

EXECUTIVE DIRECTOR
Terry Keel



CHAIR
Betty Reinbeck

COMMISSIONERS
Malcolm E. Beckendorff
William D. Darby
Douglas M. Hartman
Brant C. Ince
Virginia Hermosa

Texas Facilities Commission

Minutes No. 34 Minutes of the March 16, 2011, Public Meeting of the Texas Facilities Commission in Austin, Travis County, Texas.

After providing notice as required by the Texas Open Meetings Act, the Texas Facilities Commission held an open meeting at the Central Services Building, 1711 San Jacinto Boulevard, in Conference Room 402, Austin, Texas, on Wednesday, March 16, 2011, commencing at 10:00 a.m. Chair Reinbeck presided and Commissioners Hermosa, Darby, Beckendorff, and Ince were also present. Absent was Commissioner Hartman.

I. Call to Order.

Chair Reinbeck called the meeting to order at 10:00 a.m.

II. Approval of the Minutes from the January 19, 2011 Open Meeting

The Commission voted unanimously to approve the minutes from the previous meeting with a motion made by Commissioner Darby and a second to approve the motion made by Commissioner Beckendorff.

III. Public Comment.

There were no public comments.

IV. Award of Lease Recommendations and Summaries.

Leases and/or Amendments Pending Execution with Commencement Date on or after March 16, 2011.

Renewals

1. #10092 - Department of Family and Protective Services: Houston, TX.
2. #10082 - Texas Department of Transportation: Austin, TX.
3. #08421- Health and Human Services Commission/Department of Family and Protective Services/ Department of Aging and Disability Services/Department of State Health Services: Edinburg, TX.

New Leases

4. #303-1-20259 - Office of the Attorney General: San Antonio, TX.
5. #20273 - Department of Family and Protective Services: Humble, TX.
6. #20274 - Texas Department of Criminal Justice: La Marque, TX.

B. Leases and/or Amendments Pending Execution with Commencement Date before March 16, 2011.

Renewals

1. #7294 - Texas Department of Insurance-Division of Workers' Compensation: Austin, TX.
2. #8569 - Health and Human Services Commission/Department of Aging and Disability Services: Austin, TX.

The Commission unanimously voted to approve the above leases with a motion to approve made by Commissioner Hermosa and a second to approve the motion made by Commissioner Ince.

- V. **Consideration and possible action to approve a construction contract change order for the Texas School for the Blind and Visually Impaired Covered Walkways, Project No. 08-013E-0771, Austin, Texas.** The Commissioners unanimously voted to award a construction contract change order for the Texas School for the Blind and Visually Impaired Covered Walkways, Project No. 08-013E-0771, Austin, Texas, with a motion to approve made by Commissioner Ince and a second to approve the motion made by Commissioner Darby.
- VI. **Consideration and possible action to approve an amendment to the architectural/engineering professional services contract for the Texas Department of State Health Services Hidalgo County Primary Care and Substance Abuse Clinic, Project No. 08-026A-7077, Edinburg, Texas.** The Commissioners unanimously voted to award an amendment to the current architectural/engineering professional services contract for the Texas Department of State Health Services Hidalgo County Primary Care and Substance Abuse Clinic, Project No. 08-026A-7077, Edinburg, Texas, with a motion to approve made by Commissioner Hermosa and a second to approve the motion made by Commissioner Darby.
- VII. **Presentation by the Facilities and Energy Management Division on Combined Heat and Power-An Alternative for Affordable and Reliable Power.** Jorge Ramirez, the Deputy Executive Director of the Facilities and Energy Management Division, made a presentation on combined heat and power.
- VIII. **Update from the Planning and Asset Management Division on facilities strategy and space utilization.** No update was provided on this item.
- IX. **Legislative update and, if necessary, consideration and possible action on legislation and/or legislative appropriation issues.** Kay Molina, General Counsel, provided the Commission an update on bills filed during the 82nd Legislative Session that could impact the agency.
- X. **Report from the Executive Director and executive staff on facilities design and construction projects, facilities leasing, and facilities operations, maintenance, and energy management.** Terry Keel, Executive Director, introduced Veronica Uballe as the new Commission Secretary. Thereafter, Mr. Keel gave the Commission a brief update on the following: (i) a February 3, 2011 letter to the Governor regarding the "State Agency Property, Recommended Transactions" report issued by the General Land Office which recommended sale of three (3) assets currently on the Commission's inventory; (ii) a February 24, 2011 letter to Representative Pitts and members of the House Appropriations Committee regarding the State's possibility of generating its own electricity to serve the Capitol Complex; (iii) a February 27, 2011 letter to the Lieutenant Governor regarding the authorization to utilize funds remaining from interior improvement projects at the Sam Houston State Office Building to renovate approximately 80,000 square feet of the William B. Travis State Office Building; and (iv) a March 10, 2011 letter to Senator Ogden regarding the Commission's initiatives to evaluate utilization of State-owned facilities and determine the maximum cost-benefit to the State by redevelopment or disposition of such facilities.

XI. Report from the Chief Financial Officer on the monthly financial report update. Luis Arellano, Chief Financial Officer, provided the monthly financial report including the agency forecast, monthly operating expenditures, year-to-date budgeted adjustments, cost recovery program results, revenue forecast, and a list of financial transactions that are not included in the operating budget with no major changes. Mr. Arellano informed the Commission that TFC currently has 264 FTE's as of February 28, 2011. In addition, Mr. Arellano informed the Commission about potential agency wide impacts resulting from potential budget cuts that could arise during the 82nd Legislative Session.

XII. Monthly Status Report from the Internal Auditor.

A. Review of Operations in TFC's Information Technology Section.

Mark Scott, Director of Internal Audit, gave the Commission a brief overview of the operations of TFC's Information Technology Section. The report included a recommendation to establish an Information Resources Steering Committee to coordinate management of information technology resources. Mr. Scott informed the Commission that he met with Commissioners Hermosa and Hartman to discuss progress on the audit plan, various administrative issues, as well as current audit projects. Commissioner Hermosa discussed the proposal of an Information Technology Steering Committee, and suggested that such committee provide quarterly updates to the Commissioners.

XIII. Consideration and appointment by the Commission of a Vice Chair.

The Commission unanimously voted to approve the appointment of Commissioner Hermosa as Vice Chair of the Commission with a motion to approve made by Commissioner Darby and a second to approve the motion made by Commissioner Beckendorff.

XIV. Recess into CLOSED session, if necessary, pursuant to the Texas Government Code under Chapter 551 for the following purposes:

- A. Pending and potential litigation, Section 551.071.**
- B. The appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director and Executive Management Staff, Section 551.074. The duties, roles, and responsibilities as Commissioners of the Texas Facilities Commission, Section 551.074.**
- C. The deliberation regarding purchase, exchange, lease, or value of real property, Section 551.072.**
- D. All matters identified in this agenda where the commission votes unanimously that deliberation in an open meeting of business and financial issues relating to a contract being negotiated would have a detrimental effect of the position of the State in negotiations with a third person and in which the General Counsel has issued a determination in writing, Section 551.0726**
- E. Any matters identified in this agenda where the Commissioners seek the advice of their attorney, Section 551.071.**

Chair Reinbeck recessed the meeting to convene in Executive Session at 10:53 a.m.

XV. Reconvene in open meeting and consider action on matters discussed in Executive Session.

Chair Reinbeck reconvened the meeting at 11:58 a.m.

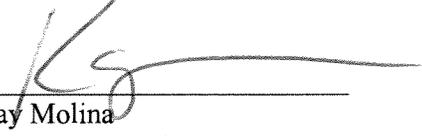
XVI. Consideration and possible action, if necessary, on any issue discussed during Executive Session.

No actions were taken as a result of Executive Session.

XVII. Adjournment.

Chair Reinbeck adjourned the meeting at 11:59 a.m.

Reviewed and
Submitted by:



Kay Molina
General Counsel

Approved by the Commission on the 20th day of April, 2011.

By:



Betty Reinbeck
Chair