

# MINUTES

## STATE BUILDING COMMISSION MEETING

### EXECUTIVE SUB-COMMITTEE

JANUARY 14, 2010

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

#### STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

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

#### OTHERS PRESENT

Mike Fitts, State Architect  
Alan Robertson, Assistant State Architect  
Georgia Martin, State Architect's Office  
Dottie Hagood, Real Property Administration  
Jurgen Bailey, Real Property Administration  
Janie Porter, Attorney General's Office  
Genie Whitesell, Attorney General's Office  
Jonathan Rummel, Secretary of State's Office  
Melinda Parton, Comptroller's Office  
Joy Harris, Treasurer's Office  
Annette Crutchfield, Legislative Budget Office  
John Carr, Department of Finance & Administration  
Cindy Liddell, Bond Finance  
Nancy Blevins, Department of Finance and  
Administration  
Felenceo Hill, Department of Finance and  
Administration  
Mark Cherpack, Department of Finance and  
Administration  
Jim Dixey, Real Property Administration  
Anne Clarke, Real Property Administration  
Mike Fowler, Ross/Fowler Architects  
Chuck Taylor, Department of Veterans Affairs

Commissioner Goetz called the meeting to order at 11:30 a.m. and requested action on the following matters as presented by State Architect Michael A. Fitts.

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DEPARTMENT OF FINANCE & ADMINISTRATION

LAND ITEM

Review of a request for: (1) APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION or ACCEPT as GIFT in the required interest in the following properties; and (2) APPROVAL of the following DISPOSAL of interest in real property with WAIVER OF ADVERTISING and REAL ESTATE MANAGEMENT FEE and ONE (1) APPRAISAL as required by T.C.A.4-15-102 and T.C.A. 12-2-112 in the required interest in the following properties.

Description: **Knox County – 17.2 +/- acre – land swap for 68 acres to build the East Tennessee Veteran’s Cemetery located in City of Knoxville, TN – Trans. No. 10-01-004 (Bailey)**

Purpose: Disposal in Fee by State of 17.2 acres (Appraised Value \$851,000)  
Acquisition in Fee by State of 68 acres (Appraised Value \$1,500,000)

Grantee: City of Knoxville

Comment: Lakeshore Master Plan Amendment #1 will be to offset the differences in value between the two tracts. Federal officials have determined that the State site is not adequate to meet the Veteran’s Cemetery’s Mission.

SC Action: 01-14-10. Jurgen Bailey presented two transactions for approval related to the East Tennessee Veterans Cemetery Expansion project. He said that approval was needed to do a land swap between the Veterans Cemetery located on Lakeshore property in the City of Knoxville with land located on the John Sevier Highway. The second request was for approval to make the necessary amendments to the 1999 agreement between the State and the City related to the Lakeshore property. He stated that the Federal Veterans Affairs representative would not approve an expansion at the Lakeshore site, and that all parties concerned are satisfied with the new site. Treasurer Lillard asked what approval was required by the Feds. Assistant Commissioner Dottie Hagood was recognized. She stated that the State was given no choice except to move to the John Sevier site, which would provide a longer period due to the increased size of the site. She said the project will be funded by the Federal Veterans Affairs Office with the possibility of funding being split between two fiscal years. After discussion, the Subcommittee approved the requests as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAND ITEM

Review of a request for APPROVAL to AMEND the LAKESHORE MASTER PLAN USE PLAN with Amendment #1 to facilitate a land swap between the State of Tennessee and the City of Knoxville to build a Veteran's Cemetery in Knox County, TN – Trans. No 10-01-006 (Bailey)

|                                     |                |
|-------------------------------------|----------------|
| Cost of John Sevier Site (68 acres) | \$1,500,000.00 |
| Value of State site (17.2 acres)    | 851,000.00     |
| Difference:                         | 649,000.00     |

Consideration to make up difference:

\$100,250.00 Landscaping at Lakeshore (per 1999 Agreement)

\$175,000.00 Jane Keller Demo

\$419,404.00 Entrance at Lyons View

\$225,000.00 Northshore entrance (4)


Conservation Easement (value unknown)

Total Additional Concessions \$919,654.00

Difference to State: -\$270,654.00 City of Knoxville had done considerable due diligence on behalf of the state in looking at different cemetery sites to find the best site.

SC Action: 01-14-10. Jurgen Bailey presented two transactions for approval related to the East Tennessee Veterans Cemetery Expansion project. He said that approval was needed to do a land swap between the Veterans Cemetery located on Lakeshore property in the City of Knoxville with land located on the John Sevier Highway. The second request was for approval to make the necessary amendments to the 1999 agreement between the State and the City related to the Lakeshore property. He stated that the Federal Veterans Affairs representative would not approve an expansion at the Lakeshore site, and that all parties concerned are satisfied with the new site. Treasurer Lillard asked what approval was required by the Feds. Assistant Commissioner Dottie Hagood was recognized. She stated that the State was given no choice except to move to the John Sevier site, which would provide a longer period due to the increased size of the site. She said the project will be funded by the Federal Veterans Affairs Office with the possibility of funding being split between two fiscal years. After discussion, the Subcommittee approved the requests as presented.

Approved by:

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

# MINUTES

## STATE BUILDING COMMISSION MEETING

### EXECUTIVE SUB-COMMITTEE

JANUARY 25, 2010

The State Building Commission Executive Subcommittee met this day at 10:30 a.m. in House Hearing Room 30, Legislative Plaza, Nashville, Tennessee.

#### STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

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

#### 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  
Dottie Hagood, Real Property Administration  
Jurgen Bailey, Real Property Administration  
Genie Whitesell, Attorney General's Office  
Jonathan Rummel, Secretary of State's Office  
Melinda Parton, Comptroller's Office  
Joy Harris, Treasurer's Office  
Annette Crutchfield, Legislative Budget Office  
Scott Boelscher, THEC  
Alvin Payne, University of Tennessee  
George Criss, University of Tennessee  
John Carr, Department of Finance & Administration  
Cindy Liddell, Bond Finance  
Melanie Buchanan, Real Property Administration  
Dick Tracy, Tennessee Board of Regents  
Nancy Blevins, Department of Finance and Administration  
Felenceo Hill, Department of Finance and Administration

Mark Cherpack, Department of Finance and Administration  
Gayle Ray, Department of Correction  
Tom Robinson, Department of Correction  
Jason Rogers, The Next Door, Inc.  
Linda Leathers, The Next Door, Inc.  
Jarrett Landrum, Department of Mental Health and Developmental Disabilities  
Keith King, Tennessee Board of Regents  
Diane Uhler, Tennessee Board of Regents  
Russ Deaton, THEC  
David Salyers, West TN River Basin Authority  
Bob Qualey, Real Property Administration  
Capt Robert Brown, Department of Safety  
Mike Boshers, Department of Safety  
Greg Steck, Real Property Administration  
Jeremy Given, Flintco, Inc.  
Tim Weahterford, Flintco, Inc.  
David McGaw, Department of Finance and Administration

Secretary Hargett called the meeting to order at 10:35 a.m. and requested action on the following matters as presented by State Architect Michael A. Fitts.

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CONSENT AGENDA

After discussion, the Subcommittee approved the following Real Property transactions, which had been reviewed and recommended for approval by Subcommittee staff.

- A. Agency: **Tennessee Board of Regents – Dyer County**  
Transaction: Lease agreement
- B. Agency: **Tennessee Board of Regents – Hamilton County**  
Transaction: Lease agreement  
Provision: Waiver of advertisement
- C. Agency: **Department of Labor & Workforce Development – Carroll County**  
Transaction: Disposal in fee  
Provision: Waiver of one appraisal
- D. Agency: **Department of Education – Knox County**  
Transaction: Disposal by easement  
Provision: Waiver of advertisement and appraisals
- E. Agency: **Department of Agriculture – Henderson County**  
Transaction: Re establishment of boundaries
- F. Agency: **Department of Agriculture – Stewart County**  
Transaction: Disposal in lease  
Provision: Waiver of advertisement & appraisals
- G. Agency: **Department of Agriculture – Bledsoe County**  
Transaction: Disposal by easement  
Provision: Waiver of advertisement & appraisals
- H. Agency: **Division of Intellectual Disabilities Services – Shelby County**  
Transaction: Disposal by easement  
Provision: Waiver of advertisement & appraisals
- I. Agency: **Tennessee Wildlife Resources Agency – Campbell County**  
Transaction: Disposal by easement  
Provision: Waiver of advertisement & appraisals

- J. Agency: **Tennessee Wildlife Resources Agency – Cannon County**  
Transaction: Acquisition in fee
- K. Agency: **Department of Environment & Conservation – Cumberland County**  
Transaction: Acquisition in fee  
Provision: Waiver of advertisement & appraisals
- L. Agency: **Department of Environment and Conservation - Grundy County**  
Transaction: Acquisition in fee  
Provision: Waiver of advertisement and appraisals
- M. Agency: **University of Tennessee – Knox County**  
Transaction: Demolition – 1811 Andy Holt Avenue
- N. Agency: **Tennessee Board of Regents – Rutherford County**  
Transaction: Demolition – 3829 Browns Mill Road

DEPARTMENT OF MENTAL HEALTH  
& DEVELOPMENT DISABILITIES

LAND ITEM

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

Description: **Hamilton County – 21,600 sf – Pine Breeze Bldg. at Moccasin Bend Mental Health Institute, Chattanooga, TN – Trans. No. 09-11-003 (Woodard)**

Purpose: Lease agreement for 501-C3 to transition DOC female inmates back into the community

Term: Ten (10) year lease with a 180-day termination clause.

Amount: The Next Door, a faith based agency, will pay \$0 rent the first year, they will do necessary repairs at 100% to make the building functional the first year. Then will pay \$3.00 per square foot the next nine (9) years. They will also be responsible for utilities, housekeeping and maintenance to the building.

Lessee: The Next Door, 501-C3

SSC Report: 12-14-09. Jurgen Bailey summarized the transaction. Deferred the transaction to January 2010 Staff meeting.

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Jarrett Landrum (Agency) & Linda Leathers (The Next Door) indicated that there will not be any State funds involved in this project. The funds are from donations and from a grant they received. Also if the FRF rate for utilities goes up that they will honor that cost. Staff referred to Sub Committee with recommendation.

SC Action: 01-25-10. Jurgen Bailey presented the transaction. The lessee, Next Door, Inc. will be required to carry insurance to cover their personal property and will accept all liability for the safety of employees and female inmates, while the State will continue to insure the Pine Breeze Building. Comptroller Wilson asked if it would affect the proposed future national park, and was told "no". After discussion, the request was approved as presented.

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DEPARTMENT OF SAFETY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISALS, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT and WAIVER ONE (1) APPRAISAL, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Greene County – 3.48 +/- acres – Greeneville, TN – Trans. No. 09-12-016 (Jackson)

Purpose: Acquisition in fee of land and tower to be used to support antenna and feed lines installed to provide expanded and more reliable coverage for THP's radio systems.

Source of Funding: Federal funds

Estimated Cost: Estimated cost \$500,000; Negotiated cost \$300,000

Owner(s): Jimmy A. Epperson

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. This land and tower will serve multiple State agencies with better communication capabilities throughout Greene County. The price to build a tower only is estimated at \$500,000. However this negotiated price of \$300,000 includes land, tower and out buildings. Staff referred to Sub Committee with recommendation.

SC Action: 01-25-10. Jurgen Bailey presented the transaction. He said that, normally, these towers cost \$500,000 to construct, but that the Department of Safety had been able to negotiate the land, tower and some out buildings for \$300,000. Subcommittee approved the request as presented.

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**Tennessee Board of Regents**

**Statewide**

- 1) Approved a request for a revision in source of funding and acknowledgment of the source of funding for **Performance Contracting** at Austin Peay State University in Clarksville, Tennessee.

|                                |                         |
|--------------------------------|-------------------------|
| <b>Estimated Project Cost:</b> | <b>\$ 60,000,000.00</b> |
| Remaining Unfunded:            | 7,948,000.00            |
| <b>SBC Project No.</b>         | <b>166/000-01-2002</b>  |

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DEPARTMENT OF ENVIRONMENT AND CONSERVATION

WEST TENNESSEE RIVER BASIN AUTHORITY

- 1) Mr. Fitts presented a request for approval of the selection of a consultant for **Engineering Services** for the West Tennessee River Basin Authority. He stated that the lowest evaluated proposer was not responsive and was considered unqualified and their bid rejected. At the Department's recommendation, Subcommittee approved the selection of Gresham Smith & Partners to provide engineering services for the West Tennessee River Basin Authority.

**Estimated Project Cost:     \$250,000.00**  
*SBC Project No.            128/020-01-2009*

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DEPARTMENT OF CORRECTION

SOUTHEASTERN TENNESSEE REGIONAL CORRECTIONAL COMPLEX, BLEDSOE COUNTY,  
TENNESSEE

- 1) Commissioner Gayle Ray stated that, pursuant to Subcommittee action on 9/21/09, she was presenting a review of the Guaranteed Maximum Price (GMP) as agreed upon by Real Property Administration and Flintco, Inc., the Construction Manager, and acknowledgment to proceed with the new Bledsoe County Correctional Complex in Pikeville, Tennessee. She said the \$143,810,161 for the GMP, which includes a 3% construction contingency of \$4,030,893, is approximately \$6.5 million under the Design Development estimate. She said that the total construction cost is \$149,110,161, which reflects the addition of the State's 4% contingency of \$5,300,000. Treasurer Lillard asked what percentage of completion of the plans this amount represented, and was told "95%". He asked for confirmation that the contractor had written that they base their GMP on at least 90% of the plans and specs, and was told "yes". After further discussion, Subcommittee accepted the GMP as presented and acknowledged proceeding with the project including the designer's provision of two full-time construction administration staff for the project's duration of 30 months.

**Estimated Project Cost:           \$208,000,000.00**  
*SBC Project No.                   142/013-02-2004*

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DEPARTMENT OF FINANCE AND ADMINISTRATION

DATA CENTER, NASHVILLE, TENNESSEE

- 1) Mr. Fitts presented a request for approval of a project for **Chiller & EMS Replacement** at the Data Center in Nashville, approval to utilize commissioning services, and selection of a designer to design and supervise the project. He reminded the Subcommittee that the matter had been referred to them, with authority to act, by the Commission with questions concerning the source of funding.

Mr. Fitts stated that the original appropriation of \$35 million was for construction of a new State office building, \$34 million of which was bonds. Comptroller Wilson asked if the Legislature was aware of the change, and Mr. Fitts responded that he assumed so since they had a project for preplanning a new Legislative Office during the same time, which was also postponed because of the economic climate. Comptroller Wilson commented that he would like to make sure that the Legislature knows about the remaining \$22 million in the account. After further discussion, Subcommittee approved the project, utilization of commissioning services, and the selection of Smith Seckman Reid to design and supervise the project.

**Estimated Project Cost:           \$2,750,000.00**  
*SBC Project No.           529/031-01-2010*

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STATE BUILDING COMMISSION

MINUTES OF EXECUTIVE SUBCOMMITTEE MEETING

- 1) Approved the Minutes of the Executive Subcommittee meeting held on December 21, 2009.

DESIGNER SELECTIONS

- 1) Approved the following designer selections, as recommended, for projects approved at the January 14 SBC meeting.

- |   |  |
|---|--|
| 1) <b>University of Tennessee Chattanooga</b><br>(Fire Alarm System Upgrade)<br>Estimated Project Cost: \$200,000.00<br>SBC Project No. 540/005-01-2010<br>Designer: <b>MEP ENGINEERING</b>         | 6) <b>University of Tennessee Chattanooga</b><br>(Restroom Upgrades)<br>Estimated Project Cost: \$600,000.00<br>SBC Project No. 540/005-09-2010<br>Designer: <b>PLANNING ASSOCIATES</b>                        |
| 2) <b>University of Tennessee Chattanooga</b><br>(Academic Math Mall)<br>Estimated Project Cost: \$400,000.00<br>SBC Project No. 540/005-02-2010<br>Designer: <b>TWH ARCHITECTS</b>                 | 7) <b>University of Tennessee Knoxville</b><br>(Chilled Water Plant Control Upgrades)<br>Estimated Project Cost: \$6,100,000.00<br>SBC Project No. 540/009-05-2010<br>Designer: <b>SMITH SECKMAN REID</b>      |
| 3) <b>University of Tennessee Chattanooga</b><br>(Patten House Exterior Repairs)<br>Estimated Project Cost: \$700,000.00<br>SBC Project No. 540/005-06-2010<br>Designer: <b>FRANKLIN ASSOCIATES</b> | 8) <b>University of Tennessee Knoxville</b><br>(Alumni Memorial & HPER Roof Replacements)<br>Estimated Project Cost: \$1,350,000.00<br>SBC Project No. 540/009-06-2010<br>Designer: <b>THE LEWIS GROUP</b>     |
| 4) <b>University of Tennessee Chattanooga</b><br>(Window Replacements)<br>Estimated Project Cost: \$500,000.00<br>SBC Project No. 540/005-07-2010<br>Designer: <b>ARTECH DESIGN GROUP</b>           | 9) <b>University of Tennessee Knoxville</b><br>(Austin Peay & Alumni Memorial Systems Improv)<br>Estimated Project Cost: \$4,500,000.00<br>SBC Project No. 540/009-07-2010<br>Designer: <b>THE LEWIS GROUP</b> |
| 5) <b>University of Tennessee Chattanooga</b><br>(Roof Replacement)<br>Estimated Project Cost: \$300,000.00<br>SBC Project No. 540/005-08-2010<br>Designer: <b>HEFFERLIN + KRONENBERG</b>           | 10) <b>University of Tennessee Knoxville</b><br>(Perkins Chemistry Lab /Storage)<br>Estimated Project Cost: \$300,000.00<br>SBC Project No. 540/009-10-2010<br>Designer: <b>PILGRIM PENLAND COOPER</b>         |

- 11) **University of Tennessee Knoxville**  
(Buehler Lab Renovation)  
Estimated Project Cost: \$3,750,000.00  
SBC Project No. 540/009-17-2010  
Designer: **MICHAEL BRADY, INC.**
- 12) **University of Tennessee Knoxville**  
(Architecture Studio Upgrades)  
Estimated Project Cost: \$450,000.00  
SBC Project No. 540/009-20-2010  
Designer: **STUDIO FOUR DESIGN**
- 13) **University of Tennessee Knoxville**  
(Libraries Improvements)  
Estimated Project Cost: \$3,575,000.00  
SBC Project No. 540/009-22-2010  
Designer: **MCCARTY HOLSAPLE MCCARTY**
- 14) **University of Tennessee Martin**  
(Paul Meek Library Roof Replacement)  
Estimated Project Cost: \$1,400,000.00  
SBC Project No. 540/011-01-2010  
Designer: **TLM ASSOCIATES**
- 15) **University of Tennessee Health Science Center**  
(Nash Building Renovation)  
Estimated Project Cost: \$2,500,000.00  
SBC Project No. 540/013-01-2010  
Designer: **EVANS TAYLOR FOSTER  
CHILDRESS**
- 16) **University of Tennessee Health Science Center**  
(Pauline Building Renovation)  
Estimated Project Cost: \$3,000,000.00  
SBC Project No. 540/013-02-2010  
Designer: **TRO JUNG/BRANNEN**
- 17) **University of Tennessee Health Science Center**  
(Wittenborg Equipment Replacement)  
Estimated Project Cost: \$2,145,000.00  
SBC Project No. 540/013-03-2010  
Designer: **OGCB, INC.**
- 18) **Austin Peay State University**  
(Baseball Practice Building Installation)  
Estimated Project Cost: \$105,000.00  
SBC Project No. 166/003-01-2010  
Designer: **LYLE COOK MARTIN**
- 19) **Austin Peay State University**  
(Marks Building Fire Alarm Installation)  
Estimated Project Cost: \$125,000.00  
SBC Project No. 166/003-02-2010  
Designer: **I.C. THOMASSON**
- 20) **Cleveland State Community College**  
(Science Labs Modernizations)  
Estimated Project Cost: \$489,000.00  
SBC Project No. 166/013-01-2010  
Designer: **CAMPBELL & ASSOCIATES**
- 21) **Dyersburg State Community College**  
(Building Mechanical System Modernization)  
Estimated Project Cost: \$550,000.00  
SBC Project No. 166/017-01-2010  
Designer: **OGCB, INC.**
- 22) **Roane State Community College**  
(Science Labs Modernization)  
Estimated Project Cost: \$725,000.00  
SBC Project No. 166/027-01-2010  
Designer: **UPLAND DESIGN GROUP**
- 23) **Tennessee Technology Center @ Athens**  
(Roof Replacement)  
Estimated Project Cost: \$210,000.00  
SBC Project No. 166/040-01-2010  
Designer: **RICHARD C. RINKS & ASSOC**
- 24) **Data Center – Nashville**  
(Chiller & EMS Replacement)  
Estimated Project Cost: \$2,750,000.00  
SBC Project No. 529/031-01-2010  
Designer: **SMITH SECKMAN REID**
- 25) **Tennessee State University**  
(Several Buildings Roof Replacements)  
SBC Project No. 166/001-03-2008  
Designer: **Change designer name from  
“Adkisson Harrison & Associates”  
to “ADKISSON & ASSOCIATES  
ARCHITECTS, INC.”**

- 26) **Middle Tennessee State University**  
(Academic Space Renovations)  
SBC Project No. 166/009-05-2006  
Designer: **Change designer name from  
"Adkisson Harrison & Associates"  
to "ADKISSON & ASSOCIATES  
ARCHITECTS, INC."**
- 27) **Middle Tennessee State University**  
(Middle Tennessee Conference Center)  
SBC Project No. 166/009-06-2007  
Designer: **Change designer name from  
"Adkisson Harrison & Associates"  
to "ADKISSON & ASSOCIATES  
ARCHITECTS, INC."**
- 28) **Tennessee Technological University**  
(Elevator Update Campuswide)  
SBC Project No. 166/011-01-2007  
Designer: **Change designer name from  
"Adkisson Harrison & Associates"  
to "ADKISSON & ASSOCIATES  
ARCHITECTS, INC."**
- 29) **Volunteer State Community College**  
(Accessibility Adaptations)  
SBC Project No. 166/025-01-1999  
Designer: **Change designer name from  
"Adkisson Harrison &  
Associates" to "ADKISSON &  
ASSOCIATES ARCHITECTS, INC."**
- 30) **West TN River Basin Authority**  
(Engineering Services Consultant)  
Estimated Project Cost: \$250,000.00  
SBC Project No. 128/020-01-2009  
Designer: **GRESHAM SMITH & PARTNERS**

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There being no further business, the meeting adjourned at 10:53 a.m.



## Consent Agenda Items

A.

### TENNESSEE BOARD OF REGENTS

#### 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: **Dyer County – 313 West Cedar Street, Dyersburg, TN – Trans. No. 10-01-900**

Purpose: To provide off campus administrative office/meeting space for the Northwest Tennessee Workforce Board of Dyersburg State Community College

Term: March 1, 2010 thru February 28, 2015 (5 yrs.)

Proposed Amount: **6,682 Square Feet**

|  |                    |                       |
|--|--------------------|-----------------------|
| Annual Contract Rent Incl. Utility Cost: | \$46,500.00        | @\$6.96 per sf        |
| Est. Annual Janitorial Cost:             | <u>\$ 7,350.20</u> | <u>@\$1.10 per sf</u> |
| Total Annual Effective Cost:             | <u>\$53,850.20</u> | <u>@\$8.06 per sf</u> |

Current Amount: **6,682 Square Feet**

|  |                    |                       |
|--|--------------------|-----------------------|
| Annual Contract Rent Incl. Utility Cost: | \$42,500.00        | @\$6.36 per sf        |
| Est. Annual Janitorial Cost:             | <u>\$ 7,350.20</u> | <u>@\$1.10 per sf</u> |
| Total Annual Effective Cost:             | <u>\$49,850.20</u> | <u>@\$7.46 per sf</u> |

Type: New lease – advertised – received only one proposal from the current lessor.

FRF Rate: \$14.00

Lessor: Forcum Lannom, Inc., current lessor

Comment: The proposed lease provides 6,682 square foot of office space. Lessor is to furnish all utilities services. The proposed lease has a 90-day cancellation.

SSC Report: 01-19-10. Bob King summarized the transaction. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

B.

TENNESSEE BOARD OF REGENTS

LEASE AMENDMENT

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

Location: Hamilton County – 4719 Adams Road, Hixson, TN – Trans. No. 09-04-917

Purpose: To provide office and classroom space for the truck driving program offered by the Tennessee Technology Center at Chattanooga

Term: March 1, 2010 thru May 31, 2014 (4 yrs 2 mons)

Proposed Amount: 2,450 Square Feet office & 70,300 square feet of driving area  
Annual Contract Rent: \$58,800.00 @\$ 0.81 / sf  
Est. Annual Utility Cost: \$ 4,287.50 @\$ 1.75 / sf  
Est. Annual Janitorial Cost: \$ 2,695.00 @\$ 1.10 / sf  
Total Annual Effective Cost: \$65,782.50 @\$ 3.66 / sf

Current Amount: 2,450 Square Feet office & 42,000 square feet of driving area  
Annual Contract Rent: \$37,200.00 @\$0.84 / sf  
Est. Annual Utility Cost: \$ 3,430.00 @\$1.40 / sf  
Est. Annual Janitorial Cost: \$ 2,695.00 @\$1.10 / sf  
Total Annual Effective Cost: \$43,325.00 @\$3.34 / sf

Type: Amendment #1

Lessor: Simpson Properties, LLC

Comment: All other terms and conditions of the Lease Agreement shall remain unchanged and in full force and effect.

SSC Report: 01-19-10. Bob King summarized the transaction. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

LAND ITEM

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

Description: Carroll County – 19870 E. Main Street, Huntingdon, TN – Trans. No. 09-12-002 (Maholland)

Purpose: Disposal in fee to sell existing building

Original Cost to State: \$14,400

Date of Original Conveyance: May 1963

Grantor Unto State: John L. Wilder & Mabel B. Wilder

Estimated Sale Price: Fair Market Value

Comment: LWF is building a new career center

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

DEPARTMENT OF EDUCATION

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 T.C.A. 4-15-102 and T.C.A. 12-2-112.

Description: **Knox County – 0.9+/- acres – Tennessee School of the Deaf, 2725 Island Home Blvd., Knoxville, TN – Trans. No. 09-12-007 (Bailey)**

Purpose: Disposal by Easement for storm water easement and access to meet City of Knoxville's Storm Water Pollution Prevention Plan permit requirement.

Price: Grant to City

Grantee: City of Knoxville, Storm Water Department

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Conveyance of this property will assist TN School for the Deaf to gain compliance with the City of Knoxville storm water pollution prevention plan codes. Location of easement is at the northern boundary of campus exiting on the Spence Place. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

DEPARTMENT OF AGRICULTURE

LAND ITEM

Review of a request for APPROVAL to OBTAIN SURVEY in the following real property:

Description: Henderson County – 20 +/- acres – Natchez Trace State Forest, Lexington, TN – Trans. No. 10-01-001 (Jackson)

Purpose: Request for re-establishment of boundary markers on line shared between the State and Estate of F. L. Jowers. Adjacent owner will be notified of new boundaries.

Source of Funding: Division of Forestry

Estimated Cost: Fair Market Value

Owner(s): Jewel Jowers & Heirs of F. L. Jowers

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. David Todd explained that to cleanup a boundary line dispute between the State and adjoining property owner we will need to re survey 1400 linear feet and move a fence. Disputing adjoining property owner recently passed away and agency felt this was the best time to clear up boundary issue. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

DEPARTMENT OF AGRICULTURE

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: **Stewart County – 1.2 +/- acres – Land between the Lakes National Recreation Area, Dover, TN – Trans. No. 10-01-002 (Baugh)**

Purpose: Disposal by lease due to the State has abandoned the use of the property and reverting back to owner.

Term: N/A

Consideration: N/A

Lessee: U. S. Forest Services

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

DEPARTMENT OF AGRICULTURE

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: **Bledsoe County - 4.05 +/- acres - Bledsoe State Forest, Pikeville, TN - Trans. No. 10-01-003 (Woodard)**

Purpose: Disposal by easement to construct a power substation and connecting power line substation to the new facility.

Source of Funding: SBC #142/013-02-2004 or SVEC

Estimated Cost: Grant for State's benefit

Grantee: Sequatchie Valley Electrical Corp.

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. This power substation will provide power to Bledsoe County Correctional complex and the Southeast TN State Regional Correctional Facility. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

FINANCE & ADMINISTRATION  
FOR  
DIVISION OF INTELLECTUAL DISABILITIES SERVICES

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: **Shelby County – 2960 Schaeffer Drive, Memphis, TN – Trans. No. 09-12-001 (Woodard)**

Purpose: Disposal by easement for a utility easement for State Care Facility

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

Estimated Cost: Grant for State's benefit

Grantee: Memphis Light, Gas & Water

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Easement to provide power to MR Home. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.



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 WAIVER of ONE APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description: **Campbell County – 64.20 +/- acres – North Cumberland WMA, LaFollette, TN – Trans. No. 09-12-005 (Jackson)**

Purpose: Disposal by easement so that Atlas can propose a 40 year easement for underground high pressure natural gas pipe line to cross State of Tennessee property

Estimated Value of Easement: \$111,546 based on \$2.00 per linear foot / Easement will be 50' wide.

Grantee: Atlas Energy Resources, LLC

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Consideration in lieu of \$2.00 per linear foot is: 1) Hunting rights on 3000 acres owned by Atlas; 2) Donating of \$10,000 (5 yrs) for establishing food plots; 3) \$5,000 per year for 35 years to establish food plots; and 4) Allow TWRA to establish 120 acres of food plots on Atlas property. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISALS, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT and WAIVER OF REM FEE and WAIVER OF ONE (1) APPRAISAL, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Cannon County – 939.86 +/- acres – Short Mountain, Woodbury, TN – Trans. No. 09-12-013 (Jackson)

Purpose: Acquisition in fee of land owned and confiscated by the U S Marshall's office. This land is part of the Roller Young Drug case. State will pay off a bank lien to acquire property. Bank lien is \$154,000 plus interest; F. M. V. is \$1.3 million.

Source of Funding: TWRA funds - \$100,000  
Heritage Conservation Trust Fund - \$60,000

Owner(s): U. S. Marshall Services

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Acquisition of eight (8) tracts of land confiscated by U. S. Marshall to be conveyed to the State if we pay off a bank lien of \$154,000 - \$160,000. Fair Market Value is \$1.3 million. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

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

Description: Cumberland County – 1,297 +/- acres near Crab Orchard, TN – Trans. No. 05-12-013 (McLeod)

Purpose: Acquisition in Fee to provide continuance of the Cumberland Trail from the Catoosa Wildlife Management Area to the Ozone Falls State Natural Area with buffers on both sides of the trail corridor and protection of the western and southern view of the scenic and natural landmarks of Crab Orchard Mountain and Spencer's Rock.

Funding: State land Acquisition fund: \$233,092.00  
TEA-21 Federal Funds: \$932,368.00

Estimated Cost: \$1,165,460.00

Owner: Lone Star Energy Corporation

Comment: In November of 2001, the SBC approved a general funding package for the Cumberland Trail that included this project.

SSC Report: 03-13-06. Jurgen Bailey summarized the transaction. Robert Fulcher, Park Manager and Joe Carlton, Park Ranger, stated that this preferred segment has only two owners to acquire from, whereas alternative segments would require dealing with 13 property owners. Staff referred to Subcommittee for recommendation.

SC Action: 03-20-06. Park Manager Robert Fulcher was recognized. He commented that this tract would be one of the larger tracts in the Cumberland Trail and that the property has historic and natural values that are outstanding. He said they have a good relationship with the company and they were willing sellers. Subcommittee approved the transaction as presented. Final action.

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction and, based on the comments below, requested the following further approvals:

- 1) Reinstatement of \$500,000 from the Kinzalow project to the Lonestar project
- 2) Utilizing Parks and Greenways Foundation as a third party to assist in finalizing the transaction

Comments:

01-19-10. Due to the rock harvesting episode that took place around Soddy Daisy and North Chickamauga, and the legal ramifications around this matter, \$515,000 of State Land Acquisition Funds were transferred from the Lonestar project and obligated to the LaHiere Hill (09-10-011) project to purchase the mineral rights and finalize any of the outstanding legal issues. At the time of this deferral, the land concerning the Lonestar project was going through probate court and it wasn't clear how long the legal issues were to take, and it was decided the project could be deferred. The court issues for Lonestar have since been resolved. After considering various funding options and the use of TEA-21 grants, the agency thought it was possible to replenish most of the Lonestar project of its \$515,000 by the approximate \$500,000 of SLAF that was approved for the Kinzalow project (08-09-016). Staff referred to Subcommittee for Consent Agenda.

**\*\*FURTHER ACTION REQUESTED\*\***

SC Action:

01-25-10. Jurgen Bailey presented the transaction and said that further action was being requested. The original request had been presented to the Subcommittee and approved in 2006. Based on the comments above, he said they were requesting the following further approvals:

- 1) Reinstatement of \$500,000 from the Kinzalow project to the Lonestar project
- 2) Utilizing Parks and Greenways Foundation as a third party to assist in finalizing the transaction

Treasurer Lillard asked if this was part of the Justin P. Wilson Trail and said that it would be helpful to know that in the future to help keep the tracts straight. Subcommittee then 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 and WAIVER OF APPRAISALS, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Marion County – 3,100 +/- acres – Fiery Gizzard, Tracy City, TN – Trans. No. 09-12-011 (Baugh)

Purpose: Acquisition in fee to purchase this property along the Fiery Gizzard Trail

Source of Funding: Special Federal Funds - \$180,603.00  
State Land Acquisition Fund - \$1,147,893.00

Estimated Cost: \$1,328,496.00

Owner(s): American Timberland

Comments: Approval for the State to work with Conservation Fund to acquire this property.

SSC Report: 01-19-10. Jurgen Bailey summarized the transaction. Staff referred to Sub Committee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

M.

UNIVERSITY OF TENNESSEE

UNIVERSITY OF TENNESSEE, KNOXVILLE, TENNESSEE

- 1) Approved a project to **Demolish Structure** located at 1811 Andy Holt Avenue, Knoxville, Tennessee, contingent upon review by the Tennessee Historical Commission.


**Estimated Project Cost:       \$15,000.00**  
*SBC Project No.           540/009-27-2010*

TENNESSEE BOARD OF REGENTS

MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Approved a project to **Demolish House and Shed** located at 3829 Browns Mill Road located on Middle Tennessee State University property in Murfreesboro, Tennessee, as reviewed by the Tennessee Historical Commission.

**Estimated Project Cost:       \$20,000.00**  
*SBC Project No.               166/009-01-2010*

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