

## ADDENDUM

### CONTRACT BETWEEN THE STATE OF TENNESSEE DEPARTMENT OF CORRECTION AND STATE FUNDING BOARD

AND

### METROPOLITAN NASHVILLE -- DAVIDSON COUNTY GOVERNMENT

WHEREAS, on August 5, 1991, the Metropolitan Government of Nashville -- Davidson County, Tennessee ("Metro") and the State of Tennessee, Department of Correction and the State Funding Board ("State") entered into a contract ("Contract") to assist Metro in the construction and operation of a new correctional facility ("New Facility");

NOW, THEREFORE, the contract between Metro and the State is hereby amended as follows:

#### SECTION 2. COVENANTS OF THE STATE

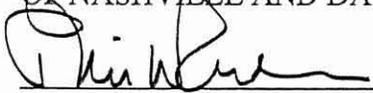
Section 2.B(1) is hereby amended to read as follows:

The State will reimburse Metro for housing Locally Sentenced Felons pursuant to this Contract. Such reimbursement shall be equal to Metro's reasonable allowable costs as provided in T.C.A. 41-8-106, as amended, and rules and regulations promulgated by the Department of Correction thereunder. Pursuant to such regulations, "reasonable allowable costs" to be reimbursed hereunder shall include Metro's annual debt service upon Debt Instruments and any replenishment of the debt service reserve fund for such Debt Instruments which may be required in the event of a draw upon said fund. Said reimbursement, excluding debt service on Debt Instruments, will begin upon acceptance of Locally Sentence Felons at the New Facility. Provided, however, that in the event Locally Sentenced Felons and other inmates are housed at the New Facility, the state per diem reimbursement to Metro shall be the average male or female per diem, as appropriate. Should any Locally Sentenced Felon be housed by Metro at other than the New Facility because other inmates

are utilizing beds at the New Facility, the State's per diem reimbursement for such Locally Sentenced Felon to Metro shall be as if the Locally Sentenced Felon was housed at the New Facility. The State agrees not to contract with any other government or for profit or non-profit corporation for the housing of Locally Sentenced Felons.

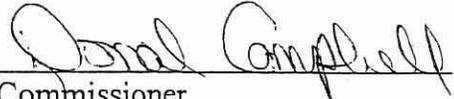
Effective this 1st day of April, 1994/5

THE METROPOLITAN GOVERNMENT  
OF NASHVILLE AND DAVIDSON COUNTY



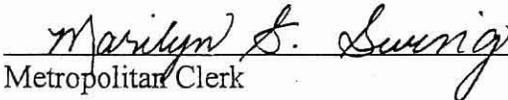
Metropolitan County Mayor

THE STATE OF TENNESSEE



Commissioner  
Department of Correction

ATTEST:



Metropolitan Clerk



Secretary  
State Funding Board

APPROVED AS TO AVAILABILITY OF FUNDS



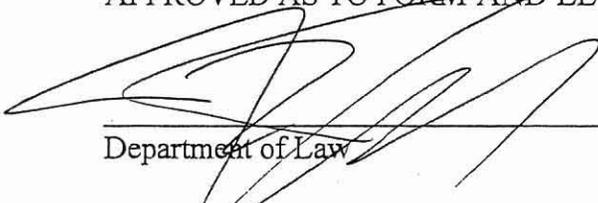
Director of Finance

APPROVED:



Commissioner, Department of  
Finance and Administration

APPROVED AS TO FORM AND LEGALITY

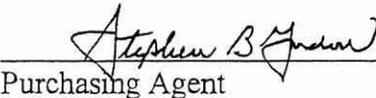


Department of Law



Comptroller of the Treasury

APPROVED



Purchasing Agent

APPROVED AS TO FORM AND  
LEGALITY:



Attorney General & Reporter

RECOMMENDED



Chief Deputy Sheriff

**First Amendment  
To The Contract  
Between the State of Tennessee  
Department of Correction  
State Funding Board and  
The Metropolitan Government of Nashville and Davidson County**

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CONTROLLER'S OFFICE  
OFFICE OF  
MANAGEMENT SERVICES

Whereas, the Metropolitan Government of Nashville and Davidson County (Metro) and the State of Tennessee (State) entered into a contract to provide housing for Locally Sentenced Felons on January 12, 1989 ("Original Grant Contract"); and

Whereas, the parties determined that the Original Grant Contract should be amended by an Amended and Restated Contract dated August 21, 1990; and

Whereas, the parties determined that the Amended and Restated Contract should be further amended by a First Amendment to the Amended and Restated Contract dated February 19, 1991; and

Whereas, the parties executed a new document dated August 5, 1991 incorporating the terms, covenants and conditions of the parties as expressed in the Original Grant Contract, the Amended and Restated Contract and the First Amendment to the Amended and Restated Contract (the "Contract") for the purpose of issuing limited obligation bonds to finance construction of the New Facility to house Locally Sentenced Felons; and

Whereas, on April 1, 1995, the parties executed an Addendum to the Contract establishing the reimbursement rate for the Locally Sentenced Felons housed at facilities other than the New Facility as a result of local inmates being housed at the New Facility; and

Whereas, Metro and the State have worked cooperatively since 1989 to achieve their mutual objectives under the Contract; and

Whereas, Metro has worked successfully to resolve a federal court order placed on its Jail System; and

Whereas, the State has assisted Metro by making funds available for detailed planning to meet the capacity needs of Metro and the State; and

Whereas, such plan includes construction to add approximately 700 beds to Metro's jail capacity for local inmates; and

Whereas, the Metro Council has appropriated \$20 million to implement these plans and anticipates an additional appropriation of \$13 million to complete the funding; and

Whereas, it is necessary to provide temporary additional capacity to meet Metro's present and anticipated jail needs while this construction is underway; and

Whereas, the additional jail capacity can best be accomplished by the relocation of Locally Sentenced Felons housed in Metro facilities pursuant to this Contract; and

Whereas, Metro's current operator of the facility in which Locally Sentenced Felons are housed has available facilities within the state of Tennessee that are suitable to house these Locally Sentenced Felons; and

Whereas, Metro and the State wish to amend this Contract to accomplish this change;

Now therefore the parties agree to amend the Contract as follows:

1. Section 1.F.2. is amended by re-designating Section 1.F.2. as Section 1.F.2.a. and by adding the following new Section 1.F.2.b. as follows:

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- 2.b. ~~In order to assist Metro in housing any of its local inmates or its Locally Sentenced Felons that are in excess of Metro's existing correctional capacity while Metro completes its current thirty-three million dollar (\$33,000,000) jail facilities construction/renovation project, Metro may temporarily use up to three hundred (300) cell-beds of the New Facility's capacity to house its local inmates, as needed. Metro's authority to use three hundred (300) of the New Facility's capacity shall terminate within six months of substantial completion of its thirty-three million dollar (\$33,000,000) jail facilities construction/renovation project or three years from the date of execution of this amendment, whichever first occurs. The temporary use of three hundred (300) cell-beds of the New Facility granted by this First Amendment to the Contract is in addition to the authority previously granted Metro pursuant to the Addendum to the Contract, restated in Paragraph 3 of this First Amendment below, to house its other inmates at the New Facility provided Metro is simultaneously housing Locally Sentenced Felons at its other facilities. The authority granted by this subsection 1.F.2.b may be revoked without cause by the State of Tennessee with ninety (90) days written notice to the Metropolitan Government of Nashville and Davidson County.~~

2. Section 1.F.3. is amended by adding a new Section 1.F.3.c. as follows:

- 3.c. In the event that Metro has contracted with a private management firm to manage the "New Facility" as contemplated in Section 1.T. below, and, provided that the private management firm owns and manages a facility in Tennessee which is accredited by the American Correctional Association, and provided that Metro's

Locally Sentenced Felon population has exceeded ninety-five percent (95%) of the "Facilities" capacity dedicated to housing Locally Sentenced Felons for thirty (30) consecutive days, then Metro may contract with the private management firm to house in the private management firm's Tennessee facility that portion of Metro's Locally Sentenced Felon population that exceeds the "Facilities" current use capacity dedicated to housing Locally Sentenced Felons in accordance with Sections 1.F.2.a. and 1.F.2.b. above. The authority provided in this subsection is limited to the period of construction/renovation described in Section 1.F.2.b. and shall terminate within six months of substantial completion of such construction or three years from the date of execution, whichever first occurs. For the purposes of this Section 1.F.3.c, the current use capacity of the "Facilities" is 1195. Any agreement to house a portion of Metro's population of Locally Sentenced Felons in a private management firm's Tennessee facility is subject to the prior written approval of the Commissioner of the Tennessee Department of Correction. Any change in the terms or conditions to house Metro's Locally Sentenced Felons in the private management firm's Tennessee facility must receive the prior written approval of the Commissioner of the Tennessee Department of Correction. The state shall incur no additional costs associated with the transfer of Locally Sentenced Felons to the private management firm's Tennessee facility or the housing of Locally Sentenced Felons at the private management firm's Tennessee facility. Prior to the transfer of Locally Sentenced Felons to the private management firm's Tennessee facility, Metro shall consult with TDOC concerning the factors to be considered in selecting Locally Sentenced Felons for transfer. Metro shall provide advance written notice to the Commissioner each time inmates are transferred to the private management firm's Tennessee facility. The authority granted by this subsection 1.F.3.c may be revoked without cause by the State of Tennessee with ninety (90) days written notice to the Metropolitan Government of Nashville and Davidson County.

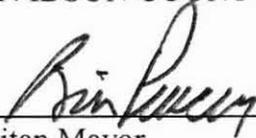
3. Section 2.B.1. is amended to restate and conform to the Addendum to the Contract by inserting the following two sentences before the last sentence in the Section:

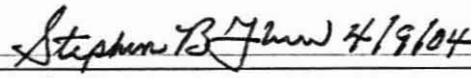
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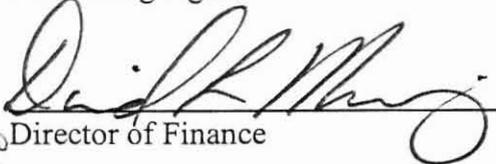
reimbursement for such Locally Sentenced Felon to Metro shall be as if the Locally Sentenced Felon was housed at the New Facility.

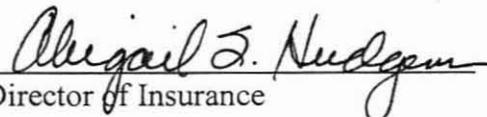
IN WITNESS WHEREOF, the parties have by their duly authorized representatives entered into this Amendment on this 2<sup>nd</sup> day of June, 2004.

THE METROPOLITAN  
GOVERNMENT OF NASHVILLE  
AND DAVIDSON COUNTY:

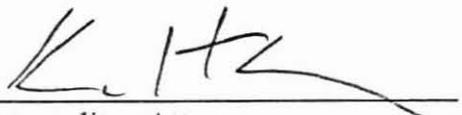
  
\_\_\_\_\_  
Metropolitan Mayor

  
\_\_\_\_\_  
Purchasing Agent

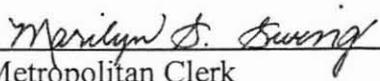
  
\_\_\_\_\_  
Director of Finance

  
\_\_\_\_\_  
Director of Insurance

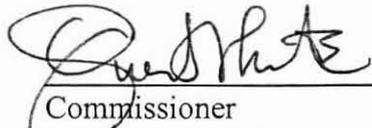
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LEGALITY:

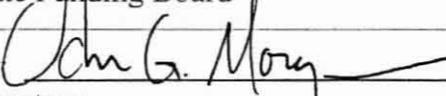
  
\_\_\_\_\_  
Metropolitan Attorney

ATTEST:

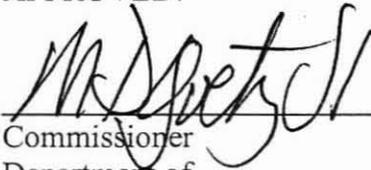
  
\_\_\_\_\_  
Metropolitan Clerk

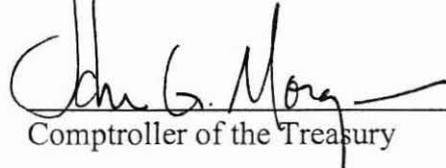
THE STATE OF TENNESSEE:

  
\_\_\_\_\_  
Commissioner  
Department of Correction

State Funding Board  
By   
\_\_\_\_\_  
Secretary  
Approved: 3 / 22 / 2004

APPROVED:

  
\_\_\_\_\_  
Commissioner  
Department of  
Finance and Administration

  
\_\_\_\_\_  
Comptroller of the Treasury

APPROVED AS TO FORM AND  
LEGALITY:

  
\_\_\_\_\_  
Attorney General and Reporter