

CHAIR
Robert D. Thomas

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



EXECUTIVE DIRECTOR
Harvey Hilderbran

TEXAS FACILITIES COMMISSION

Minutes No. 83: Minutes of the May 18, 2016 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, May 18, 2016, commencing at 10:00 a.m. Chairman Thomas presided, and Commissioners Novak, Reinbeck, Jones, and Perry were also present. Commissioner Darby was absent.

I. Call to Order.

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

II. Approval of the minutes from the April 20, 2016 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.

III. Public Comment.

There was no public comment.

IV. Consent Agenda for Award of Lease Recommendations and Summaries.

Leases and/or Amendments Pending Execution with Commencement Date on or after May 18, 2016.

New Leases:

- 1. Lease #303-6-20547 - Department of Public Safety: Carrollton, TX.**
- 2. Lease #303-7-20535 - Department of Public Safety: New Braunfels, TX.**

Replacements:

- 3. Lease #20499-A - Texas Department of Criminal Justice: San Angelo, TX.**
- 4. Lease #303-7-20543 - Health and Human Services Commission/Department of Family and Protective Services/Department of State Health Services/Department of Aging and Disability Services: Texarkana, TX.**

Renewals:

- 5. Lease #6231 - Texas Commission on Environmental Quality: Waco, TX.**

6. **Lease #8912 - Health and Human Services Commission; Department of State Health Services/Department of Assistive and Rehabilitative Services/Department of Aging and Disability Services: Dallas, TX.**
7. **Lease #9440 - Texas Department of Criminal Justice: Houston, 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 Novak and a second to approve the motion made by Commissioner Jones.

V. Contract Consent Agenda.

1. **Consideration and possible action to approve a construction manager-at-risk contract amendment for the Texas School for the Deaf 2014-15 Campus Wide Improvements (deferred maintenance), Project No. 14-028-1440 in Austin, Texas.**
2. **Consideration and possible action to approve a construction manager-at-risk contract amendment for TFC's 2016-17 deferred maintenance on the William P. Hobby Towers, I, II and III, Project No. 16-010-5880 in Austin, Texas.**

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

VI. Consideration and possible action to award an architectural/engineering professional services contract for TFC's 2016-17 deferred maintenance on four buildings including the Department of State Health Services Buildings F, R, the Tower and the Robert Bernstein Building, Project No. 16-019-5530 in Austin, Texas.

The Commission voted unanimously to approve an architectural/engineering professional services contract to Stanley Consultants, Inc. in the amount of \$239,786.00 for TFC's 2016-17 deferred maintenance on four buildings including the Department of State Health Services Buildings F, R, the Tower and the Robert Bernstein Building, Project No. 16-019-5530 in Austin, Texas, with a motion made by Commissioner Perry and a second to approve the motion made by Commissioner Novak.

VII. Consideration and possible action to award a construction manager-at-risk contract for TFC's 2016-17 deferred maintenance on the Lyndon B. Johnson Building, Project No. 16-003-5090 in Austin, Texas.

The Commission voted unanimously to approve a construction manager-at-risk contract to Balfour Beatty Construction, LLC in the amount of \$11,500,000.00 for TFC's 2016-17 deferred maintenance on the Lyndon B. Johnson Building, Project No. 16-003-5090 in Austin, Texas, with a motion made by Commissioner Reinbeck and a second to approve the motion made by Commissioner Jones.

VIII. Program Presentations.

1. State Strategic Planning Process.

Mr. Bill Monroe, Chief Financial Officer, made a presentation on the State Strategic Planning Process, including performance budgeting and performance monitoring. Mr. Monroe set forth the process and guidelines that state agencies are to follow, the new format to be used, and an overview of the current TFC performance measures. In addition, Mr. Harvey Hilderbran, Executive Director, informed the Commission that staff would provide the Commissioners various portions of the draft TFC Strategic Plan as they are completed for Commissioner review and input. Thereafter, Chairman Thomas asked the Commissioner to think about serving on a workgroup for the strategic planning process should one be necessary to complete this task.

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, informed the Commission of the great job TFC staff performed on the LBJ Building 4th Floor capital appropriation project. Mr. Hilderbran discussed the updated organizational chart which went into effect on May 1, 2016. He also introduced Mr. Gerard Edimo, the new Director of Program Operations, and gave a brief description of his job duties. Thereafter, Mr. Hilderbran informed the Commission that he has attended meetings with local San Antonio leadership regarding the Sutton building and feels that the two groups are making progress regarding the future of the G.J. Sutton State Office Building.

Mr. Hilderbran also informed the Commission that he attended a meeting held by the Senate Finance Committee for a presentation on zero base budgeting as it applies to the upcoming Legislative Appropriates Review process. In addition, TFC was one of 14 agencies selected by the Legislative Budget Board to perform a strategic fiscal review. In addition, Mr. Hilderbran informed the Commission that the Bond Review Board hearing is scheduled for Thursday, May 19, 2016, to give final approval on TFC's revenue bonds and that Mr. Bill Monroe and Mr. Peter Maass will be attending the hearing. Finally, Mr. Hilderbran informed the Commission that TFC will be performing additional LED projects in addition to those included in the future energy performance contract and hope to have them complete by the end of this fiscal year.

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

No report was given.

XI. Report from the Commission Work Groups.

1. Energy Workgroup.

Commissioner Novak gave brief comments regarding the Energy meeting, and that staff continues to make great progress. He also informed the Commission that the Workgroup is focusing more on key metrics such as ROIs or return on investments. In addition, Commissioner Novak informed the Commission of the funding availability for future projects of the LED lighting in the parking garages.

XII. 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.

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

a. Consideration and possible action to approve the Office of Internal Audit's Revised Audit Plan for Fiscal Year 2016.

Ms. Amanda Jenami, Director of Internal Audit, made a presentation on the Office of Internal Audit's Revised Audit Plan for Fiscal Year 2016, that included adding a few consulting projects to the plan for this fiscal year and, therefore, moving a few audits to be conducted this fiscal year to Fiscal Year 2017. The Commission unanimously voted to approve the Office of Internal Audit's Revised Audit Plan for Fiscal Year 2016, with a motion made by Commissioner Jones and a second to approve the motion made by Commissioner Reinbeck.

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

There was no discussion on this item.

XV. 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.
- f. The deliberation regarding a security audit, Section 551.076.

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

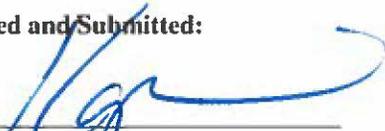
There was no Executive Session.

XVII. Adjournment.

Chair Thomas adjourned the meeting at 12:02 p.m.

Reviewed and Submitted:

By: _____



Kay Molina, General Counsel

Approved by the Commission on June 15, 2016.

By: _____



Robert Thomas, Chair