

**MINUTES**  
STATE BUILDING COMMISSION  
Executive Subcommittee  
March 23, 2017

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The State Building Commission Executive Subcommittee met this day at 11:00 a.m. in House Hearing Room 30 of the Legislative Plaza, Nashville, Tennessee, with the following members and Departments present. Commissioner Martin called the meeting to order at 11:00 a.m. and requested action on the following matters as presented by Assistant State Architect Alan Robertson.

MEMBERS PRESENT

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

ORGANIZATION

- Tennessee Wildlife Resources Agency
- Department of General Services
- State Building Commission

PRESENTER

Tim Churchill  
John Hull  
Alan Robertson

OTHER PARTICIPANTS

Commissioner Bob Martineau, TDEC  
Karen Stevenson, TDEC

Commissioner Martin stated that there is a sign-up sheet for anyone who would like to comment on an item and in consideration of everyone's time they would have three minutes to speak. He also announced that the Secretary of State was participating via electronic communication and all votes would be by roll call vote.

CONSENT AGENDA

At a roll call vote all members voted aye and approved the following real property transactions which have been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: Tennessee Board of Regents – Giles County  
Transaction: Acquisition – Fee (Purchase)  
Provision(s): Waiver of advertisement and one appraisal
  
- B. Agency: Tennessee Board of Regents – Davidson County  
Transaction: Acquisition – Lease (Space)  
Provision(s): Waiver of advertisement
  
- C. Agency: Tennessee Wildlife Resources Agency – Cheatham County  
Transaction: Disposal – Fee  
Provision(s): Waiver of advertisement and appraisals
  
- D. Agency: Department of Environment & Conservation – White County  
Transaction: Acquisition – Fee (Purchase)  
Provision(s): Waiver of advertisement and one appraisal
  
- E. Agency: Department of General Services – Davidson County  
Transaction: Disposal – Fee  
Provision(s): Waiver of advertisement and on appraisal
  
- F. Agency: Department of General Services – Greene County  
Transaction: Acquisition – Lease (Space)
  
- G. Agency: Department of General Services – Knox County  
Transaction: Acquisition – Lease (Space)

TENNESSEE WILDLIFE RESOURCES AGENCY

**Disposal – Easement (Access)**

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

**Transaction Description:** Transaction No. 16-06-004-MB

- **Location:** Bear Hollow Mountain WMA  
Franklin County - 50' wide x 2.54 miles – Turnpike Road, Cowan, TN
- **Grantee:** Panther Creek Forestry, LLC
- **Term:** 5 Years
- **Estimated Sale Price:** Fair Market Value
- **Source of Funding:** Panther Creek Forestry, LLC (O)

**Comment:** Adjacent landowners have requested a temporary 50' wide ROW easement for vehicles and machine traffic through Bear Hollow Mountain WMA (BHMWMA) to facilitate logging of their property. The easement will follow existing logging routes. During the term, Grantee will be responsible for maintaining the road in good condition and at the conclusion or termination of the term, whichever occurs first, Grantee will return the road in equal or better condition than it was received. This will improve access for State WMA visitors at no expense to the State. Grantee's use will not impact BHMWMA view shed or public use.

Date of Last Transfer: June 27, 2005  
Original Cost to State: \$5,100,000.00

**SSC Report:**

07/18/2016	The agency deferred this transaction
12/12/2016	The agency deferred this transaction
03/13/2017	Staff referred to Executive Subcommittee with recommendation

**Minutes:** 03/23/2017 At a roll call vote all members voted aye and approved of disposal by easement with waiver of advertisement and one appraisal.

TENNESSEE WILDLIFE RESOURCES AGENCY

Disposal – Fee

**Requested Action:** Approval of disposal in fee with waiver of advertisement and appraisals

**Transaction Description:** Transaction No. 17-01-012-RA  
• **Location:** Bear Hollow Mountain WMA  
Franklin County – 20+/- acres – Rowe Gap Road, Belvidere, TN  
• **Grantee:** U.S. Fish & Wildlife Services  
• **Estimated Sale Price:** No Cost - Mutual Benefit  
• **Source of Funding:** TWRA Operating Funds (REM Fees) (A)

**Comment:** TWRA is requesting approval to dispose of this property to the U.S. Fish & Wildlife Service for the creation of the new Paint Rock Wildlife Refuge. This newly created Wildlife Refuge will allow the Federal Government to protect the habitat adjacent to Bear Hollow Mountain WMA.

Date of Last Transfer: April 26, 2016  
Previous Owner: RLF Winchester Properties, LLC  
Original Cost to State: \$3,497,200.00 for 2,194.71 acres  
Square Footage Improvements: N/A

**SSC Report:** 03/13/2017 Staff referred to Executive Subcommittee with recommendation.

**Minutes:** 03/23/2017 Comptroller Wilson asked if the transfer of land to US Fish and Wildlife would benefit TWRA and Tim Churchill replied that it was a benefit to have a federal presence in the area.

At a roll call vote all members voted aye and approved of disposal in fee with waiver of advertisement and appraisals.

DEPARTMENT OF GENERAL SERVICES  
on behalf of  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Fall Creek Falls State Park, Spencer, Van Buren County, Tennessee

**Requested Action:** Approval to issue an Amendment to a Request for Proposals for a Concessionaire Agreement

**Project Title:** State Parks Hospitality Operations (Fall Creek Falls)

**Project Description:** Provide a concessionaire agreement by which the concessionaire will demolish the existing inn and construct a new inn and operate the new inn, golf course and cabins at the park.

**SBC Number:** 126/036-03-2016

**Comment:** This amendment will clarify the SBC's oversight role in the project and make other improvements to the RFP and proposed contract.

**Previous Action:** 12/08/2016 SBC Approved issuance of RFP  
03/09/2017 SBC Referred to Executive Subcommittee along with all future items.

**SSC Report:** 03/13/2017 Discussion

**Minutes:** 03/23/2017 ESC Deputy Director of STREAM, John Hull, presented the item and gave a general overview of the purpose of the amendment. Mr. Hull recognized that Commissioner Martineau and Karen Stevenson, an attorney for TDEC, were also present to assist in responding to any questions of the Committee. Comptroller Wilson asked about the following sections of the RFP and Karen Stevenson responded as set forth below.

- Section 4.4 of the RFP was revised to encourage concessionaires to engage Tennessee businesses as subcontractors when certain services will not be self-performed by the concessionaire.
- Section 4.8.3.2 of the RFP was amended to clarify that all reimbursement requests must be approved by the State Architect. Comptroller Wilson relayed that he wanted to make sure that this point was exceptionally clear.
- Section 5.5 provides that the design of the redeveloped lodge and budget will be attached to the contract and will be presented to the ESC when and if there is a request to approve a contract with a concessionaire to provide this scope of work.
- Section 5.4 was revised to reflect that the State evaluation team will provide a written evaluation of the respondents to the Commission for their review and that the Commission will select the "best evaluated respondent" who will move on to Phase III of the selection process.

Comptroller Wilson asked if there would be three agencies on the evaluation team and Karen Stevenson replied that the evaluation team

would include Dept of Environment & Conservation, Dept of General Services including the Central Procurement Office and another unnamed agency.

Treasurer Lillard next made the following comments and observations:

- The State Building Commission is a statutorily created body with the power and authority under statute to oversee construction of all State public buildings and authorize most acquisition, disposal, improvement, demolition, or leasing of real property owned by the State. Determinations of pay, benefits, employment, and operations of facilities, such as an inn or a park, are not within the State Building Commission's purview.
- The SBC's role focuses on design and construction to ensure the state receives the building that meets its expectations. The SBC does not have authority over issues involving operations and employment, which are within the jurisdiction of the Department of Environment and Conservation in this case.
- He has personally examined the document. Although the original RFP contained some points of oversight of design and construction aspects by the State Building Commission, there was a need to more closely conform the oversight contained in the RFP and attached contract with current SBC process.
- Given that the Administration has proposed a vertically integrated alternate delivery method for design and construction of this building project, the changes made in the amendment proposed today add additional oversight by the State Building Commission that more closely aligns the design and construction process to traditional procurements.
- The original RFP contained approval by the SBC Executive Subcommittee of the contract with the concessionaire following Phase III. The amendment adds multiple additional approval points, which include, in addition to approval of the contract:
  - Selection of the best evaluated proposer, following Phase II of the RFP;
  - Approval of the Early Design Phase Presentation;
  - Approval of revisions to the design approved by the ESC at the Early Design Phase Presentation, any revisions of 10% or more to line items in the Development Budget, and any other revisions to the Contract language such as procurement processes; and
  - Office of the State Architect approval of subcontractors.
- With the Amendment, the SBC and the Office of the State Architect will require subcontractors to be selected in a competitive process and will require documentation of the potential concessionaire's commitment to engaging Tennessee entities and a description of how the potential concessionaire will solicit the participation of Tennessee entities in the design and construction of the project. Each subcontractor must be approved by the Office of the State Architect and is required to be selected in a competitive manner and in accordance with

the selection process proposed by the concessionaire in its response to the RFP.

- The Amendment provides greater ability for the State to enforce compliance with approved design and budget and provides greater ability for the State to ensure it gets the quality of building that it expects.

Commissioner Martin thanked the staff for their hard work on the proposal and stated that there are three key elements of the amendment:

- The amendment strengthens the State's oversight during selection of design and construction phase.
- The amendment expresses appropriate commitment to Tennessee businesses.
- The amendment provides appropriate State oversight when the lodge reopens.

At a roll call vote all members voted aye and approved issuing an Amendment to a Request for Proposals for a Concessionaire Agreement.

DEPARTMENT OF GENERAL SERVICES

New State Museum, Nashville, Davidson County, Tennessee

**Requested Action:** Approval of a revision in project funding, source(s) of funding, and Guaranteed Maximum Price (GMP)

**Project Title:** New State Museum

**Project Description:** Complete design and construction of the new State Museum based upon the functional program and master plan developed by Lord Cultural Resources. All related work is included.

**SBC Number:** 529/050-01-2015

**Total Project Budget:** \$160,000,000.00

**Current Project Funding:** \$157,510,000.00  
(if not fully funded)

<b>Source of Funding:</b>	<u>Original</u>	<u>Change</u>	<u>Revised</u>			
	\$121,610,000.00	\$ 0.00	\$121,610,000.00	15/16	FRF CurrFunds-CapImp	(A)
	17,700,000.00	0.00	17,700,000.00	FY17	FRF GO Bonds-CapImp	(R/A)
	14,700,000.00	0.00	14,700,000.00	FY17	GO Bonds-CapImp	(R/A)
	0.00	3,500,000.00	3,500,000.00		Gifts	(O)
<b>Original Project Budget:</b>	<b>154,010,000.00</b>					
<b>Change in Funding:</b>		<b>3,500,000.00</b>				
<b>Revised Project Budget:</b>			<b>157,510,000.00</b>			

**Comment:** This request adds the initial donations to the museum project from fundraising sources. The Guaranteed Maximum Price is within the project budget and does not require additional funding.

<b>Previous Action:</b>	05/13/2015	SBC	Referred to ESC with authority to act
	05/26/2015	ESC	Approved project and RFQ for PM services
	07/09/2015	SBC	Referred to ESC with authority to act
	07/20/2015	ESC	Rev'd funding; using CMGC; award Compass Partners as PMaA
	08/05/2015	OSA	Acknowledged Total Project Budget update
	08/24/2015	ESC	Approved issuing RFQ for Exhibit Designer
	08/24/2015	ESC	Selected designer (EOA Architects)
	10/13/2015	SBC	Referred CMGC contract award to ESC
	10/22/2015	ESC	Approved award to Turner Construction as CM/GC
	10/22/2015	ESC	Approved award to Gallagher & Associates as Exhibit Designer
	11/12/2015	SBC	Approved issuing RFP for Exhibit Fabricator Services and referring award of contract to ESC with authority to act
	03/10/2016	SBC	Approved contract award to Design & Production Inc for Exhibit Fabricator Services
	03/30/2016	SBC	Approved Early Design Phase
	07/14/2016	SBC	Referred to ESC with authority to act
	07/25/2016	ESC	Approved revision in funding
	09/29/2016	OSA	Reconciliation of budget back to previous



Minutes:

03/09/2017	SBC	Referred to ESC with authority to act
03/23/2017	ESC	In response to Comptroller Wilson's question as to the source of the \$3.5 million, John Hull responded that it came from private donations.  At a roll call vote all members voted aye and approved a revision in funding, sources of funding, and Guaranteed Maximum Price (GMP).

DEPARTMENT OF GENERAL SERVICES

Disposal – Fee

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

**Transaction Description:**       Transaction No. 17-02-002 MB  
    • **Location:**                     Davidson County – 46.82 +/- acres - Murfreesboro Pike, Nashville, TN  
    • **Estimated Sale Price:**       Fair Market Value

**Comment:**                            There is no longer a use for this property.

  Date of Last Transfer:                 February 5, 1945  
  Previous Owner:                       Gerda H. Northern  
  Original Cost to State:               \$33,300.00  
  Square Footage Improvements:     none

**SSC Report:**                        03/13/2017       Staff referred to Executive Subcommittee with recommendation.

**Minutes:**                            03/23/2017       ESC    Comptroller Wilson asked how they planned on selling the property since it is in a very good location. John Hull responded that no decision had been made yet; the property will be sold by sealed bid or auction depending on which approach STREAM determines will be most appropriate. John Hull agreed, in response to Treasurer Lillard’s request, that STREAM will return to the Commission when they have received the bids so that the Commission will have an opportunity to review this transaction before the sale is final.

  At a roll call vote all members voted aye and approved of disposal in fee with waiver of one appraisal.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) At a roll call vote all members voted aye and approved the Minutes of the Executive Subcommittee meeting held on February 27, 2017.

Designer Selections

The following designer selections represent projects approved by the State Building Commission and recommended by the State Procurement Agencies. Treasurer Lillard stated that, while they used the normal criteria in determining final selections including maintaining the geographical balance, current work capacity, and quality and quantity of workload over past several years, it was still primarily a process driven by the individual agencies.

- 1) **Various Facilities Statewide**  
(Security Consultant)  
Total Project Budget: Not Applicable  
SBC Project No. 529/000-08-2012  
Designer: **SECURITY RISK MANAGEMENT**

Other Business

There being no further business, the meeting adjourned at 11:30 a.m.

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TENNESSEE BOARD OF REGENTSAcquisition – Fee (Purchase)

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

**Transaction Description:** Transaction No. 17-02-003

- **Location:** Tennessee College of Applied Technology - Pulaski  
Giles County – 3.02+/-acres – Highway 64 East, Pulaski, TN
- **Owner(s):** Mark Neal and Karen Howell
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** CurrFunds-CapImp (D55Cap)

**Comment:** The renovation of the 13,000+/-sf building located on this property will house the Advanced Manufacturing Education and Industrial Maintenance Technology programs, which will play a major role in the continued industrial growth of the area's service delivery. This property is a Drive to 55 Capacity Fund initiative. This property is in TCAT-Pulaski's 2014 Master Plan amendment and is being funded through SBC Project No. 166/080-01-2017.

Date of Last Transfer: September 30, 2016  
 Purchase Price: \$335,000  
 Property Assessor's Value: \$309,400  
 Square Footage Improvements: 13,500

**SSC Report:** 03/13/2017 Dick Tracy summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

**Minutes:** 03/23/2017 Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise an option to acquire the required interest, not to exceed fair market value, with waiver of advertisement and one appraisal.

TENNESSEE BOARD OF REGENTS

**Acquisition – Lease (Space)**

**Requested Action:** Approval of a lease amendment with waiver of advertisement

**Transaction Description:** 15-00-001

- **Proposed Lease**

- **Location:** Tennessee Board of Regents  
Davidson County – One Bridgestone Park, Nashville, Tennessee
- **Landlord:** Des-Tech Limited Partnership
- **Term:** September 24, 2017 – September 30, 2031
- **Area / Costs:** 45,638 Square Feet (Total)  
Average Annual Rent Cost including OPEX and estimated escalators: \$981,240.80
- 42,678 Square Feet (2<sup>nd</sup> & 3<sup>rd</sup> Floors)  
Average Annual Rent Cost including OPEX and estimated escalators: \$905,250.81    \$21.21 sf
- 2,960 Square Feet (1<sup>st</sup> Floor)  
Average Annual Rent Cost including OPEX and estimated escalators: \$75,990.00    \$25.67 sf

- **Current Lease**

- **Location:** Tennessee Board of Regents  
Davidson County – 1 Bridgestone Park, Nashville, TN
- **Landlord:** Des-Tech Limited Partnership
- **Term:** September 24, 2017 – September 30, 2031
- **Area / Costs:** 42,678 Square Feet  
First Year Rent: \$789,543.00    \$18.50 sf  
Average Annual Rent Cost Including OPEX and estimated escalators: \$905,250.81    \$21.21 sf

- **Source of Funding:** Operating Funds
- **FRF Rate:** \$18.00 sf

**Comment:** This amendment will add 2,960 sf for a training/meeting facility, which can also serve as a board meeting room. The rental rate for the additional space is higher because of its first floor location.

**Previous Action:** 10/22/2015    Approved lease agreement.

**SSC Report:** 03/13/2017    Dick Tracy summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

**Minutes:** 03/23/2017    Approved a lease amendment with waiver of advertisement.

TENNESSEE WILDLIFE RESOURCES AGENCY

Disposal – Fee

**Requested Action:** Approval of disposal in fee with waiver of advertisement and appraisals

**Transaction Description:** Transaction No. 17-01-002-RA

- **Location:** Cheatham WMA  
Cheatham County – 2.0 +/- acres – Petway Road, Cheatham WMA, TN
- **Grantee:** Cheatham County
- **Estimated Sale Price:** No Cost – Mutual Benefit
- **Source of Funding:** TWRA Operating Funds (REM Fees) (A)

**Comment:** TWRA requests to dispose of two acres of the Cheatham WMA to Cheatham County Fire Department for a new fire station. This property is being transferred at no cost with a reversion clause, restricting the use to a fire station. A fire station near the WMA will help TWRA’s goal of preventing and stopping fires as well as helping keep the public safe.

Date of Last Transfer: December 7, 1979  
 Previous Owner: Unknown  
 Original Cost to State: Unknown (19,872 acres)  
 Square Footage Improvements: N/A

**SSC Report:** 03/13/2017 Staff referred to Executive Subcommittee for consent agenda.

**Minutes:** 03/23/2017 Approved of disposal in fee with waiver of advertisement and appraisals.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

Acquisition – Fee (Purchase)

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

**Transaction Description:** Transaction No. 17-01-016-DM

- **Location:** Fall Creek Falls State Park  
White County – 118 +/- acres – 4775 Lost Creek Rd, Sparta, TN
- **Owner(s):** Jill V. Cunningham
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 16/17 State Lands Acquisition Fund (A)  
Gifts (O)

**Comment:** This acquisition is critical to a recently acquired area, Dog Cove, because the tract to be acquired juts deeply into Dog Cove almost creating an inholding. This acquisition will allow for better access to the Dog Cove area as well as continued protection of high conservation value forestland in the South Cumberland region of Tennessee. No additional management costs are anticipated with this acquisition.

Date of Last Transfer: August 16, 1989  
Purchase Price: Unknown  
Property Assessor's Value: \$571,300 for 609.68 acres  
Square Footage Improvements: N/A

**SSC Report:** 03/13/2017 Staff referred to Executive Subcommittee for consent agenda.

**Minutes:** 03/23/2017 Approved obtaining title work, appraisal, survey, and environmental assessment, and to exercise an option to acquire the required interest, not to exceed fair market value, with waiver of advertisement and one appraisal.

DEPARTMENT OF GENERAL SERVICESDisposal – Fee

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

**Transaction Description:** Transaction No. 17-01-019-MB

- **Location:** Davidson County – 8.66' wide x 284.11' long – 220 French Landing Dr., Nashville, TN
- **Grantee:** Rajnilcasnt V. Patel, Harshila Patel, and Kunal Patel
- **Estimated Sale Price:** Fair Market Value

**Comment:** Department of General Services is requesting to dispose of an unused portion of Lot 9C MetroCenter/220 French Landing Dr. to accommodate the adjacent land owner. Adjacent land owner will pay all costs associated with the transfer.

The proceeds from the sale are required by federal law (29 CFR Part 97) to go to the replacement or upgrading of existing Reed Act buildings. Proceeds of the sale, less any state investment, will be deposited into the Department of Labor's Unemployment Trust Fund as stated in TEG#3-07 #6, and used pursuant to the requirements of the Federal Reed Act. The State Investment amount will be deposited in to the Facility Revolving Fund (FRF).

Per TCA 12-2-119, notwithstanding any law to the contrary, proceeds from the sale and conveyance of surplus real property or improvements managed as state office buildings and support facilities revolving fund property shall be deposited in the state office buildings and support facilities revolving fund, created by §9-4-901, to be used for capital outlay.

Date of Last Transfer: August 2, 2007  
 Previous Owner: S & F Development, LLC  
 Original Cost to State: \$27,896,367 (16.38 +/- acres)  
 Square Footage Improvements: N/A

**SSC Report:** 03/13/2017 Staff referred to Executive Subcommittee for consent agenda.

**Minutes:** 03/23/2017 Approved of disposal in fee with waiver of advertisement and one appraisal.



DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease (Space)**

**Requested Action:** Approval of a lease

**Transaction Description:** Transaction No. 16-12-903-SN

● **Proposed Lease**

- **Location:** Greene County - 190 Serral Dr. Greeneville, TN
- **Landlord:** David K. Quillen
- **Term:** 5 years / 5 year renewal
- **Area / Costs:** 7,629 Square Feet

Annual Contract Rent	\$99,558.45	\$13.05/sf
Estimated Annual Utility Cost	13,350.75	1.75/sf
Estimated Annual Janitorial Cost	8,391.90	1.10/sf
<b>Total Annual Effective Cost</b>	<b>\$121,301.10</b>	<b>\$15.90/sf</b>

● **Current Lease**

- **Location:** Greene County – 190 Serral Drive, Greeneville, TN
- **Landlord:** David K. Quillen
- **Term:** 10 years (January 1, 2007 to December 31, 2016) (Holdover)
- **Area / Costs:** 10,560 Square Feet

Annual Contract Rent	\$96,369.00	\$9.13/sf
Estimated Utilities Cost	14,784.00	1.40/sf
Estimated Janitorial Cost	11,616.00	1.10/sf
<b>Total Annual Effective Cost</b>	<b>\$122,796.00</b>	<b>\$11.63/sf</b>

- **Source of Funding:** FRF Operating Funds
- **Procurement Method:** RFP on template
- **FRF Rate:** \$14.00

**Comment:** This lease will provide office space for DCS. Three proposals were received from one proposer. This was the second solicitation for this lease.

The tenant may terminate this lease at any time by giving written notice to the landlord at least 90 days prior to the date the termination becomes effective.

**SSC Report:** 03/13/2017 Staff referred to Executive Subcommittee for consent agenda.

**Minutes:** 03/23/2017 Approved a lease.

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease (Space)**

**Requested Action:** Approval of a lease

**Transaction Description:** Transaction No. 16-02-903 - JLL

• **Proposed Lease**

**Location:** Knox County – 1426 Elm Street, Knoxville, TN

**Landlord:** Bosk Properties, LLC

**Term:** 10 year

**Area / Costs:** **16,407 Square Feet**

First Year Contract Rent:	\$239,542.20	\$14.00/sf
Average Annual Contract Rent incl. Utilities & Janitorial:	\$262,643.26	\$16.00/sf

• **Current Lease**

**Location:** Knox County – 1426 Elm Street, Knoxville, TN

**Landlord:** Bosk Properties, LLC

**Term:** 10 years (July 1, 2005 through June 30, 2015) – Holdover

**Area / Costs:** **18,256 Square Feet**

Average Annual Contract Rent incl. Utilities & Janitorial:	\$183,209.60	\$10.04/sf
Total Annual Effective Cost:	\$183,209.60	\$10.04/sf

- **Source of Funding:** FRF Operating Fund
- **Procurement Method:** RFP on ESC approved form
- **FRF Rate:** \$18.00

**Comment:** The lease will provide office space for Department of Correction. Five proposals were received from 4 proposers.

The tenant may terminate this lease at any time by giving written notice to the landlord at least 90 days prior to the date the termination becomes effective after the 60<sup>th</sup> month of the term.

Current lease terms will continue until completion of buildout and commencement of new lease. Buildout work will not interrupt work operations.

The Jones Lang LaSalle commission amount is \$105,057.30 and the rebate to the State is \$5,505.63.

**SSC Report:** 03/13/2017 Staff referred to Executive Subcommittee for consent agenda.

**Minutes:** 03/23/2017 Approved a lease.

Approved:



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