

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

FEBRUARY 23, 2009

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

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

Justin Wilson, Comptroller of the Treasury
David Lillard, State Treasurer
Tre Hargett, Secretary of State

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS ABSENT

Dave Goetz, Commissioner, Department of Finance and Administration

OTHERS PRESENT

Mike Fitts, State Architect
Alan Robertson, Assistant State Architect
Georgia Martin, State Architect's Office
Charles Harrison, Comptroller's Office
Jurgen Bailey, Real Property Administration
Bob King, Real Property Administration
Dottie Hagood, Real Property Administration
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Mark Cherpack, Department of Finance and
Administration
Nathan Burton, Treasurer's Office
Joy Harris, Treasurer's Office
John Carr, Department of Finance & Administration
Mark Wood, Secretary of State's Office
Mike Morrow, Department of Finance and
Administration
Cindi Liddell, Bond Finance
Annette Crutchfield, Legislative Budget
Steve Norris, Mental Retardation Services
Karen Hale, Comptroller's Office

J. J. Perdue, Department of Environment and
Conservation
Bob Qualey, Real Property Administration
Dave Thurman, Legislative Budget
Jere Jeter, Department of Agriculture
Bill Finney, Real Property Administration
Harvey Freeman, Real Property Administration

The meeting was called to order at 10:35 a.m. Treasurer Lillard, referencing the SBC by-laws, stated that the first order of business should be to elect a Chair and Vice-Chair. He made a motion, which was properly seconded, to elect Secretary Tre Hargett as Chairman and Comptroller Justin Wilson as Vice-Chairman. The motion passed without objection. Chairman Hargett then requested action on the following matters as presented by State Architect Mike Fitts.

CONSENT AGENDA

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

- A. Agency: **Tennessee Wildlife Resources Agency – Blount County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals

- B. Agency: **Department of Transportation – Hickman County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals

- C. Agency: **Department of Environment and Conservation – Polk County**
Transaction: Demolish Restroom / Bathhouse
Provision: Reviewed by TN Historical Commission

- D. Agency: **Department of Agriculture – Blount & Morgan Counties**
Transaction: Demolish Two Buildings
Provision: Reviewed by TN Historical Commission

DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR
MENTAL RETARDATION SERVICES

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: **Davidson County – 10.0 +/- acres – Tulip Grove Road, Hermitage, TN – Trans. No. 09-01-006 (BW)**
- Purpose: Acquisition in fee to construct an Intermediate Care Group Home.
- Source of Funding: SBC project 346/000-05-2005
- Estimated Cost: \$230,000.00
- Owner(s): Rhonda Sadler / Sadler Homes, Inc.
- SSC Report: 02-17-09. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for discussion.
- SC Action: 02-23-09. Jurgen Bailey presented the transaction. Secretary Hargett asked how many homes could be located on the property. Commissioner Norris responded that it depends how the land configures. He added that, normally, ten acres would accommodate three of these large homes, including ample parking. Secretary Hargett asked if this was in a subdivision. Mr. Bailey said that it is currently a 10-acre vacant tract with utilities coming to the site. Treasurer Lillard commented that the drawing looks like homes surrounding the site and asked if the local community had been notified of these group home acquisitions. Commissioner Norris said he didn't think so, and added that it is a mixed use area of commercial and residential. Secretary Hargett asked if it would create a hardship to defer action to the next meeting until such contact has been made with the residents. Commissioner Norris said that he didn't think it would create a hardship. The request was deferred for one month.

DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR
MENTAL RETARDATION SERVICES

LAND ITEM

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

Description: **Davidson County – 2.0 +/- acres – 113 A McGavock Pike, Nashville, TN – Trans. No. 09-02-007 (BW)**

Purpose: Acquisition in fee to construct an Intermediate Care Group Home.

Source of Funding: SBC project 346/000-05-2005

Estimated Cost: \$139,000.00

Owner(s): Michael S. Petty

SSC Report: 02-17-09. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for discussion.

SC Action: 02-23-09. At the Subcommittee's request, the matter was deferred for one month.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL 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: Knox County – 2.08 +/- acres – improved with the former State Supreme Court and annex building consisting of 51,610 +/- sq. ft. - 719 Locust, Knoxville, TN – Trans. No. 09-01-001 (LW)

Purpose: Disposal in fee of surplus property that no longer meets the State's needs; renovation estimate from 2003 appraisal exceeds \$2 million; all agencies that were housed in the property have vacated. The City of Knoxville has asked the property be conveyed at fair market value to the Industrial Development Board of Knoxville for future development.

Original Cost to State: \$487,398.000

Date of Original Conveyance: Various from 1951 to 2008

Grantor unto State: Various

Estimated Sale Price: Fair Market Value

Grantee: Industrial Development Board of Knoxville

SSC Report: 02-17-09. Jurgen Bailey presented the transaction. Staff referred to Subcommittee for discussion.

SC Action: 02-23-09. Jurgen Bailey presented the transaction. He stated that they had initiated a new appraisal, which was yet to be received. Treasurer Lillard asked if there was any bond debt associated with this, and Mr. Bailey responded "no". He asked if this was contingent upon the appraisal, and was told "yes". Treasurer Lillard asked how it was advantageous to them to approve this request based on that contingency. After discussion, the Subcommittee voted to defer for one month.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL of the following PERMANENT EASEMENT, OBTAIN SURVEY and ACCEPT as GIFT of interest in real property as required by TCA 4-15-102 and 12-2-112.

Description: **Rutherford County – 1.20 +/- acres – 466 Nissan Drive / Sam Davis property – Trans. No. 08-11-005 (BW)**

Purpose: Emergency access easement for new State facility.

Estimated Sale Price: Grant

Grantor/Owner: Department of Environment & Conservation

Trustees of Property: Sam Davis Association - Trustee

Grantee: Department of Finance & Administration

Comment: Sam Davis Association has tentatively approved the easement at their Board Meeting on November 13, 2008.

SSC Report: 11-17-08. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 11-24-08. Subcommittee approved the transaction as presented.

Further request: Request appraisal to acquire easement at fair market value.

SSC Report: 02-17-09. Jurgen Bailey presented the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 02-23-09. Jurgen Bailey presented the transaction. Treasurer Lillard asked if there was a budgeted amount for this easement, and Mr. Bailey replied that there are sufficient monies in the project to cover the cost. Comptroller Wilson asked if they were just asking for approval to do an appraisal. Mr. Fitts responded that, normally, approval is requested to proceed based upon the appraisal value and, if the owner is unwilling to accept that amount, the issue would be brought back to the Subcommittee. Treasurer Lillard made a motion to approve, which was seconded and passed without objection, subject to the plat showing the easement.

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, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Rutherford County – 1.0 +/- acres – Weakley Lane, Smyrna, TN – Trans. No. 08-12-016 (BW)**

Purpose: Acquisition by easement for MTEMC (Middle Tennessee Electric Membership Corp.) to install a pole on adjacent property owners for the construction of TN South facility located in Smyrna.

Source of Funding: SBC project #529/031-01-2008

Estimated Cost: Fair Market Value

Owner(s): Premier Communities, LLC

Comments: Further request a blanket approval for any additional **utility** easements needed for construction of this facility at fair market value.

SSC Report: 02-17-09. Jurgen Bailey presented the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 02-23-09 Jurgen Bailey presented the transaction. After discussion, Treasurer Lillard made a motion to approve the request based on the clarification that this approval applies only to utility easements. The motion was seconded and passed without objection.

DEPARTMENT OF FINANCE AND ADMINISTRATION

CITIZENS PLAZA STATE OFFICE BUILDING, NASHVILLE, TENNESSEE

- 1) Approved a request for a revision in source of funding for **Interior Renovations Phase 2** at Citizens Plaza State Office Building, Nashville, Tennessee.

Estimated Project Cost: \$3,500,000.00
SBC Project No. 529/076-01-2006

STATE BUILDING COMMISSION

MINUTES OF EXECUTIVE SUBCOMMITTEE MEETING

- 1) Approved the Minutes of the Executive Subcommittee meetings held on January 20 and February 9, 2009.

There being no further business, the meeting adjourned at 10:50 a.m.

TENNESSEE WILDLIFE RESOURCES AGENCY

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 as required by TCA 4-15-102 and 12-2-112:

Description: **Blount County – 0.9 +/- acres – Kyker Bottom Refuge, Maryville, TN – Trans. No. 09-01-007 (RJ)**

Purpose: Disposal by easement to the Blount County Hwy. Department with TDOT's assistance is replacing a bridge crossing a creek on the county's road bordering Kyker Bottom Refuge.

Estimated Sale Price: None

Grantee: Blount County Highway Department

SSC Report: 02-17-09. Jurgen Bailey presented the transaction. Staff referred to the Subcommittee for consent agenda.

SC Action: 02-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

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 as required by TCA 4-15-102 and 12-2-112:

Description: Hickman County – 8.9 +/- acres – Interstate 40, Bucksport, TN – Trans. No. 09-01-008 (FB)

Purpose: Disposal by easement for the protect wetlands, riparian areas and surface areas within the watershed.

Estimated Sale Price: None

Grantee: Tennessee Wildlife Resources Foundation, Inc.

SSC Report: 02-17-09. Jurgen Bailey presented the transaction. Staff referred to the Subcommittee for consent agenda.

SC Action: 02-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

OCOEE RIVER RECREATION AREA, POLK COUNTY, TENNESSEE

- 1) Approved a project to **Demolish Restroom / Bathhouse** located at the Ocoee River Recreation Area, Polk County, Tennessee, as reviewed by the Tennessee Historical Commission.

Estimated Project Cost: \$0.00
SBC Project No. 126/110-01-2009

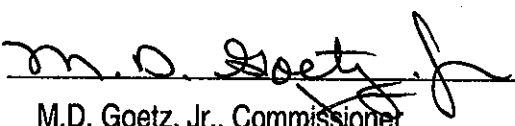
DEPARTMENT OF AGRICULTURE

DIVISION OF FORESTRY – BLOUNT & MORGAN COUNTIES

- 1) Approved a project to **Demolish Two Buildings** located in Blount and Morgan Counties, as reviewed by the Tennessee Historical Commission.

Estimated Project Cost: \$2,000.00
SBC Project No. 100/010-02-2009

Approved by: _____



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