

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
September 24, 2018

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 Martin called the meeting to order at 11:03 a.m. and requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

Larry Martin, Commissioner, Department of Finance and Administration
Tre Hargett, Secretary of State
David Lillard, State Treasurer
Justin Wilson, Comptroller of the Treasury

ORGANIZATION

- Department of Transportation
- Department of Environment & Conservation
- Department of General Services
- State Building Commission

PRESENTER

Alan Durham
Sunny Fleming
Ted Hayden
Ann McGauran

CONSENT AGENDA

Approved the following real property transactions and capital projects which had been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: **University of Tennessee Institute of Agriculture**
Transaction: Disposal – Lease Amendment
Provision(s): Waiver of advertisement

- B. Agency: **Department of Military**
Project Title: VTS-Milan Electrical Conversion
SBC Project No: 368/031-02-2017
Requested Action: Approval of a utility grant agreement

- C. Agency: **Tennessee Wildlife Resources Agency**
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and one appraisal

- D. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Fee (Purchase)
Provision(s): Waiver of advertisement and one appraisal

- E. Agency: **Department of Environment & Conservation**
Transaction: Acquisition – Fee (Third Party)
Provision(s): Waiver of advertisement and one appraisal

- F. Agency: **Department of General Services**
Transaction: Disposal – Fee
Provision(s): Waiver of one appraisal

- G. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

- H. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

- I. Agency: **Department of General Services**
Transaction: Acquisition – Lease (Space)
Provision(s): n/a

- J. Agency: **Department of General Services**
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

DEPARTMENT OF TRANSPORTATION

Disposal – Fee

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

Transaction Description: Transaction No. 18-07-004

- **Location:** Previous TDOT Region 2 Headquarters
Hamilton County – 33.5 +/- acres – 4005 Cromwell Rd, Chattanooga, TN
- **Grantee:** Hamilton County, TN
- **Estimated Sale Price:** No Cost / Public Purpose
- **Source of Funding:** 18/19 TDOT Op Funds (REM Fees) (A)

Comment: Hamilton County donated to TDOT 64.5 acres for their new Region 2 Complex headquarters in 2004. In connection with this donation, Hamilton County requested that TDOT donate to Hamilton County the existing headquarters site once the headquarters was relocated. The construction of the new Region 2 Complex was recently completed and TDOT has relocated all operations to the new location. Hamilton County has now followed up on its request that TDOT transfer ownership of the previous location to the county. The county will use this land for a public purpose.

As part of this conveyance, TDOT will license back the area where the TDOT GIS Survey Base Station is located.

Date of Last Transfer:	October 17, 1952
Previous Owner:	Fred R. and Pauline H. Muhleman
Original Cost to State:	\$20,000.00
Square Footage Improvements:	N/A

Minutes: 09/24/2018 Approved disposal in fee with waiver of advertisement and appraisals

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 18-08-010

- **Location:** Panther Creek State Park
Hamblen County – 63.71+/- acres (2 tracts) – 0 Panther Creek Rd and
2510 Panther Creek Rd, Morristown, TN
- **Owner(s):** Janice Spoone & Louis Mansur
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 18/19 State Lands Acquisition Fund (A)

Comment: 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 per T.C.A. §67-4-409.

This acquisition buffers the park from development in the area. The acquisition of this property will also protect approximately 800 feet of Panther Creek.

There are 3 structures on these two tracts of land: a barn, a schoolhouse, and a brick house.

The barn will be used as is for storage of equipment as this barn is very close to the existing maintenance facility. TDEC intends to demolish the brick house. The third structure is an old school house that could be of significant historic record. TDEC intends to stabilize this structure and protect it as much as possible using existing operational funding pending future conversations with the State Historic Preservation Office concerning any possible funding for preservation and further guidance. No additional funding for preservation is being requested at this time.

Except as set forth above, no additional management costs are anticipated with this acquisition.

Date of Last Transfer:	January 18, 2012
Purchase Price:	\$0
Property Assessor's Value:	\$122,675.00
Square Footage Improvements:	1,983

Minutes: 09/24/2018 Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 18-01-909

• **Proposed Lease**

- **Location:** Robertson County – 1310 Memorial Boulevard, Springfield, TN
- **Landlord:** Hollingsworth Family Limited Partnership
- **Term:** 10 years
- **Area / Costs:** 6,200 Square Feet

Annual Contract Rent	\$119,988.00	\$19.35/sf
Estimated Annual Utility Cost	10,850.00	1.75/sf
Estimated Annual Janitorial Cost	6,820.00	1.10/sf
Total Annual Effective Cost	\$137,658.00	\$22.20/sf

• **Current Lease**

- **Location:** Robertson County – 101 Mooreland Drive, Suites C & D, Springfield, TN
- **Landlord:** Murphey Properties, Inc.
- **Term:** 5 years (October 1, 2010 to September 30, 2015) (Holdover)
- **Area / Costs:** 3,111 Square Feet

Annual Contract Rent	\$40,072.00	\$12.88/sf
Estimated Annual Utility Cost	5,444.25	1.75/sf
Estimated Annual Janitorial Cost	3,422.10	1.10/sf
Total Annual Effective Cost	\$48,938.35	\$15.73/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** LPR on template
- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Correction, and will serve as a field Office for Probation and Parole supervision. Additional space is required to address increased staffing and programming needs at this location

Two proposals were received; however one was rejected because the proposer could not meet the state's build-out requirements.

The tenant may terminate this lease at any time by giving 90 days written notice to the landlord, with 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.

Minutes: 09/24/2018 Approved lease

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 18-06-910

• **Proposed Lease**

- **Location:** Hamilton County – 5025 TN Highway 58, Chattanooga, TN
- **Landlord:** 2013-A Pedigo Trust
- **Term:** 10 years
- **Area / Costs:** 20,000 Square Feet

First Year Contract Rent:	\$399,000.00	\$19.95/sf
Average Annual Contract Rent	419,800.00	20.99/sf
Estimated Annual Utility Cost	35,000.00	1.75/sf
Estimated Annual Janitorial Cost	22,000.00	1.10/sf
Total Average Annual Effective Cost	\$476,800.00	\$23.84/sf

• **Current Lease**

- **Location:** Hamilton County – 6112 Shallowford Road, Chattanooga, TN
- **Landlord:** SJ Properties General Partnership
- **Term:** 1 year (May 1, 2016 – April 30, 2017) Holdover
- **Area / Costs:** 14,857 Square Feet

Annual Contract Rent	\$282,283.00	\$19.00/sf
Estimated Annual Utility Cost	26,000.00	1.75/sf
Estimated Annual Janitorial Cost	16,343.00	1.10/sf
Total Annual Effective Cost	\$324,626.00	\$21.85/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** LPR on template
- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Correction and will serve as a field Office for Probation and Parole supervision. Five proposals received, three were rejected due to non-responsiveness, and therefore only two proposals were evaluated. Additional space is required to address increased staffing and programming needs at this location.

The tenant may terminate this lease at any time after 8 years and 7 months by giving 120 days written notice to the landlord.

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: 09/24/2018 Approved lease

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on August 20, 2018.

Report of Items Approved by Office of the State Architect

Initial Approvals of Capital Projects

- Reported the following two 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*:
 - 1) **State Procurement Agency:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: Andy Holt Avenue Sinkhole Remediation and Repair
Project Description: This project will repair the damaged area of Andy Holt Avenue caused by a sinkhole.
SBC Project No. 540/009-13-2018
Total Project Budget: \$383,000
Source of Funding: \$255,000 Plant Funds (Non-Aux) (A)
\$128,000 Insurance (O)
Approval: Approved project and utilizing Campus Consultant for design and a contract procured through System Procurement for construction
Approval Date: 08/31/2018
 - 2) **State Procurement Agency:** University of Memphis
Location: Memphis, Tennessee
Project Title: Soccer Field Lights
Project Description: Install lighting for soccer field
SBC Project No. 367/072-01-2018
Total Project Budget: \$500,000
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project and to select a designer
Approval Date: 08/31/2018

Approvals of Revisions to Existing Capital Projects

- Reported the following two approvals 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:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: Thornton Student Life Center Renovations (17/18)
Project Description: This project will renovate interior spaces in the Thornton Student Life Center (2000). This project will create individual/small group tutor rooms for the student-athletes and make improvements to the kitchen/break room area.

SBC Project No. 540/009-06-2017
Total Project Budget: \$1,000,000
Source of Funding: Plant Funds (Aux-Athletics) (A)
Approval: Approved utilizing Best Value
Approval Date: 09/06/2018
 - 2) **State Procurement Agency:** Tennessee Board of Regents – Walters State Community College
Location: Morristown, Tennessee
Project Title: Sevier County Campus Addition
Project Description: Construct new building for Allied Health Labs, additional classrooms, and professional entertainment labs. Construct additional buildings or make renovations to accommodate mechanical systems. Renovate areas relocated due to the construction.

SBC Project No. 166/023-02-2016
Total Project Budget: \$12,500,000
Source of Funding: \$ 790,000 Gifts (O)
\$11,250,000 17/18 CurrFunds-CapImp (A)
\$ 460,000 Plant Funds (Non-Aux) (A)
Approval: Approved utilizing Best Value
Approval Date: 08/30/2018
- Reported the following two approvals of a revision in funding for capital project in accordance with Item 2.04(B)(2) of the *SBC By-Laws, Policy & Procedures*:
 - 1) **State Procurement Agency:** University of Tennessee Institute of Agriculture
Location: Knoxville, Tennessee
Project Title: West TN 4-H Center Cabins & STEM Center (Planning)
Project Description: This project will include planning site grading, roads, infrastructure, four cabins and a STEM Center consistent with the Master Plan.

SBC Project No. 540/001-05-2018
Total Project Budget: \$400,000
Source of Funding: Gifts (O)
Approval: Approved a revision in project funding
Approval Date: 08/27/2018

- 2) **State Procurement Agency:** University of Tennessee – Chattanooga
Location: Chattanooga, Tennessee
Project Title: Academic Classroom Buildings Ren. (Lupton/Fine Arts)
Project Description: This project expands space for the Department of Art, Theater, and Music including associated classrooms and offices through the renovation of two existing buildings. Lupton Library (1975) and the Fine Arts Center (1975). The renovation of the 116,000 GSF Lupton Library includes replacement of all building systems and finishes to accommodate general classrooms, Arts & Science offices, and other academic spaces. The renovation of the 72,300 GSF Fine Arts Center includes upgrades to the building's structure and systems, and renovation of two large theaters and the art, theater, and music wings.
- SBC Project No.** 540/005-01-2015
Total Project Budget: \$38,410,000
Source of Funding: \$28,433,000 16/17 CurrFunds-CapImp (A)
\$ 7,277,000 Gifts (O)
\$ 2,700,000 Plant Funds (Non-Aux) (A)
- Approval:** Approved a revision in project funding
Approval Date: 08/27/2018

Approvals of Contract Amendments

- Reported the following two approvals 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: Statewide, Tennessee
Project Title: Tennessee Aquarium and Zoos – Grants
Project Description: Grant for capital improvement projects at the Tennessee Aquarium and each of the four Tennessee accredited zoos: Nashville, Knoxville, Chattanooga and Memphis.
- SBC Project No.** 460/000-04-2015
Total Project Budget: \$3,750,000
Source of Funding: \$1,000,000 15/16 CurrFunds-CapImp (A)
\$1,000,000 16/17 CurrFunds-CapImp (A)
\$1,000,000 17/18 CurrFunds-CapImp (A)
\$ 750,000 18/19 CurrFunds-CapImp (A)
- Approval:** Approved a revision in project budget and funding and an amendment to contract extending the term
Approval Date: 09/06/2018
- 2) **State Procurement Agency:** STREAM – Department of General Services
Location: Dayton, Tennessee
Project Title: Rhea County Courthouse Renovations – Grant
Project Description: Grant for various renovations activities at the Rhea County Courthouse and all required related work.
- SBC Project No.** 460/000-04-2017
Total Project Budget: \$700,000
Source of Funding: \$200,000 17/18 CurrFunds-CapImp (A)
\$500,000 18/19 CurrFunds-CapImp (A)
- Approval:** Approved a revision in project budget and funding and an amendment to contract extending the term
Approval Date: 09/06/2018

Designer Selections

1) Reported the following eleven 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*:

- 1) **State Procurement Agency:** Middle Tennessee State University
Location: Murfreesboro, Tennessee
Project Title: Cogeneration Plant Duct Burner Repair
SBC Project No. 366/009-01-2018
Total Project Budget: \$455,000
Designer: I.C. Thomasson Associates, Inc.
Approval Date: 08/08/2018
- 2) **State Procurement Agency:** University of Memphis
Location: Memphis, Tennessee
Project Title: Soccer Field Lights
SBC Project No. 367/072-01-2018
Total Project Budget: \$500,000
Designer: Canup Engineering
Approval Date: 09/07/2018
- 3) **State Procurement Agency:** Austin Peay State University
Location: Clarksville, Tennessee
Project Title: Hayes House Envelope Repairs
SBC Project No. 373/003-06-2018
Total Project Budget: \$180,000
Designer: HFR Design, Inc.
Approval Date: 08/27/2018
- 4) **State Procurement Agency:** STREAM – Tennessee Historical Commission
Location: Knoxville, Tennessee
Project Title: Marble Springs Historic Site Buildings & Site Repairs
SBC Project No. 160/002-01-2018
Total Project Budget: \$420,000
Designer: Sparkman & Associates Architects, Inc.
Approval Date: 08/17/2018
- 5) **State Procurement Agency:** STREAM – Tennessee Historical Commission
Location: Henning, Tennessee
Project Title: Alex Haley Historic Site Repairs & Lighting Upgrades
SBC Project No. 160/016-01-2018
Total Project Budget: \$500,000
Designer: Centric Architecture, Inc.
Approval Date: 08/16/2018
- 6) **State Procurement Agency:** STREAM – Department of Education
Location: Jackson, Tennessee
Project Title: West TN School for the Deaf Security Doors
SBC Project No. 168/009-01-2018
Total Project Budget: \$480,000
Designer: TLM Associates, Inc.
Approval Date: 08/08/2018

- 7) **State Procurement Agency:** STREAM – Department of Military
Location: Smyrna, Tennessee
Project Title: Smyrna Building 425 Emergency Generator
SBC Project No. 361/079-04-2018
Total Project Budget: \$200,000
Designer: HFR Design, Inc.
Approval Date: 08/08/2018

- 8) **State Procurement Agency:** STREAM – Department of Military
Location: Smyrna, Tennessee
Project Title: Smyrna Building 668 Restoration
SBC Project No. 361/079-06-2018
Total Project Budget: \$400,000
Designer: Gilbert McLaughlin Casella Architects
Approval Date: 08/16/2018

- 9) **State Procurement Agency:** STREAM – Department of Military
Location: Tullahoma, Tennessee
Project Title: Tullahoma Barrack Female Latrine Addition
SBC Project No. 361/093-01-2018
Total Project Budget: \$420,000
Designer: HFR Design, Inc.
Approval Date: 08/16/2018

- 10) **State Procurement Agency:** STREAM – Department of Military
Location: Louisville, Tennessee
Project Title: Louisville Army Aviation Support Facility Emergency Generator
SBC Project No. 361/102-01-2018
Total Project Budget: \$260,000
Designer: Hefferlin + Kronenberg Architects, PLLC
Approval Date: 08/08/2018

- 11) **State Procurement Agency:** STREAM – Department of General Services
Location: Nashville, Tennessee
Project Title: TBI Headquarters Safety Anchors
SBC Project No. 500/001-01-2018
Total Project Budget: \$450,000
Designer: M. Shanks Architects
Approval Date: 08/08/2018

2) 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.

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| <p>1) The University of Memphis
(Campus Wide Building Envelope Repairs)
Total Project Budget: \$3,500,000
SBC Project No. 367/007-02-2018
Designer: URBANARCH ASSOCIATES</p> <p>2) The University of Memphis
(Campus Wide Boiler & Hot Water Pipes Repairs)
Total Project Budget: \$4,510,000
SBC Project No. 367/007-03-2018
Designer: OGCB INC</p> <p>3) Statewide
(Stormwater Consultant)
Total Project Budget: \$1,400,000
SBC Project No. 166/000-03-2017
Designer: WOOD ENVIRONMENT & INFRASTRUCTURE SOLUTIONS INC</p> <p>4) Jackson State Community College
(Library HVAC Updates)
Total Project Budget: \$770,000
SBC Project No. 166/019-02-2018
Designer: HNA ENGINEERING PLLC</p> <p>5) Chuck Swan State Forest
(Chuck Swan State Forest Work Center)
Total Project Budget: \$1,750,000
SBC Project No. 100/010-01-2018
Designer: BLANKENSHIP & PARTNERS LLC</p> <p>6) Frozen Head State Park
(Stonecipher Kelly House Repair)
Total Project Budget: \$1,450,000
SBC Project No. 126/039-01-2018
Designer: ELIZABETH EASON ARCHITECTURE LLC</p> | <p>7) Youth Development Centers-Variou Facilities
(Pavement Refurbishment & Replacement)
Total Project Budget: \$750,000
SBC Project No. 144/000-01-2018
Designer: W & A ENGINEERING</p> <p>8) Mountain View Youth Development Center
(Mountain View YDC Upgrades)
Total Project Budget: \$5,200,000
SBC Project No. 144/013-01-2017
Designer: ARCHITECTS WEEKS AMBROSE MCDONALD</p> <p>9) Smyrna Volunteer Training Site
(Building 536 & 537 Officer Quarters Upgrades)
Total Project Budget: \$585,000
SBC Project No. 361/079-02-2018
Designer: HFR DESIGN INC</p> <p>10) Cloverbottom Development Center
(Redditt Training Center Re-Roof)
Total Project Budget: \$1,020,000
SBC Project No. 502/002-01-2018
Designer: M SHANKS ARCHITECTS</p> <p>11) William R Snodgrass Tennessee Tower
(Life Safety Systems Upgrades)
Total Project Budget: \$3,890,000
SBC Project No. 529/079-02-2018
Designer: EDMONDS ENGINEERING INC</p> <p>12) William R Snodgrass Tennessee Tower
(Floor Drains & Plumbing Upgrades)
Total Project Budget: \$1,330,000
SBC Project No. 529/079-03-2018
Designer: EDMONDS ENGINEERING INC</p> |
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Other Business

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

UNIVERSITY OF TENNESSEEDisposal - Lease Amendment

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

Transaction Description: Transaction No. 15-11-009

- **Proposed Amendment**

- **Term:** 4 years (December 4, 2015 – December 3, 2019) with one (1) one (1) year option to extend
- **Area / Costs:** 3577 Maxwell Road - 1,831 sf \$9,600.00 per year

- **Current Lease**

- **Location:** Hardeman County – 3575 Maxwell Road and 3577 Maxwell Road, Middleton, TN
- **Tenant:** Scott Ledbetter
- **Term:** 3 years (December 4, 2015 – December 3, 2018)
- **Area / Costs:** 3575 Maxwell Road – 1,445 sf Total \$16,825.00 per year
3577 Maxwell Road – 1,831 sf

Comment: On November 23, 2015, the State Building Commission Executive Subcommittee approved the lease of two houses to the prior owner of this property. The owner has requested an extension of the lease for one house while they complete construction of their new home. This action will not negatively impact the University of Tennessee Institute of Agriculture's use of the property for its intended purpose.

The tenant remains responsible for all maintenance, repairs, and utilities.

Previous Action: 11/23/2015 Approved disposal by lease with waiver of advertisement

Minutes: 09/24/2018 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF MILITARYVolunteer Training Site, Milan, Carroll County, Tennessee

Requested Action: Approval of a utility grant agreement

Project Title: VTS-Milan Electrical Conversion

Project Description: Conversion of site electrical infrastructure from Delta to Wye configuration and transfer of power distribution from Milan Army Ammunition Plant to local utility provider.

SBC Number: 368/031-02-2017

Total Project Budget: \$954,000.00

Source of Funding: \$954,000.00 Federal Funds (NGB) (F)

Comment: The utility grant for \$367,000.00 will be to the Milan Public Utility (MPU) to install new poles, lines, insulators, and transformers for this project. This is a 100% federally funded project on federally owned land. In order to utilize federal funding for this project, a utility grant must be executed before September 30, 2018.

Previous Action 05/11/2017 SBC Approved project and utilizing Agency Consultant for Design
09/13/2018 SBC Referred to ESC with authority to act

Minutes: 09/24/2018 ESC Approved utility grant agreement

TENNESSEE WILDLIFE RESOURCES AGENCYAcquisition – Fee (Purchase)

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

Transaction Description: Transaction No. 18-08-006

- **Location:** Skinner Mountain Wildlife Management Area
Fentress County - 3,032 +/- acres (2 tracts) – 0 Bid Piney Creek, TN
- **Owner(s):** Gotham Woods, LLC, a wholly owned subsidiary of The Conservation Fund
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** Federal Funds (Pittman Robertson) (F)
The Conservation Fund (O)

Comment: This is the first of two anticipated phases relative to the preservation of the Skinner Mountain forest, recently acquired by a subsidiary of The Conservation Fund (TCF). The 2,192 +/- acre Tract 1 portion of the property will be purchased and the 838 acres +/- acre Tract 2 portion of the property will be donated to the State to satisfy the 25% match required to use the federal funds. It is anticipated that in the second phase, the State will acquire a conservation easement over the remaining acreage owned by the Seller.

This acquisition will help preserve this valuable forestland, which is rich in biodiversity and a critical habitat for several bat species, two of which have been designated as federally endangered.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	April 24, 2008
Purchase Price:	\$12,780,281.00
Property Assessor's Value:	\$10,917,400.00
Square Footage Improvements:	N/A

Minutes: 09/24/2018 Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONAcquisition – Fee (Purchase)

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

Transaction Description:

Transaction No 17-08-012

- **Location:** Justin P. Wilson Cumberland Trail State Park
Cumberland County - 393+/- acres - 0 Old Highway 28, Crossville, TN
- **Owner(s):** Wendall & Diane Bryant
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 18/19 State Lands Acquisition Fund (A)
Federal Funds (LWCF) (F)

Comment:

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 per T.C.A. §67-4-409. The 50% required federal match is being met with the state funds.

Much attention has been brought to the Justin P. Wilson Cumberland Trail. This acquisition will help offset some of the visitor traffic to the head of the Sequatchie area, while allowing for additional passive recreation.

This tract also contains a lodge (and out building), cabins, a barn, and a double wide trailer. The lodge (with outbuilding) and cabins will be utilized as rental opportunities and are in good condition. The barn can be used for storage of equipment in its current condition. TDEC intends to demolish the double wide trailer on the property. TDEC operating funds will be utilized for costs associated with the maintenance and demolition of these buildings.

Date of Last Transfer: April 19, 2011
Purchase Price: \$1,000,000.00
Property Assessor's Value: \$1,147,900.00
Square Footage Improvements: 7,940

Minutes:

09/24/2018 Approved acquisition in fee with waiver of advertisement and one appraisal

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONAcquisition – Fee (Third Party)

Requested Action: Approval of acquisition in fee and to utilize a third party with waiver of advertisement and one appraisal

Transaction Description: Transaction No 18-08-012

- **Location:** Rocky Fork State Park
Unicoi County – 88+/- acres – 4254 Old Asheville Hwy, Flag Pond, TN
- **Owner(s):** Edward Sparks
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 18/19 State Lands Acquisition Fund (A)
- **Third Party:** The Conservation Fund

Comment: This acquisition will support the visitor center and campgrounds. 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 per T.C.A. §67-4-409.

The State is making efforts to close directly with Mr. Sparks but may have to close with The Conservation Fund. No additional third party costs are anticipated.

TDEC intends to demolish the existing structure on the property.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	October 31, 1961
Purchase Price:	\$0
Property Assessor's Value:	\$294,300.00
Square Footage Improvements:	1,277

Minutes: 09/24/2018 Approved acquisition in fee and to utilize a third party with waiver of advertisement and one appraisal

DEPARTMENT OF GENERAL SERVICESDisposal – Fee

Requested Action: Approval of disposal in fee with waiver of one appraisal

Transaction Description: Transaction No. 18-07-010
 • **Location:** Dyer County – 1.16 +/- acres – 439 McGaughey Street, Dyersburg, TN
 • **Estimated Sale Price:** Fair Market Value

Comment: The property is surplus to the Department of Labor and Workforce Development's needs.

The proceeds from the sale, less any State investment, are required by federal law (29 CFR Part 97) to go to the replacement or upgrading of existing Reed Act buildings and will be deposited into the Department of Labor's Unemployment Trust Fund as stated in TEG#3-07 #6, and used pursuant to the requirements of the Federal Reed Act. The State Investment amount will be deposited in to the Facility Revolving Fund (FRF) in accordance with T.C.A. §12-2-119.

Date of Last Transfer: August 6, 1963, November 13, 2001, and January 6, 2005
Previous Owner: William Guy & Peggy N. Yarbrow, Kenneth W. Biggers and Dossie & Ellen Patterson, respectively
Original Cost to State: \$15,000, \$45,000 and \$40,000, respectively
Square Footage Improvements: 6,800

Minutes: 09/24/2018 Approved disposal in fee with waiver of one appraisal

DEPARTMENT OF GENERAL SERVICESAcquisition - Lease Amendment

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

Transaction Description: Transaction No. 07-05-902

- **Proposed Amendment**

- **Term:** 12 years (January 1, 2009 – December 31, 2020)

- **Current Lease**

- **Location:** Dickson County – 114 West Christi Drive, Dickson, TN

- **Landlord:** Kimberly Diane Alley

- **Term:** 10 years (January 1, 2009 – December 31, 2018)

- **Area / Costs:** 5,959 Square Feet

Annual Contract Rent:	\$63,909.00	\$10.73/sf
Estimated Annual Utility Cost:	10,428.25	1.75/sf
Estimated Annual Janitorial Cost:	6,554.90	1.10/sf
Total Average Annual Effective Cost:	\$80,892.15	\$13.58/sf

- **Source of Funding:** FRF Operating Funds

- **FRF Rate:** \$14.00

Comment: This lease will provide office space for Department of Safety DLI & THP. Location was built to suit for the State.

A request for waiver of advertisement and to amend the current lease by 2 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for long-term planning to effectuate a balance of portfolio and resources.

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: 09/24/2007 ESC Approved lease

Minutes: 09/24/2018 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICESAcquisition - Lease Amendment

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

Transaction Description: Transaction No. 98-12-909 & 04-02-912

- **Proposed Amendment**

- **Term:** 12 years (December 1, 2008 – November 30, 2020)

- **Area / Costs:** 8,200 Square Feet

Annual Contract Rent:	\$84,050.00	\$10.25/sf
Estimated Annual Utility Cost:	14,350.00	1.75/sf
Estimated Annual Janitorial Cost:	9,020.00	1.10/sf
Total Average Annual Effective Cost:	\$107,420.00	\$13.10/sf

- **Current Lease**

- **Location:** Hickman County – 108 Progress Center Plaza, Centerville, TN

- **Landlord:** Pedigo Centerville Properties

- **Term:** 10 years (December 1, 2008 – November 30, 2018)

- **Area / Costs:** 8,200 Square Feet

Annual Contract Rent:	\$77,900.00	\$9.50/sf
Estimated Annual Utility Cost:	11,480.00	1.40/sf
Estimated Annual Janitorial Cost:	9,020.00	1.10/sf
Total Average Annual Effective Cost:	\$98,400.00	\$12.00/sf

- **Source of Funding:** FRF Operating Funds

- **FRF Rate:** \$14.00

Comment:

This lease will provide office space for Department of Human Services and the Department of Children's Services. Location was built to suit for the State.

A request for waiver of advertisement and to amend the current lease by 2 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for long-term planning to effectuate a balance of portfolio and resources.

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: 10/25/2004 ESC Approved lease

Minutes: 09/24/2018 Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICESAcquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 17-06-948

- **Proposed Lease**

- **Location:** Coffee County – 55 Saint Bedes Drive, Manchester, TN
- **Landlord:** Pedigo-Manchester Properties, LP
- **Term:** 7 years with three 1-year renewal options
- **Area / Costs:** 4,814 Square Feet

First Year Contract Rent:	\$49,825.00	\$10.35/sf
Average Annual Contract Rent	50,716.14	10.54/sf
Estimated Annual Utility Cost	8,425.00	1.75/sf
Estimated Annual Janitorial Cost	5,295.00	1.10/sf
Total Average Annual Effective Cost	\$64,436.14	\$13.39/sf

- **Current Lease**

- **Location:** Coffee County – 55 Saint Bedes Drive, Manchester, TN
- **Landlord:** Pedigo-Manchester Properties, LP
- **Term:** 5 years (December 1, 2005 to November 30, 2010) (Holdover)
- **Area / Costs:** 6,770 Square Feet

Annual Contract Rent	\$64,800.00	\$9.57/sf
Estimated Annual Utility Cost	11,848.00	1.75/sf
Estimated Annual Janitorial Cost	7,447.00	1.10/sf
Total Annual Effective Cost	\$84,095.00	\$12.42/sf

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** LPR on template
- **FRF Rate:** \$14.00

Comment: This lease will provide office space for Department of Human Services. Seven proposals received, one was rejected due to non-responsiveness, one withdrew, and therefore five proposals were evaluated. The reduction in space needs is a result of implementation of Alternative Work Solutions at this location. The proposed location will be renovated to meet the State's needs.

Rent adjusts with each renewal option, if exercised, as follows: \$11.10/sf in years 8 and 9 and \$11.40/sf in year 10.

The tenant may terminate this lease at any time by giving 90 days written notice to the landlord, with 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.

The CBRE, Inc. commission is \$4,899.18 for the 7-year base term, if all the renewal options are exercised the commission will be \$7,131.33.

Minutes: 09/24/2018 Approved lease

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 13-01-909

- **Proposed Amendment**

- **Term:** 7 years (January 1, 2014 – December 31, 2020)

- **Current Lease**

- **Location:** Rutherford County – 845 Esther Lane, Murfreesboro, TN

- **Landlord:** Charitable Remainder Unitrust

- **Term:** 5 years (January 1, 2014 – December 31, 2018)

- **Area / Costs:** 4,800 Square Feet

Annual Contract Rent:	\$54,009.60	\$ 11.25/sf
Estimated Annual Utility Cost:	8,400.00	1.75/sf
Estimated Annual Janitorial Cost:	5,280.00	1.10/sf
Total Average Annual Effective Cost:	\$67,689.60	\$14.10/sf

- **Source of Funding:** FRF Operating Funds

- **FRF Rate:** \$18.00

Comment: This lease will provide office space for Department of Labor Workforce Development.

A request for waiver of advertisement and to amend the current lease by 2 years is in the best interest of the State at this time for strategic alignment of existing in-term lease expirations for long-term planning to effectuate a balance of portfolio and resources.

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: 09/24/2018 Approved a lease amendment with waiver of advertisement

Approved:



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