

MINUTES

STATE BUILDING COMMISSION MEETING

EXECUTIVE SUB-COMMITTEE

AUGUST 31, 2010

The State Building Commission Executive Subcommittee met this day at 10:30 a.m. in House Hearing Room 30, Legislative Plaza, Nashville, Tennessee.

STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT

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

OTHERS PRESENT

Alan Robertson, Acting State Architect
Georgia Martin, State Architect's Office
Jurgen Bailey, Real Property Administration
Bob King, Real Property Administration
Janie Porter, Attorney General's Office
Melinda Parton, Comptroller's Office
Joy Harris, Treasurer's Office
Jonathan Rummel, Secretary of State's Office
John Carr, Department of Finance & Administration
Felenceo Hill, Dept of Finance and Administration
Cindy Liddell, Bond Finance
Dick Tracy, Tennessee Board of Regents
J. J. Perdue, Department of Environment and Conservation
Mike Carlton, Department of Environment and Conservation
Bill Avant, Department of Environment and Conservation
Ruse Tucker, Department of Environment and Conservation
Nick DePalma, Real Property Administration
Kim Hunter, Real Property Administration
Dottie Hagood, Real Property Administration

Melanie Buchanan, Real Property Administration
Matt Ingham, Real Property Administration
LTC Barry Buntin, Military Department
Gordon Martin, TWRA
Susan Mann, TWRA
Lynelle Jensen, Department of General Services
Fred Hix, Division of Intellectual Disabilities Services
Missy Marshall, Division of Intellectual Disabilities Services
Sam Chessor, Department of Revenue
John Lamar, Department of Revenue
Jarrett Landrum, Department of Mental Health and Developmental Disabilities
George Criss, University of Tennessee
Robbi Stivers, University of Tennessee
Will Owen, Griggs & Maloney, Inc.
George Brummett, Division of Intellectual Disabilities Services
Eileen Crane, Nashville State Community College
Mary Cross, Nashville State Community College
Chris Roberts, Land Trust for TN
Ralph Knoll, The Conservation Fund

Commissioner Goetz called the meeting to order at 10:38 a.m. and requested action on the following matters as presented by Acting State Architect Alan Robertson.

CONSENT AGENDA

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

- A. Agency: University of Tennessee – Shelby County
Transaction: Acquisition in fee
Provision: Waiver of appraisals

- B. Agency: University of Tennessee – Cumberland County
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisal

- C. Agency: University of Tennessee – Greene County
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals

- D. Agency: University of Tennessee – Hamilton County
Transaction: Lease agreement
Provision: Waiver of advertisement

- E. Agency: University of Tennessee – Knox County
Transaction: Lease agreement

- F. Agency: Tennessee Board of Regents – Shelby County
Transaction: Acquisition in fee
Provision: Waiver of REM fee

- G. Agency: Tennessee Board of Regents – Washington County
Transaction: Acquisition in fee
Provision: Waiver of appraisals

- H. Agency: Tennessee Board of Regents – Dyer County
Transaction: Disposal in fee
Provision: Waiver of appraisals and remove or demolish house

- I. Agency: Tennessee Board of Regents – Rutherford County
Transaction: Lease agreement
Provision: Waiver of advertisement

- J. Agency: **Department of Labor & Workforce Development – Bradley County**
Transaction: Disposal in fee
- K. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- L. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- M. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- N. Agency: **Tennessee Wildlife Resources Agency – Anderson County**
Transaction: Disposal by easement
Provision: Waiver of advertisement & appraisals
- O. Agency: **Division of Forestry – Davidson County**
Transaction: Demolition – 6087 Fire Tower Road, Nashville, TN

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Tennessee

- 1) Approved a request for a revision in funding from \$2,100,000.00 to \$2,500,000.00 (\$400,000.00 increase) of a project for **Forensic Academy** at the University of Tennessee at Knoxville, and authorization to award a contract to Rentenbach Constructors in the amount of \$1,071,500.00, which includes the base bid and Alternate #1, based on bids received August 12, 2010.

Revised Estimated Project Cost:	\$2,500,000.00		
<u>Source of Funding:</u>	<u>Original</u>	<u>Increase</u>	<u>Revised</u>
Gifts (O)	\$1,000,000.00	\$400,000.00	\$1,400,000.00
Operating Funds (A)	<u>1,100,000.00</u>	<u>0.00</u>	<u>1,100,000.00</u>
TOTAL	\$2,100,000.00	\$400,000.00	\$2,500,000.00
SBC Project No.	540/009-24-2007		

University of Tennessee at Chattanooga, Tennessee

- 1) Approved a request to rescind action taken at the August 19, 2010 SBC meeting and approved a revision in source of funding for **Academic Math Mall** at the University of Tennessee, Chattanooga, Tennessee.

Estimated Project Cost:	\$ 400,000.00		
<u>Source of Funding:</u>	<u>Original</u>	<u>Change</u>	<u>Revised</u>
ARRA Funds (F)	\$400,000.00	(\$40,000.00)	\$ 360,000.00
2011 State (A)	<u>0.00</u>	<u>40,000.00</u>	<u>40,000.00</u>
TOTAL	\$400,000.00	\$ 0.00	\$400,000.00
SBC Project No.	540/005-02-2010		

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISALS, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

- Description: **Montgomery County – 8.11 +/- acres, located within 1/8 mile of I-24, Exit 8 southern most end of International Blvd. at the corner of Rossvie Road, Clarksville, TN – Trans. No. 10-07-025 (Maholland)**
- Purpose: Acquisition in fee to acquire the land and improvement for a satellite campus for Nashville State Community College.
- Source of Funding: Campus Plant Funds (A)
- Estimated Cost: Fair Market Value
- Owner(s): Mike Flanigan / Three C Groups LLC
- Comment: Nashville State Community College has sufficient plant funds to purchase the property and improvement and will renovate the facility to accommodate a campus teaching facility. The 52,000 square foot building was originally built to be a call center. The deal fell through and the new building has been vacant for two (2) years.
- SSC Report: 08-31-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee with recommendation.
- SC Action: 08-31-10. Jurgen Bailey presented the transaction. Comptroller Wilson asked if an environmental assessment had been done. He said that since this was a vacant building, he was concerned about paying too much for it. Dick Tracy responded that they will get an assessment done. He said that the approval was so they could negotiate a price on the building. He said it has never been built out, but the owner has offered to sell it for less than half of what it would cost for them to go through a lease/purchase option. Secretary Hargett asked how much they expect this to cost, and Mr. Bailey stated there was \$5 million funded to buy the building and do the improvements. Secretary Hargett asked how much they have in their campus plant funds as they seem to be building up considerable balances in these accounts. Mr. Tracy said the campus has set aside money the last few years in their plant funds for this acquisition in Clarksville, which he believed is about \$6 million. Commissioner Goetz asked how the Legislature is informed when a purchase like this takes place using these funds. Mr. Tracy said he didn't know if there was a process. Comptroller Wilson asked for a report on the status of the plant fund for each institution for the next meeting. Commissioner Goetz said he thought plant funds were targeted for maintenance operations. Mr. Tracy responded that they come from different sources

and are usually from monies that have accrued, such as certain savings, the sale of something or excess income, as in a one-time increase in tuition when there is an increase in enrollment. Secretary Hargett said he didn't want the students charged more than they ought to be charged. He said he thought it was important to let the Legislature know, and also that the money that is appropriated is the right amount of money and that the students are being charged the right amount. Commissioner Goetz said it would be nice to have a sense of where the cash flow comes from, and Mr. Tracy said he would get that to them.

Treasurer Lillard asked how this works with regard to THEC's approval process for priorities. Mr. Tracy said it was part of the master plan and disclosed as a special opportunity project, which was submitted to THEC for approval. He said the initial process was for leasing a site in Clarksville, but then they found out it was half the cost if they bought the building and made their own improvements, which is why it didn't show up on the disclosed list. Comptroller Wilson made a motion to approve the request as presented, including a report on the status of the funds. The motion was properly seconded, and passed without objection.

DEPARTMENT OF FINANCE AND ADMINISTRATION
CHILDREN'S & HUMAN SERVICES

LEASE AGREEMENT

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

Location: Johnson County – 370 Cold Springs Road, Suite A, Mountain City, TN – Trans No. 09-07-907 (Smith)

Purpose: To provide office space for the county operations

Term: January 1, 2011 thru December 31, 2020 (10 yrs)

Proposed Amount: 5,773 Square Feet
Annual Contract Rent: \$69,276.00 @\$12.00 / sf
Est. Annual Utility Cost: \$ 8,370.85 @\$ 1.45 / sf
Est. Annual Janitorial Cost: \$ 6,350.30 @\$ 1.10 / sf
Total Annual Effective Cost (A): \$83,997.15 @\$14.55 / sf

Current Amount: 4,725 Square Feet
Annual Contract Rent: \$27,600.00 @\$ 5.84 / sf
Est. Annual Utility Cost: \$ 8,268.75 @\$ 1.75 / sf
Est. Annual Janitorial Cost: \$ 5,197.50 @\$ 1.10 / sf
Total Annual Effective Cost: \$41,066.25 @\$ 8.69 / sf

Type: New lease – negotiated due to government/county agency

FRF Rate: \$14.00

Lessor: Johnson County Government

Comment: Proposed lease has a 180 day cancellation after the 5th year. Johnson County has agreed to renovate space to suit at no additional cost to the state. Lessor shall provide for water & sewer services.

SSC Report: 08-16-10. Bob King summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 08-31-10. Bob King presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF REVENUE

LEASE AGREEMENT

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

Location: Putnam County – 448 Neal Street, Cookeville, TN – Trans. No. 09-11-920 (Smith)

Purpose: To provide office space for the Field Audit Office

Term: January 1, 2011 thru December 31, 2020 (10 yrs)

Proposed Amount: 5,060 Square Feet
Annual Contract Rent Incl. Utilities
Cost: \$44,616.00 @\$ 8.82 / sf
Est. Annual Janitorial Cost: \$ 5,566.00 @\$ 1.10 / sf
Total Annual Effective Cost (A): \$50,182.00 @\$ 9.92 / sf

Current Amount: 4,025 Square Feet
Annual Contract Rent: Incl. Utilities
Cost: \$39,900.00 @\$ 9.91 / sf
Est. Annual Janitorial Cost: \$ 4,427.50 @\$ 1.10 / sf
Total Annual Effective Cost: \$44,327.50 @\$11.01 / sf

Type: New lease – Advertise – received three (3) proposals from two (2) proposers.

FRF Rate: \$18.00

Lessor: Neal Street Investments, LLC / Eric Cherry

Comment: Proposed lease has a 180 day cancellation after the 5th year. Lessor is to build to suit for 5,060 sf at no additional cost to the state and includes all utilities cost.

SSC Report: 08-16-10. Bob King summarized the transaction. Staff referred to Subcommittee with recommendation.

SC Action: 08-31-10. Bob King presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF REVENUE

LEASE AGREEMENT

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

Location: Davidson County – 44 Vantage Way, Nashville, TN – Trans. No. 10-06-901 (Lotspiech)

Purpose: To provide office space

Term: September 1, 2010 thru August 31, 2020 (10 yrs)

Proposed Amount: 44,594 Square Feet
Average Annual Contract Rent Incl.
Utility & Janitorial Cost: \$713,504.00 @\$16.00 / sf
Total Annual Effective Cost (A): \$713,504.00 @\$16.00 / sf

Current Amount: 44,594 Square Feet
Average Annual Contract Rent Incl.
Utility & Janitorial Cost: \$746,949.50 @\$16.75 / sf
Total Annual Effective Cost: \$746,949.50 @\$16.75 / sf

Type: New lease – advertised – received nine (9) proposals from eight (8) proposers. One (1) proposal was non-confirming due to ½ mile outside the boundaries and is on two floors (2nd & 6th).

FRF Rate: \$18.00

Purchase Option: No multi tenant

Lessor: Vantage Way LLC

Comment: Proposed lease has a no cancellation except for cause. Lessor is to paint and carpet (high traffic worn areas) at no additional cost to the state and includes all utilities & janitorial cost.

SSC Report: 08-16-10. Bob King summarized the transaction. Staff referred to Subcommittee for discussion.

SC Action: 08-31-10. Bob King presented the transaction. Comptroller Wilson asked why the boundaries were set like they were and if the reasons for not moving were valid. Sam Chessor, agency representative, stated that it is not your average office space with its walk-in mailroom and confidentiality aspects. Comptroller Wilson asked why it was put out for bid when it was apparent they liked the space and didn't want to move. Mr.

King responded that if the lowest proposer had been conforming, they would have gone with it, but it wasn't. He was outside the boundaries and the space he proposed was not contiguous. Secretary Hargett commented that, by putting it out to bid, they were able to decrease their costs. Mr. King said that the current lessor knew there would be a lot of competition. He added that this particular operation at this particular time would have cost over \$1 million to relocate its employees. After further discussion, Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Marion County – 3,100 +/- acres – Fiery Gizzard, Tracy City, TN – Trans. No. 09-12-011 (Baugh)

Purpose: Acquisition in fee to purchase this property along the Fiery Gizzard Trail

Source of Funding: Special Federal Funds - \$180,603 (F)
State Land Acquisition Fund - \$1,147,893 (A)

*Additional Funding: State Land Acquisition Fund - \$2,250,000 (A)
LCWF (Federal) - \$400,000 (F)
Donor Gift - \$100,000 (A)

Revised Estimated Cost: \$4,078,496

Owner(s): American Timberland

Comments: Approval for the State to work with Conservation Fund to acquire this property.

SSC Report: 1-19-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 01-25-10. Subcommittee approved the request as presented.

Further Approval Request: 8-16-10

CORRECTION: Remove waiver of appraisals.

ADD: This project was previously approved in January 2010 as RPM #09-12-011 with \$1,328,496.00 in funding. After an appraisal by the Conservation Fund, the estimated needed funding has increased. This RPM-1 has a new funding request of \$2,750,000.00 for a total of funding of \$4,078,496.00.

SSC Report: 08-16-10. Jurgen Bailey summarized the transaction. Bill Avant and Mike Carlton explained that in January that they only had \$1,328,496.00 funded because that was all the money they had in the SLAF and Federal Funds. They knew they would have to come back and request approval for additional funds after July 1, 2010. Once the appraiser completed his preliminary appraisal work the value indicated for the portion the state was to acquire required the additional \$2,750,000* (see Additional Funding above). Staff referred to Subcommittee with recommendation.

SC Action: 08-31-10. Jurgen Bailey presented the transaction. Subcommittee approved the request as presented.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Cumberland / Bledsoe Counties – 425 +/- acres – Cumberland Trail, Crossville, TN – Trans. No. 10-04-012 (McLeod)

Purpose: Acquisition in fee to provide a connection of 3.5 miles of the Cumberland Trail, along the middle heights of Hinch Mountain, providing a spectacular winter view down the length of Sequatchie Valley.

Source of Funding: TEA -21 Viewshed Grant - \$612,000 (F)
State Land Acquisition Fund - \$153,000 (A)

Estimated Cost: \$765,000

Owner(s): Wes Bowden / Tenn-Tex Trust

Comment: The property is encumbered by a Federal lien connected to tax evasion and Cumberland County lien for back taxes.

SSC Report: 05-17-10. Jurgen Bailey summarized the transaction. Staff approved title research on property to determine if mineral and timber rights are still owned by Mr. Bowden or the Trust. Staff referred to Subcommittee with recommendation.

SC Action: 05-24-10. Jurgen Bailey presented the transaction. He stated that they were asking for approval of title work only and would be bringing the item back in June for final approval. Subcommittee approved the request as presented.

SSC Report: 06-14-10. Jurgen Bailey summarized the transaction. The State's title vendor has completed the assignment and has concluded that he cannot assure us with 100 % certainly that the property owns the mineral rights. Mr. Jeff McCall's submitted a letter of explanation why they are reluctant to guarantee those rights. The agency has determined that this is the most efficient and cost effective tract to further the Cumberland Trail. The agency would like to proceed with this acquisition. The title company contacted Jurgen Bailey and stated that, after additional research, they have determined that the mineral rights will be owned by the State of Tennessee. Staff referred to Subcommittee for discussion.

SC Action: 08-31-10. Jurgen Bailey presented the transaction. Comptroller Wilson asked about the status of the tax lien, and Mr. Bailey responded that it will be paid at closing. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Obion County – 450 +/- acres – Glover tract, Union City, TN – Trans. No. 10-07-026 (Jackson)

Purpose: Acquisition in fee for the purpose is to allow TWRA to acquire a priority wetland tract with assistance of Tennessee Wildlife Foundation. The current owners must sell now and can't wait for the State to acquire.

Source of Funding: TWRA (will reimburse the Foundation for its expenses of acquiring and holding cost.)

Estimated Cost: \$575,000 plus any administrative cost (A)

Owner(s): Tennessee Wildlife Resources Foundation

Comments:

GLOVER TRACT ACQUISITION	
Property (400+ acres)	\$410,000.00
Appraisal	\$4,000.00
Closing Costs	\$2,575.00
Boundary Survey/Marking	\$11,360.00
Real Estate Transfer Tax	\$1,517.00
Pro-rated Property Taxes	\$1,800.00
*Financing/Carrying Costs	\$5,750.03
*Carrying costs estimated at 4% interest and sale date of 11-2-10.	
Total Costs	\$437,002.03

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Gordon Martin stated that the Foundation closed on the property on August 2, 2010. He stated that the Foundation is not seeking to profit on the acquisition, only to break even. Above is breakdown on costs incurred in acquiring the tract. Staff referred to Subcommittee with recommendation.

SC Action: 08-31-10. Jurgen Bailey presented the transaction. Comptroller Wilson asked if carrying costs and interest are included when the State reimburses these costs, and was told "yes". Commissioner Goetz asked about the balance of the Foundation. Gordon Martin said he will report back at the next meeting. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCES AGENCY

ANNUAL REPORT

- 1) Presentation of the 2010 Report on the **Sharecrop Program** managed by the Tennessee Wildlife Resources Agency.

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. In accordance with Item 7.05(B) of the SBC By-laws, Policy & Procedures, TWRA is required to provide an annual report of crop leases entered into for the previous fiscal year. A request was made by the Agency to be permitted to submit an annual report based on a crop year (a calendar year based on planting in spring and harvesting in the fall) rather than the fiscal year. The fiscal year report requires pulling figures from two different crop years and does not give accurate figures for any crop year. State Architect's office is reviewing the request for possible future amending of policy. Staff referred to Sub Committee for discussion.

SC Action: 08-31-10. Jurgen Bailey presented the report, stating that copies had been distributed to the members. Subcommittee acknowledged receipt of the report as presented.

DEPARTMENT OF FINANCE & ADMINISTRATION
FOR
DIVISION OF INTELLECTUAL DISABILITIES SERVICES

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISALS, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT and WAIVER OF REM FEE and WAIVER OF ONE(1) APPRAISAL, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Greene County – 4.13+/- acres – (2 lots) located on Rambo Road, Greeneville, TN – Trans. No. 10-07-015 (Bailey)

Purpose: Acquisition in Fee of 2 lots to be used for building sites for ICF-MR Group Homes or equivalent.

Source of Funding: SBC Project No. 346/000-000-05-2005 (Bonds) (A)

Owners: Billy and Carl Morgan

SSC Report: 08-16-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for discussion.

SC Action: 08-31-10. Jurgen Bailey presented the transaction and stated that local officials had been notified of the matter by letter. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE & ADMINISTRATION
for
DIVISION OF INTELLECTUAL DISABILITIES SERVICE

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER OF REM FEES required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Davidson County – 7.31+/- acres – Lots 1, 2, 3 Earhart Meadows, Hermitage, TN – Trans. No. 10-06-011 (Woodard)

Purpose: Acquisition in fee to construct a two (2) home for Intermediate Care Group Home.

Source of Funding: SBC 346/000-05-2005/Bonds (A)

Estimated Cost: \$438,000

Owner(s): Chris Pardue

SSC Report: 08-16-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for discussion.

SC Action: 08-31-10. Jurgen Bailey presented the transaction and stated that local officials had been notified of the matter by letter. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE & ADMINISTRATION
for
DIVISION OF INTELLECTUAL DISABILITIES SERVICES

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISALS, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Davidson County – 221 Foxwood Lane, Nashville, TN – Trans. No. 10-04-017 (Woodard)

Purpose: Acquisition in fee for community home for behavior difficult individuals.

Source of Funding: DIDS-Operational budget (A)

Estimated Cost: \$199,900

Owner(s): New Horizons Corporation

SSC Report: 05-17-10. Staff deferred item for one month for agency to complete necessary due diligence on property.

SSC report: 06-14-10. Jurgen Bailey summarized the transaction. Fred Hix with IDS explained the cost of repairs for this facility would be approximately \$100,000 for improvements (new roof, sidewalks, foundation work, gutters fix and drainage work). There will be four clients in this facility with 2-3 staff. Staff referred to Subcommittee for discussion.

SC Action: 07-23-10. Jurgen Bailey presented the transaction. Treasurer Lillard asked if this request was for renovations or acquisition. Dr. Finch responded that the two homes are for people with intellectual disabilities from the forensic unit at the Harold Jordan Center who have, or have had in the past, pending charges for criminal acts. He explained that, as part of the process for providing services, there is a procedure for moving them to a less restrictive environment as the individuals gain and progress toward independence. This would be a natural step for moving the eight individuals into a community setting. He explained that the homes will be operated by a long-standing contract provider who has an outstanding reputation. Treasurer Lillard asked how long these activities have taken place at these locations. Dr. Finch responded that the two homes were previously used by other providers. He said this renovation is to provide new services for these individual who have not yet been living in the community, but have been living at the step- down program at the Harold Jordan Center. He said that before anyone is placed into the community from the Harold Jordan Center, there is a lengthy process of planning, assessing, and programming for people to move to the lesser restrictive environment. He said everything is very carefully documented and closely monitored, as are all the programs in the community throughout the year. Treasurer Lillard asked if the same activities have been conducted on these two sites previously by the State doing it directly

or by some other contractor, and does this represent a change in the level of intensity or type of patient that is there. Fred Hix responded that these homes are late 80's construction and, since then, have been homes for individuals with mental retardation that were operated by previous vendors. Treasurer Lillard asked if the patients who were housed there previously would've been similar to those at Arlington or Clover Bottom, and was told "yes", and that they were proposing to change the type of patient they were putting there, and was told "yes". Treasurer Lillard expressed his concern due to past similar experiences in Shelby County. He asked Dr. Finch whether notice was given to the community regarding their plans to place these individuals in these facilities. Dr. Finch responded that all the rules and regulations pertaining to notification relating to any criminal activity in their history or registration are followed. He said, as to the notification, it is a registration with the local police for any that may have had a conviction for sexual offense in the past. For others, it is not, because federal and state laws do not require such notification.

Treasurer Lillard said he understood what the Department is trying to accomplish, but was concerned that not everyone is aware that they are proposing to change the activity level at this location. He said he didn't feel comfortable approving the request without first having those discussions with local government officials. Dr. Finch stated they have not had those discussions and have no objection to having such discussions. He said, normally, they want to know the homes would be approved before having the discussions with government and elected officials. Treasurer Lillard said he would rather have the discussion before the approval. Commissioner Goetz said he didn't have a problem with deferral for a month until those discussions take place with local officials. He commented that the purpose of this Subcommittee is not to run programs, but to approve property transactions. He agreed that they need to go through notice provisions, but he expressed concern that decisions that have financial implications for the Agency are within the purview of the Agency that operates as a part of the Executive branch.

Secretary Hargett stated his concerns regarding the water damage and mold and asked Dr. Finch if he thought the budget will adequately cover the renovations, and was told "yes". He asked Dr. Finch about the types of pending charges involved. Dr. Finch stated if they are criminal charges, they could be for burglary, attempted robbery, or charges in the past for sexual offenses, such as molestation or attempted molestation. He added that all of those are remediated in some way before they consider moving the individual to a lesser restrictive environment. Secretary Hargett asked what types of security are in these homes. Dr. Finch stated that the minimum would be 24 hours accountability by a staff member for an individual, not only in the home, but as they go into the community, they always have staff with them. While in the home, the security is provided by the staff being on duty, as well as strict rules and check points for always knowing where the individual is. Treasurer Lillard moved to defer the matter for one month and that notice be given to all Governmental officials whose jurisdictions include the addresses of the proposed matter. The motion was seconded and passed without objection.

SSC Report:

08-16-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for discussion.

SC Action:

08-31-10. Jurgen Bailey presented the transaction and stated that local officials had been notified of the matter by letter. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE & ADMINISTRATION
for
DIVISION OF INTELLECTUAL DISABILITIES SERVICES

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISALS, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Davidson County – 1.55 +/- acres – 212 Foxwood Lane, Nashville, TN – Trans. No. 10-05-005 (Woodard)

Purpose: Acquisition in fee for community home for behavior difficult individuals.

Source of Funding: DIDS-Operational budget (A)

Estimated Cost: \$295,000

Owner(s): Rochelle Center

SSC report: 06-14-10. Jurgen Bailey summarized the transaction. Fred Hix with IDS stated that there is no improvement needed for this facility. There will be four clients in this facility with 2-3 staff. Staff referred to Subcommittee for discussion.

SC Action: 07-23-10. Jurgen Bailey presented the transaction. Treasurer Lillard asked if this request was for renovations or acquisition. Dr. Finch responded that the two homes are for people with intellectual disabilities from the forensic unit at the Harold Jordan Center who have, or have had in the past, pending charges for criminal acts. He explained that, as part of the process for providing services, there is a procedure for moving them to a less restrictive environment as the individuals gain and progress toward independence. This would be a natural step for moving the eight individuals into a community setting. He explained that the homes will be operated by a long-standing contract provider who has an outstanding reputation. Treasurer Lillard asked how long these activities have taken place at these locations. Dr. Finch responded that the two homes were previously used by other providers. He said this renovation is to provide new services for these individual who have not yet been living in the community, but have been living at the step-down program at the Harold Jordan Center. He said that before anyone is placed into the community from the Harold Jordan Center, there is a lengthy process of planning, assessing, and programming for people to move to the lesser restrictive environment. He said everything is very carefully documented and closely monitored, as are all the programs in the community throughout the year. Treasurer Lillard asked if the same activities have been conducted on these two sites previously by the State doing it directly or by some other contractor, and does this represent a change in the level of intensity or type of patient that is there. Fred Hix responded that these homes are late 80's construction and, since then, have been homes for individuals with mental retardation that

were operated by previous vendors. Treasurer Lillard asked if the patients who were housed there previously would've been similar to those at Arlington or Clover Bottom, and was told "yes", and that they were proposing to change the type of patient they were putting there, and was told "yes". Treasurer Lillard expressed his concern due to past similar experiences in Shelby County. He asked Dr. Finch whether notice was given to the community regarding their plans to place these individuals in these facilities. Dr. Finch responded that all the rules and regulations pertaining to notification relating to any criminal activity in their history or registration are followed. He said, as to the notification, it is a registration with the local police for any that may have had a conviction for sexual offense in the past. For others, it is not, because federal and state laws do not require such notification.

Treasurer Lillard said he understood what the Department is trying to accomplish, but was concerned that not everyone is aware that they are proposing to change the activity level at this location. He said he didn't feel comfortable approving the request without first having those discussions with local government officials. Dr. Finch stated they have not had those discussions and have no objection to having such discussions. He said, normally, they want to know the homes would be approved before having the discussions with government and elected officials. Treasurer Lillard said he would rather have the discussion before the approval. Commissioner Goetz said he didn't have a problem with deferral for a month until those discussions take place with local officials. He commented that the purpose of this Subcommittee is not to run programs, but to approve property transactions. He agreed that they need to go through notice provisions, but he expressed concern that decisions that have financial implications for the Agency are within the purview of the Agency that operates as a part of the Executive branch.

Secretary Hargett stated his concerns regarding the water damage and mold and asked Dr. Finch if he thought the budget will adequately cover the renovations, and was told "yes". He asked Dr. Finch about the types of pending charges involved. Dr. Finch stated if they are criminal charges, they could be for burglary, attempted robbery, or charges in the past for sexual offenses, such as molestation or attempted molestation. He added that all of those are remediated in some way before they consider moving the individual to a lesser restrictive environment. Secretary Hargett asked what types of security are in these homes. Dr. Finch stated that the minimum would be 24 hours accountability by a staff member for an individual, not only in the home, but as they go into the community, they always have staff with them. While in the home, the security is provided by the staff being on duty, as well as strict rules and check points for always knowing where the individual is. Treasurer Lillard moved to defer the matter for one month and that notice be given to all Governmental officials whose jurisdictions include the addresses of the proposed matter. The motion was seconded and passed without objection.

SSC Report: 08-16-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for discussion.

SC Action: 08-31-10. Jurgen Bailey presented the transaction and stated that local officials had been notified of the matter by letter. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR
DIVISION OF INTELLECTUAL DISABILITIES SERVICE

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER OF REM FEES required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Shelby County – 1.04+/- acres – 3678 Covington Pike, Memphis, TN – Trans. No. 10-07-011 (Woodard)**

Purpose: Acquisition in fee to construct a four (4) bedroom Intermediate Care Group Home.

Source of Funding: SBC Project No. 344/000-05-2005
\$3,000,000.00 – 05/06 Bond Bill (A)
\$2,520,000.00 – 08/09 Current Funds-Capital Outlay (A)

Estimated Cost: \$506,713.07

Owner(s): H.E.L.P.I.N.G CDC (non-profit) and T.H.D.A. (TN Housing Development Agency)

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for discussion.

SC Action: 08-31-10. Jurgen Bailey presented the transaction and stated that local officials had been contacted on the matter by letter. Treasurer Lillard questioned the home being outside the court-ordered four-mile radius of Arlington Developmental Center. Fred Hix responded that this home is outside the four mile limit of the court order requirement for the construction of 12 homes within a four- mile radius to be operated by the State. He said that these homes will be operated by a private vendor and be part of the community service waiver funding stream. Commissioner Goetz stated that it is outside programmatically, as well as geographically, because it will be run by private entities. Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION
FOR
DIVISION OF INTELLECTUAL DISABILITIES SERVICE

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER OF REM FEES required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Shelby County – 2803 Darolyn Street, Bartlett, TN – Trans. No. 10-07-012 (Woodard)**

Purpose: Acquisition in fee to construct a four (4) bedroom Intermediate Care Group Home.

Source of Funding: SBC Project No. 344/000-05-2005
\$3,000,000.00 – 05/06 Bond Bill (A)
\$2,520,000.00 – 08/09 Current Funds-Capital Outlay (A)

Estimated Cost: \$523,806.17

Owner(s): Riverview Kansas Community Development Corporation

SSC Report: 08-16-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for discussion.

SC Action: 08-31-10. Jurgen Bailey presented the transaction and stated that local officials were contacted regarding the matter. Subcommittee approved the request as presented.

DEPARTMENT of FINANCE AND ADMINISTRATION

DISCUSSION ITEM

Discussion regarding the approval to EXTEND LEASE GROUND BREAKING TERM with an Option to Purchase (Amendment #2) on a site located on the north side of the Bicentennial Mall with WAIVER OF ADVERTISEMENT and APPRAISALS as required by T.C.A. 12-2-112 and 12-2-115.

- Description: **Davidson County – 2.93+/- acres – North Side of Bicentennial Mall, Nashville, TN – Trans. No. 04-06-007 (Walla)**
- Purpose: Amendment #2 to extend the lease ground breaking date from December 31, 2010 to October 8, 2011 for the Museum of African American Music, Art and Culture.
- Comment: This is to extend a groundbreaking term on a lease that was approved by SBC on 9/20/2004. Funding will be by Metro, private donations and fund raising projects.
- SSC Report: 08-16-10. Jurgen Bailey summarized the transaction. Request was made for Paula Roberts, Director of the MAAMAC, to give a status report on funding and progress on the project. Staff referred to Subcommittee for discussion.
- SC Action: 08-31-2010. Jurgen Bailey presented the transaction. He introduced Paula Roberts, Director of the MAAMAC, who gave a status report on the funding and progress of the project. She stated that environmental and flood plain assessments had been done, and the south façade had been revised. She stated that they have solidified a second \$1 million donation and that their plan is very sound. Don Hardin, project manager, gave a design presentation of the proposed Museum and spoke of its cultural significance in music and art. Comptroller Wilson asked Ms. Roberts to present their fund-raising position to the SBC before breaking ground, and Ms. Roberts replied that they would. After discussion, Subcommittee approved the request as presented.

DEPARTMENT OF FINANCE AND ADMINISTRATION

William R. Snodgrass Tennessee Tower, Nashville, Tennessee

- 1) Nick DePalma was recognized and gave a status report on the incoming Governor's transition space on the 27th Floor of the William R. Snodgrass Tennessee Tower, Nashville, Tennessee. He stated he had issued a memo outlining the progress on renovation of the 23rd and 27th Floors to accommodate the new Governor-elect. He said that plans for renovation have been finalized and cost proposals received, and they anticipate spending up to \$230,000 to execute the renovation. He said this was part of a larger project that was approved in October 2009 as a revision in scope to tenant renovations in the Tennessee Tower, including space on 19th Floor for Edison, with the use of Direct Order contracting to do the work. At that time, plans had been finalized for that renovation that totaled \$500,000, of which a portion has been spent. He said they have been working with the Governor's administrative staff in trying to determine all the programming requirements and have quite a bit of money tied up in security measures, particularly on the 27th floor. The plan accommodates about 40 staff, but it will be the Governor's prerogative how he wants to configure that, so they have an assumed plan once the new Governor is known. Commissioner Goetz asked if the space will be ready for the Governor-elect to occupy in November, and was told "yes". Mr. DePalma said they would like to give authorization to the Direct Order contractor, but have not done so because they wanted to disclose cost prior to giving authorization, which they intend to do no later than September 9. He said there is a subproject that involves moving the Legislature out of the State Capitol to accommodate the renovation there next summer. He said they don't have plans finalized yet, but would be glad to come back and report on that once all the information is known. Treasurer Lillard asked Mr. DePalma if they have discussed this schedule with candidates McWherter and Haslam, and was told "no". Treasurer Lillard offered that he might want to sit down with them and run the schedule by them. Comptroller Wilson requested that Mr. DePalma share the plans and cost with staff members. Mr. DePalma said he would be glad to make those available to staff, although he was concerned about the timeframe. Comptroller Wilson said his staff would act quickly and not hold up the project. The Subcommittee thanked Mr. DePalma for the report.

SBC Project No. 529/079-01-2006

STATE BUILDING COMMISSION

MINUTES OF EXECUTIVE SUBCOMMITTEE MEETING

- 1) Approved the Minutes of the Executive Subcommittee meeting held on July 23, 2010.

Designer Selections

Whitehaven Driver's License Station, Memphis, Shelby County, Tennessee

- 1) Mr. Robertson presented a discussion regarding the designer contract with Looney Ricks Kiss, who had closed their business due to bankruptcy, on the **Whitehaven Driver's License Station** project in Memphis. Mr. Robertson requested approval to contract with the newly incorporated, LRK, Inc. in order to complete the construction phase and closeout of the project.

Commissioner Goetz asked what obligations they left with the State. Mr. Robertson stated they have to go through the construction administration part of the project as well as close out. He said that the same personnel who were with Looney Ricks Kiss are now with LRK, Inc. and, for continuity sake, they'd like to keep the same personnel involved through the construction administration and close out. He said they have addressed the liability issues with the Attorney General's office. Assistant Attorney General Janie Porter stated that they were working with bankruptcy counsel in their office and monitoring the proceeding. She said they are looking at insurance and liability issues and that the policy was a "claims made" only policy. She said they talked about negotiating with both the old debtor and the new company, but it seems to be in the best interest of the State to go forward with the people involved. She said they do not have any current issues or disputes with the company. Treasurer Lillard asked if this violates any automatic stay provision. Ms. Porter responded "no", that they plan to reject our contract, but the order has not been entered. She said their request was to move forward to enter into a new contract and deal with the bankruptcy as they try to negotiate an escrow or assumption of old liability by the new company. Treasurer Lillard asked what was the status of the payments to the old company. Mr. Robertson responded that the State has paid up through the design phase of the project. Treasurer Lillard made a motion for approval of the authorization to enter into a new contract with LRK Inc with appropriate emphasis on the issue of the degree of assumption of liability for the prior entity by this entity, LRK, Inc. Comptroller Wilson expressed his concern over entering into a contract where a bankruptcy is involved. Treasurer Lillard said the key is to make sure that the order is entered before anything is done. After further discussion, the Subcommittee approved the request, with Secretary Hargett voting "no", subject to the rejection of the contract order being entered.

Estimated Project Cost:	\$4,501,000.00
<u>Source of Funding:</u>	
Facilities Revolving Fund (501.04)	\$ 501,000.00
06 G.O. Bonds (FRF)	\$1,000,000.00
07 G.O. Bonds (FRF)	\$3,000,000.00
SBC Project No.	502/019-01-2006

- 1) Approved the following designer selections from the August 19 SBC meeting, which were referred by the State Building Commission, with authority to act.

- | | |
|---|---|
| 1) Taft Youth Development Center
(Fence Replacement)
Estimated Project Cost: \$340,000.00
SBC Project No. 144/005-01-2010
Designer: TIM BURNEY ARCHITECT | 8) Tennessee School for the Blind
(Emergency Notification System)
Estimated Project Cost: \$200,000.00
SBC Project No. 168/005-01-2010
Designer: WIN ENGINEERING |
| 2) Department of Children's Services
(Engineering Consultant)
Estimated Project Cost: \$25,000.00
SBC Project No. 144/000-01-2010
Designer: NEVILLE ENGINEERING | 9) West TN School for the Deaf
(Security & Access Updates)
Estimated Project Cost: \$540,000.00
SBC Project No. 168/009-01-2010
Designer: SSR ELLERS |
| 3) Lakeshore Mental Health Institute
(Chota Building Reroof)
Estimated Project Cost: \$150,000.00
SBC Project No. 344/005-01-2010
Designer: GEORGE A. EWART, ARCHITECT | 10) Department of Education
(Middle TN Architectural Consultant)
Estimated Project Cost: \$20,000.00
SBC Project No. 162/000-01-2010
Designer: THOMAS MILLER & PARTNERS |
| 4) Mental Health and Developmental Disabilities
(East TN Architectural Consultant)
Estimated Project Cost: \$15,000.00
SBC Project No. 344/000-03-2010
Designer: BARGE WAGGONER SUMNER
CANNON | 11) Department of Education
(East TN Architectural Consultant)
Estimated Project Cost: \$40,000.00
SBC Project No. 162/000-02-2010
Designer: UPLAND DESIGN GROUP |
| 5) Mental Health and Developmental Disabilities
(Middle TN Architectural Consultant)
Estimated Project Cost: \$15,000.00
SBC Project No. 344/000-02-2010
Designer: GOBBELL HAYS PARTNERS | 12) Maryville Readiness Center
(Reroof and Facility Update)
Estimated Project Cost: \$610,000.00
SBC Project No. 361/060-01-2010
Designer: WYSTWYND DESIGN, INC. |
| 6) Mental Health and Developmental Disabilities
(West TN Architectural Consultant)
Estimated Project Cost: \$15,000.00
SBC Project No. 344/000-01-2010
Designer: FORMUS, INC. | 13) Jackson Readiness Center
(Facility Update)
Estimated Project Cost: \$1,520,000.00
SBC Project No. 361/042-01-2010
Designer: TLM ASSOCIATES |
| 7) Alvin C. York Agricultural Institute
(CTE Building Upgrades)
Estimated Project Cost: \$210,000.00
SBC Project No. 168/001-01-2010
Designer: UPLAND DESIGN GROUP | 14) Cookeville Readiness Center
(Reroof and Facility Update)
Estimated Project Cost: \$580,000.00
SBC Project No. 361/015-01-2010
Designer: UPLAND DESIGN GROUP |

- 15) **Bolivar Readiness Center**
(Reroof and Facility Update)
Estimated Project Cost: \$530,000.00
SBC Project No. 361/004-01-2010
Designer: **ANDERSON BUEHLER**
- 16) **Lawrenceburg Readiness Center**
(Reroof and Facility Update)
Estimated Project Cost: \$790,000.00
SBC Project No. 361/049-01-2010
Designer: **ALPHA THREE GROUP**
- 17) **Military Department**
(Architectural / Civil / Structural Consultant)
Estimated Project Cost: \$75,000.00
SBC Project No. 361/000-01-2010
Designer: **HART FREELAND ROBERTS**
- 18) **Military Department**
(Mechanical / Electrical Consultant)
Estimated Project Cost: \$50,000.00
SBC Project No. 361/000-02-2010
Designer: **I.C. THOMASSON**
- 19) **Military Department**
(Environmental Consultant)
Estimated Project Cost: \$75,000.00
SBC Project No. 361/000-03-2010
Designer: **EDGE GROUP**
- 20) **Military Department**
(Master Planning Consultant)
Estimated Project Cost: \$75,000.00
SBC Project No. 361/000-04-2010
Designer: **VETERAN MANAGEMENT SERVICES**
- 21) **Military Department**
(Roofing Consultant)
Estimated Project Cost: \$30,000.00
SBC Project No. 361/000-05-2010
Designer: **ROOF DESIGN & CONSULTING**
- 22) **Environment and Conservation**
(Architectural Consultant)
Estimated Project Cost: \$100,000.00
SBC Project No. 126/000-01-2010
Designer: **HASTINGS ARCHITECTURE**
- 23) **Environment and Conservation**
(Engineering Consultant)
Estimated Project Cost: \$100,000.00
SBC Project No. 126/000-02-2010
Designer: **HETHCOAT & DAVIS**
- 24) **Pickwick Landing State Park**
(Marina Upgrade)
Estimated Project Cost: \$3,430,000.00
SBC Project No. 126/079-01-2010
Designer: **BURR & COLE CONSULTING ENGINEERS**
- 25) **Tennessee Historical Commission**
(Architectural Consultant)
Estimated Project Cost: \$25,000.00
SBC Project No. 160/000-01-2010
Designer: **CENTRIC ARCHITECTURE**
- 26) **Intellectual Disabilities Services**
(Engineering Consultant)
Estimated Project Cost: \$25,000.00
SBC Project No. 346/000-01-2010
Designer: **STREET DIXON RICK**
- 27) **Greene Valley Developmental Center**
(Window Replacement for Cottages)
Estimated Project Cost: \$500,000.00
SBC Project No. 344/007-01-2010
Designer: **HONEYCUTT ARCHITECTURE**
- 28) **Piedmont Gas Building**
(Building Repairs, Phase 2)
Estimated Project Cost: \$1,500,000.00
SBC Project No. 529/012-01-2010
Designer: **STREET DIXON RICK**
- 29) **Clover Bottom Complex**
(Sewer Line Replacement)
Estimated Project Cost: \$1,000,000.00
SBC Project No. 529/000-06-2010
Designer: **LITTLEJOHN ENGINEERING**
- 30) **Real Property Administration**
(East TN Architectural Consultant)
Estimated Project Cost: \$25,000.00
SBC Project No. 529/000-07-2010
Designer: **ROBERT FRENCH ARCHITECT**

- 31) **Real Property Administration**
(Middle TN Architectural Consultant)
Estimated Project Cost: \$25,000.00
SBC Project No. 529/000-07-2010
Designer: **MAYO ARCHITECTURE**
- 32) **Real Property Administration**
(West TN Architectural Consultant)
Estimated Project Cost: \$25,000.00
SBC Project No. 529/000-07-2010
Designer: **KEITH KAYS ARCHITECT**
- 33) **Real Property Administration**
(ADA Architectural Consultant)
Estimated Project Cost: \$10,000.00
SBC Project No. 529/000-07-2010
Designer: **STREET DIXON RICK**
- 34) **Real Property Administration**
(Historic Architectural Consultant)
Estimated Project Cost: \$10,000.00
SBC Project No. 529/000-07-2010
Designer: **MESICK COHEN WILSON BAKER**
- 35) **Real Property Administration**
(Sustainable Architectural Consultant)
Estimated Project Cost: \$10,000.00
SBC Project No. 529/000-07-2010
Designer: **HASTINGS ARCHITECTURE**
- 36) **Real Property Administration**
(Civil Engineering Consultant)
Estimated Project Cost: \$10,000.00
SBC Project No. 529/000-07-2010
Designer: **LITTLEJOHN ENGINEERING**
- 37) **Real Property Administration**
(MPE Engineering Consultant – Large Firm)
Estimated Project Cost: \$35,000.00
SBC Project No. 529/000-07-2010
Designer: **SMITH SECKMAN REID**
- 38) **Real Property Administration**
(MPE Engineering Consultant – Small Firm)
Estimated Project Cost: \$15,000.00
SBC Project No. 529/000-07-2010
Designer: **NEVILLE ENGINEERING**
- 39) **Real Property Administration**
(MPE Sustainable Engineering Consultant)
Estimated Project Cost: \$10,000.00
SBC Project No. 529/000-07-2010
Designer: **SMITH SECKMAN REID**
- 40) **Real Property Administration**
(Structural Engineering Consultant)
Estimated Project Cost: \$20,000.00
SBC Project No. 529/000-07-2010
Designer: **ROSS BRYAN ASSOCIATES**
- 41) **Real Property Administration**
(Elevator Consultant)
Estimated Project Cost: \$10,000.00
SBC Project No. 529/000-07-2010
Designer: **VAN DEUSEN & ASSOCIATES**
- 42) **Real Property Administration**
(Interior Design Consultant)
Estimated Project Cost: \$35,000.00
SBC Project No. 529/000-07-2010
Designer: **CFP GROUP**
- 43) **Real Property Administration**
(Roofing Consultant)
Estimated Project Cost: \$35,000.00
SBC Project No. 529/000-07-2010
Designer: **RICHARD C. RINKS ASSOCIATES**
- 44) **Real Property Administration**
(Exterior Envelope Consultant)
Estimated Project Cost: \$15,000.00
SBC Project No. 529/000-07-2010
Designer: **C.A.SMITH**
- 45) **Department of Transportation**
(I-55 Welcome Center Reconstruction)
Estimated Project Cost: \$3,750,000.00
SBC Project No. 244/010-02-2009
Designer: **ARCHIMANIA**

UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER of APPRAISALS required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Shelby County – 472 +/- square foot or 0.01 +/- acre easement, UT Health Science Center, Memphis, TN – Trans No. 10-07-021 (Baugh)**

Purpose: Acquisition by easement to place a nitrogen storage tank easement on Memphis Bioworks Foundation property.

Source of Funding: University of Tennessee

Estimated Cost: Gift (0)

Owner(s): Memphis Bioworks Foundation

SSC Report: 08-16-10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

B.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: Cumberland County – 2.61 +/- acres easement Hwy 70, UT Institute of Agriculture, Plateau Research and Education Center, Crossville, TN – Trans. No. 10-07-022 (Baugh)

Purpose: Disposal by easement for permanent water line easement

Estimated Sale Price: Fair Market Value

Grantee: City of Crossville

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LAND ITEM

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

Description: **Greene County – 14,850 +/- square foot or 0.34 +/- acres along an existing road and the UTIA's Greeneville 4H Center – Trans. No. 10-07-023 (Baugh)**

Purpose: Disposal by easement to provide easement to Glen Hills Utility District to extend and increase existing water line from 4" to 8".

Estimated Sale Price: Mutual Benefit

Grantee: Glen Hills Utility District

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

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

Location: Hamilton County – Warner Park Field House, 1101 McCallie Avenue, Chattanooga, TN – Trans. No. 10-08-900 (Baltz)

Purpose: Facility will be used as an indoor practice facility for women's softball practice, training and physical conditioning.

Term: October 1, 2010 thru September 30, 2015 plus one (1) five (5) year option renew

Proposed Amount: 13,907 Square Feet
Annual Contract Rent: \$1.00 Per year
Est. Annual Utility & Janitorial Cost: \$25,000 @\$1.80 / sf

Current Amount: None

Type: New lease

Lessor: City of Chattanooga

Comment: The proposed lease has a sixty (60) day cancellation notice by either party. Pro-rata share of the utilities & janitorial cost is 36% and shall not to exceed \$25K annually. The University proposes to modify space next to the existing ladies locker room. The space will be used to construct a room with three (3) showers, three (3) toilets, two (2) sinks and a washer/dryer area. The approximate costs of these improvements are estimated at \$75K. The funds for the renovations will be paid in-hand gift funds.

As additional consideration, the University shall pay the City ten (10) percent of gross revenues received from the University's rental of the facility.

SSC Report: 08/16/10. Bob King summarized the transaction. Robbi Stivers talked about the importance of this transaction for the benefit of the University of Chattanooga. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

E.

UNIVERSITY OF TENNESSEE

LEASE AGREEMENT

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

Location: Knox County – 3408 A Henson Road, Knoxville, TN – Trans. No. 10-08-902

Purpose: To provide warehouse space for the College of Architecture Program.

Term: September 1, 2010 thru August 31, 2015 (5 yrs.) with one (1) five (5) options to renew.

Proposed Amount: 6,000 Square Feet
Average Annual Contract Rent Incl.
Heating only: \$36,420.00 @\$ 6.07 / sf
Taxes and Insurance Cost: \$ 4,752.00 @ \$ 0.79 / sf
Total Annual Effective Cost (A): \$41,172.00 @\$ 6.86 / sf

Current Amount: None

Type: New lease – Advertise – received three (3) proposals from three (3) proposers the lowest proposal is non-conforming because of change of material term: changed the amount of time that bid would be open from 120 days to 60 days.

Lessor: Brownlee Properties

Comment: The proposed lease contains 60-day cancellation notice and parking is included for up to twenty five (25) vehicles.

SSC Report: 08/16/10. Bob King summarized the transaction. Robbi Stivers talked about the importance of this transaction for the benefit of the College of Architecture. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER REM FEE required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Shelby County – 426 S. Highland Street, Memphis, TN – Trans. No. 10-05-007 (Maholland)

Purpose: Acquisition in fee to acquire property for the further enhancement of the University of Memphis master plan

Source of Funding: G. O. Bonds (A)

Estimated Cost: \$155,000 per appraisal

Owner(s): Will Miner & Penny Sun (wife)

Comment: This is part of the 101 University of Memphis properties approved by SBC on July 23, 2007 and is funded by the Board.

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, and WAIVER APPRAISALS required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Washington County – Jack Vest Drive, Johnson City, TN – Trans. No. 10-07-009 (Maholland)

Purpose: Acquisition in fee for Jack Vest Drive is part of the master plan for the west end of campus and is a street that runs through ETSU property, there is no private owned property on either side of the street. Transfer of this property will make maintenance and development easier for the University.

Source of Funding: N/A

Estimated Cost: Gift / Donation (0)

Owner(s): City of Johnson City

Comment: ETSU will allow the city access to this property to maintain existing utilities and the installation of future infrastructure. The State will grant Johnson City a formal easement to access the public utilities.

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LAND ITEM

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

Description: Dyer County – 1627 Parr Avenue, Dyersburg, TN – Trans. No. 10-07-024 (Maholland)

Purpose: Disposal in fee to remove the house only. The house is not conducive for educational purposes and is not cost effective to renovate and difficult to maintain. The plan is to use this land site for sports facilities as outlined in Dyersburg State Community College Master Plan.

Original Cost to State: \$10.00

Date of Original Conveyance: June 14, 1967

Grantor Unto State: City of Dyersburg

Estimated Sale Price: For \$2,500 (bid amount) proposer will remove the house and clean up the site.

Grantee: Leake Excavating & Trucking

Comment: There is no revenue with this house and is incurring expense to dispose of home.

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Dick Tracy stated that this house is an on-going expense for Dyersburg State and the property is needed for a sports facility per their Master Plan. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

TENNESSEE BOARD OF REGENTS

LEASE AGREEMENT

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

Location: Rutherford County – 3050 Medical Center Parkway, Murfreesboro, TN – Trans. No. 10-08-901 (Baltz)

Purpose: To provide office space for the co-location of the Tennessee Small Business Development Center

Term: October 1, 2010 thru September 30, 2015 (5 yrs)

Proposed Amount: 2,774 Square Feet
Annual Contract Rent Incl. Utilities & Janitorial Cost: \$41,500.00 @ \$14.95 / sf
Total Annual Effective Cost (A): \$41,500.00 @ \$14.95 / sf

Current Amount: 3,200 Square Feet
Annual Contract Rent: \$38,400.00 @ \$12.00 / sf
Est. Annual Utility Cost: \$ 4,480.00 @ \$ 1.40 / sf
Est. Annual Janitorial Cost: \$ 3,520.00 @ \$ 1.10 / sf
Total Annual Effective Cost: \$46,400.00 @ \$14.50 / sf

Type: New lease – Build to suit bldg.

FRF Rate: \$18.00

Lessor: Rutherford County Chamber of Commerce, Inc.

Comment: The proposed rental space in the Chamber of Commerce building has special and unique requirements and will housed the existing Industry Council, Joint Economic Development Board, Industrial Development Board, Marketplace Technology Council and Business Education Partnership Board.

Proposed lease contains a 90 day cancellation clause.

SSC Report: 08/16/10. Bob King summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

LAND ITEM

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

Description: Bradley County – 173 Broad Street, S. W., Cleveland, TN – Trans. No. 09-08-010 (Maholland)

Purpose: Disposal in fee to sell surplus property

Original Cost to State: \$23,110

Date of Original Conveyance: June 6, 1972

Grantor Unto State: Lloyd Calloway

Estimated Sale Price: \$172,000 (bid amount) – Proceeds go to Reed Act reserve

Grantee: Ocoee Lodge No. 97, Independent Order of Odd Fellows of Cleveland, TN

Comment: The building is no longer being used by the State of Tennessee. Property appraised at \$197,000 and was advertised twice.

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

K.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

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

Description: Anderson County – 2 +/- acres – near Beech Grove Church, Clinton, TN – Trans. No 10-07-017 (Jackson)

Purpose: Disposal by easement to provide easement for a gas well, pipeline and access as needed on Sundquist WMA.

Estimated Sale Price: \$500

Grantee: Knox Energy LLC

Comment: Mineral rights agreement was in place when State purchased land. Well site and pipeline AH - 1034

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCE AGENCY

LAND ITEM

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

Description: Anderson County – 2 +/- acres – near Beech Grove Church, Clinton, TN – Trans. No 10-07-018 (Jackson)

Purpose: Disposal by easement to provide easement for a gas well, pipeline and access as needed on Sundquist WMA.

Estimated Sale Price: \$500

Grantee: Knox Energy LLC

Comment: Mineral rights agreement was in place when State purchased land. Well site and pipeline AH – 1028

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCE AGENCY

LAND ITEM

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

Description: Anderson County – 2 +/- acres – near Beech Grove Church, Clinton, TN – Trans. No 10-07-019 (Jackson)

Purpose: Disposal by easement to provide easement for a gas well, pipeline and access as needed on Sundquist WMA.

Estimated Sale Price: \$500

Grantee: Knox Energy LLC

Comment: Mineral rights agreement was in place when State purchased land. Well site and pipeline AH - 1012

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

TENNESSEE WILDLIFE RESOURCE AGENCY

LAND ITEM

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

Description: Anderson County – 2 +/- acres – near Beech Grove Church, Clinton, TN – Trans. No 10-07-020 (Jackson)

Purpose: Disposal by easement to provide easement for a gas well, pipeline and access as needed on Sundquist WMA.

Estimated Sale Price: \$500

Grantee: Knox Energy LLC

Comment: Mineral rights agreement was in place when State purchased land. Well site and pipeline AH – 1014

SSC Report: 08/16/10. Jurgen Bailey summarized the transaction. Staff referred to Subcommittee for consent agenda.

SC Action: 08-31-10. Subcommittee approved the request as presented.

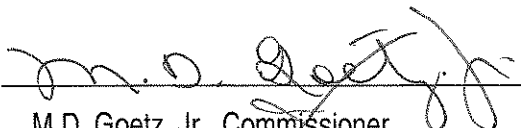
DEPARTMENT OF AGRICULTURE

Division of Forestry – Davidson County

- 1) Approved a project to **Demolish House** located at 6087 Fire Tower Road, Nashville, Tennessee, contingent upon review by the Tennessee Historical Commission.

Estimated Project Cost: **\$15,000.00**
Source of Funding: Current Funds Major Maintenance (A)
SBC Project No. 100/010-01-2010

Approved by: _____



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