

CHAIR
Betty Reinbeck

COMMISSIONERS
William D. Darby
Virginia Hermosa
Brant C. Ince
Michael Novak
Jack W. Perry
Alvin Shaw



EXECUTIVE DIRECTOR
Terry Keel

TEXAS FACILITIES COMMISSION

Minutes No. 67: Minutes of the November 19, 2014 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, November 19, 2014 commencing at 10:01 a.m. Chair Reinbeck presided, and Commissioners Hermosa, Shaw, Novak and Perry were also present. Commissioners Ince and Darby were absent.

I. Call to Order.

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

II. Approval of the minutes from the October 15, 2014 Open Meeting.

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

III. Public Comment.

There was no public comment.

IV. Award of Lease Recommendations and Summaries.

Leases and/or Amendments Pending Execution with Commencement Date on or after November 19, 2014.

Replacement Leases

1. #20448 – General Land Office: Corpus Christi, TX.

Renewals

2. #9149 – Office of the Attorney General: Austin, TX.

3. #5871 – Department of State Health Services/Department of Family and Protective Services/Health and Human Services Commission: Harlingen, TX.

4. #8257 – Department of Assistive and Rehabilitative Services/ Texas Education Agency: Austin, TX.

5. #303-5-10925 – Department of Family and Protective Services/State Security Board/Texas Lottery Commission: Dallas, TX.

6. #10566 – Department of Public Safety: Austin, TX.

Add Space

7. #1775 – Office of the Attorney General: Dallas, TX.

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

V. Consideration and possible action to approve an architectural/engineering professional services contract for the Texas Department of Public Safety 2014-15 Deferred Maintenance Program Group 5 including Project No. 14-036-0405 in Abilene, Texas, Project No. 14-037-0405 in Amarillo, Texas and Project No. 14-038-0405 in Childress, Texas.

The Commission voted unanimously to approve an architectural/engineering professional services contract with Parkhill, Smith & Cooper, Inc. in the amount of \$249,300.00 for the Texas Department of Public Safety 2014-2015 Deferred Maintenance Programs Group 5, Project No. 14-036-0405 in Abilene, Texas, Project No. 14-037-0405 in Amarillo, Texas, and Project No. 14-038-0405 in Childress, Texas, with a motion made by Commissioner Hermosa and a second to approve the motion made by Commissioner Novak.

VI. Consideration and possible action to approve the award of a construction manager-at-risk contract for the Texas Department of Public Safety 2014-15 Deferred Maintenance Program Group 5, including Project No. 14-036-0405 in Abilene, Texas, Project No. 14-037-0405 in Amarillo, Texas, Project No. 14-038-0405 in Childress, Texas and Project No. 14-039-0405 in Crosbyton, Texas.

The Commission voted unanimously to approve the award of a construction manager-at-risk contract to J.T. Vaughn Construction, LLC in the amount of \$2,037,200.00 for the Texas Department of Public Safety 2014-2015 Deferred Maintenance Programs Group 5, Project No. 14-036-0405 in Abilene, Texas, Project No. 14-037-0405 in Amarillo, Texas, Project No. 14-038-0405 in Childress, Texas, and Project No. 14-039-0405 in Crosbyton, Texas, with a motion made by Commissioner Shaw and a second to approve the motion made by Commissioner Perry.

VII. Consideration and possible action to approve the award of a construction manager-at-risk contract for the Capitol Complex Child Care Facility Renovation Project No. 13-015-3301 in Austin, Texas.

The Commission voted unanimously to approve the award of a construction manager-at-risk contract to J.T. Vaughn Construction, LLC in the amount of \$2,300,000.00 for the Capitol Complex Child Care Facility Renovation Project No. 13-015-3301, in Austin, Texas, with a motion made by Commissioner Perry and a second to approve the motion made by Commissioner Shaw.

VIII. Consideration and possible action to approve the award of a construction manager-at-risk contract for the William P. Clements Building Roof Replacement Project No. 14-030-6327 in Austin, Texas.

The Commission unanimously voted to approve the award of a construction manager-at-risk contract to J.T. Vaughn Construction, LLP in an amount of 1,620,000.00 for the William P. Clements Building Roof Replacement Project No. 14-030-6327 in Austin, Texas, with a motion made by Commissioner Shaw and a second to approve the motion made by Commissioner Novak.

IX. Consideration and possible action to approve the award of a construction contract for 2012-13 indoor air quality improvements to multiple buildings in the TFC portfolio, Project No. 12-027-6424.

The Commission unanimously voted to approve the award of a construction contract to TD Industries in an amount not to exceed \$1,900,000.00 for the 2012-2013 indoor air quality improvements to multiple buildings in the TFC portfolio, Project No.12-027-6424, with a motion made by Commissioner Novak and a second to approve the motion made by Commissioner Perry.

X. Consideration and possible action to approve a construction manager-at-risk contract change order for the interior improvements to the Health and Human Services Commission Service Building, Project No. 13-016-6044, in Austin, Texas.

The Commission unanimously voted to approve the award of a construction manager-at-risk contract change order to Structure Tone Southwest, Inc. in the amount of \$200,000.00 for the interior improvements to the Health and Human Services Commission Service Building, Project No. 13-016-6044, in Austin, Texas, with a motion made by Commissioner Hermosa and a second to approve the motion made by Commissioner Shaw.

XI. Consideration and possible action to approve an amendment to the Child Care Operations and Management Agreement with Rosewood Oaks, LLC d/b/a Rosewood Oaks Primary and extension of the accompanying lease of the 0.7 acre facility located at 1507 Lavaca Street, Austin, Texas 78701 for the operation of the State of Texas child care center.

The Commission unanimously voted to approve an amendment to the Child Care Operations and Management Agreement and the accompanying lease with the current child care provider Rosewood Oaks, LLC d/b/a Rosewood Oaks Primary through May 31, 2015, to align the required request for proposals for a provider to provide operations of the center on September 1, 2105 with the need to close the child care center and allow for deferred maintenance and renovations of the building during the summer months, with a motion made by Commissioner Shaw and a second to approve the motion made by Commissioner Hermosa.

XII. Consideration and possible action to approve proposed language and staff recommendations concerning the auditing services contract related to the agency's Human Resources Division as directed by the Commission at the October 15, 2014 meeting.

The Commission directed necessary staff to work with the Audit Work Group on a proper scope of services for the proposed audit for the Commission to consider and take action on at the January meeting.

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

Mr. Terry Keel, Executive Director, informed the Commission on the receipt of the favorable Sunset Commission report and the hearing before the Sunset Commission in which the report will be presented, which is scheduled for December 10, 2015. Mr. Keel also gave a brief update regarding the current contract with Austin Energy.

XIV. 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 UGC Review Committee has held two meetings and should be finished after a final meeting set for January 13, 2015. Mr. Raff also informed the Commission that pursuant to Senate Bill 700 passed during the 83rd Legislative Session, TFC is required to comply with new reporting requirements including a facility rating process through the State Energy Conservation Office. The Office of Energy Management is currently studying and planning to see how TFC can produce the necessary data collection and analysis for this effort and subsequently how our agency can achieve reasonable goals for these ratings. Lastly, the Energy Management Program continues to complete a more rigorous review of utility bills to verify their accuracy and to identify anomalies, collaborate with project management staff on deferred maintenance projects, and focus on the load cooperative agreement with Austin Energy. Commission Novak informed the Commission that the Energy Workgroup will not meet again until January.

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

Ms. Diana Warner, Chief Financial Officer, provided 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.

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

- a. **Review and Possible Approval of the Annual Internal Audit Plan for Fiscal Year 2015.**

Mr. Mark Scott, Director of Internal Audit, presented the Annual Audit Plan for Fiscal Year 2015. The Commission unanimously voted to approve the plan, with the understanding that the new Director of Internal Audit can update the plan, if necessary, with a motion made by Commissioner Hermosa and a second to approve the motion made by Commissioner Perry.

XVII. Consideration and possible action concerning the appointment, employment, evaluation, reassignment, duties, discipline, and/or dismissal of the Director of Internal Audit and the Executive Director.

XVIII. 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 Reinbeck recessed the meeting to convene in Executive Session at 11:24 a.m.

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

Chair Reinbeck reconvened the meeting at 12:42 p.m.

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

Regarding Agenda Item XVII, the Commission unanimously voted to direct the Executive Director to post the Director of Internal Audit position with a salary range of \$100,000.00-\$110,000.00, with a motion made by Commissioner Shaw and a second to approve the motion made by Commissioner Perry. In addition, the Commission unanimously voted to create a Commission policy to address disputes between the Director of Internal Auditor and the Executive Director with a motion made by Commissioner Hermosa and a second to approve the motion made by Commissioner Shaw. The proposed policy will be presented for approval at a later meeting of the Commission.

XXI. Adjournment.

Chair Reinbeck adjourned the meeting at 12:44 p.m.

Reviewed and Submitted:

By: _____


Kay Molina
General Counsel

Approved by the Commission on January 21, 2015.

By: _____


Betty Reinbeck

Chair