

EXECUTIVE DIRECTOR
Edward L. Johnson



Texas Facilities Commission

CHAIR
Betty Reinbeck

COMMISSIONERS
Malcolm E. Beckendorff
William D. Darby
Virginia Hermosa
Victor E. Leal
Barkley J. Stuart

Minutes No. 13 Minutes of the December 17, 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, August 20, 2008, commencing at 10:00 a.m. The following were present, and Chair Reinbeck presided:

Members Present

Betty Reinbeck	Chair
Malcolm E. Beckendorff	Commissioner
Derek Darby	Commissioner
Virginia Hermosa	Commissioner (Arrived at 10:10 a.m.)
Barkley Stuart	Commissioner

Members Absent

Victor Leal	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
Gregg Werkenthin	Deputy Executive Director, Space Management & State Leasing Services
Richard Ehlert	Internal Procurement
Jamie Barrington	Director, Facilities Management Division
Bill Bonham	Deputy Executive Director, Facilities Design & Construction
Susan Maldonado	Legal Services Division
Crystal Nelson	Legal Services Division
Tiffany Harry	Legal Services Division
Kristy Fierro	Internal Audit
Mike Blackwell	Publications & Media
Jorge Ramirez	Director, Energy Management & Plant Operations

Mark Trott	Facilities Design & Construction
Mary Jo Ingram	Facilities Design & Construction
Sarah English	Facilities Design & Construction
John Raff	Facilities Design & Construction
Craig Wingfield	Facilities Design & Construction
Mike Holeman	Director of A/E Tech Support
Kelsey Peeler	Executive Administration
Ashley Holt	Leasing
Lisa Hardin	Executive Administration
Brian Murphy	Energy Management
Gary Marugg	Facilities Design & Construction

Guests

Ed Robertson	Office of the Governor
David Ancira	Texas Comptroller of Public Accounts (CPA)
Christina Bryant	TIBH Industries
Demetrio Hernandez	Legislative Budget Board

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

II. Approval of the Minutes from the October 15, 2008 Open Meeting.

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

III. Public Comment. There were no public comments.

IV. Award of Lease Recommendations and Summaries.

Leases and/or Amendments Pending Execution with Commencement Date on or after December 17, 2008.

Renewals

1. #10026 – Health and Human Services Commission/Department of Family and Protective Services/Department of State Health Services: Mexia, TX.
2. #10252 – Office of the Attorney General/Texas Lottery Commission/Health and Human Services Commission/Department of Family and Protective Services: McAllen, TX.

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3. #10292 – Health and Human Services Commission: Austin, TX.
4. #303-8-10683 – Department of Family and Protective Services: Lubbock, TX.

Leases and/or Amendments Pending Execution with Commencement Date before December 17, 2008.

Renewals

1. #10307 – Health and Human Services Commission/Department of State Health Services/Department of Aging and Disability Services: Mercedes, TX

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

- V. Consideration and possible action to award an architectural and engineering design contract amendment to O’Connell Robertson and Associates, Inc. for the Texas Department of State Health Services, Texas Center for Infectious Disease, Project No. 04-011B-0537, San Antonio, Texas.** The Commission unanimously voted to approve an amendment to the existing A/E contract with O’Connell Robertson Associates for Project No. 04-011B-0537, New 75 Bed Hospital for the Texas Center for Infectious, San Antonio, Texas in an amount not to exceed \$365,985.00, with a motion made by Commissioner Beckendorff and a second to approve the motion made by Commissioner Darby.
- VI. Consideration and possible action to award an architectural and engineering design contract amendment to Marmon Mok Architects for the Texas Department of State Health Services, South Texas Health Care System New Outpatient Clinic, Project No. 08-025A-7076, Harlingen, Texas.** The Commission unanimously voted to approve the amendment to the existing A/E contract with Marmon Mok Architects for Project No. 08-025A-7076, South Texas Health Care System New Outpatient Clinic, Harlingen, Texas, in an amount not to exceed \$138,469.52, with a motion made by Commissioner Beckendorff and a second to approve the motion made by Commissioner Darby.
- VII. Consideration and possible action to adopt new rule, Texas Administrative Code, Title 1, Section 116.14, entitled “Vending Machines; Mandatory Energy-Savings Devices,” and to approve publication of the adopted rule in the Texas Register.** The Commission unanimously voted to adopt new rule, Texas Administrative Code, Title 1, Section 116.14, entitled “Vending Machines; Mandatory Energy Savings Devices,” and to approve publication of the adopted rule in the Texas Register with a motion made by Commissioner Darby and a second to approve the motion made by Commissioner Stuart.
- VIII. Consideration and possible action to adopt Title 1, Chapter 126 (Texas Facilities Commission; Surplus and Salvage Property Programs) of the Texas Administrative Code, as proposed in 33 Tex. Reg. 9020, and to approve publication of the adopted rules in the Texas Register.** The Commission unanimously voted to adopt Title 1, Chapter 126 (Texas Facilities Commission; Surplus and Salvage Property Programs) of the Texas Administrative Code, as proposed in 33 Tex. Reg. 9020, and to approve publication of the adopted rules in the Texas Register

with a motion made by Commissioner Hermosa and a second to approve the motion made by Commissioner Beckendorff.

IX. Consideration and possible action to adopt administrative policies for the Texas Facilities Commission. The Commission voted unanimously to adopt the following administrative policies as presented by staff, with a motion made by Commissioner Stuart and a second to approve the motion made by Commissioner Beckendorff, with a minor language change to the Litigation Section IV (a) as follows:

IV. Litigation

- a. Executive Director's Authority to Settle Pending Claims and Lawsuits
 - Last sentence in policy paragraph to now read: The Commission shall approve all settlements related to employment and construction claims and all settlements exceeding \$25,000.
- b. Litigation Notification

V. Administrative Matters

- a. Hiring/removal of an Executive Director and Director of Internal Audit
- b. Response to Disasters and Emergencies
- c. Approval of Agency Strategic Plan, Legislative Appropriations Request, Operating Budget, Master Facilities Plan, and other Reports
- d. Adoption/Repeal of Agency Rules and Policy
- e. Employment Matters

X. Consideration and possible approval of the capital budget for the 2010-2011 TFC Legislative Appropriations Request. The Commission unanimously voted to approve the capital budget to be included in the 2010-2011 TFC Legislative Appropriations Request (LAR) which covers, but is not limited to, the costs of deferred maintenance, on-going capital improvements, engineering projects, and the DSHS Master Plan with a motion made by Commissioner Stuart and a second to approve the motion made by Commissioner Beckendorff.

XI. Report from the Executive Director and executive staff on facilities design and construction projects, facilities leasing, facilities operations and maintenance, and energy management. Bill Bonham provided a project update and status presentation, including a Powerpoint presentation, on Facilities Design & Construction (FDC) projects.

XII. Report from the Chief Financial Officer on the monthly financial report update. Luis Arellano provided the monthly financial report including the agency forecast, monthly operating expenditures, year-to-date budgeted adjustments, cost recovery program results, revenue forecast, and a list of financial transactions that are not included in the operating budget. Mr. Arellano informed the Commissioners that TFC currently has 317 positions filled (FTEs). In addition, he stated that there is a

projected shortfall for the month due to utility bills and that all of our bills have not been paid because vendors are lagging on the bills 30-60 days. Budget adjustments have been made throughout the month to increase budgets due to cost recovery. The Recycling Program budget is being reduced significantly due to price adjustments, most significantly to account for the lowered price of paper. Finally, the Surplus Property Program continues to do extremely well.

XIII. Monthly Status Report from Internal Auditor, Mark Scott. Mark Scott discussed the State Auditor's Office (SAO) report on the status of open findings completed in accordance with Government Code Section 321.014 (f). The last open finding addressed the need for improved documentation to support how a vendor is selected in an emergency procurement, which the agency has since cured. That finding is now reported as fully implemented and there are now no unresolved findings on external audits by the SAO and no ongoing external audits. The Internal Audit team is currently working on an internal audit on facilities contracting.

XIV. 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.**

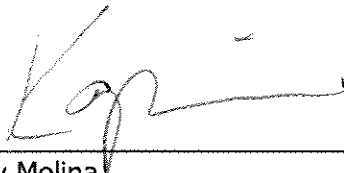
Chair Reinbeck recessed the meeting at 11:16 a.m. for the Commissioners to convene in Executive Session.

XV. Reconvene in open meeting and consider action on matters discussed in Executive Session. Chair Reinbeck reconvened the meeting at 11:39 a.m.

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

Adjournment. Chair Reinbeck adjourned the meeting at 11:40 a.m.


Reviewed and
Submitted by:



Kay Molina
General Counsel

Approved by the Commission on the 21st day of January, 2009.

By:



Betty Reinbeck
Chair