

MINUTES
State Building Commission
Executive Subcommittee
March 28, 2011

The State Building Commission Executive Subcommittee met this day at 2:00 p.m. in House Hearing Room 29, Legislative Plaza, Nashville, Tennessee.

STATE BUILDING COMMISSION SUBCOMMITTEE MEMBERS PRESENT

Chairman Mark Emkes, Commissioner, Department of Finance and Administration
Vice-Chairman Tre Hargett, Secretary of State
Justin Wilson, Comptroller of the Treasury

STATE BUILDING COMMISSION SUBCOMMITTEE MEMBERS ABSENT

David Lillard, State Treasurer

OTHERS PRESENT

Bob Oglesby, State Architect
Alan Robertson, Assistant State Architect
Jonathan Rummel, Secretary of State's Office
Joy Harris, State Treasurer's Office
Melinda Parton, Comptroller's Office
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Bruce Davis, Legislative Budget Office
Mike Morrow, Department of Finance and Administration
John Carr, Department of Finance and Administration
Matt Ingham, Real Property Administration
Jay Malpass, Motorola
Nathan Poss, JPGR
Mike Boshers, Department of Safety
Dereck Stewart, Department of Safety
Tracy Trott, Department of Safety

DEPARTMENT OF SAFETY

Statewide

Requested Action: **Approval to select a consultant**

Project Title: Public Safety Interoperable Communication Systems

Project Description: Statewide project to provide public safety with an interoperable communication system.

SBC Number: 502/001-01-2011

Estimated Project Cost: \$92,090,000.00

Current Project Funding: \$41,290,000.00
(if not fully funded)

Source of Funding:	\$29,500,000.00	10/11 Current Funds-Capital Outlay
	\$ 9,700,000.00	2011 Operating Funds
	\$ 1,000,000.00	Residual Bond Funds
	\$ 950,000.00	2010 G.O. Bonds-Capital Outlay
	<u>\$ 140,000.00</u>	10/11 Current Funds-Capital Outlay
	\$41,290,000.00	

Comment: The Department of Safety is leading a statewide initiative to upgrade and create an interoperable communication system for public safety purposes. This project will require services to design, construct and install technical software and equipment to ensure the interoperability of this system. The project has been divided into two phases. Funding has only been identified for Phase 1 at this time with approval to proceed through establishment of contracts required for all services for the project. All contracts to be approved by ESC before proceeding.

Previous SBC Action: 1/13/2011 (SBC) Referred to Subcommittee with authority to act
 1/24/2011 (ESC) Deferred action
 3/21/2011 (ESC) Approved project through Phase 1 estimated project cost

Minutes: 3/28/2011 (ESC) Commissioner Emkes called the meeting to order. Colonel Trott was recognized and presented a request for approval to select a consultant for the project. Secretary Hargett said he understood the duties of the consultant to be:

1. Assist in the development of all contract language between the State and Motorola.
2. Assist the State in performing a detailed review of Motorola's scope of work.

3. Perform site evaluations, participate in system testing, and perform other quality assurance/quality control duties to ensure compliance with applicable state and federal guidelines.
4. Advise the State on other issues that may develop during the course of this project.

Comptroller Wilson added other requirements that he said should be met:

1. Compare the Draft RFP developed by Buford Goff & Associates, Inc. and pull the technical requirements not only for Safety but other State agencies down to the local government level that incorporates in the contract with Motorola interoperability of the system across the State.
2. Protect the States interest by comparing the offering and costs from Motorola and matching to the States requirements to ensure all costs to be incurred by the State as well as payments to Motorola are identified.
3. Help establish contract that will provide ownership to the State and not lock the state into a future sole source with Motorola but one that creates competition for future upgrades to the system and is compliant with the FCC P25 standards.
4. Identify the stages, milestones, or checkpoints in the process of the entire project for review to determine quality assurance and that technical requirements are met and include in the contract with Motorola.
5. Perform a verification and validation review to ensure the system has been established as required in the contract with Motorola.

Secretary Hargett said that he understood that the required systems need to be in place by the deadline of January 2013, with penalties of up to \$10,000 per site per day if not met. He said he understood that this was to be a sole source contract with Buford Goff & Associates Inc., and that the firm has received high remarks. He made a motion to approve the selection of Buford Goff & Associates, Inc. as recommended by staff. Comptroller Wilson seconded the motion, which passed without objection.

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
March 21, 2011

The State Building Commission Executive Subcommittee met this day at 10:30 a.m. in House Hearing Room 30, Legislative Plaza, Nashville, Tennessee.

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

Vice-Chairman Tre Hargett, Secretary of State
Justin Wilson, Comptroller of the Treasury
David Lillard, State Treasurer

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS ABSENT

Chairman Mark Emkes, Commissioner, Department of Finance and Administration

OTHERS PRESENT

Bob Oglesby, State Architect
Alan Robertson, State Architect's Office
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
Melinda Parton, Comptroller's Office
Joy Harris, Treasurer's Office
Jonathan Rummel, Secretary of State's Office
Josh Stites, Treasurer's Office
Bruce Davis, Legislative Budget Office
Jason Mumpower, Comptroller's Office
John Carr, Department of Finance & Administration
Dick Tracy, Tennessee Board of Regents
Lynelle Jensen, Department of General Services
David Primeau, Department of General Services
Robbi Stivers, University of Tennessee
Mark Cherpack, Department of Finance and
Administration
Mike Morrow, Department of Finance and
Administration
Dottie Hagood, Real Property Administration

Felenceo Hill, Department of Finance and
Administration
Alan Durham, Department of Transportation
Joe Carpenter, Department of Transportation
Cindy Liddell, State & Local Finance
Tracy Trott, Department of Safety
Mike Boshers, Department of Safety
Sean Tierney, THEC
Scott Boelscher, THEC
Diane Uhler, Tennessee Board of Regents

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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: **University of Tennessee – Knox County**
Transaction: Disposal by permanent & temporary easement
Provision: Waiver of advertisement & appraisals

- B. Agency: **University of Tennessee – Knox County**
Transaction: Disposal by permanent & temporary easement
Provision: Waiver of advertisement & appraisals

- C. Agency: **University of Tennessee – Knox County**
Transaction: Disposal by permanent easement
Provision: Waiver of advertisement & appraisals

- D. Agency: **University of Tennessee – Knox County**
Transaction: Disposal by permanent easement
Provision: Waiver of advertisement & appraisals

- E. Agency: **University of Tennessee – Hamilton County**
Transaction: Disposal by permanent electric utility easement
Provision: Waiver of advertisement & appraisals

- F. Agency: **University of Tennessee – Morgan County**
Transaction: Disposal in fee
Provision: Waiver of advertisement & one appraisal

- G. Agency: **Tennessee Board of Regents – Putnam County**
Transaction: Acquisition in fee

- H. Agency: **Department of Human Services – Bedford County**
Transaction: Lease agreement

- I. Agency: **Department of Military – Marshall County**
Transaction: Disposal by permanent & temporary easement
Provision: Waiver all appraisals

- J. Agency: **Department of Environment & Conservation – Chester County**
Transaction: Disposal by lease
Provision: Waiver all appraisals

- K. Agency: **Tennessee Wildlife Resources Agency – Montgomery County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & one appraisal

- L. Agency: **Tennessee Wildlife Resources Agency – Dyer County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & one appraisal
- M. Agency: **Tennessee Wildlife Resources Agency – Obion County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & one appraisal
- N. Agency: **Tennessee Wildlife Resources Agency – Dyer County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & one appraisal
- O. Agency: **Tennessee Wildlife Resources Agency – Montgomery County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & one appraisal
- P. Agency: **Tennessee Wildlife Resources Agency – Franklin County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & one appraisal
- Q. Agency: **Tennessee Wildlife Resources Agency – Johnson County**
Transaction: Acquisition in fee
Provision: Waiver of advertisement & one appraisal
- R. Agency: **Tennessee Board of Regents – Shelby County**
Transaction: Demolition – Swimming Pool and Outdoor Facility – SBC No. 166/007-01-2011
Provision: As reviewed by TN Historical Commission

UNIVERSITY OF TENNESSEE

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: **Knox County – 0.11 +/- acres – 2114 Lake Avenue, Knoxville, TN – Trans. No. 11-02-008 (Baugh)**

Purpose: Acquisition in fee to purchase the lot and improvements. This project is in the Master Plan.

Source of Funding: UT – Land Acquisition Fund Account

Estimated Cost: \$300,000 asking price

Owner(s): Ms. Loradale Lupien

Comment: Waiver one (1) appraisal & advertisement.
Property acquired by owner on October 9, 1963 for unknown amount.
Tax assessor's value is \$60,900.
Improvement square footage is 1,496 sf.
Property is included in current university Master Plan.
Property will be used as office or surge space depending on the condition of the improvements.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03/21/11. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL to ACQUIRE or ACCEPT as GIFT and WAIVER OF ADVERTISEMENT & APPRAISALS required interest in the following real property.

Description: **Knox County – Lebanon & Mann Streets adjacent to future UT playfield on Sutherland Avenue, Knoxville, TN – Trans. No. 11-02-009 (Baugh)**

Purpose: Acquisition in fee by “Acceptance of gift” and request approval for closure of Right of Way of two streets for construction of recreational fields and accept Right of Way into U.T.’s ownership.

Source of Funding: Gift / Grant

Estimated Cost: No cost

Owner(s): City of Knoxville

Comment: Waiver appraisals & advertisement.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03/21/11. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: **Madison County – 3.54+/- acres – 605 Airways Blvd., Jackson, TN – Trans. No. 11-02-020 (Baugh)**

Purpose: Disposal by permanent utility easement for new electric line on the UTIA – West Tennessee Research & Education Center.

Estimated Sale Price: Fair Market Value

Grantee: Jackson Energy Authority

Comment: Waiver one (1) appraisal & advertisement.
Will not hamper the future operations of the University.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03/21/11. Jurgen Bailey presented the transaction. Comptroller Wilson asked if this transaction would adversely affect the property, and was told “no”. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: **Madison County – 0.128+/- acres – 605 Airways Blvd., Jackson, TN – Trans. No. 11-02-021 (Baugh)**

Purpose: Disposal by permanent utility easement for a 46KV head guy, stub pole, and down guy for one pole on the UTIA – West Tennessee Research & Education Center.

Estimated Sale Price: Fair Market Value

Grantee: Jackson Energy Authority

Comment: Waiver one (1) appraisal & advertisement.
Will not hamper the future operations of the University.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03/21/11. Jurgen Bailey presented the transaction. Comptroller Wilson asked if this transaction would adversely affect the property, and was told “no”. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

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

Location: **Shelby County – 756 Ridge Lake Blvd., Suites 206 & 216, Memphis, TN – Trans. No. 11-02-912 (Baltz)**

Purpose: To provide office and clinic space for Action for Health in Diabetes (AHEAD).

Term: March 20, 2011 thru March 19, 2016 (5 yrs.) Option to renewal for one (1) five (5) year term at annual rate of \$98,620.00 incl. Utility & Janitorial cost @ \$20.00/sq. ft.

Proposed Amount: 4,931 Square Feet

Annual Contract Rent:	\$74,704.65	@\$15.15 /sf
Est. Annual Utility Cost:	\$ 8,629.25	@\$ 1.75 /sf
Est. Annual Janitorial Cost:	<u>\$ 5,424.10</u>	<u>@\$ 1.10 /sf</u>
Total Annual Effective Cost:	\$88,758.00	@\$18.00 /sf

Current Amount: 4,931 Square Feet

Annual Contract Rent Incl. Utility & Janitorial Cost:	\$74,704.65	@\$15.15 /sf
Est. Annual Utility Cost:	\$ 8,629.25	@\$ 1.75 /sf
Est. Annual Janitorial Cost:	<u>\$ 5,424.10</u>	<u>@\$ 1.10 /sf</u>
Total Annual Effective Cost:	\$88,758.00	@\$18.00 /sf

Type: New Lease – Negotiated

FRF Rate: \$18.00

Lessor: 756 RL Master Lessee, LLC, current lessor

Comment: The proposed lease provides: (1) Anytime this lease can be cancelled due to cause or lack of funding. After March 1, 2014 the lease can cancelled due to reduced grant funding with 120 – day written notice. (2) In 2005, the State advertised an RFP for this lease on behalf of the University. Received only one (1) proposal. (3) Program was started back in 1996. (4) AHEAD program has been in this space since 2006. (5) This is funded by a Federal grant thru University of Tennessee.

SSC Report: 03/14/11. Melanie Buchanan summarized the transaction. Staff referred to Subcommittee with recommendation.

University of Tennessee – continued:

SC Action: 03/21/11. Melanie Buchanan presented the transaction. Comptroller Wilson asked why the agreement was negotiated. Robbi Stivers, University of Tennessee, was recognized and explained that the grant program was started in 2006, which necessitated the need for the space. He said they are established at the location and have had no increase in the cost, and would prefer not to disrupt the space and location for the patients that participate in the program. When asked if moving could jeopardize the grant, Mr. Stivers replied that it could. Subcommittee then approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY AND EXERCISE OPTION to ACCEPT as GIFT and WAIVER OF APPRAISALS required interest in the following real property.

Description: **Washington County – 143.93+/- acres, Valleybrook Farm Property, Pickens Road, Johnson City, TN – Trans. No. 11-02-006 (Woodard)**

Purpose: Acquisition in fee to acquire this property by gift for additional teaching facilities. Project is in the Master Plan.

Funding: Gift Property

Estimated Value: \$1,685,000

Owners: East Tennessee State University Foundation

Comments: Tax Assessor's Value – \$1,685,000.
ETSU Foundation acquired property by Gift in 2010.
Waiver of Appraisals requested.
Improvements: 72,000 sq. feet of office space; 24,500 sq. ft. barn space.
Phase 1 was done on the property and problem's was found. Landfill on backside of the property, groundwater contamination, old well, and 55 gal drums on the property (have been removed already). Property was used for a dairy farm. TDEC will follow up on the Phase 1 problems.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Dick Tracy stated that the property will be used for Research programs, fossil storage, office space and conference center. Staff deferred until April.

TENNESSEE BOARD OF REGENTS

Austin Peay State University, Clarksville, Montgomery County, Tennessee

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

Project Title: Clement Hall & MMC Building Water Heaters

Project Description:
(from SBC-1 form) Install ESPC water heaters in the Clement and Music & Mass Communications Buildings to allow hot water during summer months when the main boiler plant is out of service.

SBC Number: 166/003-12-2010

Revised Estimated Cost: \$290,000.00

Source of Funding:	<u>Original</u>	<u>Increase</u>	<u>Revised</u>
Campus Plant Funds (A)	\$ 50,000.00	\$40,000.00	\$ 90,000.00
2011 State Funds (A)	<u>\$200,000.00</u>	<u>\$ 0.00</u>	<u>\$200,000.00</u>
TOTAL	\$250,000.00	\$40,000.00	\$290,000.00

Comment: Increase in funding is needed to award a contract to R. Lafferty & Son Industrial & Commercial Contractors, LLC, in the amount of \$236,244.00, based on bids received 2/23/11.

Previous SBC Action: 7/8/2010 (SBC) Approved project
7/23/2010 (ESC) Selected designer (TLC Engineering for Architecture)
3/10/2011 (SBC) Referred bid to Subcommittee with authority to act

Minutes: 3/21/2011 (ESC) Revised funding to award a contract

DEPARTMENT OF SAFETY

Cocke and Washington Counties, Tennessee

Requested Action: Approval to cancel a previously approved project

Project Title: Radio Towers Replacement

Project Description:

(from SBC-1 form)

Provide new radio towers at English Mountain and Fall Branch and new equipment building, including all NEPA, FAA & FCC approvals and permits; surveys; relocate existing equipment, site work, demolish existing tower.

SBC Number: 502/001-02-2010

Estimated Project Cost: \$1,090,000.00

Source of Funding: \$ 950,000.00 2010 G.O.Bonds-Capital Outlay
\$ 140,000.00 10/11 Current Funds-Capital Outlay

Comment: Scope and funding from this project will be transferred to the proposed Public Safety Interoperable Communication Systems project.

Previous SBC Action: 10/14/2010 (SBC) Approved project
11/01/2010 (ESC) Selected designer (Barge Waggoner Sumner Cannon)
01/13/2011 (SBC) Referred to Subcommittee with authority to act.
1/24/2011 (ESC) Deferred action.

Minutes: 3/21/2011 (ESC) Approved cancelling project.

DEPARTMENT OF SAFETY

Statewide

Requested Action: Approval of a project to proceed with Phase 1 of the estimated project cost

Project Title: Public Safety Interoperable Communication Systems

Project Description

(from SBC-1 form)

Statewide project to provide public safety with an interoperable communication system.

SBC Number: 502/001-01-2011

Estimated Project Cost: \$92,090,000.00

Current Project Funding: \$41,290,000.00
(if not fully funded)

Source of Funding:	\$29,500,000.00	10/11 Current Funds-Capital Outlay
	\$ 9,700,000.00	2011 Operating Funds
	\$ 1,000,000.00	Residual Bond Funds
	\$ 950,000.00	2010 G.O. Bonds-Capital Outlay
	<u>\$ 140,000.00</u>	10/11 Current Funds-Capital Outlay
	\$41,290,000.00	

Comment: The Department of Safety is leading a statewide initiative to upgrade and create an interoperable communication system for public safety purposes. This project will require services to design, construct and install technical software and equipment to ensure the interoperability of this system. The project has been divided into two phases. Funding has only been identified for Phase 1 at this time with approval to proceed through establishment of contracts required for all services for the project. All contracts to be approved by ESC before proceeding.

Previous SBC Action: 1/13/2011 (SBC) Referred to Subcommittee with authority to act
1/24/2011 (ESC) Deferred action.

Minutes: 3/21/2011 (ESC) Colonel Trott was recognized. He stated that they would like to move the project forward as they have mandates that need to be met. Treasurer Lillard made a motion to approve the request with the stipulation that all contracts entered into would have to come back to the Subcommittee for approval, and with the understanding that they are still considering whether a consultant will be employed with respect to the project. Secretary Hargett stated that the Subcommittee supports the project and understands the timelines, but they want to make sure that a project of this magnitude is done right. The motion was properly seconded, and passed without objection.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on February 22, 2011.

Designer Selections

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

A) **Tennessee State University**

(Housing Upgrades)

Estimated Project Cost: \$850,000.00

SBC Project No. 166/001-01-2011

Designer: **MCFARLIN HUITT PANVINI, INC.**

B) **Pellissippi State Community College**

(East Campus Acquisition and Renovation)

Estimated Project Cost: \$10,000,000.00

SBC Project No. 166/032-01-2011

Designer: **COMMUNITY TECTONICS ARCHITECTS**

C) **I-26 Kingsport Welcome Center**

(New Construction)

Estimated Project Cost: \$2,950,000.00

SBC Project No. 241/010-01-2010

Designer: **HASTINGS ARCHITECTURE ASSOCIATES**

There be no further business, the meeting adjourned at 10:45 a.m.

Consent Agenda Items

A.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: **Knox County – 0.028+/- acres & 0.68+/- acres – 2309 Kingston Pike, Knoxville, TN – Trans. No. 11-02-007 (Baugh)**

Purpose: Disposal by easement for permanent easement of 0.028+/- acres & temporary easement of 0.68+/- acres for installation and maintenance of a high pressure gas line main.

Estimated Sale Price: Mutual Benefits

Grantee: Knoxville Utilities Board

Comment: Waiver appraisals & advertisement.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Robbi Stivers stated that the easement will benefit the University of Tennessee and others as this is part of a KUB upgrade project. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

- Description: **Knox County – 0.76+/- acres & 1.49+/- acres – Alcoa Highway & Kingston Pike, Knoxville, TN – Trans. No. 11-02-010 (Baugh)**
- Purpose: Disposal by easement for permanent easement of 0.76+/- acres & temporary easement of 1.49+/- acres on UTK’s Rugby Field for sanitary sewer lines, installation and maintenance of a high pressure gas line main along Third Creek.
- Estimated Sale Price: Mutual Benefits
- Grantee: Knoxville Utilities Board
- Comment: Waiver appraisals & advertisement.
- SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Robbi Stivers stated that the easement will benefit the University of Tennessee and others as this is part of a KUB upgrade project. Staff referred to Subcommittee for consent agenda.
- SC Action 03/21/11. Subcommittee approved the transaction as presented.

UNIVERSITY OF TENNESSEELAND ITEM

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

Description: **Knox County – 0.009+/- acres & 0.028+/- acres – Volunteer Blvd. & Pat Head Summitt St., Knoxville, TN – Trans. No. 11-02-011 (Baugh)**

Purpose: Disposal by easement for permanent water quality facility easement of 0.009 +/- acres and traversable access easement of 0.028+/- acres needed for the new Student Health Clinic SBC project 540/009-14-2007.

Estimated Sale Price: Mutual Benefits

Grantee: City of Knoxville

Comment: Waiver appraisals & advertisement.
SBC No. 540/009-14-2007

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

UNIVERSITY OF TENNESSEELAND ITEM

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

Description: **Knox County – 2.53+/- acres – 3500 #A101 Sutherland Ave., Knoxville, TN – Trans. No. 11-02-012 (Baugh)**

Purpose: Disposal by easement for permanent easement to install, relocate and maintain a power line.

Estimated Sale Price: Mutual Benefits

Grantee: Knoxville Utilities Board

Comment: Waiver appraisals & advertisement.
SBC No. 540/009-39-2010

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

- Description: **Hamilton County – 0.095+/- acres – 529 Oak Street, Chattanooga, TN – Trans. No. 11-02-018 (Baugh)**
- Purpose: Disposal by easement of permanent electric utility easement for UTC’s new library for the new UTC Library SBC project 540/005-05-2007.
- Estimated Sale Price: Mutual Benefits
- Grantee: Electric Power Board of Chattanooga
- Comment: Waiver appraisals & advertisement.
SBC No. 540/005-05-2007
- SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.
- SC Action 03/21/11. Subcommittee approved the transaction as presented.

UNIVERSITY OF TENNESSEELAND ITEM

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

Description: **Morgan County – 34.5+/- acres – U.S. 27 (S.R. 29) Harriman, TN – Trans. No. 11-02-022 (Baugh)**

Purpose: Disposal in fee for TDOT to complete a highway expansion project along U.S. 27 from the University of Tennessee – Institute of Agriculture – Forest Resources Research and Education Center.

Original Cost to State: \$16,500

Date of Original Conveyance: July 17, 1950

Grantor Unto State: R. B. Cassell

Estimated Sale Price: Fair Market Value - \$223,000 appraisal value

Grantee: Tennessee Department of Transportation

Comment: Waiver one (1) appraisal & advertisement.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

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

Estimated Cost: \$95,000

Owner(s): Judy Nguyen

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

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

Further approval requested:

SBC approved acquiring this property on 12-22-10 for an estimated cost of \$95,000. The appraisal came in at \$110,000 a \$15,000 difference. Real Property Administration has reviewed the appraisal and request acquiring property for \$110,000. Owner agrees to sell the property at a cost of \$105,000, saving TBR a \$5,000 difference (letter in file from Ms. Judy Nguyen).

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

DEPARTMENT OF HUMAN SERVICESLEASE 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: **Bedford County – 905 Madison Street, Shelbyville, TN – Trans. No. 10-02-907 (Smith)**

Purpose: To provide office space for 18 staff.

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

Proposed Amount:	<u>4,595 Square Feet</u>		
	Average Annual Contract Rent:	\$66,276.00	@\$14.42 / sf
	Est. Annual Utility Cost:	\$ 8,041.25	@\$ 1.75 / sf
	Est. Annual Janitorial Cost:	<u>\$ 5,054.50</u>	<u>@\$ 1.10 / sf</u>
	Total Annual Effective Cost:	\$79,371.75	@\$17.27 / sf

Current Amount:	<u>4,595 Square Feet</u>		
	Average Annual Contract Rent:	\$46,926.00	@\$10.21 / sf
	Est. Annual Utility Cost:	\$ 8,041.25	@\$ 1.75 / sf
	Est. Annual Janitorial Cost:	<u>\$ 5,054.50</u>	<u>@\$ 1.10 / sf</u>
	Total Annual Effective Cost:	\$60,021.75	@\$13.06 / sf

Type: New lease – advertised – received nine (9) proposals from five (5) proposers. Two (2) proposals were non-conforming due to lack of on-site parking from the same proposer. The other proposed amount was: \$83,448.10; \$87,215.10; \$88,717.45; \$89,497.00; \$95,259.00; \$104,659.00.

FRF Rate: \$18.00

Source of Funding: 51% State, 20% Federal, 29% TennCare

Lessor: Tennessee Office Holding, LLC, current lessor

Comment: Lessor has agreed to do renovations per lease agreement. The proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180 days thereafter. The breakdown of staff to space is 17 staff in open office cubicles (65 sq ft), 1 staff in hard wall space (120 sq. ft), 1 waiting room (370 sq. ft.) 1 break room (150 sq ft), 1 conference rooms (250 sq ft), 1 file room (224 sq ft), 1 storage/supply/mail room (250 sq ft.), 1 interview room (120 sq ft.) 1 telecom closet (48 sq ft), and 30% for circulation (hallways, entrance area, etc.) (1,100 sq ft).

SSC Report: 03/14/11. Melanie Buchanan summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

DEPARTMENT OF MILITARYLAND ITEM

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

Description: **Marshall County – 0.45 +/- acres – Lewisburg Armory, Lewisburg, TN – Trans. No. 10-12-018 (Jackson)**

Purpose: Disposal by easement for two permanent and temporary construction easements is granted to the City of Lewisburg to construct water and sewer lines across the Lewisburg Amory property.

Estimated Sale Price: Fair Market Value

Grantee: City of Lewisburg

Comment: Two separate easements are required due to break in property boundary lines.

SSC Report: 01-19-2011. Jurgen Bailey summarized the transaction. Staff referred to Sub Committee for consent agenda.

SC Action: 01-24-11. Subcommittee approved the transaction as presented.

Further approval requested:

Waiver all appraisals and Grant for public purposes.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

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

Description: **Chester County – 0.50+/- acres – Chickasaw State Park, TN – Trans. No. 11-01-004 (Jackson)**

Purpose: Disposal by lease for the operation of the restaurant located at Chickasaw State Park.

Term: Five (5) year lease with five (5) one (1) year option to renew. This is a request to enter into a longer term lease instead of the usual three (3) year license agreement.

Consideration: \$501 a month

Lessee: Jim J. Sedberry

Comment: A five (5) year lease with options for extensions will provide a probable investment return for the Lessee as well as keep a quality service provided to our guests. The restaurant building contains approx. 3,300 sq. ft., including 1,500 sq. ft. dining room, 1,000 sq. ft. kitchen area, two public restrooms, storage area, a built in cooler & freezer, and an 850 sq. ft. porch area.

SSC Report: 02-14-2011. Jurgen Bailey summarized the transaction. Staff deferred for one month.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

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

Description: **Montgomery County – 3.04 +/- acres – Haynes Bottom Wildlife Management Agency, Clarksville, TN – Trans. No. 11-02-003 (Jackson)**

Purpose: Disposal by easement for the purpose of conveying a permanent ingress and egress easement across Haynes Bottom WMA to the National Resources Conservation Services (NRCS) to allow the adjoining property owner to enter into a conservation easement with the NRCS.

Estimated Sale Price: \$500

Grantee: USDA – National Resources Conservation Service

Comment: NRCS requires a legally defined access to perform future annual inspections on conservation easement area.
Waiver of advertisement and one (1) appraisal.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

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: **Dyer County – 225 +/- acres – Tom Rice Tract, Dyersburg, TN – Trans. No. 10-10-005 (Jackson)**

Purpose: Acquisition in fee to acquire a high priority tract for acquisition under the Wetland Preservation Act of 1986. This property will be a preserved wetland property.

Source of Funding: TWRA Wetland Acquisition Funds

Estimated Cost: \$600,000

Owner(s): Tom Rice / White Lake Water Fowl, LLC

Comment: Waiver of advertisement & one (1) appraisal.
Tom Rice acquired property April 1, 2002 for \$335,750.
Tax Assessor Value \$162,000.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

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: **Obion County – 354 +/- acres – Reelfoot Lumber, Robertson Tract, Henning, TN – Trans. No. 11-02-013 (Jackson)**

Purpose: Acquisition in fee to acquire a high priority tract for acquisition under the Wetland Preservation Act of 1986. This property will be a preserved wetland property.

Source of Funding: TWRA Wetland Acquisition Funds

Estimated Cost: \$732,000

Owner(s): Randy Robertson / Reelfoot Lumber Company

Comment: Waiver of advertisement & one (1) appraisal.
Reelfoot Lumber Company acquired property January 1, 1993 for \$500,000.
Tax Assessor Value \$180,000.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

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: **Dyer County – 458 +/- acres – Jolly Springs Farm Tract, Dyersburg, TN – Trans. No. 11-02-014 (Jackson)**

Purpose: Acquisition in fee to acquire a high priority tract for acquisition under the Wetland Preservation Act of 1986. This property will be a preserved wetland property.

Source of Funding: TWRA Wetland Acquisition Funds

Estimated Cost: \$1,200,000

Owner(s): Kevin Chaney / Jolly Springs Farms, LLC

Comment: Waiver of advertisement & one (1) appraisal.
Jolly Springs Farms, LLC acquired property July 2, 2009 for \$1 million.
Tax Assessor Value \$502,400.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

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:	<u>Montgomery County – 14 +/- acres – Batson Tract, Cunningham, TN – Trans. No. 11-02-015 (Jackson)</u>
Purpose:	Acquisition in fee to acquire a high priority tract for acquisition under the Wetland Preservation Act of 1986. This property will be a preserved wetland property.
Source of Funding:	TWRA Wetland Acquisition Funds
Estimated Cost:	\$45,000
Owner(s):	Mary Batson
Comment:	Waiver of advertisement & one (1) appraisal. Mary Batson acquired property February 7, 2008 for unknown cost. Tax Assessor Value \$23,900.
SSC Report:	03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.
SC Action	03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

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: **Franklin County – 90 +/- acres – Cole Tract, Winchester, TN – Trans. No. 11-02-016 (Jackson)**

Purpose: Acquisition in fee to acquire a high priority tract for acquisition under the Wetland Preservation Act of 1986. This property will be a preserved wetland property.

Source of Funding: TWRA Wetland Acquisition Funds

Estimated Cost: \$150,000

Owner(s): Cecil & Shirley Cole

Comment: Waiver of advertisement & one (1) appraisal.
Cecil & Shirley Cole acquired property December 3, 1945 for unknown cost.
Tax Assessor Value \$50,600.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

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:

AND

Review of request for APPROVAL to UTILIZE a THIRD PARTY to acquire property and reimburse their appraisal, closing, survey and holding costs.

Description: **Johnson County – 6 +/- acres – Jenkins Tract, Shady Valley, TN – Trans. No. 11-02-017 (Jackson)**

Purpose: Acquisition in fee to acquire a high priority tract for acquisition under the Wetland Preservation Act of 1986. This property will be a preserved wetland property.

Source of Funding: TWRA Wetland Acquisition Funds

Estimated Cost: \$50,000

Owner(s): Edith Jenkins / Nature Conservancy

Comment: Waiver of advertisement & one (1) appraisal.
Edith Jenkins acquired property March 14, 1985 for unknown cost.
Tax Assessor Value \$42,400.
The owner, Edith Jenkins, wants to sell property quickly. The Nature Conservancy will acquire property and requests that we reimburse their appraisal, closing, survey and holding costs.

Request approval to allow Nature Conservancy to acquire property and request that we reimburse the appraisal, closing, survey and holding cost.

SSC Report: 03/14/11. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action 03/21/11. Subcommittee approved the transaction as presented.

TENNESSEE BOARD OF REGENTSUniversity of Memphis, Millington Center, Memphis, Shelby County, Tennessee

Requested Action: Approval of a demolition project

Project Title: Swimming Pool and Outdoor Facility Demolition

Project Description:
(from SBC-1 form) Demolish swimming pool and outdoor pool facility at Millington Center.

SBC Number: 166/007-01-2011

Estimated Project Cost: \$50,000.00

Source of Funding: Campus Plant Funds

Comment: The University received the former Naval Hospital (Millington) property from the US Department of Education in 2002. The outdoor concrete pool building is approximately 438 sf and the swimming pool is old and unused, and there are no recreational programs offered at this location. This request was reviewed by the TN Historical Commission as having no adverse affect on cultural resources.

Minutes: 03/21/11. ESC. Approved project.

Approved:

Mark A. Emkes, Commissioner
Department of Finance and Administration