

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
June 24, 2019

The State Building Commission Executive Subcommittee met this day at 11:00 a.m. in House Hearing Room II of the Cordell Hull State Office Building, Nashville, Tennessee, with the following members and Departments present. Commissioner McWhorter 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

Stuart McWhorter, Commissioner, Department of Finance and Administration
Tre Hargett, Secretary of State
David Lillard, State Treasurer, participated via electronic communication

MEMBERS ABSENT

Justin Wilson, Comptroller of the Treasury

ORGANIZATION

- University of Memphis
- University of Tennessee
- Department of Correction
- Tennessee Wildlife Resources Agency
- Department of Intellectual & Developmental Disabilities
- Department of General Services
- State Building Commission

PRESENTER

Raaj Kurapati
Michelle Crowder
Wes Landers
Tim Churchill
Kent Brummett
John Hull
Ann McGauran

Commissioner McWhorter stated that the purpose of this meeting is to consider the items on the agenda for the June 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 Treasurer 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 certain of their operational actions and a 30 day delay will cause an operational hardship for certain of the agencies and institutions having matters on today's agenda.
2. There are matters on the agenda which are time sensitive and there will be operational hardships if the Executive Sub-Committee is unable to render decisions on these matters in June.

Commissioner McWhorter and Secretary Hargett were physically present; Treasurer Lillard participated electronically; and Comptroller Wilson was absent.

CONSENT AGENDA

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

- A. Agency: **University of Tennessee**
Transaction: Acquisition – Sublease Amendment
Provision(s): Approval of a sublease amendment

- B. Agency: **Tennessee Wildlife Resources Agency**
Transaction: Acquisition – Lease (Land)
Provision(s): Waiver of advertisement and appraisals

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

- D. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Easement (Conservation)
Provision(s): Waiver of advertisement and appraisals

- E. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Easement (Conservation)
Provision(s): Waiver of advertisement and appraisals

- F. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Easement (Conservation)
Provision(s): Waiver of advertisement and appraisals

- G. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

UNIVERSITY OF MEMPHIS

Acquisition – Lease (Space)

Requested Action: Approval of a lease with waiver of advertisement

Transaction Description: Transaction No. 19-0507-001

● **Proposed Lease**

- **Location:** University of Memphis
1245 N. Germantown Road, Memphis, TN (Cordova)
- **Landlord:** Nash Fields, LLC
- **Term:** Upon Execution of Lease-May 31, 2024 with two 5 year renewal options
- **Area / Costs:** 31,833 Square Feet

First Year Contract Rent:	\$445,662.00	\$14.00/sf
Average Contract Rent	463,782.38	14.57/sf
Estimated Utility Cost	68,312.00	2.15/sf
Estimated Janitorial Cost	56,703.00	1.78/sf
Estimated Maintenance Cost	96,875.00	3.04/sf
General Liability Insurance	2,483.00	
Total Annual Effective Cost	\$688,155.38	\$21.54/sf

- **Source of Funding:** Tuition and Fees (O)
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18.00 (for reference only)

Comment:

The Kemmons Wilson School of Hospitality and Resort Management proposes to add classes in the culinary arts focus area to its program. At this proposed location, the school will have a culinary operation and with associated endeavors like dine-in eating, and retail sales of food, culinary books, utensils, equipment and clothing. The Tennessee Commission on Higher Education supports this initiative.

The University requests a waiver of advertising due to the unique nature of this space which has an extensive kitchen and teaching facilities that fully meet the programming needs. The landlord will include the equipment for 6 kitchens, office equipment, computers (in classrooms, labs, and offices), telecommunication equipment and copiers, books in the library, furniture and fixture, all small kitchen appliances and other supplies at no additional cost; free rent until August 1, 2019. If the University remains in the space through the end of the 5th lease year, it will receive ownership of all of the equipment. The University may terminate lease upon 6 months' notice with payment of a \$150,000 termination fee.

Rent and Additional Rent for the common area maintenance and shopping center insurance and taxes increase by 2% during each year of the term, including during each year during the renewal terms, if exercised. The University is also responsible for paying for all maintenance of systems serving the leased space and any inspections or other services necessary because of its use of the premises for food service uses. Cushman & Wakefield was engaged as a broker to represent the University and will earn \$31,833 a commission of when this lease is executed.

Minutes: 06/24/2019 At a roll call vote all members voted aye and approved a lease with waiver of advertisement.

UNIVERSITY OF MEMPHIS

Acquisition – Lease (Space)

Requested Action: Approval of a master lease

Transaction Description: Transaction No. 19-06-004

- **Proposed Lease**

- **Location:** University of Memphis – Memphis, Shelby County, Tennessee
Gather I - 3655 Southern Avenue, Memphis, TN
- **Landlord:** RDC Fund VI Memphis LLC and RDC Fund VIII Memphis II, LLC
- **Term:** Up to 1 Year (August 1, 2019 – July 31, 2020)
- **Area / Costs:** 264 beds

Annual Contract Rent (incl Util. and Jan.)	\$/unit	Total Cost
	\$680.00	\$2,154,240.00

- **Source of Funding:** Plant Funds (Aux-Housing) (A)
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18:00/sf (for reference only)

Comment: The University of Memphis has an insufficient supply of apartment style housing to meet the current demand. Gather I is the only apartment building adjacent to campus with a sufficient number of vacancies that can meet the University's need for additional apartment style housing. This lease will allow the University to provide additional apartment style housing to students while the University and the State continue to review the opportunity to acquire the apartment complex that includes Gather I and Gather II and is in the University's 2015 Master Plan

Advertising is not required by TCA § 12-2-114, since the lease term will be for one year or less. Consistent with SBC Policy, the Chief Financial Officer has approved waiver of termination for convenience, and the lease will automatically terminate if the University acquires The Gather apartment complex.

Minutes: 06/24/2019 Commissioner McWhorter stated that the University has put a lot of time and energy into this. At a roll call vote all members voted aye and approved a master lease.

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: Approval of a lease with waiver of advertisement and appraisals

Transaction Description: Transaction No. 2019-06-01

• **Proposed Lease**

- **Location:** University of Tennessee Health Science Center
Shelby County – 45 S. Dudley Street, Memphis, TN 38104
- **Landlord:** Memphis Specialized Laboratory, Inc.
- **Term:** July 1, 2019 – June 30, 2021
- **Area / Costs:** 26,171 Square Feet

Annual Contract Rent	\$392,565/yr	\$15.00/sf
Estimated Annual Operating Cost	\$740,000/yr	\$28.28/sf
Total Annual Effective Cost	\$1,132,565/yr	\$43.28/sf

- **Source of Funding:** Plant Funds (Non-Aux) (A)
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18.00/sf (for reference)

Comment: The ESC approved the acquisition of 45 S. Dudley Street (Transaction No. 15-03-003) on March 23, 2015. In August 2017, the University entered into a short-term lease of the Vivarium with an option to acquire. The option was not exercised as the University began to explore alternate funding options and the lease and option to purchase expired.

The University proposes to lease the vivarium from July 1, 2019 through June 30, 2021. The University would be responsible for paying utilities, maintenance, and janitorial costs. Due to the unique space type, waiver of advertisement is requested. As a part of the lease agreement, the University will have the option to purchase the vivarium for \$14,450,000. If the closing does not occur within two (2) years of the lease commencement date, the purchase price will increase to \$15,050,000. The University will not exercise the purchase option prior to receiving ESC approval to do so.

The University may terminate for cause due to lack of funding by the appropriate Legislative Body. Due to the short term of the lease, waiver of termination for convenience is requested.

Previous Action:

03/23/2015	ESC	Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise option to acquire interest, not to exceed fair market value, with waiver of advertisement and one appraisal. (Transaction No. 15-03-003)
08/21/2017	ESC	Approved a lease and option to purchase with waiver of advertisement and appraisals.

Minutes: 06/24/2019 ESC At a roll call vote all members voted aye and approved a lease with waiver of advertisement and appraisals.

DEPARTMENT OF CORRECTION

South Central Correctional Facility, Clifton, Wayne County, Tennessee

Requested Action: Approval of an amendment to the contract

Project Title: Private Management and Operation

Project Description: A private management and operations contract for TDOC and CCA for the operations and management of South Central Corrections Facility.

SBC Number: 142/018-01-2013

Total Project Budget: \$205,617,210.00

Source of Funding: \$205,617,210.00 TDOC Op Funds (A)

Comment: This amends the previously approved action to address the State's obligation to provide Hepatitis C medications.

State Building Commission approval is required pursuant to TCA §41-24-104 to amend the contract.

Previous Action:

02/14/2013	SBC	Referred to ESC with authority to act
03/25/2013	ESC	Approved project and issuing a RFP
05/09/2013	SBC	Referred to ESC with authority to act
05/20/2013	ESC	Deferred to next available meeting
06/13/2013	SBC	Approved contract subject to AG confirmation
05/12/2016	SBC	Referred to ESC with authority to act
06/09/2016	SBC	Approved a revision in funding and two year extension
06/14/2018	SBC	Referred to ESC with authority to act
06/27/2018	ESC	Approved a revision in funding and one year extension
04/11/2019	SBC	Approved a revision in project budget and funding, and an amendment to the contract to extend the term
06/13/2019	SBC	Referred to ESC with authority to act

Minutes:

06/24/2019	ESC	At a roll call vote all members voted aye and approved an amendment to the contract.
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TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Easement (Conservation)

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

Transaction Description: Transaction No.19-05-012

- **Location:** Skinner Mountain WMA (SMWMA)
Fentress & Overton Counties – 11,734± acres – 0 Big Piney Creek & Savage Boles Rd, TN (Fentress), and Cooktown Rd (Overton)
- **Owner(s):** FLC PROPERTIES FOUNDATION, affiliate of The Conservation Fund (TCF)
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** The Conservation Fund (O)
Federal Funds (Wildlife Restoration Fund) (F)

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.

This is the second of two phases relative to the preservation of the Skinner Mountain forest. The first phase was the acquisition of 3,032± acres deemed to be the most sensitive. In this phase, TWRA requests approval to acquire the remaining 11,734± acres in Fentress and Overton counties as conservation easements with hunting rights.

This acquisition will help preserve this valuable forestland, which is rich in biodiversity and a critical habitat for several bat species, two of which have been designated as federally endangered. This acquisition will also enable public access while allowing the land to stay in private ownership as a “working” forest, thereby maintaining local tax revenues while boosting local sales tax revenues. The required 25% match for the Federal Funds will be met through a discounted purchase price.

No additional management costs are anticipated with this acquisition.

Minutes: 06/24/2019 At a roll call vote all members voted aye and approved acquisition by easement with waiver of advertisement and appraisals.

DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES

Disposal – Fee

Requested Action: Approval of disposal in fee with waiver of advertisement and one appraisal and to dispose of property for less than Fair Market Value as determined by appraisal

Transaction Description: Transaction No. 19-01-004

- **Location:** Madison County – 0.35 +/- acres – 15 Idlebrook Cove, Jackson, TN
- **Grantee:** Intunity (formerly known as Housing Foundation of West Tennessee, Inc., or HFWT)
- **Estimated Sale Price:** \$92,550.00

Comment: This is residential rental property in which DIDD leases rooms to persons with intellectual disabilities. DIDD desires to transfer this property to an entity whose mission is better aligned with this purpose.

Intunity was created from funds that arose from penalties assessed to DIDD as part of the Arlington lawsuit settlement. Intunity's mission is to acquire, adapt, maintain and lease safe, accessible and affordable housing for eligible persons with intellectual disabilities in West Tennessee. Sale of the property to Intunity will eliminate the ownership burden of this property to DIDD and allow the current residents to remain in their home. The deed will require that the property be used to provide safe, accessible and affordable housing for eligible persons with intellectual disabilities in West Tennessee for 5 years after the date of the deed. Proceeds of the sale will be deposited into the Intellectual Disabilities Trust Fund (IDTF) pursuant to TCA 12-2-117.

This building is less than 50 years old and does not require Tennessee Historical Commission Review.

Date of Last Transfer: 07/25/2007
Purchase price: \$216,666.00
Property Assessor's Value: \$97,100.00
Square Footage Improvements: 1575 sf house (1990)

Minutes: 06/24/2019 Secretary Hargett asked if it was correct that the purchase price in 2007 was roughly \$217,000 but now appraises at under \$93,000. Mr. Kent Brummett stated that it appraises for \$119,000 and when the property was purchased in 2007 there was an existing lease for four years and some back rent was applied to the purchase price. Mr. Brummett stated that the home has been modified for people with disabilities and is no longer a typical single family home which affects the appraised value.

At a roll call vote all members voted aye and approved disposal in fee with waiver of advertisement and one appraisal and to dispose of property for less than Fair Market Value as determined by appraisal.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 17-10-901

● **Proposed Lease**

- **Location:** Roane County – 2497 S. Roane Street, Suite 100, Harriman, TN
- **Landlord:** Mancel and Cynthia Wakham
- **Term:** 10 years
- **Area / Costs:** 5,200 Square Feet

First Year Contract Rent:	\$70,200.00	\$13.50/sf
Average Annual Contract Rent:	\$72,800.00	\$14.00/sf
Estimated Annual Utility Cost (electric only):	5,200.00	1.00/sf
Estimated Annual Janitorial Cost:	5,720.00	1.10/sf
Total Annual Effective Cost:	\$83,720.00	\$16.10/sf

● **Current Lease**

- **Location:** Roane County – 1086 North Gateway Avenue, Rockwood, TN
- **Landlord:** P & G Properties, Inc.
- **Term:** 10 years (March 1, 2004 to February 28, 2014) (Holdover)
- **Area / Costs:** 9,200 Square Feet

Annual Contract Rent:	\$70,200.00	\$7.63/sf
Estimated Utilities Cost:	12,880.00	1.40/sf
Estimated Janitorial Cost:	10,120.00	1.10/sf
Total Annual Effective Cost:	\$93,200.00	\$10.13/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** LPP on template
- **FRF Rate:** \$14.00

Comment: This lease will provide office space for Department of Human Services. Ten proposals from five proposers were received. The reduction in space needs is a result of implementation of Alternative Workplace Solutions at this location. The proposed location will be renovated to meet the State's needs.

The tenant may terminate this lease for convenience at any time by giving 90 days written notice to the landlord with the payment of a termination fee.

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: 06/24/2019 At a roll call vote all members voted aye and approved a lease.

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 07-04-917

● **Proposed Amendment**

- **Landlord:** J. Gilbert Parrish, Jr.
- **Term:** 12 years (August 1, 2009 – July 31, 2021)
- **Area / Costs:** 5,800 Square Feet

Annual Contract Rent (includes water and sewer):	\$87,000.00	\$15.00/sf
Estimated Annual Utility Cost:	8,410.00	1.45/sf
Estimated Annual Janitorial Cost:	6,380.00	1.10/sf
Total Annual Effective Cost:	\$101,790.00	\$17.55/sf

● **Current Lease**

- **Location:** Hardin County – 880 Pickwick Street, Savannah, TN
- **Landlord:** Gil Parrish and wife, Robin W. Parrish
- **Term:** 10 years (August 1, 2009 – July 31, 2019)
- **Area / Costs:** 5,800 Square Feet

Annual Contract Rent (includes water and sewer):	\$87,000.00	\$ 15.00/sf
Estimated Annual Utility Cost:	6,380.00	1.10/sf
Estimated Annual Janitorial Cost:	6,380.00	1.10/sf
Total Annual Effective Cost:	\$99,760.00	\$17.20/sf

- **Source of Funding:** FRF Operating Funds
- **FRF Rate:** \$14.00

Comment: This lease provides office space for Department of Safety Driver's License Issuance and Tennessee Highway Patrol.

This amendment is in the best interest of the State to prevent a lease holdover while allowing additional time to evaluate how to best meet programmatic needs in support of the Agency's real estate strategy.

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: 02/25/2008 ESC Approved lease agreement

Minutes: 06/24/2019 At a roll call vote all members voted aye and approved a lease amendment with waiver of 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 May 20, 2019.

Report of Items Approved by Office of the State Architect

Initial and Revised Approvals of Capital Projects

- Reported the following capital project 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:** STREAM / Tennessee State Veterans Homes Board
Location: Murfreesboro, Tennessee
Project Title: State Veterans Home Parking Expansion
Project Description: Improvements to the existing parking lots to include additional parking spaces, grading, drainage, landscaping and lighting.
SBC Project No. 680/003-01-2015
Total Project Budget: \$270,000
Source of Funding: 15/16 TSVHB Operating Funds (A/O)
Approval: Approved proceeding with the process to select a designer and utilizing the IDIQ contract to perform the work
Approval Date: 06/03/2019

Approvals of Revisions to Existing Capital Projects

- Reported the following two approvals of an alternate construction delivery method in accordance with Item 2.04(B)(1) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** University of Tennessee – Martin
Location: Martin, Tennessee
Project Title: STEM Classroom Building
Project Description: This project will provide a new STEM Classroom Building to serve as the home of the Engineering, Chemistry, Computer Science, Math & Statistics, and Physics departments. Also included is the demolition of the ITV Communications Building.
SBC Project No. 540/011-03-2016
Total Project Budget: \$65,000,000
Source of Funding: \$58,500,000 17/18 CurrFunds-CapImp (A)
\$ 6,500,000 Gifts (O)
Approval: Approved utilizing System Procurement for a portion of the work
Approval Date: 06/10/2019

2) **State Procurement Agency:** STREAM / Department of General Services
Location: Nashville, Tennessee
Project Title: TN Tower Life Safety Systems Upgrades
Project Description: Replacement of multiple life safety systems, including fire alarm and sprinkler systems, and all required related work.
SBC Project No. 529/079-02-2018
Total Project Budget: \$3,890,000
Source of Funding: 18/19 FRF CurrFunds-CapMaint (MP) (A)
Approval: Approved utilizing Best Value
Approval Date: 05/28/2019

- Reported the following approval of a revision in funding for capital project in accordance with Item 2.04(B)(2) of the *SBC By-Laws, Policy & Procedures*:

1) **State Procurement Agency:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: Deferred Maintenance (2013-2014)
Project Description: This project will address a backlog of deferred maintenance consisting of, but not limited to, roof replacements and repairs, window replacements, HVAC replacement, and masonry repairs.
SBC Project No. 540/009-08-2013
Total Project Budget: \$1,730,000
Source of Funding: \$1,240,000 Plant Funds (Non-Aux) (A)
\$ 490,000 Plant Funds (Aux-Athletics) (A)
Approval: Approved a revision in funding in order to award a contract
Approval Date: 06/11/2019

Approvals of Acquisitions and Disposals of State Property

- Reported the following disposal easement in accordance with Item 2.04(E)(3) of the *SBC By-Laws, Policy & Procedures*:

1) **State Procurement Agency:** STREAM / Department of Environment & Conservation
Transaction Description: Transaction No. 19-04-008
Location: Camp Blount Historic State Park (CBHSP)
Lincoln County – 10,236 s.f. permanent access and utility easement, a 899 s.f. temporary slope easement, and a 3,716 s.f. temporary construction easement – 1371 US-231, Fayetteville, TN
Grantee: City of Fayetteville
Estimated Sale Price: Mutual Benefit
Source of Funding: 18/19 Historical Commission Op Funds (Wars Commission) (REM Fees) (A)
Approval: Approved a disposal by easement with waiver of advertisement and appraisals
Approval Date: 06/11/2019

Designer Selections

- Reported the following two 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:** Middle Tennessee State University
Location: Murfreesboro, Tennessee
Project Title: Greek Row House #5 Renovation
SBC Project No. 366/009-06-2019
Total Project Budget: \$496,000
Source of Funding: Plant Funds (Aux-Housing) (A)
Designer: Hefferlin + Kronenberg Architects, PLLC
Approval Date: 06/10/2019

- 2) **State Procurement Agency:** STREAM / Tennessee Rehabilitation Initiative in Correction – TRICOR
Location: Nashville, Tennessee
Project Title: Patricia Weiland Workforce Development Center Roof Replacement
SBC Project No. 150/002-01-2019
Total Project Budget: \$300,000
Source of Funding: TRICOR Reserves (R)
Designer: M. Shanks Architects
Approval Date: 05/30/2019

- Reported a designer name change from “Beeson, Lusk, & Street, Inc.” to “Thompson & Litton, Inc dba BLS Thompson & Litton” on all State projects.

- 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. At a roll call vote all members voted aye and approved the designer selections.

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| <ol style="list-style-type: none">1) University of Tennessee
(Professional Programming Consultants)
(Category 1 – Classroom/Lab/Research)
Total Project Budget: \$1,000,000
SBC Project No. 540/000-01-2019
Designer: HELLMUTH OBATA & KASSABAUM INC
2) University of Tennessee
(Professional Programming Consultants)
(Category 2 – Medical/Health/Science)
Total Project Budget: \$1,000,000
SBC Project No. 540/000-01-2019
Designer: LORD AECK & SARGENT INC | <ol style="list-style-type: none">3) University of Tennessee
(Professional Programming Consultants)
(Category 3 – Music/Performing Arts)
Total Project Budget: \$1,000,000
SBC Project No. 540/000-01-2019
Designer: BARBER MCMURRY ARCHITECTS LLC
4) University of Tennessee
(Professional Programming Consultants)
(Category 4 – Office/Administration)
Total Project Budget: \$1,000,000
SBC Project No. 540/000-01-2019
Designer: HASTINGS ARCHITECTURE LLC |
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- 5) **University of Tennessee**
 (Professional Programming Consultants)
 (Category 5 – Site/Infrastructure)
 Total Project Budget: \$1,000,000
 SBC Project No. 540/000-01-2019
 Designer: **AECOM TECHNICAL SERVICES INC**

- 6) **University of Tennessee**
 (Professional Programming Consultants)
 (Category 6 – Dining/Housing)
 Total Project Budget: \$1,000,000
 SBC Project No. 540/000-01-2019
 Designer: **HARLEY ELLIS CORPORATION with
 HASTINGS ARCHITECTURE LLC**

- 7) **University of Tennessee**
 (Professional Programming Consultants)
 (Category 7 – Athletics/Recreation)
 Total Project Budget: \$1,000,000
 SBC Project No. 540/000-01-2019
 Designer: **CBRE HEERY INC**

- 8) **Austin Peay State University**
 (Military Family Resource Center - Renovation)
 Total Project Budget: \$1,000,000
 SBC Project No. 373/003-02-2019
 Designer: **LYLE COOK MARTIN ARCHITECTS INC**

- 9) **Austin Peay State University**
 (Hayes House Renovation)
 Total Project Budget: \$2,000,000
 SBC Project No. 373/003-03-2019
 Designer: **HFR INC**

- 10) **Various Facilities Statewide**
 (ADA Upgrades, West Tennessee)
 Total Project Budget: \$1,907,000
 SBC Project No. 126/000-01-2019
 Designer: **ROSS WITT PLLC**

Other Business

There being no further business, the meeting adjourned at 11:18 a.m.

UNIVERSITY OF TENNESSEEAcquisition - Sublease Amendment

Requested Action:	Approval of a sublease amendment		
Transaction Description:	Transaction No. 12-09-906		
• Proposed Amendment			
○ Term:	December 1, 2012 – June 30, 2022		
○ Area / Costs:	<u>14,729 square feet</u>		
	(includes maintenance, utilities and janitorial)		
	First Six Months Contract Rent	\$316,673.50/year	\$21.50/sf
	Contract Rent Remainder of Term	\$347,457.11/year	\$23.59/sf
• Current Lease			
○ Location:	University of Tennessee Office of Research Roane County, 1100 Bethel Valley Road, Oak Ridge TN		
○ Landlord:	Professional Project Services, Inc. d/b/a Pro2Serve		
○ Term:	December 1, 2012 – June 30, 2019		
○ Area / Costs:	<u>14,729 square feet</u>		
		\$316,673.50/year	\$21.50/sf
	(includes maintenance, utilities and janitorial)		
• Source of Funding:	UT National Academy-Level Faculty Appropriations (A)		
• FRF Rate:	\$18.00/sf (for reference only)		
Comment:	This space is leased for the Governor's Chair Program which has brought more than a dozen of the nation's top scientists to work jointly at the University of Tennessee and Oak Ridge National Laboratory. The University proposes to exercise the option to extend the sublease for an additional three (3) years. The lease can be cancelled by either party with 120 days-notice. The purpose of this amendment is to exercise a renewal option so advertising is not required.		
Previous Action:	10/26/2012	Approved lease agreement with waiver of advertisement	
	06/20/2016	Approved a lease amendment with waiver of advertisement	
Minutes:	06/24/2019	Approved a sublease amendment	

TENNESSEE WILDLIFE RESOURCES AGENCYAcquisition – Lease (Land)

Requested Action:	Approval of an acquisition by lease with waiver of advertisement and appraisals
Transaction Description:	Transaction No. 19-03-003
<ul style="list-style-type: none"> ● Proposed Lease <ul style="list-style-type: none"> ○ Location: North Cumberland Wildlife Management Area (NCWMA) Claiborne & Campbell Counties – 46,000+/- acres – Tackett Creek, TN ○ Landlord: CF Ataya LLC (CF), an affiliate of The Nature Conservancy (TNC) ○ Term: 5 years (September 1, 2019 to August 31, 2024) with one 5-year renewal option ○ Area / Costs: 46,000 +/- acres / \$86,058.00 per year ● Current Lease <ul style="list-style-type: none"> ○ Location: North Cumberland Wildlife Management Area (NCWMA) Claiborne & Campbell Counties – 46,000+/- acres – Tackett Creek, TN ○ Landlord: Corrigan TLP, LLC ○ Term: 5 years (September 1, 2014 to August 31, 2019) ○ Area / Costs: 46,000 +/- acres / \$86,058 per year ● Source of Funding: Federal Grant (Wildlife Restoration Fund) (F) ● Procurement Method: Negotiated 	
Comment:	<p>TWRA has leased this property as the Tackett Creek Unit of the NCWMA since September 2014. The property was recently sold to CF, who would like to maintain the current lease terms. The required 25% match for the Federal Funds will be met through the discounted lease rate.</p> <p>This property is uniquely situated and necessary for elk management in the NCWMA.</p> <p>The property will also continue to be used for hunting, fishing, trapping, and other outdoor recreation.</p> <p>No additional management costs are anticipated with this transaction.</p>
Previous Action:	06/23/2014 ESC Approved entering into a land lease agreement with waiver of advertisement and appraisals.
Minutes:	06/24/2019 Approved an acquisition by lease with waiver of advertisement and appraisals

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONAcquisition – Fee (Purchase)

Requested Action:	Approval of acquisition in fee with waiver of advertisement and one appraisal								
Transaction Description:	Transaction No. 19-04-007								
<ul style="list-style-type: none"> ● Location: ● Owner(s): ● Estimated Purchase Price: ● Source of Funding: 	Justin P. Wilson Cumberland Trail State Park (JPWCTSP) Rhea County – 5.10 +/- acres – 0 Bluff View Drive, Dayton, TN Access Fund Fair Market Value 18/19 State Lands Acquisition Fund (A)								
Comment:	<p>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.</p> <p>This property is contiguous to the JPWCTSP and will provide additional climbing access for hikers.</p> <p>The metal barn on the property will be used for equipment storage. TDEC will address any future construction and/or management expenses from within existing resources.</p> <p>No additional management costs are anticipated with this acquisition.</p> <table> <tr> <td>Date of Last Transfer:</td> <td>04/09/2018</td> </tr> <tr> <td>Purchase Price:</td> <td>\$61,250.00</td> </tr> <tr> <td>Property Assessor's Value:</td> <td>\$81,900.00</td> </tr> <tr> <td>Square Footage Improvements:</td> <td>1,440 sf metal barn (2001)</td> </tr> </table>	Date of Last Transfer:	04/09/2018	Purchase Price:	\$61,250.00	Property Assessor's Value:	\$81,900.00	Square Footage Improvements:	1,440 sf metal barn (2001)
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Purchase Price:	\$61,250.00								
Property Assessor's Value:	\$81,900.00								
Square Footage Improvements:	1,440 sf metal barn (2001)								
Minutes:	06/24/2019 Approved acquisition in fee with waiver of advertisement and one appraisal								

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONAcquisition – Easement (Conservation)

Requested Action:	Approval of acquisition by easement with waiver of advertisement and appraisals
Transaction Description:	Transaction No.19-04-011
• Location:	Madison County – 120 +/- acres – 0 Browns Church Road, Jackson, TN
• Owner(s):	American Battlefield Trust (ABT)
• Estimated Purchase Price:	Gift
• Source of Funding:	18/19 Historical Commission Op Funds (Wars Commission) (REM Fees) (A)
Comment:	ABT requests that the Tennessee Historical Commission (THC) hold a conservation easement for the preservation of Salem Cemetery property known as the Yarbro Farms Tract. This property has significant and historical value relative to the Battle of Jackson. The THC has agreed to hold the conservation easement until the property is later transferred to the National Park Service, at which time the conservation easement will be released.
Minutes:	06/24/2019 Approved acquisition by easement with waiver of advertisement and appraisals

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONAcquisition – Easement (Conservation)

Requested Action:	Approval of acquisition by easement with waiver of advertisement and appraisals
Transaction Description:	Transaction No. 19-04-012
<ul style="list-style-type: none"> ● Location: ● Owner(s): ● Estimated Purchase Price: ● Source of Funding: 	<p>Hamilton County – 3.40 +/- acres – 0 Browns Ferry Road, Chattanooga, TN</p> <p>Civil War Preservation Trust (CWPT)</p> <p>Gift</p> <p>18/19 Historical Commission Op Funds (Wars Commission) (REM Fees) (A)</p>
Comment:	CWPT requests that the Tennessee Historical Commission (THC) hold a conservation easement for the preservation of Wauhatchie and Chattanooga Battlefields property, also known as the Mohr Tract. This tract has significant cultural and historical value. The THC has agreed to hold the conservation easement until the property is later transferred to the National Park Service, at which time the conservation easement will be released. Funding from the Federal American Battlefield Protection Program was used to acquire this property and the establishment of a conservation easement on the property is a requirement of the federal program.
Minutes:	06/24/2019 Approved acquisition by easement with waiver of advertisement and appraisals

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONAcquisition – Easement (Conservation)

Requested Action:	Approval of acquisition by easement with waiver of advertisement and appraisals
Transaction Description:	Transaction No. 19-04-013
• Location:	Hardin County – 70.10 +/- acres – 0 Fraley Drive, Shiloh, TN
• Owner(s):	American Battlefield Trust (ABT)
• Estimated Purchase Price:	Gift
• Source of Funding:	18/19 Historical Commission Op Funds (Wars Commission) (REM Fees) (A)
Comment:	ABT requests that the Tennessee Historical Commission (THC) accept and hold a conservation easement for the preservation of Shiloh Battlefield property. This tract has significant cultural and historical value. The THC has agreed to hold the conservation easement until the property is later transferred to the National Park Service, at which time the conservation easement will be released. Funding from the Federal American Battlefield Protection Program was used to acquire this property and the establishment of a conservation easement on the property is a requirement of the federal program.
Minutes:	06/24/2019 Approved acquisition by easement with waiver of advertisement and appraisals

DEPARTMENT OF GENERAL SERVICESAcquisition - Lease Amendment

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

Transaction Description: Transaction No. 07-04-922

- **Proposed Amendment**

- **Term:** 13 years (September 1, 2009 – August 31, 2022)

- **Area / Costs:** 17,000 Square Feet

Annual Contract Rent:	\$238,000.00	\$14.00/sf
Estimated Annual Utility Cost:	29,750.00	1.75/sf
Estimated Annual Janitorial Cost:	18,700.00	1.10/sf
Total Annual Effective Cost:	\$286,450.00	\$16.85/sf

- **Current Lease**

- **Location:** Maury County – 1421 Hampshire Pike, Columbia, TN

- **Landlord:** REALCO-TN, LLC (successor to Columbia Office Development GP)

- **Term:** 10 years (September 1, 2009 – August 31, 2019)

- **Area / Costs:** 17,000 Square Feet

Annual Contract Rent:	\$238,000.00	\$ 14.00/sf
Estimated Annual Utility Cost:	23,800.00	1.40/sf
Estimated Annual Janitorial Cost:	18,700.00	1.10/sf
Total Annual Effective Cost:	\$280,500.00	\$16.50/sf

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

- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Environment & Conservation field office.

This amendment is in the best interest of the State to prevent a lease holdover while allowing additional time to evaluate how to best meet programmatic needs in support of the Agency's real estate strategy.

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: 02/25/2008 ESC Approved lease agreement

Minutes: 06/24/2019 Approved a lease amendment with waiver of advertisement

Approved:



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