

AGENDA

STATE BUILDING COMMISSION
Executive Subcommittee
Cordell Hull State Office Building
House Hearing Room III
August 19, 2024
11:00 a.m.

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Pursuant to T.C.A. § 8-44-112, any person interested in making a public comment, either in-person or remotely, about any agenda item should notify by email state.architect@tn.gov prior to the meeting or may make a request in person by speaking with the State Architect prior to the meeting start.

Pursuant to T.C.A. §8-44-108, meetings may be conducted permitting participation of electronic or other means of communication.

CONSENT AGENDA

Approval of the following items which have been reviewed and recommended for approval by Subcommittee staff:

1. Agency: **Tennessee Technological University**
Requested Action: Approval of disposal by lease
Transaction No.: 24-07-012
Location: Tennessee Technological University ("TTU")
Putnam County - 0.2421 +/- acres - 42 Church Ave, Cookeville, Tennessee

2. Agency: **Tennessee Wildlife Resources Agency**
Requested Action: Approval of disposal in fee and disposal by easement with waiver of advertisement and appraisal
Transaction No.: 24-05-013
Location Fee: Bradley County – 3,288 ± sq ft – Old Lower River Road and South Mouse Creek, Cleveland, TN
Location Easement: Bradley County – 1,187 ± sq ft – Old Lower River Road and South Mouse Creek, Cleveland, TN

3. Agency: **Tennessee Wildlife Resources Agency**
Requested Action: Approval of a revision of acquisition in fee
Transaction No.: 22-08-017
Location: North Cumberland Wildlife Management Area (NCWMA)
Campbell County – 434 ± acres – West of Stoney Fork Road, Huntsville, TN

4. Agency: **Department of General Services**
Requested Action: Approval of a lease
Transaction No.: 23-09-904 (DOS)
Location: Wayne County – 530 Highway 64 East, Suite 3, Waynesboro, TN

UNIVERSITY OF TENNESSEE

Acquisition – Lease Amendment (Space)

Requested Action: **Approval of a lease amendment**

Transaction Description: Transaction No. 2023-06-001

• **Proposed Amendment:**

• **Area / Costs:**

13,296 Square Feet

| | | |
|---|---------------------|-------------------|
| First Year Contract Rent | \$199,440.00 | \$15.00/sf |
| Average Annual Contract Rent (including utilities & janitorial) | <u>\$269,509.92</u> | <u>\$20.27/sf</u> |
| Total Annual Effective Cost | \$269,509.92 | \$20.27/sf |

• **Current Lease**

• **Location:**

University of Tennessee-Knoxville (UTK)
Knox County- 2200 Sutherland Avenue, Knoxville, Tennessee

• **Landlord:**

Magnolia Cherokee Mills LP

• **Term:**

5 years with one (1) 5-year option to extend

• **Area / Costs:**

11,872 Square Feet

| | | |
|---|---------------------|-------------------|
| First Year Contract Rent | \$178,080.00 | \$15.00/sf |
| Average Annual Contract Rent (including utilities & janitorial) | <u>\$240,645.44</u> | <u>\$20.27/sf</u> |
| Total Annual Effective Cost | \$240,645.44 | \$20.27/sf |

• **Source of Funding:**

Plant Funds (Non-Aux) (A)

• **Procurement Method:**

Negotiated

• **FRF Rate:**

\$18.00/sf (for reference only)

Comment:

The parties mistakenly referenced the actual usable square footage of Suite 108 as 11,872 in the lease as the rentable square footage, which figure should have included an additional 1,424 square feet of the Cherokee Mills complex attributable to Suite 108, for a total rentable square footage of 13,296. The parties are now seeking to amend the lease to reflect the correct rentable square footage and provide for the reconciliation of the difference in rent paid based on the incorrect rentable square footage since the commencement date of the term.

Previous Action:

06/20/2023 Approved waiver of advertisement
12/14/2023 Approved lease

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: **Approval of a lease**

Transaction Description: Transaction No. 2023-06-002

• **Proposed Lease:**

- **Location:** University of Tennessee-Knoxville (UTK)
Knox County- 306 and 318 West Depot Ave, Knoxville, TN
- **Landlord:** Knoxville Southern Station, LLC

- **Term:** 5 years with one (1) 5-year option to extend

- **Area / Costs:** 28,225 square feet

| | | |
|-------------------------------------|----------------------|-------------------|
| First Year Contract Rent | \$ 455,625.00 | \$25.00/sf |
| Average Annual Contract Rent | \$ 749,373.75 | \$26.55/sf |
| Estimated Utility Cost | \$ 49,393.75 | \$ 1.75/sf |
| Estimated Janitorial Cost | \$ 31,047.50 | \$ 1.10/sf |
| First Year Est. Triple Net Expenses | <u>\$ 453,011.25</u> | <u>\$16.05/sf</u> |
| Total Avg. Annual Effective Cost | \$1,282,826.25 | \$45.45/sf |

- **Source of Funding:** Plant Funds (Non-Aux) (A)

- **Procurement Method:** Negotiated

Comment: The College of Art and Architecture is seeking additional space to accommodate growth. This lease will be used for additional class, office, and studio space for upper-class Art and Architecture students. The first portion which includes 7,621 square feet commences in January 2025 with the final 20,604 square feet complete in Fall 2025.

Rent will increase by 3% annually in the renewal term, if exercised. If the University terminates for convenience, then the unamortized Tenant Improvement Allowance will be repaid. The lease also provides the University with access to 65 parking spaces at a rate of \$100/month that can be leased by the University and sold to students, faculty, and staff.

Previous Action: 06/20/2023 Approved waiver of advertisement

DEPARTMENT OF AGRICULTURE

Acquisition – Fee (Purchase)

Requested Action: **Approval of acquisition in fee**

Transaction Description: Transaction No. 24-06-004

- **Location:** Fayette County – 5,477 ± acres – Buford Ellington Road, Grand Junction, TN
- **Owner(s):** Robert H. Frey, Oliver A. Spalding, Augusta K. Haydock, as successor Trustee under the Will of Julia Colony Ames (one and the same as Julia C. Ames), deceased (the said successor Trustee being one of the present trustee of the Hobart Ames Foundation created under said Will.

- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 24/25 Ag Op Funds (A)
24/25 Wetlands Acquisition Fund (A)
Tennessee Heritage Conservation Trust Fund (O)
The Conservation Fund (O)

Comment: The Department of Agriculture (DoA) is requesting to acquire 5,477+/-acres of the Ames Research & Education Center that has been listed for sale and will be under immediate threat of development if sold to a third party. This tract is important and irreplaceable as it maintains the longest continuous research tree nursery in the country. It also contains one of the best examples of long-term well-managed bottomland hardwood forest in West Tennessee. This land is currently being managed by The University of Tennessee Institute of Agriculture (UTIA) and will create a new state forest.

State funds are included to meet the 25% match required to apply for the U.S. Forest Service Legacy Grant. It is anticipated that the U.S. Forest Service Legacy Grant will be used to reimburse the Tennessee Heritage Conservation Trust Fund once the grant has been approved.

The University of Tennessee and DoA will have an internal cooperative use agreement after the sale for ongoing research.

As this new state forest is integrated into DoA's portfolio, there could be future funding requests to support operations.

Date of Last Transfer: 03/10/2023
Purchase Price: \$0.00 (intra family transfer)
Property Assessor's Value: \$30,554,500.00
Square Footage Improvements: N/A

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) APPROVAL of the Minutes of the Executive Subcommittee meeting held on July 22, 2024.

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 and Revised Approvals of Capital Projects

- REPORT of the following capital improvement(s) with total project cost of less than \$100,000 in accordance with Item 2.04(A)(1) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** University of Tennessee Institute of Agriculture
Location: Greeneville, Tennessee
Project Title: UTIA NETREC Property Waterline (24/25)
Project Description: Installation of a new water line and concrete pads for agriculture use. Includes all related work to complete the project.
SBC Project No. 540/001-07-2024
Total Project Budget: \$47,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project and utilizing Campus Consultant (Orchard, Hiltz, & McCliment, Inc.) for design and System Procurement for construction
Approval Date:

- REPORT of the following capital project(s) with total project cost of \$100,000 - \$1,000,000 in accordance with Item 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Tennessee Wildlife Resources Agency
Location: Jackson, Tennessee
Project Title: Region 1 New Brown's Creek Restroom Building
Project Description: Construct a new restroom building and all required related work.
SBC Project No. 220/017-02-2024
Total Project Budget: \$440,000.00
Source of Funding: 24/25 TWRA Op Funds (A)
Approval: Approved project utilizing agency resources and a Central Procurement Office contract to perform the work
Approval Date: 07/31/2024

Approvals of Revisions to Existing Capital Projects

- REPORT of the following approval 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:** University of Tennessee – Chattanooga
Location: Chattanooga, Tennessee
Project Title: Brock Hall Upgrades
Project Description: Replacement of building systems including HVAC, lighting, and ceilings in conjunction with the work; upgrades to include building finishes, doors, hardware, restrooms, ADA and life safety code needs; repairs to building envelope, including masonry, window replacements, doors, and roof replacement; minor wall reconfigurations; asbestos abatement; and all related work.

SBC Project No. 540/005-04-2022
Total Project Budget: \$10,820,000.00
Source of Funding: 22/23 CurrFund-CapMaint (A)
Approval: Approved a revision in funding (move \$1,441,000.009 from Moveable Equipment, IT/AV and Admin & Misc to increase Construction)
Approval Date: 07/31/2024
 - 2) **State Procurement Agency:** University of Tennessee – Chattanooga
Location: Chattanooga, Tennessee
Project Title: Security Improvements
Project Description: This project will provide upgrades and additional door hardware, access controls, and cameras. The police dispatch/communication center equipment will also be upgraded.

SBC Project No. 540/005-30-2020
Total Project Budget: \$1,044,000.00
Source of Funding: 19/20 UT Op Funds (A)
Approval: Approved a revision in project funding (move \$33,000.00 from IT Dispatch System/Equipment to increase Construction)
Approval Date: 07/23/2024
 - 3) **State Procurement Agency:** STREAM / Department of Environment & Conservation
Location: Rocky Top, Tennessee
Project Title: Norris Dam State Park ADA Upgrades
Project Description: Provide ADA improvements that meet federal standards at Norris Dam State Park and all required related work.

SBC Project No. 126/063-02-2022
Total Project Budget: \$2,470,000.00
Source of Funding: 22/23 CurrFunds-CapMaint (MP) (A)
Approval: Approved a revision in project funding in order to award a contract (move \$422,105.00 from Admin & Misc to increase Construction) (Christman Southeast Constructors, Inc.)
Approval Date: 07/25/2024

- REPORT of the following approval of a Best Value (BV) or Construction Manager/General Contractor (CM/GC) in accordance with Item 2.04(B)(6) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of General Services
Location: Jackson, Tennessee
Project Title: Tennessee Bureau of Investigation Jackson Building Addition
Project Description: Provide building additions and renovations to the lab and associated spaces and all required related work.
SBC Project No. 500/004-01-2023
Total Project Budget: \$13,980,000.00
Source of Funding: 23/24 FRF CurrFunds-CapImp (A)
Approval: Approved awarding a contract to the best evaluated proposer for CM/GC (Turner Construction)
Approval Date: 07/26/2024

Approvals of Contract Amendments

- REPORT of the following approval of a capital grant amendment in accordance with Item 2.04(C)(3) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of General Services
Location: Memphis, Tennessee
Project Title: National Civil Rights Museum Grant
Project Description: Annual grant to provide maintenance support.
SBC Project No. 529/000-01-2020
Total Project Budget: \$1,650,000.00
Source of Funding:

| | | | |
|--------------|-------|-------------------------|-----|
| \$300,000.00 | 19/20 | CurrFunds-CapMaint | (A) |
| \$150,000.00 | 20/21 | CurrFunds-CapMaint (MP) | (A) |
| \$300,000.00 | 21/22 | CurrFunds-CapMaint | (A) |
| \$300,000.00 | 22/23 | CurrFunds-CapMaint | (A) |
| \$300,000.00 | 23/24 | CurrFunds-CapMaint | (A) |
| \$300,000.00 | 24/25 | CurrFunds-CapMaint | (A) |

Approval: Approved a revision in project budget and funding and an amendment to the grant agreement (increase by \$300,000.00)
Approval Date: 07/31/2024

Approvals of Acquisitions and Disposals of State Property

- REPORT of the following disposal easement(s) in accordance with Item 2.04(E)(3) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** STREAM / Department of Military
Transaction Description: Transaction No. 24-01-001
Location: Hamblen County – 0.14 ± acres – 5255 E. Andrew Johnson Hwy, Russellville
Grantee: AT&T of Tennessee (Bellsouth Telecommunications, Inc.)
Estimated Sale Price: Fair Market Value
Approval: Approved disposal by easement with waiver of appraisal
Approval Date: 08/01/2024

Designer Selections

- REPORT of the following 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:** University of Tennessee Institute of Agriculture
Location: Knoxville, Tennessee
Project Title: UTIA ETREC JRTU Dog Park (23/24)
SBC Project No. 540/001-04-2024
Total Project Budget: \$195,000.00
Source of Funding: Gifts (O)
Designer: Ross/Fowler, P.C.
Approval Date: 08/05/2024
 - 2) **State Procurement Agency:** STREAM / Department of Military
Location: Smyrna, Tennessee
Project Title: VTS Smyrna Civil Support Team Latrine Upgrades
SBC Project No. 361/079-03-2024
Total Project Budget: \$640,000.00
Source of Funding: Federal Funds (NGB) (F)
Designer: I.C. Thomasson Associates, Inc.
Approval Date: 08/05/2024
 - 3) **State Procurement Agency:** STREAM / Department of Military
Location: Smyrna, Tennessee
Project Title: VTS Smyrna Building 603 Latrine Repairs and Upgrades
SBC Project No. 361/079-04-2024
Total Project Budget: \$440,000.00
Source of Funding: Federal Funds (NGB) (F)
Designer: Oliver Little Gipson Engineering, Inc.
Approval Date: 08/01/2024
- SELECTION of DESIGNERS for projects approved by the State Building Commission as recommended by the State Procurement Agencies.

Other Business

TENNESSEE TECHNOLOGICAL UNIVERSITY**Disposal – Lease (Land)****Requested Action:** **Approval of disposal by lease****Transaction Description:** Transaction No. 24-07-012

- **Location:** Tennessee Technological University (“TTU”)
Putnam County - 0.2421 +/- acres - 42 Church Ave, Cookeville, Tennessee
- **Tenant:** City of Cookeville
- **Term:** 20 years
- **Area / Costs:** 0.2421 +/- acres / \$1/year

Comment: This property is currently a vacant lot and has been determined to be surplus to TTU’s needs at this time. This lease will allow the City of Cookeville to construct, operate and maintain a surface parking area to serve visitors, employees, and patrons of the downtown area. This tract is adjacent to land and a building owned by the Industrial Development Board of the City of Cookeville, Tennessee (“IDB”), who would also make land available for surface parking. A portion of the IDB property is also used by a tenant who was recruited for economic development purposes to the City with assistance from TTU.

The lease would be terminable by either party on 120 days’ notice after December 31, 2025. The proposed rent recognizes the value of the improvements that the City will construct on the property which will revert to TTU at the end of the lease term and TTU’s desire to support economic development and vitality in the City of Cookeville. Advertising is not required because the tenant is a governmental entity and the lease will serve a public purpose.

| | |
|------------------------------|--------------|
| Date of Last Transfer: | 06/08/2017 |
| Original Cost to State: | \$140,000.00 |
| Square Footage Improvements: | N/A |

TENNESSEE WILDLIFE RESOURCES AGENCY**Disposal – Fee & Disposal – Easement (Construction)**

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

Transaction Description: Transaction No. 24-05-013

Disposal – Fee & Easement

- **Location Fee:** Bradley County – 3,288 ± sq ft – Old Lower River Road and South Mouse Creek, Cleveland, TN
- **Location Easement:** Bradley County – 1,187 ± sq ft – Old Lower River Road and South Mouse Creek, Cleveland, TN
- **Grantee:** Bradley County
- **Estimated Sale Price:** Mutual Benefit
- **Source of Funding:** Tennessee Department of Transportation (REM Fees) (A)

Comment: This property is needed for a Tennessee Department of Transportation (TDOT) bridge replacement project planned for Old Lower River Road and South Mouse Creek in Bradley County. TDOT has requested that this property and temporary construction easement be conveyed to Bradley County and will pay all costs associated with the conveyance.

Waiver of advertisement and appraisal is requested due to the project being located on a county road.

The Tennessee Wildlife Resources Agency supports this request and the public purpose it will serve and therefore is not seeking any consideration.

TENNESSEE WILDLIFE RESOURCES AGENCY**Acquisition – Fee****Requested Action:** Approval of a revision of acquisition in fee**Transaction Description:** Transaction No. 22-08-017● **Proposed Revision**

- **Source of Funding:** 24/25 Wetlands Acquisition Fund (A)
Tennessee Heritage Conservation Trust Fund (O)

● **Previously Approved**

- **Location:** North Cumberland Wildlife Management Area (NCWMA)
Campbell County – 434 ± acres – West of Stoney Fork Road, Huntsville, TN
- **Owner(s):** William W. Layne, Judy A Layne, Lois J. Layne, Darrell W. Layne, and Rusty L. Layne
- **Estimated Sale Price:** Fair Market Value
- **Source of Funding:** 22/23 Wetlands Acquisition Fund (A)

Comment: Tennessee Wildlife Resources Agency (TWRA) is requesting a revision to the previously approved transaction to add Tennessee Heritage Conservation Trust as an additional source of funding to cover the increase in appraised value since the last approval.

The Grant Agreement between the Tennessee Heritage Conservation Trust and Tennessee Wildlife Resources Agency requires that the tracts maintain their conservation values in perpetuity.

Previous Action: 11/21/2022 Approved acquisition in fee

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 23-09-904 (DOS)● **Proposed Lease**

- **Location:** Wayne County – 530 Highway 64 East, Suite 3, Waynesboro, TN
- **Landlord:** Jeffrey W. Hunt
- **Term:** 9 years with three 1-year renewal options (October 1, 2025 – September 30, 2034)

○ **Area / Costs:** 980 Square Feet

| | | |
|-----------------------------|-------------|------------|
| Annual Contract Rent: | \$13,230.00 | \$13.50/sf |
| Estimated Utility Cost | 1,715.00 | 1.75/sf |
| Estimated Janitorial Cost | 1,078.00 | 1.10/sf |
| Total Annual Effective Cost | \$16,023.00 | \$16.35/sf |

● **Current Lease**

- **Location:** Wayne County – 530 Highway 64 East, Suite 3, Waynesboro, TN
- **Landlord:** Jeffrey W. Hunt
- **Term:** 5 years (October 1, 2020 – September 30, 2025)

○ **Area / Costs:** 980 Square Feet

| | | |
|---|-------------|------------|
| Annual Contract Rent (includes utilities) | \$12,936.00 | \$13.20/sf |
| Estimated Janitorial Cost | 1,078.00 | 1.10/sf |
| Total Annual Effective Cost | \$14,014.00 | \$14.30/sf |

● **Source of Funding:** FRF● **Procurement Method:** Negotiated● **FRF Rate:** \$15.00**Comment:** This lease will provide office space for Department of Safety and Homeland Security, Tennessee Highway Patrol (THP) Division.

Advertisement is not required pursuant to TCA §12-2-114.

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.