

MINUTES

STATE BUILDING COMMISSION MEETING

MAY 8, 2003

The State Building Commission met this day at 1:30 p.m. in House Hearing Room No. 29, Legislative Plaza, Nashville, Tennessee, with the following State Building Commission members and departments present.

1:35 p.m.	Department of Environment and Conservation	Commissioner Betsy Child
1:36 p.m.	Military Department	General David Greer
1:47 p.m.	Tennessee Board of Regents	Chancellor Charles Manning
2:08 p.m.	Department of Finance and Administration	
2:09 p.m.	State Building Commission	

STATE BUILDING COMMISSION MEMBERS PRESENT

Lieutenant Governor John S. Wilder, Speaker of the Senate
Jimmy Naifeh, Speaker of the House of Representatives
Dave Goetz, Commissioner, Department of Finance and Administration
Riley Darnell, Secretary of State
John G. Morgan, Comptroller of the Treasury
Steve Adams, State Treasurer

STATE BUILDING COMMISSION MEMBERS ABSENT

Governor Phil Bredesen

OTHERS PRESENT

Mike Fitts, State Architect
Georgia Martin, Department of Finance and Administration
Larry Kirk, Department of Finance and Administration
Sharon Willis, Department of Finance and Administration
Charles Harrison, Comptroller's Office
Mark Wood, Secretary of State's Office
Janie Porter, Attorney General's Office
Genie Whitesell, Attorney General's Office
Senator Jo Ann Graves
Pat Haas, Bond Finance

Keith Robinson, Tennessee Board of Regents
Jerry Preston, Tennessee Board of Regents
Dennis Raffield, THEC
Nancy Blevins, Department of Finance and Administration
Dwight Hensley, Department of Environment and Conservation
George Brummett, Department of Finance and Administration
Cliff Steger, Department of Finance and Administration

Doug Roberts, Department of Finance and
Administration
Bill Rasnick, East Tennessee State
University
David Gregory, Tennessee Board of Regents
Steve Gillette, Tennessee State University
Clyde Chesney, Tennessee State University
Latif Lighen, Tennessee State University
Ben Riley, Department of General Services

John Cothorn, Middle Tennessee State
University
Stephen Kolisen, Tennessee State University
Elease Jolley, Tennessee State University
Carter Catlin, Tennessee State University
Beth Kickirillo, Hinson Miller Kickirillo
Architects
Kem Hinton, Tuck Hinton Architects
Ken Ross, Ken Ross Architects
Emmett Kennon

Lieutenant Governor Wilder called the meeting to order at 11:14 a.m. and requested action on the following projects as presented by State Architect Michael A. Fitts.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

1:35 p.m.

Commissioner Betsy Child requested action on the following matters.

BLEDSOE CREEK STATE PARK, GALLATIN, TENNESSEE

- 1) Approved a request for a revision in scope and funding and acknowledgment of the source of funding from \$120,000.00 to \$228,000.00 (\$108,000.00 increase) of a project for **Campground Upgrade** at Bledsoe Creek State Park, and the selection of Gobbell-Hays Partners to design and supervise the project.

Revised Estimated Project Cost: \$228,000.00
SBC Project No. 126/012-01-98

TIMS FORD STATE PARK, WINCHESTER, TENNESSEE

- 1) Approved a project and acknowledgment of the source of funding for **Campground Check In Station** at Tims Ford State Park, in Winchester, Tennessee.

Estimated Project Cost: \$10,000.00
SBC Project No. 126/092-01-03

MILITARY DEPARTMENT

1:36 p.m.

General David Greer requested action on the following matters.

VOLUNTEER TRAINING SITE, SMYRNA, TENNESSEE

- 1) Approved a project and acknowledgment of the source of funding for **Building 600 Renovations** at Volunteer Training Site in Smyrna, with design services to be accomplished by in-house design staff with Department consultants.

Estimated Project Cost: \$250,000.00
SBC Project No. 361/079-01-03

- 2) Approved a project and acknowledgment of the source of funding for **HVAC Chiller Replacement & Controls** at Volunteer Training Site in Smyrna, with design services to be accomplished by in-house design staff with Department consultants.

Estimated Project Cost: \$50,000.00
SBC Project No. 361/079-02-03

- 3) Approved a project and acknowledgment of the source of funding for **POV Parking** at Volunteer Training Site in Smyrna, with design services to be accomplished by in-house design staff with departmental consultants.

Estimated Project Cost: \$70,000.00
SBC Project No. 361/079-03-03

- 4) Approved a project and acknowledgment of the source of funding for **Building 665 Reroof** at Volunteer Training Site in Smyrna, with design services to be accomplished by in-house design staff with departmental consultants.

Estimated Project Cost: \$65,000.00
SBC Project No. 361/079-04-03

- 5) Approved a request for a revision in scope and funding and acknowledgment of the source of funding from \$200,000.00 to \$650,000.00 (\$450,000.00 increase) of a project for **Building 501 Rehab** at Volunteer Training Site in Smyrna, to include adding kitchen/dining area.

Revised Estimated Project Cost: \$650,000.00
SBC Project No. 361/079-08-02

- 6) Approved a request for a revision in scope and funding and acknowledgment of the source of funding from \$1,243,000.00 to \$1,983,000.00 (\$740,000.00 increase) of a project for **Battalion Contonement Area, Phase 1 & 2**, at Volunteer Training Site in Smyrna, Tennessee.

Revised Estimated Project Cost: \$1,983,000.00
SBC Project No. 361/079-01-01

VOLUNTEER TRAINING SITE, TULLAHOMA, TENNESSEE

- 1) Approved a project and acknowledgment of the source of funding for **Headquarters Admin Building** at Volunteer Training Site in Tullahoma, with design services to be accomplished by in-house design staff with departmental consultants.

Estimated Project Cost: \$240,000.00
SBC Project No. 361/093-01-03

- 2) Approved a project and acknowledgment of the source of funding for **40-Bed Barracks** at Volunteer Training Site in Tullahoma, with design services to be accomplished by in-house design staff with departmental consultants.

Estimated Project Cost: \$270,000.00
SBC Project No. 361/093-02-03

NATIONAL GUARD ARMORY, JACKSON, TENNESSEE

- 1) Approved a request for a revision in funding and acknowledgment of the source of funding from \$284,000.00 to \$338,793.81 (\$54,793.81 increase) of a project for **Kitchen Addition** at National Guard Armory, Jackson, Tennessee.

Revised Estimated Project Cost: \$338,793.81
SBC Project No. 361/042-01-02

- 2) Approved a project and acknowledgment of the source of funding for **HVAC Chiller Replacement & Controls** at Armed Forces Reserve Center in Jackson, with design services to be accomplished by in-house design staff with departmental consultants.

Estimated Project Cost: \$50,000.00
SBC Project No. 361/042-01-03

VOLUNTEER TRAINING SITE, MILAN, TENNESSEE

- 1) Approved a request to cancel a project to **Construct Enlisted Quarters** at the Volunteer Training Site in Milan, Tennessee.

Estimated Project Cost: \$400,000.00
SBC Project No. 368/031-01-02

NATIONAL GUARD ARMORY, KNOXVILLE, TENNESSEE

- 1) Approved a request to reallocate funding on a project for **Roof Replacement** at TNARNG Knoxville Armory Facilities and authorization to award a contract to Porter Roofing of McMinnville, in the amount of \$275,875.00, which includes the base bid and Alternate #1, based on bids received 30 April 2003.

Estimated Project Cost: \$300,000.00
SBC Project No. 361/047-01-01

TENNESSEE BOARD OF REGENTS

1:47 p.m.

Chancellor Charles Manning requested action on the following matters.

SYSTEMWIDE

- 1) Approved a request for a revision in funding from \$3,450,000.00 to \$3,575,000.00 (a \$125,000.00 increase) and acknowledgment of source of funding for **C F C Chillers Replacements (Part 2)** at Institutions Systemwide in Tennessee.

Revised Estimated Project Cost: \$ 3,575,000.00
SBC Project No. 166/000-02-01

TENNESSEE TECHNOLOGICAL UNIVERSITY, COOKEVILLE, TENNESSEE

- 1) Approved a project and acknowledgment of the source of funding for **Ash System Emergency Replacement** at Tennessee Technological University in Cookeville, Tennessee, with design services provided by the regional consultant.

Estimated Project Cost: \$ 290,000.00
SBC Project No. 166/011-01-03

MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Chancellor Manning presented a request for approval of a revision in estimated project cost and funding from \$1,000,000.00 to \$1,300,000.00 (\$300,000.00 increase) and acknowledgment of the source of funding; and, approval of completion as a gift project, subject to review by the State Architect in accordance with SBC policy, and TBR staff providing continuing oversight in design and construction; and approval of the Early Design Phase of the project for a **Sports Museum** at Middle Tennessee State University in Murfreesboro, Tennessee, as presented by the design firm of Tuck Hinton Architects. The Commission recognized Emmett Kennon, the donor, who commented that he felt the project will be good for the University and a good recruiting tool. The Commission then approved the request as presented.

Revised Estimated Project Value: \$ 1,300,000.00
SBC Project No. 166/009-02-02

EAST TENNESSEE STATE UNIVERSITY, JOHNSON CITY, TENNESSEE

- 1) Approved the Early Design Phase for the gift project of a **Golf Practice Area Development** at East Tennessee State University in Johnson City, Tennessee, as presented by the design firm of Ken Ross Architects.

Estimated Project Value: \$ 1,217,740.00
SBC Project No. 166/005-08-02

TENNESSEE STATE UNIVERSITY, NASHVILLE, TENNESSEE

- 1) Approved the Early Design Phase of a project for **Agriculture I.T. Center New Construction** for Tennessee State University in Nashville, Tennessee, as presented by the design firm of Hinson Miller Kickirillo.

Estimated Project Cost: \$ 1,760,000.00
SBC Project No. 166/001-03-00

UNIVERSITY OF MEMPHIS, MEMPHIS, TENNESSEE

- 1) Deferred, on request, the approval of the Early Design Phase for **Meeman Biological Field Station Quarters** at the University of Memphis in Memphis, Tennessee.

Estimated Project Cost: \$ 721,000.00
SBC Project No. 166/007-06-02

SYSTEMWIDE

- 1) Chancellor Manning brought up from the floor a request regarding **Storm Damage Repairs** at several TBR institutions, statewide. He said that the storms rolling through the State did their most damage at Dyersburg State Community College, tearing off part of the roof, wrecking rooftop air handling units, and raining into the Gymnasium. He said, in consultation with the State's Risk Management office, TBR dispatched architects and contractors to stabilize, dry, and protect the most damaged areas and assess the needed repairs. He added that there is also minor building and exterior damage there and on other campuses, and the situation continues to evolve. He requested approval of a project with referral to the Subcommittee, with authority to act, establishment of the project scope, cost and funding. The Commission approved the Chancellor's request.

SBC Project No. 166/000-01-03

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DEPARTMENT OF FINANCE AND ADMINISTRATION

2:08 p.m.

CONTRACTOR QUALIFICATION REVIEW PANEL

- 1) State Architect Mike Fitts presented a request to disqualify the following contractors up to three years from performing State work, based upon recommendation of the Contractor Qualification Review Panel in accordance with SBC By-laws, Policy & Procedures. The Commission debarred the following contractors for three years:
 - C & S Contractors, 750 N. Broad Street, Suite 202, Cleveland, TN 37311
 - City Roofing, 4920 Pleasant Hill Road, Memphis, TN 38118
 - Benny Neill Construction, LLC, 325 Neill Cemetary Road, Savannah, TN 38372
 - Ronnie Rex Wallace Construction, 2686 Huntsville Hwy, Fayetteville, TN 37334

DISCUSSION OF BIDS

- 1) **East TN Regional Health Facility**
(Air Conditioning Upgrade)
SBC Project No. 408/001-01-02
Bid date: 7 May 2003
SBC Action: Referred to the Subcommittee, with authority to act

SPECIAL ITEM

- 1) Approved a project for **Storm Damage Repairs** to State facilities impacted by inclement weather, and referred to the Subcommittee, with authority to act, establishment of project costs, scope and funding.

STATE BUILDING COMMISSION

MINUTES OF MEETING OF STATE BUILDING COMMISSION

- 1) Approved the Minutes of the State Building Commission meeting held on April 17, 2003.

BY LAWS, POLICY AND PROCEDURES OF THE STATE BUILDING COMMISSION

- 1) Approved the following policy regarding funding employee labor cost for capital projects as recommended by the SBC Executive Subcommittee.

Article II, Section 24 of the Tennessee Constitution provides that:

No debt obligation, except as shall be repaid within the fiscal year of issuance, shall be authorized for the current operation of any state service or program, nor shall the proceeds of any debt obligation be expended for a purpose other than that for which it was authorized.

It is the constitutional directive that operating expenses be paid from current dollars. This policy is concerned with preventing operating expenses from being disguised as capital expenses, in violation of the constitutional provision. Additionally, this policy is concerned with management practices that circumvent the controls imposed by the budget process. At times, a governmental entity determines that certain activities related to capital projects are better accomplished utilizing employee labor, rather than contracting externally for the services. This determination may be based on price or on programmatic concerns (least disruptive alternative). For purposes of this policy, the motivation for such determination will not be considered. It is acknowledged that some costs that pursuant to federal tax law could be financed with tax-exempt debt proceeds will be excluded from debt financing in order to avoid abuses.

No budgeted operational expenditures (including employee labor cost) shall be reimbursed with debt proceeds unless such debt is issued pursuant to TCA 9-10-101 as tax revenue anticipation notes. This policy applies to proceeds of all state debt, whether issued by the State Funding Board, the Tennessee State School Bond Authority, or any other state debt issuer.

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REPORT OF CHANGE ORDERS RESULTING IN CUMULATIVE CHANGE ORDER COSTS TO EXCEED 10% OF BASE CONTRACT AMOUNT

1. **Tennessee Board of Regents**
(Chiller, Ph 4)
Change Order No. 3
Change Order Amount: \$22,249.00
Change Order Percent: 6.34
Cumulative Percent 23.78
SBC Project No. 166/000-02-97U

2. **Tennessee Board of Regents**
(Chiller, Ph 4)
Change Order No. 4
Change Order Amount: \$1,889.97
Change Order Percent: .54
Cumulative Percent 24.32
SBC Project No. 166/000-02-97U

3. **Middle Tennessee State University**
(Development Office)
Change Order No. 8
Change Order Amount: \$5,145.33
Change Order Percent: .59
Cumulative Percent 15.9
SBC Project No. 166/009-06-98

4. **Northeast State Community College**
(Renovation Pierce Building)
Change Order No. 11
Change Order Amount: \$3,735.31
Change Order Percent: .48
Cumulative Percent 20.9
SBC Project No. 166/038-03-99

5. **Northeast State Community College**
(Renovation Pierce Building)
Change Order No. 12
Change Order Amount: \$8,241.42
Change Order Percent: 1.07
Cumulative Percent 21.97
SBC Project No. 166/038-03-99

6. **Clover Bottom Developmental Center**
(Replace Chiller/Air Handler Two Buildings)
Change Order No. 4
Change Order Amount: \$9,848.91
Change Order Percent: 5.11
Cumulative Percent 13.49
SBC Project No. 344/003-01-01

7. **Greene Valley Developmental Center**
(Electrical Service Upgrade)
Change Order No. 8
Change Order Amount: \$21,644.00
Change Order Percent: 4.81
Cumulative Percent 15.59
SBC Project No. 344/007-02-00

SUB-COMMITTEE REPORT

- 1) Report received of action taken at the State Building Commission Executive Subcommittee meeting held on April 21, 2003.

DESIGNER SELECTION LIST

Approved the designer selections as recommended.

- 1) **Department of Veterans Affairs**
(East Tennessee Veterans Home)
Estimated Project Cost: \$16,400,000.00
SBC Project No. 680/000-01-03
Designer: **JOHNSON + BAILEY / THE LEWIS GROUP, a joint venture**
- 2) **Bledsoe Creek State Park**
(Campground Upgrade)
Estimated Project Cost: \$228,000.00
SBC Project No. 126/012-01-98
Designer: **GOBBELL-HAYS PARTNERS**

There being no further business, the meeting adjourned at 2:10 p.m.

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