

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

AUGUST 5, 2005

The State Building Commission Executive Sub-committee met this day at 11:00 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

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS ABSENT

Riley Darnell, Secretary of State

OTHERS PRESENT

Mike Fitts, State Architect
Charles Garrett, Department of Finance and Administration
Georgia Martin, Department of Finance and Administration
Loretta Baltz, Department of Finance and Administration
Jurgen Bailey, Department of Finance and Administration
Charles Harrison, Comptroller's Office
Jerry Preston, Tennessee Board of Regents
Annette Crutchfield, Legislative Budget Analysis
Genie Whitesell, Attorney General's Office
George Brummett, Department of Finance and Administration
Dennis Raffield, THEC
Mike Morrow, Department of Finance and Administration
Mike Baumstark, Department of Environment and Conservation
Ralph Mickle, Department of Mental Health & Developmental Disabilities
Pat Haas, Bond Finance
Mary Margaret Collier, Bond Finance
Lt. Don Nicholson, Department of Safety
Bob King, Department of Finance and Administration
John Gregory, Tennessee Wildlife Resources Agency
Commissioner Jim Fyke, Department of Environment and Conservation
Philisa Bennett, Department of Environment and Conservation

Ann Tidwell, Friends of Radnor Lake
Keith Robinson, Tennessee Board of Regents
Charlie Tate, Department of Environment and Conservation
Terry Bonham, Department of Environment and Conservation
Glenn Marcum, TWS
Stephen Beaty, Mental Retardation Services
Jim Gordon, Department of Children's Services
Steve Ward, Department of Environment and Conservation

Commissioner Goetz called the meeting to order at 11:10 a.m. and requested action on the following matters as presented by State Architect Michael A. Fitts.

TENNESSEE BOARD OF REGENTS

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: Knox County – 0.07 +/- acres & access – situated at the corner of Division Street, Liberty Street at Tennessee Technology Center, 901 Liberty Street, Knoxville, TN – Trans. No. 05-06-028 (LW)

Purpose: Disposal by Easement to allow seller who owns property adjoining the State's property to continue to use the corner location for his billboard to his benefit and profit.

Estimated Sale Price: \$100.00

Grantee: James Allen & Mary Anne McNutt

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Discussion ensued regarding whether the easement value was considered by appraisal. It was later determined that the easement was not addressed by appraisal. Appraiser appraised entire property based on fee value. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Jerry Preston presented the history of the transaction. The Sub-committee asked that they include in the documents for this transaction the right of the Board of Regents to approve what is placed on the billboard. Mr. Preston responded that they could do that. Sub-committee approved the transaction as presented. Final action.

TENNESSEE BOARD OF REGENTS

MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Approved a request for a revision in funding from \$8,325,000.00 to \$8,500,000.00 (a \$175,000.00 increase) and acknowledgment of source of funding for **Performance Contracting** at Middle Tennessee State University in Murfreesboro, Tennessee.

Estimated Project Cost: \$ 10,000,000.00
SBC Project No. 166/009-03-2000

TENNESSEE TECHNOLOGY CENTER AT ELIZABETHTON, TENNESSEE

- 1) Review of a request for approval of a revision in estimated project cost and funding from \$150,000.00 to \$185,000.00 (a \$35,000.00 increase) and acknowledgment of source of funding for **Roof Replacement** at the **Tennessee Technology Center at Elizabethton**, and authorization to award a construction contract in the amount of \$152,480.00 to Morristown Roofing Company of Whitesburg, based upon their low base bid submitted July 6th, 2005.

Revised Estimated Project Cost: \$ 185,000.00
SBC Project No. 166/052-01-2004

EAST TENNESSEE STATE UNIVERSITY, JOHNSON CITY, TENNESSEE

- 1) Approved a request to reallocate funding on a project for **New Dormitory** at East Tennessee State University, Johnson City, and authorization to award a construction contract in the amount of \$17,998,300.00 to Blaine Construction Corporation of Knoxville, based upon their low base bid plus both alternates submitted July 20, 2005.

Estimated Project Cost: \$ 20,000,000.00
SBC Project No. 166/005-06-2004

DEPARTMENT OF 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: Bedford County – Lot @ Madison Street – Shelbyville, TN – Trans. No. 04-11-901 (RS)

Purpose: To provide office space for Staff from the Coffee County office due to overcrowding.

Term: July 1, 2006 thru June 30, 2016 (10 yrs.)

Proposed Amount: 6,000 Square Feet

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|------------------------------|--------------|---------------|
| Annual Contract Rent: | \$ 69,900.00 | @ \$ 11.65/sf |
| Est. Annual Utility Cost: | \$ 8,400.00 | @ \$ 1.40/sf |
| Est. Annual Janitorial Cost: | \$ 6,600.00 | @ \$ 1.10/sf |
| Total Annual Effective Cost: | \$ 84,900.00 | @ \$ 14.15/sf |

Current Amount: None

Type: New Lease – Advertisement – Lowest of (3) Proposals from (3) Proposers.

FRF Rate: \$10.25 Per Square Foot

Purchase Option: Yes – Years 1 thru 10

Lessor: Pedigo-Shelbyville Properties, LP

Comment: The proposed lease provides (1) the lessor will construct 6,000 square feet of office space including tenant alterations at no additional cost to the State, and (2) no cancellation during the first five years of the lease term except for cause and/or lack of funding and 180-days notice thereafter.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF SAFETY

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: **Shelby County – 5.69 +/- acres – Old Gwatney Chevrolet – Memphis, TN – Tran. No. 05-06-026 (CH)**

Purpose: Disposal by Lease to provide storage for World Fiber Technologies to use for Smartway System project.

Term: June 2005 - June 2008

Consideration: World Fiber Tech. to clean up the property and maintain the property during the project.

Lessee: World Fiber Technologies

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

FINANCE & ADMINISTRATION
DIVISION OF MENTAL RETARDATION SERVICES

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by LEASE and APPROVAL of LESS THAN FAIR MARKET VALUE in real property as required by TCA 4-15-102 and 12-2-112.

Description: Greene County – 285.0 +/- acres – Greene Valley Development Center – Trans. No. 05-03-006 (BM)

Purpose: Disposal by Lease appraised at \$7,000.00 received 2 bids one for \$50.00 per year & one for \$1,500.00 per year.

Term: Five (5) years with Five (5) year renewal with a 60-day cancellation.

Consideration: Highest bid in the amount of \$1,500.00 per year.

Lessee: Mark Ricker

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF MENTAL HEALTH AND
DEVELOPMENTAL DISABILITIES

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 – 3,600 +/- sf (Greer House) – Moccasin Bend Mental Health Institute – 100 Moccasin Bend Road, Chattanooga, TN – Trans. No. 05-05-012 (LW)**

Purpose: Disposal by Lease to provide psychological counseling and other services to mentally challenged person.

Term: Five (5) Years

Consideration: Grant - Public Benefit

Lessee: Volunteer Behavioral Health Services

Comments: Lessee pays all utilities & trash disposal.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for discussion.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

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

Description: **DeKalb County – Edgar Evins State Park Marina – Trans. No. 05-04-013 (GM)**

Purpose: Disposal by Lease Amendment to permit sale and consumption of alcoholic beverages at the Marina restaurant.

Term: Current term

Consideration: 2.5 percent of gross sales

Lessee: Edgar Evins Marina

SSC Report: 05-16-05. Jurgen Bailey summarized the transaction. Kim Kirk, Department legal counsel, stated that Park rules were modified to allow the sale of alcoholic beverage within designated state park area. She also advised the Corps of Engineer have approved the request. She stated that the hold harmless and indemnification language would be specific to the sale of alcohol in the amendment. Staff referred to Sub- committee with recommendation.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

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: Van Buren County – 271 +/- acres – Cane Creek & Dry Fork Creek – Spencer, TN-
Trans. No. 05-05-002 (CH)

Purpose: Acquisition in Fee for protection of the gulf view shed of Fall Creek Falls State Park.

Source of Funding: State Land Acquisition Fund

Estimated Cost: Fair Market Value

Owner(s): The Conservation Fund

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

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 and APPROVAL of a RIGHT of ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: Henry County – 1.5 +/- acres – Paris Landing State Park, Coast Guard Road, Paris, TN – Trans. No. 05-06-013 (LW)

Purpose: Disposal by Easement to construct and install a force main across park property to provide sewer services to the Coast Guard Facility.

Estimated Sale Price: Grant - Public Benefit

Grantee: Tennessee Wastewater Systems, Inc.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

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: Davidson County – 5.05 +/- unimproved acres – adjoining Radnor Lake State Natural Area (RLSNA) on 3 sides, Forest Hill, TN – Trans. No. 05-06-011 (LW)

Purpose: Acquisition in Fee to provide protection of the view shed of RLSNA.

Source of Funding: State Land Acquisition Fund &
Land/Water Conservation Fund

Estimated Cost: Fair Market Value

Owner(s): John Oman, Jr.

Comment: Departments of TWRA & Agriculture approve of acquisition.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction and introduced Steve Ward, Park Ranger for Radnor Lake, who gave a Power Point presentation and history of Radnor Lake area. Sub-Committee approved the transaction as presented. Final action.

TENNESSEE WILDLIFE RESOURCES AGENCY

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: **Henry County – 109 +/- acres - Paris, TN – Trans. No. 05-06-023 (CH)**

Purpose: Acquisition in Fee is to acquire this land for Tennessee Wildlife Resources.

Source of Funding: TWRA License Funds

Estimated Cost: Fair Market Value

Owner(s): Amy Simmons

Comment: Property adjoins State & TVA Property

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Report: 8-05-05. Charles Garrett summarized the transaction. Sub-Committee approved the transaction as presented. Final Action.

STATE BUILDING COMMISSION

EXECUTIVE SUBCOMMITTEE MEETING MINUTES

- 1) Approved the Minutes of the Executive Subcommittee meeting held on June 20, 2005.

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Following approval of the Consent Agenda, the meeting adjourned at 11:45 a.m.

CONSENT AGENDA

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

- A. Agency: **University of Tennessee at Chattanooga – Hamilton County**
Transaction: Disposal by Lease
Provision: Waiver of Advertisement & Appraisals
- B. Agency: **University of Tennessee–Knox County**
Transaction: Acquisition in Fee
- C. Agency: **University of Tennessee–Knox County**
Transaction: Acquisition in Fee
- D. Agency: **University of Tennessee–Shelby County**
Transaction: Special Item
- E. Agency: **Department of Finance & Administration – Davidson County**
Transaction: Lease Agreement
- F. Agency: **Board of Probation & Parole– Anderson County**
Transaction: Lease Agreement
- G. Agency: **Board of Probation & Parole– Greene County**
Transaction: Lease Agreement
- H. Agency: **Department of Human Services - Hamblin County**
Transaction: Lease Agreement
- I. Agency: **Department of Human Services - Sumner County**
Transaction: Lease Agreement
- J. Agency: **Department of Human Services – Gibson County**
Transaction: Lease Agreement
- K. Agency: **Department of Safety - Anderson County**
Transaction: Lease Agreement
- L. Agency: **Department of Safety - Sullivan County**
Transaction: Lease Agreement
- M. Agency: **Department of Military / TEMA – Carter County**
Transaction: Acquisition by Lease
Provision: Waiver of Appraisals
- N. Agency: **Department of Environment & Conservation – Carter County**
Transaction: Acquisition in Fee

- O. Agency: **Department of Environment & Conservation –Davidson County**
Transaction: Acquisition in Fee (taken up on regular agenda)
- P. Agency: **Department of Environment & Conservation – Franklin County**
Transaction: Acquisition in Fee
- Q. Agency: **Department of Environment & Conservation –Knox County**
Transaction: Acquisition in Fee
- R. Agency: **Department of Environment & Conservation –Maury County**
Transaction: Acquisition in Fee
- S. Agency: **Department of Environment & Conservation –Putnam County**
Transaction: Acquisition in Fee
- T. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by Easement
- U. Agency: **Tennessee Wildlife Resources Agency – Bradley County**
Transaction: Acquisition in Fee
- V. Agency: **Tennessee Wildlife Resources Agency – Giles County**
Transaction: Acquisition in Fee
- W. Agency: **Tennessee Wildlife Resources Agency – Greene County**
Transaction: Acquisition by Lease
- X. Agency: **Tennessee Wildlife Resources Agency – Hancock County**
Transaction: Disposal by Lease
- Y. Agency: **Tennessee Wildlife Resources Agency – Hancock County**
Transaction: Disposal by Easement
- Z. Agency: **Tennessee Wildlife Resources Agency – Lauderdale County**
Transaction: Acquisition in Fee
- AA. Agency: **Tennessee Wildlife Resources Agency – Weakley County**
Transaction: Equal value Exchange
- BB. Agency: **Tennessee Board of Regents – Austin Peay State University**
Transaction: Demolition of Buildings at 261 and 263 Patrick Street

UNIVERSITY OF TENNESSEE

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 – Stagmaier Building – University of Tennessee at Chattanooga, Chattanooga, TN – Trans. No. 05-06-007 (GM)

Purpose: Disposal by Lease 1,720 sq. ft. of office space to The Community Research Council (CRC) for analytic and research efforts in key areas of public policy.

Term: Two (2) years with automatically renewal up to seven (7) years.

Consideration: \$1,152.00 per year or \$0.67 per sq. ft.

Comment: Community Research Council, Charitable Organization

Comments: The University can terminate the Lease at anytime by giving 120 days notice by December 1st of each year of its intention for the next fiscal year.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

UNIVERSITY OF TENNESSEE

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: Knox County – 0.52 +/- acres with improvements – 1831 Melrose Avenue – Knoxville, TN – Trans. No. 05-06-008 (GM)

Purpose: Acquisition in Fee for campus expansion of property within the University Master Plan.

Source of Funding: Land Acquisition Account

Estimated Cost: Fair Market Value

Owner(s): Presbytery of East Tennessee

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

UNIVERSITY OF TENNESSEE

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: Knox County – 0.27 +/- acres with improvements – 1821 Andy Holt Avenue – Knoxville, TN – Trans. No. 05-06-009 (GM)

Purpose: Acquisition in Fee for campus expansion of property with the University Master Plan.

Source of Funding: Land Acquisition Account

Estimated Cost: Fair Market Value

Owner(s): The Melrose Group, LLC

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

UNIVERSITY OF TENNESSEE

SPECIAL ITEM

Review of a Request for APPROVAL TO ADVERTISE for Lease Proposals for approximately 4,400 square feet of contiguous space for Clinical Trial space in Shelby County, Memphis, TN, and funded by the National Institute of Diabetes Digestive Disorders and Kidney Disease (NIDDK).

SSC Report: 7-18-05. Bob King summarized the transaction. Robbi Stivers summarized the transaction purpose. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

FINANCE & ADMINISTRATION FOR TENNCARE
INSPECTOR GENERAL

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: **Davidson County – 44 Vantage Way, Nashville, TN – Trans. No. 05-02-910 (EN)**

Purpose: To provide office and related space for Inspector General Office.

Term: October 1, 2005 thru September 31, 2015 (10 yrs.)

Proposed Amount: 16,470 Square Feet
Annual Contract Rent Incl.
Utility & Janitorial Cost: \$255,285.00 @\$ 15.50/sf

Current Amount: 16,470 Square Feet
Annual Contract Rent Incl.
Utility & Janitorial Cost: \$234,698.00 @\$ 14.25/sf

Type: New Lease – Advertisement – Lowest of two proposal from two proposers.

FRF Rate: \$18.00 Per Square Foot

Purchase Option: No – Multi-tenant

Lessor: ATAPCO Vantage, Inc., current lessor

Comment: The proposed lease provides (1) Lessor shall perform repairs, modifications, and upgrades at no additional cost to the State, and (2) no cancellation during the first five years of the lease tem except for cause and/or lack funding and 180-days notice thereafter.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

BOARD OF PROBATION & PAROLE

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: Anderson County – 110 West Centre Stage Business Park Road, Clinton, TN – Trans. No. 05-05-901 (JS)

Purpose: To provide office space for county operations.

Term: July 1, 2006 thru June 30, 2016 (10 yrs.)

Proposed Amount: 4,600 Square Feet
Annual Contract Rent: \$ 55,154.04 @\$ 11.99/sf
Est. Annual Utility Cost: \$ 6,440.00 @\$ 1.40/sf
Est. Annual Janitorial Cost: \$ 5,060.00 @\$ 1.10/sf
Total Annual Effective Cost: \$ 66,654.04 @\$ 14.49/sf

Current Amount: 5,100 Square Feet
Annual Contract Rent Incl. Utility Cost: \$ 52,800.00 @\$ 10.35/sf
Est. Annual Janitorial Cost: \$ 5,610.00 @\$ 1.10/sf
Total Annual Effective Cost: \$ 58,410.00 @\$ 11.45/sf

Type: New Lease – Advertisement – Lowest of (2) Proposals from (2) Proposers

FRF Rate: \$13.50 Per Square Foot

Purchase Option: Yes – Fair Market Value after 5th year

Lessor: Robert L. Gilliam

Comment: The proposed lease provides (1) Lessor will construct 4,600 square feet of office space including interior tenant alterations at no additional cost to the State, (2) no cancellation during the first five years of the lease term except for cause and/or lack of funding and 180-days notice thereafter.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

BOARD OF PROBATION & PAROLE

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: Greene County – 716 Professional Plaza, Greeneville, TN – Trans. No. 05-04-918 (JS)

Purpose: To provide office space for area operation.

Term: October 1, 2005 thru September 30, 2015 (10 yrs.)

Proposed Amount: 3,435 Square Feet
Annual Contract Rent: \$33,336.00 @\$ 9.70/sf
Est. Annual Utility Cost: \$ 4,809.00 @\$ 1.40/sf
Est. Annual Janitorial Cost: \$ 3,778.50 @\$ 1.10/sf
Total Annual Effective Cost: \$41,923.50 @\$12.20/sf

Current Amount: 3,435 Square Feet
Annual Contract Rent: \$33,336.00 @\$ 9.70/sf
Est. Annual Utility Cost: \$ 4,809.00 @\$ 1.40/sf
Est. Annual Janitorial Cost: \$ 3,778.50 @\$ 1.10/sf
Total Annual Effective Cost: \$41,923.50 @\$12.20/sf

Type: New Lease - Advertisement – Lowest of three proposals from two proposers.

FRF Rate: \$ 10.25 Per Square Foot

Purchase Option: Yes – 1 thru 10

Lessor: David K. Quillen, current lessor

Comment: The proposed lease provides (1) no cancellation during the first five years of the lease term except for cause and/or lack of funding and 180-days notice thereafter.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF HUMAN 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: Hamblin County – 2416 West Andrew Johnson Highway, Morristown, TN – Trans. No. 05-01-914 (JS)

Purpose: To provide office space for county operations.

Term: January 1, 2006 thru December 31, 2010 (5 years)

Proposed Amount: 8,000 Square Feet
Annual Contract Rent: \$74,000.04 @\$ 9.25/sf
Est. Annual Utility Cost: \$ 6,800.00 @\$ 0.85/sf
Est. Annual Janitorial Cost: \$ 8,800.00 @\$ 1.10/sf
Total Annual Effective Cost: \$89,600.04 @\$11.20/sf

Current Amount: 8,000 Square Feet
Annual Contract Rent: \$68,000.04 @\$ 8.50/sf
Est. Annual Utility Cost: \$ 6,800.00 @\$ 0.85/sf
Est. Annual Janitorial Cost: \$ 8,800.00 @\$ 1.10/sf
Total Annual Effective Cost: \$83,600.04 @\$10.45/sf

Type: New Lease – Advertisement - Only Proposal from (1) proposer

FRF Rate: \$10.25 Per Square Foot

Purchase Option: No – Multi-tenant

Lessor: HHD Partners, Current Lessor

Comment: The proposed lease provides (1) the lessor will make improvements at no additional cost to the State, (2) no cancellation during lease term except for cause and/or lack of funding, and (3) lessor will furnish for gas/water/sewer.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF HUMAN SERVICES

LEASE AGREEMENT

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: Sumner County – Dobbins Pike & Albert Gallatin Road – Gallatin, TN – Trans. No. 05-06-910 (EN)

Purpose: To provide workshop/warehouse space for TN Vocational Training Center.

Term: January 1, 2006 thru September 30, 2011 (5 yrs. 9 mos.)

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|------------------|------------------------------|--------------|--------------|
| Proposed Amount: | <u>18,000 Square Feet</u> | | |
| | Annual Contract Rent: | \$163,542.61 | @ \$ 9.09/sf |
| | Est. Annual Utility Cost: | \$ 25,200.00 | @ \$ 1.40/sf |
| | Total Annual Effective Cost: | \$188,742.61 | @ \$10.49/sf |

| | | | |
|-----------------|------------------------------|--------------|--------------|
| Current Amount: | <u>12,000 Square Feet</u> | | |
| | Annual Contract Rent: | \$ 89,760.00 | @ \$ 7.48/sf |
| | Est. Annual Utility Cost: | \$ 16,800.00 | @ \$ 1.40/sf |
| | Total Annual Effective Cost: | \$106,560.00 | @ \$ 8.88/sf |

Type: Amendment No. 1 - Negotiated

Purchase Option: None

Lessor: Sumner County

Comment: The proposed amendment provides (1) the lessor will construct 6,000 square feet of workshop/warehouse including tenant alterations at no additional cost to the State, (2) all other terms & conditions remain in full force and effect, and (3) lease contains an option to renew at a reduced rate for the next ten years for the rent amount of \$54,000.00 per year.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF HUMAN 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: Gibson County – 1246 A Manufacturers Row, Trenton, TN – Trans. No. 04-03-906 (TH)

Purpose: To provide office space for county operation.

Term: October 1, 2005 thru September 30, 2015 (10 yrs.)

Proposed Amount: 8,996 Square Feet
Annual Contract Rent: \$ 31,486.00 @\$ 3.50/sf
Est. Annual Utility Cost: \$ 12,594.40 @\$ 1.40/sf
Est. Annual Janitorial Cost: \$ 9,895.60 @\$ 1.10/sf
Total Annual Effective Cost: \$ 53,976.00 @\$ 6.00/sf

Current Amount: 7,542 Square Feet
Annual Contract Rent Incl:
Utility & Janitorial Cost: \$ 12,615.89 @\$ 1.67/sf

Type: New Lease – Advertisement – Lowest of seven (7) proposals from four (4) proposers & two (2) non-conforming proposals.

FRF Rate: \$10.25 Per Square Foot

Purchase Option: No – Multi-tenant

Lessor: Gibson County, current lessor

Comment: The proposed lease provides (1) Lessor will construct additional 1,454 square feet and renovate existing office space including interior tenant alterations at no additional cost to the State, and (2) no cancellation during the first five years of the lease term except for cause and/or lack of funding and 180-days notice thereafter.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF SAFETY

LEASE AGREEMENT

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

Location: Anderson County – 704 Charles Seivers Blvd., Building B, Clinton, TN – Trans. No. 05-05-902 (JS)

Purpose: To provide office and related space for Tennessee Highway Patrol.

Term: January 1, 2006 thru January 31, 2014 (7 yrs. 11 mos.)

| | | | |
|------------------|------------------------------|--------------------|---------------------|
| Proposed Amount: | <u>4,450 Square Feet</u> | | |
| | Annual Contract Rent: | \$ 57,538.56 | @ \$ 12.93/sf |
| | Est. Annual Utility Cost: | \$ 6,230.00 | @ \$ 1.40/sf |
| | Est. Annual Janitorial Cost: | <u>\$ 4,895.00</u> | <u>@ \$ 1.10/sf</u> |
| | Total Annual Effective Cost: | \$ 68,663.56 | @ \$ 15.43/sf |

| | | | |
|-----------------|------------------------------|--------------------|---------------------|
| Current Amount: | <u>3,100 Square Feet</u> | | |
| | Annual Contract Rent: | \$ 40,083.00 | @ \$ 12.93/sf |
| | Est. Annual Utility Cost: | \$ 4,340.00 | @ \$ 1.40/sf |
| | Est. Annual Janitorial Cost: | <u>\$ 3,410.00</u> | <u>@ \$ 1.10/sf</u> |
| | Total Annual Effective Cost: | \$ 47,833.00 | @ \$ 15.43/sf |

Type: Amendment No. 1 – Negotiated

FRF Rate: \$13.50 Per Square Foot

Purchase Option: No – multi-tenant

Lessor: Robert L. Gilliam

Comment: The proposed amendment provides (1) the lessor will construct 1,350 square foot of office space for THP including tenant alterations at no additional cost to the State, and (2) all terms and conditions remain the same as in the lease.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF SAFETY

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: Sullivan County – Bays Mountain Park Road – Kingsport, TN – Trans. No. 05-04-901 (JS)

Purpose: To provide land (1 +/- acre) for Radio Tower Site for Homeland Security.

Term: July 1, 2005 thru June 30, 2035 (30 yrs.)

Proposed Amount: 1 +/- acre
Annual Contract Rent: \$ 1.00

Current Amount: None

Type: New Lease – Negotiated

Purchase Option: No – multi-tenant

Lessor: City of Kingsport

Comment: The proposed lease provides (1) the lessor will provide 1+/- acre site of land to house a 300 +/- foot radio tower, (2) proposed lease has an option to renew for an additional 20 years, (3) 180-days notice for cancellation.

SSC Report: 7-18-05. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

DEPARTMENT OF MILITARY
(TEMA)

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property with WAIVER of APPRAISALS:

Description: Carter County – 1.0 +/- acre – Holston Mountain at the Cherokee National Forrest – Trans. No. 05-06-027 (JB)

Purpose: Acquisition by Lease to enter into a no cost Communications use Lease for the construction, operation of a commercial mobile radio serve communications facility.

Source of Funding: Gift

Estimated Cost: Expenses

Owner(s): U. S. Department of Agriculture Forest Service

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

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: Carter County – 24 +/- unimproved acres – Carter House State Historic Area, Watauga River, Elizabeth, TN – Trans. No. 05-06-010 (LW)

Purpose: Acquisition in Fee to provide protection of the Historic Area tract in the Natural State & view shed.

Source of Funding: State Land Acquisition Fund & Land/Water Conservation Fund

Estimated Cost: Fair Market Value

Owner(s): Thomas Heirs & Ray Hardin

Comment: Departments of TWRA & Agriculture approve of acquisition.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

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: Franklin County – 131 +/- unimproved acres – adjoining southern boundary of Mr. & Mrs. Harry Lee Carter State Natural Area & TDOT property, Sherwood, TN – Trans. No. 05-06-012 (LW)

Purpose: Acquisition in Fee to prevent residential development within the view shed.

Source of Funding: State Land Acquisition Fund &
Land/Water Conservation Fund

Estimated Cost: Fair Market Value

Owner(s): Larry Fincher & William Free

Comment: Departments of TWRA & Agriculture approve of acquisition.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

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: **Knox County – 1.04 +/- improved acres – adjoining Marble Springs State Historic Site & Neubert Springs Road, Knoxville, TN – Trans. No. 05-06-014 (LW)**

Purpose: Acquisition in Fee to provide protection of the view shed, prevent commercial use of tract & improvements allow for expansion of TDEC programs.

Source of Funding: State Land Acquisition Fund &
Land/Water Conservation Fund

Estimated Cost: Fair Market Value

Owner(s): Pamela G. Neubert

Comment: Departments of TWRA & Agriculture approve of acquisition.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

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: **Maury County – 90.35 +/- unimproved acres – Stillhouse Hollow Falls, Columbia, TN – Trans. No. 05-06-015 (LW)**
- Purpose: Acquisition in Fee to provide protection of the 75 foot water fall, water quality, endangered aquatic species, wildlife, and biodiversity.
- Source of Funding: State Land Acquisition Fund &
Land/Water Conservation Fund
- Estimated Cost: Fair Market Value – 75%
- Owner(s): Tennessee Parks & Greenways Foundation, non-profit corporation.
- Comment: Departments of TWRA & Agriculture approve of acquisition.
- SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
- SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

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: Putnam County – 62.8 +/- unimproved acres –Burgess Falls State Natural Area, Cookeville, TN – Trans. No. 05-06-016 (LW)
- Purpose: Acquisition in Fee to provide protection of the tract that overlooks Burgess Falls & preserve visual integrity & prevent bluff top residential development.
- Source of Funding: State Land Acquisition Fund & Land/Water Conservation Fund
- Estimated Cost: Fair Market Value
- Owner(s): Mary Sue Smallen Williams & Robin Dianne Cowan
- Comment: Departments of TWRA & Agriculture approve of acquisition.
- SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
- SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

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

Description: Anderson, Campbell, Scott Counties – 7 +/- acres – Sundquist WMA, TN – Trans. No. 05-06-017 (CH)

Purpose: Disposal by Easement for gas wells, pipelines and road access.

Estimated Sale Price: License Funds

Grantee: Knox Energy Company, Joe Congelton

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER of APPRAISALS:

Description: **Bradley County – 499 +/- acres – Cleveland, TN –Trans. No. 05-06-018 (CH)**

Purpose: Acquisition in Fee to be used as a Wildlife Management Area.

Source of Funding: Gift

Estimated Cost: Gift

Owner(s): Tennessee Parks & Greenways Foundation

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER of APPRAISALS:

Description: Giles County – 2.15 +/- acres – Elk River, Pulaski, TN –Trans. No. 05-06-019 (CH)

Purpose: Acquisition in Fee to be used for a boat access to the Elk River

Source of Funding: Gift

Estimated Cost: Gift

Owner(s): Giles County

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER of APPRAISALS:

Description: **Greene County – 1.0 +/- acre – Moshier, TN –Trans. No. 05-06-020 (CH)**

Purpose: Acquisition by Lease to be used by boat access to the Nolichucky River.

Source of Funding: Federal Funds – 75%
State Funds – 25%

Estimated Cost: 1/3 of annual property taxes / at present 1/3 of \$62.00 for Twenty (20) years

Owner(s): Hadley Carter

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE WILDLIFE RESOURCES AGENCY

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: **Hancock County – 2.64 +/- acres & house – Kyles Ford, TN – Trans. No. 05-06-021 (CH)**

Purpose: Disposal by Lease to restore & used for Conservation Education Purposes.

Term: Twenty five (25) years with renewal of twenty-five years agreed by both parties.

Consideration: Lessee will spend approximately \$100,000 over the next two (2) years for restoration.

Lessee: Clinch-Powell Resource Conservation Development Organization

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

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

Description: Hancock County – 63 +/- acres – Clinch River, Kyles Ford, TN – Trans. No. 05-06-022 (CH)

Purpose: Disposal by Easement for Tennessee Wildlife resource Foundation with TDOT to mitigate stream impacts from highway construction.

Estimated Sale Price: Gift

Grantee: Tennessee Wildlife Resource Foundation

Comment: Kyles Ford Land was purchased with endangered species grant to protect the mussels in the river. TWRA plans to reforest along the river to protect the water.

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE WILDLIFE RESOURCES AGENCY

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: Lauderdale County – 3.5 +/- acres - Henning, TN – Trans. No. 05-06-024 (CH)

Purpose: Acquisition in Fee is to acquire access site to the Hatchie River

Source of Funding: Wallup Breau – 75%
State License – 25%

Estimated Cost: Fair Market Value

Owner(s): Mark Walker

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of a LAND EXCHANGE and to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE, required interest in the following real property, APPROVAL of WAIVER of ADVERTISEMENT and APPRAISALS:

Description: **Weakley County – 2 +/- acres – Bean Switch Refuge – Trans. No. 05-06-025 (CH)**

Purpose: For equal value exchange between Ellis Pitcheloupe and the State and to remove holding in the Bean Switch Refuge.

Source of Funding: TWRA Wetland Funds

Estimated Cost: Fair Market Value

Owner(s): Ellis Pitcheloupe

SSC Report: 7-18-05. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Report: 8-05-05. Sub-Committee approved the transaction as presented. Final Action.

TENNESSEE BOARD OF REGENTS

AUSTIN PEAY STATE UNIVERSITY, CLARKSVILLE, TENNESSEE

- 1) Approved a project and acknowledgment of the source of funding for **Building Demolitions** at 261 and 263 Patrick Street in Clarksville adjacent to the Emerald Hills Married Student Apartments, and convert the property into green space for future building sites.

Estimated Project Cost: \$130,000.00
SBC Project No. 166/003-06-2005

Approved by:


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