

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
February 24, 2025

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 Bryson called the meeting to order at 11:02 a.m. and requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

Jim Bryson, Commissioner, Department of Finance and Administration
Tre Hargett, Secretary of State
David Lillard, State Treasurer
Jason Mumpower, Comptroller of the Treasury

ORGANIZATION

- Tennessee Wildlife Resources Agency
- Department of General Services
- State Building Commission

PRESENTER

Chief of Real Estate Tim Churchill
Deputy Commissioner John Hull
State Architect Ann McGauran

Commissioner Bryson asked if there were any requests for public comment and State Architect McGauran replied that there were no requests.

CONSENT AGENDA

Approved the following items which had been reviewed and recommended for approval by Subcommittee staff:

1. Agency: **Tennessee Wildlife Resources Agency**
 Requested Action: Approval of acquisition in fee
 Transaction No.: 24-10-001
 Location: Tigrett Wildlife Management Area (TWMA)
 Dyer County – 285.40± acres – 0 Highway 412, Dyersburg, TN

2. Agency: **Department of General Services**
 Requested Action: Approval of a lease amendment with waiver of advertisement
 Transaction No.: 22-03-905 (TBI)
 Location: Hamilton County - 6040 Century Oaks Drive, Chattanooga, TN

3. Agency: **Department of General Services**
 Requested Action: Approval of a lease amendment with waiver of advertisement
 Transaction No.: 13-02-970 (DHS/DCS)
 Location: Dyer County 1979 St. John Avenue, Suite E and F, Dyersburg, TN

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee (Purchase)

Requested Action: **Approval of acquisition in fee and to utilize third parties**

Transaction Description: Transaction No. 24-12-012
Location: Hardeman County – 190.5 +/- acres – Highway 57, Pocahontas, TN
Owner(s): John Stoltzfus
Estimated Purchase Price: Fair Market Value
Source of Funding: 24/25 Wetlands Acquisition Fund (A)
Tennessee Heritage Conservation Trust Fund (O)
Third Party: The Conservation Fund
TennGreen Land Conservancy
The Nature Conservancy

Comment: This property is on the wetlands priority list and has been approved for purchase by the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency per T.C.A. §11-14-402.

This parcel will become a Public Hunting Area and will provide boating access to the Hatchie River. The acquisition will also secure the protection of sensitive wetland habitat along the Hatchie River.

Third party use is requested because of timing and to take advantage of due diligence funded by third parties and approved by the state.

The grant agreement between the Tennessee Heritage Conservation Trust and Tennessee Department of Environment and Conservation requires that the tracts maintain its conservation values in perpetuity.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	11/30/2022
Purchase Price:	\$0 (intra-family transfer)
Property Assessor's Value:	\$374,700.00
Square Footage Improvements:	N/A

Minutes: 02/24/2025 Comptroller Mumpower received confirmation that this property and the following item, property in McNairy County, are owned by the same family in two counties and that ultimately the two purchases will form part of a single wetlands unit for TWRA.

The Subcommittee approved an acquisition in fee and utilizing third parties.

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee (Purchase)

Requested Action: **Approval of acquisition in fee and to utilize third parties**

Transaction Description: Transaction No. 24-12-013
Location: McNairy County – 1,115 +/- acres (3 tracts) – Highway 57, Pocahontas, TN
Owner(s): John Stoltzfus and Justin Stoltzfus
Estimated Purchase Price: Fair Market Value
Source of Funding: 24/25 Wetlands Acquisition Fund (A)
Tennessee Heritage Conservation Trust Fund (O)
Third Party: The Conservation Fund
TennGreen Land Conservancy
The Nature Conservancy

Comment: This property is on the wetlands priority list and has been approved for purchase by the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency per T.C.A. §11-14-402.
This parcel will become a Public Hunting Area and will provide boating access to the Hatchie River. The acquisition will also secure the protection of sensitive wetland habitat along the Hatchie River.

Third party use is requested because of timing and to take advantage of due diligence funded by third parties and approved by the State.

The grant agreement between the Tennessee Heritage Conservation Trust and Tennessee Department of Environment and Conservation requires that the tracts maintain its conservation values in perpetuity.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: 11/30/2022
Purchase Price: \$275,000.00 (intra-family transfer)
Property Assessor's Value: \$1,206,900.00
Square Footage Improvements: N/A

Date of Last of Transfer: 10/27/2022
Purchase Price: \$0.00 (intra-family transfer)
Property Assessor's Value: \$469,800.00
Square Footage Improvements: N/A

Date of Last Transfer: 7/21/2021
Purchase Price: \$649,000.00
Property Assessor's Value: \$48,100.00
Square Footage Improvements: N/A

Minutes:

02/24/2025

Comptroller Mumpower received confirmation that this property and the prior item, property in Hardeman County, are owned by the same family in two counties and that ultimately the two purchases will form part of a single wetlands unit for TWRA.

The Subcommittee approved an acquisition in fee and utilizing third parties.

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 19-11-919 (DOC)

Proposed Amendment

○ Area / Costs:	<i>6,600 Square Feet</i>		
	First Year's Annual Rent	\$392,332.00	\$59.44/sf
	Average Annual Contract Rent	160,772.20	24.36/sf
	Estimated Utilities Cost (electric only)	9,900.00	1.50/sf
	Estimated Janitorial Cost	7,260.00	1.10/sf
	Total Average Annual Effective Cost	\$177,932.20	\$26.96/sf

Current Lease

○ Location:	Bradley County – 4605 N. Lee Highway, Cleveland, TN		
○ Landlord:	Nexus Acquisitions, LLC		
○ Term:	10 years		
○ Area / Costs:	<u>6,600 Square Feet</u>		
	First Year's Annual Rent	\$179,190.00	\$27.15/sf
	Average Annual Contract Rent	139,458.00	21.13/sf
	Estimated Utilities Cost (electric only)	9,900.00	1.50/sf
	Estimated Janitorial Cost	7,260.00	1.10/sf
	Total Average Annual Effective Cost	\$156,618.00	\$23.73/sf

Source of Funding: FRF

Procurement Method: Negotiated

FRF Rate: \$18.00

Comment: This lease will provide office space for the Department of Correction. This office provides community supervision for probation and parole.

This amendment will provide reimbursement to the landlord at lease commencement for the increased cost of construction overages due to agency program changes and delays. The lease is now anticipated to commence September 1, 2025. After completing additional market research, this request is in the best interest of the State.

No additional commission fee will be paid to Knox Office Realty.

Previous Action: 10/24/2022 Approved a lease

Minutes: 02/25/2025 Commissioner Bryson asked if the \$213,000.00 payment to be made at the commencement of the lease was in addition to the first-year rent amount reflected above or included in that amount. Deputy Commissioner John Hull responded that it is included in the line listing the total amount of rent that will be paid in the first year even though a portion will be paid in one lump sum and not monthly installments.

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 January 27, 2025.

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

- Reported the following two capital projects 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:** University of Tennessee Institute of Agriculture
Location: Walland, Tennessee
Project Title: ETREC Barn Replacement
Project Description: Replacement of the East Tennessee AgResearch and Education Center storm damaged barn. Includes all related work.
SBC Project No. 540/001-16-2023
Total Project Budget: \$280,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved a revision in project budget and funding in order to award a contract (B&B of Tennessee) (increase of \$30,000.00)
Approval Date: 02/06/2025
 - 2) **State Procurement Agency:** Tennessee Board of Regents / Volunteer State Community College
Location: Gallatin, Tennessee
Project Title: Baseball Pavilion and Restrooms
Project Description: Improved Garrett Baseball Complex by adding a pavilion for shade and restrooms. Project includes all related work.
SBC Project No. 166/025-01-2025
Total Project Budget: \$150,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project, select a designer, and utilizing Campus Resources and System Procurement for a portion of the work
Approval Date: 02/05/2025

Approvals of Acquisitions and Disposals of State Property

- Reported the following acquisition of land (fee or easement) in accordance with Item 2.04(E)(1)(1) of the *SBC By-Laws, Policy & Procedures*:

1) **State Procurement Agency:** University of Tennessee Southern
Transaction Description: Transaction No. 24-06-010
Location: University of Tennessee Southern (UTS)
Giles County – 0.63 +/- acres – 122 N. 5th St., Pulaski, TN
Owner(s): William Don Tillman and Debra P. Tillman
Estimated Purchase Price: Fair Market Value
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved acquisition in fee
Approval Date: 02/08/2025

Designer Selections

- 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) **Tennessee College of Applied Technology**
(Shelbyville Lincoln County Campus NG Readiness Center Renovation)
Total Project Budget: \$10,250,000.00
SBC Project No. 166/000-01-2024
Designer: **Bauer Askew Architecture, PLLC**
- 2) **Southwest Tennessee Community College**
(Recording Studio Renovation)
Total Project Budget: \$1,550,000.00
SBC Project No. 166/033-02-2024
Designer: **Self Tucker Architects, Inc.**

Other Business

There being no further business, the meeting adjourned at 11:09 a.m.

TENNESSEE WILDLIFE RESOURCES AGENCY**Acquisition – Fee**

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

Transaction Description: Transaction No. 24-10-001
 • **Location:** Tigrett Wildlife Management Area (TWMA)
 Dyer County – 285.40± acres – 0 Highway 412, Dyersburg, TN
 • **Owner(s):** Calvin Elder
 • **Estimated Purchase Price:** Fair Market Value
 • **Source of Funding:** 24/25 Wetlands Acquisition Fund (A)
 Tennessee Heritage Conservation Trust Fund (O)

Comment: This property is on the wetlands priority list and has been approved for purchase by the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency per T.C.A. §11-14-402.

This tract is adjacent to Tigrett Wildlife Management Area (TWMA) and is a highly desirable addition for public hunting land and public access.

The grant agreement between the Tennessee Heritage Conservation Trust and Tennessee Wildlife Resources Agency requires that the tracts maintain its conservation values in perpetuity.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: February 1, 2024
 Purchase Price: \$1,063,355.00
 Property Assessor's Value: \$629,000.00
 Square Footage Improvements: N/A

Minutes: 02/25/2025 Approved acquisition in fee

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No.: 22-03-905 (TBI)

• **Proposed Amendment**

- **Landlord:** MP Partners, GP a Tennessee General Partnership
- **Term:** 16 years, with one 1-year renewal option (December 1, 2012 – November 30, 2028)
- **Area / Costs:** 10,300 Square Feet

Annual Contract Rent (Years 14-16)	\$216,300.00	\$21.00/sf
Estimated Utilities Cost	18,025.00	1.75/sf
Estimated Janitorial Cost	11,330.00	1.10/sf
Annual Effective Cost	<u>\$245,655.00</u>	<u>\$23.85/sf</u>

• **Current Lease**

- **Location:** Hamilton County - 6040 Century Oaks Drive, Chattanooga, TN
- **Landlord:** SBL Properties, LLC
- **Term:** 13 years (December 1, 2012 – November 30, 2025)
- **Area / Costs:** 10,300 Square Feet

Annual Contract Rent (Year 13)	\$192,890.16	\$18.73/sf
Estimated Utilities Cost	18,025.00	1.75/sf
Estimated Janitorial Cost	11,330.00	1.10/sf
Annual Effective Cost	<u>\$222,245.16</u>	<u>\$21.58/sf</u>

- **Source of Funding:** FRF
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Tennessee Bureau of Investigation.

A request for waiver of advertisement to amend the current lease by three years is in the best interest of the State at this time to provide for the continuity of business operations at the current location. The long-term procurement is currently in progress and the new lease is estimated to commence on or before November 2028.

The termination for convenience is waived for the term of the lease.

If the renewal option is exercised, the rental rate increases to \$25.00 per rental square foot.

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: 07/23/2012 Approved lease agreement
04/25/2022 Approved amendment

Minutes: 02/24/2025 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICES**Acquisition - Lease Amendment**

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

Transaction Description: Transaction No.: 13-02-970 (DHS/DCS)

- **Proposed Amendment**

- **Term:** 13 years (May 1, 2015 – April 30, 2028)

- **Area / Costs:** 13,500 Square Feet

Annual Contract Rent	\$121,500.00	\$9.00/sf
Estimated Utilities Cost	23,625.00	1.75/sf
Estimated Janitorial Cost	14,850.00	1.10/sf
Annual Effective Cost	<u>\$159,975.00</u>	<u>\$11.85/sf</u>

- **Current Lease**

- **Location:** Dyer County 1979 St. John Avenue, Suite E and F, Dyersburg, TN

- **Landlord:** H&J Holding, LLC

- **Term:** 10 years (May 1, 2015 – April 30, 2025)

- **Area / Costs:** 13,500 Square Feet

Annual Contract Rent	\$78,705.00	\$5.83/sf
Estimated Utilities Cost	23,625.00	1.75/sf
Estimated Janitorial Cost	14,850.00	1.10/sf
Annual Effective Cost	<u>\$117,180.00</u>	<u>\$8.68/sf</u>

- **Source of Funding:** FRF

- **Procurement Method:** Negotiated

- **FRF Rate:** \$15.00

Comment: This amendment will provide office space for Department of Human Services and Department of Children's Services in Dyer County.

A request for waiver of advertisement to amend the current lease by three years is in the best interest of the State to allow provide for continuity of operations at the current location. The long-term procurement is in progress and the new lease is estimated to commence on or before Spring2028.

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: 04/21/2014 Approved lease agreement

Minutes: 02/24/2025 Approved a lease amendment with waiver of advertisement

Approved:



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