BE IT REMEMBERED that the above-captioned matter came on for hearing on the 4th day of August, 2008, beginning at 9:31 o'clock a.m., at the Texas Department of Public Safety, Building A, First Floor Conference Room, located at 5805 North Lamar Boulevard, Austin, Travis County, Texas, and was held before the PUBLIC SAFETY COMMISSION, and the following proceedings were reported by Lydia L. Edwards by machine shorthand, and reduced to writing and set out as follows:
MR. POLUNSKY: The regular session of the Texas Public Safety Commission is convened in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act. During this meeting, the Commission will be conducting business from the agenda posted in the Texas Register. The quorum of the board is now present, and the meeting is now declared open. It is 9:31 a.m.

The first item on the agenda is report, discussion, deliberation and possible action, including award on the RFQ in internal audit and risk assessment services. Who will be presenting that?

MR. WALKER: I will.

MR. POLUNSKY: Mr. Walker, I will ask that the name of the company not be discussed.

MR. WALKER: Yes, sir. On July 19th, a three-member evaluation committee met with Ray Miller, one of the Department's certified procurement managers, who was there to guide us through the process to evaluate six proposals submitted by firms that were deemed qualified for consideration. The evaluation committee was composed of the internal audit director at the Texas Department of Housing and Community Affairs, the internal audit director of Texas Tech University and myself.

As directed by Mr. Miller, who is the Department's procurement representative, we independently evaluated each proposal using a score sheet that was developed in conjunction with General Counsel's Office, with the Department's certified procurement managers and as reviewed by Commissioner Barth. Based on the results of our evaluation process, I recommend the Department enter into contract negotiations with the highest ranked firm for the internal audit services outlined in RFQ 405HQ8-9111.

MR. POLUNSKY: Thank you, Mr. Walker.

MR. WALKER: Yes.

MR. POLUNSKY: Are there any questions?

MS. BARTH: You know, I have spoken with Mr. Walker regarding the possible candidates to handle this and am comfortable with pursuing the recommendation out of the assessment to the highest -- trying to negotiate the contract with the firm that -- with the highest points with respect to the evaluation.

MR. POLUNSKY: Okay. So I believe that...
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<td>MS. BARTH: Aye.</td>
<td>We will then send a copy of -- in the</td>
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<td>MS. ANDERSON: Aye.</td>
<td>case of inspections, we'll send a copy of the draft</td>
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<td>MR. POLUNSKY: Any against?</td>
<td>report to the Colonel's office. When we get</td>
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<td>(No response.)</td>
<td>management's responses, we will also send a copy to</td>
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<td>MR. POLUNSKY: Motion passes. Next</td>
<td>the Colonel's office as we do audit reports at least</td>
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<td>Item on the agenda is discussion and possible action</td>
<td>6 10 days in advance of the commission meeting. And</td>
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<td>on the audit process.</td>
<td>7 that's generally our process.</td>
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<td>MS. BARTH: I requested this item and</td>
<td>8 MS. BARTH: I think that we need to see</td>
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<td>would ask that Mr. Walker walk through with the</td>
<td>9 these -- as Commissioners these reports in a little</td>
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<td>Commissioners briefly from start to finish a typical</td>
<td>10 earlier phase than I think we're seeing them. Okay.</td>
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<td>audit and when the Commissioners would see the audit.</td>
<td>11 That would be my recommendation. I think we need to</td>
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<td>MR. WALKER: Typically we'll announce</td>
<td>12 look at them in a more draft process and would like</td>
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<td>an audit to the people involved -- or an inspection,</td>
<td>13 to talk to you or talk to the Commissioners with</td>
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<td>for that matter, giving you some idea of the</td>
<td>14 respect to when we'll get them. I know on the --</td>
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<td>objectives of that audit and in general as we know</td>
<td>15 both the audit side and the inspection side they've</td>
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<td>them at the time. We'll meet with those people in an</td>
<td>16 gone through a few iterations here before we ever get</td>
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<td>entrance conference to discuss our approach, our</td>
<td>17 to see them. So I don't know what your thought</td>
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<td>timing and so forth, get their input into the audit</td>
<td>18 process is, but it's something that does concern me.</td>
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<td>objectives or the inspection process. We'll solicit</td>
<td>19 MR. WALKER: I would suggest that you</td>
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<td>any concerns that they have that we might can</td>
<td>20 consider getting them no sooner than we get</td>
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<td>accommodate as we go through those processes.</td>
<td>21 management's responses. It's not -- it's not</td>
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<td>For audits we will then proceed to do a</td>
<td>22 frequent, but it does happen from time to time where</td>
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<td>preliminary evaluation of -- of the area to gain an</td>
<td>23 we have a misunderstanding. We've been told -- or</td>
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<td>understanding of the operations, perform a risk</td>
<td>24 have an understanding in one direction, and when --</td>
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<td>assessment to determine if our audit objectives are</td>
<td>25 when we get with management, we get another view of</td>
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<td>correct and to do some things to determine the scope</td>
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<td>of our audit. We will then enter into field work</td>
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<td>based on our audit plan. We'll meet with management</td>
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<td>either periodically during the audit depending on</td>
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<td>what we find or as we conclude field work and after</td>
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<td>we've developed a draft of the report again to make</td>
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<td>sure that we haven't made any factual misstatements,</td>
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<td>get any input about concerns that they have about the</td>
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<td>report as it's drafted. And then we will solicit</td>
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<td>management's input using an abstract form that</td>
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<td>outlines the issue as we've raised it in the report</td>
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<td>in brief, the recommendation, and then we have a</td>
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<td>space for them to write their response along with</td>
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<td>dating it and getting approval from their chain of</td>
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<td>command.</td>
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<td>In the inspection process after the</td>
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<td>initial announcement and solicitation for additional</td>
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<td>input and concerns that they may want us to address</td>
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<td>in the process, we'll send out surveys to people in</td>
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<td>the operational unit or the field service and get</td>
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<td>some feedback that way. The inspectors will</td>
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<td>interview, if not all, most of the personnel in that</td>
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<td>service or area being inspected and similarly draft a</td>
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<td>report, get that to management, discuss it and then</td>
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<td>provide them abstracts on which to respond.</td>
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1 we're looking generally at higher level issues.
2 In the inspection report, you'll see a report card --
3 MS. ANDERSON: Right.
4 MR. WALKER: -- with different things.
5 That's a check list of all the areas that they're looking at. They're looking at the facilities --
6 MS. ANDERSON: Right.
7 MR. WALKER: -- just any number of things listed there. We have a chance to --
8 through the surveys and through interviews to gauge morale, to get some idea of the quality of leadership in the field, and that, I believe, is valuable in that it'll -- it'll give the chiefs and the colonels --
9 MS. ANDERSON: And the Commissioners.
10 MR. WALKER: -- an independent look at --
11 MS. ANDERSON: A little feel. You get another data point.
12 MR. WALKER: Right. They -- they can see what the consensus is, if nothing else, and are able to maybe make adjustments, get additional training from folks occasionally, things like that, or their thoughts are confirmed, which is also a valuable data point, as you say. It's good to know that they're getting good information.
13 MS. BARTH: But your -- the inspectors, for example, look at pressure point accuracies.
14 MR. WALKER: Yes. They're going to look in personnel files. They look at things like crash reports, other reports that are being used and are submitted.
15 MS. BARTH: And do we do a cycle in terms of what they look at? We'll just put it on with the crash reports in terms accuracy. Do we do -- we'll do four or five one year in terms of the regions, so to speak? You know, how does the process work --
16 MS. ANDERSON: Frequency.
17 MS. BARTH: -- and the cycles --
18 MR. WALKER: We -- we have --
19 MS. BARTH: -- and the decision making on where to do it.
20 MR. WALKER: We do -- we just have a schedule that I could give you. We generally do two regions a year because our inspectors are out --
21 they'll ride with the troopers, for instance. Some inspectors have two services, so to speak, to look at, maybe Crime Lab and Rangers, for instance. But
22 MS. ANDERSON: Right. The other thing I am curious about is when -- I mean, these documents are public record. When there is an issue in a region around a function, seized property management, crash records, whatever functional area, then is that something in your experience where the chiefs then communicate to their other regions saying, you know, "We're going to do better in this region based on these findings, and so all you other regional heads redouble your" -- you know, "check yourself, redouble your efforts"? Does that kind of internal

1 that's -- that's how we've gone about it in the past.
2 We've simply put the regions on a rotational basis.
3 During the legislative year, for instance, we'll have our inspection in Region 6 so we can kind of have short day trips or a few day trips and still get back here to do what needs to be done for the legislative process. What -- in the past, we've looked at seized property, entrusted property. We still do that, but if we find an area that has particular issues, we would do a little more data analysis in that area than we would in other areas that we're looking at.
4 MS. BARTH: And if you've had an issue in an area, do you go back? What's the frequency of going back?
5 MR. WALKER: We -- I have asked the chief inspector to consider and develop a revised inspection process. Right now we -- we don't have a follow-up process. It takes us several years --
6 MS. BARTH: That's the problem.
7 MS. ANDERSON: Yeah.
8 MR. WALKER: -- to get back to a region.
9 MS. BARTH: -- and the cycles --
10 MS. BARTH: -- and the decision making on where to do it.
11 MR. WALKER: We do -- we just have a schedule that I could give you. We generally do two regions a year because our inspectors are out --
12 they'll ride with the troopers, for instance. Some inspectors have two services, so to speak, to look at, maybe Crime Lab and Rangers, for instance. But
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<td>communication go on in your experience?</td>
<td>attention. In Internal Audit, we are going to focus</td>
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<td>MR. WALKER: Jude, you want to address more on smaller processes.</td>
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<td>that?</td>
<td>MS. ANDERSON: And tests.</td>
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<td>MAJOR SCHEXNYDER: Sure.</td>
<td>MR. WALKER: Yeah. We follow the</td>
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<td>MR. WALKER: This is Major Schexnyder, professional standards, have working papers that are</td>
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<td>our chief inspector. He attends the -- the regional more complete than -- than the inspectors' notes that</td>
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<td>commanders' meetings frequently -</td>
<td>they generally have. We'll -- we'll do whatever</td>
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<td>MS. ANDERSON: Okay.</td>
<td>testing and gather whatever evidence we need in order</td>
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<td>MR. WALKER: -- and the captains' to pass our peer reviews that we have periodically</td>
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<td>meetings.</td>
<td>and be prepared for those. When necessary, we'll --</td>
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<td>MAJOR SCHEXNYDER: And that kind of we'll do various kinds of tests to again document</td>
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<td>internal communication does go on --</td>
<td>with certainty what we're finding. So the focus is</td>
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<td>MS. ANDERSON: Okay.</td>
<td>very different. The auditors typically aren't</td>
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<td>MAJOR SCHEXNYDER: -- at least I can competent to -- to look at law enforcement issues.</td>
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<td>say. In Chief Elliston's staff meetings, he</td>
<td>There are certain things like maybe handling</td>
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<td>routinely tells the regional commanders, &quot;You know evidence, impress funds --</td>
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<td>exactly what they're looking for up front. These are</td>
<td>MS. ANDERSON: Inventory is inventory,</td>
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<td>the issues that they've found. Now is the time to</td>
<td>you know, but --</td>
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<td>get ready and prepare for those.&quot;</td>
<td>MR. WALKER: -- things that are --</td>
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<td>MS. ANDERSON: Make sure your house is</td>
<td>yeah, are --</td>
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<td>clean.</td>
<td>MS. ANDERSON: Yeah.</td>
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<td>MAJOR SCHEXNYDER: Right.</td>
<td>MR. WALKER: -- somewhat accounting</td>
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<td>MS. ANDERSON: Yeah. Okay.</td>
<td>related --</td>
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<td>COLONEL DAVIS: Also, in the</td>
<td>MS. ANDERSON: Right.</td>
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<td>preinspection when they start -- before they start an</td>
<td>MR. WALKER: -- that we could do.</td>
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<td>inspection, they send out a questionnaire to the --</td>
<td>But -- but a lot of the law enforcement aspect, it</td>
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<td>to the major division chiefs asking them are there</td>
<td>would not be good to have noncommissioned people</td>
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<td>any issues that they want them to address while</td>
<td>conducting those things. The -- it's my belief based</td>
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<td>they're there, whether it's -- and it may come from</td>
<td>on all I've heard over the years that the troopers</td>
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<td>my office or Recruiting or whatever the issue may be.</td>
<td>and the folks in the field get a lot of information</td>
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<td>But those things are asked pretty much at the</td>
<td>from our inspectors as they -- they go about their</td>
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<td>direction of the administration and the division</td>
<td>work. So it's -- there's a lot of communication that</td>
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<td>chiefs.</td>
<td>goes on. They're curious about what's happening at</td>
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<td>CHIEF ELLISTON: We've asked recently</td>
<td>headquarters about different issues. They also --</td>
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<td>to have an individual meeting, just have a group</td>
<td>the inspectors have an opportunity to discuss policy</td>
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<td>meeting where everybody got together. I felt like it</td>
<td>and procedures with them while they're out there, and</td>
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<td>was more beneficial to sit down with the inspectors</td>
<td>that's been helpful.</td>
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<td>that are going out and do that so we could have a</td>
<td>Our guys have also participated as</td>
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<td>one-on-one as to everybody in the room, all the</td>
<td>instructors at the training academy. They've -- I</td>
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<td>division chiefs. You know, some -- some people may</td>
<td>believe they've helped Highway Patrol in particular</td>
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<td>be uncomfortable with saying, &quot;I want you to look at</td>
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<td>this particular thing out in an open forum.&quot; So that</td>
<td>reports in connection with entrusted property and</td>
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<td>communication does go on, &quot;We want you to look at</td>
<td>maybe crash reports, too, for that matter. And as a</td>
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<td>these issues to make sure that we're in compliance&quot;</td>
<td>result, I believe -- it's my belief that the services</td>
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<td>or &quot;We think we may have an issue to look at.&quot;</td>
<td>are kept sharp as a result of these looks</td>
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<td>MR. WALKER: And to further answer your</td>
<td>occasionally.</td>
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<td>question, the inspectors look -- like you say, is --</td>
<td>MR. POLUNSKY: Ms. Barth, do you have a</td>
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<td>It's a fairly high level. They occasionally will, of</td>
<td>specific recommendation that you'd like to report?</td>
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<td>course, find some things that appear to be detailed</td>
<td>MS. BARTH: Well, I would like to see</td>
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<td>that they have to address because they came to their</td>
<td>us ask Mr. Walker to put together a plan where we're</td>
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I asked to be done for one reason or the other, that there's a list to show when those were. But because of the law enforcement expertise required on the inspection side, you know, maybe you have some rotation between -- you know, Chief Elliston gets to give at the office again. But --

MS. ANDERSON: Because outside resources on the inspection side would be difficult. Resources on the inspection side would be difficult. Somehow we have to to in my mind have a shorter time span on the follow-up.

MS. BARTH: That was fine. That's what we have to do it for one reason or the other, that there's a list that's prepared that shows that's an ongoing recommendation.

I'm after -- I won't speak for you -- is more like in the audit parlance where you go and you do a follow-up, independent auditors in this case, inspectors' verification that the corrective action that management, you know, certified had been done, had -- you know, what was, in fact, done and is being sustained.

MR. WALKER: Well, we will explore that and get back with you --

MS. BARTH: That's what I'd like to see.

MR. WALKER: -- with the process --

MR. POLUNSKY: Is that acceptable, Carin?

MS. BARTH: Yeah. That's perfectly fine.

MR. POLUNSKY: Mr. Walker, can you bring back at our regular August meeting a presentation to the Commission based on the discussion that we've had here this morning --

MR. WALKER: Yes, sir. I'll --

MR. POLUNSKY: -- that we can -- that we can --
So I don't know how you want to --
Chief Mills, you want to start and walk through? And
the first thing I want to do is, I do want to thank
Chief Mills. We've just spent a lot of time over the
last couple of days working through this whole
program. And these are huge dollars, both the
Commissioners, in terms of budget on the energy side
as we all know where utility prices have gone.

CHIEF MILLS: My name is Lester Mills.
I'm assistant chief in Administration, Staff Support
Service. I apologize for the first page of this
report. I was trying to get this done over the
weekend and get it to you. There are some errors on
it, that my secretary is making changes now, and
we'll get that -- we'll get those to you.
If I could, I'd like to digress and
talk about the energy conservation part of the
project first and then the part that LPB manages
after that. It was probably in 2005 we became aware
of the statute. Actually Colonel McEathron gave me
an article. We were working on deferred maintenance
trying to figure out how we can get more money to
address those issues, and he gave me an article from
HHSC. He said they were going to get the million
dollars to do theirs, and he said, "How could they do
that? And look into it." So we got to researching
and found out that the statute was on the books that
required energy conservation projects, and that's how
they were able to get their projects done, through
the energy conservation.

So in our research, we eventually found
Eddy Trevino over at SECO and -- well, you weren't in
that position at that time. There was someone else
that we talked to, but you ended up taking over.
But that led us to SECO and their program
that required agencies to do energy conservation
projects to reduce our energy consumption. There
was -- there was an executive order from the
Governor's Office that also required us to do that.
And in working with Eddy and his office, it
eventually led us to LPB Consulting which has the
state contract to also help agencies manage their
energy conservation projects and do work on the
energy supply and energy demand side of the house and
stuff. And so all of this has been going on since
2005.

We initiated basically -- once we filed
our plan, we initiated a -- we initiated a process --
energy conservation plan that required us to do a
preliminary energy audit assessment, and we selected
TAC America to do that audit. And from their audit,
they determined that we could reduce our energy
consumption by 29 percent over a 15-year period of
time in order to lower our -- lower our utility cost
and consumption. So from that step, we went into a
request for a proposal in which we sought to hire a
company to basically determine what those energy
conservation issues were, and we're in that process
right now.

We selected -- we put out the RFP, and
we got six respondents. We interviewed those six to
find out who they were. In our selection process,
then we required those -- we selected the top three,
and we inquired those three to go out into our--
seven of our offices, Headquarters Complex, Garland,
Corpus Christi, Houston regional office, Abilene and
our Tyler offices to look and -- and to figure out
who we are, learn who we are, then come back and
interview with us and tell us how they could -- could
help us reduce our energy conservation and stuff.
And they did that. They came back, we interviewed
them, and we ultimately selected TAC America to do
that for us. So they're in the process of doing the
detailed utility audit at this time.
Now, in that contract, they will look

at every -- every one of our offices in two phases.
We wanted to split it up simply because our
manpower -- our capabilities are here to support
their efforts and stuff. So they're going to look at
all of our buildings, come back with recommendations
on what to do. That work we've contracted with them,
it's going to cost $190,892 to do that. Now, the
cost of doing that -- if we proceed with their
recommendation and do the work, those costs are
rolled into the overall project. So ultimately it's
that -- those -- those fees will be paid for out of
our energy savings. If we opt not to go forward with
their recommendations, then we owe them $190,000 and
stuff. So right now they're proceeding with that,
and those are the requirements of that program.

MS. BARTH: Is that -- Mr. Fox, is that
right, that if we choose -- where is our General
Counsel? If we chose not to go forward with the
projects, do we still owe them $190,000.

MR. FOX: I believe that's -- the
provision in the contract does provide that, but I
can't speak directly to that at this stage.

CHIEF MILLS: Eddy, is that -- those
are the provisions in the program?

MR. TREVINO: Yes.
MS. BARTH: Okay. And for the other Commissioners, these are -- what TAC will do is look at various capital projects, lighting, HVACs and see, you know, by spending money, so to speak. The savings should more than pay for -- the way the economics work, they're supposed to more than pay for debt service plus the cost of the capital expenditure.

CHIEF MILLS: Those are the guidelines that are set up in that program, and right now we're on track to -- to get there. What they are recommending do -- that's the corrected version of that top page.

MS. BARTH: And the one caveat on this right now, as I understand, Chief Mills, it's sitting at SAO, and they're doing an evaluation of whether or not -- is that correct, whether or not this program is, in fact, something that the State is going to go forward with?

MR. TREVINO: They're doing an audit on the competitive contracting process in its entirety.

MS. BARTH: Yes. And until that audit is done, where would we be?

MR. TREVINO: Until the audit is complete, no performance contracts are going forward at this point.

MR. POLUNSKY: So do you have a problem with that?

MS. BARTH: Well, I mean, we're -- it's somewhat -- we kind of have two or three issues here. One is, although we have TAC going forward -- in fact, if they came to us with a plan right now, we really would not act on it at all until the state auditors have looked -- have made a ruling on the performance contract, right?

MR. TREVINO: That's correct.

MS. BARTH: And we should be utilizing LPB to assist us with respect to evaluating those proposals that TAC is bringing forward; is that right?

MR. TREVINO: And that is happening right now.

CHIEF MILLS: And we are.

MS. BARTH: Okay.

CHIEF MILLS: And we are. One of the -- one of the aspects of this program in their contract with LPB is, they serve as our agency advocate. They're our advocate. They're experts in this. When -- we were learning what this program was all about, and Justin Clark is the -- is our contact with them on this side of the program. And he has been at our meetings, and he has given us guidance. Eddy Trevino has also been at all of our meetings. They work with us through our selection process. So they have been with us walking us through this step by step to make sure that -- that our interests and the State interests are protected and stuff. TAC is a very good company, but, again, they're in the business of making money and stuff. So we also have learned heavily on the recommendations and input that we have received from SECO and LPB on this project. Now, we are proceeding -- TAC is proceeding with their analysis.

We were hoping to have their report back the first part of this month that we could present it to the Commission at your August 25th meeting. However, that's not going to appear as one of the lead, I guess, project managers for TAC has been reassigned, and another gentleman has taken his place. And we have a meeting with him tomorrow to find out -- to meet with him and to express concerns that we believe have on trying to get all the project that need to be in there -- in that -- in that program. They -- they recommend about eight million dollars worth of work in Phase 1. And we've got one office that we really want in that project, and we're still trying to figure out how to get it in there and stuff. The statute was changed last year. This was a 15-year program. Everything had to be paid for in 15 years. The statute has changed to allow 20 years. So we're working on that --

MS. ANDERSON: As a payback period when you do the -- when you do the business case for taking the actions.

CHIEF MILLS: Yes, 20 years. There's also two funding mechanisms that come to play in this. One is the Lone Star Program which is managed by SECO, and that has a 10-year payback. It's more of a loan program that is limited to five million dollars. And we have -- we've already submitted an application for two five-million-dollar projects, one for Phase 1 and one for Phase 2. The first one is already in the process. We have 120 days after we notified them that we were moving forward with our project. So the clock is ticking on that. But we're in communication with the lady who runs that program, and she's working with us on that.

MS. ANDERSON: Is it --

CHIEF MILLS: This --

MS. ANDERSON: Just let me -- Eddy, is
1. It's normal for an agency to sort of reserve these funds before they have the results of the DUA.
2. MR. TREVINO: Yes. What you have to do is, since the funds were limited for the Lone Star Program, they have to get in line basically and make sure there's funding available when the program comes to fruition. If the agency decided not to move forward or decided not to pursue it at that point, then they would just tell SECO that "We're not going to pursue it." And then --

3. MS. ANDERSON: And SECO just goes to the next person in the queue.
4. MR. TREVINO: That's correct.
5. MS. ANDERSON: Okay.
6. CHIEF MILLS: Okay. The second -- the second funding mechanism is through the Texas Public Finance Authority, which again we can -- whatever the cost of the project we can take to them, and funding just has to be paid back from the energy savings over some time. And --

7. MS. ANDERSON: And, Eddy, correct me if I'm wrong, but I believe that we can move forward with what TAC is doing and review what's there and submit it for review and stuff. It's just we just can't go to TPFA and stuff. So everything is being held up to that point, but we can -- we can get everything to the -- to the door and ready to step across that threshold and that. If there's anything within the guidelines -- within SAO's report that comes out that changes significantly, we'll make the adjustments at that point.

8. MR. TREVINO: But right now I think, SECO, you've been involved in it. The energy service companies, the ESCOs, they've been involved in this process. So I think they have a -- have a good idea as to what's coming. But, you know, the loan is still there, but we are proceeding with that.

9. MS. BARTH: But you have to understand, and, Duncan, I think the contract specifically states we are not obligated on that $190,000 if we cannot agree to a contract with TAC and/or we -- I mean, there's four or five provisions you need to take a look at, okay?
10. MR. FOX: I will review that and report back.
11. MS. BARTH: All right. Yeah, because I think that we are -- you know, if we can't come to an agreement with TAC, we are under no obligation to pay the assessment, and if, in fact, what they brings to us as projects doesn't reflect the savings to service the capital out for whatever equipment and debt service, we're under no obligation here. And when you think about these projects, there's two components. One is -- I'd call it the cost of electricity, really natural gas. One is the heat efficiency. And those two variables are variables. Let's just put it that way.

12. Okay. I don't think -- you know, if someone here can forecast natural gas prices, I'd be happy to hear their forecast accurately. Okay. But the other side of it is the heat efficiency and whether or not we think we're going to see that go up.
Or down. And so, I mean, these are 20-year projects.

Some other boards that I’ve stood on and been a part of that have done these projects have not seen them pay out. So we need to be very careful as we look at these projects.

MS. ANDERSON: And, man, if we’re doing a 20-year payback, the change in the discount rate makes the thing swing out in the out years.

CHIEF MILLS: Right.

MS. ANDERSON: So the devil is in the details around the assumptions as you look in the business case for things. When did they start the DUA?

CHIEF MILLS: They started the DUA probably -- was it towards the end of, you know, last year, first part of this year, which we kept adjusting the time lines. And we’ve had to adjust the time lines because of getting SAO’s report and just understanding their program and stuff. We should have -- we should have had the DUA already submitted.

MS. ANDERSON: That’s where I’m headed.

CHIEF MILLS: Right.

MS. ANDERSON: I mean, that’s not a very good sign --

CHIEF MILLS: Right.

MS. ANDERSON: -- when your perspective partner can’t even deliver the first deliverable -- now it’d be for liquidated damages -- you know, when they can’t even submit the first deliverable on a schedule. I mean, when they’ve done other big agencies, have they had similar delays, this entity?

MR. TREVINO: No -- well, the one that I’ve been involved with they weren’t having any delays, but it’s not unusual for there to be a delay in some of these performance contracts for utilities and some reports.

MS. ANDERSON: Yes? No?

MR. TREVINO: The ones I’ve been involved with they weren’t having any delays, but it’s not unusual for there to be a delay in some of these performance contracts for utilities and some reports.

MS. ANDERSON: Okay.

CHIEF MILLS: We have been a little -- little, you know, annoyed with the process. We’ve had meetings. They’ve called meetings. And we come to the table thinking here’s the report, you know, the final report will be a -- probably a three- to five-inch notebook with information in it. And we’ve come to the table, and they’ve showed up with a piece of paper and stuff. It’s like, “Where is the report?” So we’ve had those discussions with them,

and I think that’s part of the change in the project leader that SECO implemented with TAC and stuff so we can get this thing to --

MS. ANDERSON: Oh, so you directed them to change the PM on our assessment?

MR. TREVINO: It’s -- my understanding is that Perry Been in our office has conversations with TAC.

MS. ANDERSON: Okay.

MR. TREVINO: I wasn’t involved in those details.

MS. BARTH: We’ve had staff changing at the top of TAC in terms of handling the DPS.

CHIEF MILLS: Right, right.

MS. BARTH: We need to keep that in mind. But I will say with respect to this, I mean, this is a program that’s a creative way to get some capital out there to take care of some projects given it pays off. Okay. And that’s -- you know, by having some other resources to do some capital projects, I think, though, we really need to go in with our eyes open and absolutely make sure that this makes sense to the agency. And it’s about the assumptions. It’s completely about the assumptions, but it’s a way to get additional resources for the agency to take care of some, you know, capital projects we haven’t been able to take care of if it pays out.

CHIEF MILLS: Okay. The second part -- the second part of this program is, again, through what LPB is doing on the other side of the house, and those are providing resources and demand side of our energy procurement and the managing of those accounts and stuff. We -- in doing the construction side, we found out about LPB’s responsibilities on -- on the supply side of the house and stuff. So they have basically three major components of theirs, which is energy -- energy procurement, which the Council on Competitive Government negotiated a contract with them to, you know, allow them to be the exclusive provider of procurement of all utility services in the State. And their contract runs through December the 31st of 2010, and it has two one-year renewable clauses in it. And as such, any contracts that we have that’s due to expire we can’t -- we can’t negotiate. We have to go through LPB to do that, and we can’t allow those contractors to have renewable clauses to be renewed and stuff. And so we have to work with them on that.

And part of their -- part of that
1 feature in their -- in their program just came --
2 came to bear when we did the amendment for some
3 offices that were not under -- you know, well, I
4 guess you could say there was better rates out there
5 for us. We had 30 offices that TAC -- that LPB
6 identified that were under contract, but they were
7 not the best rates that could be available out there.
8 And they negotiated those -- those -- contracts for
9 those 30 sites at much lower and generated some
10 energy savings for us, and we're in the process of
11 trying to get that -- get that done.
12 The second major feature that they do
13 is energy and utility bill auditing, and it's
14 two-pronged. One is, we've sent them a copy of the
15 invoices for our utility bills, and they've taken
16 those invoices and looked at them.
17 And, Jennifer, you're going to help me
18 with the deregulated and regulated areas and stuff.
19 I think you-all looked at only the deregulated areas.
20 MS. NIETZEL: What we're going to
21 actually do is, we're going to conduct a historical
22 audit on all of your utility invoices, and that
23 includes electricity, natural gas, water and
24 wastewater. We are going to request that these
25 utilities that service the DPS send us 36 months

1 basically handle --
2 MS. ANDERSON: Completely outsourced?
3 MS. BARTH: Yeah.
4 MS. NIETZEL: What we do is -- again,
5 as Chief Mills has stated, they sent us a copy of
6 their record layout, the things that they typically
7 enter in off of a invoice to get it paid. Right now
8 we're working on building that file. At the end of
9 the day, what's going to happen is, LPB is going to
10 receive the invoices. We're going to enter in the
11 data, capture in our data base and then export a file
12 on a daily basis that can be directly input into your
13 accounting system, eliminating the data entry in
14 getting the bill paid. So you guys are still paying
15 the bill.
16 MS. BARTH: We're paying it, but
17 basically we should realize some savings from them
18 handling our invoices.
19 CHIEF YBARRA: By auditing this?
20 MS. BARTH: By auditing and I think
21 also --
22 MS. ANDERSON: By accounting and budget
23 control. They're now doing the review, not us.
24 CHIEF YBARRA: Right.
25 MS. ANDERSON: We're not going to check

1 already expended and stuff.
2 Now, we've been working with them on --
3 in order to get to that point, we have to go to the
4 third option which is also the energy bill processing
5 and bill payment and stuff, which, again, we provided
6 them with our utility bills, but we also have been
7 trying to work with them on doing the data entry for
8 those utility accounts. We've given the record
9 layout for our database, and they are building that
10 file on their -- on their system. And once we get
11 that in place and test it, then we will do another
12 line of authorization which directs the utility
13 companies to send out utility bills straight to them.
14 They do it and send us an electronic version of
15 those, and we pay -- we pay the comptroller system
16 and stuff.
17 MS. BARTH: Hang on one second.
18 MS. ANDERSON: So they approve the bill
19 for payment in terms of it's validity with the
20 tariffs and so forth and send -- and then you -- you
21 still do the accounting transaction?
22 MS. BARTH: Well, no. They actually
23 handle, as I understand it -- and, Jennifer, maybe
24 you want to talk about with respect to other agencies
25 what you're doing for other agencies. But they

1 worth of their historical day that our auditing is
2 going to analyze to try and identify savings
3 opportunities. So some of the things we're going to
4 be looking for are is this account on the right
5 tariff. It's a post-payment audit. So it's a
6 historical look back. And we have not yet begun that
7 process, but we hope to soon.
8 CHIEF MILLS: Okay. They will do --
9 they did the initial review of our -- of our bills to
10 make sure that we were paying the right tariffs and
11 everything. That's how they identified the 30 sites
12 that we're working with trying to do this amendment.
13 In addition, once we get to the point of moving
14 forward, we'll provide them a letter of authorization
15 to get the 36 months of this historical data from the
16 utility providers, and they will take that
17 information, populate a management system that the
18 agency will have access to. And in that they will go
19 back and look to make sure that we have not been
20 overcharged for tariffs or for whatever and stuff,
21 and if there's any money due back to the agency, then
22 they will work to get that money back. Now, by
23 contract they are allowed to share in those cost
24 savings 50/50 with us and stuff. So, again, there's
25 a possibility we can get money back that we've
CHIEF YBARRA: Right.

MS. ANDERSON: But it might need to be
in an audit plan somewhere.

CHIEF MILLS: We --

MS. ANDERSON: And is this being done
without any -- what about the -- is this just a
simple feed into the fund accounting system that
doesn't require IT changes on our side?

CHIEF MILLS: IMS has -- we have had
them as a part of that, and when we get -- when we
get the test file, they are testing (inaudible) --

MS. ANDERSON: Okay.

CHIEF MILLS: -- that's working with us
on that. So IMS is aware of it.

MS. ANDERSON: No red flags that --

CHIEF MILLS: No red flags at this
time.

MS. ANDERSON: -- when you just
discussed it with them? Okay.

MS. BARTH: How many agencies are you
doing right now this way?

MS. NIETZEL: We are processing over
10,000 like for TxDOT, Texas Parks and Wildlife,
Workforce Commission, Youth Commission. We've got a
lot of the big guys.

MS. BARTH: Yeah. I mean, this is the
direction that --

MS. ANDERSON: Right.

MS. BARTH: -- the State is going.

MS. ANDERSON: Right.

MS. BARTH: So can you give me some
idea of timing when we're ready to basically sign a
letter of authorization so we can move this way?

CHIEF MILLS: What I'm -- what I'm
being told is -- is, Jennifer submitted the test file
on the 21st of last month, but our accounts payable
supervisor has been on vacation for the last two
weeks. So she hasn't been here to look at it. She's
here today. So we've already made contact with her
this morning, let her know that it's out there with
all the other emails she's got, and -- and hopefully
we can work through this week looking to make sure
that the test file is -- is what we need and stuff
commuting back and forth. Once we get a file that we
can start testing with data and stuff, I'm being told
it's anywhere from six to eight weeks.

MS. BARTH: So is it reasonable to
assume that you could come back to us or someone else
come back to us in our September meeting and say
we're ready to go live?

CHIEF MILLS: Hopefully by -- hopefully
by September; if not, October at the latest. But,
again, it depends on how quickly we can resolve
any -- any type of technical changes that can be made
in the test file. But we're hoping that we can get
that done in September and get that process going as
quickly as possible.

MS. BARTH: That's all I got. I just
want to make sure --

MR. POLUNSKY: So you're satisfied with
the explanations that you have received this morning?

MS. BARTH: I have. And you had a
couple of items on there which -- you know, which we
can talk about under the next agenda item with
respect to contracting, but I'm satisfied. I just
want to make sure the Commissioners are aware we have
this resource. We need to use it. Okay. That's the
bottom line. We have the resource out there. We
need to use it, and I really fully believe we need to
push to get this invoice processing going. And I
think, you know, from the budget control side it's
got to save some man-hours. It has to as well as
just having someone take a look at our utilities to
see if there's some actual savings in terms of
overbilling or perhaps discovering utility bills out
there that, you know, maybe don't actually reflect
usage.

MR. POLUNSKY: Thank you, Commissioner
Barth, and thank you, Chief Mills.

MS. ANDERSON: Can I just ask what this
piece of paper is?

CHIEF MILLS: What -- that is used in
conjunction with the other chart that you have there.
In our -- in our discussions with the amendment, the
30 sites that were added to the GLO Goliath contract,
Jennifer brought us -- she sent us the spreadsheet
with the three charts on it -- the three options and
in looking at that and trying to make a determination
as to which option was the best one for us. And,
again, the spreadsheet over there is my calculation
of what -- what the true picture of each one of
those, and we ultimately chose Option 3 which allowed
her to negotiate a fee of a little over 12 cents per
kilowatt-hour instead of the 10 cent in Option 1.
But we went with the third option because that's 12
cent for the next two and a half years. You know,
those, and we ultimately chose Option 3 which allowed
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1. under the Reliant contract, so 17 million to go out
2. and negotiate a fee for that when that contract
3. expires in December of 2010.
4. The first option basically took our
5. existing 12 million dollar contract and bundled it
6. with the -- the 5.3 million and increased the rate.
7. We were paying that 12 million kilowatt-hours. We're
8. paying 9 cent -- a little over 9 cent for it right
9. now. And by going with Option 1, we would have
10. increased the cost of that to over 10 cent, and, you
11. know, we -- we would save money on the -- on the
12. new -- the 5 million, but we would lose money on the
13. 12. And that just -- that just is my in-house
14. calculations to what the true picture of why we went
15. with Option 3 on that.
16. MS. ANDERSON: Have you seen this?
17. MS. BARTH: I have. And this is -- I'd
18. call it a segue into the next agenda item, is we
19. recently signed a contract of -- I guess four or five
20. weeks ago that didn't come before the Commission, you
21. know, values annually a little over $619,000 per year
22. over a two and a half year span. And I guess we
23. could move on to the next item, which is what
24. limits --
25. LT. COLONEL McEATHRON: May I --

1. MS. BARTH: Yes.
2. LT. COLONEL McEATHRON: May I say
3. something before you move on the next item? Chief
4. Christian -- Bert Christian are the -- our experts
5. and our initiatives behind these things. You know,
6. Chief Christian retired last month. Lester is
7. retiring at the end of this month. It creates a
8. pretty good void. They both are the guys that take
9. care of all our buildings across the State. So I
10. wanted you to be aware that we're losing a lot of
11. expertise in Chief Mills who's -- who's really had
12. the initiative to get out in front of the agency and
13. get a lot done, and we owe him a lot. But he's
14. taking a lot away with him when he leaves. So we're
15. going to be hard-pressed to find someone to fill in.
16. CHIEF MILLS: If I could, I would like
17. to introduce Eddie King. Eddie, would you stand up?
18. Eddie King is one of our program managers in our
19. Building Program Office, and he has been working with
20. me on the construction side of the house on this
21. energy conservation project, and he will continue
22. with that and hopefully help get TAC to the -- to the
23. final -- final table and stuff. So he's also been at
24. all the meetings and able-bodied and stuff, but he's
25. also our project manager on Waxahachie, Garland,
1. anything.

MS. ANDERSON: Okay.

2. COLONEL DAVIS: I've not heard of

3. anything.

5. MS. ANDERSON: Okay.

6. Mr. Polunsky: Well, maybe somebody

7. ought to make a recommendation that we --

8. Ms. Anderson: I think we -- well, I

9. would like to ask somebody, you know, when -- not on

10. a fire drill basis, but you can be sure I'll keep

11. track of the pending item, that we ought to look at

12. whether anybody is providing that -- out of

13. facilities or somebody providing that kind of service

14. and, you know, get some preliminary information

15. because I've seen that done in the private sector

16. with incredible results.

17. Mr. Polunsky: Yeah. And if not --


19. Mr. Polunsky: -- why not. Excuse me?

20. Ms. Barth: I agreed with Beth a

21. hundred percent.

22. Mr. Polunsky: Yeah. I do, too. So

23. that's something that we can --

24. Ms. Anderson: Is that something Eddie

25. gets to start? You'll make that decision.


2. Ms. Anderson: He doesn't have to do

3. phones.

4. Chief Mills: We have -- we have a

5. section -- telephone section in our Building Program

6. Office.

7. Ms. Anderson: And who leads that?

8. Chief Mills: Mike Powell is the

9. supervisor over that, but I'm probably going to

10. discuss that with Tavia Wendlandt. And I don't know

11. if she's in the room.

12. Colonel Davis: No, she's not.

13. Chief Mills: But I'll probably discuss

14. that with Tavis Wendlandt --


16. Chief Mills: -- to ask her to focus on

17. that.

18. Ms. Anderson: Okay. Just -- I mean,

19. just do a little scan and see if we have anything --

20. service operating like that.

21. Mr. Polunsky: Any further discussion

22. on this item?


1. Commission. So I believe that we should establish a

2. dollar value, and what I've proposed is that any

3. commitment that exceeds a million dollars over the

4. life of the contract be approved by the Commissioners

5. before it's executed. And then because of my former

6. lives, I believe that any change order or the total

7. of all change orders to a single approved contract of

8. commitment that exceeds 50 percent or a half million

9. dollars, whichever is less, has to be approved by the

10. Commissioners as well. And I have this -- I can hand

11. this to someone to see, but I think at this point.

12. Mr. Fox: Right. And we would put into

13. -- we can actually put into the contracts that we

14. propose --


16. Mr. Fox: -- and negotiate that this

17. agreement is subject to prior approval by the Public

18. Safety Commission and is not effective until approved

19. by the Public Safety Commission, and we can certainly

20. have a process to do that.

21. Ms. Anderson: I think that's a good

22. idea, and I also think we need sort of in general a

23. process that, you know, I personally discovered

24. during the IT assessment and statement of work. And

25. so, you know, without trying to wrap us around the
axle, you know, are we -- are we just talking about
2 contracts or are we talking about significant
3 statements of work when -- I mean, in the IT world,
4 most of it is not in the master service agreement.
5 Where the rubber hits the road a lot of times is in
6 the statement of work.
7 So I think I -- I support this policy
8 both in spirit and in letter. I think there are some
9 details -- and I would -- I would support someone's
10 motion to put this much of the policy in place today.
11 I think we ought to think about whether statements of
12 work that are tied to some sort of MSA or something
13 are also subject to -- this policy. And we -- you
14 know, in general we just need to -- because this is
15 perhaps new, and I think we've experienced that it
16 was new on the Gardner thing where it didn't go to
17 the Chairman until very late in the process, you
18 know, when, you know, the pre-kickoff was already
19 scheduled and so forth.
20 general about which point does the Commission see
21 these documents. And I think it's -- you know,
22 that's kind of a -- that can be -- that can be kind
23 of tricky to know at what -- you know, when you do
24 that. But it's got to be before one minute to
25 midnight.

1 midnight.
2 MS. BARTH: And the last thing I would
3 hope that the Commissioners would try to do is stifle
4 operations. So if there's some time-sensitive
5 contract, I believe we should be able to delegate
6 that approval between meetings to the Chairman, okay,
7 because --
8 MR. FOX: Okay.
9 MS. BARTH: -- you know, we shouldn't
10 have to wait --
11 MS. ANDERSON: Right.
12 MS. BARTH: -- 28 days or whatever a
13 contract comes before. There should be a process in
14 place that will allow the Chairman to approve a
15 contract between commission meetings. But it still,
16 I believe, has to come before at least the Chairman
17 at some dollar value, and that's what I'm proposing
18 here.
19 MR. POLUNSKY: Carin, may I ask you a
20 question --
21 MS. BARTH: Sure.
22 MR. POLUNSKY: -- concerning these two
23 recommendations just for clarification so I fully
24 understand this. You are suggesting and/or
25 recommending that any contract or commitment with
1 obligations that exceed one million dollars over the
2 life of the contract must be approved by the DPS
3 Commissioners before executing the contract or
4 commitment. And you also have verbiage here with
5 respect to a change order --
6 MS. BARTH: Right.
7 MR. POLUNSKY: -- that exceeds 50
8 percent or $500,000, whichever is less, also needs to
9 be approved. What if you have a change order that
10 exceeds, say, $500,000 to a contract that was less
11 than a million dollars.
12 MS. BARTH: I think it would have to
13 come before the Commission.
14 MR. POLUNSKY: Okay. But that's --
15 does that say that here?
16 MS. BARTH: I thought it did, but
17 you're the attorney on this --
18 MR. POLUNSKY: Well --
19 MS. ANDERSON: Exceeds 50 percent.
20 MS. BARTH: Or less.
21 MS. ANDERSON: Exceeds 50 percent.
22 MS. BARTH: Whichever is less, so the
23 total of all change orders to a single contract
24 approved. So if you had a 50,000-dollar contract
25 that had half a million dollar change orders, it
1 would have to come before us. So that's what I'm
2 trying -- and maybe I didn't say it correctly, but
3 that's what --
4 MR. POLUNSKY: Again, let me make sure
5 I understand this. What if you do not have an
6 approved contract? What if it fell under the
7 threshold of one million dollars, but --
8 MS. BARTH: For the total of all change
9 orders to a --
10 MS. ANDERSON: To a contract regardless
11 of whether --
12 MS. BARTH: Right.
13 MS. ANDERSON: -- we approved it.
14 MS. BARTH: Uh-huh.
15 MR. POLUNSKY: So we should delete the
16 word "approved" here then, right?
17 MS. BARTH: Yes, yeah.
18 MS. ANDERSON: With the implication of
19 approved as Commission-approved, yeah.
20 MS. BARTH: So a contract that doesn't
21 come before the Commission under a certain dollar
22 value because it doesn't hit that threshold. If it
23 does hit the threshold even if it hadn't come before
24 the Commission in its prior life, it would now have
25 to come before them. Is that what you're saying?
MR. POLUNSKY: Yeah.

MS. BARTH: I agree with you a hundred percent. I think it has to.

MR. POLUNSKY: I hate to have this, you know, flashback to my previous life at TDCJ, but I've got, there's an infamous contract there that the director continuously entered into change orders to a point where it got to something like 30 million dollars without the board knowing about it.

MS. BARTH: No. It needs to speak to that situation, and I ask that Duncan in the motion you know -- read the entire base contract.

Mr. FOX: And we would -- I suppose we would put as an item for -- as a standing item for our agendas in the future of review, approval, consideration of contracts, and we'll have a general statement. And when we know there's a specific contract of importance, we will identify the contract.

MS. ANDERSON: Right. And as you think through your process, I would encourage you to think about a -- what will I call a commission summary of a contract that would be a template.

MS. BARTH: Kind of a dash port.

MS. ANDERSON: Yes. So that -- I'm not a lawyer, and so when I read legal documents it's dangerous. And what I'm interested in are the business terms and conditions, the protections for the Department, sort of standard clauses around, you know, what's limitational liability, you know --

MR. FOX: I understand.

MS. ANDERSON: -- kind of standard -- standard clauses so that as Commissioners become comfortable with that we would not feel forced to, you know, read the entire base contract.

Mr. FOX: So you would like the template. Would you also like the actual -- some of the contracts are pretty big. Would you like the entire contracts or --

MS. BARTH: I'd rather see a template and look at it.

MR. FOX: Okay.

MS. ANDERSON: And then we'll ask by exception.

MR. FOX: Okay.

MS. BARTH: That's what I'd like to see. Do we typically have a key man out on -- on contracts with respect to the changeover on the contracting team?
1 Commission for signature. In other words, either way it's not effective until approved.
2 MS. Barth: As long as -- to me as long as the -- the person -- the firm we're contracting with understands it's not effective, I'm not --
3 Mr. Polunsky: It's conditioned on the approval of the Commission --
4 Ms. Barth: It doesn't -- you know.
5 Mr. Fox: Right. As long as we have that identified in the contract explicitly, then we --
6 Chief Ybarra: Mr. Chairman --
7 Mr. Polunsky: Yes.
8 Chief Ybarra: -- Oscar Ybarra, chief of Finance. How would we handle grants, the same way? Some of those are very time-sensitive, grant contracts with federal agencies.
9 Mr. Leckleider: A very large amount of pass-through money is produced.
10 Ms. Anderson: Right.
11 Mr. Leckleider: And most of it is in one form or another well over a million dollars to most grantees.

1 Mr. Polunsky: We're on the receiving end of that.
2 Ms. Anderson: Right. I would be interested in the contracts -- and maybe we need to carve some exceptions here. But to me the grant coming in the door -- accepting the grant is not the issue. It's what do we turn around and use it for that is what I'm interested in, but maybe we need a carve-out for grants to local jurisdictions or something.
3 Ms. Barth: Someone is going to have to propose it, but as far as grants coming in, I don't -- if it's grants coming in, it's truly what do we do with that money.
4 Ms. Anderson: Yeah. It's more the then what do we turn around and do with it that --
5 Ms. Barth: And who do we contract with --
6 Ms. Anderson: Yeah.
7 Mr. Barth: -- that I want to see.
8 Mr. Polunsky: Yeah. I don't think the Commission is going to be sending back any grants.
9 Ms. Anderson: Money from HHS or DOJ.
10 Mr. Polunsky: I mean, I could be presumptuous in that assumption, but that's --
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1 The Texas Public Safety Commission is reconvened in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act. The next item on the agenda is the discussion and possible action on the proposed FY 2010-2011 Legislative Appropriation Request. Who has that item?
2 CHIEF YBARRA: Oscar Ybarra, Chief of Finance. Mr. Chairman, Commissioners, we've provided you-all with a draft of our LAR. We provided you with the guts of the LAR which is the Highway Patrol, Air and Marine, Capital Police, and so forth now — and we know we have half billion dollar biennium total that I gave you does not include the exceptional items —
3 MS. ANDERSON: -- that we have in place.

1 the Texas Public Safety Commission is reconvened in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act. The next item on the agenda is the discussion and possible action on the proposed FY 2010-2011 Legislative Appropriation Request. Who has that item? Chief Ybarra. Since the baseline for '10 and '11 at least from a GR perspective -- which isn't a lot of our funding. I mean, a lot of our funding is Fund 6, and so the GR portion at least has to be based on '8 and '9. And as I look out at just in -- and actually on -- just on Page 1 of the strategy which is the Highway Patrol and I see funds and lubricants with our actual expenses and so forth now -- and we know we have fuel issues. But as I continue to read through here, I see those accounted for in the operating shortfall detail, right? So we don't try to budget more for fuels and lubricants here, but we're asking for it in the operating shortfall?
2 CHIEF YBARRA: Right. Basically what we're doing is painting a picture for the Legislature in '09 and '10 and '11 as this is what we have --
3 this is what was budgeted and was appropriated, this is what we're spending.
4 MS. ANDERSON: Okay. And so then as you say here's what we have, as a general rule --
5 MS. ANDERSON: -- just to make sure we've got stuff accounted for somewhere.
6 CHIEF YBARRA: Sure.
1 other than additional personnel -- additional FTEs,
2 did you try to make what we have mostly go into that
3 salary line item and then let the shortfalls fall out
4 elsewhere so that you'd have big buckets in the
5 operating shortfall item?
6 CHIEF YBARRA: Correct.
7 MS. ANDERSON: Philosophically is that
8 what you did?
9 CHIEF YBARRA: Correct. If you look at
10 Highway Patrol, for example, you have -- the '7 and
11 '8, of course, are expended and estimated, but in '9
12 you'll have the total number of FTEs that are
13 allotted for that division. It takes about that
14 amount of money to pay those -- those amount of
15 people.
16 MS. ANDERSON: Okay. And so then we
17 just sort of let the chips fall -- the shortfalls
18 fall out of items other than salary?
19 CHIEF YBARRA: Correct.
20 MS. ANDERSON: Okay. Let's see. In
21 general how was it decided who got -- which of the
22 strategies got increases to the baseline? As I -- I
23 mean, was it really just driven by changes in FTEs,
24 because as I went through here, I would see the
25 salary line, you know, go up --

1 CHIEF YBARRA: Okay. The -- you know
2 you have a two percent pay raise each year for
3 noncommissioned FTEs, and then you also have the
4 Schedule C that was appropriated which mainly went in
5 effect in 2008. So you'll see some increases due to
6 that. The other reasons would be the history of
7 exceptional items that were appropriated to the
8 agency in '8 and '9, and you'll see that history.
9 For example, in car computer --
10 MS. ANDERSON: Right.
11 CHIEF YBARRA: -- you'll see that -- in
12 '8 and '9, you'll see an increase in certain areas
13 within THP.
14 MS. ANDERSON: And then it falls back
15 in '10 --
16 CHIEF YBARRA: Correct.
17 MS. ANDERSON: -- because the
18 exceptional items to have been spent?
19 CHIEF YBARRA: Right. For the most
20 part, your one-time items are gone.
21 MS. ANDERSON: Okay.
22 CHIEF YBARRA: You bought a cubicle.
23 You bought a chair, so on and so forth.
24 MS. ANDERSON: I notice that in the
25 strategy -- now I'm on Page 15, the strategy for

1 emergency preparedness, response coordination, is
2 asked to recover even hazard mitigation, that those
3 are still being shown as funded largely by federal
4 funds --
5 CHIEF YBARRA: That is correct.
6 MS. ANDERSON: -- because that has been
7 our historical --
8 CHIEF YBARRA: That is correct.
9 MS. ANDERSON: Okay. And I am mindful
10 of some commentary in the strategical plan that said
11 that we expect those federal funds -- we're not as
12 confident about those federal funds going forward.
13 CHIEF YBARRA: That is correct.
14 MS. ANDERSON: Okay. And so I guess my
15 question is, we're -- we're still choosing to show
16 them being funded out of federal funds because?
17 CHIEF YBARRA: There's a rider in our
18 bill pattern that requires us to identify future
19 federal funds based on trends. So that's why you'll
20 see that that's being funded.
21 MS. ANDERSON: Okay. And then in the
22 exceptional items, then -- notwithstanding the fact
23 that they're funded with federal funds here, then in
24 the exceptional items -- and I went back and pulled
25 the detail.

1 CHIEF YBARRA: Yes.
2 MS. ANDERSON: There -- you know, it
3 looks to me like in the exceptional item for GDEM
4 that we are effectively an exceptional item trying to
5 covert those to state-funded positions.
6 CHIEF YBARRA: Correct, plus there's
7 been a modification to include a few other things in
8 the exceptional items based on communications to
9 GDEM --
10 MS. ANDERSON: Okay.
11 CHIEF YBARRA: -- to incorporate that
12 very -- very thought.
13 MS. ANDERSON: Okay. On Page 20 which
14 is with regard to the strategy on concealed handguns,
15 there is an FTE increase between '8 and '9 that
16 holds, then, through '10 and '11 small FTE increase.
17 Mindful of the conversations that we've had about
18 concealed handgun, can you -- is there an exceptional
19 item for additional staffing for concealed handgun?
20 CHIEF YBARRA: I can tell you that
21 there's additional staffing for regulatory licensing
22 in there, and I believe it includes handgun and
23 private security --
24 MS. ANDERSON: Yes?
25 MS. FULMER: It does. It does.
MS. ANDERSON: Okay.

MS. FULMER: It includes an additional

MS. BARTH: How many do we have that we added on?

LT. COLONEL McEATHRON: Those part-time people don't count as our FTEs, those temporaries.

MS. ANDERSON: Right.

MS. BARTH: Then, it really all falls under concealed handguns, not other licenses

CHIEF YBARRA: Actually there's a correction on the temps. If they're here for six months or more, then they do -- they do count -- they are included in our cap --

MS. BARTH: Okay. But we would --

CHIEF YBARRA: They just got -- when did they come in here?

MS. FULMER: -- huge increase. We've built in a little bit more of an increase.

MS. ANDERSON: One more question maybe for Russ. In the strategy on response coordination, that's going from a million six in '08, and then it basically drops off by half for '9, '10 and '11. Can you help me understand? It's Page 16.

CHIEF YBARRA: Say that again.

MS. ANDERSON: -for that purpose?

CHIEF YBARRA: Look at the funding.

MS. ANDERSON: It's Page 16, response coordination. I'm looking at the FTE line and the salary line because that's the majority of the expense, and it just drops by two-thirds between '8 and '9.

CHIEF YBARRA: Look at the federal funding, and that -- I think that will tell you.

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MS. ANDERSON: -- that right?

CHIEF YBARRA: Yes. I see the 23 drop, but I'm -- so we're basically just saying we aren't going to do it because the feds aren't going to pay for it?
MR. LECKLEIDER: Well, I think the expectation of federal funds in that year is simply not as large as it has been.

MS. BARTH: Why is that?

MS. ANDERSON: And so it's back to the issue of but then we still are requesting --

CHIEF YBARRA: Yes, ma'am.

MS. ANDERSON: -- FTEs for response coordination to be funded with state funds?

CHIEF YBARRA: Yes, ma'am.

MS. ANDERSON: Okay. All right.

LT. COLONEL McEATHRON: Well -- and isn't this contingent upon what happens this summer?

I mean, if we have a major storm come through and it causes three years worth of federal supplements, then we'll add people.

MR. LECKLEIDER: I think the best way to say it is, last year in 2007 we had four federally declared disasters or emergencies. So we received a lot of money.

MS. ANDERSON: Okay.

MR. LECKLEIDER: Thus far this year we've had Hurricane Dean, and we're about to have Tropical Storm Edouard. But they have a formula that they have to go back and average the numbers.

CHIEF YBARRA: Yes.

MS. BARTH: Can I ask you a question on collecting the funds and that process and make sure we have that kind of built into the budget? For one thing, what is the typical lag on reimbursement from the feds?

MR. LECKLEIDER: The -- first of all, we have to have all of the bills. We have to organize them the way FEMA says. We send them off to FEMA, and we usually do that back on a quarterly basis. And they first go to FEMA Region 6 where they check all our numbers and say you don't do it the right way, and then they change people and somebody else says you didn't do it the right way. But ultimately it leaves FEMA Region 6, and it goes to some other FEMA financial operation in West Virginia or something like that; and they actually pay it.

We are now getting Page 31, I think this is -- I think this is the same expectation of the course are maybe five hundred million one year and 200 million the next.

MS. ANDERSON: Okay. And when we get funds based on a natural disaster, there's some admin dollars that's a percentage of that that comes through that funds these FTEs?

MR. LECKLEIDER: Yes.

MS. BARTH: Can I ask you a question on collecting the funds and that process and make sure we have that kind of built into the budget? For one thing, what is the typical lag on reimbursement from the feds?

MR. LECKLEIDER: The -- first of all, we have to have all of the bills. We have to organize them the way FEMA says. We send them off to FEMA, and we usually do that back on a quarterly basis. And they first go to FEMA Region 6 where they check all our numbers and say you don't do it the right way, and then they change people and somebody else says you didn't do it the right way. But ultimately it leaves FEMA Region 6, and it goes to some other FEMA financial operation in West Virginia or something like that; and they actually pay it.

And the problem has been it's taken us a while to get stuff up there because you have to have paid the bill, and so they want everything closed out before you send it up there.

The next part of it is, when it gets to FEMA Region 6, like I said, they keep changing exactly what they want and then send people down here several times. But the biggest problem is, when it gets to the FEMA regional payment area, if they don't have appropriation left out of the disaster fund to pay that, if they are paying actual expenses right now, we'd have had to wait quite a lengthy time. So the average time for reimbursement has been running more than six months.

And I would also say that FEMA management administration costs, FEMA only pays 75 percent, and so we also have to pay some money from the Governor's Office to pay back Oscar. And that has been sometimes a fairly extensive process because they want proof that we've --

MS. ANDERSON: Matched it.

MR. LECKLEIDER: -- gotten everything from FEMA --

MS. ANDERSON: Oh.

MR. LECKLEIDER: -- and gotten it and we're still short.

MS. BARTH: Okay.

MS. ANDERSON: Okay. Physical plant,

Page 31, I think this is -- I think this is the same situation as the funds I asked in my first question --

CHIEF YBARRA: Yes.

MS. ANDERSON: -- that it's just -- you just show flat because that's the money you have, and then everything is sitting in the operating shortfall.

CHIEF YBARRA: That number,

Commissioners, will change. That is an early estimate. We had a mild winter. We are now getting to the summer.

MS. ANDERSON: Right.

CHIEF YBARRA: And that number is going to change. So --

MS. ANDERSON: For '10 and '11, it's going to change. No. It's going to change for '8.

MS. ANDERSON: It's going to change --

The actual for '8 will change --

CHIEF YBARRA: Sure.
MS. ANDERSON: -- when we close --

CHIEF YBARRA: Right.

MS. ANDERSON: -- the year?

CHIEF YBARRA: Right. So we're going
to have to do some math here plus some minusing to
show what we're going to reflect based on our
projections that are coming in here in the next week
or so.

MS. ANDERSON: Okay. Thank you.

CHIEF YBARRA: I'd say by next week.

MS. ANDERSON: Okay. Page 32, which is
teaching academy education courses, do I understand
that strategy like that those are courses either
offered not in recruit school, but training offered
to our own people or training to which we invite
other state and local law enforcement people?

CHIEF YBARRA: That would be correct.

LT COLONEL McEATHRON: Both.

MS. ANDERSON: Both?

CHIEF YBARRA: Correct, state and
local.

MS. ANDERSON: And when we invite state
other -- outside of DPS state and local people, these
classes are offered at no charge?

CHIEF MILLS: Cost recovery.

CHIEF YBARRA: Cost recovery. So --

MS. ANDERSON: And so where is that
money?

CHIEF YBARRA: In the appropriated
receipts.

MS. ANDERSON: And we don't forecast
for that because we're trying to be conservative?

CHIEF YBARRA: No. I don't have an
answer to that.

MR. HAAS: It's never been put in the
base. So we don't --

CHIEF YBARRA: It's never been put in
the base.

MR. HAAS: So we don't forecast it.

CHIEF YBARRA: It can.

MR. HAAS: It's not been put in the
base.

MS. ANDERSON: It's not -- obviously
you'd look at the numbers to tell us. It's not a big
deal. I'm just trying to understand how we --

CHIEF YBARRA: Sure, sure.

MS. ANDERSON: -- sort of the
philosophy underlying how we -- how we do things.

CHIEF YBARRA: It fluctuates as you can
see, also.

MS. ANDERSON: -- the year?

CHIEF YBARRA: Right.

So --

MS. ANDERSON: -- right.

CHIEF YBARRA: -- the year?

MS. ANDERSON: -- the year?

CHIEF YBARRA: This is the

MS. ANDERSON: -- the year?

CHIEF YBARRA: This is the

MS. ANDERSON: -- the year?

CHIEF YBARRA: This is the

MS. ANDERSON: -- the year?

CHIEF YBARRA: This is the

MS. ANDERSON: -- the year?

CHIEF YBARRA: This is the

MS. ANDERSON: -- the year?
1 striking it. I just need a little education how
2 something like this ends up in a rider, you know. Is
3 it because there was no clean-up bill for the DPS
4 statute, so people just like this -- people use this
5 like --
6 COLONEL DAVIS: It's appropriation by
7 rider which is questionable as far as legal. I think
8 the reason it's in the rider is that second paragraph
9 there that we have to delete that once we prove that
10 it's not stolen -- or once we determine --
11 MS. ANDERSON: Right.
12 COLONEL DAVIS: -- that it's not
13 stolen. That's the problem with -- with the whole
14 mechanism there.
15 MS. ANDERSON: Right, right, instead of
16 being able to retain it. So you bounce it the second
17 time, and it is stolen.
18 COLONEL DAVIS: Exactly.
19 MS. ANDERSON: Okay. We'll do that.

Okay. Then --

1 MR. POLUNSKY: It's institutional
2 memory.
3 MS. ANDERSON: That's right. On the
4 next page, then, Rider 60, which is about the surge
5 for overtime, I was just curious about the way the
6 strike-throughs were done because you struck through
7 and added -- and we said we struck through 20 in
8 fiscal '08, and now we've added 10 in '10 and 10 in
9 '11. Is that because that 20 million really spread
10 across '08 and '09?
11 CHIEF YBARRA: And I believe that in
12 that particular area that money was -- correct me if
13 I'm wrong -- was appropriated all in the first year.
14 So we wanted to split that out evenly over the two
15 years. Is that correct, Russ?
16 MR. LECKLEIDER: Right. And we've also
17 gone to the Legislative Budget Board with a letter
18 saying that we'd like that '07 -- excuse me -- '08
19 money to carry over into '09 because it's not all
20 being spent.
21 MS. ANDERSON: Do we know how much we
22 did spend -- or how much we believe we will spend in
23 '08?
24 MR. LECKLEIDER: We probably won't
25 spend about 35 percent of it if they don't grant a
2 rider. Part of the problem is we've got a two-month
3 delay in getting reports from the local --
4 MS. ANDERSON: Sure.
5 MR. LECKLEIDER: -- law enforcement
6 agency.
7 MS. ANDERSON: Well, if you had said 50
8 percent, then I'd be okay with these numbers because
9 that would mean 10 in '10 was okay, but if you said
10 we now spent 65 percent in one year, then it seems to
11 me what we ought to be asking for is 130 percent.
12 And I want to make sure that we have enough money for
13 overtime and the related costs for surge operations.
14 Now -- I mean, you know, and then the related issues
15 I'd really rather see the people that now go down
16 on -- I guess this is all money to locals, right,
17 this surge? This rider is all --
18 MR. LECKLEIDER: I believe so. I don't
19 have --
20 MS. ANDERSON: -- local law enforcement
21 for -- for security, local law enforcement agencies,
22 grants to locals. So this has nothing to do with the
23 DPS staffing. I --
24 MS. POWELL: Well, actually that's not
25 true. There's a small entity on --

1 MR. LECKLEIDER: Yeah. We're getting
2 600,000. out of the total 63 million. We have a
3 small amount there.
4 MS. ANDERSON: Where did you get 63
5 million?
6 MR. LECKLEIDER: That's when you add
7 the -- the Rider 60 and the Article 9 stuff. All
8 together it comes out to 63 million passed through to
9 local state agencies.
10 COLONEL DAVIS: That's the DPS stuff,
11 plus the helicopters, plus the local.
12 MS. ANDERSON: Okay. All right.
13 MR. LECKLEIDER: I think there's one
14 thing about -- what you said about -- there's two
15 pots of money. One of -- one of the first pots of
16 money is only good for one year.
17 MS. POWELL: The rider.
18 MR. LECKLEIDER: Right, the Rider 60.
19 There's another pot of money that was specifically
20 split between the biennium. So it's not that we're
21 short because we have a whole other 20 million. It's
22 two-year money. We're going to use that in the
23 second year.
24 MS. ANDERSON: Okay.
25 MR. LECKLEIDER: We haven't used it in
1 the first year, and the LBB has asked us about that,
2 which is the prudent thing that we use stuff that
3 expires this year to the extent possible.
4 MS. ANDERSON: Well, it seems to me
5 that this rider editing ought to be asking -- I mean,
6 if we've gone through all but 35 percent of the
7 first --
8 MR. LECKLEIDER: That's the estimate.
9 MS. ANDERSON: The estimate is we've
10 gone through all but 35 percent, and now we got
11 another 20 that was two-year money that we're using
12 in Year 2 again for surge. Then it seems to me that
13 this rider ought to be requesting 20 per year.
14 CHIEF YBARRA: I think that there's
15 another rider in here.
16 MR. LECKLEIDER: Right.
17 MS. ANDERSON: It could be. This is so
18 confusing. It's --
19 MR. LECKLEIDER: Article 9.
20 CHIEF YBARRA: Yeah. Do you see the
21 Article 9?
22 MS. ANDERSON: How do I know when I'm
23 in Article 9?
24 MR. HAAS: If you go to 19.69.
25 MR. LECKLEIDER: Yeah.

1 CHIEF YBARRA: It'll say the page
2 number is Article 9-72 -- 19-69. So it'll be right
3 here (indicating).
4 COLONEL DAVIS: About two pages past
5 the -- where you were at.
6 MS. ANDERSON: Yeah. I'm there now.
7 CHIEF YBARRA: That's the other piece.
8 MS. ANDERSON: Now, this is for -- is
9 this again for local pass-through for local surge and
10 overtime --
11 CHIEF YBARRA: Some --
12 MS. ANDERSON: -- or is this our money?
13 CHIEF YBARRA: There's a lot of detail
14 on the next page about how we can spend the money --
15 MR. LECKLEIDER: It includes --
16 CHIEF YBARRA: -- that was provided by
17 the Legislature.
18 MR. LECKLEIDER: This grant includes
19 equipment and training.
20 THE REPORTER: I need you-all to speak
21 one at a time, please.
22 MS. ANDERSON: I'm sorry. Well, it
23 looks like 17 of this would equate to sort of the 20
24 because the 17 is for -- I'm focused on are we asking
25 for level funding for surge operations, meaning

1 overtime for local sheriffs, et cetera -- and maybe I
2 ought to boil it all up and say are we asking for the
3 same amount -- I mean, we are asking for, you know,
4 more or less 40 million dollars --
5 MR. LECKLEIDER: Yes.
6 MS. ANDERSON: -- for pass-through to
7 state and locals?
8 MR. LECKLEIDER: Yes.
9 MS. ANDERSON: Okay. That's the way I
10 should have started out.
11 MR. LECKLEIDER: I think there were --
12 there were some issues about the specific language,
13 the way certain things were worded, which did not
14 allow us to do certain things that we wanted to do.
15 And we have every belief that the people at the
16 Legislature now understand that some of the wording
17 counts in terms of where you mean local. One of the
18 issues was for like activating reserves or drawing in
19 augmentees from other law enforcement agencies that
20 wasn't specifically provided. So it was -- we
21 couldn't spend money there whereas many local
22 governments wanted to use the money for that purpose
23 to increase their manpower.
24 MS. ANDERSON: Right.
25 MR. LECKLEIDER: And I think that --
MS. ANDERSON: Okay.

CHIEF YBARRA: You kind of brought some light to that.

MS. ANDERSON: Okay.

CHIEF YBARRA: But we can work on that.

MS. ANDERSON: All these riders where we use the phrase, quote, "funding and FTEs included in base," are those things that were exceptional items or additional personnel last time and so that when you get approval for additional personnel, then you go through the next cycle? Is that --

CHIEF YBARRA: Correct.

MS. ANDERSON: --what I should read into that phrase?

CHIEF YBARRA: Uke the helicopter that we got for-- was it Amarillo? You know, those -- that funding for those three FTEs is now in our base, the operating and so forth, so no need for the rider anymore.

MS. ANDERSON: Okay. And do we have maintenance of those -- we purchased -- is Jack here?

COLONEL DAVIS: No.

CHIEF YBARRA: No.

MS. ANDERSON: We purchased four helicopters --

CHIEF YBARRA: Yes.

MS. ANDERSON: -- in this current biennium?

CHIEF YBARRA: Yes.

MS. ANDERSON: Is there maintenance money to take care of those helicopters?

COLONEL DAVIS: Yes.

CHIEF YBARRA: That is correct.

MS. ANDERSON: Did you find room for it in the base, or is it an exceptional item? I don't remember the exceptional item.

CHIEF YBARRA: It came in with an exceptional item. We -- we researched what came in --

MS. ANDERSON: Right.

CHIEF YBARRA: -- and put the maintenance and operating in the base.

MS. ANDERSON: So we made room for it --

CHIEF YBARRA: Yes.

MS. ANDERSON: -- somehow.

CHIEF YBARRA: Right.

MS. ANDERSON: Okay.

LT. COLONEL McEATHRON: Now, there's probably some gasoline money in the exceptional items because the cost of gasoline went up compared to what we had in our operating.

CHIEF YBARRA: Some.

LT. COLONEL McEATHRON: Right.

CHIEF YBARRA: It could be going up.

LT. COLONEL McEATHRON: Right.

MS. ANDERSON: Okay. Let's see. If we wanted to -- and I've not -- you know, this is just -- I'm just asking questions for myself at this stage. If we wanted to change the -- request to change to the classification level of division chiefs and/or had the authority -- well, I guess maybe that's in statute -- have the authority to use appropriated dollars if we got -- if we -- if we needed a statutory change to get a statutory change for a second assistant director and/or if we wanted to ask the Legislature, you know, for a change in either the classification or -- the classification of the director or -- as I understand it, there's some state agencies where the Commission has some additional discretion about payment regardless of classification. Do those kinds of things go in this document? Do they need to be submitted now?

LT. COLONEL McEATHRON: It can maybe in a -- in a commission statement.

CHIEF YBARRA: Right, commission statement.

LT. COLONEL McEATHRON: You know, the authority for the director's salary is set by the Legislature.

MS. ANDERSON: Right.

LT. COLONEL McEATHRON: They have a group --

COLONEL DAVIS: A maximum salary.

MS. ANDERSON: Right.

LT. COLONEL McEATHRON: They have a group that looks at executive salaries almost every session --

MS. ANDERSON: Right.

LT COLONEL McEATHRON: -- but not every executive session.

MS. ANDERSON: Right.

LT. COLONEL McEATHRON: So -- so a request may be in a commission statement. To ask them to do that, we already have the authority for assistant directors.

MS. ANDERSON: Okay.

LT. COLONEL McEATHRON: They -- they pluralized that in the law.

MS. ANDERSON: Okay.
1. LT. COLONEL McEATHRON: Probably the last sunset, wasn't it, Colonel --
2. COLONEL DAVIS: Yeah.
3. LT. COLONEL McEATHRON: -- where they just said the director and assistant director is pluralized?
4. MS. ANDERSON: Okay.
5. LT. COLONEL McEATHRON: And then the division chiefs -- the salaries for the division chiefs have always been set by the director, and it's in Schedule B. There is enough room in Schedule B to increase their salaries, just trying to fit it into --
6. MS. ANDERSON: Right.
7. LT. COLONEL McEATHRON: -- the organization.
8. MS. ANDERSON: Right. Okay.
9. LT. COLONEL McEATHRON: So I don't know that -- I don't know that you need the authority to -- I think you've got the authority to do it.
10. It's just where the funds come from.
11. MR. POLUNSKY: Let me --
12. MS. ANDERSON: Go ahead.
13. MR. POLUNSKY: Let me ask you a quick question, David. So you -- we have this information as to what the directors and assistant directors make in these other state agencies.
14. LT. COLONEL McEATHRON: We can get them, yes, sir.
15. MR. POLUNSKY: Right. So that's easily accessible.
16. LT. COLONEL McEATHRON: Yes, sir.
17. MR. POLUNSKY: All right. Will you do so?
18. LT. COLONEL McEATHRON: Yes, sir.
19. Texas state agencies?
20. MS. ANDERSON: Yes. Can we hear from our HR expert, please?
21. LT. COLONEL McEATHRON: Sure, sure.
22. MS. LOGAN: The SEO is currently doing an executive survey on all the state agencies for this legislative session, and that report is due out in approximately two weeks.
23. MS. ANDERSON: Good. Well, may I request that the Commission see it hot off the press?
24. And we -- I think we still might need -- and I know this would be after the August 20th deadline, but I think we still might need a place holder -- and I'll request it formally of you -- for the August 25th agenda if we wanted to -- I mean, I don't know how we would go about submitting a statement if we wanted to -- as I understand it, there are some state agencies where the -- where the governing board has some discretion above the top of the range.
25. MS. LOGAN: Well, some -- some of the agencies are given a range rather than a --
26. MS. ANDERSON: And it's in statute in some cases, right?
27. MS. LOGAN: Right. And then they have authority -- they go to LBB to get it approved to give pay raises. But we're not --
28. MS. BARTH: But they have a range.
29. They can't go above the range; is that right?
30. MS. ANDERSON: We need to check that a little more.
31. LT. COLONEL McEATHRON: Ma'am?
32. MS. ANDERSON: I'll have to get an example for you. I don't have one right now.
33. LT. COLONEL McEATHRON: There are some that are set by the Governor.
34. MS. ANDERSON: Maybe that's what I'm thinking I might request it if we wanted to hot off the press?
35. MS. LOGAN: Right.
36. LT. COLONEL McEATHRON: There's some agencies that says the Governor can set those salaries.
37. MS. BARTH: And is that something we would want to --
38. LT. COLONEL McEATHRON: We're not one of those agencies.
39. MS. ANDERSON: I don't know, but we might want to talk about whether we want to submit it. So that's why I'm thinking I might request --
40. MR. POLUNSKY: I mean, what agencies are covered by that? I mean, you don't have to give me 20 names, but --
41. COLONEL DAVIS: The Department of Health, I think, is one of them.
42. MS. LOGAN: I think they're generally where the acting head is a commissioner and then --
43. MR. POLUNSKY: Where the Governor is directly --
44. MS. ANDERSON: Right, like Albert, yeah.
45. COLONEL DAVIS: Texas Lottery Commission, Youth Commission, Higher Education Coordinating Board, Department of Aging, Department of Informational Resources.
46. CHIEF YBARRA: Article 9, Page 20.
1. MS. ANDERSON: Thank you.
2. MR. POLUNSKY: Yes, sir.
3. CHIEF YBARRA: There -- in the
4. instructions for the administrator's statement, there
5. is a place where -- if the Commission so desires
6. where they can identify that they want to look at
7. providing a raise to the director of the agency.
8. So --
9. MR. POLUNSKY: Or have the ability to
10. do so.
11. MS. ANDERSON: Have the ability to.
12. CHIEF YBARRA: And I have an example of
13. one that was done in the past, and I'll be glad to
14. email you.
15. MS. ANDERSON: In the interest of
16. submitting it with the rest of the package, just
17. because we asked for the ability doesn't mean that we
18. have to then do so. You know, I'd seek a sense of
19. the Commission about whether we'd like to go ahead
20. and include that -- you know, request language
21. about -- you know, we're not making a commitment to
22. change the pay.
23. MS. BARTH: Is the request --
24. LT. COLONEL McEATHRON: How -- excuse
25. me. How we've done it in the past was the chairman

1. of the Commission wrote a letter to the LBB asking
2. for that and --
3. MR. POLUNSKY: Well, I would like to
4. have that flexibility. I don't know about you-all,
5. but --
6. MS. ANDERSON: I want you to have that
7. flexibility.
8. MS. BARTH: I agree.
9. MR. POLUNSKY: "I" being the Commission
10. collectively.
11. MS. ANDERSON: Right. Do you suppose
12. you could find that letter, write a new one?
13. LT. COLONEL McEATHRON: We'll get one
14. drafted, sent to you, let you -- let you make changes
15. as you want.
16. MS. BARTH: I guess the question is, on
17. these other agencies, the salary where the Governor
18. has the ability to establish the salary, is that
19. right?
20. COLONEL DAVIS: Yeah.
21. MS. BARTH: Would that give us more
22. flexibility?
23. MS. ANDERSON: Well, yes, I believe it
24. would. I mean -- and I know, for example, if
25. Mr. Cloe (phonetic) were here he would address the

1. historical thing about the Lottery. That was one of
2. the agencies I was aware of that had that kind of
3. authority. So I just want to protect our -- to
4. telegraph our interest in this package so it's not
5. surprising to anybody that we're interested in
6. exploring what those possibilities are, and then
7. we'll do some more exploration. We'll look at the
8. list of the other EDs, and as a Commission, we can --
9. MS. BARTH: Because I'd like to see us
10. get the most flexibility.
11. MR. POLUNSKY: I do too. Quite
12. frankly, I think that the compensation for the
13. director here is -- is below what it should be.
14. COLONEL DAVIS: Just to ease your mind,
15. I will take backpay if you-all can get it passed
16. retroactive.
17. MR. POLUNSKY: I don't know if that's
18. something we can do --
19. MS. ANDERSON: I hear you didn't want
20. to take that raise the last time, which was --
21. COLONEL DAVIS: That's probably right.
22. MR. POLUNSKY: Well, for the record, he
23. did not want to take that full raise the last time.
24. So -- but, nevertheless, for an agency of this size,
25. significant responsibility and everything that goes

1. along with it, I think that we ought to be able to
2. have the flexibility and ability to pay the director
3. a -- a salary that would be comparable to the chiefs
4. of police in the large police departments in this
5. state and also comparable to directors and other
6. state large -- other large state police agencies. I
7. don't think that's the case here, and I don't think
8. it's -- and to take it a step further and I'll leave
9. it at that, I mean, I would be willing to bet if you
10. compared the compensation for the director here as
11. compared to some other state agencies that it is
12. below --
13. MS. ANDERSON: Out of whack.
14. MR. POLUNSKY: -- those levels --
15. MS. ANDERSON: Out of whack.
16. MR. POLUNSKY: -- and in some cases
17. significantly. I don't understand that. When this
18. came up with respect to Colonel Davis, I mean, I was
19. a little taken aback as to what the salary structure
20. is here. Anyway, so I'd like to have that
21. flexibility.
22. CHIEF YBARRA: Yes, sir.
23. MS. ANDERSON: I fear I'm going to kind
24. of jump around a little bit. Today, you know, we
25. have these great strike forces that are down there on
1 temporary duty, and I couldn't -- I can't find
2 anything in here -- I mean, I think we asked for the
3 overtime again if I -- if I -- and now I don't know
4 what page that was on. But I guess my question is,
5 you know, is it not wiser to request incremental FTEs
6 and beef up those offices so that we're not
7 continuing, you know, in support of our border
8 initiatives that have been so successful and we
9 should be so proud of? What did I just read about
10 somebody just -- one of your guys like found -- was
11 it two million -- some huge amount of weed or
12 something in the last week?
13 UNIDENTIFIED SPEAKER: Probably.
14 MS. ANDERSON: You know -- you know,
15 really having -- having good success, you know,
16 instead of continuing to do things on this overtime
17 cycle that's hard on the districts where they -- the
18 regions where they leave and it's hard on their
19 families and it's hard on them, et cetera, you know,
20 to ask for, you know, whatever it is, 120 FTEs or
21 whatever it is, to permanently beef up those
22 districts down on the border, you know. And, you
23 know, I'm not trying to add to our recruitment
24 headaches, but I am trying to be fair to the rest of
25 the State of Texas and be sure that we're adequately

1 serving the border. Is that in here anywhere?
2 LT. COLONEL McEATHRON: At the
3 Commissioners' urgence, we put that in there in an
4 exceptional item.
5 MS. BARTH: And let me ask you a
6 question about that because I saw that there is --
7 is what is contemplated in the exceptional item
8 consistent with what is contemplated going further on
9 the border initiatives taking into account how we're
10 doing it now and how we'd like to do it going
11 forward.
12 LT. COLONEL McEATHRON: Yes. And what
13 this is -- entails is, throughout the agency the
14 number of people that we believe we'll need to
15 adequately provide the services that we need on the
16 border and the corridors leading from the border
17 because you don't -- not everything just happens
18 there. As you see, some of those seizures that
19 you're talking about, Commissioner Anderson, are
20 happening up north --
21 MS. ANDERSON: Right.
22 LT. COLONEL McEATHRON: -- meaning
23 they've gotten through it.
24 MS. ANDERSON: That's right. They're
25 getting -- right.

1 LT. COLONEL McEATHRON: They've gotten
2 through it. So --
3 MS. ANDERSON: Right.
4 LT. COLONEL McEATHRON: -- this is
5 all -- all services --
6 MS. ANDERSON: Bordering --
7 LT. COLONEL McEATHRON: -- Highway
8 Patrol --
9 MS. ANDERSON: And VTS --
10 LT. COLONEL McEATHRON: Everything.
11 MS. ANDERSON: CVE. I'm sorry.
12 LT. COLONEL McEATHRON: Some additional
13 rangers.
14 MS. ANDERSON: Yeah.
15 LT. COLONEL McEATHRON: You know, Ray
16 got rangers last time to -- really to help his normal
17 thing, and we had to use those for the --
18 MS. ANDERSON: Right.
19 LT. COLONEL McEATHRON: -- for the
20 JOIC --
21 MS. ANDERSON: So are the five to
22 replace --
23 LT. COLONEL McEATHRON: Yes.
24 MS. ANDERSON: -- the JOIC --
25 LT. COLONEL McEATHRON: Yes.

1 MS. ANDERSON: -- guys and the one to
2 add a JOIC in Coastal Bend?
3 LT. COLONEL McEATHRON: Yes.
4 MS. ANDERSON: Are there six in here --
5 LT. COLONEL McEATHRON: Yes, ma'am.
6 MS. ANDERSON: -- in this same number?
7 LT. COLONEL McEATHRON: Yes, ma'am.
8 MS. ANDERSON: Okay.
9 LT. COLONEL McEATHRON: And there's
10 also, you know, adequate crime analyst personnel to
11 support those people.
12 MS. ANDERSON:Okay.
13 LT. COLONEL McEATHRON: So that's a --
14 MS. ANDERSON: Can we get a breakdown
15 of what's -- or because I -- can we get --
16 LT. COLONEL McEATHRON: Yes, ma'am.
17 MS. ANDERSON: Like you did in these
18 real detailed notebooks we got earlier, I'd love to
19 see a breakdown of the 256 plus 42.
20 LT. COLONEL McEATHRON: We've got it.
21 MR. POLUNSKY: Beth, let me -- if it's
22 okay --
23 MS. ANDERSON: Sure.
24 MR. POLUNSKY: -- ask David a couple of
25 questions here. With respect to these FTEs,
1 you're -- in the supplemental, you're requesting
2 additional FTEs?
3 LT. COLONEL McEATHRON: Yes, sir.
4 MR. POLUNSKY: And the bulk of those
5 are going for border operations?
6 LT. COLONEL McEATHRON: Border and
7 corridor. And what we mean by corridor is, you know,
8 I-35, I-10, 281, 77 type operations that lead up to
9 the majority of them. A large majority of them are
10 going on the border. In those -- in those counties
11 that you see that we're doing Border Star operations
12 now, those folks would then cause Randy not to have
13 to send people from other parts of the state down
14 there to cover it.
15 MR. POLUNSKY: Which we want to --
16 that -- that is --
17 MS. ANDERSON: Critical.
18 MR. POLUNSKY: -- top of the list.
19 Randy doesn't need to be asked to redeploy his people
20 in the future.
21 CHIEF ELLISTON: Commissioner.
22 MR. POLUNSKY: But the -- I'm sorry.
23 CHIEF ELLISTON: I'm sorry. This
24 request would do exactly that. You know, we ran the
25 200-person strike team operation which was very

1 effective in basically, you know, squeezing that
2 thing down significantly. We had -- out at the last
3 session, we had some folks added for the -- for the
4 border. We've got about 55 or so. We've got about
5 46 of those positions filled at this time. So we're
6 able to reduce the -- that are now trained. You
7 know, we've got the six months process. We've got to
8 get them hired, get them in place. So those folks
9 are available to us now. So we're able to reduce the
10 amount of people we're actually having to send
11 because we can utilize those in -- in the Border
12 Star operation. What we're asking for here will
13 basically keep us up to that 200 level without us
14 having to deploy people from other parts of the
15 state.
16 MR. POLUNSKY: And I appreciate that
17 and that's good, and that -- that addresses the
18 problem you brought to my attention way back at the
19 beginning, that is, if somebody is down there and not
20 some other place.
21 CHIEF ELLISTON: Right. Well, that
22 helps us on the corridors also because what we're
23 sending guys back to were these interstate highways
24 and places where if they didn't get through. Now
25 we've got coverage, you know, what we used to call

1 linebacker. Now we've got our linebackers back in
2 place --
3 MS. ANDERSON: Right.
4 CHIEF ELLISTON: -- so that we don't
5 have to worry about them getting past there.
6 MR. POLUNSKY: Okay. Well, let me --
7 let me just kind of put this thing on the table.
8 This is my -- my opinion or my feeling. I'm not
9 speaking for the other two or three Commissioners
10 here. But I want to make sure that when we go
11 forward into this next session that we're requesting
12 an adequate number of FTEs to not just take care of
13 these additional responsibilities that we've picked
14 up here in, say, the last 12 months or so, to staff
15 this Department at a level going forward in the next
16 two years where -- where we're not going to be
17 stretched where we -- you know, we -- we have
18 adequate resources to provide a high level of
19 response or allow the Department enough people to
20 perform its duties, functions and so on today and,
21 you know, two and a half years from now as we go
22 through the cycle, particularly if, for example --
23 I'm not saying this is going to happen. But, you
24 know, if you get another request from the Governor's
25 Office or some other place to use so-and-so, you

1 know, number of people, are we going to kind of
2 relive this problem again where we've got holes?
3 LT. COLONEL McEATHRON: In addition to
4 that 256 commissioned officers for the border,
5 there's an additional 87 that are asked for for the
6 rest of the state on different -- on different things
7 for --
8 MS. ANDERSON: Just based on Crime Lab
9 backlogs or need 14 new client server people or --
10 MR. POLUNSKY: Okay. Does that do it?
11 LT. COLONEL McEATHRON: That --
12 MR. POLUNSKY: Is that a realistic --
13 MS. ANDERSON: That's a fair question.
14 MR. POLUNSKY: Is that -- let me --
15 this -- this question will live for a long time. Do
16 you feel confident that that's enough people, that's
17 a sufficient number of FTEs to have this Department
18 staffed at a level where it can do everything it
19 should be doing at the highest level of proficiency
20 possible and also have somewhat of a cushion if you
21 get one of these -- or more of these requests to all
22 of a sudden jump it in some or areas that you did not
23 foresee coming your way?
24 LT. COLONEL McEATHRON: I'll tell you,
25 I believe that that's almost there. That's 350
1 additional people that we don't have now --
2 commissioned officers that we don't have now, that
3 you know we're losing officers every day right now to
4 retirement. So we --
5 MR. POLUNSKY: Every time we come into
6 one of these meetings.
7 LT. COLONEL McEATHRON: You don't -- I
8 mean, you should see the letters that you don't see
9 yet.
10 MR. POLUNSKY: I know. It's a surge.
11 It's the wrong kind of surge.
12 LT. COLONEL McEATHRON: The -- our
13 problem is getting those folks hired in the
14 biennium.
15 MS. BARTH: Yeah. That's where I'm --
16 that's where I'm at. I think if you just continue to
17 offer all the FTEs up it's whether or not we can
18 actually fill these positions based obviously on how
19 competitive we are on salary structure.
20 MR. POLUNSKY: Well, that's -- that's
21 Discussion B here.
22 MS. ANDERSON: Right. And I think the
23 SAO report is --
24 MS. BARTH: But this is very -- to me
25 it's very linked.

1 MS. ANDERSON: -- out.
2 MR. POLUNSKY: Well, yeah. But --
3 MS. BARTH: I mean, you know --
4 MS. ANDERSON: I saw the.
5 MR. POLUNSKY: They're -- they're
6 completely linked. Well, they're not -- I mean,
7 they're -- they're 90 percent linked, but
8 absolutely -- well, there are other factors involved
9 than -- than salary, but salary to me is -- is of
10 paramount importance. And we need in my opinion --
11 again, I'm speaking only for myself. There are two
12 other people here and one missing. But I want to
13 make sure -- or I would feel that it's incumbent on
14 the Department to -- to do whatever can be done in
15 order to raise salary levels so that we are
16 competitive in --
17 MS. ANDERSON: From top to bottom.
18 MR. POLUNSKY: -- in recruiting new
19 people and retaining people that we have. And I
20 think we should be aggressive and not be timid in
21 asking for salary increases for our employees in this
22 department as a way of bringing in or attracting the
23 best and maintaining and retaining the best so that
24 we don't have this high degree of difficulty of
25 bringing people in in this runoff that -- you know,

1 we're -- I think, you know, will continue if we're
2 not competitive in the salary arena.
3 LT. COLONEL McEATHRON: And I -- I
4 sincerely appreciate that. We're -- if you look at
5 the SAO report, it's about a 40 million dollar deal
6 to DPS only, 52 million dollars to all the Schedule C
7 people, which is four agencies. Alls they recommend
8 is getting us to the average of the maximum salary of
9 each category.
10 MS. ANDERSON: So you're always playing
11 catch-up. You'll be back in the same position two
12 years hence.
13 LT. COLONEL McEATHRON: The DPSOA is
14 another proposal that gets up a little bit higher
15 than that. I don't think they go as far as it needs
16 to go, especially in the supervisory realm. You
17 know, we've had a lot of luck in the Legislature of
18 doing the troops, of getting the line troops which --
19 which -- I mean, we've had a lot of luck in that.
20 But we've not had so much luck in getting those
21 salaries for the -- for the command level,
22 supervisory type people, and that's what's caused
23 what we've talked about in the promotional system,
24 this -- this incentive to promote, because there's
25 not enough money there.
1 leadership -- the state leadership, one in particular
2 that I'm familiar with, and I think there's a couple
3 of others that hopefully will follow in or have the
4 same mindset.
5 But I think that we need to ask for a
6 realistic level of compensation across the board both
7 for the incoming troopers and your -- your upper
8 level management so that -- so, as you said, there's
9 not a disincentive -- or another disincentive to
10 promote and you have that runoff and you have that
11 disparity and so on. But, you know, I -- I think we
12 ought to go forward and, you know, ask for the
13 optimum situation in order to fund this agency and
14 the salaries at a very realistic level to maintain
15 the type of people that -- and attract the type of
16 people that we -- you know, we're wanting to
17 attract and wanting, you know, to keep. Otherwise,
18 the agency in my opinion -- even though you have
19 many, many people here who work here for the love of
20 the Department more than the money -- I mean, it's
21 amazing to me, but that's the case; and I think
22 everyone should be grateful for that type of mindset.
23 But, still, the reality of life is
24 that, you know, you can't buy bread sometimes with,
25 you know, your dedication. And it's hard to attract

1 or recruit people when the Austin Police Department
2 or the Houston Police Department or whoever out there
3 is -- is paying a significant amount of money more or
4 their -- their salary levels as they go through the
5 ranks are going to be much higher. I mean, it's just
6 that much more difficult to bring people into the
7 Department. So, anyway, I'll stop at that. But
8 that's just my opinion, and that's where I stand on
9 that issue.
10 LT. COLONEL MCEATHRON: I'll have you
11 the State Auditor's report today. I think it's out
12 today. So we'll get that to you, and then we'll lay
13 out a proposal of what we think Schedule C ought to
14 look like. And then if you're okay with it, we'll
15 plug those numbers into this exceptional item.
16 MR. POLUNSKY: Well, I mean, I guess we
17 may want to hear from the other two people here and
18 make sure that we're on the --
19 MS. ANDERSON: Yeah. No. I'm fine
20 with that. I'm fine with that. I have further
21 commentary around compensation upon the noncomp side.
22 MR. POLUNSKY: Yeah. Everybody ought
23 to be in the mix here.
24 MS. ANDERSON: Well, I have a specific
25 issue on the noncommissioned side that doesn't apply

1 to the commissioned side, which is I -- you know, I
2 continue to see -- or continue to be aware
3 anecdotally that we are -- that we strive to hire at
4 the bottom of the salary range for any given job and
5 that it takes an act of Congress to, you know -- or a
6 lot of work to get a starting salary in a
7 noncommissioned -- other than the bottom of the
8 salary range. And I think we -- by doing that, I
9 understand we're trying to be fiscally prudent, but I
10 think we compound our recruiting effort. So we may
11 be penny wise and pound foolish. So my question is,
12 in our assumptions about hiring and filling vacancies
13 and so forth that's reflected, you know, in the base
14 budget, are we still employing that assumption that
15 when you bring in and fill a vacancy you're hiring at
16 the bottom of the range?
17 LT. COLONEL MCEATHRON: And each job we
18 look at a little bit differently, and -- and the
19 division chiefs will make a decision as to, hey, I've
20 got this guy who comes with credentials --
21 MS. ANDERSON: Right.
22 LT. COLONEL MCEATHRON: -- that cause
23 us to look at them and maybe bring them in at higher
24 than the bottom of the range. You know, some we've
25 moved up to the midrange and some even a little bit

1 higher. Ferrell has had one not too long ago that we
2 brought in because of the credentials he brought that
3 you couldn't bring. And then some come, you know,
4 based on the job, of course --
5 MS. ANDERSON: Right.
6 LT. COLONEL MCEATHRON: -- that it's --
7 MS. BARTH: Well, I guess the question
8 is on the numbers that are in here. What's the --
9 MS. ANDERSON: It's the embedded
10 assumption that's you're hiring all these at the
11 bottom of the range, yes?
12 COLONEL DAVIS: I think that's correct.
13 MS. ANDERSON: Okay.
14 COLONEL DAVIS: And that --
15 MS. ANDERSON: Well, I mean, that's not
16 the conservative way to do it, but, I mean, I
17 understand why that would be the assumption. But it
18 just causes more pressure in the system because I
19 think we're -- we're spending a lot of time trying to
20 look for people and -- to hire at the bottom of the
21 range, and I think that's one element of our
22 difficulty.
23 COLONEL DAVIS: The State's
24 retire/rehire program was based on exactly what we're
25 doing. You take a person that retires with 30 years.
1 problem is then they -- like a B-14 or B-16 program
2 where they're right up with the assistant manager.
3 My understanding was there was no room to create
4 that. That's why it is the way that it is. So those
5 people basically take the job for no money and in
6 some cases shoot themselves in the foot because
7 they're no longer able to continue developing their
8 skills as part of the progression on the other side
9 of the equation.
10 MS. ANDERSON: So I don't know where
11 you squeeze the balloon.
12 MS. LOGAN: You have the authority --
13 LT. COLONEL McEATHRON: Pardon me?
14 MS. LOGAN: I said you have the
15 authority to reclassify some of those positions. We
16 can just change the manager upwards. But the problem
17 would be if we do that in a lot of places in the
18 agency there's really a line item for -- there's no
19 budgeting for reclassification issues, and so you
20 would have to build that into your appropriation both
21 merit money to get people out of the range and then
22 reclassification issues if you think a lot of the
23 people in the Department are improperly classified.
24 MS. ANDERSON: Well, we got people in
25 IMS doing supervisory activities and not, you know --

1 they're not the same thing as, you know, putting a 10
2 percent fill in a job. You're putting a 95, 100
3 percent fill back in a job, and they ought to be
4 compensated for it.
5 I also -- well, that's really a 2009
6 question. In the -- I'm particularly interested --
7 because I'm aware of the problem in IMS and it may
8 occur elsewhere where there is -- in the career
9 progression there is no first-line supervisor level,
10 so that this is -- tell me if I'm saying this wrong.
11 So that if I am, you know, the best DBA and the DBA
12 supervisor position is vacant and that's -- that's
13 the person I want to promote up and become the
14 supervisor of the DBAs, I can give the person the
15 responsibility to supervise the team, but I'm not
16 able to promote them up and give them a salary
17 increase or a supervisory job title; is that right?
18 CHIEF BRUBAKER: Yes, ma'am, that's
19 correct.
20 MS. ANDERSON: Is that fixed in here?
21 It needs to be fixed. We need a real -- we need a
22 supervisory level --
23 LT. COLONEL McEATHRON: That's not part
24 of your 1.1 million dollar --
25 CHIEF BRUBAKER: Well, because the
1 salary discussion and we're talking about the 87
2 additional plus the 256 -- well, it's the 87 and 290
3 and 256 and 42 additional. The way we have these
4 numbers front-loaded at 27 million and 48 million in
5 '10 and only 18 and 20 million in '11, either --
6 because we don't have carryover authority? What am I
7 missing?
8 LT. COLONEL McEATHRON: That's capital
9 stuff.
10 CHIEF YBARRA: That's capital --
11 MS. ANDERSON: So we've got total
12 carryover authority for all of our operating
13 expenses? I thought we didn't except for DLR and a
14 couple of --
15 LT. COLONEL McEATHRON: The operating
16 and the travel and the salaries become part of the
17 base as long as it's approved.
18 MS. ANDERSON: You're not -- I don't
19 think we're -- I don't think you're answering the
20 question I'm asking.
21 LT. COLONEL McEATHRON: Okay.
22 CHIEF YBARRA: What area were you
23 looking at? Sorry, Commissioner.
24 MS. ANDERSON: Well, if I just look at
25 (F), additional personnel.

1 CHIEF YBARRA: Okay.
2 MS. ANDERSON: And we're going to --
3 we're going to have these 370 people, and it's going
4 to cost us 27 million in '10. But all of a sudden
5 miraculously in '11 they get a pay cut.
6 LT. COLONEL McEATHRON: That's capital.
7 CHIEF YBARRA: Right. And, also --
8 MS. ANDERSON: Capital?
9 CHIEF YBARRA: There's more than that.
10 There's more than that.
11 LT. COLONEL McEATHRON: There's cars,
12 everything that goes with those -- everything that
13 goes with --
14 MS. ANDERSON: You're saying additional
15 personnel is not really just personnel?
16 LT. COLONEL McEATHRON: It's everything
17 that goes with it.
18 CHIEF YBARRA: Right.
19 LT. COLONEL McEATHRON: We've got a --
20 we got a sheet, that what one trooper cost, here's
21 what -- everything he has to have to go with it, you
22 know, his uniforms, his guns, his --
23 MS. ANDERSON: Okay. Then let me --
24 then let -- okay. So when we go to detail in
25 Driver's License Division, for 45 FTEs it's 5.2

1 million in '10 and 2.7 million in '11.
2 CHIEF YBARRA: Right. And we can show
3 you all of that. What we're bringing in you're
4 talking about -- are we talking about we're going to
5 have to find a place for them to sit and rent the
6 place? Are we going to -- we're going to have to buy
7 their computer. We're going to have to buy their
8 cubicle. We're going to have to buy a chair. All
9 those expenditures are one-time expenditures that
10 will not be moving into the next year. Now, like the
11 Colonel was saying, from a Commission perspective, if
12 you've got an FTE that you're bringing in alone in
13 the first year -- the first year, well, when you say
14 you create a sergeant position for CLE, okay, that
15 position is going to promote probably out of Chief
16 Elliston's --
17 MS. ANDERSON: Right. You're at the
18 backfill.
19 CHIEF YBARRA: -- which is going to
20 create a vacancy. And you're going to have to train
21 that person --
22 MS. ANDERSON: You have a lag.
23 CHIEF YBARRA: -- through a recruit
24 school. That's $25,000 we got to pay the first year
25 to train that person to fill that position to bring
CHIEF YBARRA: Okay.

MS. ANDERSON: What are we allowed to carry over, because I think it's going to be hard in '10 to hire the 87 plus 290 and get them all furnished and carized and all that business. So if we don't go through that 27 million because we don't get everybody on board, does any of that carry over into '11?

CHIEF YBARRA: Only the capital would carry over, but -- but you'll take a recruit school to fill those positions --

MS. ANDERSON: Right.

CHIEF YBARRA: -- that they're vacating --

MS. ANDERSON: Right.

CHIEF YBARRA: -- just like we did with Border. I mean, the Border FTEs, the additional personnel, those positions were filled pretty much in the first two quarters of this year. Those positions are now being filled by existing commissioned officers. Okay. And the recruit schools are being dedicated to fill the vacancies --

MS. ANDERSON: Right.

CHIEF YBARRA: -- they're creating. MS. ANDERSON: Okay. So we're looking at the recruiting process around when we buy vehicles and depreciate the capital that we've invested in our vehicles and when we ask people to use POVs and reimburse the POV cost?

CHIEF YBARRA: We're not -- I don't know how often they -- you know, I don't understand how often they have to travel and so forth. But my general question as a philosophical matter to you is, what is our sort of breakeven or financial analysis in the exceptional items. I think in the exceptional items, there's something about 2.4 million or something. I don't think it was on the planning list. I think it's in the exceptional item to upgrade the mainframe for another MPAR or whatever. And my question is, if we did with Driver's License is now not on the mainframe, do we still need that money deployed for that purpose?

CHIEF BRUBAKER: We've had so much peak -- peak in the mainframe around at a hundred percent even with just the old legacy. I mean, I realize that it'll free up some, but the legacy deal doesn't put that much load on it. Something else is causing this, probably some of those match-up loads from CCH, and I'm just trying to buy a little more capacity to keep from having to shut down process --

MS. ANDERSON: And you've shaken down Mr. Gavin all you can and -- okay.

CHIEF BRUBAKER: He fails to see the humor of that.

MS. ANDERSON: Okay. Let's see.

Somewhere -- what kind of an analysis do we go through on -- and I'm not sure where this is, which page 6. I'm talking about. It's not in the administrator's segment. We talk about buying six -- maybe it's -- no. It's not in the planning list. We talk about buying sedans somewhere, six sedans for 40 people to share. Maybe this will ring a bell with somebody. And my question is, when we look at that and we're doing share, we analyze -- because if you're sharing six sedans across 40 people, I don't know how much time they're utilizing. These aren't for the Highway Patrol. They're for --

LT. COLONEL McEATHRON: Probably for pool car.

MR. GAVIN: I don't think --

MS. ANDERSON: Across 40 people --

CHIEF YBARRA: Is it Crime Lab?

MS. ANDERSON: Maybe it's Crime Lab.

CHIEF YBARRA: Crime lab? It's Crime Lab.

Lab.

MS. ANDERSON: And so we buy these six sedans to share across all these people, and I don't know how often they -- you know, I don't understand how often they have to travel and so forth. But my general question as a philosophical matter to you is, what is our sort of breakeven or financial analysis?
MS. ANDERSON: It ought to be more so.

CHIEF ELLISTON: Yeah. So --

MS. ANDERSON: Well, for purposes of this discussion, I'm not going to, you know, stop --

COLONEL DAVIS: Let me try to explain that deal.

MS. ANDERSON: Okay.

MR. COLONEL: I think the six vehicles are probably for our field labs, and those are used by our chemists to go to court. They routinely transport evidence in those vehicles, and -- and I'm not sure I would want to put the remnants of a methamphetamine lab in my personal vehicle. I think you got some issues there that we need to, you know, look at before we say it is better -- and I think at 16 58 1/2 cents for personal vehicles that we're probably saving the State money by buying vehicles.

As a matter of fact, I'm almost sure we are. But those -- that one vehicle in that office may be shared by four or five chemists.

MS. ANDERSON: That -- I'm sure it is, and I'm just trying to understand what the capacity utilization is. And I'm also trying to instill here that we -- that we have a mindset where we look at those things, and there are clearly other considerations like, you know, I wouldn't want to carry acid around in the trunk of my car or something --

COLONEL DAVIS: Right.

MS. ANDERSON: -- either kind of acid.

But I want us to have a mindset where we look at things on a business basis and make sure that we're really doing all things considered --

COLONEL DAVIS: Right.

MS. ANDERSON: -- what's in the interest of the State.

CHIEF BRUBAKER: Commissioner Anderson --

MS. ANDERSON: Yes.

CHIEF BRUBAKER: -- I was looking at my notes on this. One other thing, there was also the standup of the bona fide test LPAR because right now we have one, but it doesn't have dedicated (inaudible). So we end up beating up the (inaudible), the channels. It was to expand the 21 capacity so we could have a bona fide test LPAR.

MS. ANDERSON: Okay. Everybody know what that is? Me neither. In disaster recovery --

CHIEF BRUBAKER: Yes, ma'am.

MS. ANDERSON: -- in the exceptional case in the write-up, there is a reference to a planned procurement schedule of 67 million dollars in March of '08, and then what's in the budget is 4.669 million that --

CHIEF BRUBAKER: Those were the figures taken off the planned procurement schedule for some of the stuff that -- shadow IT, and I think Frank quoted 70 something million at the last meeting.

MS. ANDERSON: And so -- but we're only planning to take care -- we're only -- so we're going to address, you know, what eight percent of our problem --

CHIEF BRUBAKER: Well, the --

MS. ANDERSON: -- with the four point -- I mean, I'm trying to see why it says 67 million and what's in the item is --

CHIEF BRUBAKER: Well, the 67 million was put in there as a reference to what industry, and, you know, we still haven't come to a firm agreement on what our critical apps are going to be that we stand up. I mean, there's like five --

MS. ANDERSON: We don't have a defined list of mission critical apps yet. Okay.

CHIEF BRUBAKER: We have the five that are running on the mainframe now, but there's a deal to distribute --

MS. ANDERSON: It will --

CHIEF BRUBAKER: The way this new product is set up, you can take those tapes and you can stand it up on DD2 on any platform. So as we move forward and we get with the business area and we try to decide these are the absolutely critical applications we have, then that figure --

MS. ANDERSON: I think you just might want to revisit the language on the page that has the 67 million because it doesn't make sense to me to say we think we have a 67 million dollar disaster -- it just didn't make sense to me when I read it.

CHIEF BRUBAKER: Okay.

CHIEF YBARRA: We're stranded work with Chief.

MS. ANDERSON: Yeah. Just take a look at that. Okay. Where is -- and I -- I know I saw it somewhere over the weekend, and I just -- where is the continued funding of the five JOICs plus -- but really now six and the BSOC? Is that in the base operations or is that --

LECKLEIDER: It's a new strategy 5 --

D-5.

MS. ANDERSON: I see D-1, local border security. D-5?
CHIEF YBARRA: D-15.

MR. LECKLEIDER: D-15.

MS. ANDERSON: D-15. So --

CHIEF YBARRA: Page number.

MS. ANDERSON: And that's six people.

So the rangers that are running the JOICs are in the ranger budget --

CHIEF YBARRA: That is correct.

MS. ANDERSON: Okay.

So that's the JOICs and the BSOC?

MR. LECKLEIDER: JOICs, BSOC. And it's also the grants to the local government.

MS. ANDERSON: Right.

comfortable that that's the JOICs and the BSOC?

MR. LECKLEIDER: JOICs, BSOC. And it's also the grants to the local government.

MS. ANDERSON: Okay. And -- all right.

So that's the JOICs. And you're comfortable that that's the JOICs and the BSOC?

MR. LECKLEIDER: JOICs, BSOC. And it's also the grants to the local government.

MS. ANDERSON: Okay.

So really the operating expense -- we're saying we're going to run six JOICs and the BSOC for about $310,000 in '10 and '11? There's because I know it costs more than that to operate them. So that where else would that money be? Do you see I'm getting the 310,000? It's 31 million -- 31.8 minus 31.5. I just don't know where the other expenses to operate them are.

MR. LECKLEIDER: The money for staffing for the BSOC and the JOICs is an exceptional item.

MS. ANDERSON: Okay.

MS. BARTH: Is that right?

CHIEF YBARRA: Is it in the (D)

exceptional item?

MS. ANDERSON: It must be in this second page, this --

MR. LECKLEIDER: It's in the exceptional.

CHIEF YBARRA: In the new edition?

MS. ANDERSON: Yeah. It must be.

CHIEF YBARRA: That's fairly fresh print. So I'm not --

MS. ANDERSON: Yeah. Okay.

CHIEF YBARRA: I'm not real sure about that.

MS. ANDERSON: Okay.

MR. LECKLEIDER: And that included a bunch of other things.

MS. ANDERSON: I mean, like when we think about things like radios and towers and stuff, 22 are they -- you know, like the video camera towers and that kind of thing, are they in here, radio infrastructure?

MR. LECKLEIDER: They would be in detail --

MS. ANDERSON: Okay.

CHIEF YBARRA: -- on all the 4 exceptional items.

MS. ANDERSON: Okay. Perfect. Thank you.

CHIEF YBARRA: All you want.

MS. ANDERSON: Okay. Where is -- in terms of -- who's here representing the BIA and the Fusion Center today?

MR. FLORES: (Indicating.)

MS. ANDERSON: Okay. Mr. Flores, in the CLE request in here, is there -- I know there are additional positions. My question is whether any of these additional positions -- you know, have we contemplated the importance of having a gang node or other kinds of nodes in the -- specialty kind of nodes in the BIA or -- and/or the Fusion Center around specific kind of threat activities where we would want some particular focus, or are they just generalized requests for additional personnel?

MR. FLORES: They're basically generalized in order -- in order to -- my understanding was, we were going to ask for more personnel in order to dedicate different -- personnel...
1 to different areas of the threat issues that -- that
2 we were going to be addressing.
3 COLONEL DAVIS: I don't think we
4 individually identified those people --
5 MS. ANDERSON: Earmarked people.
6 COLONEL DAVIS: -- by assignments at
7 our initial request.
8 MS. ANDERSON: Where would I find how
9 many people were added in BIA and slash fusion.
10 LT. COLONEL McEATHRON: There's two
11 places, and one of them would be in that border
12 security stuff. You'll see some additions, and
13 that's what you asked me to get to.
14 MS. ANDERSON: Yeah.
15 LT. COLONEL McEATHRON: And the other
16 is there are some in that 87 or the 206.
17 MS. BARTH: Yeah.
18 COLONEL DAVIS: 298.
19 LT COLONEL McEATHRON: Yeah.
20 MS. ANDERSON: Okay. Well, I'll --
21 I'll reserve judgment on that until we -- but, you
22 know, we've done a lot of talking about things like
23 needing more Lexus licenses because we've got people
24 inside and out --
25 CHIEF YBARRA: That's in there.

1 MS. ANDERSON: Huh?
2 CHIEF YBARRA: That's in there.
3 MS. ANDERSON: Lexus is in here? Okay.
4 That's good. You know, we've talked about our
5 ability to do real-time crime mapping, I mean, things
6 that we've been talking about for a while, those kind
7 of capabilities. We've been -- you know, there's
8 been a lot of discussion around, you know, gangs and
9 how we -- you know, we -- you know, at one point
10 we're asked to give, you know, more troopers to that
11 effort. And we -- I think the Chairman took some
12 leadership on that to say let's not divert, you know,
13 now from our core mission. What I want to understand
14 is whether we've contemplated, you know, the funding
15 to support some of these things that we've been
16 talking about. So maybe we'll know when we see the
17 detail on the 87 and on the GDEM and the border
18 security. Well, we have the additional -- I have the
19 additional personnel unless the numbers have changed.
20 So --
21 LT. COLONEL McEATHRON: And in the 298,
22 you'll see a lot of support people.
23 MS. ANDERSON: Okay. Well, the detail
24 on that would be very -- would be great, would be
25 very helpful. And I'm going to read my notes, but I

1 think that's it.
2 MR. POLUNSKY: Are you sure?
3 MS. ANDERSON: Well, I mean, you know,
4 I can open this can of worms: I don't think we're
5 asking for enough money for deferred maintenance. I
6 can't -- because I see all these tasks on the --
7 what -- I think they're -- are they in the planning
8 lists or are they in -- all these things that you see
9 on the list that adds up to like 110 and some of them
10 are new and some of them are coded RA --
11 LT. COLONEL McEATHRON: Okay. Those
12 are -- those are new building.
13 MS. ANDERSON: When I added up all the
14 RAs, I got 27 million out of the 99 or whatever the
15 number was, but that's not the same 27 million as the
16 approximately 30 million we have -- that we think we
17 have in deferred maintenance.
18 COLONEL DAVIS: No.
19 LT. COLONEL McEATHRON: The RA is
20 adding on to buildings.
21 MS. ANDERSON: Okay. Well, we -- you
22 know, we're -- and I know we have need for additional
23 buildings, you know, but I'm concerned that we're --
24 you know, we're -- you know, we want to build new
25 stuff and at some point is there a tradeoff based on

1 how much money we're going to be able to convince the
2 Legislature to let us deploy, that, you know, we just
3 continue to have a deferred maintenance backlog. And
4 at some point, instead of adding on or building
5 something new, you ought to be taking care of what
6 you have. I don't know what the right balance is.
7 CHIEF YBARRA: Good point.
8 MS. ANDERSON: But we asked, I think,
9 for only 2.5 million incremental in deferred
10 maintenance in each of '10 and '11 against a backlog
11 of projects. Isn't it 30?
12 MS. BARTH: Let me remind you because
13 this is something I was going to bring up. That's
14 not -- that's our assessment. That is really not
15 having someone come in --
16 COLONEL DAVIS: Right.
17 MS. BARTH: -- and look at -- I suspect
18 that number is substantially higher.
19 MS. ANDERSON: The real number --
20 MS. BARTH: The real number on deferred
21 maintenance. Okay.
22 CHIEF YBARRA: That 2.5 gets us to 5.1
23 a year.
24 MS. ANDERSON: On a backlog of 30.
25 CHIEF YBARRA: I'm just saying, yeah.
MS. ANDERSON: And aren't some of those backlogs -- they've been sitting in that backlog --

CHIEF YBARRA: Yes.

MS. BARTH: I mean, I have a list here.

MS. ANDERSON: I mean, I know there's a limit to what we ought to be -- I mean, you now, I

know there's a limit to what one ought to ask for.

But to have 30 million dollars of deferred maintenance needs that may be 40 or may be some other

number that we don't know and to be asking for, you

know, hundreds of millions of dollars for new buildings and not taking care of the people that are

already here today that are in substandard and, I

would add, based on some of the pictures I have from

an inspection report, unsafe conditions, you know, I

think we've got to rethink what our priorities are.

MR. POLUNSKY: Well, some of those new buildings, Beth, are there to provide additional

service that we've been criticized on.

MS. ANDERSON: I'm not suggesting you take them out. I'm just saying I think we're -- just

like we're underfunding compensation which you

eloquently addressed at length a few minutes ago, I

think we're underfunding deferred maintenance.

MR. POLUNSKY: Okay.

MS. BARTH: I can tell you we are.

LT. COLONEL McEATHRON: We'll ask for all 32 million if you want, if that's your desire.

MS. BARTH: You know, in an optimal situation, my desire would be to have a third party

come in and really look at our deferred maintenance

list as opposed to -- you know, I have a list that I

believe Chief Burton may have supplied me.

LT. COLONEL McEATHRON: Yes.

MS. BARTH: I mean, I have it actually on me in my briefcase. I was -- looked at the age of

some of these projects, the projects themselves, and,

you know, I think it's unfair for us to ask Chief Mills and his group to, you know, kind of look at

this list and try to reprioritize when it's really

difficult at this point because we've so gotten out of -- away from us on deferred maintenance.

MS. ANDERSON: Right.

MS. BARTH: I mean, you know, at five million a year, you never catch up.

MS. ANDERSON: Right.

MS. BARTH: You don't even get close.

MS. ANDERSON: Yeah. You just fall --

It's like negative amortization, is what it is.

LT. COLONEL McEATHRON: Some of those
1 fill them. But what -- that's going to squeeze the
2 balloon somewhere else which means we can't do
3 deferred maintenance out of vacancy dollars.
4 MS. BARTH: I guess, Chief Mills, how
5 long would it take someone to come in and do an
6 independent assessment of our deferred maintenance
7 program if you were guessing?
8 CHIEF MILLS: I would -- simply because
9 of where all the offices are located and stuff, you
10 may be looking at 90 days to 120 days.
11 LT COLONEL McEATHRON: May I offer a
12 suggestion?
13 MS. BARTH: Uh-huh.
14 LT. COLONEL McEATHRON: We could leave
15 that with an explanation that it will be provided at
16 a later date.
17 MS. BARTH: I think we should
18 strongly --
19 MS. ANDERSON: Like you do with your
20 building stuff when you're waiting for facilities to
21 quote it.
22 MS. BARTH: I think we should strongly
23 consider at our next meeting bringing up about
24 putting an RFQ out and having a third party come in
25 and assess with the hopes that we would have, you

1 know, a good document out there. We haven't done
2 this to my knowledge ever and, you know, let Chief
3 Mills and his assistant have their arms around it.
4 And I would hope we would have that done by the time
5 the session opens up so that we can say, okay, here's
6 what we have, and maybe we'll have a pleasant
7 surprise. I'd be surprised at that. But I think
8 part of this legislative session is raising the
9 credibility of the numbers, and so, you know, we
10 could ask for 31 million, wake up one day and find
11 out that it's 120 million. I really think that's a
12 number out of there, and I've just seen a couple of
13 reports that would suggest it needs to be studied,
14 prioritized, something that I'd prefer to look at
15 for --
16 MR. POLUNSKY: Okay. Why don't you --
17 MS. BARTH: I'll send that.
18 MR. POLUNSKY: -- submit that --
19 MS. BARTH: Okay.
20 MR. POLUNSKY: -- as an agenda item,
21 and we can discuss that at our next meeting.
22 LT. COLONEL McEATHRON: If you all
23 don't mind, what I'd like to do is separate that out
24 from the shortfall and have another line item with
25 the one on it. And so then we'll just -- we'll just

1 categorize that accordingly so he can get it into the
2 system by the 29th.
3 MS. ANDERSON: Right.
4 LT. COLONEL McEATHRON: Is that all
5 right?
6 MS. BARTH: That's fine.
7 CHIEF YBARRA: With the description in
8 there and then a final reading.
9 MR. POLUNSKY: Okay. That's good.
10 MS. ANDERSON: I think you did it a
11 good job putting this together, because he knows
12 before I like that.
13 CHIEF YBARRA: Chief Haas, Cal
14 Vanderwah, all his staff, tremendously, a lot of
15 hours.
16 MS. ANDERSON: A lot of hours.
17 MR. POLUNSKY: Are you done?
18 MS. ANDERSON: I'm done.
19 MR. POLUNSKY: Will you read it more
20 closely next time?
21 MS. ANDERSON: Yeah. Should I pay a
22 little more attention next time?
23 MS. BARTH: Mr. Chairman --
24 MR. POLUNSKY: Yes, ma'am.
25 MS. BARTH: -- I don't --
1 MS. ANDERSON: It's 42 percent higher than it was 90 days ago on the exceptional item list.
2 I mean, I've been watching that number move north which is the right way for it to have moved.
3 MS. BARTH: And I believe it, and I'm not as worried about how much higher -- I should be worried how much higher -- as much as do we have programs in place we can look to and say this is going to do it and this is the return on the investment on those programs.
4 MR. GLORIA: Based on current and what we've done with -- with our IMS shop and, of course, the unknowns, not knowing the network operation, what's it's going to happen with us, we feel very comfortable with these numbers at this point.
5 MS. BARTH: Okay. We may have an '09 problem if we have to go off the satellite and, you know, pay AT&T two million dollars. And the other sort of piece we don't have and it's a '09 issue and beyond -- it's an '09 issue, not just a -- is that the ongoing support contract from BeringPoint I'm not -- and it'll hit this -- it's hit this threshold by the time it's over.
6 MR. GLORIA: Actually it's just a little bit more for the '09 shortfalls, five and a half million what we're looking at currently at this point for that shortfall.
7 MS. ANDERSON: Does that include the 650 to do the driver's license Visa thing -- change thing that's budgeted at six something.
8 MR. GLORIA: Yes.
9 CHIEF YBARRA: 5.2 went up 200,000.
10 MS. BARTH: Okay. I just really -- everything else --
11 MS. ANDERSON: So this 659 to implement the temporary visitor status changes to the DL.
12 MR. GLORIA: Did you cover that in yours, Bob?
13 MR. BURROUGHS: That's part of the -- that's part of the enhancements for '09.
14 MR. GLORIA: For '09. So it's in that shortfall.
15 MS. BARTH: Okay. That's really all I --
16 MS. ANDERSON: It's still an area of risk.
17 MS. BARTH: It's a huge area. It's a huge area.
18 MR. POLUNSKY: Anything else on this?
19 MS. BARTH: That's all I've got.
20 MR. POLUNSKY: Yes, sir.
21 CHIEF YBARRA: Mr. Chairman --
22 MR. POLUNSKY: Yes.
23 CHIEF YBARRA: -- this report is due into the LBB prior to the August 25th meeting. So we ABEST is still not open to the agency. That's the system that we report into to the LBB. Our -- our base -- this is based on the base that we submitted on June 23rd. We may have to react to what we see on ABEST when it first opens up to us along with the measures that I talked to you on the email that I sent you. So there may be a few changes here and there, but for the most part, this is where the agency is going in '10 and '11. And I'd ask direction from the Commission on how to approach that from a perspective that some things may change before the next commission meeting.
24 LT. COLONEL McEATHRON: Yes, ma'am.
25 MS. ANDERSON: What else did we say we were -- it would be -- it would be helpful as quickly as possible to have the details around the border, the additional personnel and the GDEM where you've got the changes just so that if we have any issues -- or speaking just for myself, if I had any concerns or issues about that myself, I could elevate that to the Chairman since the authority will be delegated to him.
26 MR. POLUNSKY: That's fine with me.
27 And it's okay with you, Carin?
28 MS. BARTH: That's fine with me.
29 MR. POLUNSKY: Okay.
30 CHIEF YBARRA: Thank you.
31 MR. POLUNSKY: Thank you, sir. Okay. So we're -- we're done with Agenda Item 6. We're going into executive session, are we not?
32 MS. ANDERSON: Yes. I think we are.
33 MR. POLUNSKY: Okay. Before we do that, I wanted to just comment on a memo that's come to my attention that troubled me to some degree.
34 Judy is not here, but it was sent out by an assistant chief in the Driver's License Division. And essentially what it's saying is, "Effective immediately no Drivers License Division employee will attend a DPS Commission hearing while on duty unless..."
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1 requested by the Division Chief." I have no problem
2 with that.
3 "Those employees wishing to attend a
4 hearing must receive prior approval from their
5 supervisor and will utilize personal leave and drive
6 their personal vehicle for that day. Business attire
7 is required." I don't believe that somebody on their
8 own time should have to receive the approval of their
9 supervisor in order to attend a Public Safety
10 Commission meeting.
11 MS. ANDERSON: I agree.
12 MR. POLUNSKY: So I think that portion
13 of this memo is very ill-advised, and I would
14 communicate that to the other divisions as well. One
15 of the reasons we're over there in the CLE building
16 is to open this -- this process up to the public and
17 to the people in the Department so that they can see
18 what's going on and they have -- you know, they have
19 a -- they're exposed to -- to the process that is
20 being utilized to operate this agency. So I think
21 it's disappointing that somebody in one of our
22 divisions would provide a disincentive for somebody
23 on their own time to come to one of these meetings,
24 and I would hope that that doesn't show up any other
25 place and that this memo be amended in Driver's

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1 License.
2 Okay. The Commission now adjourns to
3 executive session which is closed to the public in
4 accordance with the Texas Government Code, Sections
5 551.071 and 551.074.
6 (At this time, the Public Safety
7 Commissioners went into executive
8 session from 12:41 o'clock p.m. until
9 2:20 o'clock p.m., after which time the
10 proceedings continued as follows:)
11 MR. POLUNSKY: There will be no further
12 business. The Public Safety Commission meeting is
13 now adjourned. It is 2:20 p.m.
14 (At this time, the proceedings were
15 adjourned at 2:20 o'clock p.m.,
16 Monday, August 4, 2008.)

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1 STATE OF TEXAS )
2 COUNTY OF TRAVIS )
3 I, LYDIA L. EDWARDS, certified shorthand
4 reporter for Travis County, Texas, do hereby certify
5 that the above-captioned matter came on for hearing
6 before the PUBLIC SAFETY COMMISSION as hereinafter
7 set out.
8 I FURTHER CERTIFY that the proceedings of
9 said hearing were reported by me, accurately reduced
10 to writing by machine shorthand under my supervision
11 and control, and, after being so reduced, were filed
12 with the PUBLIC SAFETY COMMISSION.
13 GIVEN UNDER MY OFFICIAL hand of office at
14 Austin, Texas, the ___ day of __________, 2008.
15
16
17
18
19 Lydia L. Edwards
20 Certification No. 2567
21 My Commission Expires 12/31/08
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