

EXECUTIVE DIRECTOR
Edward L. Johnson



Texas Facilities Commission

CHAIR
Betty Reinbeck

COMMISSIONERS
Malcolm E. Beckendorff
James S. Duncan
Virginia Hermosa
Victor E. Leal
Barkley J. Stuart

Minutes No. 10 Minutes of the July 16, 2008, 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, July 16, 2008, commencing at 10:05 a.m. The following were present, and Chair Reinbeck presided:

Members Present

Betty Reinbeck	Chair
Malcolm E. Beckendorff	Commissioner
James S. Duncan	Commissioner
Victor Leal	Commissioner
Barkley J. Stuart	Commissioner

Members Absent

Virginia Hermosa	Commissioner
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Staff Present

Edward Johnson	Executive Director
Kay Molina	General Counsel
Mark Scott	Director, Internal Audit
Stephen Thomas	Deputy Executive Director, Administration
Luis Arellano	Chief Financial Officer
Kristy Fierro	Internal Audit
Gregg Werkenthin	Deputy Executive Director for Space Management
James Barrington	Director, Facilities Management Division
Richard Ehlert	Procurement Manager/HUB Coordinator
Bill Bonham	Deputy Executive Director, Facilities Design & Construction
Susan Maldonado	Legal Services Division
Crystal Nelson	Legal Services Division
Tiffany Harry	Legal Services Division
Mike Blackwell	Marketing & Communications
Mark Trott	Facilities Design & Construction
Paul Medrano	Facilities Design & Construction

Paulinda Mackie	Facilities Design & Construction
John Goodrich	Internal Procurement
Myra Beers	Internal Procurement
Marti Walsh	Facilities Design & Construction
Thursten Simonsen	Facilities Design & Construction
John Raff	Facilities Design & Construction
Carl Oberander	Facilities Design & Construction
Ashley Holt	Leasing Division
Kristen Blank	Executive Administration
Bryan Bargsley	Surplus
Phil Carter	Fleet Management
Kathy Cameron	Facilities Management Division
Adam Cameron	Facilities Management Division
Octaviano Villanueva	Facilities Management Division
Carver Sneed	Facilities Management Division

Guests

Representative Kino Flores	Texas House of Representatives
David Ancira	Texas Comptroller of Public Accounts (CPA)
Chief Lester Mills	Department of Public Safety (DPS)
Demetrio Hernandez	Legislative Budget Board (LBB)
Christina Bryant	TIBH Industries Inc.
David McCormick	Department of State Health Services (DSHS)
Christopher Blades	Fazzone Construction Company, Inc.
Bill Wilson	D. Wilson Construction Company
Dale Austin	PBS&J
David Lancaster	Texas Society of Architects

I. Call to Order. Chair Reinbeck called the meeting to order.

II. Presentation of Service Awards.

Bryan Bargsley	Thirty years (Surplus)
Phil Carter	Twenty years (Fleet Management)
Kathy Cameron	Five years (FMD-Administration)
Adam Cameron	Five years (FMD-Controls Group)
Carver Sneed	Five years (FMD-Electrical)
Kathleen Martinez	Five years (Fiscal)
Evelyn Esquivel	Five years (Leasing)
Octaviano Villanueva	Five years (FMD-Maintenance)
Angel Torres	Five years (FMD-Maintenance)

III. Approval of the Minutes from the May 21, 2008 Open Meeting.

The Commission voted unanimously to approve the minutes from the previous meeting with the addition of the approved contract amounts added to certain action items with a motion made by Commissioner Stuart and a second to approve the motion made by Commissioner Leal.

IV. Public Comment. There were no public comments.

V. Award of Lease Recommendations and Summaries.

A. Award of Lease Recommendations and Summaries.

(1). Leases and/or Amendments Pending Execution with Commencement Date on or after July 16, 2008.

Extensions

1. #1011 – Texas Water Development Board: Austin, TX.
2. #1652 – Texas State Board of Plumbing Examiners: Austin, TX.

Renewals

3. #1353 – Department of Assistive and Rehabilitative Services: Houston, TX.
4. #20008 – Health and Human Services Commission: Dallas, TX.
5. #1508 – Texas Department of Criminal Justice: Pasadena, TX.
6. #1159 – Department of Family and Protective Services/Department of State Health Services: Mineral Wells, TX.
7. #20034 – Comptroller of Public Accounts: Dallas, TX.
8. #7104 – Health and Human Services Commission: Houston, TX.
9. #1084 – Department of Assistive and Rehabilitative Services: Austin, TX.
10. #6412 - Health and Human Services Commission/Department of Family and Protective Services: Alvin, TX.
11. #7445 – Texas Department of Criminal Justice: Houston, TX.
12. #20051 – Office of the Attorney General: Tyler, TX.
13. #8852 – Health and Human Services Commission/Department of Assistive and Rehabilitative Services/Texas Youth Commission: Austin, TX.

Add Space

14. #20025 – Texas Department of Criminal Justice: Orange, TX.
15. #20175 – Office of the Attorney General/Texas Department of Agriculture: Austin, TX.
16. #6874 – Health and Human Services Commission/Department of Family and Protective Services: Bryan, TX.
17. #10614 – Texas Lottery Commission: Houston, TX.
18. #10292 – Health and Human Services Commission: Austin, TX.
19. #20002 – Health and Human Services Commission: Austin, TX.
20. #1271 – Health and Human Services Commission/Department of Family and Protective Services/Department of Assistive and Rehabilitative Services/Department of State Health Services: Seguin, TX.
21. #6088 – Health and Human Services Commission/Department of Family and Protective Services: Taylor, TX.
22. #10010 – Department of Family and Protective Services: Sherman, TX.

New Leases

23. #20200 – Department of State Health Services: Katy, TX
24. #20199 – Department of Family and Protective Services: Livingston, TX.
25. #303-8-11128 – Health and Human Services Commission: Houston, TX.
26. #20202 – Texas Historical Commission: Austin, TX.
27. #20198 – Department of Public Safety: Austin, TX.
28. #303-8-10617 – Texas Veterans Commission: Killeen, TX.
29. #20161 – Texas Department of Criminal Justice: Dayton, TX.
30. #20197 – Texas Department of Criminal Justice: Horizon City, TX.

31. #303-8-10491 – Office of the Attorney General: Austin, TX.
32. #303-8-11031 – Department of Assistive and Rehabilitative Services: San Antonio, TX.

The Commission unanimously voted to approve the above leases and/or amendments with the motion to approve made by Commissioner Leal and a second to approve the motion made by Commissioner Duncan.

VI. Consideration and possible action to approve a construction contract award for the Promontory Point – Office of the Attorney General’s Warehouse Phase B Roof Replacement, Project No. 08-032A-6106, Austin, Texas. The Commission unanimously voted to approve the award of a construction contract to A.D. Willis Company, Inc. in the amount of \$830,900 for the Office of the Attorney General’s Warehouse Phase B Roof Replacement, Project No. 08-032A-6106, Austin, Texas, with a motion made by Commissioner Beckendorff and a second to approve the motion made by Commissioner Stuart.

VII. Consideration and possible action to approve a construction contract award for the Texas State Cemetery Memorial Center Additions and Renovations, Project No. 07-010-7417, Austin, Texas. The Commission unanimously voted to approve the award of a construction contract to Fazzone Construction Company, Inc., in the amount of \$345,000 for the Texas State Cemetery Memorial Center Additions and Renovations, Project No. 07-010-7417, Austin, Texas, with a motion made by Commissioner Beckendorff and a second to approve the motion made by Commissioner Leal.

VIII. Consideration and possible action to approve a Construction Manager-At-Risk contract award for the Department of State Health Services South Texas Health Care System Outpatient Clinic, Project No. 08-025A-7076, Harlingen, Texas. The Commission unanimously voted to approve the award of a Construction Manager-At-Risk contract to D. Wilson Construction Company in the amount of \$562,663 for the Department of State Health Services South Texas Health Care System Outpatient Clinic, Project No. 08-025A-7076, Harlingen, Texas with a motion made by Commissioner Leal and a second to approve the motion made by Commissioner Beckendorff. Commissioner Duncan requested that staff, when drafting meeting materials, clarify that they have considered all project delivery methods and not shown a preference to the Construction Manager-At-Risk method, as it may not always be the best method for each project.

IX. Consideration and possible action to adopt repeal of Title 1, Chapter 111 (Texas Facilities Commission; Executive Administration Division) of the Texas Administrative Code, as proposed in 33 Tex. Reg. 4401, and to approve publication of the adopted repeal in the *Texas Register* and to adopt new Title 1, Chapter 111 (Texas Facilities Commission; Administration) of the Texas Administrative Code, as proposed in 33 Tex. Reg. 4402, and to approve publication of the adopted rules in the *Texas Register*. The Commission unanimously voted to adopt the proposed rule repeal and proposed new rules and to approve publication in the Texas Register with a motion made by Commissioner Stuart and a second to approve the motion made by Commissioner Leal.

X. Consideration and possible action to adopt Title 1, Chapter 115 (Texas Facilities Commission; Facilities Leasing Program) of the Texas Administrative Code, as proposed in 33 Tex. Reg. 3503 with changes, and to approve publication of the adopted rules in the *Texas Register*. The Commission unanimously voted to adopt the

proposed rule amendments and to approve publication in the Texas Register with a motion made by Commissioner Duncan and a second to approve the motion made by Commissioner Beckendorff.

XI. Consideration and possible action to adopt administrative policies for the Texas Facilities Commission. The Commission discussed various administrative policies for the agency. Chair Reinbeck requested that Kay Molina and Edward Johnson continue working with Commissioner Stuart and Commissioner Beckendorff in order to provide the Commission with a final draft of the selected policies for the Commission to vote on in the August meeting. The Commission had an in-depth discussion regarding the selection of a Commission Vice Chairman and the construction project delivery process.

XII. Consideration and possible action to adopt an Internal Audit Charter for the Office of Internal Audit, Mark Scott. The Commission unanimously voted to adopt the Internal Audit Charter for the Office of Internal Audit with a motion made by Commissioner Leal and a second to approve the motion made by Commissioner Duncan.

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

Pursuant to agency policy, the following action items were approved by Chair Reinbeck on June 20, 2008 in Sealy, Texas due to cancellation of the June 18, 2008 commission meeting.

Commissioner Beckendorff, Edward Johnson, and Bill Bonham also attended the meeting.

1. Chair Reinbeck approved the award of a Construction Manager-At-Risk contract to JE Dunn Construction in the amount of \$1,978,215 for the Department of State Health Services Texas Center for Infectious Disease new 75-Bed Hospital, Project No. 04-011B-0537, San Antonio, Texas.
2. Chair Reinbeck approved the award of a construction contract to Total Land Development Corporation in the amount of \$245,915, for the Texas School for the Blind and Visually Impaired Early Parking Package, Project No. 06-006G-0771, Austin, Texas.
3. Chair Reinbeck approved the award of a construction contract to Performance Contracting, Inc, in the amount of \$195,734 for the Texas Department of State Health Services, Department of Health New Lab Building, 4th and 5th Floor Renovations, Project No. 07-009-7075, Austin, Texas.
4. Chair Reinbeck approved the award of a construction contract to Brinkley Sargent Architects in the amount of \$587,137 to provide architectural and engineering services for a project analysis of the Texas Department of Public Safety Academy and Fleet Operations relocation from Austin to Florence Texas, Project No. 10-901-0405, Florence, Texas.

Bill Bonham updated the Commission on Facilities Design & Construction project status.

XIV. Report from Deputy Executive Director of Administration on staffing trends and administration activities. Stephen Thomas presented a report to the Commission informing them that the attrition rate for the agency has dramatically declined, there has been an overall reduction in employee accidents and injuries, worker's compensation claims have also declined, and that the Human Resources Division will be conducting the Survey of Organizational Excellence in October.

XV. Report from the Chief Financial Officer on the monthly financial report update, FY 2009 requested Operating Budget, and 2010/2011 Legislative Appropriations Request (LAR).

Luis Arellano gave the Commission a monthly financial report including monthly operating expenditures, year-to-date budget adjustments, cost recovery program

results, revenue forecast, and financial transactions that are not included in the operating budget. Mr. Arellano informed the Commission that the revenue forecast for the agency is on schedule. Mr. Arellano also informed the Commission that utility costs were at an all time high due to the record number of days over 100 degrees. Edward Johnson also reminded the Commission that the FY2009 Operating Budget and the 2010/2011 Legislative Appropriations Request (LAR) will be presented to the Commission for approval in August. Mr. Johnson stated that the LAR will be adopted in August but can be amended, if necessary, in December to update the deferred maintenance budget.

XVI. Monthly Status Report from Internal Auditor, Mark Scott. Mark Scott gave the Commission an update of the ongoing audits that are on schedule and underway. Mr. Scott also informed the Commission that there are currently no external audits scheduled.

XVII. Discussion regarding the purchase, exchange, lease and value of real property located in Austin, Travis County, listed on the real property inventory of the Commission.

XVIII. 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.

C. The duties, roles, and responsibilities as Commissioners of the Texas Facilities Commission, Section 551.074.

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

E. 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.

F. Any matters identified in this agenda where the Commissioners seek the advice of their attorney, Section 551.071.

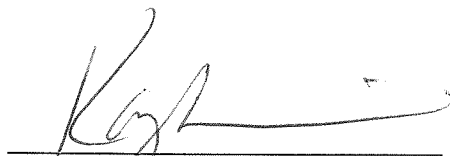
Chair Reinbeck recessed the meeting at 12:50 p.m. for the Commissioners to convene in Executive Session.

XIX. Reconvene in open meeting and consider action on matters discussed in Executive Session. Chair Reinbeck reconvened the meeting at 2:05 PM.

XX. Consideration and possible action, if necessary, on any issue discussed during Executive Session. No action was taken.

XXI. Adjournment. Chair Reinbeck adjourned the meeting at 2:06 p.m.


Reviewed and
Submitted by:



Kay Molina
General Counsel

Approved by the Commission on the 20th day of August, 2008.

By:



Betty Reinbeck
Chair