

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
May 26, 2015

The State Building Commission Executive Subcommittee met this day at 11:00 a.m. in House Hearing Room 30, Legislative Plaza, Nashville, Tennessee with the following members and Departments present. Commissioner Martin called the meeting to order at 11:01 a.m. and requested action on the following matters as presented by State Architect Peter Heimbach.

MEMBERS PRESENT

Larry Martin, Commissioner, Department of Finance and Administration
Tre Hargett, Secretary of State
Justin Wilson, Comptroller of the Treasury
David Lillard, State Treasurer

ORGANIZATION

- Tennessee Board of Regents
- University of Tennessee
- Department of Safety and Homeland Security
- Department of Environment & Conservation
- Department of General Services
- State Building Commission

PRESENTER

Dick Tracy
Robbi Stivers
Mike Boshers
David Benton
John Hull
Peter Heimbach

CONSENT AGENDA

Approved the following real property transactions, which had been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: **University of Tennessee – Knox County**
Transaction: Disposal – Lease
Provision: Termination of lease

- B. Agency: **University of Tennessee – Shelby County**
Transaction: Partial Waiver of REM Fees

- C. Agency: **Department of Children’s Services – Shelby County**
Transaction: Disposal – Fee
Provision: Waiver of one appraisal

- D. Agency: **Department of Transportation – Davidson County**
Transaction: Disposal – Fee
Provision: Waiver of one appraisal

- E. Agency: **Department of Transportation – Davidson County**
Transaction: Disposal – Fee
Provision: Waiver of advertisement and one appraisal

- F. Agency: **Tennessee Wildlife Resources Agency – Humphreys County**
Transaction: Acquisition – Fee
Provision: Waiver of advertisement and one appraisal

- G. Agency: **Tennessee Wildlife Resources Agency – Morgan County**
Transaction: Acquisition – Fee
Provision: Waiver of advertisement and one appraisal

- H. Agency: **Tennessee Wildlife Resources Agency – Fayette County**
Transaction: Acquisition – Fee
Provision: Waiver of advertisement and one appraisal

TENNESSEE BOARD OF REGENTS

Report Item

Requested Action: Acknowledgment of the gift of property to the Tennessee State University Foundation

Transaction Description: Transaction No. 15-04-006

- **Location:** Tennessee State University (TSU)
Gibson County – 9.7+/- acres – 435 East Second Street – Trenton, TN
- **Owner(s):** Trenton Special School District
- **Estimated Purchase Price:** Gift
- **Source of Funding:** Plant (Non-Auxiliary) (A)

Comment: The Trenton Special School District intends to gift the property to the TSU Foundation for use by TSU's Head Start program and related research. TSU will not pay rent to the TSU Foundation to use the property. Once the property is owned by the TSU Foundation, TSU will perform due diligence on the property and the improvements thereon to determine whether to request that the TSU Foundation gift the property to the State. The property will not be acquired by the State without the additional approval of the State Building Commission.

Date of Last Transfer: July 11, 2006
Purchase Price: \$0.00
Property Assessor's Value: \$10,000
Square Footage Improvements: 48,400

Minutes: 05/26/2015 Acknowledged gift of property to the Tennessee State University Foundation.

TENNESSEE BOARD OF REGENTS

Tennessee Technological University, Cookeville, Putnam County, Tennessee

Requested Action: Approval of project, budget, scope and source of funding

Project Title: Demolition – 2397 Gainesboro Grade

Project Description: This project provides for the demolition at 2397 Gainesboro Grade in Cookeville, Tennessee in accordance with TTU's 2014 Master Plan.

SBC Number: 166/011-06-2015

Total Project Budget: \$10,000.00

Source of Funding: \$10,000.00 Plant (Non-Auxiliary) (A)

Comment: The buildings were constructed in 1972. The property will be used for production of nursery plants and research. Review by the Tennessee Historical Commission is not necessary because the building is less than 50 years old.

Minutes: 05/26/2015 ESC Approved project, budget, scope and source of funding.

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Knox County, Tennessee

Requested Action: Approval of project, budget, scope and source(s) of funding

Project Title: Demolition – 907 Mountcastle Street

Project Description: This project provides for the demolition of 907 Mountcastle Street in Knoxville, Tennessee in accordance with the UTK's 2011 Master Plan.

SBC Number: 540/009-02-2015

Total Project Budget: \$ 40,000.00

Source of Funding: \$ 40,000.00 Plant (Non-Auxiliary) (A)

Comment: The property was acquired in 1967 and will be used for surface parking. The Tennessee Historical Commission has determined that the demolition or disposal of this 50+ year old property does adversely affect this State-owned resource and consultation with their office is encouraged to explore alternatives that would mitigate the adverse effect. UT is consulting with the THC to explore alternatives that would mitigate the adverse effect.

Minutes: 05/26/2015 ESC Comptroller Wilson asked if anyone from the TN Historical Commission was present, but there was not. Subcommittee approved a project, budget, scope and source of funding.

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Knox County, Tennessee

Requested Action: Approval of project, budget, scope and source(s) of funding

Project Title: Demolition – 2104 Lake Avenue

Project Description: This project provides for the demolition of 2104 Lake Avenue in Knoxville, Tennessee in accordance with the UTK’s 2011 Master Plan.

SBC Number: 540/009-03-2015

Total Project Budget: \$35,000.00

Source of Funding: \$35,000.00 Plant (Non-Auxiliary) (A)

Comment: The property was acquired in 2009 and will be used for surface parking. The Tennessee Historical Commission has determined that this project will not adversely affect this State-owned resource of 50+ years, and no further action is necessary.

Minutes: 05/26/2015 ESC Approved project, budget, scope and source of funding.

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Knox County, Tennessee

Requested Action: Approval of project, budget, scope and source(s) of funding

Project Title: Demolition – 2118 Lake Avenue

Project Description: This project provides for the demolition of 2118 Lake Avenue in Knoxville, Tennessee in accordance with the UTK's 2011 Master Plan.

SBC Number: 540/009-04-2015

Total Project Budget: \$ 25,000.00

Source of Funding: \$ 25,000.00 Plant (Non-Auxiliary) (A)

Comment: The property was acquired in 2010 and will be used for surface parking. The Tennessee Historical Commission has determined that this project will not adversely affect this State-owned resource of 50+ years, and no further action is necessary.

Minutes: 05/26/2015 ESC Approved project, budget, scope and source of funding.

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Knox County, Tennessee

Requested Action: Presentation and approval of the Early Design Phase as presented by McCarty Hosaple McCarty

Project Title: Science Laboratory Facility (Cumberland and 13th)

Project Description: This project will provide a new, approximately 222,000 GSF, multidisciplinary science laboratory facility at Cumberland Ave. and 13th St. This facility will house research and teaching laboratories, associated support services, faculty and departmental offices, and a vivarium. In FY2012-13 \$3M was approved for planning of this project.

SBC Number: 540/009-18-2012

Total Project Budget: \$98,880,000.00

Current Project Funding: \$ 4,950,000.00
(if not fully funded)

Source of Funding: \$ 4,950,000.00 Plant (Non-Auxiliary) (A)

Previous Action:

07/12/2012	SBC	Approved full planning
07/11/2013	SBC	Approve to utilize the CM/GC alternative delivery method
07/30/2013	ESC	Approved designer (McCarty Hosaple McCarty)
10/10/2013	SBC	Approved contract award to Rentenbach as CM/GC
06/12/2014	SBC	Approved additional planning funds & increased project budget
05/13/2015	SBC	Referred to the ESC with authority to act the presentation and approval of the Early Design Phase.

Minutes: 05/26/2015 ESC Approved the Early Design Phase as presented.

DEPARTMENT OF SAFETY AND HOMELAND SECURITY

Statewide

Requested Action: Approval of an amendment to the contract

Project Title: Public Safety Interoperable Communication System

Project Description: Phase 1: East TN, Statewide project to provide public safety with an interoperable communication system and purchase necessary frequencies and radio equipment. Phase 2: Middle & West TN, Statewide project to provide public safety with an interoperable communication system and purchase necessary frequencies and radio equipment and all related work. Interior and exterior renovation of a portion of an existing Safety building that includes mechanical, electrical and plumbing systems and all related work. Demolition of an existing facility and construction of a new facility.

SBC Number: 502/001-01-2011

Total Project Budget: \$121,590,000.00

Source of Funding:

\$ 29,640,000.00	10/11	CurrFunds-CapImprov	(A)
10,000,000.00	12/13	CurrFunds-CapImprov	(A)
950,000.00	2010	GO Bonds-CapImprov	(A)
70,000,000.00	2012	GO Bonds-CapImprov	(A)
10,000,000.00	11/12	Operating Funds	(A)
1,000,000.00		Residual Bond Funds	(R)

Comment: The contract amendment will be for the Motorola contract. It will be amended to increase the maximum liability by approximately \$3,650,000.00 and to extend the term of the contract to permit the acquisition of additional frequencies and related work to achieve a more efficient and effective system, and is anticipated to be accomplished within the current project funding.

Previous Action:

01/24/2011	ESC	Deferred action
03/21/2011	SBC	Approved proceeding w/ Phase 1 of EPC
03/21/2011	SBC	Referred to ESC with authority to act
03/28/2011	ESC	Approved consultant (Buford Goff & Associates)
12/09/2011	ESC	Approved subcontractor plan & contract
01/12/2012	SBC	Revised funding & scope
09/18/2012	SBC	Allocation of funding; revised budget; presentation
01/10/2013	SBC	Approved contract amendment & allocate funding
08/21/2014	SBC	Revised scope & using JOC
08/28/2014	ESC	Selected designer (Goodwyn Mills Cawood)
05/13/2015	SBC	Revised scope; referred contract amendment to ESC

Minutes: 05/26/2015 ESC Treasurer Lillard asked how they were coming on the base system. Mike Boshers responded that everything was on track and should be completed by the end of the year. Treasurer Lillard asked if the acquisition of additional frequencies would allow for interagency operability in the event of an emergency, and was told "yes". Subcommittee approved an amendment to the contract.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Panther Creek State Park, Morristown, Hamblen County, Tennessee

Requested Action: Approval of a revision in project budget and source(s) of funding utilizing Agency Resources for construction

Project Title: Campground Upgrades

Project Description: Provide various updates to campsites and replacement of two bathhouses. Project will include paving correction and related work.

SBC Number: 126/072-01-2012

Total Project Budget: \$1,600,000.00

Source of Funding:	<u>Original</u>	<u>Change</u>	<u>Revised</u>			
	\$ 350,000.00	\$ 0.00	\$ 350,000.00	06/07	CurrFunds-CapMaint	(A)
	1,000,000.00	0.00	1,000,000.00	12/13	CurrFunds-CapMaint	(R)
	0.00	250,000.00	250,000.00	14/15	CurrFunds-CapMaint	(A)
Original Project Budget:	\$1,350,000.00					
Change in Funding:		\$250,000.00				
Revised Project Budget:			\$1,600,000.00			

Comment: Additional funding for this project is a supplemental line-item in the FY 14/15 capital budget and will be used for additional paving.

Previous Action: 07/12/2012 SBC Approved project
 07/23/2012 ESC Selected designer (Blankenship & Partners)
 04/11/2013 SBC Revised funding
 05/13/2015 SBC Referred to the ESC with authority to act.

Minutes: 05/26/2015 ESC Approved a revision in project budget and sources of funding utilizing Agency Resources for construction.

DEPARTMENT OF GENERAL SERVICES

New State Museum, Nashville, Davidson County, Tennessee

Requested Action: Approval of a project, budget, and scope, and to issue a Request for Qualifications for project management services

Project Title: New State Museum

Project Description: Complete design and construction of new State Museum based upon the functional program and master plan developed by Lord Cultural Resources. All related work is included.

SBC Number: 529/050-01-2015

Total Project Budget: \$160,000,000.00

Current Project Funding: \$0.00

Comment: This request is to begin the process of selecting a project manager for this project. The Request for Qualifications will generally follow the designer selection process for a major project with negotiations for fee occurring per TCA 12-4-107(a) with the best qualified firm, or other qualified firms in order of qualifications, until successful negotiations can be reached.

Previous Action: 05/13/2015 SBC Referred to ESC with authority to act

Minutes: 05/26/2015 ESC Treasurer Lillard asked if the request was to approve the entire project, and John Hull responded that it was for approval to issue an RFQ for project management services. Comptroller Wilson stated that the RFQ had been drafted and reviewed by staff, and that it would come back to them for approval, to which Mr. Hull confirmed. Subcommittee approved a project, budget, scope and issuing an RFQ for project management services.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on April 20, 2015.

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.

- 1) **East Tennessee State University**
(Fine Arts Classroom Building)
Total Project Budget: \$39,200,000
SBC Project No. 166/005-08-2013
Designer: **MCCARTY HOLSAPLE MCCARTY**

Other Business

There being no other business, the meeting adjourned at 11:16 a.m.

UNIVERSITY OF TENNESSEE

Disposal – Lease (Amendment/Termination)

Requested Action: Approval of a lease amendment terminating the lease

Transaction Description: Transaction No.15-05-002

- **Location:** University of Tennessee – Knoxville
900 Neyland Drive, Knoxville, TN
- **Tenant:** The Boathouse Benevolent Society (BBS)
- **Area/Costs:** Three story – 17,000 sf building
Approximately \$200,000 remaining
- **Source of Funding:** Gifts

Comment: In 1996, the University and BBS entered into a lease pursuant to which BBS would construct a boathouse on State owned property and then lease back to the University the lower two floors of the building for use by the University crew team. The boathouse construction was partially funded by the State and partially funded by BBS. The University has a need to expand the rowing facilities to the third floor. The University and BBS have agreed to terminate the lease in exchange for payment to BBS of an amount equal to the unamortized portion of the construction costs not paid by the State.

Previous Action: 11/24/1997 Approved lease and construction.

Minutes: 05/26/2015 Approved a lease amendment terminating the lease.

UNIVERSITY OF TENNESSEESpecial Item

Requested Action:	Approval of Partial Waiver of REM Fees
Property Description:	Transaction Numbers: 13-05-013; 13-05-018; 13-05-012
• Location:	University of Tennessee – Health Science Center 955, 959, and 969 Madison Avenue, Memphis, TN
• Previous Owner:	Memphis Bioworks Foundation
• Actual Purchase Price:	\$323,000 for 955 Madison Avenue; \$265,000 for 959 Madison Avenue; \$1,500,000 for 969 Madison Avenue
• Source of Funding:	Plant (Non-Auxillary) (A)
Comment:	The University purchased these adjacent properties from a single seller. The properties were acquired concurrently in terms of due diligence and closing, and the University managed all of the pre-closing communications with the Seller. Because of the reduced services required from STREAM for these acquisitions, the University is requesting a waiver of two-thirds of the REM fees due for each acquisition for a total waiver of \$20,000.00. The University has discussed this request with STREAM.
Minutes:	05/26/2015 Approved partial waiver of REM fees.

DEPARTMENT OF CHILDREN'S SERVICES

Disposal – Fee

Requested Action: Approval of disposal in fee with waiver of one appraisal

Transaction Description: Transaction No. 15-04-001 (Baugh)
• Location: Shelby County – 0.21+/-acres - 305 N. Bellevue Blvd., Memphis, TN
• Estimated Sale Price: Fair Market Value

Comment: The agency previously used this property as office space and has relocated this function to One Commerce Square. The Tennessee Historical Commission has determined that this *disposal* will not adversely affect this State-owned resource of 50 + years, and no further action is necessary.

Date of Last Transfer: October 21, 1974
Previous Owner: Mary E. McGarrity-Collier & Robert M. Collier
Original Cost to State: \$0.00
Square Footage Improvements: 2,632

Minutes: 05/26/2015 Approved disposal in fee with waiver of one appraisal.

DEPARTMENT OF TRANSPORTATIONDisposal – Fee

Requested Action: Approval of disposal in fee with waiver of one appraisal

Transaction Description: Transaction No. 15-04-004 (Baugh)
 • Location: Davidson County - 2.12+/-acres - Nashville, TN
 • Estimated Sale Price: Fair Market Value

Comment: The property was acquired for the relocation of Twin Street during the construction of the I-40/Briley Parkway interchange project. The property has been determined to be surplus to the agency's needs. Per TCA 12-2-112(a), proceeds from the sale will be deposited into the highway fund.

Date of Last Transfer: Sept., Oct., & Nov. 2001/ March & May 2002
 Previous Owner: Multiple Owners
 Original Cost to State: \$1,105,550.00
 Square Footage Improvements: None

Minutes: 05/26/2015 Approved disposal in fee with waiver of one appraisal.

DEPARTMENT OF TRANSPORTATION

Disposal – Fee

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

Transaction Description: Transaction No. 15-04-005 (Baugh)

- **Location:** Davidson County - 0.42+/-acres – Cockrill Bend Boulevard, Nashville, TN
- **Estimated Sale Price:** Fair Market Value
- **Grantee:** Welton Investments, LLC (Parman Energy)

Comment: The property has been determined to be surplus to the agency's needs. The requestor is the sole adjoining landowner. The property was not acquired as a Right of Way and is being sold in accordance of the State Building Commission process with proceeds to be deposited in the general fund.

Date of Last Transfer: December 1, 1913
 Previous Owner: W. Baxter, Jr.
 Original Cost to State: \$196,520
 Square Footage Improvements: None

Minutes: 05/26/2015 Approved disposal in fee with waiver of advertisement and one appraisal.

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee (Purchase)

Requested Action: Approval to obtain title work, appraisal, survey, and environmental assessment, and to exercise option to acquire the required interest, not to exceed fair market value, with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-04-010 (Berry)
 • Location: Humphreys County – 1,750+/- acres (2 tracts) Cuba Landing Rd., Waverly, TN
 • Owner(s): Thomas W. Beasley
 • Estimated Purchase Price: Fair Market Value
 • Source of Funding: Wildlife Restoration Fund (F)

Comment: The property is in close proximity to the Buffalo River and will allow for conservation of wildlife and other recreation for the public. The 25% match will be satisfied by a reduction in purchase price, a donation by the seller. The seller is retaining 200+/- acres. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: January 28, 2009
 Purchase Price: Unknown
 Property Assessor's Value: \$1,138,200 (452.90 acres)
 Square Footage Improvements: 6,586

Date of Last Transfer: January 28, 2009
 Purchase Price: Unknown
 Property Assessor's Value: \$1,928,800 (1,500 acres)
 Square Footage Improvements: None

Minutes: 05/26/2015 Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise option to acquire the required interest, not to exceed fair market value, with waiver of advertisement and one appraisal.

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee (Purchase)

Requested Action: Approval to obtain title work, appraisal, survey, and environmental assessment, and to exercise option to acquire the required interest, not to exceed fair market value, with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-04-011 (Berry)
 • Location: Morgan County – 1,753+/-acres (2 tracts) Vespie Rd., Wartburg, TN
 • Owner(s): Betty Jane McCartt & Gener M. McCartt
 • Estimated Purchase Price: Fair Market Value
 • Source of Funding: Wildlife Restoration Fund (F)

Comment: The property is contiguous to the Catoosa Wildlife Management Area and Lone Mountain State Forest. The purchase of this property will allow for conservation of wildlife and other recreation for the public. The 25% match will be satisfied by a reduction in purchase price, a donation by the seller. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: June 14, 2013
 Purchase Price: Unknown
 Property Assessor's Value: \$2,129,100 (1,147 acres)
 Square Footage Improvements: None

Date of Last Transfer: January 30, 2012
 Purchase Price: Unknown
 Property Assessor's Value: \$1,144,800 (606 acres)
 Square Footage Improvements: None

Minutes: 05/26/2015 Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise option to acquire the required interest, not to exceed fair market value, with waiver of advertisement and one appraisal.

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee (Third Party)

Requested Action: Approval to obtain title work, appraisal, survey, and environmental assessment, and to exercise option to acquire the required interest, not to exceed fair market value, and to utilize third party with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-04-012 (Berry)
 • Location: Fayette County – 600+/-acres - Johnson Dr., Somerville, TN
 • Owner(s): Margaret G. Brent and Sandra Brent
 • Estimated Purchase Price: Fair Market Value
 • Source of Funding: 14/15 Wetlands Acquisition Fund (A)
 • Third Party: The Conservation Fund (TCF)

Comment: Per TCA 11-14-402, this property is on the wetlands priority list and has been approved for purchase by the Commissioner of the Department of Agriculture and Executive Director of Tennessee Wildlife Resources Agency.

A third party is being used because of the need to close more quickly than would be possible under the State process. TCF will purchase the entire tract and only the wetlands portion of the tract will be sold to the State. The remainder of the tract will be sold by TCF on the open market. The estimated purchase price shall be equal to TCF's purchase price, due diligence and closing costs, not to exceed fair market value.

The property is in close proximity to the Wolf River Wildlife Management Area and to the William B. Clark State Natural Area. The purchase of this property will allow for waterfowl hunting and other recreation for the public. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: February 23, 2006
 Purchase Price: Unknown
 Property Assessor's Value: \$2,060,400 (1,128.97 acres)
 Square Footage Improvements: None

Minutes: 05/26/2015 Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise option to acquire the required interest, not to exceed fair market value, and to utilize third party with waiver of advertisement and one appraisal.

Approved:



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