

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
December 17, 2014

The State Building Commission Executive Subcommittee met this day at 11:30 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 11:35 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
- Department of Environment and Conservation
- Department of General Services
- State Building Commission

PRESENTER

Executive Director Dick Tracy
Land Acquisition Manager Bill Avant
Compliance Director Ted Hayden
State Architect Peter Heimbach

CONSENT AGENDA

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

- A. Agency: Tennessee Board of Regents – Montgomery County
Transaction: Acquisition in Fee
Provision: Waiver of advertisement and one appraisal
- B. Agency: Tennessee Board of Regents – Blount County
Transaction: Contract extension for sale of property
- C. Agency: Tennessee Board of Regents – Putnam County
Transaction: Acquisition in Fee
Provision: Waiver of advertisement and one appraisal
- D. Agency: Tennessee Board of Regents – Putnam County
Transaction: Acquisition in Fee
Provision: Waiver of advertisement and one appraisal
- E. Agency: Tennessee Board of Regents – Putnam County
Transaction: Acquisition in Fee
Provision: Waiver of advertisement and one appraisal
- F. Agency: Tennessee Board of Regents – Putnam County
Transaction: Acquisition in Fee
Provision: Waiver of advertisement and one appraisal
- G. Agency: Tennessee Wildlife Resources Agency – Hawkins County
Transaction: Lease Amendment
- H. Agency: Department of Intellectual & Developmental Disabilities – Fayette County
Transaction: Disposal in Fee
Provision: Waiver of one appraisal
- I. Agency: Department of Transportation – Hamilton County
Transaction: Disposal in Fee
Provision: Waiver of one appraisal
- J. Agency: Department of Transportation – Davidson County
Transaction: Disposal in Fee
Provision: Waiver of advertisement and one appraisal
- K. Agency: Department of Environment and Conservation – Van Buren County
Transaction: Acquisition in Fee
Provision: Waiver of advertisement and one appraisal
- L. Agency: Department of Environment and Conservation – Davidson County
Transaction: Acquisition in Fee
Provision: Waiver of advertisement and one appraisal

TENNESSEE BOARD OF REGENTS

University of Memphis, Memphis, Shelby County, Tennessee

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

Project Title: Demolition – Buildings 43 and 44, Park Avenue Campus

Project Description: This project provides for the demolition of the buildings at 978 West and 4105 North MSU-B Street, Memphis, Tennessee in accordance with UoM's 2007 Master Plan.

SBC Number: 166/007-23-2014

Total Project Budget: \$60,000.00

Source of Funding: \$60,000.00 Plant (Non-Auxiliary) (A)

Comment: The Tennessee Historical Commission determined that the demolition or disposal of this property does adversely affect this State-owned resource and TBR was encouraged to explore alternatives that would avoid, minimize or mitigate the adverse effect. In response, TBR prepared the "Kennedy General Hospital' Historical Documentation report. The THC approved the report as adequate mitigation of the adverse effect of the currently proposed demolition and has no objection to the proposed demolition going forward.

Minutes: 12/17/2014 ESC Approved a project, budget, scope and source of funding.

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 – 495 West Ninth Street

Project Description: This project provides for the demolition of the buildings at 495 West Ninth Street in Cookeville, Tennessee in accordance with TTU's 2014 Master Plan.

SBC Number: 166/011-20-2014

Total Project Budget: \$15,000.00

Source of Funding: \$15,000.00 Plant (Non-Auxiliary) (A)

Comment: The TN Historical Commission review has determined that this project will not adversely affect the State-owned resource of 50+ years and no future action is necessary.

Minutes: 12/17/2014 ESC Approved a project, budget, scope and source of funding.

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 – 905 North Spruce Avenue

Project Description: This project provides for the demolition of the building at 905 North Spruce Avenue in Cookeville, Tennessee in accordance with TTU's 2014 Master Plan.

SBC Number: 166/011-19-2014

Total Project Budget: \$10,000.00

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

Comment: The building is less than 50 years old and does not require review by the TN Historical Commission.

Minutes: 12/17/2014 ESC Approved a project, budget, scope and source of funding.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Land Transaction

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

Description: Fentress County – 27.4+/-acres – Black House Mountain Rd., Jamestown, TN - Trans. No. 14-11-019 (Maxwell)

Purpose: Acquisition in fee for the protection of Pogue Creek Canyon State Natural Area from residential development.

Estimated Price: Fair Market Value

Source of Funding: 14/15 State Lands Acquisition Fund (A)

Owner(s): Mark & Jill Dietze

Comment: The property is on the state lands acquisition priority list, and the purchase of this tract will prevent plans to develop the site. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: May 15, 2008
Purchase Price: \$330,000
Property Assessor's Value: \$12,900
Improvements Square Footage: N/A

SSC Report: 12/15/2014 John Hull summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

Minutes: 12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire interest, not to exceed appraised value, with waiver of advertisement and one appraisal.

DEPARTMENT OF GENERAL SERVICES

Report Item:

Pursuant to State Building Commission Policy and Procedures, Item 8.01 (J) Report Item as approved on September 19, 2011.

For all acquisition and disposals of interest in real property, closed in the previous quarter, that have been previously approved by the Executive Subcommittee, the following information shall be reported back to the Executive Sub Committee by STREAM on a quarterly basis (July 1, 2014 – September 30, 2014)

1. Resulting appraisal value(s)
2. Final purchase or sales price
3. Amount(s) and source of funding used or received
4. 3rd Party Costs

Minutes: 12/17/2014 ESC Subcommittee acknowledged receipt of the report.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on November 24, 2014.

Tennessee Board of Regents Policies

- 1) Approved of the following TBR policies to comply with Item 7.07 *Evaluation of Proposals*, with the template included in the Lease Procurement Policy:
 - a) Lease Procurement Policy & Procedures
 - b) Standard Cost Estimates

Designer Selections

- 1) Report on SBC Policy 4.01D – Standard Form of Agreement Between Owner and Designer not executed within 180 days:

Project: Renovations for Governor’s Chair
SBC Number: 540/009-04-2014
Designer: Design Innovation Architects, Inc.
Approval date: June 23, 2014
Comment: The contract for these services was not executed since the location of changed and a designer is no longer needed.

- 2) 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) **Department of General Services**
(Design Services for Lease Build-Outs)
Total Project Budget: \$420,000.00
SBC Project No. 527/000-01-2014
Designer: **FLEMING ASSOCIATES ARCHITECTS**

3) **Department of General Services**
(Security Consulting Services)
Maximum Liability: \$100,000.00
SBC Project No. 529/000-07-2014
Designer: **SECURITY RISK MANAGEMENT CONSULTANTS**

2) **West TN River Basin Authority**
(Engineering Services)
Maximum Liability: \$100,000.00
SBC Project No. 128/020-01-2014
Designer: **KIMLEY-HORN AND ASSOCIATES**

4) **Mark Luttrell Correctional Center**
(Site Optimization Study)
Maximum Liability: \$95,000.00
SBC Project No. 140/005-01-2014
Designer: **CENTRIC ARCHITECTURE**

- 5) **Tennessee School for the Deaf**
 (Structural Repair/Renovation-Students Cottages)
 Total Project Budget: \$150,000.00
 SBC Project No. 168/007-01-2014
 Designer: RED CHAIR ARCHITECTS

- 6) **Chattanooga State Community College**
 (Hospitality Management Renovations)
 Total Project Budget: \$165,000.00
 SBC Project No. 166/012-02-2014
 Designer: ARTECH DESIGN GROUP

- 7) **Chattanooga State Community College**
 (Lift Station Emergency Repairs)
 Total Project Budget: \$400,000.00
 SBC Project No. 166/012-03-2014
 Designer: CTI ENGINEERS INC

- 8) **Pellissippi State Community College**
 (Strawberry Plains Nursing Renovations)
 Total Project Budget: \$1,700,000.00
 SBC Project No. 166/032-04-2014
 Designer: COMMUNITY TECTONICS

- 9) **Tennessee Technological University**
 (Student Recreation and Fitness Facility)
 Total Project Budget: \$40,000,000.00
 SBC Project No. 166/011-13-2014
 Designer: HFR DESIGN

- 10) **University of Tennessee Knoxville**
 (Hodges Library Improvements)
 Total Project Budget: \$300,000.00
 SBC Project No. 540/009-08-2014
 Designer: SPARKMAN AND ASSOCIATES

- 11) **University of Tennessee Martin**
 (Clement Building System Improvements)
 Total Project Budget: \$7,000,000.00
 SBC Project No. 540/011-02-2014
 Designer: HNA ENGINEERING

Other Business

There being no other business, the meeting adjourned at 11:43 a.m.

TENNESSEE BOARD OF REGENTSLand Transaction

Requested Action:	Approval to obtain title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal
Description:	Montgomery County – 10.5+/- acres – College Street, 210, 304, 317, 318, 328, 335, 426 College Street, S College Street; Main Street (2), 131 4 th Street; and N. 5 th Street, Clarksville, TN – Transaction No. 14-11-011 (Maholland)
Purpose:	Acquisition in Fee to acquire property and improvements formerly used as a car dealership. This property is in APSU's <u>2013 Master Plan</u> and will be used for future expansion and parking.
Estimated Sale Price:	Fair Market Value
Source of Funding:	Plant (Non-Auxiliary) (A) and TSSBA (A)
Owner(s):	Don-Mar Properties LP
Comment:	Date of last Transfer: Assemblage 1998 - 2013 Purchase Price: NA Property Assessor's Value: \$7,084,900 Improvements Square Foot: 96,655
Minutes:	12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal.

TENNESSEE BOARD OF REGENTSLand Transaction

Requested Action:	Approval to extend contract for an additional one (1) year with Oliver Smith Realty and Auction Company to market the Pellissippi State Community College former Blount County campus
Description:	Blount County – 15.34+/- acres – 1010 Middlesettlement Road – Alcoa, TN – Trans. No. 09-02-027 (Maholland)
Purpose:	Sale of PSCC former Blount County campus property by real estate firm Oliver Smith Realty and Auction Company Inc.
Estimated Cost:	6% transaction fee if sale of property is successful
Owner(s):	State of Tennessee
Comment:	Oliver Smith has been aggressively marketing the property and has developed strong interest in the property, but access to the property is an issue. TDOT acquired property at the PSCC campus for the Middlesettlement Road widening project which impacted the accessibility to the campus property. TBR believes it is in the State's best interest to allow Oliver Smith to continue to market the property after the access issues are resolved with TDOT. Date of last transfer: June 5, 1990 Purchase Price: N/A Property Assessor's Value: \$3,032,800 Improvements Square Footage: 32,000
Previous Action:	03/23/2009 ESC Approved disposal in fee 09/24/2012 ESC Approved local realty firm to sell property 06/24/2013 ESC Approved disposal in fee below market value with one appraisal 12/15/2013 ESC Approved extending contract for one year with local realty firm
Minutes:	12/17/2014 ESC Approved extending contract for an additional one year with Oliver Smith Realty and Auction Company to market the Pellissippi State Community College former Blount County campus.

TENNESSEE BOARD OF REGENTSLand Transaction

Requested Action:	Approval to obtain title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal
Description:	Putnam County – 0.23 +/- acres – 495 West Ninth Street, Cookeville, TN – Trans. No. 14-11-009 (Maholland)
Purpose:	Acquisition in Fee to acquire property and improvements consisting of 576 and 672 sq. ft. buildings. This property is in TTU's <u>2014 Master Plan</u> . The buildings will be demolished and the property used as green space.
Estimated Sale Price:	Fair Market Value
Source of Funding:	Plant (Non-Auxiliary) (A)
Owner(s):	HNP Properties
Comment:	Date of last Transfer: November 29, 2005 Purchase Price: \$68,000 Property Assessor's Value: \$44,800 Improvements Square Foot: 576 and 672
Minutes:	12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal.

TENNESSEE BOARD OF REGENTSLand Transaction

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

Description: Putnam County – 0.53 +/- acres – 905 North Spruce Avenue, Cookeville, TN – Transaction No. 14-11-012 (Maholland)

Purpose: Acquisition in Fee to acquire property and improvements consisting of 825 sq. ft. This property is in TTU's 2014 Master Plan. The building will be demolished and the property will be used for green space.

Estimated Sale Price: Fair Market Value

Source of Funding: Plant (Non-Auxiliary) (A)

Owner(s): Stacey Hollis

Comment: Date of last Transfer: August 7, 2003
Purchase Price: \$64,000
Property Assessor's Value: \$56,000
Improvements Square Foot: 825

Minutes: 12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal.

TENNESSEE BOARD OF REGENTSLand Transaction

Requested Action:	Approval to obtain title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal
Description:	Putnam County – 0.75+/- acres – 1145 North Franklin Avenue, Cookeville, TN – Transaction No. 14-11-013 (Maholland)
Purpose:	Acquisition in Fee to acquire property and improvements consisting of a 1,148 sq. ft. building. This property is in TTU's <u>2014 Master Plan</u> and will be used for campus expansion/visiting scholars housing.
Estimated Sale Price:	Fair Market Value
Source of Funding:	Plant (Non-Auxiliary) (A)
Owner(s):	Mark Alan Fox, Denise Fox Griffin, et.al.
Comment:	Date of last Transfer: February 24, 2010 Purchase Price: Inheritance Property Assessor's Value: \$67,600 Improvements Square Foot: 1,148
Minutes:	12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal.

TENNESSEE BOARD OF REGENTSLand Transaction

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

Description: Putnam County – 0.18 +/- acres – 355 West Eighth Street, Cookeville, TN – Transaction No. 14-11-010 (Maholland)

Purpose: Acquisition in Fee to acquire vacant property. This property is in TTU's 2014 Master Plan and will be used for green space.

Estimated Sale Price: Fair Market Value

Source of Funding: Plant (Non-Auxiliary) (A)

Owner(s): Hulen Ferrell

Comment: Date of last Transfer: November 10, 1959
Purchase Price: \$5,500
Property Assessor's Value: \$22,800
Improvements Square Foot: NA

Minutes: 12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire, not to exceed appraised value with waiver of advertisement and one appraisal.

TENNESSEE WILDLIFE RESOURCES AGENCY

Land Transaction

Requested Action: Approval of an amendment to the lease

Description: Hawkins County – 8.85+/-acres - River Park & Trails – Surgoinsville, TN – Trans. No. 14-10-014 (Berry)

Purpose: The existing lease was to provide land to be used for a city park.

Rent: No Cost

Lease Term: March 26, 2010 – March 26, 2035

Source of Funding: City of Surgoinsville (REM fees) (0)

Tenant: City of Surgoinsville

Comment: The purpose of the amendment is to clarify that the city has the right to construct park amenities on the leased property.

Minutes: 12/17/2014 ESC Approved an amendment to the lease.

DEPARTMENT OF INTELLECTUAL AND DEVELOPMENTAL DISABILITIES

Land Transaction

Requested Action:	Approval of disposal in fee with waiver of one appraisal
Description:	Fayette County – 2.00+/-acres – 80 Yum Yum Rd., Somerville, TN – Trans. No. 13-12-004 (Baugh)
Purpose:	Disposal in fee to sell excess property for which the agency has no use.
Estimated Price:	Fair Market Value
Comment:	<p>The proposed tenant for the disposal lease was unable to enter into the lease. The agency now seeks authority to market and dispose of the property in fee.</p> <p>The State obtained this property through lien procedures and the agency does not have an intended use for the property. The Tennessee Local Development Authority (TLDA) lien, associated with the acquisition of this property, has been fully satisfied. TLDA is not due and will not receive any proceeds from the sale of this property. Proceeds from the sale of the easement will be deposited into an Intellectual Disabilities Trust Fund pursuant to TCA 12-2-117.</p> <p>Date of last transfer: October 11, 2013 Original Cost to the State: \$179,390.41 Previous Owner: Fayette County Development Center Property Assessor's Value: \$212,500 Improvement Square Footage: 5,000</p>
Previous Action:	10/20/2014 ESC Approved disposal by lease with purchase option and waiver of advertisement and one appraisal.
Minutes:	12/17/2014 ESC Approved disposal in fee with waiver of one appraisal.

DEPARTMENT OF TRANSPORTATION

Land Transaction

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

Description: Hamilton County - 0.75+/-acres - Right-of-Way along State Route 153, Chattanooga, TN – Trans. No. 14-11-006 (Baugh)

Purpose: Disposal in fee of excess Right-of-Way property.

Estimated Price: Fair Market Value

Grantee: Anchor Chattanooga LLC

Comment: The requestor is the sole adjoining landowner and the intent is to assemble the property for development. TDOT may sell this property to the adjoining land owner for an amount not less than fair market value, plus costs, pursuant to TCA 12-2-112(a)(8)(A).

Date of last transfer: October 1, 1953
Original Cost to the State: \$500
Previous Owner: N. Pearl Haley
Property Assessor's Value: N/A
Improvement Square Footage: N/A

Minutes: 12/17/2014 ESC Approved disposal in fee with waiver of one appraisal.

DEPARTMENT OF TRANSPORTATION

Land Transaction

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

Description: Davidson County – 0.144+/-acres – comprised of the tracts below - Right-of-Way along N. Charlotte Ave., Nashville, TN – Trans. No. 14-11-007 (Baugh)

0.096+/-acres – Shakerland Street
0.039+/-acres – Nelson Merry Street
0.008+/-acres – Between Jo Johnston & Gay Street

Purpose: Disposal in fee of excess Right-of-Way property.

Estimated Price: Fair Market Value

Grantee: WCP Properties, LLC

Comment: The requestor is the sole adjoining landowner who is currently developing the site. TDOT may sell this property to the adjoining land owner for an amount not less than fair market value, plus costs, pursuant to TCA 12-2-112(a)(8)(A).

Date of last transfer: 1968, 1969, 1970
Original Cost to the State: \$138,000 total
Previous Owner: Multiple owners
Property Assessor’s Value: N/A
Improvement Square Footage: N/A

Minutes: 12/17/2014 ESC Approved disposal in fee with waiver of advertisement and one appraisal.

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONLand Transaction

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

Description: Van Buren County – 4.55+/-acres – Marcum Lane, Spencer, TN - Trans. No. 14-11-020 (Maxwell)

Purpose: Acquisition in fee for an inholding at Falls Creek Falls State Park.

Estimated Price: Fair Market Value

Source of Funding: 14/15 State Lands Acquisition Fund (A)

Owner(s): Friends of Fall Creek Falls

Comment: The property is on the state lands acquisition priority list, and the purchase of this tract will allow better access. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: October 18, 2011
Purchase Price: \$27,000
Property Assessor's Value: \$22,400
Improvements Square Footage: N/A

Minutes: 12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire interest, not to exceed appraised value, with waiver of advertisement and one appraisal.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Land Transaction

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

Description: Davidson County – 11.45+/-acres – Couchville Pike, Hermitage, TN - Trans. No. 14-11-018 (Maxwell)

Purpose: Acquisition in fee to acquire an inholding at the Couchville State Natural Area.

Estimated Price: Fair Market Value

Source of Funding: 14/15 State Lands Acquisition Fund (A)
The Nature Conservancy (O)

Owner(s): William D. Kincaid

Comment: The property is on the state lands acquisition priority list, and the purchase of this tract will allow for easier management of the current natural area and provide better access for land managers. The Nature Conservancy will provide up to \$25,000, but is not acting as a third party. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: June 2, 2012
Purchase Price: \$N/A
Property Assessor's Value: \$131,700
Improvements Square Footage: N/A

Minutes: 12/17/2014 ESC Approved obtaining title work, appraisal, survey, environmental assessment and exercise option to acquire interest, not to exceed appraised value, with waiver of advertisement and one appraisal.

Approved:



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