

MINUTES
STATE BUILDING COMMISSION
Executive Subcommittee
February 23, 2015

The State Building Commission Executive Subcommittee met this day at 11:00 a.m. in House Hearing Room 30, Legislative Plaza, 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 Peter Heimbach.

MEMBERS PRESENT

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

ORGANIZATION

- Tennessee Board of Regents
- Department of General Services
- State Building Commission

PRESENTER

Dick Tracy
Ted Hayden
Peter Heimbach

CONSENT AGENDA

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

- A. Agency: **University of Tennessee – Knox County**
Transaction: Acquisition - Fee (Purchase)
Provision: Purchase above fair market value

- B. Agency: **Tennessee Board of Regents – Shelby County**
Transaction: Acquisition - Fee (Purchase)
Provision: Waiver of advertisement and one appraisal

- C. Agency: **Department of Environment and Conservation – Hamilton County**
Transaction: Disposal – Easement (Access)
Provision: Waiver of advertisement and one appraisal

- D. Agency: **Department of Intellectual & Developmental Disabilities – Davidson County**
Transaction: Disposal – Fee
Provision: Dispose of property for less than fair market value

- E. Agency: **Department of Transportation – Knox County**
Transaction: Disposal – Fee
Provision: Waiver of advertisement and one appraisal

- F. Agency: **Tennessee Wildlife Resources Agency – Franklin County**
Transaction: Acquisition – Fee
Provision: Waiver of advertisement and one appraisal

TENNESSEE BOARD OF REGENTS

Columbia State Community College, Columbia, Maury County, Tennessee

Requested Action: Approval of a revision in project budget and source(s) of funding in order to award a contract

Project Title: Warf Building HVAC Updates

Project Description: Update HVAC system in Warf Building.

SBC Number: 166/015-02-2013

Total Project Budget: \$2,216,102.61

Source of Funding:	<u>Original</u>	<u>Change</u>	<u>Revised</u>			
	\$ 40,874.70	\$ 75,837.69	\$ 116,712.39	09/10	CurrFunds-CapMaint	(R)
	37,548.36	0.00	37,548.36	10/11	CurrFunds-CapMaint	(A)
	0.00	57,364.49	57,364.49	11/12	CurrFunds-CapMaint	(R)
	0.00	34,477.37	34,477.37	12/13	CurrFunds-CapMaint	(R)
	490,000.00	0.00	490,000.00	13/14	CurrFunds-CapMaint	(A)
	1,480,000.00	0.00	1,480,000.00	14/15	CurrFunds-CapMaint	(A)
Original Project Budget:	\$2,048,423.06					
Change in Funding:		\$167,679.55				
Revised Project Budget:			\$2,216,102.61			

Comment: Two bids were received on January 28, 2015. An increase in funding is needed to award a contract to Kerry G. Campbell, Inc. for the base bid only. There will be no additional designer fees.

Previous Action: 07/11/2013 SBC Approved project
 07/30/2013 ESC Selected designer (I.C. Thomasson Associates, Inc.)
 07/10/2014 SBC Revised budget and funding
 02/12/2015 SBC Referred to ESC with authority to act

Minutes: 02/23/2015 ESC Approved a revision in project budget and source(s) of funding in order to award a contract.

TENNESSEE BOARD OF REGENTS

Middle Tennessee State University, Murfreesboro, Rutherford County, Tennessee

Requested Action: Approval of a project, budget, scope and source of funding

Project Title: Demolition –1411 East Main Street

Project Description: This project provides for the demolition of 1411 East Main Street in Murfreesboro, Tennessee in accordance with MTSU's 2008 Master Plan.

SBC Number: 166/009-01-2015

Total Project Budget: \$50,000.00

Source of Funding: \$50,000.00 Plant (Non-Auxiliary) (A)

Comment: The building was acquired in 1965. It previously housed labs and offices for the science department and was scheduled for demolition upon completion of the new science building. The THC has determined that this project will not adversely affect this State-owned resource of 50+ years, and no further action is necessary.

Minutes: 02/23/2015 ESC Approved a project, budget, scope and source of funding.

TENNESSEE BOARD OF REGENTS

Acquisition – Fee (Gift)

Requested Action: Approval to obtain title work, survey, environmental assessment and accept as gift the required interest with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-01-012 (Maholland)
• **Location:** Northeast State Community College
Sullivan County – 1.8+/- acres – 305 Clinchfield Road - Kingsport, TN
• **Owner(s):** Northeast State Community College Foundation
• **Estimated Purchase Price:** Gift
• **Source of Funding:** Plant (Non-Auxiliary) (A) (REM fees)

Comment: The land acquisition master plan for NeSCC was revised and approved by THEC to accommodate this purchase. Private community funds were used for the construction of the Regional Center for Advanced Manufacturing (RCAM) building that was specifically built to accommodate advanced manufacturing programs. The building was given to the NeSCC Foundation to be operated by NeSCC. No funds except operating funds have been expended by NeSCC.

Date of Last Transfer: April 9, 2009
Purchase Price: Gift
Property Assessor's Value: \$2,554,000
Square Footage Improvements: 26,000

Minutes: 02/23/2015 Approved obtaining title work, survey, environmental assessment and accept as gift the required interest with waiver of advertisement and one appraisal.

TENNESSEE BOARD OF REGENTS

Acquisition – Fee (Gift)

Requested Action: Approval to obtain title work, survey, environmental assessment and accept as gift the required interest with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-02-002 (Maholland)
• **Location:** Northeast State Community College
Sullivan County – 0.25+/- acres – 100 Clinchfield Road – Kingsport, TN
• **Owner(s):** Domtar Paper Co LLC
• **Estimated Purchase Price:** Gift
• **Source of Funding:** Plant (Non-Auxiliary) (A) (REM fees)

Comment: The land acquisition master plan for NeSCC was revised and approved by THEC to accommodate this purchase. The property will be used for a new building to expand the NeSCC RCAM programs. An ECD grant was acquired to construct the additional building.

Date of Last Transfer: April 27, 2007
Purchase Price: Gift
Property Assessor's Value: Unknown, part of a larger tract
Square Footage Improvements: NA

Minutes: 02/23/2015 Approved obtaining title work, survey, environmental assessment and accept as gift the required interest with waiver of advertisement and one appraisal.

TENNESSEE BOARD OF REGENTS

Acquisition – Fee (Purchase)

Requested Action: Approval to obtain title work, appraisal, survey, and environmental assessment, and to exercise option to acquire interest, not to exceed fair market value, with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-01-013 (Maholland)
● **Location:** Southwest Tennessee Community College
Shelby County – 1.13+/- acres – 1236 Finley Road – Memphis, TN
● **Owner(s):** Southwest Tennessee Community College Foundation
● **Estimated Purchase Price:** Fair Market Value
● **Source of Funding:** Plant (Non-Auxiliary) (A)

Comment: The land acquisition master plan for STCC was revised and approved by THEC to accommodate this purchase. The property was not available when the adjacent Whitehaven Center property was acquired. The Foundation purchased this property with the intent to convey to STCC. A new master plan is currently underway which will include the Whitehaven Center campus and this adjacent property.

Date of Last Transfer: August 16, 2013
Purchase Price: \$125,000
Property Assessor's Value: \$108,900
Square Footage Improvements: NA

Minutes: 02/23/2015 Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise option to acquire interest, not to exceed fair market value, with waiver of advertisement and one appraisal.

DEPARTMENT OF GENERAL SERVICES

Report Item:

Pursuant to State Building Commission Policy and Procedures, Item 8.01 (J) Report Item as approved on September 19, 2011.

For all acquisition and disposals of interest in real property, closed in the previous quarter, that have been previously approved by the Executive Subcommittee, the following information shall be reported back to the Executive Sub Committee by STREAM on a quarterly basis (September 30, 2014 – December 31, 2014).

1. Resulting appraisal value(s)
2. Final purchase or sales price
3. Amount(s) and source of funding used or received
4. 3rd Party Costs

Minutes: 02/23/2015 Subcommittee acknowledged receipt of the report.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) Approved the Minutes of the Executive Subcommittee meeting held on January 20, 2015.

Designer Selections

- 1) Report received of a designer name change from "HFR Design" to "Rodney L. Wilson Consulting, PLLC" on the following State project *only*:

- Tennessee Board of Regents
(Structural Consultant)
SBC Project No. 166/000-03-2013D

- 2) Report received of the following designer selection for a major maintenance threshold project as delegated to the State Architect:

Location:	Columbia State Community College
Project Title:	Circular Commons Site Improvements
Total Project Budget:	\$250,000
SBC Project No.	166/015-01-2015
Designer:	HEIBERT+BALL LAND DESIGN

- 3) 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**
(Science Engineering Infrastructure Update)
Total Project Budget: \$9,000,000.00
SBC Project No. 540/009-11-2014
Designer: I C THOMASSON ASSOCIATES

- 2) **University of Tennessee – Knoxville**
(Chiller System Improvements)
Total Project Budget: \$5,000,000.00
SBC Project No. 540/009-10-2014
Designer: BARGE WAGGONER SUMNER CANNON

Other Business

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

UNIVERSITY OF TENNESSEEAcquisition – Fee (Purchase)

Requested Action: Approval to purchase property above fair market value as determined by appraisal

Transaction Description: 13-04-019 (Maholland)
 • **Location:** University of Tennessee – Knoxville
 Knox County – 0.26+/- acres – 1302 White Avenue – Knoxville, TN
 • **Owner(s):** Danny E. and Martha Owen
 • **Estimated Purchase Price:** \$1,100,000
 • **Source of Funding:** Plant (Non-Auxiliary) (A)

Comment: This property is in the University of Tennessee's 2011 Master Plan. This tract is needed to assemble land for the new classroom/laboratory building. The owners have agreed to sell for \$1,100,000, or 4.8% above appraised value.

Date of Last Transfer: July 18, 1996
 Purchase Price: \$188,000
 Property Assessor's Value: \$351,900
 Square Footage Improvements: 5,225

Previous Action: 05/20/2013 Approved obtaining title work, appraisal, survey, Phase 1 environmental assessment and exercise option to acquire interest, not to exceed appraised value, with waiver of advertisement and one appraisal.

Minutes: 02/23/2015 Approved purchase of property above fair market value as determined by appraisal.

TENNESSEE BOARD OF REGENTSAcquisition – Fee (Purchase)

Requested Action: Approval to obtain title work, appraisal, survey, and environmental assessment, and to exercise option to acquire not to exceed fair market value, with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 13-09-011 (Maholland)

- **Location:** University of Memphis
Shelby County – 0.1650 – 3610 Watauga Avenue – Memphis, TN
- **Owner(s):** Linda Hampton
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** G. O. Bonds

Comment: This property is in the UoM's 2007 Master Plan.

Date of Last Transfer:	May 11, 1998
Purchase Price:	\$73,000
Property Assessor's Value:	\$118,300
Square Footage Improvements:	1,188

Minutes: 02/23/2015 Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise option to acquire not to exceed fair market value, with waiver of advertisement and one appraisal.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

Disposal – Easement (Access)

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

Transaction Description: Transaction No. 15-01-005 (Baugh)

- Location: Hamilton County – 0.13+/-acres - Harrison Bay State Park, Harrison, TN
- Grantee: Janet Allen
- Estimated Sale Price: Fair Market Value
- Source of Funding: N/A

Comment: Disposal of right-of-way easement to clear an existing driveway encroachment for an adjacent land owner. If any other adjacent landowners sign on to the easement, it will be reported to the Executive Subcommittee.

Date of Last Transfer: June 21, 1950
 Original Cost to State \$1.00
 Previous Owner: Tennessee Valley Authority

Minutes: 02/23/2015 Approved disposal by easement with waiver of advertisement and one appraisal.

DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES

Disposal – Fee

Requested Action: Approval to dispose of property for less than Fair Market Value as determined by appraisal

Transaction Description: Transaction No. 13-12-003 (Baugh)
 • Location: Davidson County – 0.67+/-acres – 3213 Toddway Court, Nashville, TN
 • Sale Price: \$160,000
 • Grantee: Christopher D. Hall

Comment: The property has been advertised twice and no bids at or above the appraised value were received. The agency would like to accept the open market offer received in the most recent bid 3% below appraisal.

Department of Intellectual & Developmental Disabilities has fulfilled its need for construction of ICF homes in Middle Tennessee, and this property is no longer needed for that purpose. Proceeds of the sale will be deposited into the Intellectual Disabilities Trust Fund pursuant to TCA 12-2-117. The department will use the deposited funds to repay debt incurred from the initial purchase of this property as a part of the overall project for the construction of ICF homes in Middle Tennessee. All proceeds in excess of the original purchase price of this property will remain in the Intellectual Disabilities Trust Fund.

Date of Last Transfer: December 16, 2011
 Previous Owner: Armstrong
 Original Cost to State: \$160,000
 Square Footage Improvements: 2,080

Previous Action 02/24/2014 Approved disposal in fee with waiver of one appraisal

Minutes: 02/23/2015 Approved disposal of property for less than Fair Market Value as determined by appraisal.

DEPARTMENT OF TRANSPORTATIONDisposal – Fee

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

Transaction Description: Transaction No. 15-01-011 (Baugh)

- Location: Knox County – 1.274+/-acres in two tracts – 7621 Kingston Pike, Knoxville, TN
- Estimated Sale Price: Fair Market Value
- Grantee: Ballybunion Investments, Inc.

Comment: This property is surplus to the agency's needs. The requestor is the sole adjoining landowner and the intent is to assemble property for development.

Date of Last Transfer: 1961,1965,1966
 Previous Owner: J.D. Gaylon, Morgan A. Schubert, Lillie M. Cain
 Original Cost to State: \$134,805
 Square Footage Improvements: None

Minutes: 02/23/2015 Approved disposal in fee with waiver of advertisement and one appraisal.

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee

Requested Action: Approval to obtain title work, appraisal, survey, and environmental assessment; to exercise option to acquire, not to exceed fair market value; with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 15-01-009 (Berry)

- **Location:** Bear Hollow Mountain Wildlife Management Area
Franklin County – 1,033.43+/-acres - Row Gap Rd., Winchester, TN
- **Owner(s):** The Nature Conservancy
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** Wildlife Restoration Act Funds (F)
The Nature Conservancy O)

Comment: The property is on the wetlands priority list. The federal funding used in this purchase requires a 50% match. The Nature Conservancy will sell to the State at a 50% discounted purchase price, which will act as the matching funds.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: January 24, 2008
Purchase Price: \$858,975
Property Assessor's Value: \$18,300 (20.99 acres)
Square Footage Improvements: None

Date of Last Transfer: June 6, 2008
Purchase Price: \$308,800
Property Assessor's Value: \$987,100 (1,012.44 acres)
Square Footage Improvements: None

Minutes: 02/23/2015 Approved obtaining title work, appraisal, survey, and environmental assessment; to exercise option to acquire, not to exceed fair market value; with waiver of advertisement and one appraisal.

Approved:



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