

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
November 22, 2021

The State Building Commission Executive Subcommittee met this day at 11:00 a.m. in House Hearing Room I of the Cordell Hull State Office Building, Nashville, Tennessee, 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
Tre Hargett, Secretary of State
David Lillard, State Treasurer

MEMBERS ABSENT

Jason Mumpower, Comptroller of the Treasury

ORGANIZATION

- Department of General Services
- State Building Commission

PRESENTER

Deputy Commissioner John Hull
State Architect Ann McGauran

CONSENT AGENDA

Approved the following items which had been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: **University of Memphis**
Transaction: Disposal – Lease (Space)
Provision(s): n/a

- B. Agency: **Austin Peay State University**
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and one appraisal

- C. Agency: **Middle Tennessee State University**
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and one appraisal

- D. Agency: **Middle Tennessee State University**
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and one appraisal

- E. Agency: **Tennessee Wildlife Resources Agency**
Transaction: Disposal – Fee
Provision(s): Waiver of one appraisal

- F. Agency: **Tennessee Historical Commission**
Transaction: Acquisition – Easement (Conservation)
Provision(s): Waiver of advertisement and appraisals

- G. Agency: **Tennessee Historical Commission**
Transaction: Acquisition – Easement (Conservation)
Provision(s): Waiver of advertisement and appraisals

- H. Agency: **Department of Environment & Conservation**
Transaction: Acquisition & Disposal – Fee (land swap)
Provision(s): Waiver of advertisement and one appraisal

- I. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Easement (Access) & Disposal – Fee (Land Swap)
Provision(s): Waiver of advertisement and one appraisal

- J. Agency: **Department of Environment & Conservation**
Transaction: Disposal – Fee
Provision(s): Waiver of appraisals

- K. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Fee
Provision(s): Waiver of advertisement and one appraisal

- L. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Fee
Provision(s): Waiver of advertisement and one appraisal

- M. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Fee
Provision(s): Waiver of advertisement and one appraisal
- N Agency: **Department of General Services**
Transaction: Disposal – Fee
Provision(s): Waiver of one appraisal
- O. Agency: **Department of General Services**
Transaction: Acquisition – Lease (Parking Spaces)
Provision(s): n/a
- P. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement
- Q. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement
- R. Agency: **Department of General Services**
Transaction: Acquisition – Lease (Space)
Provision(s): n/a
- S. Agency: **Department of General Services**
Transaction: Acquisition – Lease (Space)
Provision(s): n/a
- T. Agency: **Department of General Services**
Transaction: Acquisition – Lease (Space)
Provision(s): n/a
- U. Agency: **Department of General Services**
Transaction: Acquisition – Lease (Space)
Provision(s): n/a

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: **Approval of a lease**

Transaction Description: Transaction No. 19-03-908

● **Proposed Lease**

- **Location:** Sullivan County – 707 North Eastman Road, Kingsport, TN
- **Landlord:** Richard O. Ripley
- **Term:** 13 years
- **Area / Costs:** 12,900 Square Feet

First Year Annual Contract Rent	\$274,641.00	\$21.29/sf
Average Annual Contract Rent	224,331.00	17.39/sf
Estimated Utilities Cost	22,575.00	1.75/sf
Estimated Janitorial Cost	14,190.00	1.10/sf
Total Annual Effective Cost	\$261,096.00	\$20.24/sf

● **Current Lease**

- **Location:** Sullivan County – 707 North Eastman Road, Kingsport, TN
- **Landlord:** Richard O. Ripley
- **Term:** 14 years (December 1, 2008 to November 30, 2022)
- **Area / Costs:** 13,000 Square Feet

Annual Contract Rent	\$117,000.00	\$9.00/sf
Estimated Utilities Cost	18,200.00	1.40/sf
Estimated Janitorial Cost	14,300.00	1.10/sf
Total Annual Effective Cost	\$149,500.00	\$11.50/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** Advertise
- **FRF Rate:** \$18.00

Comment: This lease will provide office space for the Department of Children’s Services. One proposal was received and evaluated. There is a reduction in rent for years 8 -13. The proposed location will be renovated to meet the State’s needs and is at the same location as the current lease. The lease is estimated to commence on or before August 2023 based on the renovations needed.

The tenant may terminate this lease for convenience at any time after the 84th month with 90 days written notice to the landlord.

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.

The Knox Office Realty broker commission is \$47,535.74 for the 13-year term.

Minutes: 11/22/2021 Treasurer Lillard asked about the unamortized improvements and the termination for convenience provision after the 84th month. Treasurer Lillard stated that he has raised the issue before about Federal Funding for these departments, and this is for Department of Children’s Services which does get Federal Funding. He stated that we have not lived in a world where they have

had to terminate leases because of Federal Funding being terminated but this is out of the State's control. He asked if there were termination provisions in the lease to address this type of loss of funding. Deputy Commissioner Hull stated that in all the leases there is a provision that if they lose funding, in this case Federal funding, they could terminate the lease at that point in time for cause. This lease requires the State to lease the property for 84 months prior to termination for convenience. The State would have to prove loss of funding for the lease and an inability to make the payments for the lease to be terminated for cause. Treasurer Lillard stated that was appreciated and urged the Department of General Services (DGS) to take a close look at the reduction in Federal Funding because he had a similar court case where he represented someone that was involved with a lease and the court parsed that statement quite a bit and found it to be lacking in terms of its specificity of how it would be applied. He stated that he's seen those provisions in the leases before and they can be general in nature and urged DGS to think about it.

Treasurer Lillard also stated that DGS knows his position on the tenant improvements in that rather than committing to a minimum lease term they should be committing to pay out the unamortized improvements of the lease, the cash amount. This would allow the State to exit a lease when there is a need. Deputy Commissioner Hull stated that they would be glad to look at those leases. These are negotiated leases with a private landlord and they will do their best to negotiate terms like the Treasurer requested. Treasurer Lillard stated that he knows it is a difficult environment and he is appreciative of what DGS does for the State every day.

The Subcommittee approved the lease.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on October 25, 2021.

Report of Items Submitted to the ESC

- 1) Status Update Reports from the State Procurement Agencies in accordance with SBC By-Laws, Policy & Procedures Item 2.03.

Report of Items Approved by Office of the State Architect

Initial and Revised Approvals of Capital Projects

- Reported the following five capital projects with total project cost of \$100,000 - \$500,000 in accordance with Item 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:

- 1) **State Procurement Agency:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: Life Safety Improvements – Multiple Buildings
Project Description: This project will correct life safety issues in multiple buildings as identified by the State Fire Marshall's Office.
SBC Project No. 540/009-32-2021
Total Project Budget: \$400,000.00
Current Project Funding: \$325,000.00
Source of Funding: \$300,000.00 Plant Funds (Non-Aux) (A)
\$ 25,000.00 Plant Funds (Aux-Athletics) (A)
Approval: Approved project and utilizing Campus Consultant (Dollar & Ewers Architecture, Inc.) for design and Campus Resources and System Procurement for construction
Approval Date: 10/27/2021

- 2) **State Procurement Agency:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: Middlebrook Pike Chiller Replacement
Project Description: Replace chiller in the Middlebrook Pike Building and all required related work.
SBC Project No. 540/009-33-2021
Total Project Budget: \$150,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project and utilizing Campus Consultant (Engineering Services Group, Inc.) for design and Campus Resources and System Procurement for construction
Approval Date: 11/04/2021

- 3) **State Procurement Agency:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: ROTC Armed Forces Memorial
Project Description: Construct a memorial on the Pedestrian Mall listing University of Tennessee Armed Forces who lost their lives in military conflict. The project includes all related work to complete the project.
SBC Project No. 540/009-34-2021
Total Project Budget: \$118,000.00
Source of Funding: Gifts (O)
Approval: Approved project and utilizing Campus Consultant (Hedstrom Landscape Architecture) for design and Campus Resources and System Procurement for construction
Approval Date: 11/09/2021
- 4) **State Procurement Agency:** University of Tennessee Health Science Center
Location: Memphis, Tennessee
Project Title: Union Ave Tunnel Improvements
Project Description: Upgrade finishes and infrastructure in the pedestrian tunnel to include waterproofing, lighting, AV, WiFi, and all related work.
SBC Project No. 540/013-12-2021
Total Project Budget: \$263,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project and utilizing Campus Consultant (Fisher and Arnold, Inc.) for design
Approval Date: 11/04/2021
- 5) **State Procurement Agency:** Middle Tennessee State University
Location: Murfreesboro, Tennessee
Project Title: Stadium Lightning Protection
Project Description: Install lightning protection system to the existing stadium lighting at Floyd Stadium, and all related work.
SBC Project No. 366/009-11-2021
Total Project Budget: \$195,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project and utilizing Campus Consultant (I.C. Thomasson Associates, Inc) for design and Campus Procurement for construction
Approval Date: 11/04/2021

Approvals of Acquisitions and Disposals of State Property

- Reported the following two acquisitions of land in accordance with Item 2.04(E)(1) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of Environment & Conservation
Transaction Description: Transaction No. 20-11-005
Location: Savage Gulf State Natural Area (SGSNA)
 Grundy County – 102.37 ± Acres – 0 SR-56, Beersheba Springs, TN
Owner(s): Clem Family Trust
Estimated Purchase Price: Fair Market Value
Source of Funding: 21/22 State Lands Acquisition Fund (A)
Approval: Approved acquisition in fee with waiver of advertisement and one appraisal
Approval Date: 11/03/2021

- 2) **State Procurement Agency:** STREAM / Department of Environment & Conservation
Transaction Description: Transaction No. 21-04-006
Location: Cummins Falls State Park (CFSP)
Jackson County – 1.5 ± acres – 0 Cummins Mill Rd, Cookeville, TN
Owner(s): Friends of Cummins Falls
Estimated Purchase Price: Fair Market Value
Source of Funding: 21/22 State Lands Acquisition Fund (A)
Approval: Approved acquisition in fee with waiver of advertisement and one appraisal
Approval Date: 11/05/2021

Designer Selections

- Reported the following five designer selections for capital projects as delegated to the State Architect in accordance with Items 2.04(A)(1) and 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** Tennessee Board of Regents / Columbia State Community College
Location: Columbia, Tennessee
Project Title: Clement and Warf Building HVAC Updates
SBC Project No. 166/015-02-2021
Total Project Budget: \$347,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Designer: I.C. Thomasson Associates, Inc.
Approval Date: 10/20/2021
 - 2) **State Procurement Agency:** Tennessee Board of Regents / Northeast State Community College
Location: Blountville, Tennessee
Project Title: Pierce Building First Floor HVAC Updates
SBC Project No. 166/038-02-2021
Total Project Budget: \$222,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Designer: Facility System Consultants, LLC
Approval Date: 10/20/2021
 - 3) **State Procurement Agency:** Tennessee Board of Regents / TCAT Athens
Location: Athens, Tennessee
Project Title: Cosmetology Renovation
SBC Project No. 166/040-01-2021
Total Project Budget: \$375,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Designer: Dollar & Ewers Architects, Inc.
Approval Date: 11/09/2021
 - 4) **State Procurement Agency:** STREAM / Department of Transportation
Location: Knoxville, Tennessee
Project Title: Region 1 Boilers and HVAC Upgrades
SBC Project No. 241/010-04-2021
Total Project Budget: \$300,000.00
Source of Funding: 21/22 TDOT Plant Construction Funds (A)
Designer: Engineering Services Group, Inc.
Approval Date: 10/21/2021

- 5) **State Procurement Agency:** STREAM / Department of Transportation
Location: Knoxville, Tennessee
Project Title: Region 1 Building A Restrooms Renovations
SBC Project No. 241/010-06-2021
Total Project Budget: \$440,000.00
Source of Funding: 21/22 TDOT Plant Construction Funds (A)
Designer: Kaatz, Binkley, Jones & Morris, Architects, Inc.
Approval Date: 10/21/2021

- 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.

- 1) **University of Tennessee - Chattanooga**
(Multiple Buildings Roof Replacements)
Total Project Budget: \$5,030,000.00
SBC Project No. 540/005-12-2021
Designer: **Tinker Ma, Inc.**

- 2) **University of Memphis**
(Athletic Facility Improvements)
Total Project Budget: \$4,000,000.00
SBC Project No. 367/072-02-2021
Designer: **LRK, Inc.**

- 3) **East Tennessee State University**
(Buc Ridge Multiple Building Renovation)
Total Project Budget: \$1,500,000.00
SBC Project No. 369/005-09-2021
Designer: **Thompson & Litton, Inc.**

- 4) **TDOT Region 3 Middle Tennessee**
(Region 3 Headquarters Buildings Bathrooms Remodel)
Total Project Budget: \$900,000.00
SBC Project No. 243/020-02-2020
Designer: **BHDG Architects, Inc.**

- 5) **Tennessee Rehabilitation Center**
(TRC Smyrna Campus Upgrades – Phase 2)
Total Project Budget: \$6,180,000.00
SBC Project No. 442/006-01-2021
Designer: **Design House 1411, LLC**

- 6) **Various Facilities**
(Consultant – Security Electronics)
Total Project Budget: Not Applicable
SBC Project No. 529/000-02-2019
Designer: **Hurst-Rosche, Inc.**

- 7) **Nashville State Community College**
(Healthcare Classrooms and Lab Renovations)
Total Project Budget: \$6,700,000.00
SBC Project No. 166/034-03-2021
Designer: **GHP, Inc.**

Other Business

There being no further business, the meeting adjourned at 11:09 a.m.

UNIVERSITY OF MEMPHIS**Disposal – Lease (Space)**

Requested Action: Approval to issue a Request for Proposal for disposal by lease

Transaction Description: Transaction No. 21-11-901

- **Location:** University of Memphis – Campus Recreation Building
Shelby County - 624 Echles, Memphis, TN 38152
- **Term:** Ten (10) years
- **Area / Costs:** 1,481 square feet

Comment: This lease would be for physical therapy use to support students, faculty, and staff. The successful proposer will be responsible for the construction and operation of the physical therapy space. The University has the right to approve the design. Either party has the right to terminate for convenience by providing at least twenty-four (24) months advance written notice to the other party.

Minutes: 11/22/2021 Approved issuing a Request for Proposal for disposal by lease

AUSTIN PEAY STATE UNIVERSITY**Acquisition – Fee (Purchase)**

Requested Action: Approval of an acquisition in fee with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 21-08-008
 • **Location:** Montgomery County- 0.38 acres – 455 N 2nd Street, Clarksville, TN
 • **Owner(s):** Sarah Darnell
 • **Estimated Purchase Price:** Fair Market Value
 • **Source of Funding:** Plant Funds (Non-Aux) (A)

Comment: The property is in APSU's **2017 Campus Master Plan** and contiguous to other campus properties. The building is currently occupied by tenants. The leases for these tenants will be assumed by APSU at closing. After the leases expire, the building will be demolished. APSU estimates \$20,000 will be required for demolition of all structures.

The Tennessee Historical Commission has determined that this project will not adversely affect this resource and no further action is necessary.

Date of Last Transfer: 04/08/2005
 Purchase Price: \$0.00
 Property Assessor's Value: \$85,900
 Square Footage Improvements: 2,056

Minutes: 11/22/2021 Approved an acquisition in fee with waiver of advertisement and one appraisal

MIDDLE TENNESSEE STATE UNIVERSITY**Acquisition – Fee (Purchase)**

Requested Action: **Approval of acquisition in fee with waiver of advertisement and one appraisal**

Transaction Description: Transaction No. 21-06-014

- **Location:** Rutherford County – 0.31 ± acres – 2721 Middle Tennessee Boulevard, Murfreesboro, TN
- **Owner(s):** MTSU Foundation
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** Plant Funds (Aux-Housing) (A)

Comment: This property is identified in the **2016 Campus Master Plan** acquisition area and is contiguous to other MTSU Property. The property is a four-plex consisting of a 1,885 SF house and three 391 SF apartments and they will be rented during the immediate future with long term plans for future development along Middle Tennessee Boulevard.

Date of Last Transfer:	11/15/2013
Purchase Price:	\$260,000.00
Property Assessor's Value:	\$329,100.00
Square Footage Improvements:	3,058

Minutes: 11/22/2021 Approved acquisition in fee with waiver of advertisement and one appraisal

MIDDLE TENNESSEE STATE UNIVERSITY

Acquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 21-09-010

- **Location:** Rutherford County – 2.1 ± acres – 1629 East Main Street, Murfreesboro, TN
- **Owner(s):** Kitty S. Holman, et al Mary G. Stephenson
- **Estimated Purchase Price:** \$665,000.00
- **Source of Funding:** Plant Funds (Aux-Housing) (A)

Comment: This property is identified in the **2016 Campus Master Plan** acquisition area and is contiguous to other MTSU property. This lot is located south of main campus and is bounded by Womack Lane which provides direct access to main campus intersecting with Alumni Drive. An appraisal of this property was completed on October 5, 2021. MTSU requests approval to acquire this property based on its desirable location adjacent to currently owned MTSU property; the large size of the parcel; and its proximity to the main campus.

The property contains a 2,160 SF house with adjacent garage. MTSU conducted an inspection of the house on October 1, 2021 and has identified needed repairs totaling \$10,000.00. MTSU will rent the house during the immediate future.

Date of Last Transfer:	05/25/2004
Purchase Price:	N/A
Property Assessor's Value:	\$253,000.00
Square Footage Improvements:	2,160

Minutes: 11/22/2021 Approved acquisition in fee with waiver of advertisement and one appraisal

TENNESSEE WILDLIFE RESOURCES AGENCY**Disposal – Fee****Requested Action:** Approval of disposal in fee with waiver of one appraisal

Transaction Description: Transaction No. 21-08-002

- **Location:** North Cumberland Wildlife Management Area (NCWMA)
Campbell County – 2500 sf – off I-75, Pioneer, TN
- **Grantee:** Highland Telephone Cooperative (HTC)
- **Estimated Sale Price:** Fair Market Value
- **Source of Funding:** HTC (REM Fees) (O)

Comment: HTC currently has a license with TWRA for utilization of 50' x 50' piece of land adjacent to an existing communication tower. HTC would like to purchase the 2,500 sf of land to build a permanent 12'x12' broadband equipment storage building for the purpose of remotely storing electronics equipment necessary to provide internet services to the surrounding area.

The deed will contain an access easement and a reversion to the State if no longer used for the purpose of providing broadband internet service to the community. The value will be determined by qualified state employees. This disposal will not adversely affect NCWMA.

Advertisement is not required pursuant to TCA §12-2-112.

Date of Last Transfer:	September 27, 1991
Previous Owner:	Koppers
Original Cost to State:	\$3,638,581.00 (larger parcel)
Square Footage Improvements:	N/A

Minutes: 11/22/2021 Approved disposal in fee with waiver of one appraisal

TENNESSEE HISTORICAL COMMISSION**Acquisition – Easement (Conservation)**

Requested Action: Approval of acquisition by easement with waiver of advertisement and appraisals

Transaction Description: Transaction No. 21-07-002

- **Location:** Hamilton County – 30.70± acres – 1341 Burgess Rd, Chattanooga, TN
- **Owner(s):** American Battlefield Trust (ABT)
- **Estimated Purchase Price:** Gift
- **Source of Funding:** 21/22 Historic Commission Op Funds (Wars Commission) (A)

Comment: American Battlefield Trust (ABT) requests that the Tennessee Historical Commission (THC) hold a conservation easement for the preservation of this tract which is part of the core area of the Battle of Wauhatchie, one of the 38 most significant battlefields in Tennessee, in perpetuity for the benefit of the public.

The THC has agreed to hold the conservation easement until the property is transferred to the National Park Service, at which time the conservation easement will be released.

Minutes: 11/22/2021 Approved acquisition by easement with waiver of advertisement and appraisals

TENNESSEE HISTORICAL COMMISSION**Acquisition – Easement (Conservation)**

Requested Action:	Approval of acquisition by easement with waiver of advertisement and appraisals
Transaction Description:	Transaction No. 21-07-003
• Location:	Hardin County – 144.28± acres (31 parcels) – 0 Federal Road (1 parcel), 0 Fraley Dr (7 parcels), and 0 Browder Branch Drive (23 parcels), Counce, TN
• Owner(s):	American Battlefield Trust (ABT)
• Estimated Purchase Price:	Gift
• Source of Funding:	21/22 Historic Commission Op Funds (Wars Commission) (A)
Comment:	American Battlefield Trust (ABT) requests that the Tennessee Historical Commission (THC) hold a conservation easement for the preservation of this tract which is part of the core battlefield area of the Battle of Shiloh. The THC has agreed to hold the conservation easement until the property is transferred to the National Park Service, at which time the conservation easement will be released.
Minutes:	11/22/2021 Approved acquisition by easement with waiver of advertisement and appraisals

DEPARTMENT OF ENVIRONMENT AND CONSERVATION**Acquisition & Disposal – Fee (land swap)**

Requested Action:	Approval of acquisition and disposition in fee with waiver of advertisement and one appraisal	
Transaction Description 1:	Transaction No. 21-01-003	
Acquisition – Fee		
<ul style="list-style-type: none"> ● Location: ● Owner: ● Estimated Purchase Price: ● Source of Funding: 	Justin P. Wilson Cumberland Trail State Park (JPWCTSP) Rhea County– 1.75± acres – 598 Reed Road, Dayton, TN John Nathan Reed Fair Market Value 21/22 State Lands Acquisition Fund (A)	
Transaction Description 2:	Transaction No. 21-01-004	
Disposal – Fee		
<ul style="list-style-type: none"> ● Location: ● Estimated Sale Price: ● Grantee: ● Source of Funding 	Justin P. Wilson Cumberland Trail State Park (JPWCTSP) Rhea County – 2.29± acres – 0 Reed Road, Dayton, TN Fair Market Value John Nathan Reed 21/22 State Lands Acquisition Fund (A)	
Comment:	This will be an equal value land swap that will allow a critical access corridor from SR 30, Dayton Mountain Highway to access current state land. The only expected cost to the State are REM fees and diligence. No additional management costs are anticipated with this acquisition.	
Acquisition Parcel:	Date of Last Transfer:	02/23/1995
	Purchase Price:	\$7,500.00
	Property Assessor's Value:	\$119,200.00 (larger tract)
	Square Footage Improvements:	N/A
Disposal Parcel:	Date of Last Transfer:	09/08/2015
	Purchase Price:	\$107,140.00 (larger tract)
	Property Assessor's Value:	\$65,800.00
	Square Footage Improvements:	N/A
Minutes:	11/22/2021	Approved acquisition and disposition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT AND CONSERVATION**Acquisition – Easement (Access) & Disposal – Fee (Land Swap)**

Requested Action: Approval of acquisition by easement and disposal in fee with waiver of advertisement and one appraisal

Transaction Description 1: Transaction No. 21-01-006

Acquisition – Easement

- **Location:** Justin P. Wilson Cumberland Trail State Park (JPWCTSP)
Rhea County – 0.42± acre – 0 Piney Creek, Spring City, TN
- **Owner:** Paul A. Pruett
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 21/22 State Lands Acquisition Funds (A)

Transaction Description 2: Transaction No. 21-01-007

Disposal – Fee

- **Location:** Justin P. Wilson Cumberland Trail State Park (JPWCTSP)
Rhea County – 0.42 ± acre – 0 Walden Mountain Road, Spring City, TN
- **Grantee:** Paul A. Pruett
- **Estimated Sale Price:** Fair Market Value
- **Source of Funding:** 21/22 State Lands Acquisition Funds (A)

Comment: TDEC is requesting approval to complete an equal value land swap with Mr. Paul Pruett at JPWCTSP in Rhea County. This acquisition will provide a critical connection across Piney Creek for the Cumberland Trail in exchange 0.42 ± acre of land in fee simple of equal value. The only expected cost to the State are REM fees and diligence.

No additional management costs are anticipated with this acquisition.

Acquisition Parcel:	Date of Last Transfer:	06/03/2002
	Purchase Price:	\$0.00 (larger tract)
	Property Assessor's Value:	\$28,800.00 (larger tract)
	Square Footage Improvements:	N/A
Disposal Parcel:	Date of Last Transfer:	08/03/2007
	Purchase Price:	\$0.00 (larger tract)
	Property Assessor's Value:	\$0.00
	Square Footage Improvements:	N/A

Minutes: 11/22/2021 Approved acquisition by easement and disposal in fee with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT & CONSERVATION**Disposal- Fee**

Requested Action: **Approval of disposal in fee with waiver of appraisals**

Transaction Description: Transaction No. 21-02-012

- **Location:** Big Hill State Pond - Davis Bridge Battlefield (DBB)
Hardeman & McNairy County – 839.26 ± acres – (5 Tracts)
- **Grantee:** National Park Service (NPS)
- **Estimated Purchase Price:** Mutual Benefit – No Cost
- **Source of Funding:** NPS (O)

Comment: DBB is currently managed by The Tennessee Historical Commission and Big Hill Pond State Park; which both support this endeavor. National Park Service desires to acquire Davis Bridge Battlefield and use this battlefield as a satellite of Shiloh National Military Park.

Davis Bridge Battlefield was previously acquired by five separate transactions.

Advertisement is not required pursuant to TCA §12-2-112.

Tracts:

Date of Last Transfer:	August 4 th , 2011 (20.44 ± acres)
Previous Owner:	Civil War Preservation Trust
Original Cost to State:	Mutual Benefit
Sq. Ft. Improvements:	N/A
Date of Last Transfer:	December 28 th , 2012 (4.53 ± acres)
Previous Owner:	Joe Edward Kirk, ET AL
Original Cost to State:	\$41,000.00
Sq. Ft. Improvements:	1 Building – ± 1,390 Sq. Ft.
Date of Last Transfer:	July 30, 1997 (110.19 ± acres)
Previous Owner:	Wesley Jenkins
Original Cost to State:	\$97,500.00
Sq. Ft. Improvements:	N/A
Date of Last Transfer:	February 5 th , 2004 (43.62 ± acres)
Previous Owner:	Civil War Preservation Trust
Original Cost to State:	\$232,992.00
Sq. Ft. Improvements:	1 Building – 1,612 Sq. Ft.
Date of Last Transfer:	June 29 th , 2011 (623.31 ± acres)
Previous Owner:	The Civil War Preservation Trust
Original Cost to State:	\$1,865,854.74
Sq. Ft. Improvements:	N/A

Minutes: 11/22/2021 Approved disposal in fee with waiver of appraisals

DEPARTMENT OF ENVIRONMENT & CONSERVATION**Acquisition – Fee**

Requested Action: **Approval of acquisition in fee with waiver of advertisement and one appraisal**

Transaction Description: Transaction No. 21-04-003

- **Location:** Justin P. Wilson Cumberland Trail State Park (JPWCTSP)
Rhea County – 368± acres – 0 Shut-in Gap Road, Spring City, TN
- **Owner(s):** Piney River Bluffs, LLC
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 21/22 State Lands Acquisition Fund (A)

Comment: Per T.C.A. § 67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency.

TN State Parks has been attempting to acquire this property since 2008 (transaction 08-05-012). This property is contiguous with JPWCTSP and will connect segments on Piney Falls State Natural Area to the Cumberland Trail land south of Soak Creek. This acquisition will also protect land along the state scenic rivers of Piney River and Soak Creek.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	01/12/2018
Purchase Price:	\$0.00 (inter-family transfer)
Property Assessor's Value:	\$537,600
Square Footage Improvements:	N/A

Minutes: 11/22/2021 Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT & CONSERVATION**Acquisition – Fee**

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

Transaction Description: Transaction No. 21-09-013

- **Location:** Pogue Creek Canyon State Natural Area (PCCSNA)
Fentress County – 7.0± Acres – 0 Black House Mountain Road, Jamestown, TN
- **Owner(s):** Charles Allan Musto
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 21/22 State Lands Acquisition Fund (A)

Comment: Per T.C.A. §67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency.

This acquisition is key to connecting state land inholdings between Pickett State Forest and Pogue Creek Canyon State Natural Area. This tract also features carved rocks where Native Americans would crush nuts and seeds.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	12/17/2012
Purchase Price:	N/A
Property Assessor's Value:	\$35,000.00
Square Footage Improvements:	N/A

Minutes: 11/22/2021 Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT & CONSERVATION**Acquisition – Fee**

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

Transaction Description:

Transaction No. 21-09-014

- **Location:**

Fall Creek Falls State Park (FCFSP)

Van Buren County – 932 ± acres – East of Highway 111, Spencer, TN

- **Owner(s):**

William T. Mullican

- **Estimated Purchase Price:**

Fair Market Value

- **Source of Funding:**

21/22 State Lands Acquisition Fund (A)

The Conservation Fund (TCF) (O)

Comment:

Per T.C.A. § 67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency.

This property is contiguous with FCFSP and includes waterfalls and caves, plus Rumbling Falls Cave, which is under the property. In addition, hunting will be allowed on a portion of the property.

SLAF is contributing \$500,000 towards this acquisition, and TCF will pay the rest. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: 06/04/2021

Purchase Price: \$0.00 (inter-family transfer)

Property Assessor's Value: \$801,200

Square Footage Improvements: N/A

Minutes:

11/22/2021 Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF GENERAL SERVICES**Disposal – Fee****Requested Action:** **Approval of disposal in fee with waiver of one appraisal**

Transaction Description: Transaction No. 21-07-001
 • **Location:** Shelby County – 2.93 +/- acres – 6325 Haley Road, Memphis, TN
 • **Estimated Sale Price:** Fair Market Value

Comment: This property has been determined surplus to the Department's needs, as a new state facility has been completed in Jackson, Tennessee.

Proceeds will be deposited into the Facility Revolving Funds (FRF) as authorized by the T.C.A. § 9-4-9.

Date of Last Transfer: September 29, 2000
 Previous Owner: Shelby County Government
 Original Cost to State: \$0.00
 Square Footage Improvements: 18,200 s.f. (2002)

Minutes: 11/22/2021 Approved disposal in fee with waiver of one appraisal

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Parking Spaces)****Requested Action:** Approval of a lease and a lease amendment**Transaction Description:** Transaction No. 21-09-927● **Proposed Lease**

- **Location:** Shelby County – 85 North Front Street, Memphis, TN
- **Landlord:** Parking Authority of the City of Memphis and County of Shelby, a Tennessee public nonprofit corporation
- **Term:** 7 years 4 months
- **Area / Costs:** 212 parking space \$ 63,600.00 \$25.00 /per space

● **Proposed Lease Amendment**

Transaction No. 14-09-901

- **Location:** Shelby County – 246 South Front Street, Memphis, TN
- **Landlord:** Republic Parking Systems, Inc.
- **Term:** 7 years (January 1, 2015 – December 31, 2021) (412 spaces)
- **Term:** 5 months (January 1, 2022 – May 31, 2022) (212 spaces)
- **Area/Costs** 412 parking space \$123,600.00 \$25.00 /per space
- **Area / Costs:** 212 parking space \$ 63,600.00 \$25.00 /per space

● **Current Lease**

- **Location:** Shelby County – 246 South Front Street, Memphis, TN
- **Landlord:** Republic Parking Systems, Inc (previously Memphis Light Gas and Water)
- **Term:** 15 years (January 1, 2015 – December 31, 2029)
- **Area/Costs:** 412 Parking spaces \$123,600.00 \$25.00/per space

● **Source of Funding:** FRF Operating Funds● **Procurement Method:** Negotiated**Comment:**

The purpose of the parking lease is to secure parking for our State agencies during tenancy in One Commerce Square building. Due to increased parking needs, the City of Memphis has requested the State relocate their parking for the Tenants under the One Commerce Square building lease from the 246 South Front Street parking garage to the 85 North Front Street Garage.

The parking garage currently provides spaces for the following agencies: Attorney General, Children & Youth, Human Services, Alcoholic Beverage Commission, Comptroller of Treasury, Human Rights Commission, F&A, and General Services in Shelby County. The new parking lease at 85 North Front Street is a coterminous expiration with this office lease.

In the event the State, on any specific date, exceeds the allotted 212 Parking Spaces, then the State will pay a daily fee, not to exceed the daily maximum rate charged to the general public.

Based on review of the financial aspects, occupancy requirements and market indicators, this amendment and lease are deemed to be in the State's best interest at this time.

Advertisement is not required per TCA § 12-2-114.

Previous Action: 10/20/2014 ESC Approved lease agreement

Minutes: 11/22/2021 Approved a lease and a lease amendment

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

Requested Action: Approval of a lease amendment with waiver of advertisement

Transaction Description: Transaction No. 04-05-919

● **Proposed Amendment**

○ **Term:** 16 years (February 1, 2009 – January 31, 2025)

○ **Area / Costs:** 12,700 Square Feet

Annual Contract Rent (Years 14 - 16)	\$140,700.00	\$11.08/sf
Estimated Utility Cost	22,225.00	1.75/sf
Estimated Janitorial Cost	13,970.00	1.10/sf
Total Annual Effective Cost	\$176,895.00	\$13.93/sf

● **Current Lease**

○ **Location:** Lawrence County – 527 Crews Street, Lawrenceburg, TN

○ **Landlord:** Pedigo-Lawrenceburg Properties, LP

○ **Term:** 13 years (February 1, 2009 – January 31, 2022)

○ **Area / Costs:** 12,700 Square Feet

Annual Contract Rent (Years 1-13)	\$133,858.00	\$10.54/sf
Estimated Utility Cost	22,225.00	1.75/sf
Estimated Janitorial Cost	13,970.00	1.10/sf
Total Annual Effective Cost	\$170,053.00	\$13.39/sf

● **Source of Funding:** FRF Operating Funds

● **Procurement Method:** Negotiated

● **FRF Rate:** \$15.00

Comment: This lease will provide office space for Department of Children’s Services and Department of Human Services.

A request for waiver of advertisement and to amend the current lease by three (3) years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for the long-term planning to effectuate a balance of portfolio and resources.

The long-term procurement is currently in the market phase; and will be presented to ESC pursuant to applicable SBC policy at a future date. STREAM and the agency are confident a new procurement can be awarded prior to expiration of this lease.

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: 11/29/2004 ESC Approved lease agreement
11/19/2018 ESC Approved lease amendment with waiver of advertisement

Minutes: 11/22/2021 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

Requested Action: Approval of a lease amendment with waiver of advertisement

Transaction Description: Transaction No. 10-01-904

● **Proposed Amendment**

○ Term:	12 years (March 1, 2012 – February 28, 2024)		
○ Area / Costs:	<u>6,515 Square Feet</u>		
	Annual Contract Rent (Years 11 - 12)	\$61,000.00	\$ 9.36/sf
	Estimated Utility Cost	11,401.25	1.75/sf
	Estimated Janitorial Cost	7,166.50	1.10/sf
	Total Annual Effective Cost	\$79,567.75	\$12.21/sf

● **Current Lease**

○ Location:	Wilson County – Legends Center, 155 Legends Drive, Suite H, Lebanon, TN		
○ Landlord:	Legends Properties, LLC		
○ Term:	10 years (March 1, 2012 – February 28, 2022)		
○ Area / Costs:	<u>6,515 Square Feet</u>		
	Annual Contract Rent (Years 1-10)	\$61,000.00	\$ 9.36/sf
	Estimated Utility Cost	11,401.25	1.75/sf
	Estimated Janitorial Cost	7,166.50	1.10/sf
	Total Annual Effective Cost	\$79,567.75	\$12.21/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Human Services.

A request for waiver of advertisement and to amend the current lease by two (2) years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for the long-term planning to effectuate a balance of portfolio and resources.

The long-term procurement is currently in the proposal evaluation phase; and will be presented to ESC pursuant to applicable SBC policy at a future date. STREAM and the agency are confident a new procurement can be awarded prior to expiration of this lease.

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: 01/24/2011 ESC Approved lease agreement

Minutes: 11/22/2021 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 20-07-934

● **Proposed Lease**

- **Location:** Carroll County – 20810 Main Street -East, Huntingdon, TN
- **Landlord:** Doris R. Wiseman
- **Term:** 10 years with two 1-year renewal options
- **Area / Costs:** 5,060 Square Feet

Annual Contract Rent	\$60,720.00	\$12.00/sf
Estimated Utilities Cost	8,855.00	1.75/sf
Estimated Janitorial Cost	5,566.00	1.10/sf
Total Annual Effective Cost	\$75,141.00	\$14.85/sf

● **Current Lease**

- **Location:** Carroll County – 20810 Main Street -East, Huntingdon, TN
- **Landlord:** Doris R. Wiseman
- **Term:** 3 years (January 1, 2020 – December 31, 2022)
- **Area / Costs:** 6,363 Square Feet

Annual Contract Rent	\$36,000.00	\$5.66/sf
Estimated Utilities Cost	11,135.25	1.75/sf
Estimated Janitorial Cost	6,999.30	1.10/sf
Total Annual Effective Cost	\$54,134.55	\$8.51/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** Advertise
- **FRF Rate:** \$15.00

Comment: This lease will provide office space for Department of Human Services. One proposal from one proposer was received and evaluated. Alternative Workplace Solutions has been implemented at this location. The proposed location will be renovated to meet the State’s needs. The lease is estimated to commence on or before January 2024 based on the renovations needed.

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.

Minutes: 11/22/2021 Approved a lease

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 20-10-903 & 20-10-902● **Proposed Lease**

- **Location:** Polk County – 240 Cherokee Circle, Benton, TN
- **Landlord:** Kenneth David Bishop
- **Term:** 10 years with one 1-year renewal option
- **Area / Costs:** 4,023 Square Feet

First Year Annual Contract Rent	\$48,276.00	\$12.00/sf
Average Annual Rent	48,678.30	12.10/sf
Estimated Utilities Cost	7,040.25	1.75/sf
Estimated Janitorial Cost	4,425.30	1.10/sf
Total Average Annual Effective Cost	\$60,180.42	\$14.94/sf

● **Current Lease**

- **Location:** Polk County – 240 Cherokee Circle, Benton, TN
- **Landlord:** Kenneth David Bishop
- **Term:** 13 years (April 1, 2009 – March 31, 2022)
- **Area / Costs:** 4,023 Square Feet

Annual Contract Rent	\$33,350.67	\$8.29/sf
Estimated Utilities Cost	7,040.25	1.75/sf
Estimated Janitorial Cost	4,425.30	1.10/sf
Total Annual Effective Cost	\$44,816.22	\$11.14/sf

● **Source of Funding:** FRF Operating Funds● **Procurement Method:** Negotiated● **FRF Rate:** \$15.00**Comment:**

This lease will provide office space for Department of Human Services and the Department of Children's Services. The lease is estimated to commence on or before April 1, 2023 based on the renovations needed.

The tenant may terminate this lease for convenience at any time after the 36th month of the lease term with 90 days written notice to the landlord.

Advertisement is not required pursuant to TCA § 12-2-114.

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.

Minutes: 11/22/2021 Approved a lease

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 20-01-921● **Proposed Lease**

- **Location:** Anderson County – 475 Oak Ridge Turnpike, Oak Ridge, TN
- **Landlord:** R & R Properties of Tennessee, LLC
- **Term:** 10 years with three 1-year renewal options
- **Area / Costs:** 5,880 Square Feet

Annual Contract Rent	\$ 84,966.00	\$14.45/sf
Estimated Utilities Cost	10,290.00	1.75/sf
Estimated Janitorial Cost	6,468.00	1.10/sf
Total Annual Effective Cost	\$101,724.00	\$17.30/sf

● **Current Lease**

- **Location:** Anderson County – 475 Oak Ridge Turnpike, Oak Ridge, TN
- **Landlord:** R & R Properties of Tennessee
- **Term:** 8 years (April 1, 2016 to March 31, 2024)
- **Area / Costs:** 5,880 Square Feet

Annual Contract Rent	\$71,618.40	\$12.18/sf
Estimated Utilities Cost	10,290.00	1.75/sf
Estimated Janitorial Cost	6,468.00	1.10/sf
Total Annual Effective Cost	\$88,376.40	\$15.03/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** Advertise
- **FRF Rate:** \$18.00

Comment: This lease will provide office space for the Department of Safety – Driver Services Center and Tennessee Highway Patrol. One proposal was received and evaluated. The proposed location will be renovated to meet the State’s needs and is at the same location as the current lease. The lease is estimated to commence on or before May 2023 due to the renovations needed.

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.

The Knox Office Realty broker commission is \$13,854.35 for the 10-year term, if the renewal options are exercised the commission will be \$18,004.35.

Minutes: 11/22/2021 Approved a lease

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 21-04-900

● **Proposed Lease**

- **Location:** Davidson County – 900 South Gallatin Pike, Nashville, TN
- **Landlord:** 721 Madison Square, LLC
- **Term:** 2 years with 1-year renewal option
- **Area/Costs:** 21,083 Square Feet

First Year Annual Contract Rent	\$179,205.50	\$8.50/sf
Average Annual Contract Rent	189,747.00	9.00/sf
Estimated Utilities Cost	36,895.25	1.75/sf
Estimated Janitorial Cost	23,191.30	1.10/sf
Total Annual Effective Contract Rent	\$249,833.55	\$11.85/sf

● **Current Lease**

- **Location:** Davidson County – 900 South Gallatin Pike, Nashville, TN
- **Landlord:** 721 Madison Square, LLC
- **Term:** 1 year (October 1, 2017 - September 30, 2018) (Holdover)
- **Area / Costs:** 21,083 Square Feet

Annual Contract Rent	\$141,603.00	\$6.72/sf
Estimated Utilities Cost	36,895.25	1.75/sf
Estimated Janitorial Cost	23,191.30	1.10/sf
Total Annual Effective Contract Rent	\$201,689.55	\$9.57/sf

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

Comment: This lease will provide office space for Department of Correction for the Day Reporting Center and Community Resources Center pursuant to Public Safety Act of 2016.

The tenant may terminate this lease for convenience with 180 days prior written notice to the Landlord. In addition, during the renewal option, the Landlord may terminate this lease for convenience with 180 days prior written notice to the tenant.

The long-term procurement is currently in the Preliminary Phase and will be presented to ESC pursuant to applicable SBC Policy at a future date.

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: 06/21/2021 ESC Approved waiver of advertisement

Minutes: 11/22/2021 ESC Approved a lease

Approved:



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