

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
August 20, 2018

The State Building Commission Executive Subcommittee met this day at 11:00 a.m. in House Hearing Room II of the Cordell Hull State Office Building, Nashville, Tennessee, with the following members and Departments present. Commissioner Martin called the meeting to order at 11:00 a.m. and requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

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

ORGANIZATION

- East Tennessee State University
- Department of General Services
- Department of Environment & Conservation
- State Building Commission

PRESENTER

Bill Rasnick
John Hull
Bill Avant
Ann McGauran

CONSENT AGENDA

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

- A. Agency: **Austin Peay State University**
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and one appraisal

- B. Agency: **The University of Memphis**
Transaction: Disposal – Lease Amendment (Space)
Provision(s): Waiver of advertisement

- C. Agency: **Tennessee Board of Regents – TCAT Shelbyville**
Transaction: Acquisition – Lease (Space)
Provision(s): n/a

- D. Agency: **Tennessee Board of Regents – Chattanooga State Community College**
Project Title: Elevator Updates
SBC Project No: 166/012-02-2016
Requested Action: Approval of a revision in project budget and funding in order to award a contract

- E. Agency: **University of Tennessee – Institute of Agriculture**
Transaction: Acquisition – Fee (Gift)
Provision(s): Waiver of advertisement and appraisals

- F. Agency: **University of Tennessee – Knoxville**
Transaction: Disposal – Lease (Land)
Provision(s): Waiver of advertisement and appraisals

- G. Agency: **Department of Environment & Conservation**
Transaction: Disposal – Lease (Recognition Agreement)
Provision(s): n/a

- H. Agency: **Department of Environment & Conservation**
Transaction: Disposal – Lease Amendment
Provision(s): Waiver of advertisement

- I. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): n/a

- J. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

- K. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

- L. Agency: **Department of General Services**
Transaction: License Agreement
Provision(s): Waiver of advertisement

EAST TENNESSEE STATE UNIVERSITY

Acquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 18-05-001
• **Location:** Washington County – 5.19 +/- acres – 2001 Millennium Place, Johnson City, TN
• **Owner(s):** Public Building Authority of the City of Johnson City
• **Estimated Purchase Price:** \$5,824,580.00
• **Source of Funding:** Parking Garage: \$3,700,000 – TSSBA (Aux-Parking) (A)
Millennium Centre and Pedestrian Bridge: \$2,124,580 – Plant Funds (Non-Aux) (A)

Comment: This property is in ETSU's amended 2014 Master Plan, which was approved by THEC on May 15, 2018.

The Parking Garage contains 570 parking spaces. The Public Building Authority (PBA) of the City of Johnson City is selling the Parking Garage to the State for the appraised value of \$3,700,000. The Parking Garage is located across four lanes of traffic along North State of Franklin Road and will enhance parking on the east side of campus. The Carnegie Hotel currently leases 172 parking spaces of the 570 available for \$48,000 annually, and this lease will be assigned to the State.

The PBA is selling the Millennium Centre and Pedestrian Bridge to the State for \$2,124,580, which is less than the appraised value of \$9,700,000. There is a chilled water agreement with Mountain Home Energy Trust that will be assumed by the State.

Date of Last Transfer:	May 31, 2001
Purchase Price:	\$0
Property Assessor's Value:	\$0
Square Footage Improvements:	255,000

Minutes: 08/20/2018 Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 07-05-905 - WW

● **Proposed Amendment**

- **Term:** 12 years (December 1, 2008 – November 30, 2020)
- **Area / Costs:** 6,100 Square Feet

Annual Contract Rent	\$91,896.00	\$15.06/sf
<i>Estimated Annual Utility Cost:</i>	<i>10,675.00</i>	<i>1.75/sf</i>
Estimated Annual Janitorial Cost:	6,710.00	1.10/sf
Total Average Annual Effective Cost:	\$109,281.00	\$17.91/sf

● **Current Lease**

- **Location:** McMinn County - 150 Plaza Circle, Athens, TN
- **Landlord:** Williams Family Properties
- **Term:** 10 years (December 1, 2008 – November 30, 2018)
- **Area / Costs:** 6,100 Square Feet

Annual Contract Rent	\$91,896.00	\$15.06/sf
Estimated Annual Utility Cost:	8,540.00	1.40/sf
Estimated Annual Janitorial Cost:	6,710.00	1.10/sf
Total Average Annual Effective Cost:	\$107,146.00	\$17.56/sf

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

Comment: This lease will provide office space for Department of Safety. Location was built to suit for State.

A request for waiver of advertisement and to amend the current lease by 2 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for long-term planning to effectuate a balance of portfolio resources.

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: 10/22/2007 ESC Approved lease.

Minutes: 08/20/2018 ESC Approved a lease amendment with waiver of advertisement

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Disposal - Lease Amendment

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

Transaction Description: Transaction No. 18-06-014 - TP

- **Proposed Amendment**
 - **Area / Costs:** 3.0% of gross receipts until hotel reopens
- **Current Lease**
 - **Location:** Fall Creek Falls State Park
Van Buren County – Fall Creek Falls, TN
 - **Tenant:** ArborTrek/Zipstream FCF, LLC
 - **Term:** January 1, 2014 to June 30, 2024
 - **Area / Costs:** 11.0% of gross receipts
- **Source of Funding:** 18/19 State Lands Acquisition Fund (REM Fees)(A)

Comment: ArborTrek/Zipstream FCF, LLC is seeking a reduction in the current lease commission rate from 11.0% to 3.0% to continue operating the zip line and grow the business while the inn and restaurant at Fall Creek Falls State Park are closed for reconstruction. In addition to the commission reduction, ArborTrek/Zipstream FCF, LLC is requesting to be allowed the additional service of providing bicycle rentals, which would allow greater revenue generation and commission payments to the State.

Previous Action: 11/21/2011 ESC Approved lease.

Minutes: 08/20/2018 ESC Treasurer Lillard asked if the commission rate will revert to the original rate once the new inn is opened. Bill Avant confirmed that the reduction in the commission rate would apply only to the time while the inn is closed and that the lease amendment provides that the rate will automatically revert back to the original rate once the new inn opens. Commissioner Martin asked if bike rentals were currently being provided at the park and Mr. Avant replied that they were not.

The Subcommittee approved a lease amendment with waiver of advertisement.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on July 23, 2018.

Report of Items Submitted to the ESC

- 1) Status Update Reports from the State Procurement Agencies in accordance with SBC Policy & Procedures Item 2.03.

Report of Items Approved by Office of the State Architect

Initial Approvals of Capital Projects

- Reported the following seven 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:** University of Tennessee Health Science Center
Location: Memphis, Tennessee
Project Title: Coleman Chiller Replacement
Project Description: This project will replace the chiller at the Coleman Building. This chiller services the animal facility in Coleman.
SBC Project No. 540/013-02-2018
Total Project Budget: \$290,000
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved a project and utilizing Campus Consultant for design and Campus Procurement for construction
Approval Date: 07/26/2018
 - 2) **State Procurement Agency:** University of Tennessee Health Science Center
Location: Memphis, Tennessee
Project Title: Hamilton Fountain & Deck
Project Description: This project will install a water fountain feature and wooden deck with seating, new sidewalk, stairs and lighting.
SBC Project No. 540/013-03-2018
Total Project Budget: \$450,000
Source of Funding: Gifts (O)
Approval: Approved a project and utilizing Campus Consultant for design and Campus Procurement for construction
Approval Date: 07/26/2018
 - 3) **State Procurement Agency:** STREAM / Department of Transportation
Location: Regionwide, Tennessee
Project Title: Region 4 Replace Construction Offices
Project Description: Replace three construction offices and all required related work.
SBC Project No. 244/010-01-2018
Total Project Budget: \$450,000
Source of Funding: 18/19 TDOT Plant Construction Funds (A)
Approval: Approved a project utilizing Agency Resources for design and construction and utilizing TDOT Procurement for a portion of the work
Approval Date: 07/26/2018

- 4) **State Procurement Agency:** STREAM / Department of Military
Location: Smyrna, Tennessee
Project Title: Smyrna Solar Area Lighting
Project Description: Install new solar-powered area lights and all required related work.
SBC Project No. 361/079-05-2018
Total Project Budget: \$225,000
Source of Funding: Federal Funds (NGB) (F)
Approval: Approved a project utilizing the VAR Contract to perform the work
Approval Date: 08/06/2018
- 5) **State Procurement Agency:** STREAM / Department of Military
Location: Louisville, Tennessee
Project Title: Louisville Army Aviation Support Facility Emergency Generator
Project Description: Install a new generator, fuel storage tank, conduit, conductors, switches, and all required related work.
SBC Project No. 361/102-01-2018
Total Project Budget: \$260,000
Source of Funding: Federal Funds (NGB) (F)
Approval: Approved a project and proceeding with the process to select a designer
Approval Date: 08/06/2018
- 6) **State Procurement Agency:** STREAM / Department of General Services
Location: Nashville, Tennessee
Project Title: TBI Headquarters Safety Anchors
Project Description: Installation of anchor points at the roof perimeter for scaffolding and safety tie-off points for personnel working on the building façade and at the edge of the roof. Installation of an UL Certified lightning protection with appropriate grounding field.
SBC Project No. 500/001-01-2018
Total Project Budget: \$450,000
Source of Funding: 18/19 FRF CurrFunds-CapMaint (A/R)
Approval: Approved a project, proceeding with the process to select a designer, and utilizing IDIQ contract for construction
Approval Date: 08/06/2018
- 7) **State Procurement Agency:** STREAM / Department of General Services
Location: Nashville, Tennessee
Project Title: Tennessee Performing Arts Center Donor Lounge G-Level
Project Description: Renovate existing TPAC space to create a donor lounge on the G-Level of the James K. Polk Building.
SBC Project No. 529/075-02-2018
Total Project Budget: \$300,000
Source of Funding: Gift-in-Place (O)
Approval: Approved accepting gift-in-place construction with plans and specifications to be approved by the State Architect
Approval Date: 07/26/2018

Approvals of Revisions to Existing Capital Projects

- Reported the following approval 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:** STREAM / Department of Environment and Conservation
Location: Statewide, Tennessee
Project Title: State Parks Small Projects
Project Description: Small projects will address the needs of limited scope projects such as picnic shelters, restrooms and walkways. Projects will be under \$100k unless approved by SBC.
SBC Project No. 126/000-02-2013
Total Project Budget: \$595,090
Source of Funding: \$500,000 13/14 CurrFunds-CapImp (A)
\$ 95,090 Insurance Proceeds (O)
Approval: Approved utilizing IDIQ Contract for a portion of the work
Approval Date: 08/03/2018
- Reported the following approval of a revision in funding for capital project in accordance with Item 2.04(B)(2) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of General Services
Location: Nashville, Tennessee
Project Title: TN Tower Publishing Equipment Installation
Project Description: Mechanical, fire protection and electrical infrastructure modifications required for the installation of a high volume printing equipment and all required related work.
SBC Project No. 529/079-01-2018
Total Project Budget: \$500,000
Source of Funding: 17/18 FRF CurrFunds-CapMaint (A)
Approval: Approved a revision in funding in order to award a contract
Approval Date: 08/06/2018

Approvals of Contract Amendments

- Reported the following approval of a consultant contract amendment in accordance with Item 2.04(C)(1) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of Correction
Location: Statewide, Tennessee
Project Title: Agency Consultants
Project Description: Provide Agency Consultants for Architectural, Engineering and Environmental consultant services for various projects.
SBC Project No. 140/001-01-2016
Total Project Budget: \$1,000,000
Source of Funding: \$ 300,000 16/17 CurrFunds-MajMaint (A)
\$ 200,000 16/17 CurrFunds-MajMaint (A)
\$ 200,000 17/18 CurrFunds-MajMaint (A)
\$ 300,000 18/19 CurrFunds-MajMaint (A)
Approval: Approved a revision in project budget, funding and to extend the contracts for an additional 12 months
Approval Date: 08/06/2018

Approvals of Acquisitions and Disposals of State Property

- Reported the following acquisition of land in accordance with Item 2.04(E)(1) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Tennessee Wildlife Resources Agency
Transaction Description: Transaction No. 18-06-012 RA
Location: North Cumberland Wildlife Management Area
 Campbell County-115 +/- acres - 0 Stinking Road, LaFollette, Tennessee
Owner(s): Keith Mars
Estimated Purchase Price: Fair Market Value
Source of Funding: 18/19 Wetlands Acquisition Funds (A)
Approval: Approved acquisition in fee with waiver of advertisement and one appraisal
Approval Date: 07/23/2018

Designer Selections

- 1) Reported a designer name change from “Street Dixon Rick Orcutt Winslow, PLLC” to “Orcutt Winslow, PLLC” on all State projects.
- 2) The following designer selections represent projects approved by the State Building Commission and recommended by the State Procurement Agencies. Secretary Hargett stated that, while they used the normal criteria in determining final selections including maintaining the geographical balance, current work capacity, and quality and quantity of workload over past several years, it was still primarily a process driven by the individual agencies.

<ol style="list-style-type: none"> 1) University of Tennessee Institute of Agriculture (Vet Medical Center – Teaching & Learning Center) Total Project Budget: \$9,000,000 SBC Project No. 540/001-02-2018 Designer: SANDERS PACE ARCHITECTURE 2) University of Tennessee Institute of Agriculture (College of Veterinary Medicine Building & Cherokee Lab Improvements) Total Project Budget: \$6,700,000 SBC Project No. 540/001-03-2018 Designer: SMEE + BUSBY ARCHITECTS 3) University of Tennessee Institute of Agriculture (4-H Center Building Improvements) Total Project Budget: \$1,420,000 SBC Project No. 540/001-04-2018 Designer: ARCHITECTS WEEKS AMBROSE MCDONALD 4) University of Tennessee Institute of Agriculture (West TN 4-H Center Cabins & STEM Center - Planning) Total Project Budget: \$400,000 SBC Project No. 540/001-05-2018 Designer: ALLEN & HOSHALL INC 	<ol style="list-style-type: none"> 5) University of Tennessee – Chattanooga (Mapp Building Chiller Replacement) Total Project Budget: \$375,000 SBC Project No. 540/005-08-2018 Designer: COMPASS COMMISSIONING & DESIGN 6) University of Tennessee – Chattanooga (Fletcher Hall Renovations) Total Project Budget: \$7,000,000 SBC Project No. 540/005-09-2018 Designer: DERTHICK HENLEY & WILKERSON ARCHITECTS 7) University of Tennessee – Knoxville (Conference Center Renovations) Total Project Budget: \$7,020,000 SBC Project No. 540/009-08-2018 Designer: LINDSAY & MAPLE ARCHITECTS INC 8) University of Tennessee – Martin (Hall-Moody Building Systems & Chiller Upgrade) Total Project Budget: \$10,560,000 SBC Project No. 540/011-04-2018 Designer: PICKERING FIRM INC
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- 9) **The University of Memphis**
(Parking Expansion)
Total Project Budget: \$2,000,000
SBC Project No. 367/007-01-2018
Designer: **BURR & COLE CONSULTING ENGINEERS**
- 10) **East Tennessee State University**
(Clinical Education Building HVAC Repairs)
Total Project Budget: \$1,800,000
SBC Project No. 369/005-07-2018
Designer: **FACILITY SYSTEMS CONSULTANTS LLC**
- 11) **East Tennessee State University**
(Multiple Building Roof Replacements)
Total Project Budget: \$1,000,000
SBC Project No. 369/005-08-2018
Designer: **SHAW & SHANKS ARCHITECTS PC**
- 12) **East Tennessee State University**
(Repair & Replace Campus Water Lines Phase I)
Total Project Budget: \$1,500,000
SBC Project No. 369/005-09-2018
Designer: **MICHAEL BRADY INC**
- 13) **Middle Tennessee State University**
(Campus Consultant - ADA)
Total Project Budget: Not Applicable
SBC Project No. 366/000-01-2018
Designer: **PDS AMERICA**
- 14) **Middle Tennessee State University**
(Campus Consultant - Architectural)
Total Project Budget: Not Applicable
SBC Project No. 366/000-01-2018
Designer: **EOA ARCHITECTS PLLC**
- 15) **Middle Tennessee State University**
(Campus Consultant – Environmental)
Total Project Budget: Not Applicable
SBC Project No. 366/000-01-2018
Designer: **TERRACON CONSULTANTS INC**
- 16) **Middle Tennessee State University**
(Campus Consultant – Interior Design)
Total Project Budget: Not Applicable
SBC Project No. 366/000-01-2018
Designer: **GOULD TURNER GROUP PC**
- 17) **Middle Tennessee State University**
(Campus Consultant - MEP)
Total Project Budget: Not Applicable
SBC Project No. 366/000-01-2018
Designer: **IC THOMASSON ASSOCIATES INC**
- 18) **Middle Tennessee State University**
(Campus Consultant – Storm Water)
Total Project Budget: Not Applicable
SBC Project No. 366/000-01-2018
Designer: **WOOD ENVIRONMENTAL & INFRASTRUCTURE SOLUTIONS INC**
- 19) **Middle Tennessee State University**
(Campus Consultant – Structural)
Total Project Budget: Not Applicable
SBC Project No. 366/000-01-2018
Designer: **RODNEY WILSON CONSULTING PLLC**
- 20) **Middle Tennessee State University**
(Data & Communication Centers Building Systems Updates)
Total Project Budget: \$1,212,000
SBC Project No. 366/009-03-2018
Designer: **IC THOMASSON ASSOCIATES INC**
- 21) **Middle Tennessee State University**
(University Center & Miller Education Center Reroof)
Total Project Budget: \$1,500,000
SBC Project No. 366/009-04-2018
Designer: **DESIGN INNOVATION ARCHITECTS**
- 22) **Middle Tennessee State University**
(Steam Lines & Manhole Repair & Replacement Ph II)
Total Project Budget: \$2,350,000
SBC Project No. 366/009-05-2018
Designer: **KURZYNSKE & ASSOCIATES**
- 23) **Middle Tennessee State University**
(Water & Sewer System Updates Ph I)
Total Project Budget: \$1,010,000
SBC Project No. 366/009-06-2018
Designer: **S&ME**
- 24) **Middle Tennessee State University**
(Maintenance Complex Reroof)
Total Project Budget: \$1,048,000
SBC Project No. 366/009-07-2018
Designer: **MCFARLIN HUITT PANVINI**
- 25) **Middle Tennessee State University**
(Smoke Evacuation Repairs & Retro-Commissioning)
Total Project Budget: \$500,000
SBC Project No. 366/009-08-2018
Designer: **IC THOMASSON ASSOCIATES INC**

- 26) **Middle Tennessee State University**
(Elevator Modernization Ph II)
Total Project Budget: \$550,000
SBC Project No. 366/009-09-2018
Designer: **ENGINEERING SERVICES GROUP**
- 27) **Statewide**
(Architect Consultant – West Region)
Total Project Budget: Not Applicable
SBC Project No. 166/000-03-2017
Designer: **ROSS WITT PLLC**
- 28) **Statewide**
(Hazardous Materials Consultant)
Total Project Budget: Not Applicable
SBC Project No. 166/000-03-2017
Designer: **TERRACON CONSULTANTS**
- 29) **Statewide**
(Engineer Consultant – West Region)
Total Project Budget: Not Applicable
SBC Project No. 166/000-03-2017
Designer: **HNA ENGINEERING PLLC**
- 30) **Statewide**
(Engineer Consultant - East Region)
Total Project Budget: Not Applicable
SBC Project No. 166/000-03-2017
Designer: **FACILITY SYSTEMS CONSULTANTS**
- 31) **Statewide**
(Structural Consultant)
Total Project Budget: Not Applicable
SBC Project No. 166/000-03-2017
Designer: **BURR & COLE CONSULTING ENGINEERS**
- 32) **Statewide**
(Building Roof & Envelope Consultant)
Total Project Budget: Not Applicable
SBC Project No. 166/000-03-2017
Designer: **ROOF DESIGN & CONSULTING SERVICE**
- 33) **Statewide**
(Fire Safety Codes Consultant)
Total Project Budget: Not Applicable
SBC Project No. 166/000-03-2017
Designer: **SELF + TUCKER ARCHITECTS**
- 34) **Pellissippi State Community College**
(Hardin Valley Parking Expansion)
Total Project Budget: \$630,000
SBC Project No. 166/032-07-2018
Designer: **FULGHUM MACINDOE & ASSOCIATES**
- 35) **Southwest Community College**
(Union & Macon Cove Plumbing Updates)
Total Project Budget: \$2,900,000
SBC Project No. 166/033-01-2018
Designer: **A2H INC**
- 36) **Tennessee Technological University**
(Cooper/Dunn Residence Halls Upgrades)
Total Project Budget: \$6,700,000
SBC Project No. 364/011-03-2018
Designer: **MAFFETT LOFTIS ENGINEERING LLC**
- 37) **Booker T. Washington State Park**
(Waterline Replacement)
Total Project Budget: \$1,970,000
SBC Project No. 126/010-01-2018
Designer: **FULGHAM MACINDOE & ASSOCIATES**
- 38) **Turney Center Industrial Complex**
(Site Improvements)
Total Project Budget: \$3,000,000
SBC Project No. 142/005-01-2018
Designer: **FISHER & ARNOLD INC**
- 39) **Tennessee Prison for Women**
(HVAC, BAS and Smoke Evacuation)
Total Project Budget: \$2,500,000
SBC Project No. 142/009-02-2018
Designer: **EDMONDS ENGINEERING**
- 40) **West Tennessee State Penitentiary**
(Life Safety Systems Upgrades)
Total Project Budget: \$4,470,000
SBC Project No. 142/022-01-2018
Designer: **SMITH SECKMAN REID INC**
- 41) **West Tennessee State Penitentiary**
(Freezer & Cooler Upgrades)
Total Project Budget: \$1,000,000
SBC Project No. 142/022-02-2018
Designer: **SPIRIT ARCHITECTURE GROUP LLC**

- 42) **Tipton-Haynes State Historic Site**
 (Buildings & Site Repairs)
 Total Project Budget: \$780,000
 SBC Project No. 160/014-01-2018
 Designer: **REEDY & SYKES ARCHITECTURE & DESIGN**
- 43) **Tennessee School for the Blind**
 (Roof Replacements)
 Total Project Budget: \$550,000
 SBC Project No. 168/005-01-2018
 Designer: **M SHANKS ARCHITECTS**
- 44) **Tennessee School for the Blind**
 (Water Upgrades)
 Total Project Budget: \$1,160,000
 SBC Project No. 168/005-02-2018
 Designer: **OLIVER LITTLE GIPSON ENGINEERING**
- 45) **Memphis Readiness Center**
 (Memphis Field Maintenance Shop General Purpose Bay)
 Total Project Budget: \$1,590,000
 SBC Project No. 361/065-01-2018
 Designer: **ANF ARCHITECTS INC**
- 46) **New Tazewell Readiness Center**
 (Reroof & Facility Update)
 Total Project Budget: \$760,000
 SBC Project No. 361/066-01-2018
 Designer: **WYSTWYND DESIGNS INC**
- 47) **Nashville Airport-Berry Field Readiness Center**
 (Building 721 Reroof and Fire Alarm Repair)
 Total Project Budget: \$1,800,000
 SBC Project No. 361/104-02-2018
 Designer: **DESIGN HOUSE 1411 LLC**
- 48) **Milan Volunteer Training Site**
 (Barracks Latrines Renovation)
 Total Project Budget: \$1,130,000
 SBC Project No. 368/031-01-2018
 Designer: **GRESHAM SMITH & PARTNERS**
- 49) **Milan Volunteer Training Site**
 (Cantonment Area HVAC Update)
 Total Project Budget: \$1,420,000
 SBC Project No. 368/031-02-2018
 Designer: **HFR DESIGN**
- 50) **Milan Volunteer Training Site**
 (Range Study, Survey & Analysis)
 Total Project Budget: Not Applicable
 SBC Project No. 368/031-03-2018
 Designer: **KLINE SWINNEY ASSOCIATES**
- 51) **R.S. Gass Laboratory**
 (ADA Upgrades)
 Total Project Budget: \$1,050,000
 SBC Project No. 406/003-01-2018
 Designer: **CMARCHITECTS PLLC**
- 52) **West Tennessee Regional Health Office**
 (Air Handler Replacement)
 Total Project Budget: \$620,000
 SBC Project No. 408/005-01-2018
 Designer: **HNA ENGINEERING PLLC**
- 53) **Andrew Jackson State Office Building**
 (Elevator Replacement)
 Total Project Budget: \$3,270,000
 SBC Project No. 529/073-01-2018
 Designer: **ENGINEERING SERVICES GROUP INC**

Other Business

1) As referred by the SBC, discussion of the change order identified below:

State Procurement Agency:	STREAM	User Agency:	Department of General Services
Location:	Nashville, Tennessee		
Project Title:	Mechanical & Electrical Upgrades (Cordell Hull Building Renovations)		
SBC Project No:	529/005-01-2005-08	Approval Date:	07/12/2018
Designer:	Centric Architecture	Contractor:	Skanska
Construction Completion %:	100%	Targeted Substantial Completion:	02/28/2018
Change Order No.	19	Comment: Cost Efficiencies	
Change Order Amount:	(\$1,433,974.74)	This change order is a credit back to the project from the contractor's unused GMP.	
Change Order Percentage:	(1.59%)		
Cumulative Percentage:	2.54%		
<u>Approved Project Funding</u>		<u>After This Change Order</u>	
Original Bid Target:	\$94,225,227.00	Revised Contract Amount:	\$92,700,109.26
Base Contract Amount:	\$90,405,283.00	Remaining Undedicated Funds:	\$7,752,008.94
Contingency:	\$5,936,670.90		

Comptroller Wilson asked for confirmation that the credit was to the project and not the general fund. Deputy Commissioner John Hull confirmed that was the case. He added that the purpose of the change order was to reduce the funds encumbered by the Contractor's contract and to put that excess back into the project budget. Commissioner Martin asked about the process to close out a project. Deputy Commissioner Hull explained that a project remains open after substantial completion until the expiration of a one-year warranty period, during which time all Contractor corrections and other open items are addressed for project finalization. The project is then closed out and any unexpended funds returned to the appropriate accounts. With this clarification, all members' questions were answered regarding this change order.

2) As referred by the SBC, appointment of a member to the Advisory Board for the Metro Nashville District Energy System for a term of two years (in accordance with Item 13.01 of the *SBC By-Laws, Policy & Procedures*).

Treasurer Lillard made a motion to appoint the State Architect, Ann McGauran. Secretary Hargett seconded the motion and the motion passed.

There being no further business, the meeting adjourned at 11:17 a.m.

AUSTIN PEAY STATE UNIVERSITY

Acquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 18-03-003

- **Location:** Austin Peay State University
Montgomery County- 0.18 acres – 239 Georgia Avenue, Clarksville, TN
- **Owner(s):** Michael B. Becraft
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** Plant Funds (Non-Auxiliary)

Comment: The property will be used as rental income and offers an opportunity to acquire property across the street from property already owned. No additional management costs are anticipated if the property is acquired. This property is in APSU's 2013 Master Plan.

Date of Last Transfer: 12/29/2006
Purchase Price: \$88,000
Property Assessor's Value: \$54,400
Square Footage Improvements: 1,116

Minutes: 08/20/2018 Approved acquisition in fee with waiver of advertisement and one appraisal

THE UNIVERSITY OF MEMPHISDisposal - Lease Amendment (Space)

Requested Action:	Approval of a lease amendment with waiver of advertisement
Transaction Description:	Transaction No. 18-02-902
<ul style="list-style-type: none"> ● Proposed Amendment <ul style="list-style-type: none"> ○ Area / Costs: 1,040 Square Feet/\$20,080.00 per year (\$20.00/sf), plus 3% annual increases ● Current Lease <ul style="list-style-type: none"> ○ Location: University of Memphis – Lambuth Campus ○ Tenant: UMRF Ventures, Inc. ○ Term: April 1, 2018 thru March 31, 2021 ○ Area / Costs: 864 Square Feet/\$17,280.00 per year (\$20.00/sf), plus 3% annual increases ● FRF Rate: \$18.00 (for reference only) 	
Comment:	This Amendment adds space to expand the call center to handle increased call volume.
Previous Action:	02/26/2018 Approved disposal by lease with waiver of advertisement and appraisal.
Minutes:	08/20/2018 Approved a lease amendment with waiver of advertisement

TENNESSEE BOARD OF REGENTS

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 18-86-001

- **Proposed Lease**

- **Location:** TCAT-Shelbyville
Franklin County- Dinah Shore Boulevard, Winchester, TN
- **Landlord:** Franklin County
- **Term:** 10 years
- **Area / Costs:** 31,000 Square Feet

Average Annual Contract Rent	\$ 0.00	\$0.00/sf
Estimated Annual Utility Cost	54,250	1.75/sf
Estimated Annual Janitorial Cost	34,100	1.10/sf
Total Annual Effective Cost	\$88,350	\$2.85/sf

- **Source of Funding:** Plant Funds (Non-Auxiliary) (A)
- **Procurement Method:** Negotiated
- **FRF Rate:** \$14.00

Comment: In order to meet the growing workforce development training needs in the region, TCAT-Shelbyville desires to enter into a partnership with Franklin County to locate a satellite campus in Winchester. The construction of the approximately 31,000 square foot facility will be funded through a Community Development Building Grant (CDBG) and an Economic Development Administration (EDA) Grant. TCAT-Shelbyville will pay all operating and maintenance costs associated with the facility during the lease term with funds from their existing operational budget. Advertising is not required pursuant to TCA § 12-2-114.

Minutes: 08/20/2018 Approved a lease

TENNESSEE BOARD OF REGENTS

Chattanooga State Community College, Chattanooga, Hamilton County, Tennessee

Requested Action: Approval of a revision in project budget and funding in order to award a contract

Project Title: Elevator Updates

Project Description: Modernize and update elevators in the Omniplex, Instructional Materials Center, Student Center, Center for Business Industry and Health, and Humanities Building.

SBC Number: 166/012-02-2016

Total Project Budget: \$1,168,540.05

Source of Funding:	<u>Original</u>	<u>Change</u>	<u>Revised</u>			
	\$ 990,000.00	\$ 0.00	\$990,000.00	16/17	CurrFunds-CapMaint	(A)
	0.00	101,540.05	101,540.05	15/16	CurrFunds-CapMaint	(R)
	0.00	77,000.00	77,000.00		Plant Funds (Non-Aux)	(A)
Original Project Budget:	\$ 990,000.00					
Change in Funding:		\$178,540.05				
Revised Project Budget:			\$1,168,540.05			

Comment: One bid was received on July 25th with Kone Inc. submitting the bid. Additional funds are for base bid only. Funds are from a completed project at ChSCC (166/012-02-2015, Parking Lot Updates). The bid was higher than expected because of the accelerated schedule necessary to complete the work while the students were on break. There will be no additional designer fees.

Previous Action:

07/09/2015	SBC	Approved project
07/20/2015	ESC	Selected designer (Barge Wagoner Sumner & Cannon)
08/09/2018	SBC	Referred to ESC with authority to act

Minutes: 08/20/2018 ESC Approved a revision in project budget and funding in order to award a contract

UNIVERSITY OF TENNESSEEAcquisition – Fee (Gift)

Requested Action:	Approval of acquisition in fee with waiver of advertisement and appraisals
Transaction Description:	Transaction No. 18-07-012
• Location:	University of Tennessee – Institute of Agriculture (UTIA) Knox County – 18.2 +/- acres (2 parcels) – 0 and 2705 Riverside Drive, Knoxville, TN
• Owner(s):	Alan Solomon
• Estimated Purchase Price:	Gift
• Source of Funding:	Plant Funds (Non-Auxiliary) (REM fees) (A)
Comment:	The University seeks to acquire this property via gift for institutional use. The property is less than five miles from the UTIA Main Campus and will be used as an arboretum and education center. It will also be open to the public. The land acquisition plan for UTIA was revised and approved by THEC to accommodate this purchase. There are restrictions on the use of the property but they will not prohibit UTIA from using the property for its intended purposes. An endowment held by the East Tennessee Foundation will be used to support the property and its intended use.
	Date of Last Transfer: 04/28/1992 and 12/08/1995
	Purchase Price: \$5,120 and NA
	Property Assessor's Value: \$5,400 and \$670,200
	Square Footage Improvements: Main Residence 3,700 sf
	Stone House 721 sf
	Small Cottage 574 sf
Minutes:	08/20/2018 Approved acquisition in fee with waiver of advertisement and appraisals

UNIVERSITY OF TENNESSEEDisposal – Lease (Land)

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

Transaction Description: Transaction No. 18-08-001
 • **Location:** University of Tennessee-Knoxville
 Knox County – 2000 Sutherland Avenue, Knoxville, TN
 • **Tenant:** The Lamar Companies
 • **Term:** September 1, 2018 thru August 31, 2023
 • **Area / Costs:** 100 +/- square feet / \$12,000/yr or 25% of gross revenue

Comment: The proposed lease is for a billboard that was located on the property when it was acquired in 2013. Since the billboard structure is in place and market rent is being paid, waiver of advertisement is requested. The University restricts advertising to protect its commercial, reputational, and legal interests.

Date of Last Transfer: 05/10/2013
 Original Cost to State: \$780,000 (6.06 acres and improvements)
 Square Footage Improvements: Office – 5,800 sf
 Office/Warehouse – 85,000 sf

Minutes: 08/20/2018 Approved disposal by lease with waiver of advertisement and appraisals

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Disposal – Lease (Recognition Agreement)

Requested Action: Approval to enter into a recognition agreement

Transaction Description: Transaction No. 17-08-008 – TP

- **Location:** Norris Dam Marina
Anderson & Campbell Counties – 125 Village Green Circle, Rocky Top, TN
- **Tenant:** H & B Enterprises, Inc. (H&B)
- **Term:** April 16, 1986 to April 15, 2042
- **Area / Costs:** 26 +/- acres / 3.5% of gross receipts

Comment: In October 2017, ESC approved Brad Bardo previous request to extend the term of H&B’s lease at the Norris Dam Marina for an additional six years to allow H&B to obtain a new loan for significant improvements and repairs at Norris Dam Marina. After extending the term for an additional six years, the State received a Recognition Agreement from H&B’s bank as a requirement to close the loan.

TDEC supports H&B’s operations and their continuous improvements at Norris Dam Marina, which will include 40-60 slips and a buoy line to hold 35 spots as well as replacing some of the old dock and houseboat slips.

Previous Action:

02/21/2012	ESC	Approved lease
10/23/2017	ESC	Approved lease

Minutes: 08/20/2018 ESC Approved entering into a recognition agreement

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONDisposal - Lease Amendment

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

Transaction Description: Transaction No. 18-07-011 - DM

- **Proposed Amendment:**
 - **Term:** 20 years (September 1, 2008 – August 31, 2028)
- **Current Lease**
 - **Location:** Hampton Creek Cove State Natural Area
Carter County – Elizabethton, TN
 - **Tenant:** Southern Appalachian Highlands Conservancy, Inc. (SAHC)
 - **Term:** 10 years (September 1, 2008 – August 31, 2018)
 - **Area / Costs:** 693.29 +/- acres / Mutual Benefit
- **Source of Funding:** 18/19 State Lands Acquisition Fund (REM Fees)(A)

Comment: SAHC bought the property and transferred it to the State for its protection in 1986, at which time it was designated a state natural area. The group has continued to provide management of the property by lease since it became a state natural area.

Date of Last Transfer: 01/08/1986
 Original Cost to State: \$657,100.00
 Square Footage Improvements: 600 sf Bldg. and 800 sf Cabin

Previous Action: 07/21/2008 ESC Approved lease

Minutes: 08/20/2018 ESC Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICESAcquisition - Lease Amendment

Requested Action: Approval of a lease amendment

Transaction Description: Transaction No. 13-01-957 - LB

- **Proposed Amendment**

- **Term:** 8 years (November 1, 2013 – October 31, 2021)

- **Current Lease**

- **Location:** Rhea County – 111 Fourth Avenue, Dayton, TN

- **Landlord:** City of Dayton

- **Term:** 5 years (November 1, 2013 – October 31, 2018)

- **Area / Costs:** 5,500 Square Feet

Annual Contract Rent:	\$45,375.00	\$8.25/sf
Estimated Annual Utility Cost:	9,625.00	1.75/sf
Estimated Annual Janitorial Cost:	6,050.00	1.10/sf
Total Average Annual Effective Cost:	\$61,050.00	\$11.10/sf

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

- **FRF Rate:** \$14.00

Comment: This lease will provide office space for Department of Children's Services. Location was built to suit for State. Advertisement is not required pursuant to TCA § 12-2-114.

A request to amend the current lease by 3 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for long-term planning to effectuate a balance of portfolio resources.

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: 08/20/2018 Approved a lease amendment

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 05-05-905 - WW

- **Proposed Amendment**

- **Term:** 12 years (December 1, 2008 – November 30, 2020)

- **Area / Costs:** 13,000 Square Feet

Annual Contract Rent:	\$117,000.00	\$9.00/sf
Estimated Annual Utility Cost:	22,750.00	1.75/sf
Estimated Annual Janitorial Cost:	14,300.00	1.10/sf
Total Average Annual Effective Cost:	\$154,050.00	\$11.85/sf

- **Current Lease**

- **Location:** Sullivan County – 707 North Eastman Road, Kingsport, TN

- **Landlord:** Richard O. Ripley

- **Term:** 10 years (December 1, 2008 - November 30, 2018)

- **Area / Costs:** 13,000 Square Feet

Annual Contract Rent:	\$117,000.00	\$9.00/sf
Estimated Annual Utility Cost:	18,200.00	1.40/sf
Estimated Annual Janitorial Cost:	14,300.00	1.10/sf
Total Average Annual Effective Cost:	\$149,500.00	\$11.50/sf

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

- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Children's Services.

A request for waiver of advertisement and to amend current lease by 2 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for long-term planning to effectuate a balance of portfolio resources.

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: 09/23/2005 ESC Approved lease

Minutes: 08/20/2018 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICESAcquisition - Lease Amendment

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

Transaction Description: Transaction No. 07-05-907 - WW

- **Proposed Amendment**

- **Term:** 12 years (December 1, 2008 – November 30, 2020)

- **Area / Costs:** 6,500 Square Feet

Annual Contract Rent:	\$97,500.00	\$15.00/sf
<i>Estimated Annual Utility Cost:</i>	<i>11,375.00</i>	<i>1.75/sf</i>
Estimated Annual Janitorial Cost:	7,150.00	1.10/sf
Total Average Annual Effective Cost:	\$116,025.00	\$17.85/sf

- **Current Lease**

- **Location:** Sevier County – 1220 Graduate Drive, Sevierville, TN

- **Landlord:** Steven D Layman

- **Term:** 10 years (December 1, 2008 - November 30, 2018)

- **Area / Costs:** 6,500 Square Feet

Annual Contract Rent:	\$97,500.00	\$15.00/sf
Estimated Annual Utility Cost:	9,100.00	1.40/sf
Estimated Annual Janitorial Cost:	7,150.00	1.10/sf
Total Average Annual Effective Cost:	\$113,750.00	\$17.50/sf

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

- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Safety.

A request to amend current lease by 2 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expiration for long-term planning to effectuate a balance portfolio resources.

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: 12/17/2007 ESC Approved lease

Minutes: 08/20/2018 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICESLicense Agreement

Requested Action: Approval of a license agreement with waiver of advertisement

Transaction Description: Transaction No. 13-08-900 - BN

- **Proposed Amendment**

- **Term:** 2 years
- **Area / Costs:** 150 Parking Spaces
 - 1st year annual rent \$297,000.00 @ \$165.00 device/mo.
 - 2nd year annual rent \$333,000.00 @ \$185.00 device/mo.

- **Current Lease**

- **Location:** Davidson County - 350 Deaderick Street, Nashville, TN
- **Landlord:** Premier Parking of Tennessee, LLC
- **Term:** 5 years (September 1, 2014 – August 31, 2018)
- **Area / Costs:** Up to 200 Parking Spaces
 - 1st year annual rent \$237,600.00 @ \$99.00 device/mo.
 - Average annual rent \$252,288.00 @ \$105.12 device/mo.

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

- **FRF Rate:** N/A

Comment: The purpose of this agreement is to provide continued parking required for State occupancy of State owned buildings within the Nashville Central Business District.

The license shall contain mutual termination rights subject to 90 day written notice. All maintenance, operating costs and capital expenditures will be incurred by the Licensor.

A short term license agreement is being put into place to bridge from termination of current agreement until new agreement is executed.

Previous Action: 08/19/2013 ESC Approved license

Minutes: 08/20/2018 Approved a license agreement with waiver of advertisement

Approved:



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