Meeting Copy

AGENDA

STATE BUILDING COMMISSION
Executive Subcommittee
Cordell Hull State Office Building
House Hearing Room II
January 28, 2019
11:00 a.m.

•	Consent Agenda Listing	.2
•	Department of General Services	.3
•	Department of Environment & Conservation	.4
•	State Building Commission	.6
	Consent Agenda Items	

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 real property transactions which have been reviewed and recommended for approval by Subcommittee staff:

A. Agency: University of Tennessee – Knoxville

Transaction: Acquisition – Lease Amendment

Provision(s): Waiver of advertisement

B. Agency: Tennessee Board of Regents / Roane State Community College

Transaction: Acquisition – Lease (Space)

Provision(s): n/a

C. Agency: <u>Tennessee Board of Regents / TCAT Athens</u>

Transaction: Acquisition – Fee (Gift)
Provision(s): Waiver of advertisement

D. Agency: <u>Tennessee Wildlife Resources Agency</u>

Transaction: Disposal and Acquisition – Fee

Provision(s): Waiver of advertisement and appraisals

E. Agency: Department of Mental Health and Substance Abuse Services

Transaction: Acquisition – Easement (Access)

Provision(s): Waiver of advertisement and one appraisal

F. Agency: <u>Department of Environment & Conservation</u>

Transaction: Acquisition – Fee (Purchase)

Provision(s): Waiver of advertisement and one appraisal

G. Agency: Department of Environment & Conservation

Transaction: Acquisition – Fee (Purchase)

Provision(s): Waiver of advertisement and one appraisal

H. Agency: <u>Department of General Services</u>

Transaction: Acquisition – Lease Amendment

Provision(s): Waiver of advertisement

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 18-09-900

Proposed Lease

Location: Davidson County – Morris Gentry Boulevard, (Street # TBD), Antioch, TN

The 2013-B Pedigo Trust Landlord:

Term: 10 years

o Area / Costs: 8,610 Square Feet

First Year Contract Rent: \$176,246.70 \$20.47/sf Average Annual Contract Rent 179,432,40 20.84/sf Estimated Annual Utility Cost 15,067,50 1.75/sf **Estimated Annual Janitorial Cost** 9,471.00 1.10/sf

Total Average Annual Effective Cost \$203,970.90 \$23.69/sf

Current Lease

Location: Davidson County – 5216 Hickory Hollow Pkwy, Antioch, TN

Landlord: e-2 Partners

11 months (January 1, 2016 to November 30, 2016) - Holdover Term:

8,901 Square Feet o Area / Costs:

Annual Contract Rent \$134,204.64 \$15.08/sf **Estimated Utilities Cost** 1.75/sf 15,576.75 Estimated Janitorial Cost 9,791.10 1.10/sf Total Annual Effective Cost \$159,572.49 \$17.93/sf

Source of Funding: FRF Operating Funds Procurement Method: LPR on template

\$21.00 FRF Rate:

Comment: This lease will provide space for Department of Safety Driver License Issuance division for a

> Drivers Services Center. Seven proposals by six proposers were received and evaluated. The proposed lease is the lowest cost proposal and will be constructed for the State.

> The tenant may not terminate this lease for convenience at any time within the first 36 months of the lease term. The tenant may terminate this lease at any time after 36 months by giving

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.

Previous Action: 08/21/2017 ESC Approved lease agreement

Staff referred to Executive SSC Report: 01/18/2019 John Carr summarized the transaction.

Subcommittee with recommendation.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Acquisition - Fee (Purchase)

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

Transaction Description: Transaction No. 17-12-002

• Location: Lamar Alexander Rocky Fork State Park (LARFSP)

Unicoi County - 11.37± acres - (3 Tracts) 1503 Hwy 352, Flag Pond, TN; 281 Jennie

Moore Road, Flag Pond, TN and 0 Highway 352, Flag Pond, TN

• Owner(s): East Tennessee Land Management, Inc.

Estimated Purchase Price: Fair Market Value

• Source of Funding: 18/19 State Lands 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 property is adjacent to a previously approved acquisition under the same ownership. The purchase will allow the State to increase the size of LARFSP and acquire property already being used for a parking area for the horse trail. TDEC intends within one year of closing to demolish all buildings on the property by utilizing an EPA grant and agency funds. The Tennessee Historical Commission (THC) has determined that the demolition

will not adversely affect the State-owned resource.

A portion of this property has a court-ordered spring house that provides fresh water to 6 local residents. The local public utility is extending City Water to those residents in January 2019. Closing on this acquisition is contingent upon Seller's obligation to supply water being terminated. The State will conduct water testing pursuant to the prior order. Water testing will be paid for with State Park operating funds.

TDEC proposes to close on this property simultaneously with the previously approved tract.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: 11/21/1989 (0.24± acres)

Purchase Price: \$10.00
Property Assessor's Value: \$7,600.00
Square Footage Improvements: N/A

Date of Last Transfer: 04/02/1990 (2.70± acres)

Purchase Price: \$1,050.00 Property Assessor's Value: \$149,000.00

Square Footage Improvements: 26,261 sf (Warehouse, built 1948)

Date of Last Transfer: 02/15/1997 (8.43± acres)

Purchase Price: \$36,000.00 Property Assessor's Value: \$44,500.00

Square Footage Improvements: 120 sf (Utility shed)

SSC Report: 01/18/2019 John Carr summarized the transaction. Staff referred to Executive

Subcommittee for discussion.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

1) <u>APPROVAL</u> of the Minutes of the Executive Subcommittee meeting held on December 17, 2018.

Report of Items Approved by Office of the State Architect

Initial Approvals of Capital Projects

• <u>REPORT</u> of the following 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*:

State Procurement Agency: Tennessee Technological University

Location: Cookeville, Tennessee

Project Title: Roaden University Center Sprinkler System Expansion

Project Description: Extend the sprinkler system from the new addition into the existing ground floor of

the original building.

SBC Project No. 364/011-01-2019

Total Project Budget: \$480,000

Source of Funding: Plant Funds (Aux-Food Service) (A)

Approval: Approved project and proceeding with the process to select a designer

Approval Date: 01/07/2019

2) State Procurement Agency: Middle Tennessee State University

Location: Murfreesboro, Tennessee

Project Title: Cogeneration Plant Duct Burner Repair

Project Description: Replace cracked burner castings and associated igniter elements in the duct burner

of the Cogeneration Plant and all related work.

SBC Project No. 366/009-01-2018

Total Project Budget: \$455,000

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

Approval: Approved a revision in budget and utilizing campus purchasing for a portion of the

work

Approval Date: 01/07/2019

3) State Procurement Agency: University of Memphis Location: Memphis, Tennessee

Project Title: Wilder Tower Recruitment Upgrades

Project Description: Provide painting, graphics, carpet replacement, audio visual systems and furniture

in the Wilder Tower first and second floor student recruiting areas.

SBC Project No. 367/007-01-2019

Total Project Budget: \$350,000

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

Approval: Approved project and utilizing Campus Procurement for construction

Approval Date: 01/02/2019

4) State Procurement Agency: Austin Peay State University

Location: Clarksville, Tennessee

Project Title: Dunn Center Bleacher Replacement

Project Description: Work includes replacement of bleacher components in-kind.

SBC Project No. 373/003-01-2019

Total Project Budget: \$232,000

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

Approval: Approved project utilizing Campus Procurement and Agency Resources for

installation

Approval Date: 01/10/2019

Approvals of Revisions to Existing Capital Projects

<u>REPORT</u> of 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 General Services

Location: Nashville, Tennessee

Project Title: New Library and Archives Building

Project Description: New Library and Archives Building and Garage to reside on a site at the

Bicentennial Mall and conformance with recommendations made in the

Bicentennial Mall Master Plan completed in 1998.

SBC Project No. 529/043-01-2005 **Total Project Budget**: \$124,221,680.31

Source of Funding: \$ 300,000.00 05/06 CurrFunds-CapImp (A)

\$ 484,729.02 06/07 CurrFunds-CapImp (A) \$ 16,300,000.00 Sec'y of State Op Funds (A) \$ 2,600,000.00 13/14 CurrFunds-CapImp (A) \$ 5.000.000.00 FRF Reserves (R)

\$ 1,528,922.99 12/13 FRF CurrFunds-CapMaint (R) \$ 40,000,000.00 17/18 FRF CurrFunds-CapImp (A) \$ 57,587,000.00 2018 FRF GOBonds-CapImp (A) \$ 421,028.30 16/17 FRF CurrFunds-CapImp (R)

Approval: Approved utilizing CPO procurement for a portion of the work so that the

cabling/telecom work will qualify for possible federal e-rate funding.

Approval Date: 01/08/2019

Approvals of Contract Amendments

• <u>REPORT</u> 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: Blountville, Tennessee

Project Title: Multipurpose Agricultural Facility – Grant

Project Description: Grant for purchase and development of a multipurpose agricultural facility.

SBC Project No. 460/000-03-2015 **Total Project Budget**: \$4,300,000

Source of Funding: \$2,200,000 15/16 CurrFunds-CapImp (A)

\$1,100,000 16/17 CurrFunds-CapImp (A) \$ 750,000 17/18 CurrFunds-CapImp (A) \$ 250,000 18/19 CurrFunds-CapImp (A)

Approval: Approved a revision in project budget and funding and an amendment to the grant

agreement

Approval Date: 01/03/2019

Approvals of Acquisitions and Disposals of State Property

• <u>REPORT</u> of the following acquisitions of land in accordance with Item 2.04(E)(1) of the *SBC By-Laws, Policy & Procedures*:

1) State Procurement Agency: STREAM / Department of Environment & Conservation

Transaction Description: Transaction No. 18-12-010 RA **Location:** Savage Gulf State Natural Area

Grundy County – 40 +/- acres – 20th Ave N, Gruetli-Laager, TN

Owner(s): Friends of the South Cumberland State Recreation Area, Inc.

Estimated Purchase Price: Fair Market Value

Source of Funding: 18/19 State Lands Acquisition Fund (A)

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

Approval Date: 01/10/2019

2) State Procurement Agency: STREAM / Department of Environment & Conservation

Transaction Description: Transaction No. 18-12-012 RA

Location: Rock Island State Park

Warren County - 43 +/- acres - (2 tracts) - 0 Dove Rd, Rock Island, TN

Owner(s): Matthew Turner, Autumn Nebula Long, and Stephen Turner

Estimated Purchase Price: Fair Market Value

Source of Funding: 18/19 State Lands Acquisition Fund (A)

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

Approval Date: 01/08/2019

3) State Procurement Agency: STREAM / Department of Environment & Conservation

Transaction Description: Transaction No. 18-12-016 RA **Location:** Savage Gulf State Natural Area

Grundy County - 3.09 +/- acres - (2 tracts) - 0 Greeter Falls Rd, Altamont, TN

Owner(s): Friends of South Cumberland State Park

Estimated Purchase Price: Fair Market Value

Source of Funding: 18/19 State Lands Acquisition Fund (A)

Approval: Approved acquisition in fee with wavier of advertisement and one appraisal

Approval Date: 01/11/2019

 <u>REPORT</u> of the following disposal easement in accordance with Item 2.04(E)(3) of the SBC By-Laws, Policy & Procedures:

1) State Procurement Agency: STREAM / Department of Environment & Conservation

Transaction Description:
Location:
Transaction No. 18-12-001
Edgar Evins State Park
United States of America

Estimated Sale Price: Mutual Benefits

Source of Funding: 18/19 State Lands Acquisition Fund (REM Fees) (A)

Approval: Approved disposal by easement with waiver of advertisement and appraisals

Approval Date: 01/08/2019

Designer Selections

1) <u>REPORT</u> 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:

State Procurement Agency: University of Memphis Location: University of Memphis, Tennessee

Project Title: Wilder Tower 10th Floor Renovations

Total Project Budget: \$500,000 SBC Project No. \$67/007-09-2018

Designer: Urban Arch Associates, PC

Approval Date: 12/18/2018

State Procurement Agency: East Tennessee State University **Location:** Johnson City, Tennessee

Project Title: Maple Street Houses Renovation and Code Corrections

 Total Project Budget:
 \$450,000

 SBC Project No.
 369/005-12-2018

Designer: Lose & Associates, Inc. dba Lose Design

Approval Date: 01/09/2019

State Procurement Agency: STREAM / Department of Agriculture

Location: Nashville, Tennessee

Project Title: Ellington Agricultural Center Moss Building Roof Replacement

Total Project Budget: \$470,000

SBC Project No. 100/000-02-2018
Designer: Hurst-Rosche, Inc.
Approval Date: 12/18/2018

2) <u>SELECTION of DESIGNERS</u> for projects approved by the State Building Commission as recommended by the State Procurement Agencies.

Other Business

UNIVERSITY OF TENNESSEE

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 01-04-009

Proposed Amendment

o Area / Costs: University plans to install additional transmission equipment. No change in cost.

Current Lease

Location: University of Tennessee-Knoxville, Sharps Ridge, Knoxville, Tennessee
 Landlord: American Tower Corporation (formerly Richland Towers-Knoxville, LLC)
 Term: (June 1, 2003 – January 31, 2032) with one (1) 30 year extension

o Area / Costs: \$0 – see comment

Comment: In 2001, the University leased 1.8 acres to American Tower Corporation at no cost. In

return for the ground lease, American Tower built a new antenna and building and provided space for the University's use. The University desires to amend the lease to install additional equipment on the tower. There will be no additional lease cost for this added

equipment.

Previous Action: 05/14/2001 Approval of disposal by lease with waiver of advertisement and appraisals.

(Included was a lease of space by the University on the antenna and in

the building for transmission equipment)

SSC Report: 01/18/2019 Michelle Crowder summarized the transaction. Staff referred to Executive

TENNESSEE BOARD OF REGENTS

Acquisition - Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 19-27-001

Proposed Lease

o Location: Roane State Community College (RSCC)

6844 S. York Highway, Clarkrange, TN

o Landlord: Philip and Jennifer Hall

o Term: 7 Years (February 1, 2019-January 31, 2026)

o Area / Costs: 8,500 Square Feet

Average Annual Contract Rent\$39,000\$4.59/sfEstimated Annual Utility Cost4,8001.75/sfEstimated Annual Janitorial Cost15,0001.10/sfTotal Annual Effective Cost\$58,800\$7.44/sf

• Source of Funding: Plant Funds (Non-Auxiliary) (A)

• Procurement Method: Negotiated

• FRF Rate: \$14.00 (for reference only)

Comment: Enrollment and interest in additional programs has increased necessitating additional space

outside of the current location at the York Institute. Fentress County will be working with the Roane State Foundation to raise funds to construct a dedicated Fentress County Higher Education Center to house RSCC's operations in the area prior to the expiration of this

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

SSC Report: 01/18/2019 Dick Tracy summarized the transaction. Staff referred to Executive

TENNESSEE BOARD OF REGENTS

Acquisition - Fee (Gift)

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

Transaction Description: Transaction No. 19-01-001

• Location: TCAT-Athens

McMinn County – 9.57+/-acres – Denso Drive, Athens, TN

Owner(s): McMinn County Economic Development Authority

• Estimated Purchase Price: Gift

• Source of Funding: Plant Funds (Non-Auxiliary) (REM fees) (A)

Comment: This property will be the site of the McMinn Higher Education Training Facility that was

approved by the SBC in December (SBC No. 166/040-01-2018), and is a collaboration between TCAT-Athens, CISCC, and UT. This property is in the TCAT Athens <u>2014</u>

Master Plan.

Date of Last Transfer: July 15, 2013 and March 23, 2005

Purchase Price: \$48,150.00 (larger tract)
Property Assessor's Value: \$850,300.00 (larger tract)

Square Footage Improvements: N/A

SSC Report: 01/18/2019 Dick Tracy summarized the transaction. Staff referred to Executive

TENNESSESEE WILDLIFE RESOURCES AGENCY

Disposal and Acquisition - Fee

Requested Action: Approval of disposal in fee and reacquisition with waiver of advertisement and

appraisals

Transaction Description: Transaction No. 18-12-005

• Location: North Cumberland WMA (NCWMA)

Campbell County – 150.43± acres – (2 Tracts) - 0 Water Plant Lane, LaFollette, TN

• Grantee TRIPLE H COAL, LLC

• Sale Price: \$23,193.30

Comment: TWRA acquired the surface estate to this property in 2003 subject to the mineral estate

owner's right to repurchase portions of the surface estate. The mineral estate owner is now exercising its contractual right to repurchase $150.43 \pm acres$ of the surface estate for mining

purposes.

The sale price was negotiated by TWRA based upon a formula in the prior sale contract adjusted by the Consumer Price Index since that time. The deed will contain a right for the State to repurchase this property for the same sale price after buyer has restored any damage to the surface caused by its mining operations. The proceeds will be deposited into the wildlife resources fund pursuant to TCA § 70-1-306(b), and the repurchase will be

funded from the wildlife resources fund.

Waiver of advertisement and appraisals is requested because the State is contractually

required to convey the property per the original sale documents.

Date of Last Transfer: February 20,2003
Previous Owner: The Conservation Fund
Original Cost to State: \$7,615,500.00 (Larger tract)

Square Footage Improvements: N/A

SSC Report: 01/18/2019 John Carr summarized the transaction. Staff referred to Executive

DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

Acquisition - Easement (Access)

Requested Action: Approval of access easement with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 18-12-003

• Location: Davidson County – 0.50± acres – 0 Donelson Pike, Nashville, TN

Owner(s): Metropolitan Nashville Airport Authority

• Estimated Purchase Price: No Cost

• Source of Funding: 18/19 MHSAS Op Funds (REM fees) (A)

Comment: Mental Health proposes to acquire a public access easement to allow the public access

to the Old Central State Hospital Cemetery.

Date of Last Transfer: June 24, 1992

Purchase Price: \$0.00

Property Assessor's Value: \$11,014,200.00 (Larger Tract)

Square Footage Improvements: N/A

SSC Report: 01/18/2019 John Carr summarized the transaction. Staff referred to Executive

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Acquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 18-12-008

• Location: Grundy Forest State Natural Area (GFSNA), a part of South Cumberland State Park

Grundy County - 4.7± acres - 13816 US Hwy 41, Tracy City, TN

• Owner(s): Johnson Mental Health Center

• Estimated Purchase Price: Fair Market Value

• Source of Funding: 18/19 State Lands 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 provide a northern entrance to GFSNA and will improve visitor traffic between GFSNA and the southeastern entrances to South Cumberland State

Park.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: February 11, 1983

Purchase Price: \$0
Property Assessor's Value: \$17,900
Square Footage Improvements: N/A

SSC Report: 01/18/2019 John Carr summarized the transaction. Staff referred to Executive

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Acquisition - Fee (Purchase)

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

Transaction Description: Transaction No 18-12-009

• Location: Henry Horton State Park (HHSP)

Marshall County - 18.5± acres - 1570 River Rd, Chapel Hill, TN

Owner(s): Randy M. ThayerEstimated Purchase Price: Fair Market Value

• Source of Funding: 18/19 State Lands 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 provide a second river access, which will increase search and rescue capabilities, and provide a potential camping area adjacent to the Duck River.

TDEC will address future construction and/or management expenses from within

existing resources.

Date of Last Transfer:

Purchase Price:

Property Assessor's Value:

Square Footage Improvements:

January 22, 2009

\$114.000.00

\$42,400.00

Square Footage Improvements: N/A

SSC Report: 01/18/2019 John Carr summarized the transaction. Staff referred to Executive

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 06-11-907

• Proposed Amendment

o Term: 12 years (April 1, 2009 – March 31, 2021)

o Area / Costs: 9,534 Square Feet

Annual Contract Rent: \$117,885.00 \$12.36/sf
Estimated Annual Utility Cost: 16,684.50 1.75/sf
Estimated Annual Janitorial Cost: 10,487.40 1.10/sf

\$145,056.90 \$15.21/sf

Current Lease

o Location: Washington County – 395 Freckles Court, Johnson City, TN

o Landlord: David Quillen

o **Term**: 10 years (April 1, 2009 – March 31, 2019)

o Area / Costs: 9,534 Square Feet

Annual Contract Rent: \$107,112.00 \$11.23/sf
Estimated Annual Utility Cost: 13,347.60 1.40/sf
Estimated Annual Janitorial Cost: 10,487.40 1.10/sf

\$130,947.00 \$13.73/sf

• Source of Funding: FRF Operating Funds

• FRF Rate: \$18.00

Comment: This lease will provide office space for Department of Correction Community Supervision

office.

The request for waiver of advertisement and this amendment are in the best interest of the State to prevent a lease holdover while allowing additional time to evaluate how to best meet

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: 10/22/2007 ESC Approved lease agreement

SSC Report: 01/18/2019 John Carr summarized the transaction. Staff referred to Executive