

EXECUTIVE DIRECTOR
Terry Keel



Texas Facilities Commission

CHAIR
Betty Reinbeck

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

Minutes No. 27 Minutes of the April 21, 2010, 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, April 21, 2010, commencing at 10:00 a.m. The following were present, and Chair Reinbeck presided:

Members Present

Betty Reinbeck	Chair
Barkley Stuart	Commissioner
Malcolm Beckendorff	Commissioner
Derek Darby	Commissioner
Doug Hartman	Commissioner
Virginia Hermosa	Commissioner

Members Absent

Brant Ince	Commissioner
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Staff Present

Terry Keel	Executive Director
Catherine Camp	Director of Human Resources
Tiffany Harry	Legal Services Division
John Raff	Deputy Executive Director, Facilities Design & Construction
Kay Molina	General Counsel
Susan Maldonado	Assistant General Counsel
Mark Scott	Director, Office of Internal Audit
Luis Arellano	Chief Financial Officer
Gregg Werkenthin	Deputy Executive Director, Space Management & State Leasing Services
Susan Maldonado	Legal Services Division
Kristy Fierro	Office of Internal Audit
Trish Perme	Office of Internal Audit
Jorge Ramirez	Deputy Executive Director, Building Operations, Maintenance & Energy Management Division
Mary Jo Ingram	Facilities Design & Construction
Dennis Petras	Facilities Design & Construction
Peter Maas	Facilities Design & Construction

Chris Mansour	Facilities Design & Construction
Mark Trott	Facilities Design & Construction
Loretta Renfro	Facilities Design & Construction
Paul Medrano	Facilities Design & Construction
Ashley Cuellar	Space Management & State Leasing Services
Amanda Diebel	Space Management & State Leasing Services
Gayla Davis	Space Management & State Leasing Services
Bob Bugnand	Space Management & State Leasing Services
Buddy Miller	Space Management & State Leasing Services
Michael Lacy	Space Management & State Leasing Services
Aundre Dukes	Space Management & State Leasing Services
Stephen Huber	Space Management & State Leasing Services
Christina Ramirez	Space Management & State Leasing Services

Guests

Geoff Howland	Chevron Energy Solutions
David Anciria	Texas Comptroller of Public Accounts (CPA)
Melissa Nelson	Legislative Budget Board (LBB)
Ed Robertson	Office of the Governor
Dorothy Turner	Texas State Auditor's Office (SAO)

I. Call to Order.

Chair Reinbeck called the meeting to order at 10:01 a.m.

II. Approval of the Minutes from the February 17, 2010 Open Meeting.

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

III. Public Comment.

There were no public comments.

IV. Award of Lease Recommendations and Summaries.

Lease and/or Amendments Pending Execution with Commencement Date on or after April 21, 2010.

Renewals

- 1. #10235 – Office of the Attorney General: Dallas, TX.**
- 2. #6884 – Health and Human Services Commission/Department of Aging and Disability Services: Mission, TX.**
- 3. #8699 – Health and Human Services Commission/Department of Aging and Disability Services/Department of Assistive and Rehabilitative Services: Houston, TX.**

New Leases

4. **#303-0-10727 – Health and Human Services Commission: Humble, TX.**
5. **#303-0-10547 – Department of Assistive and Rehabilitative Services: Fort Worth, TX.**
6. **#303-0-10117 – Office of the Attorney General: Bryan, TX.**
7. **#303-0-10138-A – Office of the Attorney General: San Antonio, TX.**
8. **#303-0-10629 – Health and Human Services Commission: Del Rio, TX.**
9. **#303-0-10756-A – Health and Human Services Commission: San Antonio, TX.**

Leases and/or Amendments Pending Execution with Commencement Date before April 21, 2010.

Renewal

1. **#10017 – Health and Human Services Commission/Department of Aging and Disability Services: El Paso, TX.**

New lease item number #303-0-10727 was pulled from the agenda. The Commission unanimously voted to approve all of the other above leases and/or amendments with the motion to approve made by Commissioner Darby and a second to approve the motion made by Commissioner Stuart.

- V. **Consideration and possible action to approve a construction contract change order for the Texas Department of Public Safety, Waco Texas Rangers, Project No. 06-011-0405, Waco, Texas.** The Commissioners unanimously voted to approve a construction contract change order to Imperial Construction, Ltd. in an amount not to exceed \$176,345.57, for the Texas Department of Public Safety, Waco Texas Rangers, Project No. 06-011-0405 with a motion to approve made by Commissioner Stuart and a second to approve the motion made by Commissioner Hartman.
- VI. **Consideration and possible action to approve an architecture/engineering professional services contract amendment for the Stephen F. Austin Building Renovation and Deferred Maintenance, Project No. 08-022-6101, Austin, Texas.** The Commissioners unanimously voted to approve the award of an architecture/engineering professional services contract amendment to Ford, Powell & Carson Architects and Planners, Inc. in an amount not to exceed \$120,355 for the Stephen F. Austin Building Renovation and Deferred Maintenance, Project No. 08-022-6101, Austin, Texas with a motion to approve made by Commissioner Hermosa and a second to approve the motion made by Commissioner Stuart.
- VII. **Consideration and possible action to approve a construction contract change order for the Texas Department of State Health Services Rio Grande State Center New Outpatient Clinic, Project No. 08-025A-7076, Harlingen, Texas.** The Commissioners unanimously voted to approve the award of a construction contract change order to D. Wilson Construction in the amount of \$663,700 for the Texas Department of State Health Services Rio Grande State Center New Outpatient Clinic, Project No. 08-025A-7076, Harlingen, Texas with a motion to approve made by Commissioner Hartman and a second to approve the motion made by Commissioner Hermosa.

- VIII. Consideration and possible action to adopt Title 1, Chapter 116 (Texas Facilities Commission; Property Management Division), as proposed in 35 Tex. Reg. 727, and Chapter 117 (Texas Facilities Commission; Mandatory Paper Recycling Program) of the Texas Administrative Code, as proposed in 35 Tex. Reg. 730, and to approve publication of the adopted rules in the Texas Register.** The Commission unanimously voted to adopt the proposed rule amendments, including the proposed rule repeal, to Texas Administrative Code, Title 1, Part 5, Chapter 116 and to adopt the proposed new rules in Chapter 117, as well as to approve publication in the Texas Register of the notices of rule adoptions with corresponding preambles with a motion to approve made by Commissioner Darby and a second to approve the motion made by Commissioner Hermosa.
- IX. Consideration and possible action to amend the Commission Contract Procedures and Approvals policy regarding Interagency and Interlocal Agreements.** The Commission unanimously voted to amend the current agency Contract Procedures and Approvals policy regarding Interagency and Interlocal Agreements (Section III D Approval of Interagency and Interlocal Agreements) to mirror the same rules that govern amendments for professional services agreements with a motion to approve made by Commissioner Stuart and a second to approve the motion made by Commissioner Darby.
- X. Report from the Executive Director and executive staff on facilities design and construction projects, facilities leasing, facilities operations and maintenance, energy management, and legislative update.** Terry Keel gave the Commission a brief update relating to the new TFC website design, testimony he presented on April 6, 2010 at the House Select Committee Hearing on Government Efficiency & Accountability, and an award that was presented to the TFC Recycling Program for the Governmental Agency category at the 2010 City of Austin Environmental Awareness Awards.
- XI. Report from the Chief Financial Officer on the monthly financial report update.** Luis Arellano 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 325 FTE's (Full Time Employees) as of March 31, 2010. Mr. Arellano pointed out that with the exception of the minor construction program, the other four cost recovery program areas (Federal Surplus, State Surplus, Recycling, and Facilities Design & Construction) are doing well.
- XII. Monthly Status Report from Internal Auditor, Mark Scott.** Mark Scott gave the Commission an update on TFC's migration of the current accounting system GFAS to ISAS. The Comptroller has agreed to let TFC continue utilizing the current GFAS cash module until May of 2011. User acceptance testing for ISAS is targeted to begin on June 14, 2010. If that goes well, the user training for this system will commence in July. Mr. Scott informed the Commission that the Facilities Design & Construction audit is currently being finalized. Internal Audit will continue the Leasing audit that is in progress as well as start preliminary work on the Micro-main system. Micro-main tracks the costs associated with maintaining state buildings, as well as minor construction projects.

Chair Reinbeck recessed the meeting for five minutes at 11:04 a.m. in order for meeting attendees to relocate to the First Floor Room # 182 for presentations on the next two agenda items.

XIII. Overview by the Space Management & Leasing Services Division of facilities strategies and space utilization. (Presentation will be given in CSB Room # 182). Chair Reinbeck reconvened the open meeting at 11:09 a.m. Michael Lacy and Aundre Dukes from the Space Management Division gave the Commission a brief presentation on current State facilities and planning for the future including determining underdeveloped assets, assessing use versus need, and a development strategy to meet the State's long term facility needs and maximize perpetual revenue generating opportunities. The presentation included an overview of statewide locations that are leased and those facilities that are owned. The State owns adequate property on which to construct facilities to meet current and future State government space.

XIV. Consideration and possible action to apply for a loan not to exceed \$5,000,000 for the State Energy Conservation Office for LoanSTAR funds energy conservation projects. (Presentation will be given in CSB Room # 182). Jorge Ramirez and Paul Fowler from the Energy Management Division gave a presentation on the State Energy Conservation Office (SECO) LoanSTAR loan program and Energy Conservation Project. The Commission unanimously voted to approve the action to apply for a loan in an amount not to exceed \$5,000,000 for SECO LoanSTAR funds for energy conservation projects including a facilities and energy management system, variable frequency drive retrofits, continuous commissioning, and window film installation for specific buildings with a motion to approve made by Commissioner Hartman and a second to approve the motion made by Commissioner Beckendorff.

XV. 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.

Strybos & Texas Division, Sons of Confederate Veterans, Inc. v. Wallace Jefferson et al.; Third Court of Appeals, Austin, Case No. 03-07-00073-CV.

B. The appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director and Executive Management Staff, Section 551.074.

C. The duties, roles, and responsibilities as Commissioners of the Texas Facilities Commission, Section 551.074.

D. The deliberation regarding purchase, exchange, lease, or value of real property, Section 551.072.

E. 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.

F. 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 12:04 p.m.

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

Chair Reinbeck reconvened the meeting at 1:54 p.m.

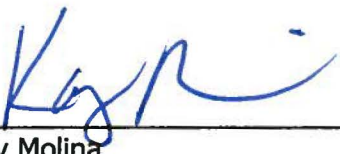
XVII. Consideration and possible action, if necessary, on any issue discussed during Executive Session.

No actions were taken as a result of Executive Session.

XVIII. Adjournment.

Chair Reinbeck adjourned the meeting at 1:55 p.m.

Reviewed and
Submitted by:



Kay Molina
General Counsel

Approved by the Commission on the 19th day of May, 2010.

By:



Betty Reinbeck
Chair