

**MINUTES**  
STATE BUILDING COMMISSION  
Executive Subcommittee  
January 22, 2024

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The State Building Commission Executive Subcommittee met this day at 11:00 a.m. in House Hearing Room II of the Cordell Hull State Office Building, Nashville, Tennessee, with the following members and Departments present. Commissioner Bryson called the meeting to order at 11:00 a.m. and requested action on the following matters as presented by State Architect Ann McGauran.

MEMBERS PRESENT

Jim Bryson, Commissioner, Department of Finance and Administration  
Tre Hargett, Secretary of State  
David Lillard, State Treasurer  
Jason Mumpower, Comptroller of the Treasury

ORGANIZATION

- Department of General Services
- State Building Commission

PRESENTER

Deputy Commissioner John Hull  
State Architect Ann McGauran

CONSENT AGENDA

Approved the following items which had been reviewed and recommended for approval by Subcommittee staff:

1. Agency: **Tennessee Board of Regents / Tennessee College of Applied Technology**  
Requested Action: Approval of a lease with waiver of advertisement and appraisal  
Transaction No.: 24-01-002  
Location: TCAT-Jackson/TCAT Blue Oval City (TCAT)  
Fayette County – 3.4 +/- acres – Highway 22 E, Stanton, TN
  
2. Agency: **Department of Military**  
Requested Action: Approval of disposal in fee with waiver of advertisement  
Transaction No.: 23-12-001  
Location: Lincoln County – 0.874 ± acres – 1805 Wilson Pkwy., Fayetteville, TN
  
3. Agency: **Tennessee Wildlife Resources Agency**  
Requested Action: Approval of acquisition in fee  
Transaction No.: 23-11-005  
Location: Lick Creek Bottoms Refuge (LCBR)  
Greene County – 273.73 ± acres (3 tracts) – 0 Toby Road, 1819 Toby Road, and 605  
Glades Road, Mohawk, TN
  
4. Agency: **Department of General Services**  
Requested Action: Approval of a lease  
Transaction No.: 22-02-906 (DCS)  
Location: Gibson County – 802 Trenton Road, Trenton, TN
  
5. Agency: **Department of General Services**  
Requested Action: Approval of a lease amendment with waiver of advertisement  
Transaction No.: 06-10-901 (DOC)  
Location: Rutherford County – 1711 Old Fort Parkway, Suite A, Murfreesboro, TN
  
6. Agency: **Department of General Services**  
Requested Action: Approval of a lease amendment with waiver of advertisement  
Transaction No.: 18-06-907 (DOC)  
Location: Wilson County – 1432 West Main Street, Lebanon, TN

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease (Space)**

**Requested Action:**                   **Approval of a lease**

**Transaction Description:**       Transaction No. 23-03-906 (DOS)

● **Proposed Lease**

- **Location:**                   Washington County - TBD Bobby Hicks Highway, Johnson City, TN
- **Landlord:**                   John C. Davenport
- **Term:**                         15 Years
- **Area / Costs:**             5,600 Square Feet

|                                  |              |            |
|----------------------------------|--------------|------------|
| First Year Contract Rent:        | \$363,440.00 | \$64.90/sf |
| Average Annual Contract Rent     | 381,640.00   | 68.15/sf   |
| Estimated Annual Utilities Cost  | 9,800.00     | 1.75/sf    |
| Estimated Annual Janitorial Cost | 6,160.00     | 1.10/sf    |
| Total Annual Effective Cost      | \$397,600.00 | \$71.00/sf |

● **Current Lease**

- **Location:**                   Washington County - 4717 Lake Park Drive, Johnson City, TN
- **Landlord:**                   CDP5, a Tennessee General Partnership
- **Term:**                         5 Years (July 1, 2021 – June 30, 2026)
- **Area / Costs:**             5,035 Square Feet

|                             |              |            |
|-----------------------------|--------------|------------|
| Annual Contract Rent        | \$209,506.35 | \$41.61/sf |
| Estimated Utilities Cost    | 8,811.25     | 1.75/sf    |
| Estimated Janitorial Cost   | 5,538.50     | 1.10/sf    |
| Total Annual Effective Cost | \$223,856.10 | \$44.46/sf |

- **Source of Funding:**       FRF
- **Procurement Method:**    Advertised
- **FRF Rate:**                   \$18.00

**Comment:**

This lease will provide space for a Department of Safety and Homeland Security (DOS). The Driver Services Center (DSC) will offer both passenger and commercial driver license (CDL) testing and include a CDL pad with truck canopy. Three proposals from three proposers were received and evaluated. DOS has requested that the lease be awarded to the second lowest cost proposer who will construct improvements to meet the Department's needs. The Department of General Services supports this request because the site configuration and layout of the improvements to be constructed will allow for more efficient and effective CDL testing and improved ingress and egress. The truck canopy shall be constructed by the landlord and cost reimbursed by the state.

The lease is estimated to commence on or before April 2026. Tenant may terminate this lease for convenience after the 60th month with prior written notice to the landlord. The lease contains a purchase option with a stated purchase price for each year of the lease.

This lease is under consideration to be a special use facility per SBC policy 14.01 due to the unique features required.

Based on a review of the financial aspects, occupancy requirements, and the market indicators, this lease is deemed to be in the state's best interest at this time.

**Minutes:**

01/22/2024

Commissioner Bryson thanked Mr. Hull for his presentation which had answered many of his questions. Commissioner Bryson then asked why the rental rate for this space need was so expensive, going from an already high \$44/sf to \$71/sf. Mr. Hull explained that it is the result of the high cost of construction for a CDL pad. Commissioner Bryson asked for confirmation that all of the tenant improvements would be paid for by the landlord and included in the rent. Mr. Hull confirmed that all tenant improvement costs except for the cost of construction of the truck canopy would be paid for by the landlord.

The Subcommittee approved a lease.

STATE BUILDING COMMISSION

**Minutes of Executive Subcommittee Meeting**

- 1) Approved the Minutes of the Executive Subcommittee meeting held on December 14, 2023.

**Report of Items Approved by Office of the State Architect**

**Initial and Revised Approvals of Capital Projects**

- Reported the following three capital projects with total project cost of \$100,000 - \$1,000,000 in accordance with Item 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:

- 1) State Procurement Agency:** University of Tennessee Institute of Agriculture  
**Location:** Greeneville, Tennessee  
**Project Title:** Clyde Austin 4-H Center Improvements  
**Project Description:** Construction of two open air pavilions at the center, and a garage at the center director's residence. Includes site work, ADA accessibility, and all related work to complete the project.

**SBC Project No.** 540/001-16-2022  
**Total Project Budget:** \$176,000.00  
**Source of Funding:** \$124,000.00 Gifts (O)  
\$ 52,000.00 Plant Funds (Non-Aux) (A)

**Approval:** Approved utilizing a campus consultant for design (MBI Companies, Inc.)  
**Approval Date:** 01/02/2024
- 2) State Procurement Agency:** University of Tennessee – Knoxville  
**Location:** Knoxville, Tennessee  
**Project Title:** Student Health Center Office Renovations  
**Project Description:** Renovation and reconfiguration of space for mental health offices. Includes all related work.

**SBC Project No.** 540/009-02-2023  
**Total Project Budget:** \$441,000.00  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Approval:** Approved a revision in project budget and funding (increases by \$56,000.00)  
**Approval Date:** 12/19/2023
- 3) State Procurement Agency:** STREAM / Department of Environment & Conservation  
**Location:** Three Way, Tennessee  
**Project Title:** Middle Fork Bottoms State Park Prefabricated Restroom  
**Project Description:** Furnish and install new prefabricated restroom at Middle Fork Bottoms State Park and all required related work.

**SBC Project No.** 126/053-01-2024  
**Total Project Budget:** \$500,000.00  
**Source of Funding:** \$100,000.00 23/24 TDEC CurrFunds-MajMaint (A)  
\$400,000.00 Federal Grant (RTP) (F)

**Approval:** Approved project utilizing Agency Resources for design and construction  
**Approval Date:** 01/09/2024

## Approvals of Revisions to Existing Capital Projects

- Reported the following twelve approvals of a Best Value (BV) or Construction Manager/General Contractor (CM/GC) in accordance with Item 2.04(B)(6) of the *SBC By-Laws, Policy & Procedures*:
  - 1) **State Procurement Agency:** University of Tennessee Institute of Agriculture  
**Location:** Spring Hill, Tennessee  
**Project Title:** ARP – Broiler and Research Facility  
**Project Description:** Construction of facilities for poultry broiler production and research space at the Middle Tennessee AgResearch and Education Center (MTREC). Includes all related work to complete the project.  
  
**SBC Project No.** 540/001-18-2023  
**Total Project Budget:** \$8,000,000.00  
**Source of Funding:** Federal Funds (ARP) (F)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (P&C Construction, Inc.)  
**Approval Date:** 12/28/2023
  - 2) **State Procurement Agency:** University of Tennessee – Knoxville  
**Location:** Knoxville, Tennessee  
**Project Title:** Melrose Hall Replacement  
**Project Description:** Replacement of the existing Melrose Hall with new classrooms and administrative offices. Project includes all related work.  
  
**SBC Project No.** 540/009-12-2023  
**Total Project Budget:** \$108,000,000.00  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (Hoar Construction, LLC)  
**Approval Date:** 12/28/2023
  - 3) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Crossville, Tennessee  
**Project Title:** New Academic Building & New Truck Driving Facility  
**Project Description:** Construct a new academic building and a new truck driving training facility, renovate and repurpose existing spaces, and expand parking areas. Project includes site and infrastructure improvements.  
  
**SBC Project No.** 166/044-01-2023  
**Total Project Budget:** \$14,750,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (American Constructors, Inc.)  
**Approval Date:** 01/04/2024

- 4) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Crossville, Tennessee  
**Project Title:** Bledsoe County Facility  
**Project Description:** Construct a new campus to include academic buildings, site development, parking areas, drives, and infrastructure improvements.  
**SBC Project No.** 166/044-02-2023  
**Total Project Budget:** \$10,500,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (American Constructors, Inc.)  
**Approval Date:** 01/04/2024
- 5) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Jacksboro, Tennessee  
**Project Title:** New Admin/Healthcare, Shop, & Transportation Buildings  
**Project Description:** Construct a new administration and healthcare building, shop building, and transportation and logistics. Project includes expansion of parking, site and infrastructure improvements, and demolition of vacated buildings and abandoned utilities.  
**SBC Project No.** 166/056-01-2023  
**Total Project Budget:** \$55,500,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (Denark Construction, Inc.)  
**Approval Date:** 01/04/2024
- 6) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Knoxville, Tennessee  
**Project Title:** Knoxville Replacement Campus  
**Project Description:** Construct a replacement campus to include new academic buildings, site development, parking areas, drives, and infrastructure improvements. Project includes renovations of existing buildings and demolition of vacated buildings and abandoned utilities.  
**SBC Project No.** 166/060-01-2023  
**Total Project Budget:** \$77,000,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (Denark Construction, Inc.)  
**Approval Date:** 01/04/2024
- 7) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Livingston, Tennessee  
**Project Title:** New Academic and Administration Building  
**Project Description:** Construct a new academic and administration building. Project includes expansion of parking, site and infrastructure improvements, and demolition of select vacated buildings and abandoned utilities.  
**SBC Project No.** 166/062-01-2023  
**Total Project Budget:** \$17,000,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (American Constructors, Inc.)  
**Approval Date:** 01/04/2024

- 8) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Nashville, Tennessee  
**Project Title:** New Academic Buildings and Aviation Replacement Campus  
**Project Description:** Construct new academic buildings and aviation hangar on the main campus. Project includes parking, site and infrastructure improvements, and demolition of vacated buildings and abandoned utilities.
- SBC Project No.** 166/064-01-2023  
**Total Project Budget:** \$67,750,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (American Constructors, Inc.)  
**Approval Date:** 01/04/2024
- 9) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** McKenzie, Tennessee  
**Project Title:** New Academic and Administration Building  
**Project Description:** Construct a new academic and administration building. Project includes expansion of parking, site and infrastructure improvements, and demolition of select vacated buildings and abandoned utilities.
- SBC Project No.** 166/066-01-2023  
**Total Project Budget:** \$11,400,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (Bell & Associates Construction, LLC)  
**Approval Date:** 01/04/2024
- 10) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Newbern, Tennessee  
**Project Title:** New Academic Building and Additions  
**Project Description:** Construct new academic building and additions to existing facilities. Project includes expanding parking areas and site and infrastructure improvements.
- SBC Project No.** 166/076-01-2023  
**Total Project Budget:** \$10,500,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (Batten Shaw Construction)  
**Approval Date:** 01/04/2024
- 11) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Paris, Tennessee  
**Project Title:** Paris Replacement Campus  
**Project Description:** Construct a replacement campus to include new academic buildings, site development, parking areas, drives, and infrastructure improvements.
- SBC Project No.** 166/079-01-2023  
**Total Project Budget:** \$58,000,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (Bell & Associates Construction, LLC)  
**Approval Date:** 01/04/2024



- 12) **State Procurement Agency:** Tennessee Board of Regents / Tennessee College of Applied Technology  
**Location:** Ripley, Tennessee  
**Project Title:** New Academic Building and Renovations  
**Project Description:** Construct new academic building, renovate and repurpose existing spaces, and expand parking areas. Project includes site and infrastructure improvements.  
**SBC Project No.** 166/082-01-2023  
**Total Project Budget:** \$13,500,000.00  
**Source of Funding:** 23/24 CurrFunds-CapImp (A)  
**Approval:** Approved awarding a contract to the best evaluated proposer for CM/GC (Batten Shaw Construction)  
**Approval Date:** 01/04/2024

### Approvals of Acquisitions and Disposals of State Property

- Reported the following two disposal easements in accordance with Item 2.04(E)(3) of the *SBC By-Laws, Policy & Procedures*:
  - 1) **State Procurement Agency:** Tennessee Board of Regents / Walters State Community College  
**Transaction Description:** Transaction No. 23-12-003  
**Location:** Walters State Community College  
 Sevier County – 1.82 ± acres – 1720 Old Newport Highway, Sevierville, TN  
**Grantee:** City of Sevierville  
**Estimated Sale Price:** Mutual Benefit  
**Source of Funding:** City of Sevierville (REM Fees) (O)  
**Approval:** Approved disposal by easement with waiver of advertisement and appraisal  
**Approval Date:** 01/05/2024
  - 2) **State Procurement Agency:** STREAM / Department of Economic & Community Development  
**Transaction Description:** Transaction No. 23-11-006  
**Location:** Haywood County Megasite  
 Haywood County – 2.43 ± acres (2 tracts/assignments) -TN-222, Stanton, TN  
**Grantee:** Town of Stanton (Town)  
**Estimated Sale Price:** Mutual Benefit  
**Source of Funding:** Town of Stanton (REM Fees) (O)  
**Approval:** Approved disposals by easement assignments with waiver of appraisal  
**Approval Date:** 12/19/2023

## Designer Selections

- Reported the following two designer selections for capital projects as delegated to the State Architect in accordance with Items 2.04(A)(1) and 2.04(A)(2) of the *SBC By-Laws, Policy & Procedures*:

- 1) State Procurement Agency:** Tennessee Board of Regents / Chattanooga State Community College  
**Location:** Chattanooga, Tennessee  
**Project Title:** Branch Center HVAC Replacement  
**SBC Project No.** 166/012-05-2023  
**Total Project Budget:** \$250,000.00  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Designer:** Allen & Hoshall, Inc.  
**Approval Date:** 12/04/2023
- 2) State Procurement Agency:** Tennessee Board of Regents / Jackson State Community College  
**Location:** Jackson, Tennessee  
**Project Title:** Campuswide Automatic Entrances  
**SBC Project No.** 166/019-03-2023  
**Total Project Budget:** \$302,000.00  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Designer:** Allen & Hoshall, Inc.  
**Approval Date:** 01/03/2024

- The following designer selections represent projects approved by the State Building Commission and recommended by the State Procurement Agencies. Secretary Hargett 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.

- |   |   |
|---|---|
| <b>1) Tennessee State University</b><br>(Harned Hall Lab Upgrades)<br>Total Project Budget: \$2,970,000.00<br>SBC Project No. 166/001-06-2023<br>Designer: <b>Melvin Gill Architects</b>                        | <b>3) Booker T Washington State Park</b><br>(Event Center)<br>Total Project Budget: \$9,920,000.00<br>SBC Project No. 126/010-01-2023<br>Designer: <b>Tinker Ma, LLC</b>  |
| <b>2) Pellissippi State Community College</b><br>(Hardin Valley Soccer Field Update)<br>Total Project Budget: \$1,500,000.00<br>SBC Project No. 166/032-03-2023<br>Designer: <b>Lose &amp; Associates, Inc.</b> | <b>4) Moccasin Bend Mental Health Institute</b><br>(New Replacement Facility)<br>Total Project Budget: \$260,000,000.00<br>SBC Project No. 344/009-01-2023<br>Designer: <b>Derthick, Henley &amp; Wilkerson, Architects, PLLC</b> |

## Other Business

There being no further business, the meeting adjourned at 11:07 a.m.

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TENNESSEE BOARD OF REGENTS**Disposal– Lease (Land)****Requested Action:** Approval of a lease with waiver of advertisement and appraisal**Transaction Description:** Transaction No. 24-01-002● **Proposed Lease**

- **Location:** TCAT-Jackson/TCAT Blue Oval City (TCAT)  
Fayette County - 3.4+/- acres – Highway 22 E, Stanton, TN
- **Tenant:** YMCA of Memphis & the Midsouth
- **Term:** 25 years with one 25-year renewal option
- **Area / Costs:** 3.4+/- acres / \$1.00

**Comment:**

The development of the Ford/BOSK facilities and TCAT in Stanton, have created a need for additional childcare options in the area. The YMCA has agreed to construct and operate a daycare providing affordable childcare to these employees on the southern portion of the TCAT property. In support of bringing a daycare facility to the area, the City of Stanton has agreed to extend municipal water and sewer service to the YMCA facility and the TCAT property. The lease of the land to the YMCA for the daycare will be considered to be TBR's contribution to the cost of the extension of the water and sewer lines.

Waiver of advertisement and appraisal are requested due to the unique nature of this transaction. Given the investment required to construct and operate the facility and the commitment to providing affordable childcare, it is not believed that any other childcare operators would be interested in this opportunity. YMCA has also successfully partnered with other employers on similar daycare facilities. TBR believes that the rental rate is appropriate given the benefits that will accrue to TBR faculty, employees, students and graduates and to the local workforce. YMCA is responsible for all costs associated with the daycare facility.

If the daycare is not operational within two years of the date of the Lease, TBR has a right to terminate the lease.

|                              |                |
|------------------------------|----------------|
| Date of Last Transfer:       | April 20, 2022 |
| Purchase Price:              | \$0.00         |
| Property Assessor's Value:   | \$829,400      |
| Square Footage Improvements: | NA             |

**Minutes:** 01/22/2024 Approved lease with waiver of advertisement and appraisal

DEPARTMENT OF MILITARY**Disposal – Fee****Requested Action:**                   **Approval of disposal in fee with waiver of advertisement****Transaction Description:**   Transaction No. 23-12-001

- **Location:**                   Lincoln County – 0.874 ± acres – 1805 Wilson Pkwy., Fayetteville, TN
- **Grantee**                       Lincoln County
- **Estimated Sale Price:**   Fair Market Value

**Comment:**                       This property is needed for a Tennessee Department of Transportation (TDOT) bridge project planned for Kidd Lane / Bearden Mill Road in Lincoln County, TDOT Project # 52455-2439-04. TDOT has requested that this property be conveyed to Lincoln County and will pay all costs associated with the conveyance.

The Department of Military (DOM) supports this request and the public purpose it will serve and has determined that there will be no adverse impact on the Army National Guard Readiness Center at the site.

In accordance with T.C.A. §12-2-121, proceeds from the sale will be appropriated to the DOM as funds for facility replacement and repair.

**Minutes:**                           01/22/2024     Approved disposal in fee with waiver of advertisement

TENNESSEE WILDLIFE RESOURCES AGENCY**Acquisition – Fee (Purchase)****Requested Action:**                   **Approval of acquisition in fee**

**Transaction Description:**           Transaction No. 23-11-005

- **Location:**                           Lick Creek Bottoms Refuge (LCBR)  
Greene County – 273.73 ± acres (3 tracts) – 0 Toby Road, 1819 Toby Road, and 605  
Glades Road, Mohawk, TN
- **Owner(s):**                           Thomas A. Rice
- **Estimated Purchase Price:**   Fair Market Value
- **Source of Funding:**           23/24 Wetlands Acquisition Fund (A)  
Heritage Conservation Trust Fund

**Comment:**                           This property is on the wetlands priority list and has been approved for purchase by the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency per T.C.A. §11-14-402.

This property is contiguous with LCBR and will be an important addition, as these tracts are a highly desirable addition for public hunting land and access.

The structure on property will be used by TWRA to store equipment and storage supplies. The facility has been inspected and determined to be in good condition.

No additional management costs are anticipated with this acquisition.

|                              |                        |
|------------------------------|------------------------|
| Date of Last Transfer:       | 06/14/2018             |
| Purchase Price:              | \$312,000.00           |
| Property Assessor's Value:   | \$91,500.00 (2 tracts) |
| Square Footage Improvements: | N/A                    |

|                              |                |
|------------------------------|----------------|
| Date of Last Transfer:       | 06/13/2018     |
| Purchase Price:              | \$1,000,000.00 |
| Property Assessor's Value:   | \$823,600.00   |
| Square Footage Improvements: | 1536 sq. ft.   |

**Minutes:**                           01/22/2024    Approved acquisition in fee

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 22-02-906 (DCS)● **Proposed Lease**

- **Location:** Gibson County - 802 Trenton Road, Trenton, TN
- **Landlord:** Danny F. and Dinah L. Corley
- **Term:** 10 years with two 1-year renewal options
- **Area / Costs:** 6,500 Square Feet
- Annual Contract Rent
- Estimated Annual Utilities Cost
- Estimated Annual Janitorial Cost
- Total Annual Effective Cost

|                                  |                     |                   |
|----------------------------------|---------------------|-------------------|
| Annual Contract Rent             | \$95,680.00         | \$14.72/sf        |
| Estimated Annual Utilities Cost  | 11,375.00           | 1.75/sf           |
| Estimated Annual Janitorial Cost | 7,150.00            | 1.10/sf           |
| Total Annual Effective Cost      | <u>\$114,205.00</u> | <u>\$17.57/sf</u> |

● **Current Lease**

- **Location:** Gibson County - 802 Trenton Road, Trenton, TN
- **Landlord:** Danny F. and Dinah L. Corley
- **Term:** 7 years (February 1, 2019 – January 31, 2026)
- **Area / Costs:** 5,108 Square Feet
- Annual Contract Rent
- Estimated Utilities Cost
- Estimated Janitorial Cost
- Total Annual Effective Cost

|                             |                    |                   |
|-----------------------------|--------------------|-------------------|
| Annual Contract Rent        | \$49,956.24        | \$9.78/sf         |
| Estimated Utilities Cost    | 8,939.00           | 1.75/sf           |
| Estimated Janitorial Cost   | 5,618.80           | 1.10/sf           |
| Total Annual Effective Cost | <u>\$64,514.04</u> | <u>\$12.63/sf</u> |

- **Source of Funding:** FRF
- **Procurement Method:** Advertised
- **FRF Rate:** \$15.00

**Comment:** This lease will provide office space for Department of Children's Services (DCS). One proposal from one proposer was received and evaluated. The proposed location will be renovated to meet the State's needs. The additional square footage is due to additional programmatic needs of the agency and will create visitation space. This lease is estimated to commence on or before January 2026.

Based on a review of the financial aspects, occupancy requirements, and market indicators, this lease is deemed to be in the state's best interest at this time.

**Minutes:** 01/22/2024 Approved lease

DEPARTMENT OF GENERAL SERVICES**Acquisition - Lease Amendment****Requested Action:** Approval of a lease amendment with waiver of advertisement**Transaction Description:** Transaction No. 06-10-901 (DOC)

- **Proposed Amendment**

- **Term:** 16 years (March 1, 2011 – February 28, 2027)
- **Area / Costs:** 8,700 Square Feet

|                                      |              |            |
|--------------------------------------|--------------|------------|
| Annual Contract Rent (Years 14 – 16) | \$97,272.00  | \$11.18/sf |
| Estimated Utilities Cost             | 15,225.00    | 1.75/sf    |
| Estimated Janitorial Cost            | 9,570.00     | 1.10/sf    |
| Total Annual Effective Cost          | \$122,067.00 | \$14.03/sf |

- **Current Lease**

- **Location:** Rutherford County – 1711 Old Fort Parkway, Suite A, Murfreesboro, TN
- **Landlord:** Pedigo-Murfreesboro Properties, LP
- **Term:** 13 years (March 1, 2011 – February 29, 2024)
- **Area / Costs:** 8,700 Square Feet

|                             |              |            |
|-----------------------------|--------------|------------|
| Annual Contract Rent        | \$90,906.00  | \$10.44/sf |
| Estimated Utilities Cost    | 15,225.00    | 1.75/sf    |
| Estimated Janitorial Cost   | 9,570.00     | 1.10/sf    |
| Total Annual Effective Cost | \$115,701.00 | \$13.29/sf |

- **Source of Funding:** FRF
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18.00

**Comment:** This lease will provide office space for Department of Correction.

This amendment is in the best interest of the State to prevent a lease holdover while allowing additional time to evaluate how to best meet programmatic needs in support of the Agency's real estate strategy. The long-term procurement is currently in the marketing phase.

**Previous Action:** 02/22/2021 Approved an amendment  
05/21/2007 Approved a lease

**Minutes:** 01/22/2024 Approved lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICES**Acquisition - Lease Amendment****Requested Action:** Approval of a lease amendment with waiver of advertisement**Transaction Description:** Transaction No. 18-06-907 (DOC)● **Proposed Amendment**

- **Term:** 8 years 7 months (September 1, 2018 – March 31, 2027)
- **Area / Costs:** 4,308 Square Feet

|  |             |            |
|--|-------------|------------|
| Average Contract Rent (3-year amendment) | \$74,686.36 | \$17.33/sf |
| Estimated Utilities Cost                 | 7,539.00    | 1.75/sf    |
| Estimated Janitorial Cost                | 4,738.80    | 1.10/sf    |
| Total Annual Effective Cost              | \$86,964.18 | \$20.18/sf |

● **Current Lease**

- **Location:** Wilson County – 1432 West Main Street, Lebanon, TN
- **Landlord:** Headlight Capital Partners, LLC
- **Term:** 5 years 7 months (September 1, 2018 – March 31, 2024)
- **Area / Costs:** 4,308 Square Feet

|                             |             |            |
|-----------------------------|-------------|------------|
| Annual Contract Rent        | \$60,312.00 | \$14.00/sf |
| Estimated Utilities Cost    | 7,539.00    | 1.75/sf    |
| Estimated Janitorial Cost   | 4,738.80    | 1.10/sf    |
| Total Annual Effective Cost | \$72,589.80 | \$13.29/sf |

- **Source of Funding:** FRF
- **Procurement Method:** Negotiated
- **FRF Rate:** \$18.00

**Comment:** This lease will provide office space for Department of Correction and will serve as a field Office for Probation and Parole supervision.

This amendment is in the best interest of the State to prevent a lease holdover while allowing additional time to evaluate how to best meet programmatic needs in support of the Agency's real estate strategy. The long-term procurement is currently in the marketing phase.

**Previous Action:** 02/22/2021 Approved an amendment  
02/23/2018 Approved waiver of advertisement

**Minutes:** 01/22/2024 Approved lease amendment with waiver of advertisement



Approved:



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