

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

FEBRUARY 20, 2007

The State Building Commission Executive Subcommittee met this day at 10:30 a.m. in Executive Conference Room, Ground Floor, State Capitol, Nashville, Tennessee.

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

Dave Goetz, Commissioner, Department of Finance and Administration
John Morgan, Comptroller of the Treasury
Dale Sims, State Treasurer
Riley Darnell, Secretary of State

OTHERS PRESENT

Mike Fitts, State Architect
Georgia Martin, State Architect's Office
Charles Garrett, Real Property Administration
Charles Harrison, Comptroller's Office
Jurgen Bailey, Real Property Administration
Jerry Preston, Tennessee Board of Regents
Diane Uhler, Tennessee Board of Regents
Dennis Raffield, THEC
Mark Wood, Secretary of State's Office
Janie Porter, Attorney General's Office
Barry Turner, Attorney General's Office
Annette Crutchfield, Legislative Budget
Karen Hale, Comptroller's Office
Pat Haas, Bond Finance
Joey Woodard, TWRF
John Gregory, TWRA
Mike Baumstark, Environment and Conservation
Jim Fyke, Environment and Conservation
Marie Stringer, Environment and Conservation
Mike Williams, Transportation
Julie Lamb, Transportation
King Moon, Johnson Controls, Inc.
Bill Bauer, Real Property Administration
Tom Robinson, Correction
Nancy Blevins, Finance and Administration
George Brummett, Finance and Administration

Comptroller Morgan called the meeting to order at 10:35 a.m. and requested action on the following matters as presented by State Architect Mike Fitts.

TENNESSEE BOARD OF REGENTS

Middle Tennessee State University, Murfreesboro, Tennessee

- 1) Approved a request for a revision in source of funding for **Master Plan Update** at Middle Tennessee State University in Murfreesboro, Tennessee.

Estimated Project Cost:

\$ 325,000.00

SBC Project No.

166/009-07-2005

DEPARTMENT OF CORRECTION

TURNERY CENTER INDUSTRIAL PRISON, ONLY, TENNESSEE

- 1) Mr. Fitts presented a request for approval of a Delivery Order and acknowledgment of the source of funding for **Energy Savings Performance Contracting** at Turney Center Industrial Prison with design and construction provided by Johnson Controls, Inc. He stated that this will provide for replacement of the seriously deteriorated hot water distribution system, elimination of the similarly deteriorated steam distribution system and installation of natural gas utility sub-meters to allow accurate billing of gas costs, yielding a 12.4 year payback.

Treasurer Sims asked if they were using some of the energy funds to do pure major maintenance. Mr. Fitts responded that, in the normal course, there are usually some funds that are not directly related to energy but are related to major maintenance needs, and it is in the State's interest to correct these during the energy project. Secretary Darnell asked if this were some other agency, would they be looking at another payback, and was told "no". He asked if they had found other issues and brought them along with the energy savings. Mr. Fitts said that it is sometimes inefficient to do just the energy work and not maintenance. Treasurer Sims asked how much would be directly related to energy vs. regular maintenance in this project. Bill Bauer, Energy Program Manager, responded that the existing piping is badly deteriorated causing the 18 year payback. He said about \$450,000 is direct energy savings. Treasurer Sims made a motion to approve the request, reluctantly, and added that he didn't like to see maintenance items included. The motion was seconded and passed without objection.

Estimated Delivery Order #15 Cost: \$4,500,000.00
SBC Project No. 142/005-01-2006

DEPARTMENT OF TRANSPORTATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Haywood County – 215 Wetland mitigation credits – Stanton, TN – Trans. No. 07-01-023 (FB)

Purpose: Acquisition of Mitigation Wetland Credits

Source of Funding: TN Highway Funds

Estimated Cost: \$3,000,000.00 – (\$13,953.49 per credit)

Owner(s): Hatchie River Wetland Mitigation Bank

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 2-20-07. Charles Garrett presented the transaction. Secretary Darnell asked if this was the vehicle they use instead of having their own bank. He was told that it is a mixture as they own some credits and purchase others. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Bledsoe County – 103 +/- acres – Bledsoe Tract, Pikeville, TN – Trans. No. 07-01-026 (BW)**

Purpose: Acquisition in Fee to preserve the natural area

Source of Funding: State Land Acquisition - \$ 48,455.00
Heritage Conservation Trust Fund - \$ 309,000.00

Estimated Cost: \$357,455.50

Estimated Title, Appraisal and Survey Fees: Fair Market Value

Owner(s): Bowater, Inc.

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 2-20-07. Charles Garrett presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **VanBuren & White Counties – 181 +/- acres – Scott Pinnacle Tract, TN – Trans. No. 07-01-027 (BW)**

Purpose: Acquisition in Fee to preserve the natural area

Source of Funding: State Land Acquisition - \$ 48,455.00
Heritage Conservation Trust Fund - \$ 398,200.00

Estimated Cost: \$446,655.00

Estimated Title, Appraisal and Survey Fees: Fair Market Value

Owner(s): Bowater, Inc.

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 2-20-07. Charles Garrett presented the transaction. Subcommittee approved the requested as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, ACCEPT APPRAISAL VALUE, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property acquired:

Description: Various Counties – 2,754+/- acres identified as Bowater Phase II – Trans. No. 06-10-002 (GM)

Funding: Heritage Conservation Trust Fund \$4,792,500.00
Remainder of Bond from Phase I \$1,000,000.00

Owners: Bowater Inc.

Tracts: Possum Creek Tract-1,298 acres appraised @\$1,902 /acre - \$2,470,000.00
Stinging Fork Tract-630.3 acres appraised @\$2,007.11 acre -\$1,265,000.00
Laurel Snow Tract-67.7 acres appraised @\$2,733 per acre -\$185,000.00
Fall Creek Falls Tr-703 acres appraised @\$2,500.61 per acre -\$1,760,000.00
Piney River Tract-53 acres appraised @ \$2,103.59 per acre -\$112,500.00

Totals: 2,754 acres appraised at average \$2,103.30 per acre -\$5,792,488.60

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 2-20-07. Charles Garrett presented the transaction. Subcommittee approved the requested as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

Review of a request for CONCEPTUAL APPROVAL to ACCEPT TITLE WORK, ACCEPT APPRAISALS and SURVEYS and EXERCISE OPTION to ACQUIRE, the required interests with WAIVER of (1) APPRAISAL and ADVERTISEMENT and APPROVAL to WORK with PRIVATE INVESTMENT FIRM and THE NATURE CONSERVANCY to acquire the required interests in the following real properties:

Description: Various Counties in East Tennessee – 119,000 +/- acres located near Royal Blue WMA – Trans. No. 07-02-003 (JB)

Funding: Special Appropriations for Governor's Initiative

Estimated Cost: \$82,000,000.00

Owners: Lyme Timber Company / The Nature Conservancy

SCC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for discussion.

SC Action: 2-20-07. Charles Garrett presented the transaction. Comptroller Morgan began a discussion of timber and mineral rights and the proper use of bonds. He said the total value might be \$143 million. He added that part of the transaction envisions Lyme Timber retaining the timber rights allowing them to extract timber. He said private use of the property may suggest taxable debt and that part of the bond proceeds are going to acquire conservation easements. He said the State can't issue bonds to cover operating expenses. Commissioner Goetz said they should try to identify problematic issues and solve them with cash. Comptroller Morgan said that, in some cases, they were acquiring timber rights and that there is just a lot of moving pieces and parts to this project, and the bond council needs to be kept informed.

Commissioner Goetz asked how much of the land was being covered by easements. Commissioner Fyke responded that about 37,000 acres is being covered by easement; Lyme will own the land and it will be an easement that controls the use of the property. Comptroller Morgan asked if one could sell a conservation easement to someone other than the owner of the property. Commissioner Goetz said that these details need to be reported back to the Senate Finance Committee. He said the way he previously reported it to them was that Lyme would take timber in a limited way for ten years. Secretary Darnell said he assumed that they were going this route because of the additional cost to obtain the land in fee simple. He added that he would rather pay \$143 million and own the whole thing. He said he was concerned about the ownership interest the State was going to have.

Department of Environment and Conservation – continued:

Comptroller Morgan stated that this transaction was extraordinarily complicated and suggested that the State understand what it was that they were purchasing. He said they need to be very sure that they are getting value for what they are buying and the parties don't come back to embarrass them. Commissioner Goetz asked why the appraisal was being waived and Mr. Garrett responded it was because of time and cost. Secretary Darnell said he thought they need to go through some kind of due diligence; that they need to think about fee simple ownership. Commissioner Fyke said they were trying to have a balance for economic impact and conservation value. Secretary Darnell stated that if they own it, their control is significantly stronger and asked if these people were paying taxes on mineral rights, and was told "yes". Treasurer Sims stated that, rather than the Subcommittee giving "conceptual approval", he would prefer it acknowledge "disclosure of details". He said he would not want to find out next July that there were persons involved that cause criticism due to ethic concerns, and that that kind of information was on the table before final approval.

Subcommittee acknowledged the disclosure of details regarding the transaction.

TENNESSEE WILDLIFE RESOURCES AGENCY

INFORMATION ITEM

TWRA is asking Rex Boner and The Conservation Fund to work on a small tract in Greene County. The owner needs to sell the tract as soon as possible, but wetland funds will not be available until after July 2007. The parcel is approximately 35 acres and continues to protect more wetlands in the Lick Creek Project area. The costs of holding the property and line item expenses for The Conservation Fund to purchase will be part of the final settlement with The Conservation Fund. These costs should be minimal since the parcel is 35 acres.

SC Action: 2-20-07. Subcommittee acknowledged receipt of the information.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, with a REQUEST TO DEMOLITION the IMPROVEMENTS, and WAIVE REAL ESTATE MANAGEMENT FEE required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Davidson County – 2.4 +/- acres improved with a 60,000 +/- sf food processing plant – 410 Jackson Street, Nashville, TN – Trans. No. 06-07-009 (LW)**

Purpose: Acquisition in Fee to preserve the integrity of Bicentennial Mall

Source of Funding: Chapter 338 Public Acts 2003 as Amended in 2006

Estimated Cost: \$7,165,000.00

Owner(s): Walter E. Strickland & Jimmy E. Strickland

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 2-20-07. Charles Garrett presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, with a required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Davidson County – .28 +/- acres unimproved – Jackson Court, Nashville, TN – Trans. No. 06-07-026 (LW)**

Purpose: Acquisition in Fee to preserve the integrity of Bicentennial Mall

Source of Funding: Chapter 338 Public Acts 2003 as Amended in 2006

Estimated Cost: \$91,200.00

Owner(s): Marvin Harris

Comment: Request condemnation as owner refused to sell

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 2-20-07. Charles Garrett presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

Review of a request for APPROVAL to DISPOSE in FEE (with WAIVE of ONE (1) APPRAISAL) and to AMEND the EXISTING AGREEMENT(S) with The Hassell Charitable Foundation to allow the Foundation to dispose of the golf course at Ross Creek and related land held in trust with the conditions set forth in the amended agreement(s).

SC Action: 2-20-07. Charles Garrett brought up the request from the floor. Commissioner Fyke said he thought they will either have to begin operating the golf course in the next couple of months, or try to sell it and cut losses. Comptroller Morgan said this would allow the Hassell Foundation time to sell and pay the proceeds to the State. He said part of the original transaction was escrow put up and it's being dwindled because of losing money. He said the Columbia State building was put up as collateral, though he did not know if it was sufficient to retire the debt. Comptroller Morgan said this action would allow staff to work with the Foundation to come to a recommendation. Commissioner Fyke explained how State parks fund the other golf courses via cabin revenues, restaurants, etc. Comptroller Morgan stated that he didn't think the State should take the course back and lose \$150,000 a year, and added that if they take it back, they need to close it. After further discussion, the request was approved as presented. (see SBC Project No. 126/123-01-1999 and 126/000-04-1996)

STATE BUILDING COMMISSION

MINUTES OF EXECUTIVE SUBCOMMITTEE MEETING

- 1) Approved the Minutes of the Executive Subcommittee meeting held on January 22, 2007.

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Following approval of the Consent Agenda, the meeting adjourned at 11:25 a.m.

CONSENT AGENDA

Approved the following real property transactions, which have been reviewed and recommended for approval by Sub-Committee staff:

- A. Agency: **Tennessee Board of Regents – Sullivan County**
Transaction: Disposal by Easement
Provision: Waiver of advertisement & appraisals
- B. Agency: **Finance & Administration for Human / Children's Services – Johnson Co.**
Transaction: Lease Agreement
- C. Agency: **Finance & Administration for Human / Children's Services – Grainger Co.**
Transaction: Lease Amendment
- D. Agency: **Department of Revenue – Davidson Co.**
Transaction: Lease Agreement
Provision: Waiver of advertisement
- E. Agency: **Department of Military – Dyer Co.**
Transaction: Disposal in Fee
- F. Agency: **Department of Military – Washington Co.**
Transaction: Disposal in Fee & Easement
- G. Agency: **Department of Labor & Workforce Development – Rutherford Co.**
Transaction: Disposal in Fee
- H. Agency: **Department of Labor & Workforce Development – Carroll Co.**
Transaction: Disposal of Easement
Provision: Waiver of appraisals
- I. Agency: **Tennessee Wildlife Resources Agency – Anderson Co.**
Transaction: Disposal by Easement
Provision: Waiver of advertisement & appraisals
- J. Agency: **Department of Transportation – Hamilton Co.**
Transaction: Disposal by Lease
Provision: Waiver of appraisals
- K. Agency: **Finance & Administration – Davidson Co.**
Transaction: Disposal of Easement
Provision: Waiver of advertisement & appraisals & Right of Entry
- L. Agency: **Department of Environment & Conservation – Henry Co.**
Transaction: Disposal by Lease
Provision: Waiver of advertisement & appraisals

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT and for the RIGHT OF ENTRY of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description: **Sullivan County - .295 +/- acres – 645' long by 20' wide – Northeast State Technical Community College – 2425 Highway 75, Blountville, TN – Trans. No. 07-01-019 (LW)**

Purpose: Disposal by Easement for a permanent easement to provide electrical service for new Humanities Complex by extending primary electrical system

Estimated Sale Price: Grant for public benefit

Grantee: Bristol Tennessee Essential Services

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION
for
HUMAN & CHILDREN'S SERVICES

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Johnson County – 150 East Main Street, Mountain City, TN – Trans. No. 06-02-917 (JS)

Purpose: To provide office space for county operations

Term: January 1, 2008 thru December 31, 2017 (10 yrs.)

Proposed Amount: 6,475 Square Feet

Annual Contract Rent:	\$59,084.46	@ \$ 9.13/sf
Est. Annual Utility Cost:	\$ 9,065.00	@ \$ 1.40/sf
Est. Annual Janitorial Cost:	\$ 7,122.50	@ \$ 1.10/sf
Total Annual Effective Cost:	\$75,271.96	@ \$11.62 /sf

Current Amount: 4,725 Square Feet

Annual Contract Rent:	\$27,600.00	@ \$ 5.84/sf
Est. Annual Utility Cost:	\$ 6,615.00	@ \$ 1.40/sf
Est. Annual Janitorial Cost:	\$ 5,197.50	@ \$ 1.10/sf
Total Annual Effective Cost:	\$39,412.50	@ \$ 8.34/sf

Type: New Lease – Advertise & Negotiated – Receive only one proposal from one proposer

FRF Rate: \$12.50 per square feet

Purchase Option: No – multi-tenant

Lessor: Henderson Properties of Mountain City, LLC, current lessor

Comment: The proposed lease provides (1) Lessor shall add addition of 1,750 sf to existing building including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-days thereafter.

SSC Report: 2-12-07. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION
for
HUMAN & CHILDREN'S SERVICES

LEASE AMENDMENT

Review of a request for APPROVAL of the following LEASE ADMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: Grainger County – 8421 Rutledge Pike, Suite A & B, Rutledge, TN – Trans. No. 07-01-905 (JS)

Purpose: Additional space for additional staff for Children's Services

Term: January 1, 2008 thru December 31, 2017 (10 yrs.)

Proposed Amount: 8,400 Square Feet

Annual Contract Rent:	\$ 84,000.00	@\$10.00/sf
Est. Annual Utility Cost:	\$ 11,760.00	@\$ 1.40/sf
Est. Annual Janitorial Cost:	\$ 9,240.00	@\$ 1.10/sf
Total Annual Effective Cost:	\$105,000.00	@\$12.50/sf

Current Amount: 5,400 Square Feet

Annual Contract Rent:	\$54,000.00	@\$10.00/sf
Est. Annual Utility Cost:	\$ 7,560.00	@\$ 1.40/sf
Est. Annual Janitorial Cost:	\$ 5,940.00	@\$ 1.10/sf
Total Annual Effective Cost:	\$67,500.00	@\$12.50/sf

Type: Amendment #1 – Negotiated

FRF Rate: \$12.50 per square feet

Lessor: Dirk A. Daniel, current lessor

Comment: The proposed amendment provides (1) Lessor shall add an additional 3,000 sf to the build to suit which is in process, (2) term adjusted to allow for construction of the total 8,400 sf, (3) additional space added at the same rate, and (4) all terms and conditions remain the same as in the lease.

SSC Report: 2-12-07. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF REVENUE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: Davidson County – 301 Plus Park Drive, Nashville, TN – Trans. No. 06-08-911 (AL)

Purpose: To provide emergency office space

Term: April 1, 2007 thru March 31, 2008 (1 yr.)

Proposed Amount: 13,802 Square Feet
Annual Contract Rent Incl. Annual
Utility & Janitorial Cost: \$227,733.00 @\$16.50/sf
Total Annual Effective Cost: \$227,733.00 @\$16.50/sf

Current Amount: State owned space

Type: New Lease – Negotiated

FRF Rate: \$18.00 per square feet

Purchase Option: No – Multi-tenant

Lessor: Tussy Real estate Investments

Comment: The proposed lease provides (1) Lessor shall make tenant improvements at no additional cost to the State, (2) no cancellation during the lease term except for cause and/or lack of funding, and (3) Lessor to provide all utilities and janitorial services at no additional cost to the State.

SSC Report: 2-12-07. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF MILITARY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property and WAIVER OF ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description: **Dyer County – 8.0 +/- acres improved with an armory facility – 300 West Hwy. 77, Newbern, TN – Trans. No. 07-01-028 (LW)**

Purpose: Disposal in Fee for property no longer needed by the TN Army National Guard due to re-organization of the guard

Original Cost to State: Gift

Date of Original Conveyance: Sept. 11, 1972

Grantor Unto State: City of Newbern

Estimated Sale Price: Fair Market Value

Comment: City of Newbern originally wanted to buy the building but did not have the funds to pay off the bond debt.

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF MILITARY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT and the RIGHT OF ENTRY of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description: **Washington County – fee disposal of 4.18 +/- acres & easement of .28 +/- acres – Johnson City Armory property, 253 Don May Road, Johnson City, TN – Trans. No. 07-01-029 (LW)**

Purpose: Disposal in Fee & Easement for access road to new residential development and easement for storm water management

Original Cost to State: \$10.00

Date of Original Conveyance: 1997

Grantor Unto State: City of Johnson City

Estimated Sale Price: Fair Market Value

Grantee: Karst Land Company

SSC Report: 2-17-07. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL and WAIVER OF ONE (1) APPRAISAL of interest in real property with as required by TCA 4-15-102 and 12-2-112:

Description: **Rutherford County - .40+/- acres improved with a 4,620 +/- sf office building - 220 East Vine Street, Murfreesboro, TN - Trans No. 07-01-002 (LW)**

Purpose: Disposal in Fee of the REED ACT building. Agency to move to a larger building with more parking.

Original Cost to State: \$31,638 for the land

Date of Original Conveyance: 1961 & 1971

Grantor Unto State: B. B. Kerr, Jr. & Catherine Carney Kerr & W. E. Mason

Estimated Sale Price: Fair Market Value

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

LAND ITEM:

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY AND EXERCISE OPTION to ACCEPT as GIFT, required interest in the following real property, with APPROVAL TO WAIVE APPRAISALS for the property being acquired:

Description: **Carroll County - 10+/- acres located near Buena Vista Road, Huntingdon, TN – Trans. No 07-01-004 (LW)**

Purpose: Carroll County is conveying the real property in order that Labor and Workforce can build a 18,000 sq. ft. federally funded Career Center

Funding: Federal Funds

Grantor: Carroll County Board of Education

Comment: Property was conveyed to Carroll County Board of Education by State in 1996 with “educational purpose” restriction. If property ever ceases to be used for career center, re-conveyance to Carroll County will be with “educational restriction”.

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT and RIGHT OF ENTRY of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description: **Anderson County – 2 acres +/- Sunquist Wildlife Management Agency, Braytown, TN – Trans. No. 07-01-018 (RJ)**

Purpose: Disposal by Easement to provide easement for a gas well, pipeline and access as needed on Sunquist WMA. Well AD-1072

Estimated Sale Price: \$210 per well site & \$500 REM fee per site

Grantee: Atlas America / Knox Energy

Comment: Mineral rights are not owned by the state, company has agreed to use easement in lieu of fee transfers.

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description: Hamilton County – 1.715 +/- acres – Tracts 1, 2, 3 & 4 – Chattanooga, TN – 07-01-016 (BW)

Purpose: Disposal by Lease for no cost public parking

Term: Fifteen (15) Years

Lessee: City of Chattanooga

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. City to be responsible for maintenance of parking lot and bridge piers. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS, & REQUESTING OF RIGHT OF ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: Davidson County – 0.05 +/- acres for permanent greenway and 0.08 +/- acres for a temporary construction easement – West of 1st Avenue North, Nashville, TN – Trans. No. 07-02-001 (FB)

Purpose: Disposal by Easement for a small easement is needed for a Metro greenway project called The Cumberland River Greenway.

Estimated Cost: Grant for Public Purpose

Grantee: Metropolitan Government of Nashville and Davidson County

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112.

Description: **Henry County – 10 +/- acres – Paris, TN – Trans. No. 07-01-022 (FB)**

Purpose: Disposal by Lease to lease of State land for the Henry County Emergency Services to build a new building for services

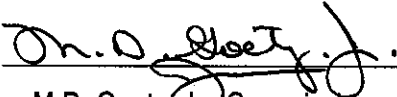
Term: Twenty-five (25) years lease with option to extend another twenty-five (25) years

Consideration: \$1.00 per year & mutual benefits

Lessee: Henry County Emergency Services

SSC Report: 2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 2-20-07. Subcommittee approved the request as presented.

Approved by: 
M.D. Goetz Jr., Commissioner
Department of Finance and Administration