

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. 36 Minutes of the June 15, 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, June 15, 2011, commencing at 10:00 a.m. The following were present, and Chair Reinbeck presided: Commissioners Darby, Ince and Hartman were also present. Commissioner Hermosa arrived at 10:03 a.m. Commissioner Beckendorff was absent.

I. Call to Order.

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

II. Approval of the Minutes from the April 20, 2011 Open Meeting.

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

III. Public Comment.

There were no public comments.

IV. Award of Lease Recommendations and Summaries.

A. Leases and/or Amendments Pending Execution with Commencement Date on or after June 15, 2011.

New Leases

1. #303-1-20260 - Office of the Attorney General: Tyler, TX.
2. #303-1-20267 - Health and Human Services Commission/Department of Assistive and Rehabilitative Services/Department of Aging and Disability Services: Waxahachie, TX.
3. #303-1-20268 - Health and Human Services Commission/Department of Family and Protective Services/Department of State Health Services/Department of Aging and Disability Services: Victoria, TX.
4. #303-1-20270 - Health and Human Services Commission/Department of Aging and Disability Services/Department of Family and Protective Services: Raymondville, TX.

Renewals

5. #6896 - Health and Human Services Commission/Department of Family and Protective Services/Department of Aging and Disability Services: Arlington, TX.
6. #7257 - Health and Human Services Commission/Department of Aging and Disability Services: Lubbock, TX.
7. #7639 - Health and Human Services Commission/Department of Aging and Disability Services/Department of Assistive and Rehabilitative Services: Odessa, TX.

8. #8899 - Health and Human Services Commission/Department of Family and Protective Services/Department of Aging and Disability Services: Fort Worth, TX.
9. #9114 - Health and Human Services Commission/Department of Aging and Disability Services/Department of Family and Protective Services/Department of State Health Services: Hillsboro, TX.
10. #9155 - Health and Human Services Commission/Department of Family and Protective Services/Department of Aging and Disability Services/Department of State Health Services: Texarkana, TX.

Add Space

11. #20169 - Department of Public Safety: Austin, TX

The Commission unanimously voted to approve the above leases with a motion to approve made by Commissioner Darby and a second to approve the motion made by Commissioner Hartman. In addition, Commissioner Hartman requested that the staff, when compiling future Lease Award Reports, reconcile the increases and/or savings of each lease reported.

- V. **Consideration and possible action to approve an architectural/engineering professional services contract amendment for the Texas Department of Public Safety (DPS) Emergency Vehicle Operations Course, Project No. 08-006A-0405, Florence, Texas.** The Commissioners unanimously voted to award an amendment to the architectural/engineering professional services contract with LopezGarcia Group, Inc. for the Texas Department of Public Safety (DPS) Emergency Vehicle Operations Course, Project No. 08-006A-0405, Florence, Texas with a motion to approve made by Commissioner Hermosa and a second to approve the motion made by Commissioner Ince.
- VI. **Consideration and possible action to approve an architectural/engineering professional services contract amendment for the Texas Department of Public Safety (DPS) New Area Office, Project No. 08-014-0405, Rio Grande City, Texas.** The Commissioners unanimously voted to award an amendment to the architectural/engineering professional services contract with Negrete & Kolar Architects for the Texas Department of Public Safety (DPS) New Area Office, Project No. 08-014-0405, Rio Grande City, Texas with a motion to approve made by Commissioner Hartman and a second to approve the motion made by Commissioner Darby.
- VII. **Update from the Planning and Asset Management Division on facilities strategy and space utilization.** Mike Lacy, Deputy Executive Director of Planning and Asset Management, informed the Commission that the Stephen F. Austin Building asbestos abatement and renovation project has been completed. In addition, four (4) State agencies will move into 31,000 square feet of new office space in the building over the next month.
- VIII. **Legislative update and, if necessary, consideration and possible action on legislation and/or legislative appropriation issues.** [*Agenda Item VIII was discussed after Agenda Item XI.*] Kay Molina, General Counsel, discussed the Final Legislation Report included in the Commission notebook materials. Ms. Molina noted that TFC did receive the requested supplemental appropriation for FY 2011 to pay remaining utility bills. In addition, staff is still monitoring TFC legislation to be signed by the Governor and legislation being considered during the First Called Special Session that may affect the agency, specifically, Senate Bill 1.
- IX. **Report from the Executive Director and executive staff on facilities design and construction projects, facilities leasing, and facilities operations, maintenance, and energy management.** John Raff, Deputy Executive Director of Facilities Design & Construction, gave a presentation on the proposed TFC Solar Array Projects. Commission Hartman requested that staff provide the Commission a reconciliation on investment versus savings and Chair Reinbeck directed Mr. Raff to provide the information to all Commissioners once completed. Thereafter, Terry Keel, Executive Director, provided the Commission information regarding the French Legation and a possible compliant against

the Daughters of the Republic of Texas (DRT) to be filed with the Office of the Attorney General regarding alleged mishandling of the property. The French Legation is in TFC's inventory, but by statute, is under the custodianship of the DRT. The property is in need of repair and the DRT has been working to raise money to address the much-needed repairs. TFC will continue to keep the Governor's Office informed on the condition of the property and will update the Commission of any significant developments.

In addition, Mr. Keel and Ms. Molina gave an overview of the upcoming Sunset Review Process. Mr. Keel requested that the Commission assign Commissioners Hermosa and Hartman to assist agency staff over the summer with the Self-Evaluation Report due on August 31, 2011.

Mr. Keel also provided a quick overview of the 82nd Legislative Session and indicated that the agency had an overall, good session. TFC absorbed a 17.5% overall budget reduction along with other state agencies; however, TFC was appropriated \$60 million for deferred maintenance, which is the largest amount the agency has received for this goal. In addition, the Health and Human Services Commission was directly appropriated \$20 million for the Moreton Building, which is an important project that TFC will undertake. Further, \$1 million was restored to TFC's custodial strategy and TFC will, therefore, be able to resume certain services that had been cut in the past. Finally, Mr. Keel informed the Commission that all TFC bills had passed.

Lastly, Mr. Keel recognized some individuals who played key roles in the agency's success during the legislative session: Shyra Darr, Stan Korn, Aundre Dukes, Susan Maldonado, Lisa Calem-Lindstrom, John Raff, and Mike Lacy. Mr. Keel also gave a special recognition to Ms. Molina and Commissioner Darby for their dedication and service.

X. Report from the Chief Financial Officer on the monthly financial report update. Lois Bingham, Director of Accounting, provided the monthly financial report including the agency forecast, operating expense report, year to date budget adjustments, cost recovery programs the results of operations, the revenue forecast, and the financial transactions, and appropriations not included in the operating budget.

XI. Monthly Status Report from the Internal Auditor.

a. Review of TFC's Utilization of Indefinite Delivery, Indefinite Quantity (IDIQ) Instruments.

Mark Scott, Internal Auditor, provided an overview of the review of the use of IDIQ documents by the agency. Mr. Scott stated that his review revealed a decrease in use of such contracts and found through the testing of the reporting of IDIQs for completeness and review of the procedures for assigning work under IDIQs, that staff was in general compliance with the applicable policies.

b. Limited Review of TFC's Compliance with Statutes and Appropriation Riders.

Mr. Scott reported that Internal Audit conducted a review of TFC's processes for tracking and complying with statutory requirements and found that the use of the reports database facilitates tracking of reports that are required by the various statutory requirements and that the database is being augmented to include information on statutory requirements that do not require a report. In addition, in reviewing agency compliance with riders included in the General Appropriations Act, Internal Audit found that the agency is in compliance.

XII. 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.

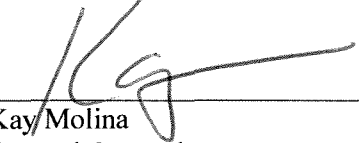
c. The deliberation regarding purchase, exchange, lease, or value of real property, Section 551.072.

- 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 11:19 a.m.

- XIII. **Reconvene in open meeting and consider action on matters discussed in Executive Session.** Chair Reinbeck reconvened the meeting at 12:49 p.m.
- XIV. **Consideration and possible action, if necessary, on any issue discussed during Executive Session.** No items were considered.
- XV. **Adjournment.** Chair Reinbeck adjourned the meeting at 12:50 p.m.

Reviewed and Submitted:

By: 
Kay Molina
General Counsel

Approved by the Commission on the 8/17/2011.

By: 
Betty Reinbeck
Chair