

Meeting Copy

AGENDA

STATE BUILDING COMMISSION
Executive Subcommittee
Hearing Room 30 - Legislative Plaza
August 22, 2011
10:30 A.M.

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CONSENT AGENDA

Review of a request for APPROVAL of the following REAL PROPERTY TRANSACTIONS, which have been reviewed and recommended for approval by Sub-Committee staff:

- A. Agency: **University of Tennessee – Knox County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & appraisals
- B. Agency: **University of Tennessee – Knox County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & appraisals
- C. Agency: **Tennessee Board of Regents – Rutherford County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & one (1) appraisal
- D. Agency: **Tennessee Board of Regents – Tipton County**
Transaction: Disposal by permanent easement
Provision: Waiver of advertisement & appraisals
- E. Agency: **Department of Transportation – Shelby County**
Transaction: Approval to redraft original quit claim deed
Provision: Waiver of advertisement & appraisals
- F. Agency: **Tennessee Wildlife Resources Agency – Campbell County**
Transaction: Disposal by electrical power line easement
Provision: Waiver of advertisement & one (1) appraisal
- G. Agency: **Department of Environment & Conservation – White County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & appraisals
- H. Agency: **Department of Military – Hardeman County**
Transaction: Disposal in fee
Provision: Waiver of advertisement & one (1) appraisal
- I. Agency: **Department of Intellectual & Developmental Disabilities – Davidson County**
Transaction: Acquisition in fee
Provision: Waiver of REE Fees & one (1) appraisals
- J. Agency: **Department of Intellectual & Developmental Disabilities – Knox County**
Transaction: Disposal in fee
Provision: Waiver of REE Fees & one (1) appraisals
- K. Agency: **Department of Finance & Administration – Shelby County**
Transaction: Disposal by permanent easement

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Knox County, Tennessee

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

Project Title: Demolition of Structures

Project Description: Demolish residential structures at 905 Montcastle and 2000 Lake Avenue and development of surface parking lot

SBC Number: 540/009-20-2011

Total Project Budget: \$50,000.00

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

Comment: These structures were built in the 1940's, were damaged by a recent storm and no longer have any institutional use. The sites will be converted to surface parking. The Tennessee Historical Commission has formally responded to the request.

SSC Report: 08/15/2011. Robbi Stivers summarized the transaction. Staff referred to Subcommittee with recommendation.

TENNESSEE BOARD OF REGENTS

Land Transaction

- Requested Action:** Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value, with waiver of advertisement and one (1) appraisal
- Description:** Montgomery County – 17.708 +/- acres – 1760 Wilma Rudolph Blvd., Clarksville, TN – Trans. No. 10-07-025 (Maholland)
- Purpose:** Acquisition in fee to purchase the former Saturn dealership in Clarksville for the satellite campus site for Nashville State Community College. (7.708 +/- acres with dealership/improvements & additional 10 +/- acres adjacent to the rear/westerly line of the property.)
- Estimated Sale Price:** Fair Market Value
- Source of Funding:** Unexpended Plant Funds
- Owner(s):** C. M. Gatton Trust
- Comment:** The location of the Saturn dealership will provide a location very accessible to student and within close proximity to area high schools, Austin Peay State University and area services.
- The property and land appraised separately with the State appraisal coming in at: \$550,000 land & \$1,900,000 dealership building for a total of \$2,450,000. The appraisal the seller had completed came in at: \$870,000 land & \$2,700,000 for the dealership building for a total of \$3,570,000 which is a difference of \$1,120,000. The seller has offered the property to the State for \$3,000,000 which is \$550,000 more than the States appraisal and \$570,000 less than the seller's appraisal.
- SSC Report:** 08/15/2011. Jurgen Bailey summarized the transaction. Dick Tracy stated that BOR will complete an Environmental Phase One on the property. The campus has set aside \$5M in funds to purchase this property and complete renovations. Cost to purchase the property is \$3M and renovation cost is approx. \$1.5M. Staff referred to Subcommittee with recommendation.

TENNESSEE BOARD OF REGENTS

Land Transaction

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

Description: Rutherford County – 0.064 +/- acres – Middle Tennessee State University, Murfreesboro, TN – Trans. No. 11-07-008 (Maholland)

Purpose: Disposal by permanent easement to the City of Murfreesboro along Greenland Drive and Blue Rader Drive for a turn lane for the benefit for MTSU. In MTSU's Master Plan.

Estimated Sale Price: Grant for Public Purpose

Source of Funding: MTSU

Grantee: City of Murfreesboro

Comment: The Right of Way for a turn lane will improve accessibility along Greenland Drive and the new entrance will traffic flow on the north side of the campus.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

TENNESSEE BOARD OF REGENTS

Land Transaction

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

Description: Rutherford County – 0.026 +/- acres – Middle Tennessee State University, Murfreesboro, TN – Trans. No. 11-07-009 (Maholland)

Purpose: Disposal by permanent easement to the City of Murfreesboro along Greenland Drive for a turn lane for the benefit for MTSU. In MTSU's Master Plan.

Estimated Sale Price: Grant for Public Purpose

Source of Funding: MTSU

Grantee: City of Murfreesboro

Comment: The Right of Way for a turn lane will improve accessibility along Greenland Drive and the new entrance will traffic flow on the north side of the campus.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

TENNESSEE BOARD OF REGENTS

Land Transaction

Requested Action: Approval to obtain title work, appraisals, survey and exercise option to accept as gift required interest and waiver of advertisement & appraisals

Description: Rutherford County – 0.15 +/- acres – Blue Rader Drive (former known as Wiles Court), Murfreesboro, TN – Trans. No. 11-07-010 (Maholland)

Purpose: Acquisition by permanent easement for construction of Blue Rader Drive for a north entrance. The City of Murfreesboro will give MTSU the property for the street extension. In MTSU's Master Plan.

Estimated Sale Price: Gift

Grantee: City of Murfreesboro

Comment: The new entrance and road extension will improve traffic flow on the north side of campus. Construction of the road should be completed in the fall of 2011.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

TENNESSEE BOARD OF REGENTS

Land Transaction

Requested Action: Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value, with waiver of advertisement and one (1) appraisal, and approval for Environmental Phase One

Description: Knox County – 0.40 +/- acres – 1715 Linden Avenue, Knoxville, TN – Trans. No. 11-07-021 (Maholland)

Purpose: Acquisition in fee to acquire property for the benefit of Pellissippi State Community College. The property is adjacent to Pellissippi State's Magnolia Avenue campus and is designated for acquisition for future student parking. In the Master Plan.

Estimated Sale Price: Fair Market Value

Source of Funding: Plant Funds

Owner(s): Bob Baxter & Joseph Levitt

Comment: The future proposed demolition of both structures on the site by Pellissippi State will cost approximately \$61,000.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff recommended approval of acquisition only at this time with the proposed demolition of the improvement requiring future approval. Staff referred to Subcommittee with recommendation

TENNESSEE BOARD OF REGENTS

Land Transaction

Requested Action: Approval of disposal in fee

Description: Washington County – 1.74 +/- acres – East Tennessee State University, Johnson City, TN – Trans. No. 02-08-017 (McLeod)

Purpose: Disposal in fee to sell the ETSU's coal yard property to Horizon Development Services, LLC.

Original Cost to State: Unknown

Date of Original Conveyance: 1971 & 1972

Grantor Unto State: Clinchfield Railroad Company & Harris Corporation

Estimated Sale Price: Fair Market Value

Grantee: Highest bidder

Comment: Appraised for \$285,000 & \$380,000
Advertised in 2002 and no response came back for this property.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff requested that we do not waive advertisement on this transaction. Staff referred to Subcommittee with recommendation

TENNESSEE BOARD OF REGENTS

Lease Agreement

Requested Action: Approval of lease agreement

Location: McMinn County – 2580 Ingleside Avenue, Athens, TN – Trans. No. 11-08-903 (Baltz)

Purpose: To provide office and classroom space for Cleveland State Community College.

Term: September 1, 2011 thru August 31, 2016 (5 yrs.) option with an additional five (5) year term.

Proposed Amount:

15,045 Square Feet		
Annual Contract Rent:	\$124,536.00	@\$ 8.28 / sf
Est. Annual Utility Cost:	\$ 26,328.75	@\$ 1.75 / sf
Est. Annual Janitorial Cost:	<u>\$ 16,549.50</u>	<u>@\$ 1.10 / sf</u>
Total Annual Effective Cost:	\$167,414.25	@\$11.13 / sf

Current Amount:

15, 045 Square Feet		
Annual Contract Rent:	\$124,536.00	@\$ 8.28 / sf
Est. Annual Utility Cost:	\$ 21,063.00	@\$ 1.40 / sf
Est. Annual Janitorial Cost:	<u>\$ 16,549.50</u>	<u>@\$ 1.10 / sf</u>
Total Annual Effective Cost:	\$162,148.50	@\$10.78 / sf

Type: New lease – advertised twice (May & June 2011) – received only one proposal both time for the current lessor.

Advertising Range: Within the western area of Athens, no further than one (1) mile outside area bounded on the north by Ingleside Avenue, on the east by Congress Parkway on the south by State Highway 30 and I-75 on the west, including contiguous lots with easy access to the boundary areas.

FRF Rate: \$14.00 (reference only)

Source of Funding: Agency Operating Funds, 100% Tuition (A/O)

Lessor: WSP Property Group

Comment: The proposed lease will have a four (4) year non cancellation term (for convenience only) with a 120 day termination clause thereafter.

SSC Report: 08/15/2011. Melanie Buchanan summarized the transaction. Staff referred to Subcommittee with recommendation

DEPARTMENT OF FINANCE AND ADMINISTRATION

State Capitol, Legislative Plaza & War Memorial Building, Nashville, Davidson County, Tennessee

Requested Action: Approval of a revision in scope, with work to be accomplished within existing project funding.

Project Title: Mechanical and Electrical Upgrade

Project Description: Replacement and upgrade of mechanical and electrical systems at the State Capitol, Legislative Plaza and War Memorial Building

SBC Number: 529/005-01-2005

Total Project Budget: \$29,000,000.00

Current Project Funding: \$14,200,000.00
(if not fully funded)

Source of Funding: \$ 2,700,000.00 FRF Current Funds (501.04) (A)
\$11,500,000.00 2010 FRF G.O. Bonds (A)

Comment: Additional scope for the Designer of Record will be to assist RPA in providing temporary office space design at remote location to the Capitol for the purpose of temporarily accommodating Capitol occupants during construction of the project. Temporary housing space will be implemented utilizing existing contracts for construction, moves, furnishings and communications.

Previous SBC Action:

06/09/2005	SBC	Approved preplanning
07/14/2005	SBC	Selected designer (Smith Seckman Reid)
07/12/2007	SBC	Revised scope & planning funds
12/17/2007	ESC	Discussed implementation of plan
05/08/2008	SBC	Revised planning funds; proceed with Phase 1
06/12/2008	SBC	Revised scope to include Senate Chambers
06/26/2008	ESC	Approved proceeding with Senate
12/22/2008	ESC	Revised planning/Phase 1 cost
07/09/2009	SBC	Revised funding; fully plan Phase 2; Commissioning
10/19/2009	ESC	Approved issuing RFP for CMGC
12/10/2009	SBC	Discussion
12/21/2009	ESC	Status report and presentation
02/11/2010	SBC	Discussion; referred to ESC
02/22/2010	ESC	Discussion; suspended certain actions
05/24/2010	ESC	Status report discussion
06/10/2010	SBC	Approved CMGC
10/14/2010	SBC	Referred to ESC with authority
11/01/2010	ESC	Revised project budget; planning cost; proceeding w/Ph 2

SSC Report: 08/15/2011. Peter Heimbach summarized the transaction. Staff referred to Subcommittee for discussion.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) APPROVAL of the Minutes of the Executive Subcommittee meeting held on July 25, 2011.

Bylaws, Policy & Procedures of the State Building Commission

- 1) APPROVAL of the *Bylaws, Policy & Procedures of the State Building Commission* as revised.

Report Item

- 1) REPORTING of a designer name change from "Vaughn and Melton, Inc." to Vaughn and Melton Consulting Engineers, Inc." on all current State projects.

Designer Selections

- 1) APPROVAL of the designer selections for projects approved by the State Building Commission.

UNIVERSITY OF TENNESSEELand Transaction

Requested Action: Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value with waiver of advertisement and appraisals

Description: Knox County – UT Campus – Phillip Fulmer Way, Knoxville, TN – Trans No. 11-07-013 (Baugh)

Purpose: Acquisition in fee to close the right of way of Phillip Fulmer Way for the purpose of pedestrian safety, student and athletic events. In the Master Plan for UT.

Estimated Sale Price: Gift

Source of Funding: University of Tennessee

Owner(s): City of Knoxville

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

UNIVERSITY OF TENNESSEELand Transaction

Requested Action: Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value with waiver of advertisement and appraisals

Description: Knox County – UT Campus – Peyton Manning Pass, Knoxville, TN – Trans No. 11-07-016 (Baugh)

Purpose: Acquisition in fee to close the right of way of Peyton Manning Pass for the purpose of pedestrian safety, student and athletic events. In the Master Plan for UT.

Estimated Sale Price: Gift

Source of Funding: University of Tennessee

Owner(s): City of Knoxville

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

TENNESSEE BOARD OF REGENTS

Land Transaction

Requested Action: Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value, with waiver of advertisement and one (1) appraisal

Description: Rutherford County - 0.18 +/- acres – 1903 Jordan Avenue, Murfreesboro, TN – Trans. No. 09-12-003 (Maholland)

Purpose: Acquisition in fee to acquire the property for MTSU. Property is adjacent to campus and will be leased until needed for future campus expansion. In the Master Plan for MTSU.

Estimated Sale Price: Fair Market Value

Source of Funding: Auxiliary Funds (rental income)

Owner(s): Brenda Wolfe & Andy Brunelle

Comment: Property acquired by owner in 2002 for \$159,900.
Tax assessor's value is \$103,800.
Improvement of property has a 1,959 sf brick house built in 1937.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

TENNESSEE BOARD OF REGENTS

Land Transaction

Requested Action:	Approval of disposal by easement with waiver of advertisement and appraisals
Description:	<u>Tipton County – 0.17 +/- acres – TN Tech Center, Covington, TN – Trans. No. 11-07-007 (Maholland)</u>
Purpose:	Disposal by permanent easement to TVA for the placement of a transmission pole and two (2) set of guy lines for the transmission line connection to the neighboring Burlison Community.
Estimated Sale Price:	Fair Market Value
Source of Funding:	Tennessee Valley Authority
Grantee:	Tennessee Valley Authority
Comment:	The property to be disposed is at the edge of the campus and is a wooded area and will not adversely affect the remaining TTC property.
SSC Report:	08/15/2011. Jurgen Bailey summarized the transaction. TVA appraised the 0.17+/- acre easement and determined a value of \$15,350. BOR requested approval to accept TVA's offer. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF TRANSPORTATION

Land Transaction

Requested Action: Approval to redraft original quit claim deed with waiver of advertisement and appraisals

Description: Shelby County – 11.502 +/- acres – Nonconnah Parkway, Memphis, TN – Trans. No. 11-07-014 (Baugh)

Purpose: Approval to redraft original quit claim deed executed to Mr. Walter D. Willis III on 4-16-1998 was never recorded by his attorney and the original was subsequently lost at the attorney's death. This transaction is to redraft the deed so Mr. Willis can record it transferring ownership from the State to Mr. Willis.

Original Cost to State: Property was excess ROW and sold and closed upon to Mr. Willis for the payment of \$51,100 on 4-16-1998 under the authority of SBC Minutes 6-23-1997.

Date of Original Conveyance: May 1992

Grantor Unto State: Walter D. May, Jr.

Estimated Sale Price: \$51,110 has already been paid to the State

Grantee: Walter D. Willis, III

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLand Transaction

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

Description: Campbell County – 31 +/- acres – Royal Blue City, TN – Trans. No. 11-07-015 (Jackson)

Purpose: Disposal by electrical power line easement to be conveyed to TIACME Mining Company. The mining company needs additional power to allow them to harvest coal on their leased properties in the area.

Estimated Sale Price: Fair Market Value

Grantee: TIACME Coal Mining Company / Tim Webb

Comment: The mine is estimated to create 100 additional jobs in the local community for the next 15 – 20 years.
There will be no cost to the State in disposing this easement.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONLand Transaction

Requested Action: Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value with waiver of advertisement and appraisals

Description: White County – 200 +/- acres – 5 tracts – White Cave Road, Sparta, TN – Trans. No. 11-07-018 (Baugh)

Purpose: Acquisition in fee to accept donation of these five (5) tracts from the Estate of Mr. James D. Rylander.

Estimated Sale Price: Gift

Source of Funding: State Land Acquisition Fund - \$8,000 for administrative expenses.

Owner(s): Estate of James D. Rylander, (John Meier, Co-executor)

Comment: Property acquired by owner in 1989 & 1991
Purchase price: \$20,400; \$95,000; \$50,000; \$95,000; \$95,000
Tax assessor's value: \$12,100; \$32,700; \$3,900; \$8,100; \$18,200
Vacant land
Property has caves & waterfalls on it
Other than the administrative expenses there will be no additional cost to the State.
Property will be managed by the Fall Creek personnel.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF MILITARYLand Transaction

Requested Action: Approval of disposal with waiver of advertisement and one (1) appraisal

Description: Hardeman County – 160 +/- acres – U. S. Hwy. 64, Bolivar, TN – Trans. No. 11-07-005 (Woodard)

Purpose: Disposal in fee to sell the non-armory surplus property.

Original Cost to State: No cost, transferred to Department of Military

Date of Original Conveyance: April 24, 1991

Grantor Unto State: Department of Mental Health

Estimated Sale Price: Fair Market Value

Grantee: To the highest bidder

Comments: The sale of the property is applied to the Military's Department land proceeds account pursuant to 2011 Public Chapter No. 473, Section 2, Item 9.

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES

Land Transaction

Requested Action: Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value, with waiver of one (1) appraisal and REM Fees

Description: Davidson County – 1.16 +/- acres – 2334 Revere Place, Nashville, TN – trans. No. 11-07-019 (Woodard)

Purpose: Acquisition in fee to construct an ICF – MR Group Home

Estimated Sale Price: Fair Market Value

Source of Funding: SBC 346/000-05-2005 current bonds & funds

Owner(s): Robert Wilson

Comment: Property acquired by owner: January 20, 2010
Purchase price: \$1.00
Tax assessor’s value: \$151,300
Improvements on property: house (1,481 sf)

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES

Land Transaction

Requested Action: Approval of disposal in fee with waiver one (1) appraisal

Description: Knox County – 0.14 +/- acres – 821 Goldfinch Avenue, Knoxville, TN – Trans. No. 11-07-020 (Woodard)

Purpose: Disposal in fee to sell property due to it's too small for the agency needs

Original Cost to State: Gift

Date of Original Conveyance: January 25, 2010

Grantor Unto State: Estate of Ruby Newman Estate

Estimated Sale Price: Fair Market Value

Grantee: Successful proposer

Comment: Property was given to Greene Valley Developmental Center by the Estate of Ruby Mae Newman.
Sale proceeds to be used as detailed in Public Acts of 2003, Chapter No. 334.
Tax Appraisals - \$55,300

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

DEPARTMENT OF FINANCE & ADMINISTRATIONLand Transaction

Requested Action: Approval to obtain title work, appraisal, survey and exercise option to acquire or accept as gift required interest, not to exceed appraised value with waiver of advertisement and appraisals

Description: Shelby County – 637 Popular Avenue, Memphis, TN – Trans. No. 11-07-002 (Woodard)

Purpose: Disposal by permanent easement for Memphis Light Gas Water to facilitate installation of underground electric cable and pad mounted transformer and to maintain, repair or service the Shelby County Forensic Center currently under construction.

Estimated Sale Price: Grant for public purposes / SBC #400-000-01-2005-04

Owner(s): State of Tennessee

SSC Report: 08/15/2011. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.