

**MINUTES**  
STATE BUILDING COMMISSION  
Executive Subcommittee  
May 22, 2018

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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 Martin called the meeting to order at 11:00 a.m. and requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

Larry Martin, Commissioner, Department of Finance and Administration  
Tre Hargett, Secretary of State  
David Lillard, State Treasurer

MEMBERS ABSENT

Justin Wilson, Comptroller of the Treasury

ORGANIZATION

- Tennessee Board of Regents
- Department of Finance & Administration
- State Building Commission

PRESENTER

Keith King  
Eugene Neubert  
Ann McGauran

OTHER PARTICIPANTS

Mayor Jim Strickland, City of Memphis  
Doug McGowan, Chief Operating Officer, City of Memphis  
Paul Young, Director of Housing & Community Development, City of Memphis  
J.A. Bucy, Capitol & 5<sup>th</sup> Public Strategies

CONSENT AGENDA

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

- A. Agency: Tennessee Board of Regents – Davidson County  
Transaction: Disposal – Fee  
Provision(s): Waiver of advertisement and appraisals
  
- B. Agency: Tennessee Wildlife Resources Agency – Meigs County  
Transaction: Disposal – Fee (Land)  
Provision(s): Waiver of one appraisal
  
- C. Agency: Tennessee Wildlife Resources Agency – Fayette County  
Transaction: Acquisition – Fee (Purchase)  
Provision(s): Waiver of advertisement and one appraisal
  
- D. Agency: Department of Environment & Conservation – Grundy County  
Transaction: Disposal – Lease (Timber)  
Provision(s): Waiver of advertisement
  
- E. Agency: Department of Environment & Conservation – Rhea County  
Transaction: Acquisition – Fee (Purchase)  
Provision(s): Waiver of advertisement and one appraisal and to utilize a third party
  
- F. Agency: Department of Environment & Conservation – Rhea County  
Transaction: Acquisition – Easement (Access)  
Provision(s): n/a
  
- G. Agency: Department of Environment & Conservation – White County  
Transaction: Acquisition – Fee (Purchase)  
Provision(s): Waiver of advertisement and one appraisal and to utilize a third party
  
- H. Agency: Department of Economic & Community Development – Haywood County  
Transaction: Disposal – Fee  
Provision(s): Waiver of advertisement and appraisals
  
- I. Agency: Department of General Services – Sevier County  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a
  
- J. Agency: Department of General Services – Davidson County  
Transaction: Acquisition – Lease Amendment (Space)  
Provision(s): Waiver of advertisement
  
- K. Agency: Department of General Services – Greene County  
Transaction: Acquisition – Lease Amendment (Space)  
Provision(s): n/a

- L. Agency: Department of General Services – Montgomery County  
Transaction: Acquisition – Lease Amendment (Space)  
Provision(s): n/a
- M. Agency: Department of General Services – Shelby County  
Transaction: Acquisition – Lease Amendment (Space)  
Provision(s): Waiver of advertisement
- N. Agency: Department of General Services – Smith County  
Transaction: Acquisition – Lease Amendment (Space)  
Provision(s): n/a

TENNESSEE BOARD OF REGENTS

Middle Tennessee State University, Murfreesboro, Rutherford County, Tennessee

**Requested Action:** Approval of a revision in project budget and funding in order to award a contract

**Project Title:** Peck Hall Improvements

**Project Description:** Make interior and exterior updates, including but not limited to repairing and replacing ceiling tiles, lighting, painting, flooring, and courtyard and breezeway renovations.

**SBC Number:** 166/009-11-2017

**Total Project Budget:** \$1,014,000.00

<b>Source of Funding:</b>	<u>Original</u>	<u>Change</u>	<u>Revised</u>	
	\$ 800,000.00	\$214,000.00	\$1,014,000.00	Plant Funds (Non-Aux) (A)
<b>Original Project Budget:</b>	<u>\$ 800,000.00</u>			
<b>Change in Funding:</b>		\$214,000.00		
<b>Revised Project Budget:</b>			<b>\$1,014,000.00</b>	

**Comment:** Five bids were received on April 25<sup>th</sup> with Brad Slater Construction submitting the low bid. Additional funds are for base bid only. There will be no additional designer fees. This bid exceeded the designer's cost estimate due to high subcontractor costs. Several subcontractors were contacted for each trade, and a few trades were much higher than anticipated. This is due to the current bid market, with a large work load and limited staff availability.

**Previous Action:** 12/14/2017 SBC Approved project  
12/18/2017 SBC Approved designer selection (M. Shanks Architects)

**Minutes:** 05/22/2018 ESC Approved a revision in project budget and funding in order to award a contract

DEPARTMENT OF FINANCE & ADMINISTRATION

Memphis Tourism Development Zone, Memphis, Shelby County, Tennessee

**Requested Action:** Approval of a modification to Memphis Tourism Development Zone

**Comment:** This action will modify, pursuant to Chapter 816 of the Public Acts of 2018, the Memphis Tourism Development Zone ("TDZ") approved on December 18, 2000, as amended on April 19, 2010, to include the Pyramid and the Pinch District as ancillary components of the existing Qualified Public Use Facility ("QPUF"). This modification would add Mud Island River Park and the Riverfront as additional ancillary QPUF components and allow the City of Memphis (the "City") to spend its incremental tax revenue (the "Revenue") to make improvements to Mud Island River Park and the Riverfront. This modification would neither increase the size of the TDZ nor extend the thirty (30) year maximum possible term of the TDZ (during which the City can receive the Revenue). This modification is in compliance with the Convention Center and Tourist Development Act of 1998 and Chapter 816 of the Public Acts of 2018.

**Previous Action:**

12/14/2000	SBC	Referred to Executive Subcommittee with authority to act.
12/18/2000	ESC	Approved the application for Cook Convention Center as a QPUF and Memphis TDZ as specified by statute. It was agreed that all points and procedures outlined in the letter agreement dated April 14, 2000 signed by Commissioner Ferguson (F&A) and Mayor Kinsey of Chattanooga would apply to the Memphis and all subsequent applications.
04/19/2010	ESC	Treasurer Lillard stated that, assuming F&A has been able to certify the inclusion of the Pinch District and the Pyramid as Qualified Public Use Facilities in the Zone, he moved for approval of their application, subject to having a definitive agreement executed. Commissioner Goetz recommended that Real Property Administration report back to the Subcommittee relative to how these agreements exist and how to proceed going forward.
04/13/2017	SBC	Referred to Executive Subcommittee with authority to act.
04/24/2017	ESC	The Executive Subcommittee approved an agreement concerning Memphis TDZ.
12/14/2017	SBC	Referred to the January Executive Subcommittee with authority to act.
01/22/2018	ESC	The Executive Subcommittee approved the Department of Finance & Administration's request to defer this item to a future ESC meeting.

**Minutes:**

05/22/2018	ESC	Deputy Commissioner Eugene Neubert stated that this request preserves the original 30 year TDZ maturity date and that Finance & Administration is comfortable with the analysis the City of Memphis has provided. A conservative, flat line approach was used to estimate future revenues based on current revenues. Requests for additional debt or debt restructuring will come before the State Funding Board for approval should the city determine additional debt is necessary. Deputy Commissioner Neubert introduced Mayor Jim Strickland with the City of Memphis. Mayor Strickland introduced Doug McGowan, Chief Operating Officer and Paul Young, Director of Housing & Community Development with the City of Memphis and J.A. Bucy with Capitol & 5 <sup>th</sup> Public Strategies. Mayor Strickland thanked the Governor, State Legislature, Constitutional Officers and the staff for those as well. Mayor Strickland stated that their revenue only grew by 1.5% and they try to pay off more than they borrow. They want to take a good downtown and make it a great one. The City of Memphis would like to modify current TDZ,
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which is doing great, to spend money and growth on the riverfront and they would like to have an aquarium on Mud Island.

Paul Young, Director of Housing & Community Development, stated that great cities have great spaces and while the river is a great resource, they would like to enhance its appeal. The two amenities the City of Memphis would like to achieve from this modification are the rehabilitation of Mud Island and the development of an Aquarium Museum. The current TDZ has a \$5 to \$6 million annual surplus which, if continued, could create \$100 million of investment for these components. Additionally, the city estimates an additional \$25 million in growth attributable to new and ongoing projects. The ESC approval today would allow them to issue RFQs, and get letters of intent in order to make these projects a reality.

Commissioner Martin appreciated that the Mayor thanked the State and stated that there was a great bit of work both with the State and the City and the momentum is with the City of Memphis. Finance & Administration reviewed and worked through the term of the TDZ. There will also be enhanced reporting information that will be helpful long term to the State. Commissioner Martin stated that projecting numbers through the years but there has been a lot of good work and joint effort in this.

The Subcommittee approved a modification to the Memphis Tourism Development Zone.

## STATE BUILDING COMMISSION

### Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on April 23, 2018.

### Report of Items Submitted to the ESC

- 1) TWRA Crop Lease Report 2017 in accordance with SBC By-Laws, Policy & Procedures Item 7.05B.
- 2) 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 Approvals of Capital Projects

- Reported five initial approvals of 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 Institute of Agriculture  
**Location:** Knoxville, Tennessee  
**Project Title:** Morgan Hall Improvements – Suite 218  
**Project Description:** This project will renovate Suite 218 in Morgan Hall.  
**SBC Project No.** 540/001-03-2017  
**Total Project Budget:** \$220,000  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Approval:** Approval of a revision in project budget and utilizing campus resources for construction  
**Approval Date:** 04/26/2018
  - 2) **State Procurement Agency:** Austin Peay State University  
**Location:** Clarksville, Tennessee  
**Project Title:** Kimbrough Boiler Installation  
**Project Description:** Abandon existing underground steam lines, install new boilers in mechanical room and all required work.  
**SBC Project No.** 373/003-05-2018  
**Total Project Budget:** \$335,000  
**Source of Funding:** Plant Funds (Non-Aux)  
**Approval:** Approval of a project and use of previously selected consultant for design  
**Approval Date:** 05/07/2018

- 3) **State Procurement Agency:** Tennessee Board of Regents / Chattanooga State Community College  
**Location:** Chattanooga, Tennessee  
**Project Title:** CETAS Remediation & Abatement  
**Project Description:** Remediate black mold and abate asbestos discovered in an unoccupied section of the CETAS building.  
**SBC Project No.** 166/012-01-2018  
**Total Project Budget:** \$425,000  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Approval:** Approval of a project and to utilize a regional designer  
**Approval Date:** 05/07/2018
- 4) **State Procurement Agency:** Tennessee Board of Regents / Volunteer State Community College  
**Location:** Cookeville, Tennessee  
**Project Title:** Cookeville Higher Ed Campus Repairs & Replacements  
**Project Description:** Update building automation system, building security, accessibility and installation of data/communication infrastructure.  
**SBC Project No.** 166/025-01-2018  
**Total Project Budget:** \$325,000  
**Source of Funding:** 08/09 CurrFunds-CapMaint (R)  
**Approval:** Approval of a project and to utilize a regional designer for design  
**Approval Date:** 05/08/2018
- 5) **State Procurement Agency:** Tennessee Board of Regents / Pellissippi State Community College  
**Location:** Knoxville, Tennessee  
**Project Title:** Strawberry Plains Welding Lab Renovations  
**Project Description:** Renovate space at the Strawberry Plains campus for a welding lab.  
**SBC Project No.** 166/032-04-2018  
**Total Project Budget:** \$400,000  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Approval:** Approval of a project and utilizing a regional designer  
**Approval Date:** 04/26/2018

### 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.

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| <p>1) <b>University of Tennessee – Institute of Agriculture</b><br/> (Lone Oaks 4-H Center Life Safety Improvements)<br/> Total Project Budget: \$825,000<br/> SBC Project No. 540/001-01-2018<br/> Designer: <b>ALLEN &amp; HOSHALL INC</b></p> | <p>2) <b>West Tennessee State Penitentiary</b><br/> (Reroof Various Buildings, Site 3)<br/> Total Project Budget: \$6,350,000<br/> SBC Project No. 142/022-04-2012<br/> Designer: <b>EVANS TAYLOR FOSTER CHILDRESS ARCH</b></p> |
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### Other Business

There being no further business, the meeting adjourned at 11:17 a.m.

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TENNESSEE BOARD OF REGENTS  
on behalf of  
TENNESSEE STATE UNIVERSITY

**Disposal – Fee**

<b>Requested Action:</b>	<b>Approval of disposal in fee with waiver of advertisement and appraisals</b>
<b>Transaction Description:</b>	Transaction No. 18-05-003
<ul style="list-style-type: none"> <li>● <b>Location:</b></li> <li>● <b>Grantee:</b></li> <li>● <b>Estimated Sale Price:</b></li> <li>● <b>Source of Funding:</b></li> </ul>	Tennessee State University Davidson County – 0.73+/-acres – 10 <sup>th</sup> Avenue North, Nashville, TN Metropolitan Government of Nashville and Davidson County (Metro) Mutual Benefit Plant Funds (Non-Aux) (REM Fees) (A)
<b>Comment:</b>	<p>It has been discovered that the State owns the fee interest in the land under 10<sup>th</sup> Avenue North adjacent to the TSU campus. Metro currently has an easement over this land for the road and utility lines. This disposal will eliminate the State's interest in this property, allowing Metro to continue to operate 10<sup>th</sup> Avenue North without any State involvement. A quitclaim deed will retain a reservation for an aerial easement should TSU elect to construct a bridge over the road in the future.</p> <p>Date of Last Transfer: July 16, 1980 Original Cost to State: \$0.00</p>
<b>Minutes:</b>	05/22/2018 ESC Approved disposal in fee with waiver of advertisement and appraisals

TENNESSEE WILDLIFE RESOURCES AGENCY

Disposal – Fee (Land)

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

**Transaction Description:** Transaction No. 18-04-003-MB  

- **Location:** Meigs County – 20 +/- acres – Blythe Ferry Lane, Birchwood, TN
- **Estimated Sale Price:** Fair Market Value

**Comment:** This tract was purchased in 1965 in two tracts which were sold together. The first tract, 87.3 acres, merged in with the WMA and is being used as WMA land at Blythe Ferry presently. The second 20 acre tract was across the road and was never used for the WMA; and because the agency has no other plans for this landlocked property it has been deemed surplus land by the agency.

Pursuant to TCA §70-1-306 and the conditions of the deed, the proceeds of the sale of this property will be deposited in the wildlife resources fund and used for the acquisition of habitat for endangered plant or animal species in the state.

Date of Last Transfer: December 31, 1965  
Previous Owner: Joe and Cassie Clingan  
Original Cost to State: \$32,000.00  
Square Footage Improvements: None

**Minutes:** 05/22/2018 ESC Approved disposal in fee with waiver of one appraisal

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee (Purchase)

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

**Transaction Description:** Transaction No. 18-04-10-RA

- **Location:** Wolf River Wildlife Management Area  
Fayette County - 263 +/- acres (3 tracts) – Yager Drive E, Moscow, TN
- **Owner(s):** Wolf River Conservancy, Inc.
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 17/18 Wetlands Acquisition Fund (A)

**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.

TWRA is requesting to acquire three wetland tracts for recreation and to protect and preserve wetlands and other watershed functions in the Wolf River WMA ecosystem. These tracts are adjacent to the Wolf River WMA.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: February 23, 2018  
Purchase Price: \$250,000.00  
Property Assessor's Value: \$64,000.00  
Square Footage Improvements: None

Date of Last Transfer: December 14, 2017  
Purchase Price: \$241,580.00  
Property Assessor's Value: \$65,700.00  
Square Footage Improvements: None

Date of Last Transfer: February 5, 2018  
Purchase Price: \$199,500.00  
Property Assessor's Value: \$57,500.00  
Square Footage Improvements: None

**Minutes:** 05/22/2018 ESC Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Disposal – Lease (Timber)

**Requested Action:** Approval of disposal by lease with waiver of advertisement

**Transaction Description:** Transaction No. 18-03-013-DM

- **Location:** Savage Gulf State Natural Area (SGSNA)  
Grundy County – 949 +/- acres - State Route 56, Beersheba Springs, TN
- **Tenant:** Timberland Investment Resources (TIR)
- **Term:** January 1, 2019 – December 31, 2020
- **Area / Costs:** \$20.00/acre/year

**Comment:** This request only covers the 947 acres in area 1041. TIR is requesting an additional 2 years to remove pine from the property beyond the term of the current Fiber Supply Agreement. The acreage of pine plantation will be measured at the beginning of 2019 and a 50% down payment will be paid. The remaining acreage will be measured at the end of 2019 and balance will be paid. The payment for 2020 will be done in similar fashion without the 50% down payment. Revenues collected from this agreement will go to the Department of Environment and Conservation, Division of Natural Areas.

The current timber on this property is Loblolly Pine which creates a non-diverse ecosystem. Removal of this timber is beneficial to the state because it helps TDEC manage for natural succession and further regrowth of the forest.

Date of Last Transfer: June 4, 2009  
 Original Cost to State: N/A  
 Square Footage Improvements: None

**Minutes:** 05/22/2018 ESC Approved disposal by lease with waiver of advertisement

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONAcquisition – Fee (Purchase)

**Requested Action:** Approval of acquisition in fee with waiver of advertisement and one appraisal and to utilize a third party

**Transaction Description:** Transaction No. 17-04-010-DM

- **Location:** Justin P. Wilson Cumberland Trail State Park  
Rhea County – 338 +/- acres – Valley Road, Spring City, TN
- **Owner(s):** Walden Ridge, LLC (Managed by Timberland Investment Resources)
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 17/18 State Lands Acquisition Fund (A)
- **Third Party:** Conservation Fund (CF)

**Comment:** Per TCA §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.

On May 22, 2017, the ESC approved acquisition of 84 +/- acres to allow the Cumberland Trail to be re-routed, thereby eliminating the need to construct two 40' bridges on Little Soak Creek. TDEC is now requesting to acquire an additional 254 +/- acres. This additional land will give control of a road to be used for trail access, bridge construction, trail construction, and search and rescue. The area has been identified as a priority for the Justin P Wilson Cumberland Trail. CF is requested as a third party because they have developed a relationship with the sellers and may be able to negotiate a lower price.

CF has an existing relationship with landowners in the area. No additional third party costs are requested as a part of this transaction.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: June 11, 2007  
Purchase Price: \$46,876,385.00 (for 4,520.10 +/- acres)  
Property Assessor's Value: \$ 4,143,100.00 (for 4,520.10 +/- acres)  
Square Footage Improvements: None

**Previous Actions:** 05/22/2017 ESC Approval of acquisition in fee of 84 +/- acres

**Minutes:** 05/22/2018 ESC Approved acquisition in fee with waiver of advertisement and one appraisal and utilizing a third party

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

**Acquisition – Easement (Access)**

<b>Requested Action:</b>	<b>Approval to acquire a temporary easement and a permanent easement</b>
<b>Transaction Description:</b>	Transaction No. 18-03-012-DM
<ul style="list-style-type: none"> <li>● <b>Location:</b></li> </ul>	Justin P. Wilson Cumberland Trail Rhea County – TBD +/- sf temporary easement, TBD +/- sf permanent easement - Ideal Valley Road, Spring City, TN
<ul style="list-style-type: none"> <li>● <b>Owner(s):</b></li> </ul>	Timberland Investment Resources (TIR)
<ul style="list-style-type: none"> <li>● <b>Estimated Purchase Price:</b></li> </ul>	Gift
<ul style="list-style-type: none"> <li>● <b>Source of Funding:</b></li> </ul>	17/18 State Lands Acquisition Fund (REM Fees) (A)
<b>Comment:</b>	<p>Per TCA §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 request will allow for better access to the Justin P. Wilson Cumberland Trail. TIR has agreed to donate a permanent and a temporary easement from a public road on the Spring City side. The exact permanent and temporary easements' location, length, and width will be determined after a survey.</p>
<b>Minutes:</b>	05/22/2018    ESC    Approved acquiring a temporary easement and a permanent easement

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Acquisition – Fee (Purchase)

**Requested Action:** Approval of acquisition in fee with waiver of advertisement and one appraisal and to utilize a third party

**Transaction Description:** Transaction No. 18-04-018-DM

- **Location:** Fall Creek Falls State Park  
White County – 4.8 +/- acres – 6747 Lost Creek Road, Sparta, TN
- **Owner(s):** Lost Creek Farms, LLC
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 17/18 State Lands Acquisition Fund (A)
- **Third Party:** The Land Trust for Tennessee (LTT)

**Comment:** Per TCA §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 tract is adjacent to the recently acquired Dog Cove in Fall Creek Falls State Park. TDEC has verified that the current historic structures are sound and in the appropriate condition to be used as office space, storage, and as a rental lodge or special event space.

LTT has an existing relationship with the seller. No additional third party costs are requested as a part of this transaction.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	March 12, 2007
Purchase Price:	Unknown
Property Assessor's Value:	\$87,000.00
Square Footage Improvements:	1925 sf (House) 2156 sf (Loft barn)

**Minutes:** 05/22/2018 ESC Approved acquisition in fee with waiver of advertisement and one appraisal and utilizing a third party

DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT

Disposal – Fee

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

**Transaction Description:** Transaction No. 18-03-015-DM

- **Location:** Memphis Regional Megasite  
Haywood County – 3.75 +/- acres – off SR 222, Stanton, TN
- **Grantee:** Haywood County
- **Estimated Sale Price:** Mutual Benefit
- **Source of Funding:** SBC Project Number 529/000-07-2009 – CurrFunds-CapImp (REM Fees) (A)

**Comment:** Haywood County intends to construct and operate an Emergency Management Services/Fire Station. This property is being transferred at no cost with a reversion clause, restricting the use to an EMS/Fire Station. This facility will serve the Megasite and the nearby communities of Tipton and Haywood Counties.

Date of Last Transfer: October 22, 2009  
 Previous Owner: Haywood Farms, LLC  
 Original Cost to State: \$10,600.00/acre  
 Square Footage Improvements: None

Date of Last Transfer: October 21, 2009  
 Previous Owner: Burton Newman ETAL  
 Original Cost to State: \$10,600.00/acre  
 Square Footage Improvements: None

**Previous Actions:** 09/29/2009 ESC Referred to ESC with authority to act.

**Minutes:** 05/22/2018 ESC Approved disposal in fee with waiver of advertisement and appraisals



DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

**Requested Action:** Approval of a lease

**Transaction Description:** Transaction No. 18-01-901-SH

● **Proposed Lease**

- **Location:** Sevier County – 115 Allensville Road, Sevierville, TN
- **Landlord:** Sevier County Office Park Partnership
- **Term:** 5 years and 7 months with one - three year renewal option (July 1, 2018 – December 31, 2021)
- **Area / Costs:** 945 Square Feet

Annual Contract Rent	\$14,175.00	\$15.00/sf
Estimated Annual Utility Cost	1,653.75	1.75/sf
Estimated Annual Janitorial Cost	1,039.50	1.10/sf
Total Annual Effective Cost	\$16,868.25	\$17.85/sf

● **Current Lease**

- **Location:** Sevier County – 115 Allensville Road, Sevierville, TN
- **Landlord:** Sevier County Office Park Partnership
- **Term:** 4 Years and 11 months (February 1, 2013 – December 31, 2017) Holdover
- **Area / Costs:** 945 Square Feet

Annual Contract Rent	\$13,230.00	\$14.00/sf
Estimated Annual Utilities Cost	1,653.75	1.40/sf
Estimated Annual Janitorial Cost	1,039.50	1.10/sf
Total Annual Effective Cost	\$15,923.25	\$16.85/sf

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

**Comment:** This lease will provide office space for the Board of Parole Chairman and staff to align with his term. Advertisement is not required pursuant to TCA §12-2-114.

Rent increases to \$16.50/sf for renewal option.

There are limits to the State's ability to terminate for convenience.

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:** 05/22/2018 ESC Approved a lease

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease Amendment (Space)**

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

**Transaction Description:** Transaction No. 07-12-905-LB

- **Proposed Amendment**

- **Term:** 13 Years (August 1, 2008 – July 31, 2021)
- **Area / Costs:** 38,046 Square Feet  

Average Annual Contract Rent (Includes Utilities and Janitorial Cost)	\$723,888.57	\$19.03/sf
Total Annual Effective Cost	\$723,888.57	\$19.03/sf

- **Current Lease**

- **Location:** Davidson County – 404 James Robertson Parkway, Nashville, TN
- **Landlord:** PHR Parkway, LLC
- **Term:** 10 Years (August 1, 2008 – July 31, 2018)
- **Area / Costs:** 38,046 Square Feet  

Annual Contract Rent (Includes Utilities and Janitorial Cost)	\$617,578.90	\$16.23/sf
Total Annual Effective Cost	\$617,578.90	\$16.23/sf

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

- **FRF Rate:** \$20.00

**Comment:** This lease will provide office space for Department of Tennessee Higher Education Commission and Tennessee Student Assistance Corporation.

STREAM is gathering information to relocate to the appropriate space. A request to waive advertisement and amend current lease by 3 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for long-term planning to effectuate a balance of portfolio and resources.

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:** 05/27/2008 Subcommittee approved the transaction as presented.

**Minutes:** 05/22/2018 ESC Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICESAcquisition – Lease Amendment (Space)

Requested Action: Approval of a lease amendment

Transaction Description: Transaction No. 05-06-915-LB

- Proposed Amendment

- Term: 13 Years (August 1, 2008 – July 31, 2021)
- Area / Costs: 4,500 Square Feet

Annual Contract Rent	\$45,000.00	\$10.00/sf
Estimated Annual Utilities Cost	7,875.00	1.75/sf
Estimated Annual Janitorial Cost	4,950.00	1.10/sf
Total Annual Effective Cost	\$57,825.00	\$12.85/sf

- Current Lease

- Location: Greene County – 1210 Hal Henard Road, Greeneville, TN
- Landlord: Greene County
- Term: 10 Years (August 1, 2008 – July 31, 2018)
- Area / Costs: 4,500 Square Feet

Annual Contract Rent	\$45,000.00	\$10.00/sf
Estimated Annual Utilities Cost	6,300.00	1.40/sf
Estimated Annual Janitorial Cost	4,950.00	1.10/sf
Total Annual Effective Cost	\$56,250.00	\$12.50/sf

- Source of Funding: FRF Operating Funds
- Procurement Method: Negotiated
- FRF Rate: \$14.00

Comment: This lease will provide office space for Department of Safety division of Drivers' License Issuance & Tennessee Highway Patrol. Advertisement is not required pursuant to TCA §12-2-114.

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

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: 05/22/2006 Subcommittee approved the transaction as presented.

Minutes: 05/22/2018 ESC Approved a lease amendment

DEPARTMENT OF GENERAL SERVICESAcquisition – Lease Amendment (Space)

**Requested Action:** Approval of a lease amendment

**Transaction Description:** Transaction No. 04-08-911-LB

- **Proposed Amendment**

- **Term:** 12 Years (July 1, 2008 – June 30, 2020)
- **Area / Costs:** 19,247 Square Feet

Annual Contract Rent	\$269,458.00	\$14.00/sf
Estimated Annual Utilities Cost	33,682.25	1.75/sf
Estimated Annual Janitorial Cost	21,171.70	1.10/sf
Total Annual Effective Cost	\$324,311.95	\$16.85/sf

- **Current Lease**

- **Location:** Montgomery County – 350 Pageant Lane, Clarksville, TN
- **Landlord:** Montgomery County
- **Term:** 10 Years (July 1, 2008 – June 30, 2018)
- **Area / Costs:** 19,247 Square Feet

Average Annual Contract Rent	\$240,632.50	\$12.50/sf
Estimated Annual Utilities Cost	26,945.80	1.40/sf
Estimated Annual Janitorial Cost	21,171.70	1.10/sf
Total Annual Effective Cost	\$288,750.00	\$15.00/sf

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

**Comment:** This lease will provide office space for Department of Human Services. Advertisement is not required pursuant to TCA §12-2-114.

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

Current lease was \$240,632.50 annually for years 1-5 and \$269,458.00 annually for years 6-10. The rate will remain the same as years 6-10 for the term of the amendment.

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:** 11/20/2006 Subcommittee approved the transaction as presented.

**Minutes:** 05/22/2018 ESC Approved a lease amendment

DEPARTMENT OF GENERAL SERVICES

**Acquisition - Lease Amendment (Space)**

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

**Transaction Description:** Transaction No. 11-03-909-LB

- **Proposed Amendment**

- **Term:** 8 Years (August 1, 2013 – July 31, 2021)

- **Area / Costs:** 5,666 Square Feet

Average Annual Contract Rent (years 6-8)	\$82,157.00	\$14.50/sf
Estimated Annual Utilities Cost	9,915.50	1.75/sf
Estimated Annual Janitorial Cost	6,232.60	1.10/sf
<b>Total Annual Effective Cost</b>	<b>\$98,305.10</b>	<b>\$17.35/sf</b>

- **Current Lease**

- **Location:** Shelby County – 6174 Macon Road, Memphis, TN

- **Landlord:** Goldenrod I & II, LLC

- **Term:** 5 Years (August 1, 2013 – July 31, 2018)

- **Area / Costs:** 5,666 Square Feet

Annual Contract Rent	\$75,168.95	\$13.27/sf
Estimated Annual Utilities Cost	7,932.40	1.40/sf
Estimated Annual Janitorial Cost	6,232.60	1.10/sf
<b>Total Annual Effective Cost</b>	<b>\$89,333.95</b>	<b>\$15.77/sf</b>

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

- **FRF Rate:** \$18.00

**Comment:** This lease will provide office space for Department of Safety. Rent increases \$0.25/sf annually during the course of the amendment.

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

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:** 05/22/2018 ESC Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease Amendment (Space)**

**Requested Action:** Approval of a lease amendment

**Transaction Description:** Transaction No. 13-01-958-LB

- **Proposed Amendment**

- **Term:** 8 Years (July 1, 2013 – June 30, 2021)

- **Current Lease**

- **Location:** Smith County – 106 South Main Street, South Carthage, TN

- **Landlord:** Smith County

- **Term:** 5 Years (July 1, 2013 – June 30, 2018)

- **Area / Costs:** 980 Square Feet

Annual Contract Rent (Includes Utilities)	\$6,497.40	\$6.63/sf
Estimated Annual Janitorial Cost	\$1,078.00	\$1.10/sf
<b>Total Annual Effective Cost</b>	<b>\$7,545.40</b>	<b>\$7.73/sf</b>

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

- **FRF Rate:** \$14.00

**Comment:** This lease will provide office space for Department of Safety Tennessee Highway Patrol. Advertisement is not required pursuant to TCA §12-2-114.

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

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:** 05/22/2018 ESC Approved a lease amendment

Approved:



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