

MINUTES

State Building Commission Executive Subcommittee

July 20, 2023

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 11:00 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

MEMBERS ABSENT

Jason Mumpower, Comptroller of the Treasury

ORGANIZATION

- University of Tennessee
- State Building Commission

PRESENTER

Associate Vice President Austin Oakes
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:** University of Tennessee Institute of Agriculture
Requested Action: Approval of acquisition in fee and disposal in fee with waiver of advertisement
Transaction No.: 24-10-007
Location: University of Tennessee Institute of Agriculture
Anderson County – 12.07 +/- acres – Union Valley Road, Oak Ridge, TN
2. **Agency:** Department of Environment & Conservation
Requested Action: Approval of acquisition in fee
Transaction No.: 26-03-018
Location: Radnor Lake State Park (RLSP)
Davidson County – 0.13 +/- acres – 5595 Franklin Pike, Brentwood, TN
3. **Agency:** Department of Environment & Conservation
Requested Action: Approval of a revision of acquisition in fee
Transaction No.: 23-06-011
Location: Gattinger Glade State Natural Area (GGSNA)
Wilson and Rutherford County – 14.59 +/- acres – 0 Richard Petty Way, Lebanon, TN
4. **Agency:** Department of General Services
Requested Action: Approval of a lease with waiver of advertisement
Transaction No.: 26-01-901 (TBI)
Location: Hamilton County – 6040 Century Oaks Drive, Chattanooga, TN

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: Approval of a lease contingent on approval of this item by the Tennessee State School Bond Authority

Transaction Description: Transaction No. 26-05-002

• **Proposed Lease:**

- **Location:** University of Tennessee – Martin (UTM)
Weakley County – 289 Highway 431, Martin, TN
- **Landlord:** Clarktin, LLC
- **Term:** August 1, 2026-July 31, 2028 with one one-year renewal option
- **Area / Costs:** Up to 50–two bedroom units (100 beds) plus 2 parking spaces/unit
Year 1 - \$1,400.00/month per 2-bedroom unit including utilities, \$840,000.00/year
Year 2 - \$1,470.00/month per 2-bedroom unit including utilities, \$882,000.00/year
Option - \$1,543.50/month per 2-bedroom unit including utilities, \$926,100.00/year

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

Procurement Method: Advertised

Comment: UTM has a need for additional student residential space, and these apartments will be used to meet these additional housing needs. One proposal from one proposer was received and evaluated.

The University may terminate this lease for convenience at any time by providing at least 60-days written notice to the landlord and the University may reduce the number of units should its needs change during the term.

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: 07/20/2026 Secretary Hargett asked if Browning Hall would be renamed and was told that no new naming has yet been determined.

The Subcommittee approved a lease contingent on approval of this item by the Tennessee State School Bond Authority.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

1. Approved the Minutes of the Executive Subcommittee meeting held on June 22, 2026.

Report of Items Approved by Office of the State Architect

Initial and Revised Approvals of Capital Projects

- Reported the following five 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:** Tennessee Board of Regents / Dyersburg State Community College
Location: Dyersburg, Tennessee
Project Title: New Soccer Field Installation
Project Description: Create a new soccer field at the DSCC main campus in Dyersburg ~~west~~ east of the existing ~~baseball~~ softball field. Scope includes: Field grading and earthwork, drainage and irrigation systems, sod turf installation, electrical and data, perimeter fencing, goals, team benches, basic field accessories (poles/nets/goals), site cleanup and final preparation.
SBC Project No: 166/017-02-2025
Total Project Budget: \$855,000.00
Source of Funding:

	Original	Change	Revised	Source
	\$780,000.00	\$75,000.00	\$855,000.00	Plant Funds (Non-Aux) (A)
Approval:	Approved a revision in project scope, budget and funding (increase of \$75,000.00)			
Approval Date:	06/24/2026			

2. **State Procurement Agency:** STREAM / Department of Military
Location: Nashville, Tennessee
Project Title: Nashville Joint Forces Headquarters Parking Garages Repairs
Project Description: Repair existing parking garage structures and all required related work.
SBC Project No: 361/067-02-2026
Total Project Budget: \$700,000.00
Source of Funding:

	Original Amount	Source
	\$350,000.00	26/27 CurrFunds-CapMaint (MP)
	\$350,000.00	Federal Funds (NGB)
Approval:	Approved project and to select a designer	
Approval Date:	07/08/2026	

3. **State Procurement Agency:** STREAM / Department of Military
Location: Smyrna, Tennessee
Project Title: VTS Smyrna Building 570 Re-Roof and Facility Update
Project Description: Replace roof system, doors, and door hardware; perform repairs to masonry; exterior and interior facility updates; site grading and drainage improvements; and all required related work.
SBC Project No: 361/079-03-2026
Total Project Budget: \$650,000.00
Current Project Funding: \$ 56,943.00
Source of Funding: Federal Funds (NGB) (F)
Approval: Approved project and to select a designer
Approval Date: 06/22/2026
4. **State Procurement Agency:** STREAM / Department of Military
Location: Milan, Tennessee
Project Title: VTS Milan Building T113 HVAC Repairs and Energy Update
Project Description: Replace mechanical, electrical, and plumbing systems; doors and door hardware; and all required related work.
SBC Project No: 368/031-03-2026
Total Project Budget: \$770,000.00
Current Project Funding: \$ 70,380.00
Source of Funding: Federal Funds (NGB) (F)
Approval: Approved project and to select a designer
Approval Date: 07/08/2026
5. **State Procurement Agency:** STREAM / Department of General Services
Location: Murfreesboro, Tennessee
Project Title: Fleming Training Center Roof Replacement
Project Description: Replacement of roofing system and all required related work.
SBC Project No: 402/002-01-2026
Total Project Budget: \$650,000.00
Source of Funding: 26/27 FRF CurrFunds-CapMaint (MP) (A)
Approval: Approved project and to select a designer
Approval Date: 07/08/2026

Approvals of Revisions to Existing Capital Projects

- Reported the following two approvals of an alternate delivery method in accordance with Item 2.04(B)(1) of the SBC By-Laws, Policy & Procedures:

- State Procurement Agency:** University of Tennessee - Knoxville
Location: Knoxville, Tennessee
Project Title: ADA Compliance UTK & UTIA
Project Description: Provides for ongoing accessibility improvements for the disabled to campus facilities.
SBC Project No: 540/000-03-2017
Total Project Budget: \$2,744,453.00
Source of Funding:

Original Amount	Source
\$ 21,011.59	98/99 CurrFunds-CapMaint (ADA) (R)
\$ 129,748.43	03/04 CurrFunds-CapMaint (R)
\$ 30,817.96	07/08 CurrFunds-CapMaint (R)
\$ 244,875.02	14/15 CurrFunds-CapMaint (ADA) (R)
\$ 480,000.00	15/16 CurrFunds-CapMaint (ADA) (R)
\$ 480,000.00	16/17 CurrFunds-CapMaint (ADA) (R)
\$ 480,000.00	17/18 CurrFunds-CapMaint (MP) (A)
\$ 858,000.00	19/20 CurrFunds-CapMaint (ADA) (A)
\$ 20,000.00	Plant Funds (Non-Aux) (A)

Approval: Approved utilizing System Procurement and Campus Resources for a portion of the work

Approval Date: 06/18/2026

- State Procurement Agency:** University of Tennessee - Knoxville
Location: Knoxville, Tennessee
Project Title: IPS 1610 University Avenue Building Improvements (23/24)
Project Description: Improvements to the 1st and 2nd floors for the Institute for Public Service (IPS). Work includes reorganization of space with selective demolition and new layout. Includes all related work.
SBC Project No: 540/009-03-2024
Total Project Budget: \$8,800,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved utilizing Best Value alternative delivery method
Approval Date: 06/29/2029

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

- State Procurement Agency:** STREAM / Department of Military
Location: Nashville, Tennessee
Project Title: TEMA Building 130 Renovation
Project Description: Complete mechanical, electrical, plumbing, architectural renovation, and all required related work.
SBC Project No: 361/067-01-2023
Total Project Budget: \$2,160,000.00
Source of Funding: 22/23 CurrFunds-CapImp (A)
Approval: Approved a revision in funding (move \$50,000.00 to construction)
Approval Date: 07/08/2026
- State Procurement Agency:** STREAM / Department of Military
Location: Fort Campbell, Kentucky
Project Title: New Ft. Campbell National Guard Readiness Center
Project Description: Construction of a new Readiness Center and all required related work.
SBC Project No: 368/014-01-2021
Total Project Budget: \$23,090,000.00
Current Project Funding: \$22,160,000.00
Source of Funding:

Amount	Source
\$16,620,000.00	Federal Funds (NGB) (F)
\$ 5,540,000.00	Military Reserves (Sale of Real Estate) (R)

Approval: Approved a revision in project funding (move \$20,000.00 from construction)
Approval Date: 06/18/2026

Approvals of Acquisitions and Disposals of State Property

- Reported the following disposal of TDOT property in accordance with Item 2.04(E)(1)(4) of the *SBC By-Laws, Policy & Procedures*:
- State Procurement Agency:** STREAM / Department of Transportation
Transaction Description: Transaction No. 26-05-014
Location: Williamson County – 0.353 +/- acres – 4472 Murfreesboro Road, Franklin, TN
Grantee: Christopher Hood and Jennifer Moore Farnell
Estimated Sale Price: No Cost/Settlement Agreement
Approval: Approved disposal in fee
Approval Date: 07/01/2026

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.

- State Procurement Agency:** University of Tennessee Institute of Agriculture
Project Title: UTIA CVM Equipment Replacement (26/27)
SBC Project No: 540/001-04-2026
Total Project Budget: \$3,000,000.00
Designer: The Benefield Richters Company
- State Procurement Agency:** University of Tennessee Institute of Agriculture
Project Title: UTIA CVM Renovation & Addition (26/27)
SBC Project No: 540/001-05-2026
Total Project Budget: \$72,000,000.00
Designer: McCarty Holsaple McCarty Architects, Inc.
- State Procurement Agency:** University of Tennessee – Chattanooga
Project Title: UTC Electrical Distribution & Chiller Plant Upgrades (26/27)
SBC Project No: 540/005-02-2026
Total Project Budget: \$8,750,000.00
Designer: Advanced Energy Engineering & Design, Inc.
- State Procurement Agency:** University of Tennessee – Southern
Project Title: UTS Multiple Building Envelope Repairs (26/27)
SBC Project No: 540/006-01-2026
Total Project Budget: \$4,570,000.00
Designer: Tinker Ma, LLC
- State Procurement Agency:** University of Tennessee – Knoxville
Project Title: UTK TCE Research Lab Upgrades (26/27)
SBC Project No: 540/009-02-2026
Total Project Budget: \$2,745,000.00
Designer: Design Innovation Architects, Inc.
- State Procurement Agency:** University of Tennessee – Knoxville
Project Title: UTK Campus Infrastructure Upgrades PH I (26/27)
SBC Project No: 540/009-03-2026
Total Project Budget: \$9,500,000.00
Designer: CMTA, Inc.
- State Procurement Agency:** University of Tennessee – Knoxville
Project Title: UTK Elevator Upgrades PH I (26/27)
SBC Project No: 540/009-04-2026
Total Project Budget: \$1,000,000.00
Designer: Lindsay & Maples, Architects, Inc.

8. **State Procurement Agency:** University of Tennessee – Martin
Project Title: UTM Cattle Outreach & Workforce (COW) Facility (26/27)
SBC Project No: 540/011-02-2026
Total Project Budget: \$4,500,000.00
Designer: Renaissance Group, Inc.
9. **State Procurement Agency:** University of Tennessee Health Science Center
Project Title: UTHSC Multiple Buildings Control Systems Upgrade (26/27)
SBC Project No: 540/013-01-2026
Total Project Budget: \$2,500,000.00
Designer: OGCB, Inc.
10. **State Procurement Agency:** University of Memphis
Project Title: Multiple Building Roof Replacements (26/27)
SBC Project No: 367/007-02-2026
Total Project Budget: \$5,740,000.00
Designer: LRK, Inc.
11. **State Procurement Agency:** East Tennessee State University
Project Title: Main Campus Utility Infrastructure Replacement
SBC Project No: 369/005-06-2026
Total Project Budget: \$19,220,000.00
Designer: Facility Systems Consultants, LLC
12. **State Procurement Agency:** East Tennessee State University
Project Title: Multiple Buildings Roof Replacements
SBC Project No: 369/005-07-2026
Total Project Budget: \$3,500,000.00
Designer: Shaw & Shanks, Architects, P.C.
13. **State Procurement Agency:** Department of Environment & Conservation
Project Title: Norris Dam State Park Wastewater Treatment Plant Replacement
SBC Project No: 126/063-01-2026
Total Project Budget: \$4,900,000.00
Designer: Ardurra Group, Inc.
14. **State Procurement Agency:** Department of Environment & Conservation
Project Title: Pickwick Landing State Park Water Line Replacement
SBC Project No: 126/079-01-2026
Total Project Budget: \$8,140,000.00
Designer: Allen & Hoshall, Inc.
15. **State Procurement Agency:** Department of Children's Services
Project Title: Mountain View Roof Replacements
SBC Project No: 144/013-01-2026
Total Project Budget: \$6,840,000.00
Designer: Architects Weeks Ambrose McDonald, Inc.

16. **State Procurement Agency:** Department of Education
Project Title: Alvin C York ISM Slaughter Facility
SBC Project No: 168/001-02-2026
Total Project Budget: \$3,740,000.00
Designer: Crunk Engineering, LLC
17. **State Procurement Agency:** Department of Education
Project Title: TSB Fire Alarm Upgrades
SBC Project No: 168/005-01-2026
Total Project Budget: \$4,560,000.00
Designer: I.C. Thomasson Associates, Inc.
18. **State Procurement Agency:** Department of Military
Project Title: Chattanooga Readiness Center Storm Drainage Repairs
SBC Project No: 361/010-01-2026
Total Project Budget: \$3,300,000.00
Designer: Hefferlin + Kronenberg Architects, PLLC
19. **State Procurement Agency:** Department of Military
Project Title: Lebanon Readiness Center Addition & Renovation
SBC Project No: 361/050-01-2026
Total Project Budget: \$21,800,000.00
Designer: Design House 1411, LLC
20. **State Procurement Agency:** Department of Military
Project Title: Memphis Readiness Center HVAC & Energy Update
SBC Project No: 361/065-01-2026
Total Project Budget: \$2,970,000.00
Designer: Evans Taylor Foster Childress Architects, P.C.
21. **State Procurement Agency:** Department of Military
Project Title: Nashville JFHQ Building 108 HVAC & Energy Update
SBC Project No: 361/067-01-2026
Total Project Budget: \$4,010,000.00
Designer: Building Systems Group Engineer, LLC
22. **State Procurement Agency:** Department of Military
Project Title: VTS Smyrna Building 686 HVAC & Energy Update
SBC Project No: 361/079-01-2026
Total Project Budget: \$3,910,000.00
Designer: Daniels Chandler, LLC
23. **State Procurement Agency:** Department of Military
Project Title: VTS Smyrna Rotary Wing Hangars Renovation
SBC Project No: 361/079-02-2026
Total Project Budget: \$8,800,000.00
Designer: Mead & Hunt, Inc.

24. **State Procurement Agency:** Department of Military
Project Title: VTS Tullahoma Officer & Senior Enlisted Barrack
SBC Project No: 361/093-02-2026
Total Project Budget: \$3,140,000.00
Designer: Derthick, Henley & Wilkerson Architects, PLLC
25. **State Procurement Agency:** Department of Military
Project Title: VTS Tullahoma Barracks HVAC Updates
SBC Project No: 361/093-01-2026
Total Project Budget: \$1,760,000.00
Designer: Oliver Little Gipson Engineering, Inc.
26. **State Procurement Agency:** Department of Military
Project Title: VTS Tullahoma Latrine Update
SBC Project No: 361/093-03-2026
Total Project Budget: \$2,000,000.00
Designer: M. Shanks Architects
27. **State Procurement Agency:** Department of Military
Project Title: VTS Milan Automated Record Fire Range
SBC Project No: 368/031-01-2026
Total Project Budget: \$15,300,000.00
Designer: Kline Swinney Associates, LLC
28. **State Procurement Agency:** Department of General Services
Project Title: Driver Service Center Interior & Exterior Renovations - Columbia
SBC Project No: 502/080-01-2026
Total Project Budget: \$6,270,000.00
Designer: Collaborative Design Services, LLC
29. **State Procurement Agency:** Department of General Services
Project Title: Multi-Agency Law Enforcement Training Academy (MALETA) - TDOC Operations Building
SBC Project No: 529/017-01-2021
Total Project Budget: \$19,000,000.00
Designer: Gresham Smith
30. **State Procurement Agency:** Department of Veterans Services
Project Title: Middle Tennessee State Veterans Cemetery Site Improvements
SBC Project No: 682/004-01-2026
Total Project Budget: \$2,970,000.00
Designer: The Architect Workshop, PLLC
31. **State Procurement Agency:** Department of Veterans Services
Project Title: West Tennessee State Veterans Cemetery Drainage Improvements
SBC Project No: 682/007-01-2026
Total Project Budget: \$1,140,000.00
Designer: TLM Associates, Inc.

32. State Procurement Agency:	Department of Veterans Services
Project Title:	West Tennessee State Veterans Cemetery Committal Service Shelter
SBC Project No:	682/007-02-2026
Total Project Budget:	\$4,440,000.00
Designer:	TLM Associates, Inc.

Other Business

There being no further business, the meeting adjourned at 11:08 a.m.

DRAFT

CONSENT AGENDA ITEMS

1.

UNIVERSITY OF TENNESSEE

Acquisition & Disposal – Fee (Land Swap)

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

Transaction Description 1

Acquisition – Fee:

Transaction No. 24-10-007

- **Location:** University of Tennessee Institute of Agriculture
Anderson County – 12.07 +/- acres – Union Valley Road, Oak Ridge, TN
- **Owner:** Rogers Group, Inc. (“Rogers”)
- **Purchase Price:** Land Swap/See Comment
- **Source of Funding:** Plant Funds (Non-Aux) A

Transaction Description 2

Disposal – Fee:

Transaction No. 24-10-008

- **Location:** University of Tennessee Institute of Agriculture
Anderson County – 52.47 +/- acres (4 tracts) – Union Valley Road, Oak Ridge, TN
- **Grantee:** Rogers Group, Inc.
- **Sale Price:** Land Swap/See Comment

Comment: The University proposes to enter into this land swap with Rogers which operates a rock quarry adjacent to the UT Arboretum. The “Disposal Parcels” have an appraised value of \$262,500.00 and the “Acquisition Parcel” was appraised at \$82,700.00. Additionally, Rogers will make a cash payment of \$147,000.00 to the University and has signed a gift agreement for a \$2,700,000.00 donation to the UT Foundation. The University will retain timber and research access rights to the Disposal Parcels, along with a reversionary interest if Rogers ceases to use the Disposal Parcels as a quarry.

The Acquisition Parcel is in the 2024 Master Plan institutional boundary for land acquisitions. The Disposal Parcels do not contain active research plots, and the proposed transfer will not affect other research activities in the area or the future use of the Forest Resources, Ag Research and Education Center. The acquisition will also provide several benefits to the University, including, Rogers enhancing the existing gravel road to provide improved control of drainage toward the UT Arboretum property and an enhanced property boundary since the road will now serve as the boundary. Additionally, the University will control all land south of the existing gravel access road and retain research opportunities on the Disposal Parcels.

UTIA does not anticipate making a request within the next 5 years for a budget adjustment or an appropriation in the budget to support uses on the land if it is acquired.

Historical Property Information

Acquisition Parcel:

- **Date of Last Transfer:** 12/12/2012
- **Purchase Price:** \$196,245.00 (56.07 acres)
- **Property Assessor’s Value:** \$392,500.00 (56.07 acres)

Minutes: 07/20/2026 Approved acquisition in fee and disposal in fee with waiver of advertisement

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Acquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 26-03-018

- **Location:** Radnor Lake State Park (RLSP)
Davidson County – 0.13 +/- acres – 5595 Franklin Pike, Brentwood, TN
- **Owner:** Palmer Development Concepts, LLC
- **Purchase Price:** Fair Market Value
- **Source of Funding:** 26/27 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 of an office building at a critical location adjacent to the planned 100-car parking area of Radnor Lake State Park (RLSP), the trailhead for the Harris Ridge Trail Project, and the planned southern entrance to RLSP will prevent the need to construct a planned new facility for public wheelchair-friendly restrooms and a ranger station. The building will also be used for office space, interpretive programs, and meeting space. In addition, this location creates operational efficiencies for managing RLSP.

The agency certifies that it does not anticipate making a request within the next 5 years for a budget adjustment or an appropriation in the budget to support uses on the land being acquired.

Historical Property Information:

- Date of Last Transfer: 09/18/2017
- Purchase Price: \$800,000.00
- Property Assessor's Value: \$1,272,300.00
- Square Footage Improvements: 7,256 sq. ft.

Minutes: 07/20/2026 Approved acquisition in fee

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Acquisition – Fee (Gift)

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

Transaction Description: Transaction No. 23-06-011

Proposed Revision:

- **Location:** Gattinger Glade State Natural Area (GGSNA)
Wilson and Rutherford County – 14.59 +/- acres – 0 Richard Petty Way, Lebanon, TN

Original Approval

- **Location:** Gattinger Glade State Natural Area (GGSNA)
Wilson County- 14.59 +/- acres- 0 Richard Petty Way, Lebanon, TN
- **Owner:** CP Logistics Lebanon 4 LLC
- **Purchase Price:** Gift
- **Source of Funding:** 23/24 State Lands Acquisition Fund (REM Fees) (A)

Comment: During the due diligence for this acquisition, it was determined that this tract is located in both Wilson and Rutherford Counties. The revision adds Rutherford County, but the total acres remain unchanged.

Additionally, due to covenants in the conservation easement, the easement will not be terminated.

Previous Action: 04/22/2024 Approval of acquisition in fee

Minutes: 07/20/2026 Approved a revision of acquisition in fee

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease with waiver of advertisement

Transaction Description: Transaction No 26-01-901 (TBI)

• **Proposed Lease:**

- **Location:** Hamilton County – 6040 Century Oaks Drive, Chattanooga, TN
- **Landlord:** MP Partners, GP
- **Term:** 5 years with one 5-year renewal option
- **Area:** 16,300 Square Feet – Office (10,300 sf) and Warehouse (6,000 sf)
- **Costs:**

Expense Category (Office)	Cost/sf	Annual Cost
First Year Contract Rent	\$21.10/sf	\$217,330.00
Average Annual Contract Rent	22.05/sf	227,115.00
Estimated Annual Utility Cost	1.75/sf	18,025.00
Estimated Annual Janitorial Cost	1.10/sf	11,330.00
Total Average Annual Effective Cost	\$24.90/sf	\$256,470.00

Expense Category (Warehouse)	Cost/sf	Annual Cost
Annual Contract Rent	\$14.80/sf	88,800.00
Estimated Annual Utility Cost	1.75/sf	10,500.00
Total Average Annual Effective Cost	\$16.55/sf	\$99,300.00

• **Current Lease:**

- **Location:** Hamilton County – 6040 Century Oaks Drive, Chattanooga, TN
- **Landlord:** MP Partners, GP
- **Term:** 17 years (November 1, 2012 – November 31, 2029)
- **Area:** 10,300 sf (Office)
- **Costs:**

Expense Category	Cost/sf	Annual Cost
Current Annual Contract Rent:	\$21.00/sf	\$216,300.00
Estimated Annual Utility Cost	1.75/sf	18,025.00
Estimated Annual Janitorial Cost	1.10/sf	11,330.00
Total Annual Effective Cost	\$23.85/sf	\$245,655.00

- **Source of Funding:** FRF
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18.00 (Office) \$6.50 (Warehouse)

Comment: This lease will provide office and warehouse space for Tennessee Bureau of Investigation (TBI). TBI currently stores equipment and supplies in space provided at no cost by Hamilton County. Hamilton County has advised TBI that it will need to reclaim these spaces and requiring TBI to find new warehouse space. The lease will commence on or before February 2027 once the new warehouse space has been constructed and the current lease will terminate at that time.

Waiver of advertisement is requested based upon the small size of warehouse, lack of available warehouse space, and close proximity of the current office to the newly constructed warehouse.

The tenant may not terminate this lease for convenience during the initial term of the lease, or if the renewal option is exercised, during the first three years of the renewal option.

If the renewal options are exercised, rent will increase by 5% for the first year and 3% yearly for the remainder of the renewal option.

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: 07/20/2026 Approved a lease with waiver of advertisement

DRAFT

Approved:

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