

PUBLIC EMPLOYEES' RETIREMENT BOARD
100 North Park Avenue, Room 201
Helena MT 59601

SPECIAL MEETING
Thursday, December 20, 2013

MINUTES

Scott Moore, President
Terrence Smith, Vice President
Bob Bugni, Member
Mike McGinley, Member
Melissa Strecker, Member
Timm Twardoski, Member
Sheena Wilson, Member

MPERA Staff

Melanie Symons, Chief Legal Counsel
Barbara Quinn, Fiscal Services Bureau Chief
Patricia Davis, Member Services Bureau Chief
Cynthia Pearson, Executive Assistant

Public

Tom Schneider, MPEA

Call to Order

President Scott Moore called the meeting to order at 3:00 p.m.

Roll Call

President Scott Moore, Vice-President Terrence Smith, Mike McGinley and Melissa Strecker participated via telephone. Sheena Wilson attended in person. Bob Bugni and Timm Twardoski were excused.

Public/Member Comment

There was no public comment.

Office Space

Barbara Quinn, MPERA Fiscal Services Bureau Chief, presented the Board with updated information on the proposed remodeling in MPERA's main offices on the second floor of the IBM Building and proposed lease of ground floor space in the same building. Ms. Quinn discussed three documents:

Remodeling Floor plan

Ms. Quinn said MPERA plans to do remodeling in three distinct areas of its main office space. The agency will transform a large open space on the eastside of its second floor offices—currently filled with cubicles and a printer/copier station—into three enclosed offices. MPERA also plans to make another enclosed office by adding a permanent wall and a door to an interior space. In addition, a small consulting room will be built in the main reception area.

Office Space Budget

Ms. Quinn discussed MPERA's budget for both (1) the previously approved remodeling plan and (2) the new revised plan including leased space on the ground floor of the same building.

Ms. Quinn compared costs for several items: annual rent for the current space; additional leased space; meeting rooms; changing door locks to electronic card readers; modular furniture; moving expenses; and prior construction. By comparing the current budget with the anticipated expenses and savings, she estimated there would be adequate funds available to cover costs.

Ms. Quinn said the Board of Investments is agreeable to a lease term of less than three years for the ground floor space. Specifically, they will agree to a lease end date of December 31, 2016.

Ms. Quinn also said, while the Board of Investments was not willing to reduce the amount of square space used as the basis of the rent calculation, they were willing to drop the rate from \$18.27/square foot to \$17.40/square foot. The first-year lease cost will be \$29,162 (prior to the reduction, the cost was \$30,620.52). The lease agreement will contain the normal 2% annual increase.

She said the issue now before the Board was whether MPERA should lease the ground level space and move forward with revised remodeling construction.

The Board deliberated the new office space option. The discussion focused on the benefits of maintaining use of the current Board Room, which was earlier slated to be remodeled into two enclosed offices and additional cubicle space. President Scott Moore said he believed it was a “win-win” to have additional office space for MPERA employees and still be able to use the Board Room.

Vice-President Terrence Smith asked if MPERA would have adequate office space at the end of 2016 if the Board Room was not transformed into offices. Ms. Quinn said she believed that was true.

Motion: *Vice-President Terrence Smith moved to authorize MPERA to enter into a lease agreement with the Board of Investments for the ground level office space and to move forward with remodeling construction based on the schematic presented.*

Second: *President Scott Moore*

No public comment.

Vote: *5/0.*

Adjournment

President Scott Moore adjourned the meeting at 3:15 p.m.