

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
September 28, 2017

The State Building Commission Executive Subcommittee met this day at 10:00 a.m. in the Nashville Room of the Tennessee Tower, Nashville, Tennessee, with the following members and Departments present. Commissioner Martin called the meeting to order at 10:00 a.m. and requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

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

MEMBERS ABSENT

Justin Wilson, Comptroller of the Treasury

ORGANIZATION

- University of Tennessee
- Tennessee Board of Regents
- Department of General Services
- State Building Commission

PRESENTER

Michelle Crowder
Dick Tracy
John Hull
Ann McGauran

CONSENT AGENDA

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

- A. Agency: University of Tennessee – Hamilton County
Transaction: Acquisition – Easement Amendment
Provision(s): n/a

- B. Agency: Tennessee Board of Regents – Shelby County
Transaction: Disposal – Easement (Utility)
Provision(s): Waiver of advertisement and appraisals

- C. Agency: Department of General Services – Shelby County
Transaction: Acquisition – Lease (Space)
Provision(s): n/a

- D. Agency: Department of General Services – Davidson County
Transaction: Acquisition – Lease (Space)
Provision(s): Waiver of advertisement

- E. Agency: Department of Agriculture – Davidson County
Transaction: Disposal – Fee (With Right to Hire Realtor)
Provision(s): n/a

- F. Agency: Department of Environment & Conservation – Hamilton County
Transaction: Disposal – Lease Amendment
Provision(s): Waiver of advertisement and appraisals

UNIVERSITY OF TENNESSEE

Disposal – Lease (Land)

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

Transaction Description: Transaction No. 16-10-017

- **Location:** University of Tennessee on behalf of its' Health Science Center
Shelby County – 9.7 +/- acres - 22 parcels on 0 Jefferson Avenue, 0 N Orleans Avenue, 0 Orleans Avenue, 0 Court Avenue, 951 Court Avenue, 740 Court Avenue, 22 N Orleans, 706 Madison Avenue, 710 Madison Avenue, 714 Madison Avenue and 0 Madison Avenue, Memphis, TN
- **Term:** Thirty (30) years with two (2) 15-year extension options
- **Area:** NA

Comment: On December 19, 2016, the SBC ESC approved issuing an RFP for leasing up to 6.7 +/- for the development of multi-family residential housing. The housing will serve students, faculty, and staff who desire to live near the campus. The housing will be open to the general public also. The successful proposer will be responsible for the design, financing, construction, and operation of the housing units. The University has the right to approve the design.

The University proposes to increase the acreage for lease by 3.0 +/- acres. Using the additional acreage for the development will avoid fragmenting these parcels and connect the housing development to existing private housing. The University also proposes to allow a limited amount of development (not to exceed 5% of the total square footage constructed excluding garages) for uses that may be related or incidental to the housing development such as cafes or coffee shops.

Previous Action: 12/19/2016 Subcommittee approved issuing a Request for Proposal for disposal by lease.

Minutes: 09/28/2017 Approved issuing a Request For Proposal for disposal by lease.

TENNESSEE BOARD OF REGENTS

Tennessee State University, Nashville, Davidson County, Tennessee

Requested Action: Approval of a project, budget, scope, funding, and source(s) of funding, and proceeding with the process to select a designer

Project Title: Agriculture Facilities Improvements

Project Description: Project will renovate an existing laboratory for Biotechnology, and demolition and replacement of the Walking Horse Barn with a pre-fabricated metal barn for use as a research laboratory.

SBC Number: 166/001-04-2017

Total Project Budget: \$780,000.00

Source of Funding: \$440,000.00 Federal grant (USDA) (F)
340,000.00 Plant Funds (Non-Aux) (A)

Comment: This funding is a portion of a FY 2017/2018 disclosed project, disclosed for \$3,500,000.

The Tennessee Historical Commission has determined that the demolition or disposal of the 50+ year old property does adversely affect the State-owned resource and the THC encourages consultation with their office to explore alternatives that would avoid, minimize, or mitigate the adverse effect. Mitigating activities to adequately document the facility and identify any historical features to be preserved prior to demolition are being conducted.

Previous Action: 09/14/2017 SBC Referred to Executive Subcommittee with authority to act

Minutes: 09/28/2017 ESC Approved project, budget, scope, funding, and sources of funding, and proceeding with the process to select a designer.

TENNESSEE BOARD OF REGENTS

East Tennessee State University, Johnson City, Washington County, Tennessee

Requested Action: Approval of a revision in project budget, funding, and source(s) of funding in order to award a contract

Project Title: CoM Building #2 Physical Therapy Renovation

Project Description: Renovate the second floor of Building #2 for Physical Therapy. Redesign the classrooms, offices and labs to provide space for larger class sizes and changing educational delivery systems. The work will require modifications to the walls, HVAC, and electrical systems on the second floor.

SBC Number: 166/005-02-2016

Total Project Budget: \$1,400,000.00

Source of Funding:	<u>Original</u>	<u>Change</u>	<u>Revised</u>	
	\$1,000,000.00	\$400,000.00	\$1,400,000.00	Plant Funds (Non-Auxiliary) (A)
Original Project Funding:	\$1,000,000.00			
Change in Funding:		\$400,000.00		
Revised Project Funding:			\$1,400,000.00	

Comment: Six bids were received on August 30th with J. A. Street & Associates, Inc. submitting the low bid. Additional funds are for base bid plus Alternate 1. There will be no additional designer fees.

Previous Action: 06/09/2016 SBC Approved project
08/22/2016 ESC Selected designer (Barber McMurry Architects, Inc.)

Minutes: 09/28/2017 ESC Approved revision in project budget, funding, and source of funding in order to award a contract.

TENNESSEE BOARD OF REGENTS

University of Memphis, Memphis, Shelby County, Tennessee

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

Project Title: Demolition – Parking Security Booth

Project Description: This project provides for the demolition of a Parking Security Booth located at 3763 Southern Avenue, Memphis, Tennessee in accordance with the UoM's 2016 Master Plan.

SBC Number: **166/007-09-2017**

Total Project Budget: \$25,000

Source of Funding: \$25,000 Campus Plant Funds (Non-Auxiliary)

Comment: This building is less than 50 years old and does not require THC review.

Minutes: 09/28/2017 ESC Approved project, budget, scope, funding and source of funding.

TENNESSEE BOARD OF REGENTS

Acquisition – Fee (Gift)

Requested Action: Approval to obtain title work, survey, and environmental assessment, and to accept as gift the required interest with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-04-006

- **Location:** Tennessee State University
Gibson County – 9.7+/-acres – 419-435 E. 2nd Street – Trenton, TN
- **Owner(s):** Tennessee State University Foundation
- **Estimated Purchase Price:** Gift
- **Source of Funding:** Plant Funds (Non-Auxiliary) (REM Fees) (A)

Comment: The Tennessee State University Foundation purchased this building for the sole benefit of TSU, who currently operates one of its six Tennessee CAREs Early Head Start Program child care centers under a research grant in the building. The Foundation's purchase of this building has allowed TSU to continue research in connection with the program in the Trenton area. This location was NOT recognized in the 2016 Master Plan because TSU has been leasing the space for over twenty years.

Date of Last Transfer: April 10, 2015
Purchase Price: \$0.00
Property Assessor's Value: \$209,920
Square Footage Improvements: 45,834

Previous Action: 5/26/2015 ESC Acknowledged gift of property to the Tennessee State University Foundation

Minutes: 09/28/2017 ESC Approved obtaining title work, survey, and environmental assessment, and accepting as gift the required interest with waiver of advertisement and one appraisal.

DEPARTMENT OF GENERAL SERVICES

Regional Consolidated Facility, Jackson, Madison County, Tennessee

Requested Action: Approval to award a contract to the best evaluated proposer for a Construction Manager/General Contractor

Project Title: New Jackson Crime Lab Consolidated Facility

Project Description: This project will design and construct a Consolidated Regional TBI Headquarters.

SBC Number: 500/004-01-2016

Total Project Budget: \$ 24,505,400.00

Source of Funding: \$ 24,505,400.00 16/17 FRF CurrFunds-CapImp (A)

Comment: Two (2) proposals were received on September 6th. The Notice of Intent to award was issued on September 14th naming Turner Construction as the best evaluated proposer. No protests were received in the protest period.

Previous Action: 08/11/2016 SBC Approved project and to select designer utilizing CM/GC
04/24/2017 ESC Approved designer selection (The Lewis Group Architects, Inc.)
09/15/2017 SBC Referred to ESC with Authority

Minutes: 09/28/2017 ESC Approved awarding a contract to Turner Construction as the best evaluated proposer for a Construction Manager/General Contractor.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on August 21, 2017.

Designer Selections

- 1) REPORT of the following designer selection(s) as delegated to the State Architect for projects below the major maintenance threshold:

- 1) State Procurement Agency: Tennessee Board of Regents
User Agency: Southwest Tennessee Community College
Location: Memphis, Tennessee
Project Title: Macon Cove Campus Generator Replacement
SBC Project No. 166/033-02-2017
Total Project Budget: \$300,000
Designer: Allen & Hoshall, Inc.
- 2) State Procurement Agency: STREAM
User Agency: Tennessee Historical Commission
Location: Hotel Halbrook State Historic Site
Project Title: Hotel Halbrook Window Restoration
SBC Project No. 160/023-01-2017
Total Project Budget: \$330,000
Designer: HFR Design, Inc.
- 3) State Procurement Agency: STREAM
User Agency: Department of Health
Location: East Tennessee Regional Health Office
Project Title: ETRHO Exterior Envelope Repair
SBC Project No. 408/001-01-2017
Total Project Budget: \$300,000
Designer: Elizabeth Eason Architecture, LLC
- 4) State Procurement Agency: STREAM
User Agency: Department of General Services
Location: Statewide
Project Title: 1481 Mullins Roof Replacement
SBC Project No. 529/000-02-2017
Total Project Budget: \$300,000
Designer: Evans Taylor Foster Childress Architects, PC

5) **State Procurement Agency:** STREAM
User Agency: Department of General Services
Location: Statewide
Project Title: 111 E. Lincoln Roof Replacement
SBC Project No. 529/000-03-2017
Total Project Budget: \$180,000
Designer: M. Shanks Architects

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.

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| <p>1) University of Tennessee – Knoxville
 (Campus Beautification (JW Mall Extension))
 Total Project Budget: \$9,000,000
 SBC Project No. 540/009-08-2017
 Designer: CAROL R JOHNSON ASSOCIATES INC</p> | <p>7) TCAT – Statewide (Middle)
 (Roof Replacements)
 Total Project Budget: \$2,200,000
 SBC Project No. 166/000-02-2017
 Designer: ADKISSON & ASSOCIATES ARCH</p> |
| <p>2) University of Tennessee – Health Science Center
 (GEB Improvements)
 Total Project Budget: \$8,300,000
 SBC Project No. 540/013-03-2017
 Designer: ALLEN & HOSHALL</p> | <p>8) TCAT – Statewide (West)
 (Roof Replacements)
 Total Project Budget: \$2,200,000
 SBC Project No. 166/000-02-2017
 Designer: THE HORRELL GROUP ARCHITECTS</p> |
| <p>3) University of Tennessee – Health Science Center
 (Campus Police Building Renovation)
 Total Project Budget: \$2,000,000
 SBC Project No. 540/013-04-2017
 Designer: ROSS WITT PLLC</p> | <p>9) University of Memphis
 (Music Center)
 Total Project Budget: \$40,000,000
 SBC Project No. 166/007-06-2017
 Designer: ARCHIMANIA PC</p> |
| <p>4) Statewide
 (Geotechnical Consultant)
 Total Project Budget: Not Applicable
 SBC Project No. 166/000-03-2017
 Designer: STANTEC CONSULTANT SERVICES INC</p> | <p>10) Columbia State Community College
 (Finney Library Renovations)
 Total Project Budget: \$6,100,000
 SBC Project No. 166/015-01-2017
 Designer: STREET DIXON RICK ORCUTT WINSLOW</p> |
| <p>5) TCAT – Statewide (East)
 (Parking & Paving Repairs, Phase II)
 Total Project Budget: \$2,790,000
 SBC Project No. 166/000-02-2015
 Designer: S&ME INC</p> | <p>11) Dyersburg State Community College
 (Doors & Hardware Updates)
 Total Project Budget: \$320,000
 SBC Project No. 166/017-02-2017
 Designer: MCGEHEE NICHOLSON BURKE ARCH</p> |
| <p>6) TCAT – Statewide (West)
 (Parking & Paving Repairs, Phase II)
 Total Project Budget: \$2,790,000
 SBC Project No. 166/000-02-2015
 Designer: BURR & COLE CONSULTING ENG</p> | <p>12) Pellissippi State Community College
 (Multi-Purpose Building & Renovations)
 Total Project Budget: \$27,000,000
 SBC Project No. 166/032-01-2017
 Designer: BARBER MCMURRAY ARCHITECTS</p> |

13) **Northeast State Community College**
(Library & General Studies Roof Replacement)
Total Project Budget: \$990,000
SBC Project No. 166/038-01-2017
Designer: MCGAHEY ASSOCIATES ARCHITECTS

16) **Volunteer Training Site – Smyrna**
(Building 638 Classroom Conversion)
Total Project Budget: \$806,000
SBC Project No. 361/079-03-2017
Designer: HFR DESIGN INC

14) **Tennessee School for the Deaf**
(Swimming Pool Upgrades)
Total Project Budget: \$1,360,000
SBC Project No. 168/007-02-2017
Designer: RED CHAIR ARCHITECTS

17) **Statewide**
(Interior Renovation Upgrades Phase II)
Total Project Budget: \$15,830,000
SBC Project No. 529/000-09-2017
Designer: JOHNSON & ASSOCIATES ARCH

15) **Tennessee School for the Deaf**
(Interior Doors, Elementary & Middle Schools)
Total Project Budget: \$240,000
SBC Project No. 168/007-03-2017
Designer: RED CHAIR ARCHITECTS

Other Business

There being no further business, the meeting adjourned at 10:10 a.m.

UNIVERSITY OF TENNESSEEAcquisition - Easement Amendment

Requested Action:	Approval of an amendment to a term easement		
Transaction Description:	06-06-009		
<ul style="list-style-type: none"> ● Proposed Amendment <ul style="list-style-type: none"> ○ Term: September 20, 2007 – September 19, 2027 (exercise first option to extend for ten (10) years) ● Current Lease <ul style="list-style-type: none"> ○ Location: UT Chattanooga Hamilton County – 50+/- acres – Amnicola Highway, Chattanooga, TN ○ Landlord: Tennessee Valley Authority ○ Term: September 20, 2007 – September 19, 2017 with four (4) ten (10) year renewal options ○ Area / Costs: \$139,000 initial non-recurring fee Future improvements: \$330,000 ● Source of Funding: Externally funded research projects 			
Comment:	<p>On July 24, 2006, the State Building Commission Executive Subcommittee approved an acquisition by easement for UT Chattanooga of approximately 50 acres in Chattanooga, Hamilton County, Tennessee. The property is owned by the Tennessee Valley Authority (TVA) and includes a one mile oval test track and a 9,293 square foot Electric Vehicle Test building. The term easement was approved for a term of ten (10) years with four (4) additional ten (10) year options to renew. The property is used to conduct research and student projects.</p> <p>The easement requires TVA to agree to allow the State to extend the easement and TVA has just recently communicated their agreement to allow the extension. The cost of the easement was prepaid in the initial term.</p>		
Previous Action:	07/24/2006	ESC	Approved acquisition by easement.
Minutes:	09/28/2017	ESC	Approved an amendment to a term easement.

TENNESSEE BOARD OF REGENTS

Disposal – Easement (Utility)

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

Transaction Description: Transaction No. 07-08-005

- **Location:** University of Memphis
Shelby County 1.7+/-acres – Southwest Corner of Normal & Southern, Memphis, TN
- **Grantee:** City of Memphis acting through its Memphis Light, Gas, and Water Division
- **Estimated Sale Price:** Mutual Benefit
- **Source of Funding:** Plant Funds (Non-Auxiliary) (REM Fees)

Comment: This easement will provide underground electrical service to six buildings on campus and will eliminate the need for old, problematic overhead powerlines.

Date of Last Transfer: Various
 Original Cost to State: \$23,500

Minutes: 09/28/2017 ESC Approved disposal by easement with waiver of advertisement and appraisals.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 17-04-903-KC

● **Proposed Lease**

- **Location:** Shelby County – Stage Road (Street# TBD after permit), Memphis, TN
- **Landlord:** The 2011-B Pedigo Trust
- **Term:** 10 Years
- **Area / Costs:** 18,600 Square Feet

First Year Contract Rent:	\$300,948.00	\$16.18/sf
Average Annual Contract Rent	314,340.00	16.90/sf
Estimated Annual Utility Cost	32,550.00	1.75/sf
Estimated Annual Janitorial Cost	20,460.00	1.10/sf
Total Average Annual Effective Cost	\$367,350.00	\$19.75/sf

● **Current Lease**

- **Location:** Shelby County – 3360 S. Third, Memphis, TN
- **Landlord:** Belz Investco, LP
- **Term:** January 1, 2002 to December 31, 2012 – Holdover
- **Area / Costs:** 35,587 Square Feet

Annual Contract Rent	\$222,063.00	\$6.24/sf
Estimated Utilities Cost	49,821.80	1.40/sf
Estimated Janitorial Cost	39,145.70	1.10/sf
Total Annual Effective Cost	\$311,030.50	\$8.74/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** LPR on Template
- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Human Services – Shelby County northern boundary. There were three proposals from two proposers. One of the proposers withdrew due to zoning issues.

DHS currently has two larger field offices providing customer-facing services. The AWS based strategy converts these two larger offices to three smaller locations resulting in a net reduction in total square footage of over 50%. The proposed location is to be constructed for the State.

The tenant may terminate this lease at any time by giving 120 days written notice to the landlord after the 36th month, with payment of a termination fee.

Minutes: 09/28/2017 ESC Approved lease.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval to negotiate a lease with waiver of advertisement

Transaction Description: Transaction No. 16-07-912-TK

- **Proposed Lease**

- **Location:** Davidson County – 404 James Robertson Parkway, Suite 104, Nashville, TN
- **Landlord:** PHR Parkway, LLC
- **Area / Costs:** 3,990 Square Feet

- **Current Lease**

- **Location:** Davidson County – 404 James Robertson Parkway, Suite 104, Nashville, TN
- **Landlord:** PHR Parkway, LLC
- **Term:** (10 Years) July 1, 2008 to June 30, 2013 - Holdover
- **Area / Costs:** 3,990 Square Feet

Annual Contract Rent	\$70,734.00	\$17.73/sf
Total Annual Effective Cost	\$70,734.00	\$17.73/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:**
- **FRF Rate:** \$19.00

Comment: This lease procurement will provide office space for Bureau of Ethics and Campaign Finance. A waiver of advertisement is being requested because no other third party location within the needed proximity to the State Capitol appears to be available to meet the State's needs. The office space cannot be in State-owned space due to business operation of enforcing State campaign finance, lobbying, and statement of interest and ethics statutes.

Minutes: 09/28/2017 ESC Approved to negotiate a lease with waiver of advertisement.

DEPARTMENT OF AGRICULTUREDisposal – Fee (With Right to Hire Realtor)

Requested Action: Approval to utilize the Central Procurement office procedures to contract with a realty firm to assist with the disposal

Transaction Description: Transaction No. 16-03-019-BN
 • **Location:** Davidson County – 2.9 +/- acres – 6077 Fire Tower Road, Nashville, TN
 • **Estimated Sale Price:** Fair Market Value
 • **Estimated Realtor Cost:** Not to exceed 10% of Sales Price

Comment: The State previously attempted to sell this property by the sealed bid method but did not receive any acceptable offers.

This request is to hire a realtor, experienced in the disposal of residential land, to assist the State.

Date of Last Transfer: December 2, 1965
 Previous Owner: Aaron Furlough
 Original Cost to State: \$1,500 (2.9 +/- acres)
 Square Footage Improvements: N/A

Previous Action: 04/25/2016 ESC Approved disposal in fee with waiver of one appraisal.

Minutes: 09/28/2017 ESC Approved utilizing the Central Procurement office procedures to contract with a realty firm to assist with the disposal.

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONDisposal - Lease Amendment

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

Transaction Description: Transaction No. 16-08-017-DM

- **Proposed Amendment**

- **Term:** July 1, 2008 – June 30, 2043

- **Current Lease**

- **Location:** Williams Island, Hamilton County – 453.16 +/- acres – Chattanooga, TN

- **Tenant:** Tennessee River Gorge Trust (TRGT)

- **Term:** 10 years (July 1, 2008 – June 30, 2018)

- **Area / Costs:** 453.16 +/- acres / No Cost

Comment: This is a request to amend the lease with TRGT to extend the term for an additional 25 years and to permit the tenant to perform bird monitoring and research.

Waiver of advertisement and appraisals is appropriate because the lessee is using the space for a public purpose which includes recreational, educational, and historical activities on the land and waterway. These activities include hiking, camping, bird watching, and swimming.

Date of Last Transfer: May 12, 1989

Original Cost to State: \$0 - Gift

Square Footage Improvements: N/A

Previous Action: 01/22/2008 ESC Subcommittee approved the request as presented.

Minutes: 09/28/2017 ESC Approved lease amendment with waiver of advertisement and appraisals.

Approved:



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