

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
December 18, 2020

The State Building Commission Executive Subcommittee met this day at 11:00 a.m. via WebEx electronic meeting, with the following members and Departments present. Commissioner Eley called the meeting to order at 11:02 a.m. and requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

Butch Eley, Commissioner, Department of Finance and Administration, participated via electronic communication
Tre Hargett, Secretary of State, participated via electronic communication
David Lillard, State Treasurer, participated via electronic communication
Justin Wilson, Comptroller of the Treasury, participated via electronic communication

ORGANIZATION

PRESENTER

- State Building Commission

State Architect Ann McGauran

Commissioner Eley stated that purpose of this meeting was to consider the items on the agenda for the December meeting of the Executive Sub-Committee of the State Building Commission. Tennessee Code Annotated §8-44-108 provides that if a quorum of members is not physically present at the meeting, other members may be retained for a vote via electronic or other means of communication if certain statutory requirements are met.

A determination has been made that the electronic communication in this meeting by the members is a necessity based on the following facts and circumstances:

1. The Executive Sub-Committee has regularly scheduled monthly meetings around which agencies and institutions plan, and a delay will cause an operational hardship for certain of the agencies and institutions having time sensitive matters on today's agenda.
2. The current public health crisis resulting from the COVID-19 virus has resulted in declarations of a "State of Emergency" by the State and local governments.
3. Meeting electronically is necessary to protect the health, safety and welfare of Tennesseans in light of the COVID-19 outbreak

Commissioner Eley, Secretary Hargett, Comptroller Wilson, and Treasurer Lillard participated electronically. At a roll call vote all members voted aye and approved the use of electronic communication for this meeting.

CONSENT AGENDA

At a roll call vote all members voted aye and approved the following items which had been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: **University of Tennessee Health Science Center**
Transaction: Disposal – Lease (Space)
Provision(s): Waiver of appraisals

- B. Agency: **Tennessee Board of Regents / Walters State Community College**
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and appraisals

- C. Agency: **Department of General Services**
Transaction: Acquisition – Lease (Space)
Provision(s): Waive advertisement

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) At a roll call vote all members voted aye and approved the Minutes of the Executive Subcommittee meeting held on November 23, 2020.

Report of Items Approved by Office of the State Architect

Approvals of Revisions to Existing Capital Projects

- Reported the following two approvals of a revision in funding for capital project (no change in total project budget) in accordance with Item 2.04(B)(2) of the *SBC By-Laws, Policy & Procedures*:

- 1) **State Procurement Agency:** Tennessee Board of Regents / Walters State Community College
Location: Morristown, Tennessee
Project Title: Sevier County Campus Addition
Project Description: Construct new building for Allied Health Labs, additional classrooms, and professional entertainment labs. Construct additional buildings or make renovations to accommodate mechanical systems. Renovate areas relocated due to the construction.
- SBC Project No.** 166/023-02-2016
Total Project Budget: \$12,500,000.00
Source of Funding: \$ 790,000.00 Gifts (O)
\$11,250,000.00 17/18 CurrFunds-CapImp (A)
\$ 460,000.00 Plant Funds (Non-Aux) (A)
- Approval:** Approved a revision in project funding (Reduce MACC and increase Moveable Equipment)
Approval Date: 12/01/2020
- 2) **State Procurement Agency:** STREAM / Department of Environment & Conservation
Location: Crossville, Tennessee
Project Title: Cumberland Mountain State Park Restaurant HVAC Replacement
Project Description: Renovate and replace Cumberland Mountain State Park Restaurant HVAC system and all required related work.
- SBC Project No.** 126/030-01-2017
Total Project Budget: \$795,000.00
Source of Funding: \$ 65,000.00 17/18 TDEC Op Funds (A)
\$630,000.00 19/20 CurrFunds-CapMaint (MP) (A)
\$100,000.00 Clean Energy Grant (O)
- Approval:** Approved a revision in project funding (Reduce Admin & Misc and increase MACC)
Approval Date: 11/23/2020

Approvals of Contract Amendments

- Reported the following approval of a consultant contract amendment in accordance with Item 2.04(C)(1) of the *SBC By-Laws, Policy & Procedures*:
 - State Procurement Agency:** STREAM / Department of Military
Location: Statewide, Tennessee
Project Title: Mechanical, Electrical & Plumbing Consultant
Project Description: Consultant to support the agency for project development and associated facility needs including limited design services.

SBC Project No. 361/000-04-2019
Total Project Budget: \$150,000.00
Source of Funding: Federal Funds (NGB) (F)
Approval: Approved a revision in project budget and funding (add \$75,000)
Approval Date: 12/02/2020

Designer Selections

- The following designer selections represent projects approved by the State Building Commission and recommended by the State Procurement Agencies. Secretary Hargett stated that, while they used the normal criteria in determining final selections including maintaining the geographical balance, current work capacity, and quality and quantity of workload over past several years, it was still primarily a process driven by the individual agencies.
 - Tennessee Board of Regents – Statewide**
 (ADA Consultant)
 Total Project Budget: Not Applicable
 SBC Project No. 166/000-03-2017
 Designer: **PDS America**
 - Tennessee Board of Regents – Statewide**
 (Architectural Consultant - East)
 Total Project Budget: Not Applicable
 SBC Project No. 166/000-03-2017
 Designer: **Dollar & Ewers Architecture, Inc.**
 - Tennessee Board of Regents – Statewide**
 (Roof Consultant)
 Total Project Budget: Not Applicable
 SBC Project No. 166/000-03-2017
 Designer: **Richard C. Rinks & Associates, Inc.**
 - Tennessee Technological University**
 (Innovation Center Residence Hall)
 Total Project Budget: \$29,500,000.00
 SBC Project No. 166/011-01-2020
 Designer: **Earl Swensson Associates, Inc.**
 - Natchez Trace State Park**
 (Inn Refurbishing Phase II)
 Total Project Budget: \$2,800,000.00
 SBC Project No. 126/057-02-2020
 Designer: **Clark + Associates, Architects**
 - TWRA Nashville Central Office**
 (Site Upgrades)
 Total Project Budget: \$1,405,000.00
 SBC Project No. 220/018-01-2020
 Designer: **James + Associates Engineers & Planners, Inc.**

Other Business

Commissioner Eley recognized that this was the last official Executive Subcommittee meeting for Comptroller Wilson and expressed his deep appreciation for Comptroller Wilson’s service to the State. Secretary Hargett and Treasurer Lillard agreed.

There being no further business, the meeting adjourned at 11:12 a.m.

UNIVERSITY OF TENNESSEE**Disposal – Lease (Space)****Requested Action:** Approval of disposal by lease with waiver of appraisals**Transaction Description:** Transaction No. 19-11-913

- **Location:** University of Tennessee – Health Science Center
Shelby County – 0-842 Jefferson Avenue, Memphis, TN
- **Tenant:** County of Shelby and Shelby County Health Care Corporation dba Regional One Health
- **Term:** December 12, 2020 – December 11, 2022
- **Area / Costs:** 211,326 +/- square feet on 3.40 +/- acres; see comment below

Comment: Since 1979, the University leased a hospital facility on approximately 3.4 +/- acres to the County of Shelby and the Memphis and Shelby County Hospital Authority. Shelby County Health Care Corporation was formed in 1981 and is successor in interest to the Memphis and Shelby County Hospital Authority, a non-profit public corporation, dba Regional One Health. Regional One Health continues to operate the facility. On January 28, 2020, ESC approved a one-year lease to provide additional time to prepare a new agreement. Due to impacts from Covid-19 affecting both UTHSC and Regional One Health, a new agreement has not been reached. The University requests a new term through December 11, 2022 to allow time for negotiation of a new agreement.

The lessee will continue to be responsible for maintenance, utilities and janitorial. All other terms and conditions of the prior lease remain the same. Advertisement is not required since the Tenant is a governmental entity.

Previous Actions: 01/28/2020 Approved disposal by lease with waiver of appraisals**Minutes:** 12/18/2020 Approved disposal by lease with waiver of appraisals

TENNESSEE BOARD OF REGENTS

Acquisition – Fee (Purchase)

Requested Action: Approval of acquisition in fee with waiver of advertisement and appraisals

Transaction Description:

Transaction No. 20-11-004

• **Location:**

Walters State Community College
Claiborne County – 8.41+/- acres, 45,804+/- sf – 1325 Claiborne Street & Gray Street,
Tazewell, TN

• **Owner(s):**

Walters State Community College Foundation

• **Estimated Purchase Price:**

\$401,559.00

• **Source of Funding:**

Plant Funds (Non-Aux) (A)

Comment:

WSCC has been leasing and in the Claiborne Campus since 2010, and the property currently serves 400+ students, administrative staff and faculty. The facility has been inspected and determined to be functional for continued use by WSCC without the need to request additional State funds.

The estimated purchase price is what is anticipated to be owed at closing by the WSCC Foundation for a loan they procured for interior renovations, HVAC upgrades, new elevators and roofing. The purchase price will be the outstanding loan balance at closing, not to exceed \$449,000. Since the purchase price is less than the property assessor's value, waiver of appraisals is requested. This property is in WSCC's 2008 Master Plan.

Date of Last Transfer: July 01, 2015
Purchase Price: \$0.00
Property Assessor's Value: \$3,705,300 (3 parcels)
Square Footage Improvements: 0.00

Minutes:

12/18/2020 Approved acquisition in fee with waiver of advertisement and appraisals

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: **Approval to waive advertisement**

Transaction Description: Transaction No. 19-09-901

● **Proposed Lease**

- **Location:** Davidson County – 404 James Robertson Parkway, Nashville, TN
- **Landlord:** 404 James Robertson Prop, LLC
- **Term:** 3 years (March 1, 2021 – February 28, 2024)
- **Area/Costs:** 14,649 Square Feet

● **Current Lease**

- **Location:** Davidson County – 404 James Robertson Parkway, Nashville, TN
 - **Landlord:** 404 James Robertson Prop, LLC (formerly Parkway Towers, LLC)
 - **Term:** 10 years and 7 months (August 1, 2010 and expires February 28, 2021)
 - **Area / Costs:** 38,120 Square Feet
- | | | |
|--|--------------|------------|
| Average Annual Contract Rent (includes utilities & janitorial) | \$573,389.20 | \$15.04/sf |
| Current Annual Contract Rent (includes utilities & janitorial) | \$590,860.00 | \$15.50/sf |

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** Waiver of Advertisement
- **FRF Rate:** \$25.50

Comment: This lease will provide office space for Tennessee Housing and Development Authority.

Waiver of advertisement is requested because of the proximity to THDA’s main offices in the Andrew Jackson State Office Building and its accessibility to public transportation and parking for its customers. This is a short-term lease without duplicating infrastructure costs in another lease location that allows continuity of operations while state-owned space is readied for future occupancy.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state’s best interest at this time.

Previous Action: 08/25/2008 Approved lease
 08/24/2009 Approved lease amendment
 08/11/2016 Approved lease amendment
 05/26/2020 Approved lease amendment

Minutes 12/18/2020 Approved waiving advertisement

Approved:



Tre Hargett
Secretary, State Building Commission Executive Subcommittee
Secretary of State