MINUTES

STATE BUILDING COMMISSION
Executive Subcommittee
June 24, 2024

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
Jason Mumpower, Comptroller of the Treasury

ORGANIZATION	PRESENTER
• Department of General Services	Assistant Commissioner Jennifer Murphy
• State Building Commission	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 Memphis**
   Requested Action: Approval of lease with waiver of advertisement
   Transaction No.: 24-06-903
   Location: 3548 Walker Avenue, Suites 104/106, Memphis Tennessee 38111

2. Agency: **Department of Military**
   Requested Action: Approval of disposal in fee with waiver of advertisement
   Transaction No.: 22-12-005
   Location: Johnson County – 9.88 ± acres – 1923 S. Shady St., Mountain City, TN

3. Agency: **Department of Environment & Conservation**
   Requested Action: Approval of acquisition in fee
   Transaction No.: 24-05-009
   Location: Franklin County – 479.03 +/- acres – 0 Sherwood Road, Sewanee, TN

4. Agency: **Department of Environment & Conservation**
   Requested Action: Approval of acquisition in fee
   Transaction No.: 23-06-002
   Location: Cordell Hull Birthplace State Park (CHBSP)
   Pickett County – 0.90 +/- acres – 0 Cordell Hull Memorial Drive, Byrdstown, TN

5. Agency: **Department of Environment & Conservation**
   Requested Action: Approval of acquisition in fee
   Transaction No.: 24-05-006
   Location: Polk County- 5.00 +/- acres – 1985 Highway 64, Benton, TN

6. Agency: **Tennessee Bureau of Investigation**
   Requested Action: Approval of a sublease
   Transaction No.: 24-03-900
   Location: Davidson County - Hangar 23D - 1480 Murfreesboro Pk, Nashville, TN

7. Agency: **Department of General Services**
   Requested Action: Approval to waive advertisement
   Transaction No.: 24-02-903 (DOS)
   Location: Marion County – 4950 Main Street, Suite D., Jasper, TN

DEPARTMENT OF GENERAL SERVICES

Disposal – Lease (Land)

Requested Action: **Approval of disposal by lease with waiver of advertisement**

Transaction Description: Transaction No. 23-11-004

- **Location:** Nashville Central Business District Parking Lot 29
  Davidson County - 1.15 ± acres - 1001 Nelson Merry St, Nashville, TN and
  1000 Martin Luther King Jr. Blvd Nashville, TN
- **Tenant:** 901 MLK, LLC
- **Term:** 18 years
- **Area / Costs:** 1.15 ± acres / $14,197.28 per month with an increase of 3% per year

Comment: This property has been determined to be surplus to the Department's needs. This disposal lease will provide a dedicated surface parking area for a project containing a workforce housing component which has commenced on the corner of Dr. Martin Luther King Jr. Blvd and YMCA Way.

The market rent is based on an appraised modified gross lease structure whereby the tenant is responsible for all operating expenses. There is a provision in the lease to terminate for convenience should the property be sold to a third-party developer, providing that the developer who purchases the property reserves at least one hundred spaces at a new negotiated rate for the Lessee for the remainder of the term.

Waiver of advertisement is requested to support the parking needs associated with the workforce housing component of the 901 MLK, LLC project.

Proceeds will be deposited into the Facilities Revolving Fund per TCA §12-2-119.

Minutes: 06/24/2024 ESC Approved disposal by lease with waiver of advertisement

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

1) Approved the Minutes of the Executive Subcommittee meeting held on May 20, 2024.

Report of Items Approved by Office of the State Architect

Initial and Revised Approvals of Capital Projects

- Reported the following seven 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:	Knoxville, Tennessee
Project Title:	UTIA ETREC JRTU Dog Park (23/24)
Project Description:	Installation of a new outside exercise area for dogs with minor renovations of the building to accommodate this new function and includes all related work.
SBC Project No.	540/001-04-2024
Total Project Budget:	$195,000.00
Source of Funding:	Gifts (O)
Approval:	Approved project, to select a designer, and utilizing Campus Resources for construction
Approval Date:	06/11/2024

2)

State Procurement Agency:	University of Tennessee Institute of Agriculture
Location:	Tullahoma, Tennessee
Project Title:	ARP – FFREC Highland Rim Unit Renovation
Project Description:	Improvements to existing carport and correction of structural deficiencies at the Manger's residence at the Forest Unit AgResearch Education Center in Tullahoma. Includes all related work.
SBC Project No.	540/001-06-2023
Total Project Budget:	$100,000.00
Source of Funding:	Federal Funds (ARP) (F)
Approval:	Approved a revision in project budget and funding (increase of budget by $5,000.00)
Approval Date:	05/28/2024

3)

State Procurement Agency:	University of Tennessee – Chattanooga
Location:	Chattanooga, Tennessee
Project Title:	Boling Roof Replacement
Project Description:	This project will replace the hail damaged asphalt shingle roof installed in 2002.
SBC Project No.	540/005-07-2018
Original Project Budget:	$470,000.00
Project Expenditures:	$ 22,664.42
Source of Funding:	Plant Funds (Aux-Housing) (A)
Approval:	Approved cancellation of the project
Approval Date:	05/28/2024

4)

State Procurement Agency:	Tennessee Board of Regents / Dyersburg State Community College
Location:	Dyersburg, Tennessee
Project Title:	Office Additions and Renovations
Project Description:	Renovate areas to make additional office space in the E.B. Eller Administration Building. Project includes all related work.
SBC Project No.	166/017-01-2024
Total Project Budget:	$200,000.00
Source of Funding:	Plant Funds (Non-Aux) (A)
Approval:	Approved project and to select a designer
Approval Date:	06/03/2024

5)

State Procurement Agency:	Tennessee Board of Regents / Volunteer State Community College
Location:	Gallatin, Tennessee
Project Title:	Campus Emergency Notification System
Project Description:	Design and install an outdoor/indoor emergency alert PA system for the Gallatin campus. Project includes all related work.
SBC Project No.	166/025-01-2024
Total Project Budget:	$300,000.00
Source of Funding:	Plant Funds (Non-Aux) (A)
Approval:	Approved project and to select a designer
Approval Date:	06/11/2024

6)

State Procurement Agency:	STREAM / Department of Military
Location:	Smyrna, Tennessee
Project Title:	VTS Smyrna Civil Support Team Latrine Upgrades
Project Description:	Repair architectural finishes; upgrade mechanical, electrical, and plumbing systems; and all required related work.
SBC Project No.	361/079-03-2024
Total Project Budget:	$640,000.00
Current Project Budget:	$ 49,508.00
Source of Funding:	Federal Funds (NGB) (F)
Approval:	Approved project and to select a designer
Approval Date:	06/06/2024

7)

State Procurement Agency:	STREAM / Department of Military
Location:	Smyrna, Tennessee
Project Title:	VTS Smyrna Building 603 Latrine Repairs and Upgrades
Project Description:	Repair architectural finishes; upgrade mechanical, electrical, and plumbing systems; and all required related work.
SBC Project No.	361/079-04-2024
Total Project Budget:	$440,000.00
Current Project Budget:	$ 38,877.00
Source of Funding:	Federal Funds (NGB) (F)
Approval:	Approved project and to select a designer
Approval Date:	06/06/2024

Approvals of Revisions to Existing Capital Projects

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

1) **State Procurement Agency:** University of Tennessee Institute of Agriculture
Location: Knoxville, Tennessee
Project Title: Energy & Enviro. Science Research Bldg. (Ellington)
Project Description: The site for this new project is the current location of the Ellington Plant Science Building which will be demolished. The new building will house teaching laboratories, research/public service labs, offices, classrooms, 500-seat teaching and learning center with appropriate support space, and dining venue. Included will be a new Surge Building constructed on the Ag Campus. In FY 12-13, $2M was approved for planning. In FY 18-19, $4M was approved for planning and construction of a new surge building.
SBC Project No. 540/001-04-2013
Total Project Budget: $102,300,000.00
Source of Funding:

$ 4,000,000.00	18/19	CurrFunds-CapImp	(A)
$ 81,500,000.00	19/20	CurrFunds-CapImp	(A)
$ 12,650,000.00		Plant Funds (Non-Aux)	(A)
$ 2,850,000.00		Gifts	(O)
$ 1,300,000.00		Plant Funds (Aux-Dining)	(A)

Approval: Approved a revision utilizing System Procurement for a portion of the work
Approval Date: 05/30/2024

- REPORT of the following approval of an addition of scope for capital project in accordance with Item 2.04(B)(3) of the *SBC By-Laws, Policy & Procedures*:

1) **State Procurement Agency:** STREAM / Department of Environment & Conservation
Location: Sparta, Tennessee
Project Title: Scott's Gulf Wilderness State Park Improvements
Project Description: Construct a new visitor center, maintenance shop, *storage barn*, restrooms, utilities, roadways, parking infrastructure, and all required related work.
SBC Project No. 126/127-01-2023
Total Project Budget: $27,820,000.00
Source of Funding: 23/24 CurrFunds-CapImp (A)
Approval: Approved a revision in project scope
Approval Date: 06/12/2024

- Reported the following three approvals 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:** Tennessee Board of Regents / Tennessee State University
Location: Nashville, Tennessee
Project Title: Agriculture Food and Animal Science Facility
Project Description: Construct an agriculture food and animal science facility and all related work.
SBC Project No. 166/001-02-2023
Total Project Budget: $32,250,000.00
Source of Funding: Federal Funds (ARP) (F)
Approval: Approved awarding a contract to the best evaluated proposer for CM/GC (Barton Malow Builders)
Approval Date: 05/30/2024

2) **State Procurement Agency:** Tennessee Board of Regents / Tennessee State University
Location: Nashville, Tennessee
Project Title: Agriculture Environmental Science Facility
Project Description: Construct an agriculture environmental science facility and all related work.
SBC Project No. 166/001-03-2023
Total Project Budget: $28,000,000.00
Source of Funding: $18,000,000.00 22/23 CurrFunds-CapImp (A)
$10,000,000.00 Federal Funds (USDA) (F)
Approval: Approved awarding a contract to the best evaluated proposer for CM/GC (Barton Malow Builders)
Approval Date: 05/30/2024

3) **State Procurement Agency:** STREAM / Department of Environment & Conservation
Location: Wildersville, Tennessee
Project Title: Natchez Trace State Park Inn Reconstruction
Project Description: Demolish existing inn; construct new inn to include guestrooms, conference and meeting space, restaurant, pool, parking; and all required related work.
SBC Project No. 126/057-02-2023
Total Project Budget: $65,950,000.00
Source of Funding: 23/24 CurrFunds-CapImp (A)
Approval: Approved awarding a contract to the best evaluated proposer for CM/GC (Reeves Young, LLC)
Approval Date: 06/07/2024

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 / Department of Environment & Conservation
Transaction Description: Transaction No. 24-02-006
Location: Couchville State Natural Area (CSNA)
Davidson County- 0.57 +/- acres – 0 Couchville Pike, Hermitage, TN
Owner(s): Grassland Financial Services, LLC
Estimated Purchase Price: Fair Market Value
Source of Funding: 23/24 State Lands Acquisition Fund (A)
Approval: Approved acquisition in fee
Approval Date: 06/05/2024

Designer Selections

- Reported the following designer selection 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:	East Tennessee State University
Location:	Johnson City, Tennessee
Project Title:	Greenhouse Installation
SBC Project No.	369/005-03-2024
Total Project Budget:	$480,000.00
Source of Funding:	Plant Funds (Non-Aux) (A)
Designer:	Cain Rash West Architects, Inc. P.C.
Approval Date:	05/15/2024

- 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) **University of Tennessee – Knoxville**
(Frieson Center Renovation & Expansion (23/24))
Total Project Budget: $4,000,000.00
SBC Project No. 540/009-05-2024
Designer: **Design Innovation Architects, Inc.**

2) **Tennessee Tower Office Space Consolidation**
(Touchdown Meeting Spaces)
Total Project Budget: $5,500,000.00
SBC Project No. 529/079-02-2024
Designer: **HMK Architects, PLLC**

Other Business

There being no further business, the meeting adjourned at 11:05 a.m.

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UNIVERSITY OF MEMPHIS

Acquisition – Lease

Requested Action: **Approval of lease with waiver of advertisement**

Transaction Description: Transaction No. 24-06-903

- **Proposed Lease**
  - **Location:** 3548 Walker Avenue, Suites 104/106, Memphis Tennessee 38111
  - **Landlord:** Walker Avenue Investment LLC
  - **Term:** One (1) year (July 1, 2024 – June 30, 2025) with option to extend one year
  - **Area / Costs:** 4,200 Square Feet Lease Area

Annual Contract Rent	$75,600.00	$18.00/sf
Estimated Annual Utilities Cost	$ 4,200.00	$1.00/sf
Estimated Annual Janitorial Cost	$ 8,400.00	$2.00/sf
Total Annual Effective Cost	$88,200.00	$21.00/sf

- **Source of Funding:** Grants
- **Procurement Method:** Negotiated

Comment: The University desires to lease the above space for use by the GROWWTH workforce readiness training program. The space has been evaluated by a professional appraiser and the rental rate equals the fair market rent. Waiver of advertisement is requested as project location and parking offer unique space requirements and there is no state-owned space readily available to meet this need. The space is currently leased to the University, and as a result we request waiver of advertisement. The University is responsible for the cost of routine maintenance and all utilities for the Leased Premises. Because of the one-year term, the lease is not terminable for convenience.

Minutes: 06/24/2024 Approved lease with waiver of advertisement

DEPARTMENT OF MILITARY

Disposal – Fee

Requested Action:	**Approval of disposal in fee with waiver of advertisement**
Transaction Description:	Transaction No. 22-12-005
• **Location:**	Johnson County – 9.88 ± acres – 1923 S. Shady St., Mountain City, TN
• **Estimated Sales Price:**	Fair Market Value
• **Grantee:**	Johnson County, Tennessee
Comment:	The Department of Military (DOM) is requesting approval to dispose of the Armory located in Mountain City, as the property is surplus to the agency's needs. Waiver of advertisement is requested because Johnson County has asked to acquire the property for a public purpose, as it relates to educational opportunities, workforce development and community programs. In accordance with T.C.A. §12-2-121, proceeds from the sale will be appropriated to the DOM as funds for facility replacement and repair.
Minutes:	06/24/2024 Approved disposal in fee with waiver of advertisement

DEPARTMENT OF ENVIRONMENT & CONSERVATION

Acquisition – Fee (Gift)

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

Transaction Description: Transaction No. 24-05-009

- **Location:** Franklin County – 479.03 +/- acres – 0 Sherwood Road, Sewanee, TN
- **Owner(s):** TennGreen Land Conservancy, The Conservation Fund, and The Nature Conservancy
- **Estimated Purchase Price:** Gift
- **Source of Funding:** 23/24 State Lands Acquisition Fund (REM Fees) (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 parcel is to be included in the development of the proposed Head of the Crow State Park. The parcel is home to three rare species: the Morefield's Leatherflower, Cumberland Rosinweed, and Ginseng. Acquisition of the parcel offers watershed protection to Brush Creek, and will be a valuable accompaniment to the adjacent Mr. and Mrs. Harry Lee Carter State Natural Area.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	12/06/2022
Purchase Price:	$1,050,033.76
Property Assessor's Value:	$603,600.00
Square Footage Improvements:	N/A

Minutes: 06/24/2024 Approved acquisition in fee

DEPARTMENT OF ENVIRONMENT & CONSERVATION

Acquisition – Fee (Purchase)

Requested Action:	**Approval of acquisition in fee**
Transaction Description:	Transaction No. 23-06-002
• **Location:**	Cordell Hull Birthplace State Park (CHBSP) Pickett County – 0.90 +/- acres – 0 Cordell Hull Memorial Drive, Byrdstown, TN
• **Owner(s):**	James Crockett, Lourene Crockett
• **Estimated Purchase Price:**	Fair Market Value
• **Source of Funding:**	23/24 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 Cordell Hull Birthplace State Park (CHBSP) Visitors' Center. The acquisition will expand the Park's ability to demonstrate the historical farming techniques used by the Hull family and will also provide a garage to store a wagon and historical tools. This will also bring CHBSP's boundary out to the corner of Jones Chapel Rd and Cordell Hull Memorial Drive, providing an added buffer to the park.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	08/06/1982
Purchase Price:	$7,500.00
Property Assessor's Value:	$22,300.00
Square Footage Improvements:	440 sq ft

Minutes: 06/24/2024 Approved acquisition in fee

DEPARTMENT OF ENVIRONMENT & CONSERVATION

Acquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 24-05-006

- **Location:** Polk County- 5.00 +/- acres – 1985 Highway 64, Benton, TN
- **Owner(s):** J.T. Lemons and Margaret Lemons
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 23/24 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 create the opportunity to greet and connect with guests of the proposed Ocoee River State Park. A future capital budget request will be brought forward for any proposed structures.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	06/13/2023
Purchase Price:	$1.00 (Intrafamily transfer)
Property Assessor's Value:	$476,000.00 (larger tract)
Square Footage Improvements:	N/A

Minutes: 06/24/2024 Approved acquisition in fee

TENNESSEE BUREAU OF INVESTIGATION

Acquisition – Lease (Space)

Requested Action: **Approval of a sublease**

Transaction Description: Transaction No. 24-03-900

- **Proposed Lease**
  - **Location:** Davidson County - Hangar 23D - 1480 Murfreesboro Pk, Nashville, TN
  - **Landlord:** Nashville Hangars LLC
  - **Term:** 5 years
  - **Area / Costs:** 13,341 Square Feet

Annual Contract Rent	$480,000.00	$35.98/sf
Estimated Annual Utilities Cost	$ 23,346.75	$1.75/sf
Estimated Annual Janitorial Cost	$ 14,675.10	$1.10/sf
Total Annual Effective Cost	$518,021.85	$38.83/sf

- **Source of Funding:** TBI Op Funds (A)
- **Procurement Method:** Negotiated
- **FRF Rate:** $26.50

Comment: This sublease will provide a secured hangar space for Tennessee Bureau of Investigation (TBI). Nashville Hangars LLC has a lease agreement with Metro Nashville Airport Authority that expires January 21, 2060.

Approval of a sublease is requested for the special and unique need of a centrally located secured hangar space, with fire suppression system, 24-hour fueling and 5,000 ft runway. The tenant may not terminate this lease for convenience at any time during the lease term.

Based on a review of the financial aspects, occupancy requirements and market indicators, this sublease is deemed to be in the State's best interest at this time.

Previous Action: 04/22/2024 Approved waiver of advertisement

Minutes: 06/24/2024 Approved a sublease

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: **Approval to waive advertisement**

Transaction Description: Transaction No. 24-02-903 (DOS)

- **Proposed Lease**
  - **Location:** Marion County – 4950 Main Street, Suite D., Jasper, TN
  - **Landlord:** Acuff Group, LLC a Tennessee limited liability company
  - **Term:** 3 years (September 1, 2024 – August 31, 2027)
  - **Area:** 5,208 Square Feet

- **Current Lease**
  - **Location:** Marion County – 4950 Main Street, Suite D., Jasper, TN
  - **Landlord:** Acuff Group, LLC a Tennessee limited liability company
  - **Term:** 2 years (April 1, 2021 – March 31, 2023) (Holdover)
  - **Area / Costs:** 5,208 Square Feet

Annual Contract Rent	$55,440.00	$10.65/sf
Estimated Utilities Cost	$ 9,114.00	$ 1.75/sf
Estimated Janitorial Cost	$ 5,728.80	$ 1.10/sf
Total Annual Effective Cost	$70,282.80	$13.50/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 Driver's License Service Center and Tennessee Highway Patrol in Marion County.

A new short-term lease is required to allow for continuity of operations while construction is completed on the new long-term lease.

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: 06/24/2024 Approved waiving advertisement

Approved:

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