

**CHAIR**  
Robert D. Thomas

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



**EXECUTIVE DIRECTOR**  
Harvey Hilderbran

## **TEXAS FACILITIES COMMISSION**

Minutes No. 91: Minutes of the February 15, 2017 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, February 15, 2017, commencing at 10:00 a.m. Chairman Thomas presided, and Commissioners Novak, Reinbeck, Perry, and Jones were also present. Commissioners Slovacek and Darby were absent.

### **I. Call to Order.**

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

### **II. Service Awards.**

The following employee was recognized for their state service by the Commission.

Veronica Perez                      Twenty years (Legal Services Division).

### **III. Approval of the minutes from the January 18, 2017 Open Meeting.**

The January 18, 2017 meeting minutes were pulled for discussion and will be brought back to the Commission at the March meeting.

### **IV. Public Comment.**

There was no public comment.

### **V. Consent Agenda for Award of Lease Recommendations and Summaries.**

**Leases and/or Amendments Pending Execution with Commencement Date on or after February 15, 2017.**

**New:**

1. Lease #20574 – General Land Office: Corpus Christi, TX.

**Replacements:**

2. Lease #20562 – Office of the Attorney General: San Antonio, TX.
3. Lease #303-8-20583 – Texas Department of Insurance-Division of Workers' Compensation: San Antonio, TX.
4. Lease 303-7-20581 – Texas Department of Public Safety: Grand Prairie, TX.

**Renewals:**

5. **Lease #5771 – Department of Family and Protective Services; Health and Human Services Commission: Copperas Cove, TX.**
6. **Lease #303-0-10629 – Health and Human Services Commission; Department of Family and Protective Services; Department of State Health Services; Texas Workforce Commission: Del Rio, TX.**
7. **Lease #10540 – Texas Department of Criminal Justice: Huntsville, TX.**

The Commission voted unanimously to approve the above Consent Agenda for Award of Lease Recommendations and Summaries with a motion to approve made by Commissioner Jones and a second to approve the motion made by Commissioner Perry.

**VI. Contract Consent Agenda.**

1. **Consideration and possible action to award an architectural/engineering professional services contract for recommissioning for the Commission's 2016-17 deferred maintenance on the Lyndon B. Johnson State Office Building, Project No. 16-003-5090 in Austin, Texas.**

The Commission voted unanimously to approve the above Contract Consent Agenda, with a motion to approve made by Commissioner Novak and a second to approve the motion made by Commissioner Reinbeck.

**VII. Consideration and possible action to award a construction manager-at-risk contract for the Commission's 2016-17 deferred maintenance on ten buildings for the Health and Human Services Commission, Project No. 16-011-5550 in Austin, Texas.**

The Commission voted unanimously to approve a construction manager-at-risk contract to Flynn Construction, Inc., in the amount of \$7,235,240.00 for the Commission's 2016-17 deferred maintenance on ten buildings for the Health and Human Services Commission, Project No. 16-011-5550 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 adopt amendments to Texas Administrative Code, Title 1, Part 5, Chapter 123, Facilities Design and Construction, and publication of the adopted rules in the Texas Register**

The Commission voted unanimously to approve staff recommendation to adopt the proposed rule amendments to Chapter 123 of Title 1, Part 5 of the Texas Administrative Code and to publish notice of the adopted rules in the Texas Register, with a motion made by Commissioner Novak and a second to approve the motion made by Commissioner Reinbeck.

**IX. Report from the Executive Director on facilities design, construction projects, facilities leasing, facilities operations, maintenance, energy management, HUB and legislation.**

Mr. Harvey Hilderbran, Executive Director, gave a brief summary on the current encumbrances for both deferred maintenance projects and new construction and informed the Commission that TFC is planning a ground breaking for new construction in the Capitol Complex in May. In addition, Mr. Hilderbran informed the Commission that the Senate Finance Committee held a hearing on February 2, 2017, on Article 1 of the appropriations bill and that TFC presented its Legislative Appropriations Request and exceptional items and highlighted the continuing need to fund deferred maintenance. Lastly, Mr. Hilderbran gave brief remarks regarding the State hiring freeze effective January 31<sup>st</sup> and had Mr. Rob Ries, Director of Budget, the impact of the hiring freeze on the FY 21017 budget.

**X. Monthly Status Report from the Director of Internal Audit.**

No status report was given. Ms. Amanda Jenami, Director of Internal Audit, did inform the Commission that the Audit Work Group held its monthly meeting and invited Mr. Harvey Hilderbran, Executive Director, to attend.

**XI. Program Presentations.**

**1. Seasonal Weatherization.**

Mrs. Terri Rodgers, Director of Property Management Services, gave the Commission a brief update on seasonal weatherization. The presentation discussed inclement weather preparations for state facilities; equipment, staffing and maintenance tasks and schedules; staffing expectations during weather events; and the TFC Inclement Weather Policy.

**XII. Report from the divisions on facilities design and construction, leasing, facilities operations, maintenance and surplus property.**

No report was given.

**XIII. Report from the Commission Work Groups.**

**1. Energy Work Group.**

Commissioner Novak informed the Commission that the Energy Group met in January. In addition, Commissioner Novak also informed the Commission that SECO was able to fund the performance contracting with grant funds as opposed to a loan.

**2. Audit Work Group**

Commissioner Jones informed the Commission that the Audit Work Group met on Tuesday February 14, 2017 and had a good meeting.

**3. P3 Work Group.**

Commissioner Novak informed the Commission that the P3 Work Group met to discuss the Sutton Building project and have an associated motion under Agenda Item XVI.

In addition, Chairman Thomas asked Commissioner Jones to take the lead on the Construction Work Group.

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

Mr. Daniel Benjamin, Director of Accounts Payable, 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.

**XV. Discussion on potential ground lease for State Parking Lot 15.**

Mr. Harvey Hilderbran, Executive Director, gave the Commission a brief background on TFC's Rider 21 in the General Appropriations Act requiring TFC to complete a study to provide additional parking for state employees at the E.O. Thompson Building and the upcoming issuance of a request for proposals for a potential ground lease for State Parking Lot 15 for such purpose.

**XVI. Discussion and possible action to direct staff regarding the next steps for the future of the G.J. Sutton site in San Antonio, Texas.**

The Commission voted unanimously to direct staff to move forward with the analysis for the redevelopment of the G.J. Sutton Complex using the public private partnership delivery model pursuant to Chapter 2267 of the Texas Government Code with no further consideration of other options for the site and that the Director for the Center of Alternative Finance and Procurement be designated as the project lead and the Executive Director and TFC staff continue to provide the necessary support for the center as applicable, with a motion made by Commissioner Novak and a second to approve the motion made by Commissioner Perry.

**XVII. Discussion of Commission organization, policies, procedures and new initiatives.**

- 1. Discussion and possible action to amend the Commission policy regarding the agency audit program.**

The Commission voted unanimously to approve the amendments to the Commission policies as recommended, with a motion made by Commissioner Jones and a second to approve the motion made by Commissioner Novak.

**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 Thomas recessed the meeting to convene in Executive Session at 11:29 a.m.

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

Chair Thomas reconvened the open meeting at 12:31p.m.

**XX. Adjournment.**

Chair Thomas adjourned the meeting at 12:33 p.m.

**Reviewed and Submitted:**

By: \_\_\_\_\_

  
Kay Molina, General Counsel

Approved by the Commission on April 19, 2017.

By: \_\_\_\_\_

  
Robert D. Thomas, Chair