

AGENDA

STATE BUILDING COMMISSION

Executive Subcommittee

WebEx Electronic Meeting

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October 19, 2020

11:00 a.m.

- Consent Agenda Listing 2
- University of Tennessee 3
- Department of Transportation 4
- Department of General Services 5
- State Building Commission 11
- Consent Agenda Items 17

Pursuant to T.C.A. §8-44-108, meetings may be conducted permitting participation of electronic or other means of communication.

CONSENT AGENDA

Approval of the following items which have been reviewed and recommended for approval by Subcommittee staff:

- A. Agency: Department of Transportation
Transaction: Disposal – Fee
Provision(s): n/a

- B. Agency: Tennessee Wildlife Resources Agency
Transaction: Acquisition – Fee (Third Party)
Provision(s): Waiver of advertisement and one appraisal

- C. Agency: Department of Environment & Conservation
Transaction: Acquisition – Easement (Public Recreation)
Provision(s): Waiver of advertisement and appraisals

- D. Agency: Department of General Services
Transaction: Acquisition – Lease Amendment
Provision(s): Wavier of advertisement

- E. Agency: Department of General Services
Transaction: Acquisition – Lease Amendment
Provision(s): Waiver of advertisement

- F. Agency: Department of General Services
Transaction: Acquisition – Lease (Space)
Provision(s): n/a

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: Approval of waiver of advertisement

Transaction Description: Transaction No. 2020-10-01

- **Proposed Lease**

- **Location:** University of Tennessee – Knoxville (UTK)
Knox County – approximately 35,000 sf – UT Research Park, Knoxville TN
- **Landlord:** Cherokee Farm Partners GP II
- **Term:** 52 years with one (1) forty (40) year option to extend
- **Source of Funding:** Plant Funds (Non-Aux) (A)
- **Procurement Method:** Negotiated

Comment: The University of Tennessee – Knoxville has the need for approximately 35,000 square feet of research space that includes a high-bay conditioned area. The space is needed for use by the Governors Chair in Advanced Composites Manufacturing who also serves as the Director of the Fibers and Composites Manufacturing Facility. This facility will provide space to grow research and development partnerships, collaborate innovation and talent development for the university and State of Tennessee, and serve as an expertise bridge between Oak Ridge National Labs and the Manufacturing Demonstration Facility.

In 2018, an RFP was issued seeking to lease this type of space and no responses were received. A market survey was then conducted and found no space that meet the criteria. A follow-up survey was completed Summer 2020 and again found no space that would meet this need.

As a result, the university requests waiver of advertisement to begin negotiations with a developer that would build an approximately 65,000 +/- square foot facility at the UT Research Park (UTRP) at Cherokee Farm. UT would lease approximately 35,000 +/- square feet of the facility and the remainder would be spec space for future leases by UTRF. Since this building is located on land owned by the University, the building will revert to the University at the end of the lease. Waiver of advertisement is requested due to the unique nature of the space, location, the unavailability of this type of space in the market and opportunity for the space to be built to UTK's specific needs.

This request is for approval to commence negotiations with the landlord.

SSC Report: 10/12/2020 Austin Oakes summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

DEPARTMENT OF TRANSPORTATION

Disposal – Reversion Right (Fee)

Requested Action: **Approval of disposal of reversion right with waiver of advertisement and one appraisal**

Transaction Description: Transaction No. 20-08-005

- **Location:** Shelby County – 9.692+/- acres – North Bellevue Boulevard and Overton Park Avenue, Memphis, TN
- **Grantee:** City of Memphis
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** City of Memphis (O)

Comment: This property has been determined to be surplus to the Department’s needs.

The property was first requested by a non-adjointing landowner. Upon receiving the request, the Department contacted all adjoining landowners at the time, including the City of Memphis. Memphis and one other adjoining landowner expressed interest; however, Memphis requested the property at no cost for public use and therefore, that is how it was conveyed in 2015 pursuant to TCA 12-2-112. Memphis has since determined this property could be better utilized through redevelopment opportunities. In order to release the public use restriction, Memphis is required to pay fair market value.

Proceeds will be deposited into the Highway Fund per TCA 12-2-112.

Date of Last Transfer: 1960s
Previous Owner: Various
Original Cost to State: \$681,813.00 (multiple tracts)
Square Footage Improvements: N/A

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

DEPARTMENT OF GENERAL SERVICES

Acquisition - Lease Amendment

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

Transaction Description: Transaction No. 98-12-909

• **Proposed Amendment**

○ **Term:** 14 years (December 1, 2008 to November 30, 2022)

○ **Area / Costs:** 8,200 Square Feet

Annual Contract Rent (Years 13-14)	\$84,050.00	\$10.25/sf
Average Annual Contract Rent (Years 1-14)	79,657.14	9.71/sf
Estimated Annual Utility Cost	14,350.00	1.75/sf
Estimated Annual Janitorial Cost	9,020.00	1.10/sf
Total Annual Effective Cost	\$103,027.14	\$12.56/sf

• **Current Lease**

○ **Location:** Hickman County – 108 Progress Center Plaza, Centerville, TN

○ **Landlord:** Pedigo Centerville Properties

○ **Term:** 12 years (December 1, 2008 to November 30, 2020)

○ **Area / Costs:** 8,200 Square Feet

Current Annual Contract Rent (Years 11-12)	\$84,050.00	\$10.25/sf
Annual Contract Rent (Years 1-10)	77,900.00	9.50/sf
Average Annual Contract Rent (Years 1-12)	78,925.00	9.63/sf
Estimated Annual Utility Cost	14,350.00	1.75/sf
Estimated Annual Janitorial Cost	9,020.00	1.10/sf
Total Average Annual Effective Cost	\$102,295.00	\$12.48/sf

• **Source of Funding:** FRF Operating Funds

• **FRF Rate:** \$15.00

Comment: This lease will provide office space for the Department of Human Services and the Department of Children's Services. Location was built to suit for the State.

This amendment is in the best interest of the State to allow continuity of operations until a new lease is approved and ready for occupancy. A separate ESC action will be required for approval of the new long-term solution which is estimated to commence May 2022 based on the renovations needed for the new location.

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 Actions: 10/25/2004 ESC Approved lease
09/24/2018 ESC Approved lease amendment with waiver of advertisement

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee with recommendation

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 19-03-932 & 19-04-901

● **Proposed Lease**

- **Location:** Hickman County – 108 Progress Center Plaza, Centerville, TN
- **Landlord:** Pedigo-Centerville Properties, L.P.
- **Term:** 7 years with one 3-year renewal option
- **Area / Costs:** 6,804 Square Feet

First Year Annual Contract Rent	\$84,709.80	\$12.45/sf
Average Annual Rent	86,167.80	12.66/sf
Estimated Utilities Cost	11,907.00	1.75/sf
Estimated Janitorial Cost	7,484.40	1.10/sf
Total Average Annual Effective Cost	\$105,559.20	\$15.51/sf

● **Current Lease**

- **Location:** Hickman County – 108 Progress Center Plaza, Centerville, TN
- **Landlord:** Pedigo-Centerville Properties, L.P.
- **Term:** 14 years (December 1, 2008 to November 30, 2022)
- **Area / Costs:** 8,200 Square Feet

Annual Contract Rent (Years 13-14)	\$84,050.00	\$10.25/sf
Average Annual Contract Rent (Years 1-14)	79,657.14	9.71/sf
Estimated Utilities Cost	14,350.00	1.75/sf
Estimated Janitorial Cost	9,020.00	1.10/sf
Total Annual Effective Cost	\$103,027.14	\$12.56sf

● **Source of Funding:** FRF Operating Funds

● **Procurement Method:** LPR on template

● **FRF Rate:** \$15.00

Comment:

This lease will provide office space for Department of Human Services and the Department of Children’s Services. Three proposals from three proposers were received and evaluated. Alternative Workplace Solutions has been implemented at this location. The proposed location will be renovated to meet the State’s needs. The lease is estimated to commence in May 2022 based on the renovations needed. A separate ESC approval will be required to bridge the current lease term until the new lease commences.

Rent increases in the renewal option, if exercised, to \$13.45/sf for years 8-10. The tenant may terminate this lease at any time by giving 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.

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 20-02-908

• **Proposed Lease**

- **Location:** Knox County – 1426 Elm Street, Knoxville, TN
- **Landlord:** BOSK Properties, LLC
- **Term:** 3 years
- **Area / Costs:** 18,256 Square Feet

First Year Annual Contract Rent	\$212,066.40	\$11.62/sf
Average Annual Rent	218,492.01	11.97/sf
Estimated Utilities Cost	31,948.00	1.75/sf
Estimated Janitorial Cost	20,081.60	1.10/sf
Total Average Annual Effective Cost	\$270,521.61	\$14.82/sf

• **Current Lease**

- **Location:** Knox County – 1426 Elm Street, Knoxville, TN
- **Landlord:** BOSK Properties, LLC
- **Term:** 10 years (July 1, 2005 to June 30, 2015) (Holdover)
- **Area / Costs:** 18,256 Square Feet

Annual Contract Rent	\$163,128.00	\$8.94/sf
Estimated Utilities Cost	25,558.40	1.40/sf
Estimated Janitorial Cost	20,081.60	1.10/sf
Total Annual Effective Cost	\$208,768.00	\$11.44/sf

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

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

This lease is in the best interest of the State to allow continuity of operations until a new lease is approved and ready for occupancy. A future ESC action will be required for approval of the new long-term solution.

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 Action: 09/21/2020 ESC Approved waiving advertisement

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 20-05-900

● **Proposed Lease**

- **Location:** Montgomery County – 0 Hornbuckle Rd., Clarksville, TN
- **Landlord:** The 2012-E Pedigo Trust
- **Term:** 7 years with one 3-year renewal
- **Area / Costs:** 8,709 Square Feet

First Year Annual Contract Rent	\$191,162.55	\$21.95/sf
Average Annual Contract Rent	192,655.52	22.12/sf
Estimated Annual Utility Cost	15,240.75	1.75/sf
Estimated Annual Janitorial Cost	9,579.90	1.10/sf
Total Annual Effective Cost	\$217,476.17	\$24.97/sf

- **Source of Funding:** FRF
- **Procurement Method:** LPR on template
- **FRF Rate:** \$18.00

Comment: This lease will provide a new office space for Department of Safety and Homeland Security. Nine proposals from five proposers were received and evaluated.

This new lease will provide space for the growth in the driver services needed in Montgomery County. The current state space is not large enough to accommodate the increased demand and staffing requirements. The proposed location will be constructed to meet the State's needs. The lease is estimated to commence in February 2023 based on the anticipated construction schedule.

Rent increases in the renewal option, if exercised, to \$22.95/sf for years 8-10.

The tenant may terminate this lease at any time by giving 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.

The CBRE, Inc. commission is \$37,086.19 for the 7-year base term, if all the renewal options are exercised the commission will be \$45,330.89.

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 19-04-904

● **Proposed Lease**

- **Location:** Rutherford County – 845 Esther Ln., Murfreesboro, TN
- **Landlord:** Charitable Remainder Unitrust
- **Term:** 10 years
- **Area / Costs:** 4,200 Square Feet

Annual Contract Rent	\$84,546.00	\$20.13/sf
Estimated Annual Utility Cost	7,350.00	1.75/sf
Estimated Annual Janitorial Cost	4,620.00	1.10/sf
Total Annual Effective Cost	\$96,516.00	\$22.98/sf

● **Current Lease**

- **Location:** Rutherford County – 845 Esther Ln., Murfreesboro, TN
- **Landlord:** Charitable Remainder Unitrust
- **Term:** 7 years (January 1, 2014 – December 31, 2020)
- **Area / Costs:** 4,800 Square Feet

Annual Contract Rent	\$54,009.60	\$11.25/sf
Estimated Utilities Cost	8,400.00	1.75/sf
Estimated Janitorial Cost	5,280.00	1.10/sf
Total Annual Effective Cost	\$67,689.60	\$14.10/sf

- **Source of Funding:** FRF
- **Procurement Method:** LPR on template
- **FRF Rate:** \$18.00

Comment: This lease will provide a renovated office space for Department of Labor and Workforce Development. Six proposals from five proposers were 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 in January 2022 based on the renovations needed. A future ESC action will be required to bridge the current lease term while the new lease is being made ready for commencement.

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.

The CBRE, Inc. commission is \$11,625.08 for the 10-year term.

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

DEPARTMENT OF GENERAL SERVICES

Acquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 19-03-909

• **Proposed Lease**

- **Location:** Hardin County – 1016 Pickwick St., Savannah, TN
- **Landlord:** Jeffery W. Hunt
- **Term:** 7 years with one 3-year renewal
- **Area / Costs:** 6,498 Square Feet

Annual Contract Rent	\$89,672.40	\$13.80/sf
Estimated Annual Utility Cost	11,371.50	1.75/sf
Estimated Annual Janitorial Cost	7,147.80	1.10/sf
Total Annual Effective Cost	\$108,191.70	\$16.65

• **Current Lease**

- **Location:** Hardin County – 60 Brazelton St., Ste. 10, Savannah, TN
- **Landlord:** J. Gilbert Parrish, Jr
- **Term:** 12 years (August 1, 2009 – July 31, 2021)
- **Area / Costs:** 5,800 Square Feet

Annual Contract Rent	\$87,000.00	\$15.00/sf
Estimated Utilities Cost	10,150.00	1.75/sf
Estimated Janitorial Cost	6,380.00	1.10/sf
Total Annual Effective Cost	\$103,530.00	\$17.85/sf

- **Source of Funding:** FRF
- **Procurement Method:** LPR on template
- **FRF Rate:** \$15.00

Comment: This lease will provide a renovated office space for Department of Safety and Homeland Security and will provide space for Driver's Services. Five proposals from five proposers were evaluated, however one was withdrawn. This location was the second lowest cost proposer; however, it was evaluated to be the best overall proposal to meet the Department's needs. The proposed location will be renovated to meet the State's needs. The lease is estimated to commence in November 2022 based on the renovations needed.

Rent increases in the renewal option, if exercised, to \$14.21/sf for years 8-10. The tenant may terminate this lease at any time after the 60th month by giving 90 days written notice to the landlord. 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.

The CBRE, Inc. commission is \$17,261.94 for the 7-year base term, if all the renewal options are exercised the commission will be \$21,070.82.

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee with recommendation.

STATE BUILDING COMMISSION

Minutes of Executive Subcommittee Meeting

- 1) APPROVAL of the Minutes of the Executive Subcommittee meeting held on September 21, 2020.

Report of Items Approved by Office of the State Architect

Initial and Revised Approvals of Capital Projects

- REPORT of the following capital projects with total project cost of \$100,000 - \$500,000 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: REC-Residence Improvements
Project Description: This project will repair fire damage at the Research and Education Center Residence which includes replacement/repair of interior finishes; mechanical, electrical, and plumbing components; windows and soffits; and upgrades to be ADA compliant.
SBC Project No. 540/001-05-2020
Total Project Budget: \$190,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project utilizing Campus Consultant for design and a Central Procurement contract (Belfor) for construction
Approval Date: 09/24/2020
 - 2) **State Procurement Agency:** University of Tennessee Institute of Agriculture
Location: Knoxville, Tennessee
Project Title: Brehm Arena Improvements
Project Description: This project will replace the arena floor, address ADA accessibility issues, and fire safety requirements.
SBC Project No. 540/001-06-2020
Total Project Budget: \$128,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project utilizing Campus Consultant for design and Campus Resources and System Procurement for construction
Approval Date: 10/06/2020

- 3) **State Procurement Agency:** University of Tennessee – Chattanooga
Location: Chattanooga, Tennessee
Project Title: Residence Hall Indoor Air Quality Enhancements
Project Description: This project will install ionization air purification systems for each apartment unit in Lockmiller Apts, Boling Apts and Johnson-Obear Apts.
SBC Project No. 540/005-05-2020
Total Project Budget: \$210,000.00
Source of Funding: Plant Funds (Aux-Housing) (A)
Approval: Approved project utilizing Campus Consultant for design and Central Procurement Office contract for construction
Approval Date: 09/23/2020
- 4) **State Procurement Agency:** University of Tennessee – Knoxville
Location: Knoxville, Tennessee
Project Title: Conference Center Boiler Replacement
Project Description: This project will replace the existing boiler with an updated boiler system as well as abating existing piping insulation.
SBC Project No. 540/009-10-2020
Total Project Budget: \$218,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project utilizing Campus Consultant for design, and Campus Resources and System Procurement for construction
Approval Date: 09/23/2020
- 5) **State Procurement Agency:** University of Tennessee – Martin
Location: Martin, Tennessee
Project Title: Student Life & Bob Carroll Chiller Replacement
Project Description: This project will replace the existing 140-ton air cooled chiller serving the Student Life and Bob Carroll buildings.
SBC Project No. 540/011-05-2020
Total Project Budget: \$180,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project utilizing Campus Consultant for design and System Procurement for construction
Approval Date: 10/01/2020
- 6) **State Procurement Agency:** Austin Peay State University
Location: Clarksville, Tennessee
Project Title: Memorial Health – Electrical Closet Relocation
Project Description: Replace and relocate electrical service from below-grade mechanical room to a new electrical closet; in-kind replacement of mechanical equipment and transformer, and all related work.
SBC Project No. 373/003-05-2020
Total Project Budget: \$220,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project utilizing an Agency Consultant for design and Campus Resources and Campus Procurement for a portion of the work
Approval Date: 09/24/2020

- 7) **State Procurement Agency:** Austin Peay State University
Location: Clarksville, Tennessee
Project Title: Trahern Fire Curtain Replacement
Project Description: Replace the existing fire curtain with a new code compliant curtain, tie-in with existing electrical and fire alarm systems, and all associated work.
SBC Project No. 373/003-06-2020
Total Project Budget: \$253,000.00
Source of Funding: Plant Funds (Non-Aux) (A)
Approval: Approved project utilizing an Agency Consultant for design
Approval Date: 09/29/2020
- 8) **State Procurement Agency:** STREAM / Tennessee Wildlife Resources Agency
Location: Morristown, Tennessee
Project Title: Region 4 J. Sevier Hunter Education Center New Restrooms
Project Description: Installation of two new, stand alone restrooms for the shooting range and welcome center and all required related work.
SBC Project No. 220/020-01-2020
Total Project Budget: \$370,000.00
Source of Funding: \$277,500.00 Federal Funds (F)
\$ 92,500.00 20/21 TWRA Op Funds (A)
Approval: Approved project utilizing Agency Resources and Central Procurement Office contracts to perform the work
Approval Date: 10/07/2020
- 9) **State Procurement Agency:** STREAM / Department of Intellectual & Developmental Disabilities
Location: Nashville, Tennessee
Project Title: MTRO One Cannon Building Elevator Upgrades
Project Description: Elevator upgrades in the One Cannon Building and all required related work.
SBC Project No. 346/003-01-2020
Total Project Budget: \$480,000.00
Source of Funding: 20/21 CurrFunds-CapMaint (MP) (A)
Approval: Approved project and to select a designer
Approval Date: 09/29/2020

Approvals of Revisions to Existing Capital Projects

- REPORT of the following approval of an alternate construction delivery method in accordance with Item 2.04(B)(1) of the *SBC By-Laws, Policy & Procedures*:

- 1) **State Procurement Agency:** Tennessee Board of Regents / TCAT Chattanooga
Location: Chattanooga, Tennessee
Project Title: TCAT Chattanooga Advanced Manufacturing Building
Project Description: Construct an advanced manufacturing building to include classrooms, labs, student services, and administrative space. Reconfigure and expand parking lot and make renovations to existing TCAT 1 and 2 buildings.
SBC Project No. 166/012-02-2020
Total Project Budget: \$21,900,000.00
Source of Funding: \$21,700,000.00 2020 GO Bonds-CapImp (A)
\$ 200,000.00 Gifts (O)
Approval: Approved utilizing CM/GC alternative delivery method
Approval Date: 10/02/2020

- REPORT of the following approvals 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:** STREAM / Department of Environment & Conservation
Location: Chapel Hill, Tennessee
Project Title: Henry Horton State Park Restaurant and Visitor Center
Project Description: Demolition of the visitor center and restaurant, construction of a new visitor center and restaurant, road reconfiguration, required site work, and planning funds for the park, which may include additional cabins, and all required related work.

SBC Project No. 126/051-02-2017
Total Project Budget: \$10,050,000.00
Current Project Funding: \$ 8,250,000.00
Source of Funding: 17/18 CurrFunds-CapImp (A)
Approval: Approved a revision in project funding (increase construction contingency, decrease movable equipment)
Approval Date: 09/22/2020

- 2) **State Procurement Agency:** STREAM / Department of Correction
Location: Tiptonville, Tennessee
Project Title: NWCX Kitchen and Vocational Upgrades
Project Description: The construction of a new metal building to support vocational training programs, the construction of a new kitchen, the renovation of current kitchen into support laundry space and all required related work.

SBC Project No. 142/016-01-2017
Total Project Budget: \$4,500,000.00
Source of Funding: 17/18 CurrFunds-CapImp (SA) (A)
Approval: Approved a revision in project funding (increase MACC, reallocate and decrease soft costs)
Approval Date: 09/25/2020

Approvals of Contract Amendments

- REPORT of the following approvals 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 / West Tennessee River Basin Authority
Location: Statewide, Tennessee
Project Title: Engineering Consultant
Project Description: Provide professional engineering services to West Tennessee River Basin Authority (WTRBA).

SBC Project No. 128/020-01-2020
Total Project Budget: \$1,000,000.00
Current Project Funding: \$ 400,000.00
Source of Funding: \$ 200,000.00 19/20 CurrFunds-MajMaint (WTRBA) (A)
\$ 200,000.00 20/21 CurrFunds-MajMaint (WTRBA) (A)
Approval: Approved a revision in project funding (add annual funding)
Approval Date: 09/30/2020

- 2) **State Procurement Agency:** STREAM / Department of Correction
Location: Statewide, Tennessee
Project Title: Agency Consultants
Project Description: Provide agency consultants for Architectural, Engineering, and Environmental consultant services for various projects.
- SBC Project No.** 140/001-01-2016
Total Project Budget: \$1,300,000.00
Source of Funding:
- | | | | |
|---------------|-------|--------------------|-----|
| \$ 500,000.00 | 16/17 | CurrFunds-MajMaint | (A) |
| \$ 200,000.00 | 17/18 | CurrFunds-MajMaint | (A) |
| \$ 300,000.00 | 18/19 | CurrFunds-MajMaint | (A) |
| \$ 200,000.00 | 19/20 | CurrFunds-MajMaint | (A) |
| \$ 100,000.00 | 20/21 | CurrFunds-MajMaint | (A) |
- Approval:** Approved a revision in project budget and funding and to extend the contracts for additional 12 months (add annual funding)
Approval Date: 09/21/2020
- 3) **State Procurement Agency:** STREAM / Department of General Services
Location: Statewide, Tennessee
Project Title: Statewide Interior Renovation Upgrades Phase II
Project Description: Interior renovations to bring spaces in-line with Alternative Workspace Solutions (AWS) standards including AWS office furnishings, associated data, and all required related work.
- SBC Project No.** 529/000-09-2017
Total Project Budget: \$15,830,000.00
Source of Funding: 17/18 FRF CurrFunds-CapImp (A)
Approval: Approved extending the consultant contract an additional 28 months
Approval Date: 10/01/2020

Designer Selections

- REPORT of 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:** Tennessee Board of Regents / Tennessee State University
Location: Nashville, Tennessee
Project Title: Strange Music Building Roof Replacement
SBC Project No. 166/001-02-2020
Total Project Budget: \$456,500.00
Source of Funding: 20/21 CurrFunds-CapMaint (MP) (A)
Designer: Richard C. Rinks & Associates, Inc.
Approval Date: 09/18/2020
 - 2) **State Procurement Agency:** Tennessee Board of Regents / TCAT Paris
Location: Paris, Tennessee
Project Title: Exterior Repairs
SBC Project No. 166/079-01-2020
Total Project Budget: \$280,000.00
Source of Funding: 20/21 CurrFunds-CapMaint (MP) (A)
Designer: American Structurepoint, Inc.
Approval Date: 09/18/2020

3) State Procurement Agency: STREAM / Department of Military
Location: Memphis, Tennessee
Project Title: Combined Hangar Fire Pumps Emergency Generator
SBC Project No. 361/106-01-2020
Total Project Budget: \$230,000.00
Current Project Funding: \$ 14,875.41
Source of Funding: Federal Funds (NGB) (F)
Designer: Pickering Firm, Inc.
Approval Date: 09/23/2020

4) State Procurement Agency: STREAM / Department of Military
Location: Memphis, Tennessee
Project Title: Fuel Cell Hangar 4425 Pulley System
SBC Project No. 361/106-02-2020
Total Project Budget: \$270,000.00
Current Project Funding: \$ 18,800.06
Source of Funding: Federal Funds (NGB) (F)
Designer: The Crump Firm, Inc.
Approval Date: 09/23/2020

- SELECTION of DESIGNERS for projects approved by the State Building Commission as recommended by the State Procurement Agencies.

Other Business

DEPARTMENT OF TRANSPORTATIONDisposal – Fee

Requested Action: Approval of disposal in fee

Transaction Description: Transaction No. 20-09-001

- **Location:** Unicoi County – 155.595+/- acres - Adjacent to I-26 on North Side of Lower Higgins Creek Road
- **Estimated Sales Price:** Fair Market Value

Comment: This property has been determined to be surplus to the Department's needs.

This parcel was purchased during the construction of I-26 (formerly I-181). The parcel is outside of the controlled access fence and is not being used by the Department.

There are six adjoining landowners and two expressed interest in this tract. The parcel will be disposed of by sealed bid between the interested adjoining landowners with the minimum bid price of FMV as determined by appraisal.

The deed will include restrictions to prohibit clear cutting timber and prohibit access to the property from the TDOT access control fence and revised right of way.

Date of Last Transfer:	January 24, 1990
Previous Owner:	Mae Clouse Erwin
Original Cost to State:	\$300,000.00 (larger tract)

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCY

Acquisition – Fee (Third Party)

Requested Action: Approval of acquisition in fee and to utilize third party with waiver of advertisement and one appraisal

Transaction Description: Transaction No. 20-05-002

- **Location:** Bear Hollow Mountain WMA (BHMWMA)
Franklin County – 1,154± acres – 0 Rowe Gap Road, Belvidere, TN
- **Owner(s):** Neil Corum
- **Estimated Purchase Price:** Fair Market Value
- **Source of Funding:** Federal Funds (Pittman Robertson) (F)
The Conservation Fund (O)
- **Third Party:** The Conservation Fund (O)

Comment: This property is contiguous with BHMWMA and will be an important addition to BHMWMA, as it will protect and preserve uplands and other forest functions in the BHMWMA ecosystem.

A third party is being used because of the need to close more quickly than would be possible under the State process and to take advantage of a discounted purchase price. The discounted cost will be used as the 25% match required for the federal grant funds.

No additional third-party costs are requested as a part of this transaction.

No additional management costs are anticipated with this acquisition.

Date of Last Transfer: July 11, 2002
Purchase Price: \$0 (Inter family transfer)
Property Assessor's Value: \$1,770,100.00 (larger tract)
Square Footage Improvements: N/A

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

DEPARTMENT OF ENVIRONMENT & CONSERVATIONAcquisition – Easement (Public Recreation)

Requested Action:	Approval of acquisition by easement with waiver of advertisement and appraisals
Transaction Description:	Transaction No. 19-08-008
<ul style="list-style-type: none"> ● Location: ● Owner(s): ● Estimated Purchase Price: ● Term: ● Source of Funding: 	<p>Natchez Trace State Park – Pin Oak Lake (NTSP – POL) Henderson County – 2,247± acres – 24845 Natchez Trace Road, Wildersville, TN Tennessee Valley Authority (TVA)</p> <p>No Cost</p> <p>Thirty (30) years, with option(s) to renew for up to thirty years</p> <p>20/21 State Lands Acquisition Fund (TVA Processing Fees) (A) 20/21 TDEC Op Funds (REM Fee) (A)</p>
Comment:	<p>Per T.C.A. §67-4-409, this property is on the state lands acquisition priority list and has been approved for acquisition by the Commissioner of Environment and Conservation, the Commissioner of Agriculture and the Executive Director of Tennessee Wildlife Resources Agency.</p> <p>TDEC previously leased this property from TVA, but that 50-year lease expired in August 2020. TVA has requested the state accept a recreation easement rather than a new lease going forward. The agreement is similar to the previous agreement under which TDEC maintains recreational facilities, activities, security and maintenance at NTSP – POL. TVA has granted TDEC a temporary License to bridge the gap between expiration of the Lease and execution of the proposed easement.</p> <p>Waiver of advertisement and appraisals are requested because this agreement is with a governmental entity at no cost to the state.</p>
SSC Report:	10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

DEPARTMENT OF GENERAL SERVICESAcquisition - Lease Amendment

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

Transaction Description: Transaction No. 07-12-906

- **Proposed Amendment**

- **Term:** 13 years (December 1, 2010 to November 30, 2023)

- **Area / Costs:** 9,387 Total Square Feet

Annual Contract Rent (Years 11-13)	\$88,200.00	\$9.40/sf
Average Annual Contract Rent (Years 1-13)	86,584.62	9.22/sf
Estimated Annual Utility Cost	16,427.25	1.75/sf
Estimated Annual Janitorial Cost	<u>10,325.70</u>	<u>1.10/sf</u>
Total Average Annual Effective Cost	\$113,337.57	\$12.07/sf

- **Current Lease**

- **Location:** Cocke County – 615 West Broadway, Newport, TN

- **Landlord:** Smith Properties II, General Partnership (previously Hommel Enterprises)

- **Term:** 10 years (December 1, 2010 to November 30, 2020)

- **Area / Costs:** 9,387 Square Feet

Current Annual Contract Rent	\$88,200.00	\$9.40/sf
Estimated Annual Utility Cost	13,141.80	1.40/sf
Estimated Annual Janitorial Cost	<u>10,325.70</u>	<u>1.10/sf</u>
Total Annual Effective Cost	\$109,567.50	\$11.90sf

- **Source of Funding:** FRF Operating Funds

- **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 allow continuity of operations until a new lease is approved and ready for occupancy. A future ESC action will be required for approval of the new long-term solution.

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 Action: 05/27/2008 ESC Approved lease agreement

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

DEPARTMENT OF GENERAL SERVICESAcquisition - Lease Amendment

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

Transaction Description: Transaction No. 13-01-906

- Proposed Amendment

- Term: 7 years (January 1, 2016 – December 31, 2022)
- Area / Costs: 4,027 Total Square Feet

Annual Contract Rent	\$39,996.00	\$9.93/sf
Estimated Annual Utility Cost	7,047.25	1.75/sf
Estimated Annual Janitorial Cost	4,429.70	1.10/sf
Total Annual Effective Cost	\$51,472.95	\$12.78/sf

- Current Lease

- Location: Putnam County – 1000 England Drive, Cookeville, TN
- Landlord: Upper Cumberland Business Park, LLC
- Term: 5 years (January 1, 2016 to December 31, 2020)
- Area / Costs: 4,027 Square Feet

○ Current: Annual Contract Rent	\$39,996.00	\$9.93/sf
Estimated Annual Utility Cost	7,047.25	1.75/sf
Estimated Annual Janitorial Cost	4,429.70	1.10/sf
Total Annual Effective Cost	\$51,472.95	\$12.78/sf

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

Comment: This lease provides office space for the Tennessee Bureau of Investigation.

A new 15-year lease was approved by the ESC in September 2020 to consolidate two locations into one lease which is estimated to commence April 2022 based on the renovations needed for the new location. This amendment is in the best interest of the State to allow continuity of operations until the new lease is ready for occupancy

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.

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

DEPARTMENT OF GENERAL SERVICESAcquisition – Lease (Space)

Requested Action: Approval of a lease

Transaction Description: Transaction No. 19-04-915

- Proposed Lease

- Location: Rutherford County – 1035 Samsonite Blvd, Murfreesboro, TN
- Landlord: Pedigo-Rutherford Properties, LP, a Tennessee Limited Partnership
- Term: 10 years
- Area / Costs: 10,000 Square Feet

First Year Annual Contract Rent	\$125,000.00	\$12.50/sf
Average Annual Contract Rent	129,750.00	12.98/sf
Estimated Utilities Cost	17,500.00	1.75/sf
Estimated Janitorial Cost	11,000.00	1.10/sf
Total Average Annual Effective Cost	\$158,250.00	\$15.83/sf

- Current Lease

- Location: Rutherford County – 1035 Samsonite Blvd, Murfreesboro, TN
- Landlord: Pedigo-Rutherford Properties, LP, a Tennessee Limited Partnership
- Term: 12 years (November 1, 2010 to October 31, 2022)
- Area / Costs: 8,700 Square Feet

Current Annual Contract Rent (Years 11-12)	\$98,397.00	\$11.31/sf
Annual Contract Rent (Years 1-10)	89,700.00	10.31/sf
Average Annual Contract Rent (Years 1-12)	91,149.50	10.48/sf
Estimated Utilities Cost	15,225.00	1.75/sf
Estimated Janitorial Cost	9,570.00	1.10/sf
Total Average Annual Effective Cost	\$115,944.50	\$13.33/sf

- Source of Funding: FRF Operating Funds
- Procurement Method: LPR on template
- FRF Rate: \$18.00

Comment:

This lease will provide office space for Department of Safety and Homeland Security. Eleven proposals from four proposers were received and evaluated. The proposed location will be renovated to meet the State's needs. The proposed location will be renovated to meet the State's needs. The lease is estimated to commence in May 2022 based on the renovations needed. An amendment was approved by the ESC at its September 2020 meeting to bridge the current lease term and estimated new lease commencement.

The tenant may terminate this lease at any time after the 60th month by giving 120 days written notice to the landlord.

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.

SSC Report: 10/12/2020 John Carr summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.