

**MINUTES**  
STATE BUILDING COMMISSION  
Executive Subcommittee  
September 21, 2022

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The State Building Commission Executive Subcommittee met this day at 8:30 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 8:31 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

- University of Tennessee
- State Building Commission

PRESENTER

State Architect Ann McGauran  
State Architect Ann McGauran

## CONSENT AGENDA

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

- A. Agency: **University of Tennessee**  
Transaction: Acquisition – Lease (Space)  
Provision(s): Waiver of advertisement
  
- B. Agency: **University of Tennessee – Knoxville**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a
  
- C. Agency: **Tennessee Board of Regents / TCAT Jackson**  
Transaction: Acquisition – Fee (Gift)  
Provision(s): Waiver of advertisement
  
- D. Agency: **Tennessee Board of Regents / TCAT Shelbyville**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a
  
- E. Agency: **Tennessee Board of Regents / TCAT Elizabethton**  
Transaction: Acquisition – Fee (Gift)  
Provision(s): n/a
  
- F. Agency: **Department of Environment & Conservation**  
Transaction: Acquisition – Fee (Gift)  
Provision(s): Waiver of appraisal
  
- G. Agency: **Department of Environment & Conservation**  
Transaction: Acquisition – Fee  
Provision(s): n/a
  
- H. Agency: **Department of Environment & Conservation**  
Transaction: Acquisition – Fee  
Provision(s): n/a
  
- I. Agency: **Department of General Services**  
Transaction: Acquisition – Fee (Purchase)  
Provision(s): n/a
  
- J. Agency: **Department of General Services**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a
  
- K. Agency: **Department of General Services**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a
  
- L. Agency: **Department of General Services**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a

- M. Agency: **Department of General Services**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a
- N. Agency: **Department of General Services**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a
- O. Agency: **Department of General Services**  
Transaction: Acquisition – Lease Amendment  
Provision(s): Waiver of advertisement
- P. Agency: **Department of General Services**  
Transaction: Acquisition – Lease Amendment  
Provision(s): Waiver of advertisement
- Q. Agency: **Department of General Services**  
Transaction: Acquisition – Lease Amendment  
Provision(s): Waiver of advertisement
- R. Agency: **Department of General Services**  
Transaction: Acquisition – Lease (Space)  
Provision(s): n/a

UNIVERSITY OF TENNESSEE

**Acquisition – Lease (Space)**

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

**Transaction Description:**       Transaction No. 22-07-002

• **Proposed Lease**

- **Location:**                   University of Tennessee-Martin (UTM), Jackson Center  
Madison County – 343 Vann Drive, Jackson, TN
- **Landlord:**                   NR Plan Properties, LLC
- **Term:**                        December 1, 2022 – November 30, 2027 with a five year option to extend
- **Area / Costs:**               15,000 Square Feet

Average Annual Contract Rent	\$16.70/sf	\$250,500.00
Estimated Annual Utility Cost	\$1.75/sf	\$26,250.00
Estimated Annual Janitorial Cost	\$1.10/sf	\$16,500.00
Total Annual Effective Cost	\$19.55/sf	\$293,250.00

• **Current Lease**

- **Location:**                   Madison County - 2046 North Parkway, Jackson, TN
- **Landlord:**                   Jackson State Community College
- **Term:**                        January 1, 2018 – June 30, 2022
- **Area / Costs:**               Approx. 4,578 Square Feet plus use of library, auditorium, computer labs, conference rooms, breakrooms/restrooms

Annual Contract Rent	NA	\$50,000.00/yr
Total Annual Effective Cost	NA	\$50,000.00/yr

- **Source of Funding:**       Plant (Non-Aux) (A)
- **Procurement Method:**   Negotiated
- **FRF Rate:**                   \$18.00 (for reference only)

**Comment:**                       The UTM Jackson Center offers bachelor and master’s degree programs and continuing education courses. The existing lease has expired and no suitable locations were found under an RFP. This proposed location provides excellent visibility and has parking to accommodate students.

Landlord will provide a \$125,000 tenant improvement (TI) allowance. The University may terminate the lease with 120-days’ notice; however, the unamortized balance of the TI allowance must be reimbursed to landlord. The tenant is responsible for minor repairs and will reimburse landlord for any major repairs with a cost of \$2,500 or less.

**Previous Action:**                   07/25/2022   Approved waiver of advertisement

**Minutes:**                         09/21/2022   Deferred to a later meeting

STATE BUILDING COMMISSION

**Minutes of Executive Subcommittee Meeting**

- 1) Approved the Minutes of the Executive Subcommittee meeting held on August 19, 2022.

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

**Initial and Revised Approvals of Capital Projects**

- Reported the following capital improvement with total project cost of less than \$100,000 in accordance with Item 2.04(A)(1) of the *SBC By-Laws, Policy & Procedures*:
  - 1) **State Procurement Agency:** Tennessee Board of Regents / Pellissippi State Community College  
**Location:** Knoxville, Tennessee  
**Project Title:** Demolition of Structures  
**Project Description:** Demolition of structures on multiple PSCC campuses, to include an unused portion of the Magnolia Annex, A-frame building, and radio antenna tower at Strawberry Plains Campus.  
**SBC Project No.** 166/032-02-2022  
**Total Project Budget:** \$90,000.00  
**Source of Funding:** Plant Funds (Non-Aux) (A)  
**Approval:** Approved project and to select a designer  
**Approval Date:** 09/19/2022
  
- Reported the following six 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:** STREAM / Department of Agriculture  
**Location:** Hohenwald, Tennessee  
**Project Title:** Hohenwald Work Center Repairs  
**Project Description:** Perform envelope repairs; upgrade mechanical, electrical, and plumbing systems; and all required related work.  
**SBC Project No.** 100/010-04-2022  
**Total Project Budget:** \$560,000.00  
**Source of Funding:** 22/23 CurrFunds-CapMaint (MP) (A)  
**Approval:** Approved project and to select a designer  
**Approval Date:** 08/26/2022
  
  - 2) **State Procurement Agency:** STREAM / Department of Agriculture  
**Location:** Selmer, Tennessee  
**Project Title:** Selmer Work Center Repairs  
**Project Description:** Perform envelope repairs; upgrade mechanical, electrical, and plumbing systems; and all required related work.  
**SBC Project No.** 100/010-05-2022  
**Total Project Budget:** \$490,000.00  
**Source of Funding:** 22/23 CurrFunds-CapMaint (A)  
**Approval:** Approved project and to select a designer  
**Approval Date:** 09/01/2022

- 3) **State Procurement Agency:** STREAM / Department of Agriculture  
**Location:** Altamont, Tennessee  
**Project Title:** Altamont Work Center Repairs  
**Project Description:** Perform envelope repairs; upgrade of mechanical, electrical, and plumbing systems; and all required related work.  
**SBC Project No.** 100/010-06-2022  
**Total Project Budget:** \$570,000.00  
**Source of Funding:** 22/23 CurrFunds-CapMaint (MP) (A)  
**Approval:** Approved project and to select a designer  
**Approval Date:** 09/01/2022
- 4) **State Procurement Agency:** STREAM / Department of Environment & Conservation  
**Location:** Elizabethton, Tennessee  
**Project Title:** Sycamore Shoals State Historic Park Amphitheater  
**Project Description:** Improve amphitheater including ADA upgrades, replace bench seats, replace lighting towers and all required related work.  
**SBC Project No.** 126/090-01-2022  
**Total Project Budget:** \$400,000.00  
**Source of Funding:** 22/23 Gift-in-Place (O)  
**Approval:** Approved accepting gift-in-place construction, with plans and specifications to be approved by the State Architect  
**Approval Date:** 09/01/2022
- 5) **State Procurement Agency:** STREAM / Department of Military  
**Location:** Russellville, Tennessee  
**Project Title:** Russellville Readiness Center Plumbing Repair  
**Project Description:** Repair exterior and interior plumbing lines; replacement of interior plumbing fixtures and partitions; and all required related work.  
**SBC Project No.** 361/063-01-2021  
**Total Project Budget:** \$522,000.00  
**Source of Funding:** \$261,000.00 Federal Funds (NGB) (F)  
\$215,000.00 21/22 CurrFunds-CapMaint (A)  
\$ 46,000.00 Military Reserves (Sale of Real Estate) (R)  
**Approval:** Approved a revision in project budget and funding (increase in budget by \$92,000)  
**Approval Date:** 09/01/2022
- 6) **State Procurement Agency:** STREAM / Department of Veterans Services  
**Location:** Knoxville, Tennessee  
**Project Title:** East Tennessee State Veterans Cemetery Paving and Sidewalk Repairs  
**Project Description:** Grade and repair roads, repair sidewalks, and all required related work.  
**SBC Project No.** 682/001-02-2022  
**Total Project Budget:** \$630,000.00  
**Source of Funding:** 22/23 CurrFunds-CapMaint (A)  
**Approval:** Approved project and to select a designer  
**Approval Date:** 08/26/2022

### Approvals of Revisions to Existing Capital Projects

- Reported the following approval of a revision in funding for capital project (no change in total project budget) in accordance with Item 2.04(B)(2) of the *SBC By-Laws, Policy & Procedures*:
  - 1) **State Procurement Agency:** Tennessee Board of Regents / Motlow State Community College  
**Location:** Lynchburg, Tennessee  
**Project Title:** Athletic Field Soccer Expansion  
**Project Description:** Upgrade field to accommodate women's soccer team, including upgrades to stands and lighting.  
**SBC Project No.** 166/021-02-2020  
**Total Project Budget:** \$1,295,000.00  
**Source of Funding:** \$ 795,000.00 Plant Funds (Non-Aux) (A)  
\$ 500,000.00 Gifts (O)  
**Approval:** Approved a revision in project funding (reallocate \$16,000 to Construction Contingency)  
**Approval Date:** 08/24/2022

### Approvals of Contract Amendments

- Reported the following approval of a consultant contract amendment in accordance with Item 2.04(C)(1) of the *SBC By-Laws, Policy & Procedures*:
  - 1) **State Procurement Agency:** STREAM / Department of Military  
**Location:** Statewide, Tennessee  
**Project Title:** Master Planning Consultant for VTS Milan and VTS Smyrna Updates  
**Project Description:** Consultant to assist the agency with master planning services and project planning efforts.  
**SBC Project No.** 361/000-03-2020  
**Total Project Budget:** \$200,000.00  
**Source of Funding:** Federal Funds (NGB) (F)  
**Approval:** Approved a revision in project budget and funding (added \$100,000)  
**Approval Date:** 09/01/2022

### Boundary Dispute

- Reported the following boundary dispute in accordance with Item 8.03(A.1.f) of the *SBC By-Laws, Policy & Procedures*:
  - 1) **Transaction Description:** Transaction No. 19-12-001  
**State Procurement Agency:** STREAM / Department of Environment & Conservation  
**Location:** Sherwood Forest, Franklin County – 0 Sherwood Road, Sherwood, TN  
**Grantee:** Dwight Wiles, Trustee of the Better Times Trust Under Agreement Dated October 23, 2007  
**Type:** Boundary Line Agreement

## Designer Selections

- Reported the following 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:** STREAM / Department of Transportation  
**Location:** Nashville, Tennessee  
**Project Title:** Region 3 Headquarters Elevators Replacement  
**SBC Project No.** 243/020-01-2022  
**Total Project Budget:** \$700,000.00  
**Source of Funding:** 22/23 TDOT Plant Construction Funds (A)  
**Designer:** Smith Seckman Reid, Inc.  
**Approval Date:** 09/07/2022
- 2) State Procurement Agency:** STREAM / Department of Intellectual & Developmental Disabilities  
**Location:** Nashville, Tennessee  
**Project Title:** THP Training Center Exterior ADA Parking and Site Upgrades  
**SBC Project No.** 502/002-01-2022  
**Total Project Budget:** \$680,000.00  
**Source of Funding:** 22/23 CurrFunds-CapMaint (A)  
**Designer:** S&ME, Inc.  
**Approval Date:** 09/07/2022

- 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.

- 1) TN College of Applied Technology – Nashville**  
(Allied Health Building)  
Total Project Budget: \$28,000,000.00  
SBC Project No. 166/064-01-2022  
Designer: **Johnson Johnson Crabtree Architects, P.C.**
- 2) Big Hill Pond State Park**  
(Campground Renovation)  
Total Project Budget: \$6,320,000.00  
SBC Project No. 126/006-01-2022  
Designer: **Fisher and Arnold, Inc.**
- 3) Big Ridge State Park**  
(CCC Cabin Renovation)  
Total Project Budget: \$9,120,000.00  
SBC Project No. 126/009-01-2022  
Designer: **Sparkman & Associates Architects, Inc.**
- 4) Chickasaw State Park**  
(Campground Renovation)  
Total Project Budget: \$8,280,000.00  
SBC Project No. 126/021-01-2022  
Designer: **Allen & Hoshall, Inc.**
- 5) David Crockett Birthplace State Park**  
(WWTP Renovations)  
Total Project Budget: \$3,990,000.00  
SBC Project No. 126/034-01-2022  
Designer: **Ardurra Group, Inc.**
- 6) Fall Creek Falls State Park**  
(Back Country Bridge and Trail Upgrades)  
Total Project Budget: \$3,580,000.00  
SBC Project No. 126/036-01-2022  
Designer: **AECOM Technical Services, Inc.**



7) **Frozen Head State Park**  
(Campground Improvements)  
Total Project Budget: \$9,680,000.00  
SBC Project No. 126/039-01-2022  
Designer: **Reedy and Sykes Architecture and Design**

10) **Pickwick Landing State Park**  
(Campground Renovations)  
Total Project Budget: \$11,940,000.00  
SBC Project No. 126/079-03-2022  
Designer: **CTI Engineers, Inc.**

8) **Henry Horton State Park**  
(ADA Renovations)  
Total Project Budget: \$9,830,000.00  
SBC Project No. 126/051-01-2022  
Designer: **DKRS Architecture, PLLC**

11) **Northeast Correctional Complex**  
(Sally Port Upgrades and Expansion)  
Total Project Budget: \$6,400,000.00  
SBC Project No. 142/024-01-2022  
Designer: **S&ME, Inc.**

9) **Nathan Bedford Forrest State Park**  
(Campground Renovations)  
Total Project Budget: \$7,360,000.00  
SBC Project No. 126/060-01-2022  
Designer: **Hurst-Rosche, Inc.**

12) **Middle Tennessee State Veterans Cemetery**  
(Gravesite Improvements)  
Total Project Budget: \$11,310,000.00  
SBC Project No. 682/004-02-2022  
Designer: **TLM Associates, Inc.**

**Other Business**

There being no further business, the meeting adjourned at 8:36 a.m.

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UNIVERSITY OF TENNESSEE**Acquisition – Lease (Space)****Requested Action:** Approval of waiver of advertisement**Transaction Description:** Transaction No. 2022-09-001● **Proposed Lease**

- **Term:** Up to one year (4 sessions January-December 2023)
- **Area / Costs:** Up to fifteen (15) two (2) bedroom units

● **Current Lease**

- **Location:** University of Tennessee – Institute for Public Service (IPS)  
Anderson County – 1201 Oak Ridge Turnpike, Oak Ridge, TN
- **Landlord:** Corporate Quarters, Inc.
- **Term:** Up to one year (4 sessions – 227 nights)
- **Area / Costs:** Up to fifteen (15) two (2) bedroom units

<u>Cost per unit (incl utilities)</u>	<u>\$/night</u>	<u>Total Cost</u>
January 9, 2022 – March 18, 2022	\$108/night	\$111,780.00
March 27, 2022 – June 3, 2022	\$108/night	\$111,780.00
July 10, 2022 – July 29, 2022	\$108/night	\$32,400.00
September 11, 2022 – November 18, 2022	\$108/night	<u>\$111,780.00</u>
		\$367,740.00

- **Source of Funding:** Tuition and fees (O)

**Comment:**

The UT Law Enforcement Innovation Center (LEIC) is an agency of the University of Tennessee Institute for Public Service. LEIC expands capabilities of law enforcement personnel by providing training that improves the quality of policing. LEIC's National Forensic Academy (NFA) is an intensive, highly hands-on, and experience-based course of instruction that requires in person training to achieve the course learning objectives. Housing is provided for attendees as part of the cost of the program.

Corporate Quarters fully furnishes apartments including linens and kitchen appliances/utensils. Given the housing demand around the Knoxville area, it is unlikely that apartments would respond to an RFP solicitation, hold their available units, or hold pricing during the time required for advertising, response, and evaluation.

**Minutes:**

09/21/2022 Approved waiver of advertisement

UNIVERSITY OF TENNESSEE

**Acquisition – Lease (Space)**

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

**Transaction Description:**       Transaction No. 21-12-010

• **Proposed Lease**

- **Location:**                   University of Tennessee – Knoxville (UTK)  
Knox County – 210 W Church Avenue, Knoxville, TN
- **Landlord:**                 Courtyard by Marriott – Downtown Knoxville
- **Term:**                        October 1, 2022 – March 31, 2023
- **Area / Costs:**           Up to 3 hotel rooms (6 beds)

	\$/room	Estimated Total Cost
Cost per room	\$102.00/night	\$55,692.00

- **Source of Funding:**       Grants and Plant Funds (Non-Aux) (R)
- **Procurement Method:**   Negotiated
- **FRF Rate:**                 \$18.00/sf (for reference only)

**Comment:**                        These rooms will be used by three visiting international students coming to UT through UTK’s Center for Global Engagement. Previously, accommodations for these students were provided by UTK Housing but there is no availability.

This hotel was selected because of the location and price.

**Previous Action:**               12/20/2021    Approved waiver of advertisement  
   01/24/2022    Approved a lease  
   02/28/2022    Approved a lease  
   05/23/2022    Approved a lease  
   06/20/2022    Approved a lease

**Minutes:**                         09/21/2022    Approved a lease

TENNESSEE BOARD OF REGENTS

**Acquisition – Fee (Gift)**

**Requested Action:**                   **Approval of acquisition in fee with waiver of advertisement**

**Transaction Description:**   Transaction No. 22- 06-006

- **Location:**                   TCAT Jackson  
Haywood – 3+/- acres – Poplar Corner Road, Brownsville, TN
- **Owner(s):**                   City of Brownsville & Haywood County Tennessee
- **Source of Funding:**       Plant Funds (Non-Aux) (REM Fees) (A)

**Comment:**                       The land acquisition plan for TCAT Jackson was revised and approved by THEC to accommodate this purchase on August 7, 2022.

This facility was built by the City and County in 2004 to house TCAT operations and has been leased at no cost since that time. Prior to the expiration of the current term of the lease in July 2022, the City and County expressed a desire to gift the facility to TBR in order to eliminate the obligations of the City and County for maintenance of the facility. The facility is in good condition and the TCAT would like to continue operating programs at the site.

The City and County have passed resolutions approving the donation of the facility to the State, provided that if it ceases being used as an educational facility by TBR it will revert back to the City and County.

Date of Last Transfer:	October 3, 1975
Purchase Price:	\$469,188 (larger tract)
Property Assessor’s Value:	\$88,500 (larger tract)
Square Footage Improvements:	11,200

**Minutes:**                       09/21/2022      Approved acquisition in fee with waiver of advertisement

TENNESSEE BOARD OF REGENTS

**Acquisition – Lease (Space)**

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

**Transaction Description:**      Transaction No. 22-58-001

• **Proposed Lease**

- **Location:**                    TCAT Shelbyville  
Aviation Drive, Winchester, TN
- **Landlord:**                    Winchester Airport Authority, Inc. (WAA)
- **Term:**                            10 years, plus four options of 5 years each
- **Area / Costs:**                15,382 Square Feet

First Year Contract Rent	\$0.75/sf	\$11,536.50
Average Annual Contract Rent	\$2.23/sf	\$34,224.95
Estimated Annual Utility Cost	\$1.75/sf	\$26,918.50
Estimated Annual Janitorial Cost	\$1.10/sf	\$16,920.20
Total Annual Effective Cost	\$5.08/sf	\$78,062.70

- **Source of Funding:**        Plant Funds (Non-Aux) (A)
- **Procurement Method:**    Negotiated

**Comment:**                        The WAA approached the TCAT with a request to bring an Aviation Maintenance Technology (AMT) training program to the area. The WAA was awarded a grant that funded the construction of the airport hangar required by the FAA for the AMT training. Franklin County agreed to a 50% match for a \$250,000 Appalachian Regional Commission (ARC) grant that will fund a majority of the training equipment needed for the AMT training.

The TCAT can terminate the lease at any time after August 1, 2023 on 180 days’ written notice.

The TCAT is responsible for all utility and maintenance costs associated with the facility. Rent for any renewal term will be negotiated, but not exceed 110% of the rent for the then current term.

**Minutes:**                            09/21/2022      Approved a lease





DEPARTMENT OF ENVIRONMENT AND CONSERVATION**Acquisition – Fee****Requested Action:** Approval of acquisition in fee and to utilize a third party**Transaction Description:**

- Transaction No. 22-08-006
- **Location:** Justin P. Wilson Cumberland Trail State Park (JPWCTSP)  
Rhea County – 595.00± acres – (3 tracts) –0 Liberty Hill Road, Evensville, TN; 0 Dayton Mountain Highway, Dayton, TN; 0 Wash Pelfrey Road, Evensville, TN
  - **Owner(s):** Gardner Real Estate LLC
  - **Estimated Purchase Price:** Fair Market Value
  - **Source of Funding:** 22/23 State Lands Acquisition Fund (A)  
The Nature Conservancy (TNC) (O)
  - **Third Party:** TNC

**Comment:**

Per T.C.A. § 67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture, and the Executive Director of Tennessee Wildlife Resources Agency.

This acquisition is contiguous with JPWCTSP and will add approximately 6.5 miles of trail in Rhea County. It is also anticipated that a portion of the purchase price will be used to buy out the timber lease.

TNC is being used as a third-party intermediary and a possible funding source for due diligence. No additional third-party costs are requested as part of this acquisition.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	October 31, 2014
Purchase Price:	\$0.00 (inter-family transfer)
Property Assessor's Value:	\$5,713,300.00
Square Footage Improvements:	N/A
Address:	0 Liberty Hill Road (Portion of Map-Parcel No. 059-001.00)

Date of Last Transfer:	October 31, 2014
Purchase Price:	\$0.00 (inter-family transfer)
Property Assessor's Value:	\$635,700.00
Square Footage Improvements:	N/A
Address:	0 Dayton Mountain Highway (Map-Parcel No. 082-090.00)

Date of Last Transfer:	October 31, 2014
Purchase Price:	\$0.00 (inter-family transfer)
Property Assessor's Value:	\$2,210,300.00
Square Footage Improvements:	N/A
Address:	0 Wash Pelfrey Road (Portion of Map-Parcel No. 046-001.00)



**Minutes:**

09/21/2022

Approved acquisition in fee and utilizing a third party

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

**Acquisition – Fee**

**Requested Action:**                      **Approval of acquisition in fee**

**Transaction Description:**

Transaction No. 21-12-017

• **Location:**

Henry Horton State Park (HHSP)

Bedford County– 20 ± acres – 0 Haskins Chapel Road, Chapel Hill, TN

• **Owner(s):**

Charles Batten & Ricky Batten

• **Estimated Purchase Price:**

Fair Market Value

• **Source of Funding:**

22/23 State Lands Acquisition Fund (A)

22/23 TWRA Operating Funds (A)

**Comment:**

Per T.C.A. § 67-4-409, this property is on the state lands acquisition priority list and has been approved for purchase by the Commissioner of Environment and Conservation, the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency.

This acquisition will provide access to the Duck River as a satellite property and add an 8-mile float ending at the park.

After closing, additional costs will be improvements to the interior road, gate, and river ramp which will be funded by SLAF and should not exceed \$80,000.00.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer:	July 6, 2021
Purchase Price:	\$0.00 (inter-family transfer)
Property Assessor's Value:	\$75,900.00 (larger parcel)
Square Footage Improvements:	N/A

**Minutes:**

09/21/2022      Approved acquisition in fee

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Fee (Purchase)**

**Requested Action:** Approval of an acquisition in fee and to exercise an option

**Transaction Description:** Transaction No. 22-08-002

- **Location:** Shelby County – 9.12 +/- acres – 0 Lakeland Hills Dr, Memphis, TN
- **Owner(s):** CE-BIO LLC
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** 22/23 FRF CurrFunds-CapImp (A)

**Comment:** The purpose of this acquisition is to provide property to construct a new Tennessee Highway Patrol Headquarters in Shelby County, TN in conjunction with SBC project number 502/007-01-2022. The existing facility will continue to operate until this project is completed at which time the disposition of the property will be evaluated.

Date of Last Transfer: 07/31/2017  
 Purchase Price: \$396,500.00  
 Property Assessor's Value: \$323,600.00  
 Square Footage Improvements: None

**Minutes:** 09/21/2022 Approved acquisition in fee and to exercise an option

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 20-01-906 & 20-01-907● **Proposed Lease**

- **Location:** Benton County– 272 HWY 641 North, Camden, TN
- **Landlord:** J R Development
- **Term:** 10 years
- **Area / Costs:** 5,400 Square Feet

First Year Contract Rent	\$83,187.50	\$15.41/sf
Average Annual Contract Rent	71,243.73	13.19/sf
Estimated Annual Utility Cost	9,450.00	1.75/sf
Estimated Annual Janitorial Cost	5,940.00	1.10/sf
Total Average Annual Effective Cost	\$86,633.75	\$16.04/sf

● **Current Lease**

- **Location:** Benton County– 272 HWY 641 North, Camden, TN
- **Landlord:** J R Development
- **Term:** 3 years (February 1, 2021 – January 31, 2024)
- **Area / Costs:** 5,400 Square Feet

Annual Contract Rent	\$49,500.00	\$9.17/sf
Estimated Utilities Cost	9,450.00	1.75/sf
Estimated Janitorial Cost	5,940.00	1.10/sf
Total Annual Effective Cost	\$64,890.00	\$12.02/sf

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

**Comment:** This lease will provide office space for Department of Children's Services and the Department of Human Services. One proposal from one proposer was received and evaluated. The space will be renovated to meet the State's needs. The lease is estimated to commence on or before February 2024.

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:** 09/21/2022 Approved a lease

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 21-04-924

- **Proposed Lease**

- **Location:** Hamblen County – 1077 E. Morris Blvd, Morristown, TN
- **Landlord:** Trademark Investments, LLC
- **Term:** 10 years plus two 1-year renewal options
- **Area / Costs:** 11,193 Square Feet

First Year Annual Contract Rent	\$123,123.00	\$11.00/sf
Average Annual Contact Rent	128,719.56	11.50/sf
Estimated Utilities Cost	19,587.75	1.75/sf
Estimated Janitorial Cost	12,312.30	1.10/sf
Total Average Annual Effective Cost	\$160,619.55	\$14.35/sf

- **Current Lease**

- **Location:** Hamblen County – 1077 E. Morris Blvd, Morristown, TN
- **Landlord:** Trademark Investments, LLC
- **Term:** 8 years (September 1, 2017 to August 31, 2025)
- **Area / Costs:** 11,193 Square Feet

Annual Contract Rent	\$85,066.80	\$7.60/sf
Estimated Utilities Cost	19,587.75	1.75/sf
Estimated Janitorial Cost	12,312.30	1.10/sf
Total Annual Effective Cost	\$116,966.85	\$10.45/sf

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

**Comment:**

This lease will provide office space for the Department of Children’s Services. Two proposals from two proposers were received and one proposal was evaluated. One proposal was not evaluated due to non-responsiveness. The lease is estimated to commence on or before March 2024 based on the renovations needed.

The tenant may terminate this lease for convenience at any time with 90 days written notice to the landlord and payment of a fee.

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.

If renewal options are exercised, the rent rate will increase.

The Knox Office Realty broker commission is \$20,981.28 for the 10-year term and if both renewal options are exercised, the total commission is \$25,724.87 for the total 12-year term.

**Minutes:** 09/21/2022 Approved a lease

DEPARTMENT OF GENERAL SERVICES**Acquisition – Lease (Space)****Requested Action:** Approval of a lease**Transaction Description:** Transaction No. 20-12-907 and 20-12-908● **Proposed Lease**

- **Location:** Lake County – 660 Carl Perkins Parkway, Tiptonville TN
- **Landlord:** Pedigo-Tiptonville Properties, L.P.
- **Term:** 10 years
- **Area / Costs:** 5,000 Square Feet

First Year Annual Contract Rent	\$77,000.00	\$15.90/sf
Average Annual Contract Rent	79,500.00	15.85/sf
Estimated Utilities Cost	8,750.00	1.75/sf
Estimated Janitorial Cost	5,500.00	1.10/sf
Total Average Annual Effective Cost	\$93,750.00	\$18.75/sf

● **Current Lease**

- **Location:** Lake County – 660 Carl Perkins Parkway, Tiptonville TN
- **Landlord:** Pedigo-Tiptonville Properties, L.P.
- **Term:** 3 years (June 1, 2022 to May 31, 2025)
- **Area / Costs:** 5,000 Square Feet

Annual Contract Rent	\$49,980.00	\$10.00/sf
Estimated Utilities Cost	8,750.00	1.75/sf
Estimated Janitorial Cost	5,500.00	1.10/sf
Total Annual Effective Cost	\$64,230.00	\$12.85/sf

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

**Comment:** This lease will provide office space for Department of Children’s Services and the Department of Human Services. One proposal from one proposer was received and evaluated. The space will be renovated to meet the State’s needs. The lease is estimated to commence on or before May 2025.

The tenant may terminate this lease for convenience at any time with 120 days’ written notice to the landlord and payment of a termination fee.

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:** 09/21/2022 Approved a lease

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease (Space)**

**Requested Action:** Approval of a lease

**Transaction Description:** Transaction No. 21-04-921 & 21-04-922

• **Proposed Lease**

- **Location:** Lincoln County – 2221 Thornton Taylor Pkwy, Fayetteville, TN
- **Landlord:** Pedigo-Fayetteville Properties, L.P.
- **Term:** 10 years, with two 1-year renewal options
- **Area / Costs:** 4,782 Square Feet

First Year Annual Contract Rent	\$76,512.00	\$16.00/sf
Average Annual Contract Rent	80,098.50	16.75/sf
Estimated Utilities Cost	8,368.50	1.75/sf
Estimated Janitorial Cost	5,260.20	1.10/sf
Total Average Annual Effective Cost	\$93,727.20	\$19.60/sf

• **Current Lease**

- **Location:** Lincoln County – 2221 Thornton Taylor Pkwy, Fayetteville, TN
- **Landlord:** Pedigo-Fayetteville Properties, L.P.
- **Term:** 5 years (March 1, 2018 – February 28, 2023)
- **Area / Costs:** 5,605 Square Feet

Annual Contract Rent	\$49,990.00	\$8.85/sf
Estimated Annual Utility Cost	9,808.75	1.75/sf
Estimated Annual Janitorial Cost	6,165.50	1.10/sf
Total Average Annual Effective Cost	\$65,964.25	\$11.70/sf

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

**Comment:** This lease will provide office space for Department of Human Services and Department of Children’s Services. One proposal from one proposer was received and evaluated. Alternative Workplace Solutions will be implemented at this location. The proposed location will be renovated to meet the State’s needs. The lease is estimated to commence on or before July 2024.

The tenant may terminate this lease for convenience at any time with 90 days written notice to the landlord and payment of a termination fee.

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.

If renewal options are exercised, the rent rate will increase.

The CBRE, Inc. commission is \$11,013.54 for the 10-year base term, if the renewal options are exercised the commission will be \$12,203.66.

**Minutes:** 09/21/2022 Approved a lease

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease (Space)**

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

**Transaction Description:**      Transaction No. 20-07-908

● **Proposed Lease**

- **Location:**                            Overton County– 809 North Church St., Livingston, TN
- **Landlord:**                           Harold Everett Jackson Trust dated 2/7/11, Harold E. Jackson Trustee, a 50% interest, Steve Copeland, a 50% interest
- **Term:**                                    10 years
- **Area / Costs:**                    5,700 Square Feet

Annual Contract Rent	\$49,999.00	\$8.77/sf
Estimated Annual Utility Cost	9,975.00	1.75/sf
Estimated Annual Janitorial Cost	6,270.00	1.10/sf
Total Annual Effective Cost	\$66,244.00	\$11.62/sf

● **Current Lease**

- **Location:**                            Overton County– 809 North Church St., Livingston, TN
- **Landlord:**                            Cojac Partnership
- **Term:**                                    2 years (January 1, 2022 – December 31, 2023)
- **Area / Costs:**                    5,700 Square Feet

Annual Contract Rent	\$49,989.00	\$8.77/sf
Estimated Utilities Cost	9,975.00	1.75/sf
Estimated Janitorial Cost	6,270.00	1.10/sf
Total Annual Effective Cost	\$66,234.00	\$11.62/sf

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

**Comment:**                            This lease will provide office space for Department of Children’s Services. The proposed location will be refreshed and minor construction to meet the State’s needs. The lease is estimated to commence on or before January 2024.

Advertisement is not required pursuant to TCA §12-2-114.

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:**                                09/21/2022      Approved a lease



DEPARTMENT OF GENERAL SERVICES

**Acquisition - Lease Amendment**

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

**Transaction Description:** Transaction No. 16-06-903

● **Proposed Amendment**

○ **Term:** 8 years (January 1, 2018 – December 31, 2025)

● **Current Lease**

○ **Location:** Shelby County – 2379 Chiswood Street, Memphis, TN

○ **Landlord:** Robert J. Wilson Family Trust

○ **Term:** 5 years (January 1, 2018 – December 31, 2022)

○ **Area / Costs:** 3,324 Square Feet

○ <b>Current:</b>	Average Annual Contract Rent:	\$49,860.00	\$15.00/sf
	Estimated Annual Utility Cost:	5,817.00	1.75/sf
	Estimated Annual Janitorial Cost:	3,656.40	1.10/sf
	Total Average Annual Effective Cost:	<u>\$59,333.40</u>	<u>\$17.85/sf</u>

● **Source of Funding:** FRF

● **Procurement Method:** Negotiated

● **FRF Rate:** \$18.00

**Comment:** This lease will provide garage and storage space for the Tennessee Bureau of Investigation.

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 that is currently in the evaluation phase; and will be presented to ESC pursuant to applicable SBC policy at a future date.

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:** 09/21/2022 Approved a 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. 15-04-913

● **Proposed Amendment**

- **Term:** 8 years (January 1, 2018 – December 31, 2025)
- **Area / Costs:** 7,900 Total Square Feet

Average Annual Contract Rent:	\$136,146.27	\$17.23/sf
Estimated Annual Utility Cost:	13,825.00	1.75/sf
Estimated Annual Janitorial Cost:	8,690.00	1.10/sf
<b>Total Average Annual Effective Cost:</b>	<b>\$158,661.27</b>	<b>\$20.08/sf</b>

● **Current Lease**

- **Location:** Shelby County – 2399 Chiswood Street, Memphis, TN
- **Landlord:** Robert J. Wilson Family Trust
- **Term:** 5 years (January 1, 2018 – December 31, 2022)
- **Area / Costs:** 7,900 Square Feet

First Year Contract Rent:	\$126,005.00	\$15.95/sf
Average Annual Contract Rent:	\$131,672.57	\$16.67/sf
Estimated Annual Utility Cost:	13,825.00	1.75/sf
Estimated Annual Janitorial Cost:	8,690.00	1.10/sf
<b>Total Average Annual Effective Cost:</b>	<b>\$154,187.57</b>	<b>\$19.52/sf</b>

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

**Comment:** This lease will provide office space for the Tennessee Bureau of Investigation.

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 evaluation phase; and will be presented to ESC pursuant to applicable SBC policy at a future date.

The proposed lease amendment will provide for a termination for convenience at any time upon 90 days prior written notice.

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.

**Previous Report:** 02/22/2016 Approved lease agreement

**Minutes:** 09/21/2022 Approved a 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. 16-01-902

● **Proposed Amendment**

○ **Term:**                               8 years (December 1, 2017 – November 30, 2025)

● **Current Lease**

○ **Location:**                       Tipton County – 845 Hwy 51 North, Covington, TN

○ **Landlord:**                       APC Rentals GP

○ **Term:**                               5 years (December 1, 2017 – November 30, 2022)

○ **Area / Costs:**               6,268 Square Feet

○ <b>Current:</b>	Annual Contract Rent:	\$ 85,871.60	\$13.70/sf
	Estimated Annual Utility Cost:	10,969.00	1.75/sf
	Estimated Annual Janitorial Cost:	6,894.80	1.10/sf
	<b>Total Average Annual Effective Cost:</b>	\$103,735.40	\$16.55/sf

● **Source of Funding:**       FRF

● **Procurement Method:**   Negotiated

● **FRF Rate:**                     \$15.00

**Comment:**                       This lease will provide office space for the Department of Children’s Services.

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 evaluation phase; and will be presented to ESC pursuant to applicable SBC policy at a future date.

The proposed lease amendment will provide for a termination for convenience at any time upon 90 days prior written notice.

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:**                       09/21/2022    Approved a lease amendment with waiver of advertisement

DEPARTMENT OF GENERAL SERVICES

**Acquisition – Lease (Space)**

**Requested Action:** Approval of a lease

**Transaction Description:** Transaction No. 21-04-909

● **Proposed Lease**

- **Location:** Washington County – 5788 Bobby Hicks Hwy, Gray, TN
- **Landlord:** Joe M. Wilson & Kenneth Hartman
- **Term:** 10 years with three 1-year renewal options
- **Area / Costs:** 8,125 Square Feet

First Year Annual Contract Rent	\$146,250.00	\$18.00/sf
Average Annual Contract Rent	153,010.00	18.83/sf
Estimated Utilities Cost	14,218.75	1.75/sf
Estimated Janitorial Cost	8,937.50	1.10/sf
Total Average Annual Effective Cost	\$176,174.38	\$21.68/sf

● **Current Lease**

- **Location:** Washington County – 5788 Bobby Hicks Hwy, Gray, TN
- **Landlord:** Joe M. Wilson & Kenneth Hartman
- **Term:** 5 years (February 1, 2018 to January 31, 2023)
- **Area / Costs:** 8,125 Square Feet

Annual Contract Rent	\$122,687.50	\$15.10/sf
Estimated Utilities Cost	14,218.75	1.75/sf
Estimated Janitorial Cost	8,937.50	1.10/sf
Total Annual Effective Cost	\$145,843.75	\$17.95/sf

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

**Comment:** This lease will provide office space for the Department of Labor and Workforce Development. One proposal was received and evaluated. The lease is estimated to commence February 2023 based on the work required.

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.

If renewal options are exercised, the rent rate will increase.

The Knox Office Realty broker commission is \$24,941.96 for the initial 10-year term. If all renewal options are exercised, the total commission would be \$32,919.99.

**Minutes:** 09/21/2022 Approved a lease

Approved:



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