



DEPARTMENT OF ELEMENTARY EDUCATION

PATRICK DURHAM, DIRECTOR
ANNE MARIE LANDRY, PRESCHOOL COORDINATOR
ANGELA BURNETT, ELEM ADMINISTRATIVE ASSISTANT
TONYA VOGT, PRE-K ADMINISTRATIVE ASSISTANT

TO: Jesse Bacon, Superintendent *JB*

FROM: Patrick Durham, Director of Elementary Education
Troy Wood, Chief Operations Officer

RE: 2023-2024 BCPS/OVEC Lease Agreements

DATE: July 31, 2023

Presented for review and approval are the 2023-2024 Ohio Valley Educational Cooperative (OVEC) Head Start Sublease agreements. OVEC is a long-standing partner with BCPS in supporting educational progress and providing Head Start locations for many families in Bullitt County. OVEC also provides services to infants as young as six (6) weeks old at the Full Day/Full Year program currently located at Brooks Elementary. Upon approval, OVEC will have six (6) Head Start centers in BCPS. The sublease agreement provides the terms and conditions for our partnership moving forward. Previous lease agreements did not include all locations and this updated lease agreement and supporting documentation provides terms for all locations.

(Signature)
8.4.23

OUR MISSION IS TO INSPIRE AND EQUIP OUR STUDENTS TO SUCCEED IN LIFE

BULLITT COUNTY PUBLIC SCHOOLS IS AN EQUAL EDUCATION AND EMPLOYMENT INSTITUTION

SUBLEASE AGREEMENT

This Lease Agreement is entered this 1st day of July, 2023, by and between Bullitt County Board of Education, 1040 Highway 44 East, Shepherdsville, Kentucky 40165 (Sublessor), and Ohio Valley Educational Cooperative, 100 Alpine Drive, Shelbyville, Kentucky 40065 (Sublessee).

WHEREAS, Sublessor has entered a CONTRACT, LEASE, AND OPTION dated as of July 1, 2023, with the Bullitt County School District Finance Corporation (the Corporation) relating to the construction and financing of a school facility to be known as the Old Mill Elementary School (the School), under the terms of which Sublessor will lease the School from the Corporation for a period anticipated to end on June 30, 2039, at which time the School will be reconveyed to Sublessor, and

WHEREAS, Sublessor has agreed to sublease unto the Sublessee who has agreed to sublease from the Sublessor approximately 945 square feet of space in the School and a playground which is located on lands leased by Sublessor at 199 Golden Wing Road, Mt. Washington, Bullitt County, Kentucky, and

WHEREAS, the parties have agreed as to the terms and conditions of said Sublease Agreement,

IT IS THEREFORE AGREED AS FOLLOWS:

1. **PREMISES:** Sublessor does hereby sublet and sublease unto Sublessee the following described premises, to wit:

Approximately 945 square feet of space consisting generally of one classroom, one restroom, and storage area(s) in accordance with the plans and specifications of same attached hereto and incorporated herein by reference as Exhibit A. The 945 square feet of space shall be located in the Old Mill Elementary School at 199 Golden Wing Road, Mt. Washington, Bullitt County, Kentucky. There is also included a fenced playground area located adjacent to said School (hereinafter referred to as “the Premises”).

The Sublessor shall have the right to use, with other occupants of the School, the gym, cafeteria, halls, entrance ways, bathrooms, library, parking area(s), and driveway(s), subject at all times to the prior approval of the principal or the principal’s designee at the School.

2. **TERM.** The initial term of the Sublease shall be for one year from the date of the agreement and shall renew automatically for additional one year periods through June 30, 2039, for an anticipated term of 16 years, unless:

- a. Sublessor has given written notice to Sublessee 60 days in advance of the renewal date that the Sublease will not be renewed.

- b. Sublessor's rights under Contract, Lease, and Option with the Corporation are terminated; or
- c. Sublessor exercises its rights under the Contract, Lease, and Option to have the School reconveyed to it, in which event, the Sublease shall continue in effect as a direct lease between Sublessor and Sublessee as Lessor and Lessee for the remainder of the anticipated term subject to Sublessor's (then Lessor's) right to terminate on sixty days notice.

3. **RENT.** Sublessee agrees to pay for the rental of the Premises an annual rent of \$13,600.00 per year.

4. **USE OF PREMISES.** The Sublessee shall use the Premises as the classrooms and office(s) for the Head Start program it operates with the Bullitt County Public Schools and such other consistent and appropriate uses only if approved in advance by the Superintendent of the Bullitt County Public Schools.

5. **UTILITIES.** Sublessor shall provide at no additional cost to Sublessee air conditioning, electricity, heat, water, and sanitation services for the Premises. Sublessor shall install a telephone system in the Premises at no additional cost to Sublessee. Sublessee may from time to time and at its own cost add additional telecommunications facilities or functions to the system which have been approved in advance by the Superintendent or the Superintendent's designee as compatible with the system installed by Sublessor. Sublessee shall be responsible for its allocable share of the recurring costs and charges incurred by Sublessor for the system. Sublessor shall not in any way be liable or responsible to Sublessee for any loss or damage or expense which Sublessee may sustain or incur from the telecommunications facilities or functions for the system.

6. **JANITORIAL SERVICES.** Sublessor shall provide all janitorial services for the Premises.

7. **ALTERATIONS.** Sublessee shall not make any changes, alterations, additions, or improvements to the Premises without the advance written approval of the Superintendent of the Bullitt County Public Schools or the Superintendent's designee. All such improvements shall be at Sublessee's cost and, upon expiration of this Sublease Agreement, all improvements made by the Sublessee shall be and become the property of the Sublessor or Sublessor shall request improvements be removed and the Premises be restored to the condition as it existed on the date of this Sublease Agreement, at the sole cost of the Sublessee.

8. **MAINTENANCE OF THE PREMISES.** Sublessor shall at its own cost maintain the Premises in a manner consistent with its ongoing maintenance program for the School. Sublessee shall not commit or suffer any waste on the Premises and shall be

responsible for any maintenance or repair caused by the acts of Sublessee or its invitees or employees, normal wear and tear only excepted.

9. **ASSIGNMENT AND FURTHER SUBLETTING.** Sublessee shall not assign this Sublease or further sublet all or part of the Premises without the advance written consent of Sublessor.

10. **DESTRUCTION OF PREMISES.**

a. If the Premises shall be destroyed or so injured by any cause as to be unfit for occupancy and such destruction or injury could reasonably be repaired prior to the beginning of the next school year, then Lessee shall not be entitled to surrender possession of the Premises but Lessee's obligation to pay the balance of the annual rent shall be abated for such period. In case of destruction or injury, each party shall be responsible for repair of those portions of the Premises constructed or installed by it.

b. If such destruction or injury cannot be reasonably repaired prior to the beginning of the next school year, Sublessee may notify Sublessor within thirty (30) days after the happening of such destruction or injury of its election to terminate this Sublease Agreement and same shall terminate.

c. The rights and obligations of the parties under this Sublease Agreement shall be subject to the rights and obligations of the Corporation and Sublessor under the Contract, Lease, and Option.

11. **INSURANCE.**

a. Sublessor shall maintain fire and extended coverage insurance on the Premises in a sum equal to no less than eighty percent (80%) of the cost of replacement of the existing building and improvements therein.

b. Sublessor shall maintain public liability insurance on the driveways, parking areas, and common areas in a sum of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate.

c. Sublessee shall maintain public liability insurance on the Premises in a sum of not less than \$2,000,000.00 on account of bodily injuries to or death of one or more persons as a result of any one accident or disaster and with \$500,000.00 coverage for property damages in an accident, shall name Sublessor as an additional insured therein and deposit said policy or policies with Sublessor prior to the date of occupancy by Sublessee, and Sublessee shall further hold Sublessor harmless from all claims of any person for injuries on the Premises. In addition, it shall be the responsibility of the Sublessee to carry and maintain any and all insurance coverage for its personal property, inventory, stock, and equipment located on the Premises. Any insurance provided by the Sublessee shall apply on a primary basis and shall not require contribution from any insurance maintained by Sublessor. Any insurance or self-insurance maintained by

Sublessor shall be in excess of, and shall not contribute with the insurance provided by the Sublessee.

12. **CONTROL OF COMMON AREAS AND EXTERNAL APPEARANCES.**

a. Sublessee shall not place or permit to remain any rubbish, boxes, or other debris in or about the Premises or the School, except as directed by the Principal of the School or the Principal's designee.

b. All window and door coverings, draperies, and decorations visible from the exterior of the Premises are subject to the approval of the Sublessor prior to installation.

c. Use of the common areas, including driveways and parking areas, are at all times subject to reasonable control and regulation by the Sublessor for the benefit of the occupants of the School.

13. **QUIET ENJOYMENT.** Subject to its obligations under the Contract, Lease, and Option, Sublessor covenants, warrants, and represents that it has full right and power to execute and perform this Sublease Agreement and to grant the estate demised herein, and covenants that Sublessee, upon paying the rent herein reserved and performing the covenants and agreements herein, shall peaceably and quietly hold, have, and enjoy the Premises and all rights, easements, appurtenances, and privileges belonging to or in anywise appertaining thereto during the term of this Sublease and any extension or renewal thereof.

14. **WAIVERS.** The waiver of either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, or any subsequent breach of the same or any other term, covenant, or condition. The subsequent acceptance of rent hereunder by Sublessor shall not be deemed to be a waiver of any preceding breach by Sublessee of any term, covenant, or condition of this Sublease other than the failure of Sublessee to pay the particular rental so accepted, regardless of Sublessor's knowledge of such preceding breach at the time of acceptance of such rent.

15. **NOTICE.** Whenever, under the terms hereof, provision is made for notice of any kind, it shall be deemed sufficient only if sent by certified mail, postage prepaid as follows:

To Sublessor: Bullitt County Public Schools
1040 Highway 44 East
Shepherdsville, Kentucky 40165

To Sublessee: Ohio Valley Educational Cooperative
100 Alpine Drive
Shelbyville, Kentucky 40065

16. **SUBLESSEE DEFAULT.** If Sublessee shall fail to keep and perform any of the covenants, agreements, or conditions of the Sublease on its part to be performed, then and in that event, Sublessor shall notify Sublessee in writing of said breach and Sublessee shall have fifteen (15) days to cure or otherwise correct said breach, provided however, if Sublessee fails to cure or correct said breach within fifteen (15) days of notification of same, the Sublessor may take any legal action authorized by law or may enter in and upon the Premises and again have and repossess and enjoy the same as if this Sublease had not been made. In the event of default, any monies paid to Sublessor by Sublessee as prepaid rent shall remain the sole property of Sublessor.

17. **SUBLESSOR DEFAULT.** If Sublessor shall fail to keep and perform any of the covenants, agreements, or conditions of this Sublease Agreement on its part to be performed, then and in that event, Sublessee shall notify Sublessor in writing of said breach and Sublessor shall have fifteen (15) days to cure or otherwise correct said breach. However, if Sublessor (or subsequently as Lessor) or the Corporation, exercising its rights under the Contract, Lease, and Option, give notice to Sublessee that the Sublease Agreement will not be renewed at any time during the anticipated term, as referred to in Section 3, any monies paid to Sublessor by Sublessee as prepaid rent shall remain the sole property of Sublessor.

18. **TERMINATION OF LEASE.** Upon the expiration of this Sublease Agreement or upon its termination in any way, Sublessee shall surrender to Sublessor possession of the Premises in good condition and repair, ordinary wear and tear excepted.

19. **TAXES AND ASSESSMENTS.** Sublessor shall pay all real estate taxes, charges, and assessments imposed upon the Premises when due and payable. Sublessee will pay all city, county, and state taxes on its personal property, inventory, and goods located on and in the Premises plus all city, county and state license fees required.

20. **SUBLEASE AGREEMENT EMBRACES FULL TERMS OF AGREEMENT.** The terms and provisions embraced in this Sublease Agreement constitute the full agreement of the parties hereto and no prior stipulations, agreements, or understanding, verbal or otherwise, of the parties or their agent or agents shall be valid or enforceable unless embodied in the provisions of this Sublease Agreement. None of the terms, covenants, or conditions embraced in this Sublease Agreement shall be changed or modified except by an instrument in writing duly executed by the parties hereto.

21. **APPLICABLE LAWS AND REMEDIES.** Parties agree (i) this Sublease Agreement is construed and enforced according to the laws of the state of Kentucky, and (ii) all claim(s), counterclaim(s), dispute(s), breach(es), action(s), and other matter(s) in dispute between the Parties arising or relating to this Sublease Agreement will be decided in a court of competent jurisdiction within the state of Kentucky, county of Bullitt.

22. **SEVERABILITY.** Parties agree the remaining provisions of this Sublease Agreement will be unaffected and remain valid and enforceable to the full extent

permitted by law in the event and for any reason any provision of this Sublease Agreement is held invalid or unenforceable under applicable law.

IN WITNESS WHEREOF, the Sublessor and Sublessee have hereunto affixed their signatures the day and year first written above.

SUBLESSOR: BULLITT COUNTY PUBLIC SCHOOLS

By: _____
Dr. Jesse Bacon, Superintendent

SUBLESSEE: OHIO VALLEY EDUCATIONAL COOPERATIVE

By: _____
Mr. Jason Adkins, CEO and Secretary



SUBLEASE AGREEMENT

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WHEREAS, Sublessor has entered a CONTRACT, LEASE, AND OPTION dated as of July 1, 2023, with the Bullitt County School District Finance Corporation (the Corporation) relating to the construction and financing of a school facility to be known as the Roby Elementary School (the School), under the terms of which Sublessor will lease the School from the Corporation for a period anticipated to end on June 30, 2039, at which time the School will be reconveyed to Sublessor, and

WHEREAS, Sublessor has agreed to sublease unto the Sublessee who has agreed to sublease from the Sublessor approximately 1,118 square feet of space in the School and a playground which is located on lands leased by Sublessor at 1148 Highway 44 East, Bullitt County, Shepherdsville, Kentucky, and

WHEREAS, the parties have agreed as to the terms and conditions of said Sublease Agreement,

IT IS THEREFORE AGREED AS FOLLOWS:

1. **PREMISES:** Sublessor does hereby sublet and sublease unto Sublessee the following described premises, to wit:

Approximately 1,118 square feet of space consisting generally of one classroom, one laundry room, one restroom, and storage area(s) in accordance with the plans and specifications of same attached hereto and incorporated herein by reference as Exhibit A. The 1,118 square feet of space shall be located in the Roby Elementary School at 1148 Highway 44 East, Bullitt County, Shepherdsville, Kentucky. There is also included a fenced playground area located adjacent to said School (hereinafter referred to as “the Premises”).

The Sublessor shall have the right to use, with other occupants of the School, the gym, cafeteria, halls, entrance ways, bathrooms, library, parking area(s), and driveway(s), subject at all times to the prior approval of the principal or the principal’s designee at the School.

2. **TERM.** The initial term of the Sublease shall be for one year from the date of the agreement and shall renew automatically for additional one year periods through June 30, 2039, for an anticipated term of 16 years, unless:

- a. Sublessor has given written notice to Sublessee 60 days in advance of the renewal date that the Sublease will not be renewed.

- b. Sublessor's rights under Contract, Lease, and Option with the Corporation are terminated; or
- c. Sublessor exercises its rights under the Contract, Lease, and Option to have the School reconveyed to it, in which event, the Sublease shall continue in effect as a direct lease between Sublessor and Sublessee as Lessor and Lessee for the remainder of the anticipated term subject to Sublessor's (then Lessor's) right to terminate on sixty days notice.

3. **RENT.** Sublessee agrees to pay for the rental of the Premises an annual rent of \$15,200.00 per year.

4. **USE OF PREMISES.** The Sublessee shall use the Premises as the classrooms and office(s) for the Head Start program it operates with the Bullitt County Public Schools and such other consistent and appropriate uses only if approved in advance by the Superintendent of the Bullitt County Public Schools.

5. **UTILITIES.** Sublessor shall provide at no additional cost to Sublessee air conditioning, electricity, heat, water, and sanitation services for the Premises. Sublessee may from time to time and at its own cost add additional telecommunications facilities or functions to the system which have been approved in advance by the Superintendent or the Superintendent's designee as compatible with the system installed by Sublessor. Sublessee shall be responsible for its allocable share of the recurring costs and charges incurred by Sublessor for the system. Sublessor shall not in any way be liable or responsible to Sublessee for any loss or damage or expense which Sublessee may sustain or incur from the telecommunications facilities or functions for the system.

6. **JANITORIAL SERVICES.** Sublessor shall provide all janitorial services for the Premises.

7. **ALTERATIONS.** Sublessee shall not make any changes, alterations, additions, or improvements to the Premises without the advance written approval of the Superintendent of the Bullitt County Public Schools or the Superintendent's designee. All such improvements shall be at Sublessee's cost and, upon expiration of this Sublease Agreement, all improvements made by the Sublessee shall be and become the property of the Sublessor or Sublessor shall request improvements be removed and the Premises be restored to the condition as it existed on the date of this Sublease Agreement, at the sole cost of the Sublessee.

8. **MAINTENANCE OF THE PREMISES.** Sublessor shall at its own cost maintain the Premises in a manner consistent with its ongoing maintenance program for the School. Sublessee shall not commit or suffer any waste on the Premises and shall be responsible for any maintenance or repair caused by the acts of Sublessee or its invitees or employees, normal wear and tear only excepted.

9. **ASSIGNMENT AND FURTHER SUBLETTING.** Sublessee shall not assign this Sublease or further sublet all or part of the Premises without the advance written consent of Sublessor.

10. **DESTRUCTION OF PREMISES.**

a. If the Premises shall be destroyed or so injured by any cause as to be unfit for occupancy and such destruction or injury could reasonably be repaired prior to the beginning of the next school year, then Lessee shall not be entitled to surrender possession of the Premises but Lessee's obligation to pay the balance of the annual rent shall be abated for such period. In case of destruction or injury, each party shall be responsible for repair of those portions of the Premises constructed or installed by it.

b. If such destruction or injury cannot be reasonably repaired prior to the beginning of the next school year, Sublessee may notify Sublessor within thirty (30) days after the happening of such destruction or injury of its election to terminate this Sublease Agreement and same shall terminate.

c. The rights and obligations of the parties under this Sublease Agreement shall be subject to the rights and obligations of the Corporation and Sublessor under the Contract, Lease, and Option.

11. **INSURANCE.**

a. Sublessor shall maintain fire and extended coverage insurance on the Premises in a sum equal to no less than eighty percent (80%) of the cost of replacement of the existing building and improvements therein.

b. Sublessor shall maintain public liability insurance on the driveways, parking areas, and common areas in a sum of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate.

c. Sublessee shall maintain public liability insurance on the Premises in a sum of not less than \$2,000,000.00 on account of bodily injuries to or death of one or more persons as a result of any one accident or disaster and with \$500,000.00 coverage for property damages in an accident, shall name Sublessor as an additional insured therein and deposit said policy or policies with Sublessor prior to the date of occupancy by Sublessee, and Sublessee shall further hold Sublessor harmless from all claims of any person for injuries on the Premises. In addition, it shall be the responsibility of the Sublessee to carry and maintain any and all insurance coverage for its personal property, inventory, stock, and equipment located on the Premises. Any insurance provided by the Sublessee shall apply on a primary basis and shall not require contribution from any insurance maintained by Sublessor. Any insurance or self-insurance maintained by Sublessor shall be in excess of, and shall not contribute with the insurance provided by the Sublessee.

12. **CONTROL OF COMMON AREAS AND EXTERNAL APPEARANCES.**

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b. All window and door coverings, draperies, and decorations visible from the exterior of the Premises are subject to the approval of the Sublessor prior to installation.

c. Use of the common areas, including driveways and parking areas, are at all times subject to reasonable control and regulation by the Sublessor for the benefit of the occupants of the School.

13. **QUIET ENJOYMENT.** Subject to its obligations under the Contract, Lease, and Option, Sublessor covenants, warrants, and represents that it has full right and power to execute and perform this Sublease Agreement and to grant the estate demised herein, and covenants that Sublessee, upon paying the rent herein reserved and performing the covenants and agreements herein, shall peaceably and quietly hold, have, and enjoy the Premises and all rights, easements, appurtenances, and privileges belonging to or in anywise appertaining thereto during the term of this Sublease and any extension or renewal thereof.

14. **WAIVERS.** The waiver of either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, or any subsequent breach of the same or any other term, covenant, or condition. The subsequent acceptance of rent hereunder by Sublessor shall not be deemed to be a waiver of any preceding breach by Sublessee of any term, covenant, or condition of this Sublease other than the failure of Sublessee to pay the particular rental so accepted, regardless of Sublessor's knowledge of such preceding breach at the time of acceptance of such rent.

15. **NOTICE.** Whenever, under the terms hereof, provision is made for notice of any kind, it shall be deemed sufficient only if sent by certified mail, postage prepaid as follows:

To Sublessor: Bullitt County Public Schools
1040 Highway 44 East
Shepherdsville, Kentucky 40165

To Sublessee: Ohio Valley Educational Cooperative
100 Alpine Drive
Shelbyville, Kentucky 40065

16. **SUBLESSEE DEFAULT.** If Sublessee shall fail to keep and perform any of the covenants, agreements, or conditions of the Sublease on its part to be performed, then and in that event, Sublessor shall notify Sublessee in writing of said breach and

Sublessee shall have fifteen (15) days to cure or otherwise correct said breach, provided however, if Sublessee fails to cure or correct said breach within fifteen (15) days of notification of same, the Sublessor may take any legal action authorized by law or may enter in and upon the Premises and again have and repossess and enjoy the same as if this Sublease had not been made. In the event of default, any monies paid to Sublessor by Sublessee as prepaid rent shall remain the sole property of Sublessor.

17. **SUBLESSOR DEFAULT.** If Sublessor shall fail to keep and perform any of the covenants, agreements, or conditions of this Sublease Agreement on its part to be performed, then and in that event, Sublessee shall notify Sublessor in writing of said breach and Sublessor shall have fifteen (15) days to cure or otherwise correct said breach. However, if Sublessor (or subsequently as Lessor) or the Corporation, exercising its rights under the Contract, Lease, and Option, give notice to Sublessee that the Sublease Agreement will not be renewed at any time during the anticipated term, as referred to in Section 3, any monies paid to Sublessor by Sublessee as prepaid rent shall remain the sole property of Sublessor.

18. **TERMINATION OF LEASE.** Upon the expiration of this Sublease Agreement or upon its termination in any way, Sublessee shall surrender to Sublessor possession of the Premises in good condition and repair, ordinary wear and tear excepted.

19. **TAXES AND ASSESSMENTS.** Sublessor shall pay all real estate taxes, charges, and assessments imposed upon the Premises when due and payable. Sublessee will pay all city, county, and state taxes on its personal property, inventory, and goods located on and in the Premises plus all city, county and state license fees required.

20. **SUBLEASE AGREEMENT EMBRACES FULL TERMS OF AGREEMENT.** The terms and provisions embraced in this Sublease Agreement constitute the full agreement of the parties hereto and no prior stipulations, agreements, or understanding, verbal or otherwise, of the parties or their agent or agents shall be valid or enforceable unless embodied in the provisions of this Sublease Agreement. None of the terms, covenants, or conditions embraced in this Sublease Agreement shall be changed or modified except by an instrument in writing duly executed by the parties hereto.

21. **APPLICABLE LAWS AND REMEDIES.** Parties agree (i) this Sublease Agreement is construed and enforced according to the laws of the state of Kentucky, and (ii) all claim(s), counterclaim(s), dispute(s), breach(es), action(s), and other matter(s) in dispute between the Parties arising or relating to this Sublease Agreement will be decided in a court of competent jurisdiction within the state of Kentucky, county of Bullitt.

22. **SEVERABILITY.** Parties agree the remaining provisions of this Sublease Agreement will be unaffected and remain valid and enforceable to the full extent permitted by law in the event and for any reason any provision of this Sublease Agreement is held invalid or unenforceable under applicable law.

IN WITNESS WHEREOF, the Sublessor and Sublessee have hereunto affixed their signatures the day and year first written above.

SUBLESSOR: BULLITT COUNTY PUBLIC SCHOOLS

By: _____
Dr. Jesse Bacon, Superintendent

SUBLESSEE: OHIO VALLEY EDUCATIONAL COOPERATIVE

By: _____
Mr. Jason Adkins, CEO and Secretary



SUBLEASE AGREEMENT

This Lease Agreement is entered this 1st day of July, 2023, by and between Bullitt County Board of Education, 1040 Highway 44 East, Shepherdsville, Kentucky 40165 (Sublessor), and Ohio Valley Educational Cooperative, 100 Alpine Drive, Shelbyville, Kentucky 40065 (Sublessee).

WHEREAS, Sublessor has entered a CONTRACT, LEASE, AND OPTION dated as of July 1, 2023, with the Bullitt County School District Finance Corporation (the Corporation) relating to the construction and financing of a school facility to be known as the Crossroads Elementary School (the School), under the terms of which Sublessor will lease the School from the Corporation for a period anticipated to end on June 30, 2039, at which time the School will be reconveyed to Sublessor, and

WHEREAS, Sublessor has agreed to sublease unto the Sublessee who has agreed to sublease from the Sublessor approximately 854 square feet of space in the School and a playground which is located on lands leased by Sublessor at 156 Erin Circle, Mt. Washington, Bullitt County, Kentucky, and

WHEREAS, the parties have agreed as to the terms and conditions of said Sublease Agreement,

IT IS THEREFORE AGREED AS FOLLOWS:

1. **PREMISES:** Sublessor does hereby sublet and sublease unto Sublessee the following described premises, to wit:

Approximately 854 square feet of space consisting generally of one classroom, office space, one restroom, and storage area(s) in accordance with the plans and specifications of same attached hereto and incorporated herein by reference as Exhibit A. The 854 square feet of space shall be located in the Crossroads Elementary School at 156 Erin Circle, Mt. Washington, Bullitt County, Kentucky. There is also included a fenced playground area located adjacent to said School (hereinafter referred to as "the Premises").

The Sublessor shall have the right to use, with other occupants of the School, the gym, cafeteria, halls, entrance ways, bathrooms, library, parking area(s), and driveway(s), subject at all times to the prior approval of the principal or the principal's designee at the School.

2. **TERM.** The initial term of the Sublease shall be for one year from the date of the agreement and shall renew automatically for additional one year periods through June 30, 2039, for an anticipated term of 16 years, unless:

- a. Sublessor has given written notice to Sublessee 60 days in advance of the renewal date that the Sublease will not be renewed.

- b. Sublessor's rights under Contract, Lease, and Option with the Corporation are terminated; or
- c. Sublessor exercises its rights under the Contract, Lease, and Option to have the School reconveyed to it, in which event, the Sublease shall continue in effect as a direct lease between Sublessor and Sublessee as Lessor and Lessee for the remainder of the anticipated term subject to Sublessor's (then Lessor's) right to terminate on sixty days notice.

3. **RENT.** Sublessee agrees to pay for the rental of the Premises an annual rent of \$11,600.00 per year.

4. **USE OF PREMISES.** The Sublessee shall use the Premises as the classrooms and office(s) for the Head Start program it operates with the Bullitt County Public Schools and such other consistent and appropriate uses only if approved in advance by the Superintendent of the Bullitt County Public Schools.

5. **UTILITIES.** Sublessor shall provide at no additional cost to Sublessee air conditioning, electricity, heat, water, and sanitation services for the Premises. Sublessee may from time to time and at its own cost add additional telecommunications facilities or functions to the system which have been approved in advance by the Superintendent or the Superintendent's designee as compatible with the system installed by Sublessor. Sublessee shall be responsible for its allocable share of the recurring costs and charges incurred by Sublessor for the system. Sublessor shall not in any way be liable or responsible to Sublessee for any loss or damage or expense which Sublessee may sustain or incur from the telecommunications facilities or functions for the system.

6. **JANITORIAL SERVICES.** Sublessor shall provide all janitorial services for the Premises.

7. **ALTERATIONS.** Sublessee shall not make any changes, alterations, additions, or improvements to the Premises without the advance written approval of the Superintendent of the Bullitt County Public Schools or the Superintendent's designee. All such improvements shall be at Sublessee's cost and, upon expiration of this Sublease Agreement, all improvements made by the Sublessee shall be and become the property of the Sublessor or Sublessor shall request improvements be removed and the Premises be restored to the condition as it existed on the date of this Sublease Agreement, at the sole cost of the Sublessee.

8. **MAINTENANCE OF THE PREMISES.** Sublessor shall at its own cost maintain the Premises in a manner consistent with its ongoing maintenance program for the School. Sublessee shall not commit or suffer any waste on the Premises and shall be responsible for any maintenance or repair caused by the acts of Sublessee or its invitees or employees, normal wear and tear only excepted.

9. **ASSIGNMENT AND FURTHER SUBLETTING.** Sublessee shall not assign this Sublease or further sublet all or part of the Premises without the advance written consent of Sublessor.

10. **DESTRUCTION OF PREMISES.**

a. If the Premises shall be destroyed or so injured by any cause as to be unfit for occupancy and such destruction or injury could reasonably be repaired prior to the beginning of the next school year, then Lessee shall not be entitled to surrender possession of the Premises but Lessee's obligation to pay the balance of the annual rent shall be abated for such period. In case of destruction or injury, each party shall be responsible for repair of those portions of the Premises constructed or installed by it.

b. If such destruction or injury cannot be reasonably repaired prior to the beginning of the next school year, Sublessee may notify Sublessor within thirty (30) days after the happening of such destruction or injury of its election to terminate this Sublease Agreement and same shall terminate.

c. The rights and obligations of the parties under this Sublease Agreement shall be subject to the rights and obligations of the Corporation and Sublessor under the Contract, Lease, and Option.

11. **INSURANCE.**

a. Sublessor shall maintain fire and extended coverage insurance on the Premises in a sum equal to no less than eighty percent (80%) of the cost of replacement of the existing building and improvements therein.

b. Sublessor shall maintain public liability insurance on the driveways, parking areas, and common areas in a sum of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate.

c. Sublessee shall maintain public liability insurance on the Premises in a sum of not less than \$2,000,000.00 on account of bodily injuries to or death of one or more persons as a result of any one accident or disaster and with \$500,000.00 coverage for property damages in an accident, shall name Sublessor as an additional insured therein and deposit said policy or policies with Sublessor prior to the date of occupancy by Sublessee, and Sublessee shall further hold Sublessor harmless from all claims of any person for injuries on the Premises. In addition, it shall be the responsibility of the Sublessee to carry and maintain any and all insurance coverage for its personal property, inventory, stock, and equipment located on the Premises. Any insurance provided by the Sublessee shall apply on a primary basis and shall not require contribution from any insurance maintained by Sublessor. Any insurance or self-insurance maintained by Sublessor shall be in excess of, and shall not contribute with the insurance provided by the Sublessee.

12. **CONTROL OF COMMON AREAS AND EXTERNAL APPEARANCES.**

a. Sublessee shall not place or permit to remain any rubbish, boxes, or other debris in or about the Premises or the School, except as directed by the Principal of the School or the Principal's designee.

b. All window and door coverings, draperies, and decorations visible from the exterior of the Premises are subject to the approval of the Sublessor prior to installation.

c. Use of the common areas, including driveways and parking areas, are at all times subject to reasonable control and regulation by the Sublessor for the benefit of the occupants of the School.

13. **QUIET ENJOYMENT.** Subject to its obligations under the Contract, Lease, and Option, Sublessor covenants, warrants, and represents that it has full right and power to execute and perform this Sublease Agreement and to grant the estate demised herein, and covenants that Sublessee, upon paying the rent herein reserved and performing the covenants and agreements herein, shall peaceably and quietly hold, have, and enjoy the Premises and all rights, easements, appurtenances, and privileges belonging to or in anywise appertaining thereto during the term of this Sublease and any extension or renewal thereof.

14. **WAIVERS.** The waiver of either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, or any subsequent breach of the same or any other term, covenant, or condition. The subsequent acceptance of rent hereunder by Sublessor shall not be deemed to be a waiver of any preceding breach by Sublessee of any term, covenant, or condition of this Sublease other than the failure of Sublessee to pay the particular rental so accepted, regardless of Sublessor's knowledge of such preceding breach at the time of acceptance of such rent.

15. **NOTICE.** Whenever, under the terms hereof, provision is made for notice of any kind, it shall be deemed sufficient only if sent by certified mail, postage prepaid as follows:

To Sublessor: Bullitt County Public Schools
1040 Highway 44 East
Shepherdsville, Kentucky 40165

To Sublessee: Ohio Valley Educational Cooperative
100 Alpine Drive
Shelbyville, Kentucky 40065

16. **SUBLESSEE DEFAULT.** If Sublessee shall fail to keep and perform any of the covenants, agreements, or conditions of the Sublease on its part to be performed, then and in that event, Sublessor shall notify Sublessee in writing of said breach and

Sublessee shall have fifteen (15) days to cure or otherwise correct said breach, provided however, if Sublessee fails to cure or correct said breach within fifteen (15) days of notification of same, the Sublessor may take any legal action authorized by law or may enter in and upon the Premises and again have and repossess and enjoy the same as if this Sublease had not been made. In the event of default, any monies paid to Sublessor by Sublessee as prepaid rent shall remain the sole property of Sublessor.

17. **SUBLESSOR DEFAULT.** If Sublessor shall fail to keep and perform any of the covenants, agreements, or conditions of this Sublease Agreement on its part to be performed, then and in that event, Sublessee shall notify Sublessor in writing of said breach and Sublessor shall have fifteen (15) days to cure or otherwise correct said breach. However, if Sublessor (or subsequently as Lessor) or the Corporation, exercising its rights under the Contract, Lease, and Option, give notice to Sublessee that the Sublease Agreement will not be renewed at any time during the anticipated term, as referred to in Section 3, any monies paid to Sublessor by Sublessee as prepaid rent shall remain the sole property of Sublessor.

18. **TERMINATION OF LEASE.** Upon the expiration of this Sublease Agreement or upon its termination in any way, Sublessee shall surrender to Sublessor possession of the Premises in good condition and repair, ordinary wear and tear excepted.

19. **TAXES AND ASSESSMENTS.** Sublessor shall pay all real estate taxes, charges, and assessments imposed upon the Premises when due and payable. Sublessee will pay all city, county, and state taxes on its personal property, inventory, and goods located on and in the Premises plus all city, county and state license fees required.

20. **SUBLEASE AGREEMENT EMBRACES FULL TERMS OF AGREEMENT.** The terms and provisions embraced in this Sublease Agreement constitute the full agreement of the parties hereto and no prior stipulations, agreements, or understanding, verbal or otherwise, of the parties or their agent or agents shall be valid or enforceable unless embodied in the provisions of this Sublease Agreement. None of the terms, covenants, or conditions embraced in this Sublease Agreement shall be changed or modified except by an instrument in writing duly executed by the parties hereto.

21. **APPLICABLE LAWS AND REMEDIES.** Parties agree (i) this Sublease Agreement is construed and enforced according to the laws of the state of Kentucky, and (ii) all claim(s), counterclaim(s), dispute(s), breach(es), action(s), and other matter(s) in dispute between the Parties arising or relating to this Sublease Agreement will be decided in a court of competent jurisdiction within the state of Kentucky, county of Bullitt.

22. **SEVERABILITY.** Parties agree the remaining provisions of this Sublease Agreement will be unaffected and remain valid and enforceable to the full extent permitted by law in the event and for any reason any provision of this Sublease Agreement is held invalid or unenforceable under applicable law.

IN WITNESS WHEREOF, the Sublessor and Sublessee have hereunto affixed their signatures the day and year first written above.

SUBLESSOR: BULLITT COUNTY PUBLIC SCHOOLS

By: _____
Dr. Jesse Bacon, Superintendent

SUBLESSEE: OHIO VALLEY EDUCATIONAL COOPERATIVE

By: _____
Mr. Jason Adkins, CEO and Secretary

