

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

MARCH 23, 2009

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

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

OTHERS PRESENT

Mike Fitts, State Architect
Alan Robertson, Assistant State Architect
Georgia Martin, State Architect's Office
Jurgen Bailey, Real Property Administration
Bob King, Real Property Administration
Harvey Freeman, Real Property Administration
Dottie Hagood, Real Property Administration
Melinda Parton, Comptroller's Office
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Nathan Burton, Treasurer's Office
Joy Harris, Treasurer's Office
Mark Wood, Secretary of State's Office
John Carr, Department of Finance & Administration
Brenda Clarke, East Tennessee State University
Bill Rasnick, East Tennessee State University
Karen Hale, Comptroller's Office
Kim Kirk, Department of Environment and Conservation
Max Fleischer, Department of Environment and Conservation
Adrienne White, Department of Environment and Conservation
Jackie Manuel, Department of Environment and Conservation
Mark Cherpach, Department of Finance and Administration

Mike Morrow, Department of Finance and Administration
Cindi Liddell, Bond Finance
Annette Crutchfield, Legislative Budget
Jere Jeter, Department of Agriculture
Terry Bonham, Department of Environment and Conservation
Bill Avant, Department of Environment and Conservation
Brent Greer, Henry County Mayor
John Gregory, Tennessee Wildlife Resources Agency
Andrew Quirk, Skanska
Mendy Mazzo, Skanska
Betty Anderson, Skanska
Edward Belbusti, Skanska
Meredith Myers, Senator Jamie Woodson
Terry Mason, Department of Finance and Administration
Dick Tracy, Tennessee Board of Regents
David Gregory, Tennessee Board of Regents
Stephanie Steele, THEC
Diane Uhler, Tennessee Board of Regents
Alan Durham, Department of Transportation
Ann Butterworth, Comptroller's Office

Commissioner Goetz called the meeting to order at 10:34 a.m. and requested action on the following matters as presented by State Architect Mike Fitts.

CONSENT AGENDA

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

- A. Agency: **University of Tennessee – Knox County**
Transaction: Disposal by easement
Provision: Waiver Appraisal & Advertisement
- B. Agency: **University of Tennessee – Knox County**
Transaction: Acquisition in fee
- C. Agency: **University of Tennessee – Gibson County**
Transaction: Disposal in fee
Provision: Waiver Appraisal & Advertisement
- D. Agency: **University of Tennessee – Knox County**
Transaction: Disposal in fee
Provision: Waiver Appraisal & Advertisement
- E. Agency: **Tennessee Board of Regents – Montgomery County**
Transaction: Acquisition in fee
- F. Agency: **Tennessee Board of Regents – Montgomery County**
Transaction: Acquisition in fee
- G. Agency: **Tennessee Board of Regents – Rutherford County**
Transaction: Acquisition in fee
Provision: Waiver of Real Estate Management fees
- H. Agency: **Tennessee Board of Regents – Rutherford County**
Transaction: Acquisition in fee
Provision: Waiver of Real Estate Management fees
- I. Agency: **Department of Agriculture – Robertson County**
Transaction: Disposal in fee
Provision: Waiver appraisal

- J. Agency: **Department of Agriculture – Williamson County**
Transaction: Disposal in fee
Provision: Waiver appraisal
- K. Agency: **Tennessee Wildlife Resource Agency – Union County**
Transaction: Disposal by easement
Provision: Waiver Appraisal & Advertisement
- L. Agency: **Tennessee Wildlife Resource Agency – Maury County**
Transaction: Disposal by easement
Provision: Waiver Appraisal & Advertisement
- M. Agency: **Tennessee Wildlife Resource Agency – Roane County**
Transaction: Disposal by easement
Provision: Waiver Appraisal & Advertisement
- N. Agency: **Tennessee Wildlife Resource Agency – Cumberland County**
Transaction: Disposal by easement
Provision: Waiver Appraisal & Advertisement
- O. Agency: **Department of Transportation – Lawrence County**
Transaction: Lease Agreement
Provision: Waiver Advertisement
- P. Agency: **Department of Transportation – Humphreys County**
Transaction: Lease Agreement
Provision: Waiver Advertisement
- Q. Agency: **Department of Transportation – Sumner County**
Transaction: Lease Agreement
Provision: Waiver Advertisement
- R. Agency: **Department of Human Services – Davidson County**
Transaction: Lease Agreement
Provision: Waiver Advertisement
- S. Agency: **Department of Environment & Conservation – Lauderdale County**
Transaction: Disposal by lease
Provision: Waiver Appraisal & Advertisement
- T. Agency: **University of Tennessee – Knox County**
Transaction: Demolition
Provision: Thackston School – SBC No. 540/009-03-2009

TENNESSEE BOARD OF REGENTS

Austin Peay State University, Clarksville, Tennessee

- 1) Mr. Fitts stated that the Commission had referred a request to the Subcommittee, with authority to act, for approval to allocate funding and approval of the selection of a Construction Manager/General Contractor for the project of **Chemical Engineering Technology Facility** at Austin Peay State University in Clarksville, based upon proposals received March 12, 2009.

Jerry Preston was recognized and stated that they had received 20 proposals, with The Parent Company being the best-evaluated proposer. Treasurer Lillard asked Mr. Preston how the successful proposer compared with the cost, and was told "they were low". After discussion, the Subcommittee approved the request to allocate funding and selection of The Parent Company as CMGC for the project.

Estimated Project Cost: \$ 6,400,000.00
SBC Project No. 166/003-01-2009

Chattanooga State Technical Community College, Chattanooga, Tennessee

- 1) Approved a request for a revision in estimated project cost and funding from \$765,000.00 to \$835,000.00 (a \$70,000.00 increase), and acknowledgment of source of funding for **WTCI Repairs** at Chattanooga State Technical Community College in Chattanooga, and authorization to award a construction contract to RBA Construction, Inc. in the amount of \$645,300.00 based upon the base bid received March 11, 2009.

Revised Estimated Project Cost \$835,000.00
SBC Project No. 166/012-02-2007

TENNESSEE BOARD OF REGENTS

LAND ITEM

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

Description: **Knox County – 3426 Knott Avenue, Knoxville, TN. Trans. No. 09-02-001 (AM)**

Purpose: Acquisition in Fee and approval to demolish improvement.
Property is in PSTCC master plan for acquisition.

Source of Funding: Plant Funds

Cost: \$85,000 (appraised value)

Owner: Quint Bourgeois

Comment: Property will be used for student parking at Pellissippi State Technical Community College Division Street Campus.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff was concerned about the spread between Tax Assessor's appraisal of \$41,700 and our appraisal of \$85,000. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen presented the transaction. He stated that the cost spread between appraisals was due to the Tax Assessor getting ready to do a new appraisal on their four-year cycle. Commissioner Goetz asked if people normally sweep in and purchase property at 40%-50%, and was told "yes". Jerry Preston stated that the University of Memphis and Middle Tennessee State University have set up funds that allow them to purchase such properties quickly. After discussion, Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

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

Description: **Knox County – 3430 Knott Avenue, Knoxville, TN Trans. No. 09-02-002(AM)**

Purpose: Acquisition in Fee of vacant lot of property in PSTCC master plan for acquisition.

Source of Funding: Plant Funds

Cost: \$9,000.00 (appraised value)

Owner: Quint Bourgeois

Comment: Property will be utilized for future student parking at PSTCC Division Street Campus.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT GIFT, in the required interest in the following real property with WAIVER of REAL ESTATE MANAGEMENT FEE.

Description: Rutherford County – 216 Wilson Avenue, Murfreesboro, TN – Trans. No. 08-11-007(AM)

Purpose: Property is in MTSU master plan of acquisition. Property is one of "62" properties approved for acquisition by SBC on 6/26/2008.

Source of Funding: G.O. Bonds

Cost: \$102,000 (appraised value)

Owner: Barbara C. McMahan

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Secretary Hargett asked how the estimated value was derived, and was told from tax information and historical value. After discussion, Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL in FEE of interest in real property as required by TCA 4-15-102 and 12-2-112:

- Description: **Blount County – 18.526 acres located at 1010 Middlesettlement Road, Alcoa, TN. – Trans. No. 09-02-027 (BW)**
- Purpose: Disposal in Fee. Proceeds from disposal will be used for construction of new campus. Also requesting approval to enter into a no-cost lease to lease current site until completion of new campus.
- Estimated Cost: \$2,965,000.00-\$3,175,000.00
- Grantee: Unknown
- SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Disposal of this older campus will help fund new campus in Blount County. Staff referred to Subcommittee with recommendation.
- SC Action: 03-23-09. Jurgen Bailey presented the transaction. Jerry Preston stated that the property was given by Blount County in 1991. He said the original deed had a reversionary clause if the property ceased to be used for educational purposes. The County has since released the reversionary clause and will allow the Board to utilize the funds of the sale toward the new campus currently being built. After discussion, Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

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

Description: Washington County – 3.87 acres located near ETSU. Trans. No. 09-02-038 (BW)

Purpose: Approval to dispose by ground lease (30 years) for commercial development. Successful developer will be selected through RFP Process. Development to complement the new ETSU Baseball Park.

Estimated Cost: \$5,000,000.00

Grantee: Successful developer selected by RFP.

Comment: This property may include but not limited to a restaurant, deli, pizza, fast food establishment, dry cleaners, banks, etc. Revenues generated from development will repay bonds for the development of ETSU's baseball park and park enhancement.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Jerry Preston stated that the BOR/ETSU will control what types of business will be going in the vacated space around the baseball park. Staff referred to Subcommittee for discussion.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Jerry Preston stated this was a unique opportunity and that they were asking for approval to release the RFP. He said they will bring back the business details to the Subcommittee later this summer. After discussion, Subcommittee approved the request as presented.

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

Description: **Henry County – 101.57 acres near Paris, TN. – Trans. No. 09-02-014 (RJ)**

Purpose: Disposal by Leasehold (Sub-Lease)

Estimated Cost: Mutual Benefits

Grantee: Henry County has been leasing this property since 2/9/2006 and requests approval to sublease.

Sub Lessee: Henry County Youth Shooting Club (Sub Lessee)

Comment: T.W.R.A. supports the change in responsibility.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. John Gregory summarized the transaction in more detail. Staff referred to Subcommittee for discussion.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Comptroller Wilson asked what TWRA's involvement would be. John Gregory responded that the Agency is very involved in the shooting events, making sure they are in compliance, etc. He added that the Shooting Club helps support the Agency with licensures and sporting events. Secretary Hargett asked if this was a 501(c)3, and was told "yes". Henry County Mayor Brent Greer was recognized and spoke on behalf of the volunteer-supported Youth Shooting Club and the value it adds to the community. After general discussion, Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE & ADMINISTRATION

LAND ITEM

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

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

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

Original Cost to State: \$487,398.000

Date of Original Conveyance: Various from 1951 to 2008

Grantor unto State: Various

Estimated Sale Price: Fair Market Value

Grantee: Industrial Development Board of Knoxville

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

SC Action: 02-23-09. Jurgen Bailey presented the transaction. He stated that they had initiated a new appraisal, which was yet to be received, but indications were that the value would be approximately \$2,160,000. Treasurer Lillard asked if there was any bond debt associated with this, and Mr. Bailey responded "no". He asked if this was contingent upon the appraisal, and was told "yes". Treasurer Lillard asked how it was advantageous to them to approve this request based on that contingency. After discussion, the Subcommittee voted to defer for one month.

SC Action: 03-23-09. Jurgen Bailey presented the transaction and requested selling the property to the Industrial Development Board of Knoxville for \$2,160,000.00. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

Review of a request for APPROVAL to ACQUIRE WETLAND MITIGATION CREDITS, the required interest in the following real property:

Description: **Rutherford County – Acquisition of 25 Wetland Mitigation Credits – Trans . No. 09-02-029 (JB)**

Purpose: Acquisition of 25 wetland mitigation credits to mitigate unavoidable wetland impacts associated with construction of TDOT projects within the Lower Cumberland River Watershed.

Source of Funding: State/Federal Highway Funds-\$500,000.00

Owner: Harpeth Wetland Bank, LLC

Comment: These wetland credits were negotiated at \$17,500 per credit. They will cover road projects in Bedford, Cheatham, Davidson, Dickson, Marshall, Maury, Montgomery, Robertson, Rutherford, Sumner, Williamson, and Wilson Counties.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

Review of a request for APPROVAL to ACQUIRE WETLAND MITIGATION CREDITS, the required interest in the following real property:

Description: **Fayette County – Acquisition of 25 Wetland Mitigation Credits – Trans. No. 09-02-028 (JB)**

Purpose: Acquisition of 25 wetland mitigation credits to mitigate unavoidable wetland impacts associated with construction of TDOT projects within the Wolf River Watershed.

Source of Funding: State/Federal Highway Funds-\$500,000.00

Owner: Wolf River Wetland Mitigation Bank

Comment: These wetland credits were negotiated at \$20,000 per credit. They will cover road projects in Fayette, Shelby and Hardeman Counties.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

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

Description: **Shelby County – 0.251 acres located in Memphis, TN Trans. No. 09-02-006 (FB)**

Purpose: Disposal in Fee of surplus right of way.

Estimated Cost: \$75,000 or better.

Grantee: A.L.S.A.C. (American Lebanese Syrian Associated Charities)

Comment: This is one of three adjoining land owners that want to acquire surplus right of way. They are requesting Parcel # 4.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

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

Description: **Shelby County – 0.627 acres located in Memphis, TN Trans. No. 09-02-004 (FB)**

Purpose: Disposal in Fee of surplus right of way.

Estimated Cost: \$75,000 or better.

Grantee: Memphis Housing Authority

Comment: There are no deeds to the property but Tax Maps show TDOT to be the owner of the property. This is part of three different requests on surplus property.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

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

Description: **Shelby County – 0.139 acres located in Memphis, TN Trans. No. 09-02-005 (FB)**

Purpose: Disposal in Fee of surplus right of way.

Estimated Cost: \$75,000 or better

Grantee: MLB-Uptown, LLC

Comment: Sale of surplus right of way. This is one of three requests on adjoining right of way. Sale to adjoining owners. This Parcel 3 is being requested by MLB-Upton, LLC.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee requested further information about the Grantee and deferred the request.

DEPARTMENT OF TRANSPORTATION

LEASE AGREEMENT

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

Location: **Montgomery County – 1111 Fort Campbell Boulevard, Clarksville, TN – Trans. No. 09-01-903 (AL)**

Purpose: Provide office and warehouse/ shop space to accommodate TDOT operations during renovation of state owned district garage

Term: April 1, 2009 – March 31, 2010 (1 yr)

Proposed Amount: **8,000 Square Feet**

Annual Contract Rent:	\$ 90,000.00	@ \$11.25/sf
Est. Annual Utility Cost:	\$ 11,200.00	@ \$1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 8,800.00</u>	<u>@ \$1.10/sf</u>
Total Annual Effective Cost:	\$110,000.00	@ \$13.75/sf

Current Amount: None

Type: New Lease – Negotiated

FRF Rate: \$8.00

Purchase Option: No

Lessor: Gary Matthews

Comment: Proposed lease provides the following: No cancellation except for cause and/ or lack of funding; lessor to provide approximately 8,000 rsf of existing space.

SSC Report: 03-16-09. Bob King summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action; 03-23-09. At the Agency's request, the matter was deferred.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

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

Description: **Davidson County – 2.38+/- acres located at Radnor Lake - Trans. No. 09-02-032 (GM)**

Purpose: Acquisition in Fee of 5476 Camelot Road, Brentwood.

Source of Funding: State Land Acquisition Fund-\$35,000.00

Owner: Friends of Radnor Lake

Comment: Property is being donated to the state. State will be responsible for expenses associated with acquiring property, surveys, title, etc.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

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

Description: Davidson County – 20+/- acres located at Radnor Lake, Oak Hill, TN – Trans. No. 09-02-033 (GM)

Purpose: Acquisition in Fee of 6th Addition Lealand Manor.

Source of Funding: State Land Acquisition Fund-\$35,000.00

Owner: Friends of Radnor Lake

Comment: Property is being donated to the state. State will be responsible for expenses associated with acquiring property, surveys, title, etc.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

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

Description: **Davidson County – 5.0+/- acres located at Radnor Lake, Oak Hill, TN – Trans. No. 09-02-035 (GM)**

Purpose: Acquisition in Fee at Stonewall Jackson Court in Oak Hill.

Source of Funding: State Land Acquisition Fund-\$35,000.00

Owner: Friends of Radnor Lake

Comment: Property is being donated to the state. State will be responsible for expenses associated with acquiring property, surveys, title, etc.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

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

Description: Davidson County- 13.5+/- acres located at Radnor Lake, Oak Hill, TN – Trans. No. 09-02-036 (GM)

Purpose: Acquisition in Fee at Kings View in Oak Hill.

Source of Funding: State Land Acquisition Fund-\$35,000.00

Owner: Friends of Radnor Lake

Comment: Property is being donated to the state. State will be responsible for expenses associated with acquiring property, surveys, title, etc.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 03-23-09. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

SPECIAL ITEM

Review of a request for APPROVAL for ESTABLISHING ASBESTOS ACCREDITATION REQUIREMENTS PROGRAM for INDIVIDUALS and CONTRACTORS WORKING with ASBESTOS ABATEMENT in the STATE OF TENNESSEE.

- Description: **Statewide Accreditation Program for Asbestos Abatement for Individuals and Contractors – Trans. No. 09-02-008(FB)**
- Purpose: This program is authorized by TCA Section 62-41-101 et seq. Section 62-414-103 requires approval from State Building Commission prior to filing the Rule chapter with the Secretary of State.
- Comment: The asbestos accreditation program already exists under the Federal Toxic Substances Control Act. Currently individuals must obtain accreditation in other states in order to do work in Tennessee. With adoption of this program and rules, it will no longer be necessary to do that.
- SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Kim Kirk stated that the asbestos accreditation program already exists under Federal Toxic Substances Control Act, however individuals and companies must obtain accreditation through other states to work in Tennessee. This program will provide accreditation here in Tennessee. Staff referred to Subcommittee with recommendation.
- SC Action: 03-23-09. Jurgen Bailey presented the transaction. Kim Kirk, General Counsel for Department of Environment and Conservation, was recognized. She stated that the Attorney General had approved the document for form and legality, and the Commissioner of Commerce & Insurance had concurred. Treasurer Lillard asked if this was similar to other states, and was told "yes". After discussion, Subcommittee approved recommending to the full Commission for approval.

STATE BUILDING COMMISSION

MINUTES OF EXECUTIVE SUBCOMMITTEE MEETING

- 1) Approved the Minutes of the Executive Subcommittee meetings held on February 23 and March 11, 2009.

FACILITIES REVOLVING FUND

- 1) At Commissioner Goetz's request, staff distributed information to the new Constitutional Officers regarding the purpose and history of the Facilities Revolving Fund in a document entitled "Facilities Revolving Fund Handbook", dated February 20, 2009.

There being no further business, the meeting adjourned at 11:08 a.m.

Consent Agenda Items

A.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: **Knox County – 1.06 acres located on Sharpe Ridge, Knoxville. TN – Trans. No. 09-02-023(FB)**

Purpose: Disposal by easement. UTK on behalf of WUOT propose to relocate easement to radio tower to allow development and better road alignment.

Estimated Cost: Fair Market Value

Grantee: Holston Ridge, L.P.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Robbi Stivers explained that they are swapping one access easement for another. Staff referred to Sub-Committee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: Knox County – 0.101 acres , Neyland Stadium, Knoxville, TN – Trans. No. 09-02-024(FB).

Purpose: Acquisition of air rights easement for cantilevered expansion of Neyland Stadium to the west of current right of way line.

Source of Funding: University of Tennessee

Estimated Cost: Gift

Owner: City of Knoxville

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: **Gibson County – 0.464 acres in Milan, TN – Trans. No. 09-02-025(FB)**

Purpose: Disposal in Fee for relocation and installation of railroad spur for Milan Arsenal.

Estimated Cost: Fair Market Value

Grantee: United States of America

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: **Knox County – 1.86 acres located at Riverside Drive, Knoxville, TN – Trans. No. 09-02-026(FB)**

Purpose: Disposal in fee simple for realigning the approaches on Riverside Drive in the replacement of a bridge over a railroad.

Estimated Cost: Fair Market Value

Grantee: City of Knoxville

S&C Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

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

Description: Montgomery County – 745 Beech Drive, Clarksville, TN
Trans. No. 09-02-009 (AM)

Purpose: Acquisition in Fee for future APSU campus expansion.
Property is in master plan for acquisition.

Source of Funding: Plant Funds

Estimated Cost: \$85,000.00

Owner: John Daniel

Comment: Also requesting approval to demolish the improvement.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Demolition subject to Historical Commission approval. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

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

Description: Montgomery County – 736 Robb Avenue, Clarksville, TN. – Trans. No. 09-02-010 (AM)

Purpose: Acquisition in Fee of property designated in APSU's Master Plan for acquisition.

Source of Funding: Plant Funds

Estimated cost: \$9,000.00

Owner: George Watson

Comment: Property will be used for future campus expansion.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT GIFT, in the required interest in the following real property with WAIVER of REAL ESTATE MANAGEMENT FEES.

Description: **Rutherford County – 220 Eastland Avenue, Murfreesboro, TN – Trans. No. 08-11-002(AM)**

Purpose: Acquisition in fee of property that is in the MTSU Master Plan. One of the "62" properties approved by SBC on 6/26/08.

Source of Funding: G.O. Bonds

Cost: \$110,000.00 (appraised value)

Owner: Frederick S. Cottle

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT GIFT, in the required interest in the following real property with WAIVER OF REAL ESTATE MANAGEMENT FEE.

Description: Rutherford County – 225 Wilson Avenue, Murfreesboro, TN – Trans. No. 08-07-008(AM)

Purpose: Acquisition in Fee. Property is in MTSU master plan. This property is part of the "62" properties.

Estimated Cost: \$195,000 (appraised value)

Source of Funding: GO Bonds

Owner: Sarah Jane Hutcheson

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF AGRICULTURE

LAND ITEM

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

Description: **Robertson County – 2.00 acre fire tower site, Cross Plains, TN – Trans. No. 09-02-021 (GM)**

Purpose: Disposal in Fee of Fire Tower Site.

Estimated Cost: \$35,000.00

Grantee: Successful Proposer –Highest Bidder

Comment: Cross Plains Fire Tower Site will be disposed because of advanced fire fighting capabilities no longer requires this site.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF AGRICULTURE

LAND ITEM

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

Description: Williamson County – 1.65 acre fire tower site and residence near Franklin, TN – Trans. No. 09-02-022(GM)

Purpose: Disposal in Fee Simple of 1.4 acres and Reversion of 0.25 acres.

Original Cost
To State: \$100.00

Original Conveyance
Date: Tower Site 1954. Residence 1962.

Estimated Sale
Price: Fair Market Value

Grantee: Highest Bidder

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. 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 APPRAISALS AND ADVERTISEMENT as required by TCA 4-15-102 and 12-2-112:

Description: Union County – 1.0 acres located at Sharps Chapel City, TN – Trans. No. 09-02-013 (RJ)

Purpose: Disposal by Easement .Disposal of a highway right of way easement for TDOT project to replace a bridge on Sharps Chapel Road.

Estimated Cost: Public Purpose

Grantee: Union County

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 03-23-09. 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 APPRAISALS AND ADVERTISEMENT as required by TCA 4-15-102 and 12-2-112:

Description: **Maury County – 1.6 acres located near Columbia, TN Trans. No. 09-02-015(RJ)**

Purpose: Disposal by Easement for greenway. Land within City limits of Columbia was purchased for providing access to Duck River and protection of shoreline. Greenway or River walk will maintain access and shoreline.

Estimated Cost: Mutual Benefits

Grantee: City of Columbia

Comment: Requested action will not impact TWRA's use on the property.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. 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 (1) APPRAISAL and ADVERTISEMENT as required by TCA 4-15-102 and 12-2-112:

Description: **Roane County – 1.35 acres located in Rockwood, TN Trans. No. 09-02-017 (RJ)**

Purpose: Disposal by easement. Development of industrial park requires new utility lines installed from the new park to the Rockwood Facility.

Estimated Cost: \$1,500

Grantee: Roane County Public Utility Board

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. 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 (1) APPRAISAL and ADVERTISEMENT as required by TCA 4-15-102 and 12-2-112:

Description: **Cumberland County – 2.0 acres located near Rockwood, TN. – Trans. No. 09-02-018 (RJ)**

Purpose: Disposal by Easement. Development of industrial park requires new utility lines from the park to the city facility.

Estimated Cost: \$1,500

Grantee: Roane County Public Utility Board

Comment: This request affect the Cumberland County portion of Mt. Roosevelt WMA. Thirty foot (30) construction easement and fifteen foot (15) permanent easement for utility line easement and lift station is requested.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LEASE AGREEMENT

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

Location: Lawrence County – 1610 Mahr Avenue, Lawrenceburg, TN – Trans. No. 09-01-905 (AL)

Purpose: Provide office and warehouse/ shop space to accommodate TDOT operations during renovation of state owned district garage

Term: April 1, 2009 – March 31, 2010 (1 yr)

Proposed Amount: 24,000 Square Feet

Annual Contract Rent:	\$77,760.00	@ \$3.24/sf
Est. Annual Utility Cost:	\$33,600.00	@ \$1.40/sf
Est. Annual Janitorial Cost:	<u>\$26,400.00</u>	<u>@ \$1.10/sf</u>
Total Annual Effective Cost:	\$137,760.00	@ \$5.74/sf

Current Amount: None

Type: New Lease – Negotiated

FRF Rate: \$8.00

Purchase Option: No

Lessor: Joe Gobble

Comment: Proposed lease provides the following: No cancellation except for cause and/ or lack of funding; lessor to provide approximately 24,000 rsf of existing space and install one 14' X 10' section overhead door with automatic opening and also install 10 additional 110 V electrical outlets and 2 220 V electrical outlets of which lessor will be reimbursed costs not to exceed estimates provided to the State prior to the commencement of improvements.

SSC Report: 03-16-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LEASE AGREEMENT

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

Location: Humphreys County – 109 Industrial Court, Waverly, TN – Trans. No. 09-01-904 (AL)

Purpose: Provide office and warehouse/ shop space to accommodate TDOT operations during renovation of state owned district garage

Term: April 1, 2009 – March 31, 2010 (1 yr)

Proposed Amount: 21,000 Square Feet

Annual Contract Rent:	\$66,000.00	@ \$3.14/sf
Est. Annual Utility Cost:	\$29,400.00	@ \$1.40/sf
Est. Annual Janitorial Cost:	<u>\$23,100.00</u>	<u>@ \$1.10/sf</u>
Total Annual Effective Cost:	\$118,500.00	@ \$5.64/sf

Current Amount: None

Type: New Lease – Negotiated

FRF Rate: \$8.00

Purchase Option: No

Lessor: J.T. Reeves

Comment: Proposed lease provides the following: No cancellation except for cause and/ or lack of funding; lessor to provide approximately 21,000 rsf of existing space and install one 16' X 14' drum roll up door and install 6 additional natural gas lines to accommodate 200,000 btu heaters (heaters to be supplied by the State), of which lessor will be reimbursed costs not to exceed estimates provided to the State prior to the commencement of improvements.

SSC Report: 03-16-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF TRANSPORTATION

LEASE AGREEMENT

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

Location: Sumner County – 430 Airport Road, Suite A, Gallatin, TN – Trans. No. 09-02-902 (RS)

Purpose: Provide office and warehouse/ shop space to accommodate TDOT operations during renovation of state owned district garage

Term: May 1, 2009 –April 30, 2010 (1 yr)

Proposed Amount: 10,625 Square Feet

Annual Contract Rent:	\$57,375.00	@ \$5.40/sf
Est. Annual Utility Cost:	\$14,875.00	@ \$1.40/sf
Est. Annual Janitorial Cost:	<u>\$11,687.50</u>	<u>@ \$1.10/sf</u>
Total Annual Effective Cost:	<u>\$83,937.50</u>	@ \$7.90/sf

Current Amount: None

Type: New Lease – Negotiated

FRF Rate: \$8.00

Purchase Option: No

Lessor: Water Control Roofing Co.

Comment: Proposed lease provides the following: No cancellation except for cause and/ or lack of funding; lessor to provide approximately 10,625 rsf of existing space.

SSC Report: 03-16-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF HUMAN SERVICES

LEASE AGREEMENT

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

Location: Davidson County – 1616 Church Street, Nashville, TN – Trans. No. 09-03-900 (RS)

Purpose: To provide office space for county operations

Term: April 1, 2009 – March 31, 2010 (1 yr)

Proposed Amount: 6.958 Square Feet
Annual Contract Rent Incl. Utility and Janitorial Cost: \$83,496.00 @\$12.00/sf
Total Annual Effective Cost: \$83,496.00 @\$12.00/sf

Current Amount: 6.958 Square Feet
Annual Contract Rent Incl. Utility and Janitorial Cost: \$83,496.00 @\$12.00/sf
Total Annual Effective Cost: \$83,496.00 @\$12.00/sf

Type: New Lease

FRF Rate: \$18.00

Purchase Option: No

Lessor: John A Gupton College

Comment: Proposed lease provides the following ninety day cancellation clause and the lessor to install new carpet at no additional cost to the State.

SSC Report: 03-16-09. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 03-23-09. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

LAND ITEM

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

Description: Lauderdale County – 1,872+/- acres located at Sunk Lake SNA – Trans. No. 09-02-020 (GM)

Purpose: Disposal by Lease. Lease renewal of existing 10 year lease for wildlife management.

Estimated Cost: Mutual Benefits

Grantee: U.S. Fish and Wildlife Services

Comment: On May 9, 1988, the Department entered into a lease agreement with the U.S. Department of Interior (Fish and Wildlife Services) to manage Sunk Lake Natural Area for a 10 year period. The Department would like to pursue a third lease with the federal government.

SSC Report: 03-16-09. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

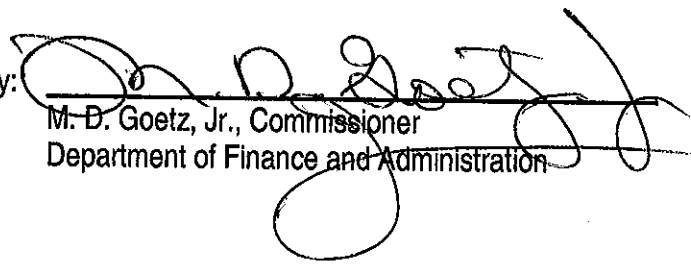
SC Action: 03-23-09. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

UNIVERSITY OF TENNESSEE AT KNOXVILLE, TENNESSEE

- 1) Approved a project to **Demolish Thackston School** located at 901 22nd Street, Knoxville, Tennessee, as reviewed by the Tennessee Historical Commission.

Estimated Project Cost: \$25,000.00
SBC Project No. 540/009-03-2009

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