

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
April 20, 2020

The State Building Commission Executive Subcommittee met this day at 11:00 a.m. via a WebEx electronic meeting, with the following members and Departments present. Secretary Hargett called the meeting to order at 11:05 a.m.

Secretary Hargett stated that the purpose of this meeting is to consider the items on the agenda for the April meeting of the Executive Subcommittee of the State Building Commission. Tennessee Code Annotated §8-44-108 provides that if a quorum of members is not physically present at the meeting, other members may be retained for a vote via electronic or other means of communication if certain statutory requirements are met.

A determination has been made that the electronic communication in this meeting by the members is a necessity based on the following facts and circumstances:

1. The Commission has regularly scheduled monthly meetings around which agencies and institutions plan certain of their operational actions and a 30-day delay will cause an operational hardship for certain of the agencies and institutions having matters on today's agenda.
2. The current public health crisis resulting from the COVID-19 virus has resulted in declarations of a "State of Emergency" by the State and local governments; the limiting of meetings to 10 persons or less; and the closure of government office buildings with the direction that government employees work from home.
3. There are matters on the agenda which are time sensitive and there will be operational hardships if the Commission is unable to render decisions on these matters in April.

Let the minutes reflect that Secretary Hargett, Comptroller Wilson, Treasurer Lillard and Commissioner of Finance & Administration Eley are participating electronically.

At a roll call vote, all members voted aye and approved the use of electronic communication.

At a roll call vote, Commissioner Eley was elected as Chairman of the Executive Subcommittee. Commissioner Eley stated that it is a privilege to serve with all of them and that he has observed the good work of the Commission.

Commissioner Eley requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

Butch Eley, Commissioner, Department of Finance and Administration, participated via electronic communication

Tre Hargett, Secretary of State, participated via electronic communication

David Lillard, State Treasurer, participated via electronic communication

Justin Wilson, Comptroller of the Treasury, participated via electronic communication

ORGANIZATION

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

PRESENTER

Executive Director Austin Oakes
Deputy Commissioner John Hull
State Architect Ann McGauran

CONSENT AGENDA

At a roll call vote, all members voted aye and approved the following items which have been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: University of Tennessee – Chattanooga
Transaction: Acquisition – Lease (Space)
Provision(s): Waiver of advertisement

- B. Agency: Department of Veterans Services
Transaction: Disposal – Lease (Crop Farm)
Provision(s): n/a

- C. Agency: Tennessee Wildlife Resources Agency
Transaction: Acquisition – Easement (Conservation)
Provision(s): Waiver of advertisement and one appraisal

- D. Agency: Department of Environment & Conservation
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and appraisals

- E. Agency: Department of Human Services
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

- F. Agency: Department of General Services
Transaction: Acquisition – Lease (Space)
Provision(s): Waive advertisement

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

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

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: Approval of a lease with waiver of advertisement

Transaction Description: Transaction No. 2020-03-01

• **Proposed Lease**

- **Location:** University of Tennessee-Martin
Decatur County – 975 Tennessee Avenue, Parsons, TN
- **Landlord:** Parsons Decatur County Education Foundation (PDCHEF)
- **Term:** 5 years with one (1) five (5) year renewal option
- **Area / Costs:** 29,364 Square Feet

Annual Contract Rent	\$390,834.84	\$13.31/sf
Est. Utilities (University pays up to ½ cost)	\$25,840.32	\$0.88/sf
Est. Janitorial	\$32,300.40	\$1.10/sf
Total Annual Effective Cost	\$448,975.56	\$15.29/sf

- **Source of Funding:** Operating Revenues
- **Procurement Method:** Negotiated
- **FRF Rate:** \$14.00 (for reference only)

Comment:

The Parsons Center (Center), the result of the joint construction project by The Ayers Foundation, City of Parsons and Decatur County was built for the University's use in 2009 to provide a variety of undergraduate courses supporting bachelor's degree requirements in more than 80 specialized programs. In 2009, the University entered into a ten (10) year operating agreement with the City of Parsons to offer higher education opportunities and manage and operate the Center. This agreement was later assigned to (PDCHEF), a non-profit agency. The State legislature typically appropriates \$200,000 annually to the Parsons Center to be used in the operation of the Center. In 2011, the legislature approved the transfer of the funds to the PDCHEF.

The proposed lease rate increases two (2) percent per year. The University is responsible for payment of landscaping charges and one-half of the utilities cost. Waiver of advertisement is requested since this facility was built specifically for this use and offers unique features in a rural setting.

Minutes:

04/20/2020 At a roll call vote, all members voted aye and approved a lease with waiver of advertisement.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 19-09-905 & 19-09-906

● **Proposed Lease**

- **Location:** Monroe County – Parcel #067.108 Anderson Street, Madisonville, TN
- **Landlord:** Susan A. Cox
- **Term:** 10 years
- **Area / Costs:** 9,900 Square Feet

Annual Contract Rent (includes utilities):	\$198,000.00	\$20.00/sf
Estimated Janitorial Cost:	10,890.00	1.10/sf
Total Annual Effective Cost:	\$208,890.00	\$21.10/sf

● **Current Lease**

- **Location:** Monroe County – 123 Pedigo Road, Madisonville, TN
- **Landlord:** Lee Enterprise of Madisonville
- **Term:** 10 years (January 1, 2003 – December 31, 2012) (Holdover)
- **Area / Costs:** 9,500 Square Feet

Average Annual Contract Rent:	\$71,131.00	\$7.49/sf
Estimated Utilities Cost:	13,300.00	1.40/sf
Estimated Janitorial Cost:	10,450.00	1.10/sf
Total Annual Effective Cost:	\$94,889.00	\$9.99/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** LPR on template
- **FRF Rate:** \$14.00

Comment: This lease will provide office space for Department of Human Services (DHS) and the Department of Children's Services (DCS). Alternative Workplace Solutions will be implemented at this location for Human Services. The DCS space will increase due to programmatic needs of the agency. Six proposals from four proposers were received and evaluated.

The proposed location will be constructed to meet the State's needs.

The State may terminate this lease for convenience at any time with 90 days written notice to the landlord and payment of a termination fee.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state's best interest at this time.

Minutes: 04/20/2020 At a roll call vote, all members voted aye and approved a lease.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of emergency leases with waiver of advertisement

Transaction Description: Transaction No. 20-04-907

- **Proposed Lease**

- **Locations:** Various Locations in the State
- **Landlord:** To Be Determined Based on Public Health Need
- **Term:** Approximately 18 Months
- **Area / Costs:** TBD / All utilities, janitorial, overhead, and related costs deemed necessary to secure and maintain needed space(s).

- **Source of Funding:** Federal Funds (F)

- **Procurement Method:** Negotiated

Comment: These leases will be used by the Tennessee Emergency Management Agency to provide medical facilities for treating persons with COVID-19. Lease locations will be selected to serve projected needs within various geographic areas across Tennessee based on the directives and plans recommended by TEMA and the COVID-19 Unified Command to address the current state of emergency in a timely manner.

Based on specific criteria provided by emergency management professionals to determine appropriate facility needs, a waiver of advertisement is requested to address the unforeseen nature and public health needs during the public health emergency.

Termination for convenience will be included in all leases.

Minutes: 04/20/2020 Comptroller Wilson asked if the funding will all be from Federal funds. Deputy Commissioner Hull stated that he believes it is but he's not 100% sure. Commissioner Eley stated that the plan is that it would be all Federal funds.

At a roll call vote, all members voted aye and approved emergency leases with waiver of advertisement.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) At a roll call vote, all members voted aye and approved the Minutes of the Executive Subcommittee meeting held on March 12, 2020.
- 2) At a roll call vote, all members voted aye and approved the Minutes of the Executive Subcommittee meeting held on March 23, 2020.

Report of Items Approved by Office of the State Architect

Initial and Revised Approvals of Capital Projects

- Reported the following four capital projects with total project cost of \$100,000 - \$500,000 in accordance with Item 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** Tennessee Board of Regents / Pellissippi State Community College
Location: Knoxville, Tennessee
Project Title: Student Recreation Center Flooring Replacement
Project Description: Replace flooring in the Student Recreation Center.
SBC Project No. 166/032-03-2019
Total Project Budget: \$390,000.00
Source of Funding: Plant Funds (Aux-Student Fees) (A)
Approval: Approved a revision in project budget and funding (increase of \$120,000)
Approval Date: 04/01/2020
 - 2) **State Procurement Agency:** Tennessee Board of Regents / Nashville State Community College
Location: Nashville, Tennessee
Project Title: Student Welcome Center Update
Project Description: Redesign space in the Student Services Building to create a streamlined student experience by integrating admissions, financial aid, advising, and the registrar. Updates include flooring, lighting, and mechanical modifications.
SBC Project No. 166/034-01-2020
Total Project Budget: \$496,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project and to select a designer
Approval Date: 04/01/2020

- 3) **State Procurement Agency:** Tennessee Technological University
Location: Cookeville, Tennessee
Project Title: Browning/Evins Residence Hall Roof Replacement
Project Description: Replace the roof on Browning/Evins residence hall. Repair/replace flashing, replace decking, coping and other roof components as needed. Repair masonry above the roof and dormers as required.
- SBC Project No.** 364/011-02-2019
Total Project Budget: \$250,000.00
Source of Funding: Plant Funds (Aux-Housing) (A)
Approval: Approved a revision in project budget and funding in order to award a contract (increase of \$84,150)
Approval Date: 04/01/2020
- 4) **State Procurement Agency:** Tennessee Technological University
Location: Cookeville, Tennessee
Project Title: Lewis Hall Lab Upgrade
Project Description: Update existing engineering lab/shop space in Lewis Hall to make it suitable for use by the Vehicle Engineering Program.
- SBC Project No.** 364/011-03-2020
Total Project Budget: \$395,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project and to select a designer
Approval Date: 04/01/2020

Approvals of Revisions to Existing Capital Projects

- Reported the following two approvals of an alternate construction delivery method in accordance with Item 2.04(B)(1) of the *SBC By-Laws, Policy & Procedures*:
- 1) **State Procurement Agency:** Middle Tennessee State University
Location: Murfreesboro, Tennessee
Project Title: ADA Compliance
Project Description: Funds are provided for capital maintenance activities, including facility assessments, associated with compliance with the Americans with Disabilities Act and other disabilities-related issues.
- SBC Project No.** 366/009-15-2019
Total Project Budget: \$510,000.00
Source of Funding: \$170,000.00 19/20 CurrFunds-CapMaint (A)
Approval: Approved utilizing the Job Order Contract for a portion of the work
Approval Date: 03/27/2020

2) **State Procurement Agency:** Middle Tennessee State University
Location: Murfreesboro, Tennessee
Project Title: Softball Facility Bleacher Replacement
Project Description: Replace existing bleachers with new, including new concrete foundation, site work, and all related work.
SBC Project No. 366/009-18-2019
Total Project Budget: \$525,000.00
Source of Funding: \$225,000.00 Plant Funds (Aux-Other) (A)
\$300,000.00 Gifts
Approval: Approved utilizing the Job Order Contract to perform the work
Approval Date: 04/06/2020

- Reported the following two approvals of a revision in funding for capital project (no change in total project budget) in accordance with Item 2.04(B)(2) of the *SBC By-Laws, Policy & Procedures*:

1) **State Procurement Agency:** STREAM / Department of Military
Location: Springfield, Tennessee
Project Title: Springfield RC Re-roof and Facility Update
Project Description: Replace metal roof system, perform repairs to site drainage, masonry, exterior/interior finishes, and all required related work.
SBC Project No. 361/088-01-2017
Total Project Budget: \$900,000.00
Source of Funding: \$450,000.00 17/18 CurrFunds-CapMaint (MP) (A)
\$450,000.00 Federal (NGB) (F)
Approval: Approved a revision in funding (increase in MACC to complete the project)
Approval Date: 04/01/2020

2) **State Procurement Agency:** STREAM / Department of General Services
Location: Statewide, Tennessee
Project Title: Statewide Interior Renovation Upgrades Phase II
Project Description: Interior renovations to bring spaces in-line with Alternative Workspace Solutions (AWS) standards including AWS office furnishings, associated data, and all required related work.
SBC Project No. 529/000-09-2017
Total Project Budget: \$15,830,000.00
Source of Funding: 17/18 FRF CurrFunds-CapImp (A)
Approval: Approved a revision in project funding (decrease in MACC and increase in Moveable Equipment)
Approval Date: 04/07/2020

Designer Selections

- Reported the following two designer selections for capital projects as delegated to the State Architect in accordance with Items 2.04(A)(1) and 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:

- 1) **State Procurement Agency:** Tennessee Board of Regents / Tennessee State University
Location: Nashville, Tennessee
Project Title: Upgrades to Gentry Center
SBC Project No. 166/001-10-2019
Total Project Budget: \$250,000.00
Source of Funding: Federal Funds (Title III Grant) (F)
Designer: Melvin Gill Architects
Approval Date: 03/17/2020

- 2) **State Procurement Agency:** Tennessee Board of Regents / Chattanooga State Community College
Location: Chattanooga, Tennessee
Project Title: CBIH Building Envelope Waterproofing
SBC Project No. 166/012-01-2020
Total Project Budget: \$335,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Designer: American Structurepoint, Inc.
Approval Date: 04/08/2020

- The following designer selections represent projects approved by the State Building Commission and recommended by the State Procurement Agencies. Secretary Hargett stated that, while they used the normal criteria in determining final selections including maintaining the geographical balance, current work capacity, and quality and quantity of workload over past several years, it was still primarily a process driven by the individual agencies.

- 1) **University of Tennessee – Knoxville**
(Classroom Upgrades (19/20))
Total Project Budget: \$2,460,000
SBC Project No. 540/009-06-2020
Designer: **BREWER INGRAM & FULLER ARCH**
- 2) **West TN River Basin Authority**
(Various Facilities – Engineering Consultant)
Total Project Budget: \$1,000,000
SBC Project No. 128/020-01-2020
Designer: **KIMLEY-HORN & ASSOCIATES INC**

Other Business

There being no further business, the meeting adjourned at 11:19 a.m.

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UNIVERSITY OF TENNESSEEAcquisition – Lease (Space)

Requested Action: Approval of waiver of advertisement

Transaction Description: Transaction No. 2020-04-01

- **Proposed Lease**
 - **Location:** University of Tennessee - Chattanooga
Hamilton County – 35 units – 910 E 8th Street, Chattanooga, TN
 - **Landlord:** C&R Properties LLC
 - **Term:** 3 years with two (2) one (1) year options to extend
- **Source of Funding:** Plant Funds (Aux-Housing) (A)
- **Procurement Method:** Negotiated
- **FRF Rate:** NA

Comment: The University of Tennessee at Chattanooga (UTC) anticipates being at its current student housing maximum capacity this coming fall semester. This is based on similar trends from the previous fall semesters and an increased desire of students to live on-campus. With the potential for modest enrollment growth, the demand is anticipated to further increase. In addition and within the next three to five years, the University of Tennessee Chattanooga (UTC) plans to retire two residence halls, Boling and a portion of Lockmiller Apartments, and construct a new residence hall. As a result, UTC is in immediate need of apartments for student housing.

Most desirable attributes for the additional housing include proximity to campus, ability to lease the entire complex, and conducive for use as a residence hall. One small apartment complex within 0.5 miles of campus has been identified. The entire complex could be leased accommodating 141 students and this complex provides a unique opportunity to lease an entire building.

This request is for approval to commence negotiations with the landlord. Waiver of advertisement is requested due to the unique nature and attributes of this property.

Minutes: 04/20/2020 Approved waiver of advertisement

DEPARTMENT OF VETERANS SERVICESDisposal – Lease (Crop Farm)

Requested Action: Approval of disposal by lease

Transaction Description: Transaction No. 19-10-012

- **Proposed Lease**

- **Location:** Middle Tennessee State Veterans Cemetery
Davidson County – 43 +/- acres – 7931 McCrory Lane, Nashville, TN
- **Tenant:** Steve Roberts
- **Term:** 1 year, with four 1-year renewal options
- **Area / Costs:** 43 +/- acres / \$300 per year

Comment: The property will be used for the limited purpose of harvesting hay.

The lease procurement was conducted in accordance with the SBC approved form of crop lease request for proposal and the lease is on the approved template form. One proposal from one proposer was received.

The proceeds will be deposited as Veterans' Cemeteries revenues per TCA § 46-6-102.

Minutes: 04/20/2020 Approved disposal by lease

TENNESSEE WILDLIFE RESOURCES AGENCYAcquisition – Easement (Conservation)

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

Transaction Description: Transaction No 20-02-011

- **Location:** Tackett Creek Wildlife Management Area (TCWMA)
Claiborne & Campbell Counties – 15,556 ± acres – Tackett Creek Unit, TN
- **Owner(s):** CF Ataya LLC (CF), an affiliate of The Nature Conservancy (TNC)
- **Estimated Purchase Price:** \$7,000,000.00
- **Source of Funding:** 19/20 Wetlands Acquisition Fund (A)

Comment: Per TCA §11-14-402, this property is on the wetlands priority list and has been approved for purchase by the Commissioner of the Department of Agriculture and Executive Director of Tennessee Wildlife Resources Agency.

This land is currently leased to TWRA under Transaction # 19-03-003 approved by the ESC at its June 24, 2019 meeting. This request is the first phase of the phased acquisition of the 46,000 +/- acre property anticipated in the lease. Based on the appraisal, TWRA will acquire as many acres as possible within the available funds. This acquisition will also enable public access while allowing the land to stay in private ownership as a “working forest,” thereby maintaining local tax revenues while boosting local sales tax revenues. The timber rights will continue to be managed by CF. Future timber harvest would be subject to a forestry plan and deed restrictions prohibiting harvest in the most sensitive wildlife habitat areas. The area has important habitat for many game and non-game species, including the elk herd introduced by TWRA in the early 2000s. It is one of the highest centers for biodiversity in the state.

Pursuant to the terms of the lease, approval of this acquisition will automatically reduce the rent payment by \$2.20 per acre purchased.

The lease will be automatically amended when this land is acquired.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	12/17/2007
Purchase Price:	\$39,945,099 (larger tract)
Property Assessor's Value:	\$29,094,700
Square Footage Improvements:	N/A

Minutes: 04/20/2020 Approved acquisition by conservation easement with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT & CONSERVATIONAcquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 20-03-006
 • **Location:** Rutherford County – 1.00 ± acre – 0 Rocky Hill Rd, Lascassas, TN
 • **Owner(s):** Laura Harding
 • **Estimated Purchase Price:** Fair Market Value
 • **Source of Funding:** 19/20 State Land Acquisition Fund (A)

Comment: Per T.C.A. §67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency.

This acquisition will protect this property from future development and allow for the preservation and protection of two unique species of plants that exist almost exclusively in Tennessee's cedar glades. The first is the running glade clover (*Trifolium calcaricum*), which is endangered in Tennessee and its global status is critically imperiled. The Rutherford County site is the location where this species was first collected. The second plant is the Tennessee Milkvetch (*Astragalus Tennesseeensis*), which is rare and exists predominantly in Tennessee. Without protection, both plants will likely be destroyed.

In addition to the site-specific conservation value, this property would be the first acquisition in the Rocky Hill Glade and Barrens conservation site glade complex, which has long been identified as an important conservation target in Middle Tennessee. TDEC intends to acquire additional parcels adjacent to and near this one in the future as they become available.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	01/04/2014
Purchase Price:	\$0.00 (inheritance)
Property Assessor's Value:	\$24,200.00
Square Footage Improvements:	N/A

Minutes: 04/20/2020 Approved acquisition in fee with waiver of advertisement and appraisals

DEPARTMENT OF HUMAN SERVICESAcquisition – Lease Amendment

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

Transaction Description: Transaction No. 06-14-914

- **Proposed Amendment**

- **Landlord:** Triangle Holding Company, LLC
- **Term:** 13 years (July 1, 2010 – June 30, 2023)
- **Area / Costs:** 22,500 Square Feet

Annual Contract Rent:	\$234,996.00	\$10.44/sf
Estimated Utilities Cost:	39,375.00	1.75/sf
Estimated Janitorial Cost:	24,750.00	1.10/sf
Total Annual Effective Cost:	\$299,121.00	\$13.29/sf

- **Current Lease**

- **Location:** Blount County – 1749 Triangle Park Drive, Maryville, TN
- **Landlord:** Triangle Holding Company, LLC (formerly Foothills Office Park Associates)
- **Term:** 10 years (July 1, 2010 to June 30, 2020)
- **Area / Costs:** 22,500 Square Feet

Annual Contract Rent:	\$234,996.00	\$10.44/sf
Estimated Utilities Cost:	15,750.00	0.70/sf
Estimated Janitorial Cost:	24,750.00	1.10/sf
Total Annual Effective Cost:	\$275,496.00	\$12.24/sf

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

Comment: This lease will provide space for the Department of Human Services Rehabilitation Services Tennessee Vocational Training Center.

This amendment is in the best interest of the State to prevent a lease holdover while allowing additional time to evaluate how to best meet the programmatic needs in support of the Agency's real estate strategy.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state's best interest at this time.

Previous Action: 06/25/2007 ESC Approved the lease

Minutes: 04/20/2020 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: **Approval to waive advertisement**

Transaction Description: Transaction No. 20-03-906 and 20-03-907

- **Proposed Lease**

- **Location:** Monroe County – 123 Pedigo Road, Madisonville, TN
- **Landlord:** Lee Enterprise of Madisonville
- **Term:** 3 years (October 1, 2020 – September 30, 2023)

- **Current Lease**

- **Location:** Monroe County – 123 Pedigo Road, Madisonville, TN
- **Landlord:** Lee Enterprise of Madisonville
- **Term:** 10 years (January 1, 2003 – December 31, 2012) (Holdover)
- **Area / Costs:** 9,500 Square Feet

Annual Contract Rent:	\$71,131.00	\$7.49/sf
Estimated Utilities Cost:	13,300.00	1.40/sf
Estimated Janitorial Cost:	10,450.00	1.10/sf
Total Annual Effective Cost:	\$94,881.00	\$9.99/sf

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

Comment: This lease will provide office space for Department of Human Services and the Department of Children’s Services. The current lease cannot be extended, and a new short-term lease is required to allow continuity of operations while the new long-term solution is readied for occupancy. Waiver of advertisement is requested to allow the state to directly negotiate with the incumbent landlord to secure a new three-year lease.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state’s best interest at this time.

Minutes: 04/20/2020 Approved to waive advertisement

DEPARTMENT OF GENERAL SERVICESAcquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 20-01-914 and 20-01-915

- **Proposed Lease**

- **Location:** Campbell County – 2221 Jacksboro Pike, Ste.C19B, LaFollette, TN

- **Landlord:** Woodson's Cash Stores, Inc.

- **Term:** 3 years (June 1, 2020 to May 31, 2023)

- **Area / Costs:** 22,175 Square Feet

Annual Contract Rent:	\$179,617.50	\$8.10/sf
Estimated Utilities Cost:	38,806.25	1.75/sf
Estimated Janitorial Cost:	24,392.50	1.10/sf
Total Annual Effective Cost:	\$242,816.25	\$10.95/sf

- **Current Lease**

- **Location:** Campbell County – 2221 Jacksboro Pike, Ste.C19B, LaFollette, TN

- **Landlord:** Woodson's Cash Stores, Inc.

- **Term:** 10 years (January 1, 2003 to December 31, 2012) (Holdover)

- **Area / Costs:** 22,175 Square Feet

Annual Contract Rent:	\$168,530.04	\$7.60/sf
Estimated Utilities Cost:	38,806.25	1.75/sf
Estimated Janitorial Cost:	24,392.50	1.10/sf
Total Annual Effective Cost:	\$231,728.79	\$10.45/sf

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

- **Procurement Method:** Waiver of Advertisement

- **FRF Rate:** \$14.00

Comment:

This lease will provide office space for Department of Human Services and the Department of Children's Services. The current lease cannot be extended, and a new short-term lease is required to allow continuity of operations while a new long-term solution is procured. The advertising requirement was waived, and the short-term rate was negotiated.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state's best interest at this time.

Previous Action: 03/23/2020 ESC Approved waiving advertisement.

Minutes: 04/20/2020 Approved a lease

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 20-01-901

• **Proposed Lease**

- **Location:** Davidson County – 212 Pavilion Boulevard, Nashville, TN
- **Landlord:** Holly Holy, LLC
- **Term:** 3 years (August 1, 2020 – July 31, 2023)
- **Area / Costs:** 11,780 Square Feet

First Year Annual Contract Rent:	\$188,480.00	\$16.00/sf
Average Annual Contract Rent:	194,190.94	16.48/sf
Estimated Utilities Cost:	20,615.00	1.75/sf
Estimated Janitorial Cost:	12,958.00	1.10/sf
Estimated Insurance:	13,215.66	1.12/sf
Estimated Taxes:	5,652.48	0.48/sf
Total Average Annual Effective Cost:	\$246,632.08	\$20.93/sf

• **Current Lease**

- **Location:** Davidson County – 212 Pavilion Boulevard, Nashville, TN
- **Landlord:** Holly Holy, LLC
- **Term:** 1 year (August 1, 2019 to July 31, 2020)
- **Area / Costs:** 11,780 Square Feet

Annual Contract Rent:	\$174,287.25	\$14.80/sf
Estimated Utilities Cost:	20,615.00	1.75/sf
Estimated Janitorial Cost:	12,958.00	1.10/sf
Estimated Insurance:	13,215.66	1.12/sf
Estimated Taxes:	5,652.48	0.48/sf
Total Annual Effective Cost:	\$226,728.39	\$19.25/sf

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

• **FRF Rate:** \$22.50

Comment: This lease will provide office space for Department of Correction. The current lease cannot be extended, and a new short-term lease is required to allow continuity of operations while a new long-term solution is procured. The advertising requirement was waived, and the short-term rate was negotiated.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state's best interest at this time.

Previous Action: 03/23/2020 ESC Approved waiving advertisement

Minutes: 04/20/2020 Approved a lease

Approved:



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