

CHAIR
Robert Thomas

COMMISSIONERS
William D. Darby
Patti Jones
Mike Novak
Jack W. Perry
Betty Reinbeck



EXECUTIVE DIRECTOR
Harvey Hilderbran

TEXAS FACILITIES COMMISSION

Minutes No. 78: Minutes of the December 16, 2015 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, December 16, 2015, commencing at 10:00 a.m. Chairman Thomas presided, and Commissioners Novak, Reinbeck, Darby, Jones and Perry were also present.

I. Call to Order.

Chair Thomas called the meeting to order at 10:02 a.m.

II. Commissioner Presentation.

The Commission recognized former following former Commissioner Virginia Hermosa and Commissioner Brant Ince for their great service to the Commission.

III. Approval of the minutes from the November 18, 2015 Open Meeting.

The Commission voted unanimously to approve the minutes from the previous meetings with a motion made by Commissioner Reinbeck and a second to approve the motion made by Commissioner Perry.

IV. Public Comment.

There was no public comment.

V. Program Presentations.

1. Capital Complex Child Care Facility Renovations.

Mr. James Overton, Senior Project Manager, gave a presentation on the Capital Complex Child Care Facility renovations.

Chairman Thomas asked that the Commission be provided periodic updates on the Child Care Program going forward.

2. Sam Houston Building Central Plant and John H. Winters Building Deferred Maintenance Upgrades.

Mr. Mark Diaz, Senior Project Manager, gave a presentation on the Sam Houston Building Central Plant and John H. Winters Building deferred maintenance upgrades.

Commissioner Novak asked staff to provide information during project reports regarding old equipment replacement with more energy efficient equipment and to track and report on the amount of energy that was used in a building before and after renovations.

VI. Award of Lease Recommendations and Summaries.

Leases and/or Amendments Pending Execution with Commencement Date on or after December 16, 2015.

Renewals

- 1. #6366 – Health and Human Services Commission/Department of State Health Services/Department of Aging and Disability Services: Austin, TX.**
- 2. #7282 – Department of Health and Human Services: Wichita Falls, TX.**

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

VII. Consideration and possible action to approve an architectural/engineering professional services contract amendment for the Texas School for the Deaf Campus Wide Improvements, Project No. 14-028-1440 in Austin, Texas.

The Commission voted unanimously to approve an architectural/engineering professional services contract amendment to Graeber Simmons & Cowan Architects, Inc., in the amount of \$60,627.00 for the Texas School for the Deaf Campus Wide Improvements, Project No. 14-028-1440 in Austin, Texas, with a motion made by Commissioner Perry and a second to approve the motion made by Commissioner Jones.

VIII. Consideration and possible action to approve an architectural/engineering professional services contract amendment for the Department of Public Safety New Area Office, Project No. 08-014-0405 in Rio Grande City, Texas.

The Commission voted unanimously to approve an architectural/engineering professional services contract amendment with Negrete & Kolar Architects, in the amount of \$232,859.00 for the Department of Public Safety New Area Office, Project No. 08-014-0405 in Rio Grande City, Texas, with a motion made by Commissioner Reinbeck and a second to approve the motion made by Commissioner Darby.

IX. Consideration and possible action to approve a commercial parking contract.

The Commission voted unanimously to approve a commercial parking contract to HBA Parking Systems, Inc. for a term to twenty one months beginning January 1, 2016 and ending August 31, 2017, with two additional two year renewal options, with a motion made by Commissioner Reinbeck and a second to approve the motion made by Commissioner Perry.

X. Consideration and possible action to adopt guidelines pursuant to the Public and Private Facilities and Infrastructure Act.

The Commission voted unanimously to approve to adopt amended guidelines pursuant to the Public and Private Facilities and Infrastructure Act, with a motion made by Commissioner Darby and a second to approve the motion made by Commissioner Reinbeck.

XI. Report from the Executive Director and executive staff on facilities design, construction projects, facilities leasing, facilities operations, maintenance, energy management and legislation.

Mr. Harvey Hilderbran, Executive Director, gave an overview of the Austin Energy contract issues, which expires May 31, 2017. The long term electric rate tariff has now expired for all of Austin Energy's other largest industrial and commercial customers, leaving the State as the only customers to receive the lower rate tariff; however, if a

lower tariff is offered to such customers, the state would receive the better rate under its current contract. He also informed the Commission that the City of Austin is currently implementing a cost of service study rate review of Austin Energy electric rates following a process similar to that used by the Texas Public Utility Commission. Two City Council public hearings will be held in June, with final Council decision meeting to adopt rates in late June and that TFC staff is monitoring this process including timelines, meetings, recommendations and actions by the Austin City Council, Austin Energy Utility Oversight Committee, Austin Electric Utility Commission, and a yet-to-be appointed independent consumer advocate and will provide detailed information and updates to the Energy Work Group as well as to the Commission. Lastly, staff will provide a comprehensive briefing at the January Commission meeting regarding the State's current contract.

Mr. Hilderbran also updated the Commission on the staff's continued progress on the Capitol Master Plan and additional presentations and meetings that have been held with stakeholder groups and other interested parties. In addition, he informed the Commission that TFC has submitted its first report to the Joint Oversight Committee on Government Facilities and that staff had worked closely with the committee on the format for submittal. Finally, Mr. Hilderbran informed the Commission that TFC has posted and is currently adding project managers to the FDC staff as well as the entire agency is working on updating job descriptions for all staff and reinstating the job evaluation process.

1. Report on TFC Human Resources.

Ms. Catherine Camp, Director of Human Resources, gave the Commission an update on the ongoing implementation of the HR audit findings as well as other staffing issues. As of December 1, 2015, agency management has fully implemented 72% of the recommendations, substantially implemented 8% of the recommendations, and partially implemented 20% of the recommendations resulting from the audit. In addition Ms. Camp informed the Commission that the outstanding audit recommendations are generally the more challenging ones, such as developing and implementing supervisory training program, succession planning processes, and the tracking and monitoring tools to assist in ensuring compliance. Lastly, the Human Resources Division has had to revise many of the original implementation target dates due to inadequate data analytical tools and staffing resources. In addition, Ms. Camp also discussed current hiring.

Chairman Thomas asked Mr. Harvey Hilderbran, Executive Director to proceed with reviewing Flextime.

XII. Report on the Energy Management and Water Conservation Program.

Mr. John Raff, Deputy Executive Director of Facilities Design and Construction, informed the Commission that the Energy Workgroup did not meet for the month of December but plans to meet in January. Mr. Raff updated the Commission on TFC's submittal of an application for a SECO loan for an energy performance savings contract that will be brought back to the Commission at a later date for approval. In addition, he informed the Commission that the Energy Manager attended a conference held by SPEER.

XIII. Report from the Chief Financial Officer on the monthly financial report update.

Mr. Bill Monroe, Chief Financial Officer, made a presentation on the monthly financial report including the agency forecast, operating expense report, year to date budget adjustments, cost recovery programs results of operations, the revenue forecast, and the financial transactions and appropriations not included in the operating budget.

XIV. Monthly Status Report from the Director of Internal Audit.

1. Review and discussion of the Internal Audit Activities Report for the quarter ending November 30, 2015.

Ms. Amanda Jenami, Director of Internal Audit, provided a report on the activities of the Internal Audit Division for the quarter ending November 30, 2015.

XV. Discussion of Commission organization, policies, procedures and new initiatives.

1. Update on the live streaming initiative for future Texas Facilities Commission open meetings.

Mr. Fahim Idais, Director of Information Technology, provided the Commission an update on live streaming of TFC open meetings and provided the Commission with the costs, which would include a set-up fee of \$16,000.00 and a yearly fee of at least \$33,000.00. Chair Thomas asked that staff post this item for consideration at the January meeting of the Commission. In addition, Mr. Idais told the Commissions that the agency could provide them laptops and email addresses if they wanted to receive their commission meeting materials electronically as well as be able to remote access work group meetings as opposed to traveling to Austin. Commissioners that are interested were asked to get with Mrs. Veronica Perez, Commission Secretary, to coordinate.

XVI. Discussion on qualifications and responsibilities of executive management staff.

This item was discussed in Executive Session.

XVII. Recess into CLOSED session, if necessary, pursuant to Texas Government Code 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 Thomas recessed the meeting to convene in Executive Session at 1:11 p.m.

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

Chair Thomas reconvened the meeting at 3:00 p.m.

XIX. Adjournment.

Chair Thomas adjourned the meeting at 3:00 p.m.

Reviewed and Submitted:

By: _____

Kay Molina, General Counsel

Approved by the Commission on January 20, 2016.

By: _____

Robert Thomas, Chair