

CHAIR
Robert D. Thomas

COMMISSIONERS
William Allensworth
Steven D. Alvis
Patti C. Jones
Mike Novak
Rigoberto "Rigo" Villarreal



INTERIM EXECUTIVE DIRECTOR
John Raff

TEXAS FACILITIES COMMISSION

Minutes No. 104: Minutes of the July 19, 2018 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 Thursday July 19, 2018, commencing at 9:00 a.m. Chairman Thomas presided, and Commissioners Novak, Alvis, Allensworth, Jones and Villarreal were also present.

I. Call to Order.

Chair Thomas called the meeting to order at 9:02 a.m.

II. Approval of the minutes from the June 21, 2018, Open Meeting.

The Commission voted unanimously to approve the June 21, 2018 minutes with a motion made by Commissioner Allensworth and a second to approve the motion made by Commissioner Alvis.

III. Public Comment.

There was no public comment.

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

Award of Lease Recommendations and Summaries.

Leases and/or Amendments Pending Execution with Commencement Date on or after July 19, 2018.

Renewal:

1. Lease #10623 – Texas Department of Criminal Justice: Denton, 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 Alvis and a second to approve the motion made by Commissioner Allensworth.

V. Consideration and possible action to approve commencement of a rule review related to Texas Administrative Code, Title 1, Part 5, Chapter 123, Facilities, Design and Construction, submission to Governor's Office for review, and publication of required notice of intent to review in the Texas Register.

The Commission voted unanimously to approve the staff recommendation to adopt the proposed rule amendments to commence an adoption of a rule under Texas Administrative Code, Title I, Part 5, Chapter 123, submit the proposed rule to the Office of the Governor, and subject to the approval of the Governor's Office, publish in the Texas Register

public notice of the proposed rule, with a motion made by Commissioner Allensworth and a second to approve the motion made by Commissioner Villarreal.

Commissioner Novak asked that all the Commissioners be provided a Fiscal Note for this agenda item.

VI. Consideration and possible action to approve requested tuition increase for the Capitol Complex Child Care Center, TFC Contract No. 15-052 and certain amendments to the contract.

The Commission voted unanimously to approve the tuition increase as requested and the removal of the fee-based holiday camp by the University of Texas of Austin Child Care Development Center, with a motion made by Commissioner Jones and a second to approve the motion made by Commissioner Alvis.

VII. Consideration and possible action to award a performance contract for the Energy Savings Performance Contract Phase II, Project No. 18-023-0540 in Austin, Texas.

The Commission voted to award a performance contract to E3 Entegral Solutions, Inc., for an amount to be determine for the Energy Performance Contract Phase II, Project No. 18-023-0540 In Austin, Texas, with a motion to approve made by Commissioner Alvis and a second to approve the motion made by Commissioner Villarreal. Commissioner Novak abstained.

Commissioner Alvis asked to receive a copy of the completed study for the Energy Performance Contract Phase II and to have the proposed calculation of benefits stated in the number of years for payback of the investment.

VIII. Discussion of Capitol Complex Phase I Development by Balfour Beatty Construction, L.L.C.

Mr. Lou Saksen, Project Executive for Balfour Beatty, gave a brief summary report on the budget, schedule and how the project is going for the Capitol Complex Phase I.

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

Mr. John Raff, Interim Executive Director informed the Commission that the administrative team met on June 25th, July 3rd, and the 9th, in addition to our work group meetings. The team has collaboratively participated in OIA's risk assessment to assist in the 2019 internal audit plan. Additionally, the administrative team is continuing our audit recommendations implementation initiative and will be tracking and reporting on that status to the Commissioners regularly. Next, Mr. Daniel Benjamin, Acting CFO, has finalized the 2019 operating budget for your information today and for the Commission to consider and approve at the August meeting. Also, that staff is working diligently on the legislative appropriations request, and have developed the list of exceptional items to be considered and prioritized. In addition, Mr. Raff informed the Commission that Ms. Yolanda Strey will be included in some of the high profile and large projects, the interviews for the AEs and the CMRs, to keep that initiative in the forefront and also to allow her to ask any questions that she may have of those vendors in the interviews. Lastly, Mr. Raff introduced the new Human Resources Director Ms. Janine Mays.

1. Discussion of North Austin Complex Phase I Development by Facilities Design & Construction Project Management.

Mr. John Raff, Interim Executive Director gave a brief update on the North Austin Complex, Phase I. Mr. Raff informed the Commission that the Project Team conducted the groundbreaking ceremony at the North Austin Complex on July 10, 2018 and that the project continues to proceed at an impressive pace.

2. Discussion of Texas School for the Deaf Toddler Learning Center and Central Services Center project by Facilities Design & Construction – Project Management.

Mr. John Raff, Interim Executive Director informed the Commission that the School for the Deaf project is proceeding swiftly. Construction manager's notice to proceed with pre-construction services was issued on June 1st, and the architect's programming phase began on June 19th. The programming for the building is due to be

completed in August, at which time the architect of course will, with approval to proceed, proceed to the schematic design phase. Project manager Lissi Riedel is currently working on obtaining geotechnical services and surveying services through our IDIQ professional services program.

Thereafter, Mr. Richard Ehlert, Director of Procurement gave a brief status report on the G.J. Sutton. Commissioner Novak also asked for the fiscal note for the Sutton building and Commissioner Alvis asked that a bid cost for demolition of the building be provided.

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

1. Discussion of the results of the Review of Contract Management (Phase III).

Ms. Amanda Jenami, Director of Internal Audit gave the report on the results of the Review of Contract Management (Phase III). Ms. Jenami, thanked David Ramos the lead auditor of this project and to Donna Steadman for all their hard work on this audit report. She also thanked PREM, Procurement, Legal and Fiscal for their cooperation with Audit.

2. Annual Report on OIA's Quality Assurance and Improvement Program.

Ms. Amanda Jenami, Director of Internal Audit informed the Commission that Mr. David Ramos was the lead on this audit. Thereafter Ms. Jenami turned it over the Ms. Donna Steadman to give the report on the Annual Report on OIA's Quality Assurance and Improvement Program.

3. Discussion of the Office of Internal Audit's (OIA) Annual Risk Assessment Process.

Ms. Amanda Jenami, Director of Internal Audit gave the report on Annual Risk Assessment Process.

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

Mr. Daniel Benjamin, Interim CFO, provided the monthly financial report including the agency forecast, operating expense report, year to date budget adjustments, cost recovery programs result of operations, the revenue forecast, and the financial transactions and appropriations not included in the operating budget. Thereafter Mr. Benjamin gave a overview of the 2019 Operating Budget.

XII. Conduct the interview of candidates for the Executive Director

No action was taken on this agenda item.

XIII. Consideration and possible action on the hiring of an Executive Director.

No action was taken on this agenda item.

XIV. 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.

Chairman Thomas recessed the meeting to convene in Executive Session at 11:16 a.m.

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

Chair Thomas reconvened the open meeting at 11:41 a.m.

XIX. Adjournment.

Chair Thomas adjourned the meeting at 11:42 a.m.

Reviewed and Submitted:

By: 
Naomi R. Gonzalez, Acting General Counsel

Approved by the Commission on August 16, 2018.

By: 
Robert D. Thomas, Chair