

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

DECEMBER 22, 2010

The State Building Commission Executive Subcommittee met this day at 1:30 p.m. in House Hearing Room 30, Legislative Plaza, Nashville, Tennessee.

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

Tre Hargett, Secretary of State
Justin Wilson, Comptroller of the Treasury
David Lillard, State Treasurer
Mike Morrow, Commissioner, Department of Finance and Administration

OTHERS PRESENT

Alan Robertson, Acting State Architect
Georgia Martin, State Architect's Office
Jurgen Bailey, Real Property Administration
Melanie Buchanan, Real Property Administration
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Terry Mason, Comptroller's Office
Joy Harris, Treasurer's Office
Bruce Davis, Legislative Budget Office
Jonathan Rummel, Secretary of State's Office
John Carr, Department of Finance & Administration
Dick Tracy, Tennessee Board of Regents
Diane Uhler, Tennessee Board of Regents
Lynelle Jensen, Department of General Services
Scott Boelscher, THEC
Robbi Stivers, University of Tennessee
Mark Cherpach, Department of Finance and
Administration
Major Andrew Milligan, Military Department

Commissioner Morrow called the meeting to order at 1:33 p.m. and requested action on the following matters as presented by Acting State Architect Alan Robertson.

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CONSENT AGENDA

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

- A. Agency: **Tennessee Board of Regent – Shelby County**
Transaction: Acquisition in fee
Provision: Waiver of REM Fee & One Appraisal

- B. Agency: **Tennessee Board of Regent – Putnam County**
Transaction: Acquisition in fee
Provision: Waiver of One Appraisal

- C. Agency: **Department of Transportation – Monroe County**
Transaction: Disposal in fee
Provision: Waiver of One Appraisal & Advertisement

- D. Agency: **Department of Environment & Conservation – Morgan County**
Transaction: Acquisition in fee
Provision: Waiver of One Appraisal

- E. Agency: **Department of Environment & Conservation – Morgan County**
Transaction: Disposal in fee
Provision: Waiver of Advertisement & One Appraisal

- F. Agency: **Department of Environment & Conservation – Cumberland County**
Transaction: Acquisition in fee
Provision: Waiver of Advertisement & One Appraisal

- G. Agency: **Department of Environment & Conservation – Hamilton & Sequatchie Counties**
Transaction: Acquisition in fee
Provision: Waiver of Advertisement & One Appraisal

- H. Agency: **Department of Environment & Conservation – Hamilton & Sequatchie Counties**
Transaction: Acquisition by easement
Provision: Waiver of Advertisement & One Appraisal

- I. Agency: **Department of Environment & Conservation – Davidson County**
Transaction: Acquisition in fee
Provision: Waiver of One Appraisal

- J. Agency: **Department of Environment & Conservation – Cumberland County**
Transaction: Disposal by easement
Provision: Waiver of Advertisement & Appraisal

Tennessee Board of Regents

Austin Peay State University, Clarksville, Montgomery County, Tennessee

- 1) Approved the selection of American Constructors as Construction Manager/General Contractor for **New Student Housing** at Austin Peay State University in Clarksville, based upon proposals received November 18, 2010.

Estimated Project Cost: \$31,000,000.00
Source of Funding:
 TSSBA (rent) (A) \$30,943,000.00
 Campus Auxiliary (housing) (A) \$ 57,000.00
 SBC Project No. 166/003-17-2010

Motlow State Community College, Lynchburg, Moore County, Tennessee

- 1) Mr. Robertson presented a request for approval of a revision in funding from \$10,380,000.00 to \$10,505,727.00 (\$125,727.00 increase) for **Library Building** at Motlow State Community College, and authorization to award a contract to Romach, Inc., in the amount of \$605,000.00, based on bids received December 8, 2010. Comptroller Wilson commented that this uses campus plant funds and he understood that the Board of Regents is making reasonable progress in getting information as requested and, therefore, approved proceeding on with the request. Subcommittee approved the request as presented.

Revised Estimated Project Cost:	\$10,505,727.00		
<u>Source of Funding:</u>	<u>Original</u>	<u>Increase</u>	<u>Revised</u>
92/93 Current Funds-Capital Outlay (A)	\$ 225,000.00	\$ 0.00	\$ 225,000.00
04 G.O. Bonds-Capital Outlay (A)	9,700,000.00	0.00	9,700,000.00
04/05 Current Funds-Capital Outlay (A)	167,500.00	0.00	167,500.00
Campus Plant Funds (A)	<u>287,500.00</u>	<u>125,727.00</u>	<u>413,227.00</u>
TOTAL	\$10,380,000.00	\$125,727.00	\$10,505,727.00
SBC Project No.	166/021-01-1992		

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: **Shelby County – 777 Washington Avenue / 50 North Dunlap, Memphis, TN – Trans. No. 10-12-900 (Baltz)**

Purpose: As per UT LeBonheur Pediatric Specialist Affiliation Agreement with University of Tennessee, State Building Commission Executive Sub-Committee approval is required for UT LeBonheur Pediatric Specialists (a new faculty group practice in support of the pediatric education, research and patient care missions) to enter into a Lease with Methodist Healthcare – Memphis Hospital (LeBonheur Children's Hospital).

Term: January 1, 2011 thru December 31, 2015 (5 years)

Proposed Amount: 32,902 Square Feet
Annual Contract Rent Incl. Utilities &
Janitorial Cost: \$637,967.69 @\$19.38 / sf
Total Annual Effective Cost (A): \$637,967.69 @\$19.38 / sf

Current Amount: None

Type: New Lease

FRF Rate: \$18.00

Lessor: Methodist Healthcare – Memphis Hospital

SSC Report: 12-13-10. Robbi Stivers summarized the transaction. On November 10, 2010, the University was approved by the State to enter an Affiliation Agreement with Methodist Healthcare to form a pediatric group called UT-LeBonheur Pediatric Specialists (ULPS), Inc. The Affiliation Agreement requires State approval of the proposed Lease(s) by ULPS (as Lessee). The University is not obligated under the terms of the Lease. Staff referred to Sub Committee with recommendation.

SC Action: 12-22-10. Melanie Buchanan presented the transaction. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Davidson County – 193 Polk Avenue, Nashville, TN – Trans. No. 10-12-901 (Baltz)

Purpose: To provide office and related space for the College of Social Work, Institute of Public Service and the College of Pharmacy.

Term: July 1, 2011 thru June 30, 2021 (10 years)

Proposed Amount: 38,966 Square Feet & 150 parking spaces
Annual Contract Rent Incl. Utility & Janitorial
Cost \$510,864.00 @\$13.10 / sf
Total Annual Effective Cost: \$510,864.00 @\$13.10 / sf

Current Amount: 38,966 Square Feet & 150 parking spaces
Annual Contract Rent Incl. Utilities &
Janitorial Cost: \$510,864.00 @\$13.10 / sf
Total Annual Effective Cost (A): \$510,864.00 @\$13.10 / sf

Type: New lease

FRF Rate: \$18.00

Lessor: Nashboro/Polk Avenue, LLC

Comment: Lease can be cancelled at any time for convenience after January 1, 2013 with 180-days notice. In addition, 2,000 sq. ft. can be cancelled for convenience at any time with 90-days notice.

SSC Report: 12-13-10. Robbi Stivers summarized the transaction. In 2000, an RFP for the Lease was publicly bid by the State. The space was build-out to the University's specifications. The proposed rate of \$13.10, including utilities and janitorial, is the same rate that has been paid over the past ten (10) years; no increases. University tenants often share conference rooms, technology resources and equipment, library resources, technology and the telephone system. The cost to relocate will be expensive. Lessor has agreed to replace all floor coverings, paint, replace signage, and make certain other improvements. The Lease can be cancelled at any time for convenience after January 1, 2013 with 180-days notice. In addition, 2,000 sq. ft. can be cancelled for convenience at any time with 90-days notice. Staff referred to Sub Committee with recommendation.

University of Tennessee – continued:

SC Action: 12-22-10. Melanie Buchanan presented the transaction. Treasurer Lillard asked if a 10-year lease was an unusually long term under these circumstances. Robbi Stivers responded that, after January 1, 2013, the lease can be cancelled with a six-month notice. Treasurer Lillard asked if the rate was locked in for the 10-year period and if there was an escalating clause. Mr. Stivers responded that the rate was locked in and there was no escalating clause. Subcommittee approved the request as presented.

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: **Shelby County – 5368 South Mendenhall Mall, Memphis, TN – Trans. No. 10-11-912 (Lotspiech)**

Purpose: To provide emergency office space until completion of renovations for the new space at Hickory Hill Road.

Term: January 1, 2011 thru December 31, 2011 (1 year)

Proposed Amount: 6,521 Square Feet
Annual Contract Rent Incl. Utilities &
Janitorial Cost: \$97,815.00 @\$15.00 / sf
Total Annual Effective Cost (A): \$97,815.00 @\$15.00 / sf

Current Amount: 6,521 Square Feet
Annual Contract Rent Incl. Utilities &
Janitorial Cost: \$88,033.50 @\$13.50 / sf
Total Annual Effective Cost: \$88,033.50 @\$13.50 / sf

Type: New lease – negotiated

FRF Rate: \$18.00

Lessor: Belz Enterprises

Comment: Lease includes janitorial & utilities at no additional cost to the State. Proposed lease has no cancellation clause except for cause and/or lack of funding. Lessor would not do a one year extension due to increase of rent, no early termination right and no termination for cancellation clause with an extension agreement which is 30 day notice. State law does not allow such changes to an existing lease, thus requiring execution of a new lease agreement. The request for a new one year lease is in the best interest of the State to ensure unnecessary expenses are not incurred. The cost to move these 26 employees to another temporary location would cost approximately \$26,000 just to move them again once the office on Hickory Hill is complete costing another \$26,000. Therefore, approval is requested for a new one year lease on behalf of the Department of Labor & Workforce Development for the office that is currently being leased.

SSC Report: 12-13-10. Loretta Baltz & Angie Lotspiech summarized the transaction. Staff referred to Sub Committee with recommendation.

SC Action: 12-22-10. Melanie Buchanan presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Sevier County – 1216 Graduate Drive, Sevierville, TN – Trans. No. 10-03-905 (Lotspiech)

Purpose: To provide office space for the county for nine (9) staff.

Term: January 1, 2012 thru December 31, 2021 (10 years)

Proposed Amount:	<u>4,740 Square Feet</u>		
	Annual Contract Rent:	\$71,100.00	@\$15.00 / sf
	Est. Annual Utility Cost:	\$ 8,295.00	@\$ 1.75 / sf
	Est. Annual Janitorial Cost:	<u>\$ 5,214.00</u>	<u>@\$ 1.10 / sf</u>
	Total Annual Effective Cost (A):	\$84,609.00	@\$17.85 / sf

Current Amount:	<u>2,142 Square Feet</u>		
	Annual Contract Rent:	\$23,840.52	@\$11.13 / sf
	Est. Annual Utility Cost:	\$ 2,998.80	@\$ 1.40 / sf
	Est. Annual Janitorial Cost:	<u>\$ 2,356.20</u>	<u>@\$ 1.10 / sf</u>
	Total Annual Effective Cost:	\$29,195.52	@\$13.63 / sf

Type: New lease – advertised – received six (6) proposals from five (5) proposers. Agency asked to reject Proposals 1 & 2 located at Jack DeLozier Drive would not meet the visibility or accessibility requirements of the Tennessee Career Center System and location is outside of the city limits of Sevierville.

FRF Rate: \$18.00

Lessor: Steven D. Layman

Comment: Proposed lease has a 180-day cancellation clause after the fifth year. Lessor to provide 4,740 square feet of net rentable office space to include interior tenant build-out at no additional cost to the State. Consolidating the staff of seven (7) that is located in Gatlinburg with additional staff of two (2) located in Sevierville.

SSC Report: 12-13-10. Loretta Baltz summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 12-22-10. Melanie Buchanan presented the transaction. Treasurer Lillard asked if the proposed lease had a cancellation clause, and Ms. Buchanan responded that it has a 180-day cancellation clause after the fifth year and is fixed. Subcommittee approved the request as presented.

DEPARTMENT OF SAFETY

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: **Dyer County – 1700 Forrest Street, Dyersburg, TN – Trans. No. 10-08-915 (Lotspiech)**

Purpose: To provide office space for DLI & THP staff of sixteen (16).

Term: January 1, 2012 thru December 31, 2021 (10 years)

Proposed Amount:	<u>6,400 Square Feet</u>		
	Annual Contract Rent:	\$56,832.00	@\$ 8.88 / sf
	Est. Annual Utility Cost:	\$11,200.00	@\$ 1.75 / sf
	Est. Annual Janitorial Cost:	<u>\$ 7,040.00</u>	<u>@\$ 1.10 / sf</u>
	Total Annual Effective Cost:	\$75,072.00	@\$11.73 / sf

Current Amount: None - Modular unit - \$1.00 per year for the land only

Type: New lease – advertised – receive twelve (12) proposals from five (5) proposers; three (3) proposals from one (1) proposer was non conforming due to outside of the useable sq. ft. range

FRF Rate: \$14.00

Lessor: Allied Properties

Comment: Proposed lease has a 180-day cancellation clause after the fifth year. Lessor to provide 6,400 square feet of net rentable office space to include interior tenant build-out at no additional cost to the State.

SSC Report: 12-13-10. Bob Bumbalough with Safety summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 12-22-10. Melanie Buchanan presented the transaction. Comptroller Wilson stated that staff had some questions that had yet to be answered and suggested the item be deferred. Treasurer Lillard asked if the proposed lease had a cancellation clause, and was told it had a 180-day cancellation clause after the fifth year with the rate being fixed. Subcommittee deferred the request pending resolution of the issues raised by staff.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description: **Davidson County – 3,800 sq. ft. per quad – TPS facility, 1264 & 1266 Foster Avenue, Scott Quad 2 & 3, Nashville, TN – Trans. No. 10-11-006 (Walla)**

Purpose: Disposal by lease for housing non-profit that provides services to severely abused children.

Source of Funding: Department of Children's Services
Finance & Administration

Term: Five (5) years

Consideration: \$4.25 per square feet (\$32,300 annual rent)

Lessee: Nashville Children's Alliance, Inc. – 501 (c) (3) under IRS Code

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 12-22-10. Jurgen Bailey presented the transaction. Secretary Hargett commented that the cost per square foot seemed awfully cheap and asked if they had any comparisons of what other non-profits were paying. Mr. Bailey responded that the other non-profit in the area (YMCA) pays \$4.50 per square foot, which is comparable. Subcommittee approved the request as presented.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meetings held on November 22 and December 2, 2010.

Designer Selections

Approved the following designer selection for projects approved at the December 9 SBC meeting.

- 1) **Volunteer Training Site – Smyrna**
(USPFO Offices & Warehouse - Commissioning)
SBC Project No. 361/079-01-2008
Designer: **MAZZETTI NASH LIPSEY BURCH**

State Architect Position

- 1) Jonathan Rummel was asked to give a report on the status of the consideration for the State Architect position. He stated that, since the December 2 Executive Subcommittee meeting, interviews were conducted by all four members of the Executive Subcommittee with each of the seven candidates, and that Staff recommended three finalists: Robert E. Oglesby, James Alan Robertson and J. Cyril Stewart. Secretary Hargett stated he was very impressed with the seven candidates that came from a pool of 64 applicants, and that they have a tough decision ahead of them. He made a motion to adopt the Staff's recommendation and to schedule interviews after the first of the year to attempt to give the incoming gubernatorial administration the opportunity to have someone sit in on the interview process so that they can have some level of input in the selection of the new State Architect. Comptroller Wilson asked if it was appropriate to amend the motion to say they may, or may not, choose from one of the three finalists. He said, as a practical matter, it made sense to choose from the three, but he did not want to lock them in. When asked, Janie Porter, Assistant Attorney General, responded they may want to include language in the motion to that effect. The motion was seconded, as amended, and passed without objection. Commissioner Morrow commented that it has been an excellent process there was a large pool of candidates, and he was pleased with where they are.

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There being no further business, the meeting adjourned at 1:45 p.m.

A.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER of REM FEE & ONE (1) APPRAISAL required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Shelby County – 0.1950 +/- acres – 3532 Midland Avenue, Memphis, TN – Trans. No. 10-09-009 (Maholland)**

Purpose: Acquisition in fee to acquire the property for future campus expansion. Property is in the University of Memphis “102” properties.

Source of Funding: G. O. Bonds (A)

Estimated Cost: \$157,500 appraised value

Owner(s): Trae Rideout & Neel Rideout

Comment: Property will be rented until needed for expansion.

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 12-22-10. Subcommittee approved the transaction as presented.

B.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER of ONE (1) APPRAISAL required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Putnam County – 0.43 +/- acres – 805 North Whitney Avenue, Cookeville, TN – Trans. No. 10-11-011 (Maholland)

Purpose: Acquisition in fee to acquire the land for green space and parking until needed for future campus expansion. Property is in the TTU's Master Plan.

Source of Funding: 2011 State Funds (A)

Estimated Cost: \$95,000

Owner(s): Judy Nguyen

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 12-22-10. Subcommittee approved the transaction as presented.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description: **Monroe County – 0.290 +/- acres fronting US HWY 411, Vonore, TN – Trans. No. 10-11-009 (Baugh)**

Purpose: Disposal in fee for the sale of surplus right of way and access control opening for development for the new Food City

Original Cost to State: \$71,950

Date of Original Conveyance: 1975, 1993 & 1996

Grantor Unto State: Robert C. Hughes, etux Lucile, Virgil Tallent, etux Gertie

Estimated Sale Price: \$120,000 appraised value

Grantee: KVAT Food stores

Comment: The property is surplus to the Department needs.

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 12-22-10. Subcommittee approved the transaction as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER of ONE (1) APPRAISAL required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Morgan County – 22.0 +/- acres – Justin Wilson Cumberland Trail, Wartburg, TN – Trans. No. 10-11-012 (McLeod)**

Purpose: Acquisition in fee to provide an equal value land swap with Wartburg-based Lutheran organization to allow continuance of the Justin Wilson Cumberland Trail from an adjoining State property. State would retain right of ingress and egress for management purposes along the existing forest road on the Northwestern corner of the State tract.

Source of Funding: State Land Acquisition Fund (A)

Estimated Cost: \$15,000 – administration cost

Owner(s): Wartburg Castle and Chapel

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 12-22-10. Subcommittee approved the transaction as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description: **Morgan County – 11.0 +/- acres – Justin Wilson Cumberland Trail, Wartburg, TN – Trans. No. 10-11-013 (McLeod)**

Purpose: Disposal in fee to provide an equal value land swap with Wartburg-based Lutheran organization to allow continuance of the Justin Wilson Cumberland Trail from an adjoining State property. State would retain right of ingress and egress for management purposes along the existing forest road on the Northwestern corner of the State tract.

Original Cost to State: \$6,000 per acre

Date of Original Conveyance: February 5, 2008

Grantor Unto State: Margaret Brasel Walls

Estimated Sale Price: Equal value land swap

Grantee: Wartburg Castle and Chapel

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 12-22-10. Subcommittee approved the transaction as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER of ADVERTISEMENT & ONE (1) APPRAISAL required interest in the following real property, not to exceed the appraised value for the property being acquired:

- Description: **Cumberland County – 42.0 +/- acres – Justin Wilson Cumberland Trail / Brady Mountain, Crossville, TN – Trans. No. 10-11-014 (McLeod)**
- Purpose: Acquisition in fee to provide the ½ mile connection between two properties under Justin Wilson Cumberland Trail & Brady Mountain; includes a scenic bluff line and the second highest point in Cumberland County, forming the dramatic backdrop for Grassy Cove.
- Source of Funding: TEA-21 Viewshed Funds - \$60,448 (F)
State Land Acquisition Funds - \$15,112 (A)
- Estimated Cost: \$75,560
- Owner(s): Wendell Wilson
- SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.
- SC Action: 12-22-10. Subcommittee approved the transaction as presented.

G.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER of ADVERTISEMENT & ONE (1) APPRAISAL required interest in the following real property, not to exceed the appraised value for the property being acquired:

- Description: **Hamilton & Sequatchie County – 43.0 +/- & 117.0 +/- acres – North Chickamauga Creek Gorge State Natural Area, Cumberland Trail, Chattanooga, TN – Trans. No. 10-11-015 A (McLeod)**
- Purpose: Acquisition in fee of 43 +/- acres to provide 5.5 miles of the Cumberland Trail, completing a 15.9 trail section from the North Chickamauga Creek Gorge State Natural Area trailhead to Taft Hwy; includes a property lobe of 43 acres, adequate for well managed trailhead at the southern end of the property. The 117 acres will be in the form of a permanent conservation easement, allowing trail development and maintenance, but restricting all development, hunting and timber harvest or removal of vegetation, except for the retention of one road or bridge crossing the easement.
- Source of Funding: State Land Acquisition Funds - \$350,000 (A)
North Chickamauga Conservancy - \$250,000 (O)
- Estimated Cost: \$600,000
- Owner(s): Bryan Patten
- SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. TDEC requested that the North Chickamauga Conservancy act as the 3rd party to acquire the property on behalf of the State and we will reimburse them for the appraisal, survey and title costs. Staff referred to Subcommittee for consent agenda.
- SC Action: 12-22-10. Subcommittee approved the transaction as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER of ADVERTISEMENT & ONE (1) APPRAISAL required interest in the following real property, not to exceed the appraised value for the property being acquired:

- Description: **Hamilton & Sequatchie County – 43.0 +/- & 117.0 +/- acres – North Chickamauga Creek Gorge State Natural Area, Cumberland Trail, Chattanooga, TN – Trans. No. 10-11-015 B (McLeod)**
- Purpose: Acquisition by easement of 117+/- acres to provide 5.5 miles of the Cumberland Trail, completing a 15.9 trail section from the North Chickamauga Creek Gorge State Natural Area trailhead to Taft Hwy; includes a property lobe of 43 acres, adequate for well managed trailhead at the southern end of the property. The 117 acres will be in the form of a permanent conservation easement, allowing trail development and maintenance, but restricting all development, hunting and timber harvest or removal of vegetation, except for the retention of one road or bridge crossing the easement.
- Source of Funding: State Land Acquisition Funds - \$350,000 (A)
North Chickamauga Conservancy - \$250,000 (O)
- Estimated Cost: \$600,000
- Owner(s): Bryan Patten
- SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. TDEC requested that the North Chickamauga Conservancy act as the 3rd party to acquire the property on behalf of the State and we will reimburse them for the appraisal, survey and title costs. Staff referred to Subcommittee for consent agenda.
- SC Action: 12-22-10. Subcommittee approved the transaction as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER ONE (1) APPRAISAL required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Davidson County – 36 +/- acres – Radnor Lake / Harris tract, Nashville, TN – Trans. No. 10-11-016 (Baugh)

Purpose: Acquisition in fee of the Harris tract will protect 13 acres of viewshed and 12 acres of watershed and will continue to buffer Radnor Lake from continued development pressure, impacting the wildlife population.

Source of Funding: State Land Acquisition Funds - \$500,000 (A)
Friends of Radnor Lake - \$500,000 (O)

Estimated Cost: \$1,000,000

Owner(s): Friends of Radnor Lake

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. TDEC requested that the Friends of Radnor Lake act as 3rd party and acquire the tract on behalf of the State and we will acquire the tract from Friends of Radnor Lake. Friends of Radnor Lake will cover the cost of appraisal, survey and State will cover closing, title work and REM Fees. Friends of Radnor Lake will also donate an additional 32 acres of vacant land as part of this transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 12-22-10. Subcommittee approved the transaction as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description: **Cumberland County – 0.70 +/- acres – Highway 127, Crossville, TN – Trans. No. 10-11-017 (Jackson)**

Purpose: Disposal by easement of 0.40 acres permanent easement and 0.30 acres temporary easement for relocation of the City of Crossville water utilities along Hwy. 127 at Cumberland Mountain State Park.

Original Cost to State: N/A

Date of Original Conveyance: August 2, 1946

Grantor Unto State: United States of America

Estimated Price: \$1,000 for administrative cost

Grantee: City of Crossville

Comment: The city is offering \$1,178 for a 20 feet wide permanent easement and 15 feet wide temporary easement.

SSC Report: 12-13-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 12-22-10. Subcommittee approved the transaction as presented.

Approved by: _____
Mike Morrow, Commissioner
Department of Finance and Administration

MINUTES

STATE BUILDING COMMISSION Executive Subcommittee December 2, 2010 12:30 P.M.

Members Present:

Tre Hargett, Secretary of State
Justin Wilson, Comptroller of the Treasury
David Lillard, State Treasurer
Mike Morrow, Commissioner, Department of Finance and Administration

Others Present:

Jonathan Rummel, Secretary of State's Office
Joy Harris, Treasurer's Office
Terry Mason, Comptroller's Office
Genie Whitesell, Attorney General's Office
Janie Porter, Attorney General's Office
Maggie Bahou, Secretary of State's Office
Jerry Preston, retired, Tennessee Board of Regents
Rudy Johnson, Rufus Johnson Associates
Russell Skrabut, Genesis Engineering Group
Scott Fleming, Fleming Associates, via teleconference
Lanis Cope, Cope Associates, Inc., via teleconference
John Carr, Department of Finance and Administration
Bill Finney, Real Property Administration
Penny DiPiazza, Real Property Administration
Bob Qualey, Real Property Administration
Georgia Martin, State Architect's Office

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Commissioner Morrow called the meeting to order at 12:42 p.m. to discuss the consideration of candidates to be interviewed for the position of State Architect. Secretary Hargett asked that his Senior Policy Advisor, Jonathan Rummel, walk everyone through the

process up to that point, and the transparent process they tried to create. He also asked for any comments from staff, as well as the advisors from the private sector who volunteered their time, to offer their thoughts and top three things they were looking for in the next State Architect.

Jonathan Rummel was recognized and stated that the project had been a collaborative effort on the part of all of the staff. He said that on November 10, 2010, the SBC adopted the job description, plan to advertise and process to select a State Architect. Pursuant to these actions, Human Resource professionals and other staff were enlisted to assist the Executive Subcommittee and staff. The advertisement was posted on the Office of the State Architect's website, which served as the primary portal of information about the position. Advertisements were also purchased for the four major newspapers in the state and appeared in online job search engines. Professional groups in the design and construction community were also notified so they could advise their respective memberships of the opportunity.

Mr. Rummel stated that the result of the advertising efforts produced 65 respondents from at least 12 states or territories; 41 were certified by HR professionals on basic qualifications, education, licensure and experience. He said that a group of five voluntary industry consultants was enlisted to advise on the technical and experience representations of the candidates. The consultants included: Lanis Cope, Cope Associates, Inc.; Scott Fleming, Fleming Associates; Rudy Johnson, Rufus Johnson Associates; Jerry Preston, Wiser Company; Russell Skrabut, Genesis Engineering Group. All consultants and staff involved in the process signed conflict of interest disclosures.

Following input from the consultants, Executive Subcommittee staff further met to prepare their recommendation and offered the following candidates for consideration: Peter L. Heimbach, Jr., Douglas A. Johnson, Karengaye M. Johnson, Gregory Mason, Robert E. Oglesby, J. Alan Robertson, and J. Cyril Stewart.

The Subcommittee asked the advisors if they would like to make any comments. Jerry Preston was recognized. He said some of the things the consultants and the committee were looking for were experience in leadership, management, communication and technical ability. He said that this position requires a lot of leadership and the ability to manage and bring consensus to a lot of stake holders. He said they were looking for someone who would bring to the position a vision of the future, as well as managing capital projects and real estate transactions.

Rudy Johnson was recognized. He said he thought it was important for this person to be a leader; to get out in front and to take a stand to lead the departments and agencies. In addition to being a registered architect, he said he thought they should be LEED AP and leading the charge in sustainable design. Mr. Johnson said he thought it should be someone who planned to be here awhile, and not using this position as a stepping stone nor on their way out the door. He said it should be someone who is familiar with institutional architecture and who does the kind of work that the State Building Commission oversees. He felt, as a practitioner, it should be

someone who manages staff, meets a payroll and who understands the travails of leading an architectural firm. He added they should be a good communicator and felt strongly that it should be someone from Tennessee.

Russell Skrabut was recognized and said that he was the sole engineering representative on this consultant team. He said that showing leadership with diplomacy was very important and defines what they are looking for. He said he thought that it should be someone who has been the leader of a firm, but who can also rise to the occasion of meeting in forums and talking to dignitaries such as these. He thought someone who has led a private business could bring something to the table including new technology and trends that the State will have to deal with. Regarding the tenure issue, he thought it was important to have someone in the position for a long time while being able to deal with complicated issues such as contract matters, bidding protests, resolution of very complicated change orders and managing staff that comes with a higher level of experience. So, he thought someone in the 15-20 year range would be an ideal candidate.

Lanis Cope was recognized via teleconference. He concurred that the experience needs to be someone in the 15-20 year range as this profession requires a long learning curve. He thought that having not only architectural or engineering technical aspects were important, but also leadership and diplomacy. He said he would like to see someone on the leading edge of the profession as with a private practitioner or owner representative who sees it from more than one perspective. He thought someone who has the depth of understanding, many years in the business and is used to viewing things from more than one perspective would make a good candidate.

Scott Fleming was recognized via teleconference. He said it's a given that they need to have technical abilities, the understanding of codes, and the whole package. They should be forward thinking visionaries, but also need to be experienced at solving complex problems. He said they should be excellent communicators and be able to work well with others. He added that wisdom is gained from someone who has run a firm from a management perspective.

Comptroller Wilson asked the consultants if any had concern about adequate opportunity and notice being given under this process, and they all responded "no". Treasurer Lillard made a motion to approve the State Architect candidate interview list provided by the State Building Commission staff and to allow SBC staff to begin to schedule interviews following the meeting. The motion was seconded, and passed without objection. Commissioner Morrow thanked all those who volunteered their time to assist the State's effort and, thanks to them, he thought the process was a very good one.

There being no further business, the meeting adjourned at 1:02 p.m.

Approved by: _____

Mike Morrow, Commissioner
Department of Finance and Administration