MINUTES

STATE BUILDING COMMISSION Executive Subcommittee October 20, 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 11:00 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

- Department of General Services
- State Building Commission

PRESENTER

Deputy Commissioner John Hull State Architect Ann McGauran

OTHER PARTICIPANTS

Dr. Russel Wigginton, National Civil Rights Museum Foundation

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: <u>Austin Peay State University</u>

Requested Action: Approval of disposal in fee and to utilize State Procurement Agency procurement

methods to contract with a realty firm to assist with the disposal

Transaction No.: 23-08-004

Location: Austin Peay State University

Montgomery County - 0.81 +/- acres - 529 York Street, Clarksville, TN

2. Agency: Tennessee Board of Regents / Volunteer State Community College

Requested Action: Approval of acquisition in fee

Transaction No.: 25-03-012

Location: Volunteer State Community College (VSCC)

Wilson County - 32+/- acres - Old Lebanon Dirt Road, Mt. Juliet, TN

3. Agency: <u>University of Tennessee – Knoxville</u>

Requested Action: Approval of acquisition in fee

Transaction No.: 25-04-019

Location: University of Tennessee - Knoxville

Knox County - 0.161 +/- acres - 2001 Lake Avenue, Knoxville, TN

4. Agency: Department of Agriculture

Requested Action: Approval of acquisition in fee
Transaction No.: 24-04-001 & 25-09-024
Location: Pickett State Forest (PSF)

Pickett County – 261 ± acres – 0 Fentress County Line, Byrdstown, TN

Fentress County - 25 ± acres - West of Williams Creek Road, Jamestown, TN

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

Requested Action: Approval of a lease Transaction No.: 24-09-901 (TDEC)

Location: Anderson County – 761 Emory Valley Road, Oak Ridge, TN

6. Agency: **Department of General Services**

Requested Action: Approval of a lease with waiver of advertisement

Transaction No.: 24-12-900 (TDEC)

Location: Gibson Co. – 3628 East End Drive, Humboldt, TN

7. Agency: Department of General Services

Requested Action: Approval of a lease Transaction No.: 23-12-913 (Treasury)

Location: Knox County – 7610 Gleason Drive, Suite 201, Knoxville, TN

<u>Disposal – Lease (Space)</u>

Requested Action: Approval of disposal by lease with waiver of advertisement and appraisal

Transaction Description: Transaction No. 25-09-025

Proposed Lease

Cocation: National Civil Rights Museum

Shelby County – 2.65 ± acres – 450 Mulberry Street, Memphis, TN

National Civil Rights Museum Foundation Tenant: 50 years with one 25-year renewal option Term:

o Area / Costs: 59,396 SF / Mutual Benefit*

Current Lease

Location: National Civil Rights Museum

Shelby County – 2.65 ± acres – 450 Mulberry Street, Memphis, TN

Tenant: National Civil Rights Museum Foundation June 1, 1991 - December 31, 2037 Term: Area / Costs: 59.396 SF / Mutual Benefit

FRF Rate: \$18.00

Comment: The Department of General Services ("DGS"), in coordination with the Tennessee State

Museum ("TSM"), requests to enter into a disposal lease with the National Civil Rights Museum Foundation ("Foundation"), a nonprofit organization that operates the National Civil Rights Museum and the historic Lorraine Motel. The Foundation has leased the property from the State since 1991. The current lease will be terminated upon the commencement of

the new lease.

A waiver of advertisement is requested based on the organization's longstanding presence on the property and the public benefit derived from its mission.

Prior to the effective date of the lease. TSM will transfer jurisdiction of the National Civil Rights Museum to DGS, Facilities Revolving Fund ("FRF").

* Pursuant to the 2025 Appropriations Act, Public Chapter No. 530, TSM received recurring funding for rent billings for the National Civil Rights Museum. TSM will pay the associated FRF rent, with DGS/FRF assuming responsibility of the facility maintenance in accordance with the terms in the lease.

Minutes: 10/20/2025 Deputy Commissioner Hull recognized Dr. Russell Wigginton, National Civil

> Rights Museum Foundation President; Tsitsi Jones, National Civil Rights Museum Foundation COO/CFO; and Ashley Howell, Tennessee State Museum Executive Director who were all present. Commissioner Bryson

thanked them for their service to the State and to the Nation.

At the invitation of Secretary Hargett, Dr. Wigginton spoke, stating his appreciation for the relationship with the State and the way the parties have come together to lift up the Museum. He added that great days are ahead. Secretary Hargett stated that the Museum is a great facility, and the members thanked Dr. Wigginton and Ms. Jones for their work.

The Subcommittee approved disposal by lease with waiver of advertisement and appraisal.



Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 08-01-908 (DOC)

Proposed Amendment

Term: 19 years (January 1, 2010 – December 31, 2028)

Area / Costs: 7,166 Square Feet

 Annual Contract Rent
 \$125,548.32
 \$17.52/sf

 Estimated Utilities Cost
 12,540.50
 1.75/sf

 Estimated Janitorial Cost
 7,882.60
 1.10/sf

 Total Average Annual Effective Cost
 \$145,971.42
 \$20.37/sf

Current Lease

Location: Maury County – 2506 Pillow Drive, Suites A & B, Columbia, TN 38401
 Landlord: Trustee of the Russ Adcox 2025 Asset Protection Trust (Christye Crick Knox)

o **Term:** 16 years (January 1, 2010 – December 31, 2025)

o Area / Costs: 7,100 Square Feet

 Annual Contract Rent
 \$51,474.96
 \$7.25/sf

 Estimated Utilities Cost
 12,425.00
 1.75/sf

 Estimated Janitorial Cost
 7,810.00
 1.10/sf

 Total Average Annual Effective Cost
 \$71,709.96
 \$10.10/sf

Source of Funding: FRF
 Procurement Method: Negotiated

FRF Rate: \$18.00

Comment: This amendment will provide office space for Department of Correction for a regional probation and parole office. The increase in square footage is due to a mismeasurement.

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 the advertising phase and will be presented to ESC pursuant to applicable SBC policy at a future date.

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

Previous Action: 12/22/2008 ESC Approved a lease agreement

11/25/2019 ESC Approved a lease amendment with waiver of advertisement 06/21/2022 ESC Approved a lease amendment with waiver of advertisement

Minutes: 10/20/2025 ESC Commissioner Bryson asked for the history associated with the

previous lease amendments and why STREAM believes this procurement of a new lease will be successful. Mr. Hull responded that the two previous procurements had failed first because the agency determined additional space was needed and the incumbent location could not provide additional space and second because the single proposer had zoning issues and

could not construct the new facility. Mr. Hull stated that STREAM believes it has received two good build to suit proposals this time.

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 September 22, 2025.

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: University of Tennessee – Knoxville

Location: Knoxville, Tennessee

Project Title: Concord Campus Demolition

Project Description: Abate Building 15 and demolish various dilapidated buildings, including utility

disconnections and abatement.

SBC Project No. 540/009-10-2021 **Total Project Budget:** \$163,000.00

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

Approval: Approved a revision in project funding (move \$24,000.00 from Construction to

Designer Fee and Admin & Misc.)

Approval Date: 10/08/2025

2) State Procurement Agency: Tennessee Board of Regents / Dyersburg State Community College

Location: Dyersburg, Tennessee

Project Title: Culinary Program Improvements

Project Description: Install vent hood in the kitchen area of the Student Center building. Project includes

installation of roof curbs, fire system modifications, makeup air equipment,

ductwork, electrical wiring, and all related work.

SBC Project No. 166/017-03-2025 **Total Project Budget:** \$400,000.00

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

Approval: Approved project and utilizing a previously selected designer (McGehee Nicholson

Burke Architects, P.C.)

Approval Date: 10/01/2025

3) State Procurement Agency: Tennessee Board of Regents / Jackson State Community College

Location: Jackson, Tennessee

Project Title: Library Restroom Improvements

Project Description: Improvements to restrooms inside the Library. Updates will include updating the

space for ADA compliance, replacing all fixtures, petitions, finishes, lighting, and

flooring.

SBC Project No. 166/019-01-2025 **Total Project Budget:** \$350,000.00

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

Approval: Approved project and to select a designer

Approval Date: 09/23/2025

4) State Procurement Agency: Tennessee Board of Regents / Nashville State Community College

Location: Nashville, Tennessee

Project Title: Master Plan

Project Description: Develop a new Master Plan.

SBC Project No. 166/034-01-2025 **Total Project Budget:** \$250,000.00

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

Approval: Approved awarding a contract to the best evaluated proposer (Dober Lidsky

Mathey, Inc.)

Approval Date: 09/23/2025

5) State Procurement Agency: Tennessee Board of Regents / Tennessee College of Applied Technology

Location: Johnson City, Tennessee

Project Title: Truck Driving Pad

Project Description: Construction of a skills pad for the Truck Driving program on the Boones Creek

Campus.

SBC Project No. 166/052-01-2025 **Total Project Budget:** \$585,000.00

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

Approval: Approved project and utilizing a campus consultant for design (Rodney L Wilson

Consulting, PLLC)

Approval Date: 09/24/2025

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:

1) State Procurement Agency: University of Tennessee – Martin

Location: Martin, Tennessee

Project Title: UTM Storm Damage Repairs (24/25)

Project Description: Repair and replacement of campus wide roofs damaged during a hailstorm and

includes all related work to complete the project.

SBC Project No. 540/011-01-2024 **Total Project Budget:** \$1,300,000.00

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

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

Approval Date: 09/19/2025

2) State Procurement Agency: STREAM / Department of General Services

Location: Nashville, Tennessee

Project Title: 220 French Landing – DCS & LWFD

Project Description: Interior renovation including new finishes; furniture; reconfiguration of space within

the current moveable furniture guidelines; associated mechanical, electrical, plumbing, and data upgrades; new building automation system; and all required

related work.

SBC Project No. 529/014-01-2025
Total Project Budget: \$43,600,000.00
Source of Funding: FRF Reserves (R)

Approval: Approved utilizing Construction Manager/General Contractor alternative delivery

method

Approval Date: 09/19/2025

• 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:

1) State Procurement Agency: University of Tennessee – Knoxville

Location: Knoxville, Tennessee

Project Title: Alumni Memorial Lighting Upgrades

Project Description: Upgrades of the lighting, controls, and sound systems in the auditorium and

classrooms in the Alumni Memorial Building. Includes all related work to complete

the project.

SBC Project No. 540/009-32-2022 **Total Project Budget:** \$1,750,000.00

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

Approval: Approved a revision in funding (move \$66,000.00 to Construction to replenish

Contingency)

Approval Date: 09/30/2025

2) State Procurement Agency: Tennessee Board of Regents / Tennessee College of Applied Technology

Location: Clarksville, Tennessee
Project Title: Clarksville Campus Expansion

Project Description: Construct facilities for the Diesel-powered Equipment, Automotive Technology,

Hybrid Electrical Vehicle and Building Construction Technology programs. Add a classroom and instructional area for a Truck Driving program. Allied Health

Programs shared with NaSCC Clarksville. Project includes all related work.

SBC Project No. 166/046-01-2022 **Total Project Budget:** \$17,450,000.00

Source of Funding: \$16,000,000.00 22/23 CurrFunds-CapImp (A)

\$ 1,450,000.00 23/24 CurrFunds-CapImp (A)

Approval: Approved a revision in project funding (move \$16,484.00 to designer fee)

Approval Date: 09/23/2025

• Reported 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 Children's Services

Location: Dandridge, Tennessee

Project Title: Mountain View YDC Hardware Secure Facility Upgrades

Project Description: Installation of security locks on the existing housing unit doors, required smoke

evacuation, system, security cameras, security controls, and all required related

work.

 SBC Project No.
 144/013-01-2023

 Total Project Budget:
 \$10,660,000.00

 Current Project Funding:
 \$ 8,510,000.00

Source of Funding: 22/23 CurrFunds-CapImp (A)
Approval: Approved a revision in project scope

Approval Date: 10/07/2025

• Reported the following two 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: University of Tennessee – Chattanooga

Location: Chattanooga, Tennessee
Project Title: Health Sciences Building

Project Description: Construction of a health sciences teaching facility and simulated lab space for the

School of Nursing.

SBC Project No. 540/005-05-2022 **Total Project Budget:** \$80,100,000.00

Source of Funding: \$55,936,000.00 22/23 CurrFunds-CapImp (A)

\$19,329,840.00 Plant Funds (Non-Aux) (A) \$ 4,834,160.00 Gifts (O)

Approval: Approved awarding a contract to the low bidder for a Best Value alternative delivery

method (The Christman Company)

Approval Date: 09/30/2025

2) State Procurement Agency: STREAM / Department of Children's Services

Location: Statewide, Tennessee

Project Title: New Woodland Hills and John S. Wilder Hardware and Staff Secure Facilities **Project Description:** Construction of a new staff secure Woodland Hills YDC, new staff and hardware

secure John S. Wilder YDC facilities, and all required related work.

SBC Project No. 144/000-02-2023 **Total Project Budget:** \$333,300,000.00

Source of Funding: \$ 13,500,000.00 21/22 CurrFunds-CapImp (A)

\$ 5,560,000.00 22/23 CurrFunds-CapImp (A) \$233,140,000.00 24/25 CurrFunds-CapImp (A) \$ 81,100,000.00 2025 GO Bonds-CapImp (A)

Approval: Approved awarding a contract to the best evaluated proposer for Construction

Manager/General Contractor (Reeves & Young, LLC)

Approval Date: 10/07/2025

Approvals of Acquisitions and Disposals of State Property

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

1) State Procurement Agency: Tennessee Board of Regents / Tennessee College of Applied Technology

Transaction Description: Transaction No. 25-06-011

Location: TCAT – Athens

Polk County – 1.30 +/- acres – 1697 Highway 64, Benton, TN

Owner(s): Jordan Justice Minkle & Jacon Walter Trotter

Estimated Purchase Price: Fair Market Value

Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved acquisition in fee

Approval Date: 09/11/2025

2) State Procurement Agency: Tennessee Borad of Regents / Tennessee College of Applied Technology

Transaction Description: Transaction No. 24-08-006

Location: TCAT-Livingston

Overton County - 6.28+/- acres - 735 Preston Street, Livingston, TN

Owner(s): David and Tammy Garrett

Estimated Purchase Price: Fair Market Value

Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved acquisition in fee

Approval Date: 09/11/2025

 Reported the following disposal easement in accordance with Item 2.04(E)(I)(5) of the SBC By-Laws, Policy & Procedures:

1) State Procurement Agency: Tennessee Board of Regents / Pellissippi State Community College

Transaction Description: Transaction No. 25-04-026

Location: Pellissippi State Community College

Knox County – 0.27+/- acre - Permanent Drainage and Temporary Construction

Easement - Hardin Valley Road, Knoxville, TN

Grantee: Knox County
Estimated Sale Price: Fair Market Value
Source of Funding: Knox County (O)

Approval: Approved disposal in fee and by easement with waiver of appraisal

Approval Date: 09/09/2025

Designer Selections

- Reported a designer name change from "Reedy & Sykes Architecture and Design" to "Reedy & Sykes Architecture and Design, LLC" on all State projects.
- 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) Middle Tennessee State University

(Renovations to Beasley Hall)

Total Project Budget: \$7,700,000.00 SBC Project No. 366/009-07-2025

Designer: Gilbert/McLaughlin/Casella Architects,

PLC

2) East Tennessee State University

(Buc Ridge Exterior & Structural Repairs)

Total Project Budget: \$2,000,000.00

SBC Project No. 369/005-05-2025

Designer: Shaw & Shanks Architects, P.C.

B) Dry Branch State Park

(Contact Station & Maintenance Facility)

Total Project Budget: \$16,500,000.00

SBC Project No. 126/128-01-2025

Designer: Smith Gee Studio, LLC

4) Nashville Joint Forces Headquarters

(TEMA New EOC & Administrative Building)
Total Project Budget: \$275,360,000.00
SBC Project No. 361/000-03-2025

Designer: TMPartners, PLLC

Other Business

The transaction description for the approval of an acquisition in fee at the August 25, 2025 meeting of approximately 6,800 acres in Haywood, Hardeman and Madison Counties from Hatchie River Hardwoods, LLC inadvertently omitted two transaction numbers. The following transaction numbers are also applicable to this acquisition: 25-05-002 and 25-05-003. Additionally, Hatchie River Hardwoods, LLC is dissolving its corporate entity and distributing ownership of the property to its members. Accordingly, the sellers of the property listed on the deed will be T&R Properties, a Tennessee Partnership and Matthew Simmons.

There being no further business, the meeting adjourned at 11:10 a.m.

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AUSTIN PEAY STATE UNIVERSITY

Disposal - Fee

Requested Action: Approval of disposal in fee and to utilize State Procurement Agency

procurement methods to contract with a realty firm to assist with the disposal

Transaction Description: Transaction No. 23-08-004

• Location: Austin Peav State University

Montgomery County - 0.81 +/- acres - 529 York Street, Clarksville, TN

• Owner(s): Austin Peay State University

Estimated Selling Price: Fair Market Value
 Estimated Realtor Cost: 6% of the Sale Price

Comment: APSU has determined that this property is surplus to its needs and is seeking to

engage a realtor via STREAM's procurement process to help sell this property utilizing

a sealed bid process.

A larger parcel was purchased in 2017 with the intent that it be renovated to serve as the president's residence and an event center. The building was later determined to require significant renovations, over \$3.5M, to serve the intended purpose. The 2024 Campus Master Plan indicates that the Hayes House should be sold since the cost of renovation exceeds the home's value. APSU split the original parcel into two, lot 1A which is 0.81 acres, and lot 1B which is 1.67 acres. Lot 1B will be retained by the university for future use and the value of this retained parcel exceeds the original purchase price for the larger parcel.

The THC has determined that the demolition or disposal of this 50+ year old property does adversely affect this State-owned resource and consultation with their office is encouraged to explore alternatives that would avoid, minimize, or mitigate the adverse effect. APSU plans to coordinate with THC until an agreeable mitigation plan has been completed.

Date of Last Transfer: 3/24/2017

Purchase Price: \$650,000.00 (larger parcel)

Square Footage Improvements: Main House: 6,714; Carriage House: 1,584

Minutes: 10/20/2025 ESC Approved disposal in fee and utilizing State Procurement

Agency procurement methods to contract with a realty firm to

assist with the disposal

TENNESSEE BOARD OF REGENTS

Acquisition - Fee (Purchase)

Requested Action: Approval of acquisition in fee

Transaction Description: Transaction No. 25-03-012

• Location: Volunteer State Community College (VSCC)

Wilson County - 32+/- acres - Old Lebanon Dirt Road, Mt. Juliet, TN

Owner(s): Richard H. Mullins Jr.
 Estimated Purchase Price: Fair Market Value

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

Comment: This property is in VSCC's 2017 Master Plan and is adjacent to other VSCC

property. This property provides valuable space for long term growth and

development.

Date of Last Transfer: October 14, 2024

Purchase Price: \$0.00 (intra-family transfer)

Property Assessor's Value: \$331,900 Square Footage Improvements: N/A

Minutes: 10/20/2025 ESC Approved acquisition in fee

UNIVERSITY OF TENNESSEE

Acquisition - Fee (Purchase)

Requested Action: Approval of acquisition in fee

Transaction Description: Transaction No. 25-04-019

• Location: University of Tennessee - Knoxville

Knox County - 0.161 +/- acres - 2001 Lake Avenue, Knoxville, TN

Owner(s): UTFI Real Estate, LLC
 Estimated Purchase Price: Fair Market Value

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

Comment: This property is in the UTK 2023 Master Plan, contiguous with other UTK owned

property, and is a strategic priority for the campus since it would allow UTK to own the entire city block. UTFI purchased this property in November 2024 and UTK desires to acquire this property from UTFI. This acquisition will benefit the University for use as

additional campus parking.

The University 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 the land is

acquired.

Date of Last Transfer: 11/13/2024
Purchase Price: \$1,816,158.17
Property Assessor's Value: \$1,217,100
Square Footage Improvements: N/A

Minutes: 10/20/2025 ESC Approved acquisition in fee

DEPARTMENT OF AGRICULTURE

<u>Acquisition – Fee (Purchase)</u>

Requested Action: Approval of acquisition in fee

Transaction Description: Transaction No. 24-04-001 & 25-09-024

• Location: Pickett State Forest (PSF)

Pickett County - 261 ± acres - 0 Fentress County Line, Byrdstown, TN

Fentress County - 25 ± acres - West of Williams Creek Road, Jamestown, TN

• Owner(s): Tim Beaty and Pam Beaty

• Estimated Purchase Price: Fair Market Value

• Source of Funding: 25/26 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.

The acquisition of this tract will offer protection to Pickett State Forest's (PSF) western boundary as well as forest roads and facilities. Acquiring properties that are located between the escarpment and PSF's boundary is a priority of the agency.

There is a small cabin located on the tract that will remain and be used for storage.

The cabin is in fair condition and has no utilities and limited access.

The agency does not anticipate making a request within the next 5 years for a budget

adjustment or appropriation in the budget to support this acquisition.

Date of Last Transfer: 11/20/2014
Purchase Price: \$100,000.00
Property Assessor's Value: \$344,700.00
Square Footage Improvements: 300 sq. ft.

Minutes: 10/20/2025 ESC Approved acquisition in fee

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 24-09-901 (TDEC)

• Proposed Lease

Location: Anderson County – 761 Emory Valley Road, Oak Ridge, TN

Landlord: SS IL Real Estate LLC

o **Term:** 10 years (October 1, 2026 – September 30, 2036)

Area / Costs: <u>20,173 Square Feet</u>

 First Year Annual Contract Rent
 \$264,266.30
 \$13.10/sf

 Average Annual Contract Rent
 302,998.46
 15.02/sf

 Estimated Utility Cost
 35,302.75
 1.75/sf

 Estimated Janitorial Cost
 22,190.30
 1.10/sf

 Total Average Annual Effective Cost
 \$360,491.51
 \$17.87/sf

Current Lease

Location: Anderson County – 761 Emory Valley Road, Oak Ridge, TN

Landlord: SS IL Real Estate LLC

Term: 10 years (October 1, 2016 – September 30, 2026)

Area / Costs: 20,173 Square Feet

 Annual Contract Rent
 \$201,326.54
 \$9.98/sf

 Estimated Utility Cost
 35,302.75
 1.75/sf

 Estimated Janitorial Cost
 22,190,30
 1.10/sf

 Total Annual Effective Cost
 \$258,819.59
 \$12.83/sf

• Source of Funding: FRF

Procurement Method: NegotiatedFRF Rate: \$18.00

Comment: This lease will provide office space for the Tennessee Department of Environment and

Conservation. This office has unique space needs associated with its activities to monitor demolition and decontamination of nuclear facilities. The lease will commence on or before

October 1, 2026.

TDEC will acquire and install a boat shed and fence on this property.

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: 03/24/2025 ESC Approved waiver of advertisement

Minutes: 10/20/2025 ESC Approved a lease

Acquisition - Lease (Space)

Requested Action: Approval of a lease with waiver of advertisement

Transaction Description: Transaction No: 24-12-900 (TDEC)

Proposed Lease

Location: Gibson Co. – 3628 East End Drive, Humboldt, TN

Landlord: Carthel Jack Finch

o **Term**: 10 years

Area / Costs: <u>11,123 Square Feet</u>

 Annual Contract Rent
 \$78,987.50
 \$7.10/sf

 Estimated Utilities Cost
 19,465.25
 1.75/sf

 Estimated Janitorial Cost
 12,235.30
 1.10/sf

 Total Annual Effective Contract Rent
 \$110,688.05
 \$9.95/sf

Current Lease

Location: Gibson Co. – 3628 East End Drive, Humboldt, TN

Landlord: Carthel Jack Finch

o **Term:** 5 years (January 1, 2022 – December 31, 2026)

Area / Costs: 11,123 Square Feet

 Annual Contract Rent
 \$49,942.27
 \$4.49/sf

 Estimated Utilities Cost
 19,465.25
 1.75/sf

 Estimated Janitorial Cost
 12,235.30
 1.10/sf

 Total Annual Effective Contract Rent
 \$81,642.82
 \$7.34/sf

• Source of Funding: FRF

• Procurement Method: Negotiated

• FRF Rate: \$15.00/office and \$7.50/warehouse

Comment: This lease will provide office and warehouse space for the Tennessee Department of

Environment and Conservation West Tennessee River Basin Authority. The space is used for heavy equipment, boats, machinery, and other amphibious vehicles and includes conference and office space. The lease is estimated to commence on January 1, 2027.

Waiver of advertisement is requested as this is the only available space in the area having space for ingress-egress of heavy equipment, a combination of office and warehouse space, and a central location to highways and waterways

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: 10/20/2025 Approved a lease with waiver of advertisement

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 23-12-913 (Treasury)

Proposed Lease

Location: Knox County – 7610 Gleason Drive, Suite 201, Knoxville, TN

Landlord: Fillauer Land Tennessee, LLC

Term: 7 Years and 5 months (February 1, 2026 – June 30, 2033)

o Area / Costs: <u>1,615 Square Feet</u>

First Year Annual Contract Rent \$31,540.95 \$19.53/sf
Average Annual Contract Rent (includes janitorial and utilities) 32,707.29 \$20.25/sf
Total Average Annual Effective Cost \$32,707.29 \$20.25/sf

Current Lease

Location: Knox County – 7610 Gleason Drive, Suite 201, Knoxville, TN

Landlord: Fillauer Land Tennessee, LLC

o **Term:** 3 years (February 1, 2023 – January 31, 2026)

Area / Costs: 1,615 Square Feet

Average Annual Contract Rent (includes janitorial and utilities) \$30,927.25 \$19.15/sf

Total Average Annual Effective Cost \$30,927.25 \$19.15/sf

Source of Funding: FRF

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 Procurement Method: Negotiated
 FRF Rate: \$18.00

Comment: This lease will provide office space for the Department of Treasury Claims Commissioner

for East Tennessee. The lease will commence on February 1, 2026.

The tenant may terminate this lease following the death, disability, termination, impeachment or resignation of Joshua R. Walker, the Claims Commissioner for East Tennessee by giving written notice to Landlord within 6 months of the death, disability, termination, impeachment or resignation of said Claims Commissioner, with lease termination to be effective within 90 days after said written notice.

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.

Minutes: 10/20/2025 ESC Approved a lease

