **REPAIRS AND MAINTENANCE BY TENANT:** Tenant will keep said Property in good order and condition, clean at all times, and surrender same at the expiration of the term herein or any renewal or extension thereof in the same order in which it was received, normal wear and tear expected. The Tenant agrees to keep and maintain the Property at its sole expense in a good state repair, including landscaping maintenance, rubbish removal, and security. Further, upon completion of any alterations, additions or improvements, as described in Section 12 of

this Lease, Tenant will remove any remaining construction materials or other items related to the construction of such alterations, additions or improvements.

9. **TAXES:** The Landlord shall pay all real estate property taxes which may be levied or assessed by any lawful authority against the Property and improvements associated therewith.

10. **INSURANCE:**

a. Tenant will indemnify Landlord and Landlord's agents and save them harmless from and against any and all claims, actions, damages, liability and expense, including attorney fees in connection with loss of life, personal injury and/or damage to property arising from or out of the occupancy or use by Tenant of the leased Property or any part thereof.

b. All personal property in said Property shall be and remain at Tenant's sole risk, and Landlord shall not be liable for any damage to, or loss of such personal property arising from any acts of negligence of any other persons the Tenant expressly agreeing to save the Landlord harmless in all cases. Tenant shall carry at its own expense and pay all premiums for insurance to cover its personal property, trade fixtures and merchandise located at the Property.

c. Tenant will, at Tenant's sole expense, during the Lease Term or any renewal or extension thereof, carry property insurance coverage for the Property, including all replacements, alterations, additions and changes thereto made by Tenant, in an amount equivalent to the cost of rebuilding and restoring the same. Further, Tenant will, at Tenants' sole expense, during the Lease Term or any renewal or extension thereof, carry commercial general liability insurance with limits in the aggregate of Five Million Dollars (\$5,000,000.00) (aforementioned limit amount shall increase by ten percent (10%) every five years during the Lease Term with such first increase to occur on _____, 2020). Said insurance policies shall name Landlord as an additional insured, and shall provide that they shall not be canceled for any reason unless and until Landlord or its Agent is given fifteen (15) days notice in writing by the insurance company. If Tenant shall not comply with this covenant, Landlord may at its option, cause insurance as aforesaid to be issued, and in such event Tenant agrees to pay the premium for such insurance promptly upon Landlord's demand.

11. **SUBLETTING AND ASSIGNMENT:** Tenant may not transfer nor assign this Lease, nor let nor sublet the whole or any part of said Property without the prior written consent of Landlord.

12. **ALTERATIONS AND TITLE TO IMPROVEMENTS:** Tenant shall have the right to construct improvements (and any such alterations, additions or up-fits associated therewith) upon the Property for such purposes consistent with Section 3 of this Lease. In general, Landlord shall have reasonable approval rights over the design and layout of any such improvements constructed upon the Property, including, approval rights related to the architectural style, building materials, finishes, elevations, location and size of such improvements. Further, Landlord shall have reasonable approval rights over the order and timelines in which such improvements are constructed. More specifically, the Tenant shall provide Landlord with the conceptual plan of any alterations, additions or improvements it plans to make on the Property and Landlord shall have ten (10) days from receipt of such conceptual plans to provide its written consent to such plans, which consent shall not be unreasonably withheld. All of such alterations, additions and improvements constructed by Tenant during the Lease Term and any renewal or extension thereof, shall be and remain the property of Tenant, at all times during the term of this Lease and any extensions or renewals thereof. Landlord will require Tenant at the final termination of this Lease to remove any and all of the improvements made to the Property after the commencement date of the Lease. Tenant shall pay to Landlord the

cost of repairing any damage arising from such removal and restoration of the Property to their original condition prior to the execution of this Lease.

13. **SIGNS:** The installation of any signs on the Property shall be subject to the approval of Landlord, which shall not be unreasonably withheld. Other signage provisions are as follows:

- a. Tenant shall have the right, to erect, maintain, place and install a sign at the perimeter of the Property which identifies the Tenant. Landlord and Tenant shall each pay one half (1/2) of the construction, erection and maintenance costs of such signage.
- b. Tenant shall have the further right to erect, maintain, place, and install usual and customary signs on the exterior of its building.
- c. The exact location, dimensions, wording and font size of signs shall require the approval of both Landlord and Tenant, with such approval not to be unreasonably withheld.
- d. All signs shall be in compliance with all applicable zoning and other local ordinances.

14. **ENVIRONMENTAL MATTERS:**

- a. Tenant covenants that, without first obtaining Landlord's written consent, that neither Tenant, nor any of its agents, employees, contractors or invitees shall cause or permit any regulated Hazardous Materials to be stored, handled, treated, released or brought upon or disposed of on the Property, except as required in the normal course of Tenant's business and then only in accordance with applicable laws. Tenant shall comply with any and all applicable laws, ordinances, rules, regulations and requirements, respecting the storage, handling, treatment, release, disposal, presence or use of permitted Hazardous Materials in, on or about the Property. As used in this Lease, the term "Hazardous Materials" means asbestos, polychlorinated biphenyls, oil, gasoline or other petroleum based liquids, any and all materials or substances deemed hazardous or toxic or regulated by applicable laws, including but not limited to substances defined as hazardous under the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. § 9601 et seq., the Resource Conservation and Response Act, as amended, 42 U.S.C. § 6901 et seq. (or any state counterpart to the foregoing statutes) or determined to present the unreasonable risk of injury to health or the environmental under the Toxic Substances Control Act, as amended, 15 U.S.C. § 2601 et seq.
- b. Landlord covenants that, without first obtaining Tenant's written consent that neither Landlord, nor any of its agents, employees, contractors or invitees shall cause or permit any Hazardous Materials to be stored, handled, treated, released or brought upon or disposed of on the Property, except as required in the normal course of Landlord's business and then only in accordance with applicable laws. Landlord shall comply with any and all applicable laws, ordinances, rules, regulations and requirements respecting the storage, handling, treatment, release, disposal, presence or use of permitted Hazardous Materials in, on or about the Property. Landlord represents and warrants, without investigation, that it has no knowledge of the existence of any Hazardous Materials in, on or about the Property.

15. **DEFAULT:** Each of the following shall be deemed a default by Tenant and a breach of this Lease if either such failure or violation shall have continued for a period of sixty (60) days after the Tenant shall have received written notice from Landlord of such failure or violation:

- a. Tenant fails to pay any installment of rent when due; or
 - b. Tenant fails to observe or perform any of the other terms, covenants or conditions of this Lease; or
 - c. Tenant abandons the Property; or
 - d. any other lien is filed against the leased Property in connection with any improvements, alterations, or additions made by Tenant. Should Tenant file a bond and elect to contest the lien or liens, no default shall be in effect pending final legal determination of the disputed lien.
16. **LANDLORD'S RIGHTS UPON DEFAULT:** In the event of any default by Tenant beyond any applicable cure period, Landlord, at any time thereafter may, at its option, (i) terminate the Lease and retake possession of the Property, or (ii) accelerate all future lease payments which shall become immediately due and recover such payments as liquidated damages.
17. **SUBORDINATION:** Tenant agrees that this Lease shall be subordinate and subject to any mortgages of Landlord now or hereafter placed upon the Property or the whole or any part of the property of which said Property are a part, and to any and all advances to be made there under, and to the interest thereon, and all renewals, replacements, modifications, and extensions thereof. Tenant shall, within ten (10) days after request by Landlord, duly execute, acknowledge and deliver to Landlord, or any other person or firm specified by Landlord, any Lease Subordination Agreement or Estoppel Agreement requested by Landlord. However, any such subordination shall be upon the express condition that this Lease shall be recognized by the mortgagee, that the rights of the Tenant shall remain in full force and effect during the term of this Lease and any renewal or extensions thereof.
18. **ZONING:** Tenant acknowledges that the use of the Property is subject to any applicable regulations, zoning ordinances, including Planned Development Districts, if applicable, of any Governmental authority, and Tenant agrees to be bound by all terms and conditions imposed by such Governmental authority.
19. **LANDLORD NOT A PARTNER:** It is expressly understood that Landlord shall not be construed or held to be a partner, joint venture or associate of Tenant in the conduct of his business; it is being expressly understood that the relationship between the parties hereto is and shall remain at all times that of Landlord and Tenant.
20. **SUCCESSOR AND ASSIGNS:** This Lease and the covenants and conditions herein contained, shall inure to the benefit of and be binding upon Landlord, its successors and assigns. No owner, member or manager of the Landlord shall be personally responsible or liable with respect to any of the covenants, conditions or provisions of this Lease to be performed by the Landlord.
21. **WRITTEN AGREEMENT:** This Lease is the entire agreement of the parties with respect to the subject matter covered herein. There are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no amendment to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties.
22. **GOVERNING LAW:** This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina.

23. **TITLE AND OWNERSHIP:** The Landlord represents and warrants that it has full power and authority to execute and enter into this Lease for the full term herein granted and that this Lease is a valid and binding obligation of the Landlord enforceable against the Landlord in accordance with its terms.
24. **CONDEMNATION:** If the entire Property should be taken or sold under power of eminent domain, this Lease shall terminate on the date that such taking or sale becomes final. If only a portion of the Property is so taken or sold, and the balance of the Property is not suitable for the purposes for which it is then being used, or if by deprivation or limitation of any access thereto or therefrom the Property is rendered unsuitable for such operation, the Tenant may either elect to terminate this Lease by giving ten (10) days advance written notice to the Landlord or to continue in possession of the remaining portion of the Property. In the event of a partial taking of the Property, rent shall be adjusted in proportion to the value of the land so taken. Any award for any such taking shall be equitable apportioned between the Landlord and Tenant as their interest may appear.
25. **DEFAULT BY LANDLORD:** If the Landlord shall fail to keep or shall violate any condition or agreement in this Lease on the part of the Landlord to be performed and if either such failure or violation shall have continued for a period of thirty (30) days after the Landlord shall have received written notice from the Tenant to cure such violation or failure, in such event, the Tenant shall have the right at its option, in addition to and not in lieu of all of the rights to which it may be entitled to hereunder and by law, to terminate this Lease.
26. **NOTICE:** Any notice to be given by any party to the other pursuant to the provisions of this Lease shall be in writing and shall be given by registered or certified mail or by nationally recognized overnight carrier addressed to the party for whom it is intended at the address stated below, or such other address as may have been designated in writing:

Landlord:

Tenant:

27. LEASEHOLD MORTGAGES:

- a. Tenant shall have the right during the Lease Term to subject the Facility (for purposes of this Lease the "Facility" shall mean all buildings, improvements, parking areas, driveways, drainage systems, utility systems, parks, landscaping and other improvements and amenities constructed on the Property by Tenant) and the Tenant's leasehold interest in the Property to one or more mortgages, assignments of leases or other similar encumbrances (a "Leasehold Mortgage"), or to any one or more extensions, modifications, renewals, or replacements of a Leasehold Mortgage, for the purpose of securing a loan from any lender to finance the construction, operation, equipping and maintenance of the Facility. Tenant shall notify the Landlord in writing of the existence of any Leasehold Mortgage and the name and address of any leasehold mortgagee thereunder. Any

Leasehold Mortgage shall be subordinate to the Lease and the fee simple interest of Landlord in the Property.

- b. The Tenant intends to finance the initial cost of designing, constructing and equipping the Facility with the proceeds of tax-exempt revenue bonds (the "Bonds") to be issued by the South Carolina Economic Development Authority (the "Issuer") and secured directly or indirectly by a Leasehold Mortgage. Tenant contemplates that the Tenant will execute and deliver a promissory note and other instruments and agreements to the Issuer which may include a Leasehold Mortgage ("Loan Documents") and that the Issuer will assign the promissory note and certain rights pursuant to the Loan Documents to a trustee (the "Trustee") for the benefit of the holders of the Bonds, and the Trustee will administer transactions involving the Bonds and payments to holders of the Bonds. Tenant agrees to notify the Landlord of the issuance of the Bonds and the parties covenant and agree that so long as any of the Bonds are outstanding:
 - 1) The Property shall be used for the construction, operation and maintenance of the Facility and the Facility shall be operated as a public charter school or an equivalent public charter school that is exempt pursuant to Section 501(c)(3) of the Internal Revenue Code, and for no other purposes;
 - 2) If Tenant shall fail to complete construction of the Facility or shall fail to operate the Facility as a public charter school or an equivalent charter school providing public education, the Trustee shall have the right to designate another charter school or an equivalent charter school that is exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, to operate the Facility; and
 - 3) The Trustee shall be entitled to exercise all of the rights of a leasehold mortgagee as set forth in this Lease.

28. LANDLORD ACCESS TO PROPERTY/IMPROVEMENTS: During the Lease Term, Landlord may request access to certain portions of the Property or improvements thereon for purposes of holding events, meetings or other similar matters. All such request by Landlord shall be in writing and provided to Tenant at least fifteen (15) days in advance of the date of requested use. Tenant shall review such request and may accept or deny such request in its reasonable discretion. In the event that Tenant grants Landlord's requested use, Tenant reserves the right to charge Landlord reasonable costs for utilities, security or any other charges that may be associated with such use. Notwithstanding the foregoing, Landlord shall have the ability to enter upon the Property and improvements thereon in the event of emergencies related to security and/or destruction of property.

29. SECURITY AND TRAFFIC CONTROL: Tenant, at its cost, will provide commercially reasonable monitoring of the Property and will use commercially reasonable efforts to restrict access to its buildings on the Property. Further, Tenant's staff and employees will be present and assist with loading and unloading of students at applicable drop off and pick up times and locations.

30. BROKERAGE COMMISSIONS: Landlord represents and warrants to Tenant and Tenant represents and warrants to Landlord that neither party has incurred any liability, contingent or otherwise, for brokerage or finder's fees or agents' commissions or other like payments in connection with this Lease, or the transactions contemplated hereby.

31. STORMWATER CAPACITY: To the extent that Tenant's improvements to the Property would require an increase in the capacity of the existing detention/retention pond on Landlord's adjacent

property, then Tenant shall be responsible for the costs and installation of such improvements to such detention/retention pond as would be reasonably necessitated by the increased capacity. Further, Tenant shall be responsible for the costs and installation for any necessary improvements, infrastructure, erosion control or runoff systems for the direction of stormwater runoff from the Property to the existing detention/retention pond on Landlord's adjacent property. In the event that Tenant desires to construct a detention/retention pond for its sole use, Landlord shall provide Tenant with sufficient land on Landlord's adjacent property (the size and location to be approved by Tenant in its sole discretion) to allow Tenant to construct such detention/retention pond which shall be at Tenant's cost.

32. **PARKING:** If needed, in Landlord's sole discretion, due to Landlord needing additional spaces in its existing parking facilities and thus decreasing Tenant's ability to park on Landlord's existing parking facilities, Landlord shall provide Tenant with sufficient land on Landlord's adjacent property (the size and location to be approved by Tenant in its sole discretion) so that Tenant can add additional parking spaces to its parking lot to make up for the loss of parking spaces the Tenant was using on Landlord's existing parking facilities.

33. **ROADS AND DRIVEWAYS:** To the extent that Tenant's improvements to the Property include or require additions to or modifications of the existing driveways, then such additions or modifications shall be at the expense of Tenant. Further, any road improvements required by any governing authority to any entrances from or exits to public roads, including, traffic signals and turn lanes, shall be at Tenant's expense. Landlord reserves the right to impose normal, customary and reasonable restrictions upon the driveways serving Landlord's adjacent property and the Property (speed limitations, etc.). Further, Tenant shall not have the ability to close the access of any driveway to a public road without the approval of Landlord and the use of all driveways by Tenant is not exclusive as Landlord shall have the ability to use such driveways.

Greer Middle College, Inc.

Ground Lease Agreement

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals.

WITNESSES:

GREENVILLE TECHNICAL COLLEGE

Keith Miller, President

WITNESSES:

GREER MIDDLE COLLEGE, INC.

Board of Directors Chairman

This Lease is approved in accordance with the South Carolina Code of Regulations § 19-447.1000 by the South Carolina Budget and Control Board, Division of General Services, this ____ day of _____, 2015.

Nolan L. Wiggins, Jr.
Director of General Services

EXHIBIT A

Insert Property Description