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OPEN MEETING
PUBLIC SAFETY COMMISSION
JULY 17, 2009

On the 17th day of July, 2009, the following
meeting was held in Austin, Travis County, Texas.

APPEARANCES

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COMMISSIONERS OF THE PUBLIC SAFETY COMMISSION:

- Allan B Polunsky, Chair
- Carin Marcy Barth
- Ada Brown
- John Steen
- Tom C. Clowe, Junior

DIRECTOR'S STAFF OF THE DEPARTMENT OF PUBLIC SAFETY:

- Colonel Lamar Beckworth, Director
- Dorothy Wright, Executive Assistant
- Stuart Platt, General Counsel
- Duncan Fox, Deputy General Counsel
- Michael Kelley, Legislative Liaison

1 MR. POLUNSKY: Commissioner Barth?

2 MS. BARTH: Present.

3 MR. POLUNSKY: Commissioner Brown?

4 MS. BROWN: Present.

5 MR. POLUNSKY: Commissioner Clowe?

6 MR. CLOWE: Present.

7 MR. POLUNSKY: Commissioner Steen.

8 MR. STEEN: Present.

9 MR. POLUNSKY: Let the record reflect
10 that I am present. A quorum of the Public Safety
11 Commission is present and the Public Meeting of the
12 Commission is called to order and we will now proceed.
13 The time is 10:34 a.m. The location of this meeting is
14 the Criminal Law Enforcement Auditorium, 6100
15 Guadalupe, as posted in the agenda. We will now
16 consider the agenda items that have been posted for
17 this meeting.

18 The first item on the agenda is the
19 approval of the minutes for the Public Safety
20 Commission --

21 MR. STEEN: So moved.

22 MR. POLUNSKY: -- on June the 18th,
23 2009. Is there a motion to approve the minutes?

24 MR. STEEN: So moved.

25 MR. POLUNSKY: There is a motion that

1 has been made by Commissioner Steen. Is there a
2 second?

3 MS. BARTH: Second.

4 MR. POLUNSKY: Seconded by Commissioner
5 Clowe. Any --

6 MR. CLOWE: No, Mr. Chairman, it was
7 Commissioner Barth.

8 MR. POLUNSKY: I'm sorry, excuse me, I
9 apologize, Commissioner Barth.

10 MR. CLOWE: I'll second it if you'd
11 like.

12 MR. POLUNSKY: All right. Let me
13 correct that. A motion by Commissioner Steen, seconded
14 by Commissioner Barth. Is there any discussion on the
15 motion?

16 There is no discussion. All in favor,
17 please say aye. Any against, no. Motion passes.

18 The next item on the agenda is Public
19 Comment. We will now move to the Public Comment period
20 of the meeting. Members of the public wishing to
21 address the Commission are subject to a time limit of
22 five minutes. Prior to speaking, please state your
23 full name for the record and tell us your address so
24 the staff can follow up with you and your concerns or
25 any questions.

1 For your information, the Open Meetings
2 Law does not provide for the Commission to take action
3 on matters that are raised in Public Comment and not
4 part of the agenda. The only action that may be taken
5 is to provide factual information in response to a
6 question or identify existing policy or set the issue
7 for an agenda for a future meeting.

8 Is there anyone here who would like to
9 address the Public Safety Commission at this time? If
10 so, please raise your hand.

11 Yes, sir.

12 MR. HENSON: Mr. Chairman, members, I
13 appreciate the opportunity to speak to you today. My
14 name is Scott Henson. My address is 1403 Ulit Avenue,
15 U-l-i-t, 78702. I am the author of the weblog Grits
16 for Breakfast, which some of y'all may have seen here,
17 there, and beyond. I actually have a little handout
18 for y'all. This is a blog post that was actually
19 posted earlier this week and summarizes some of what
20 I'm here to talk to you about.

21 I'd like to speak to you this morning
22 briefly about the Driver Responsibility Program, which
23 I understand y'all are going to be receiving a briefing
24 on a little bit later today, and, in particular, the
25 need to create an indigency program for the Driver

1 Responsibility Program. This is something that was
2 actually mandated in your Sunset Bill this year. Now,
3 I wanted to try and clear up a little confusion, which
4 is also discussed in this blog here. Because it was my
5 understanding, from your public information officer, is
6 that the general counsel is under the impression that
7 an indigency program is not required to go into effect
8 until 2011.

9 MR. STEEN: Sir, what are you saying?
10 What kind of program?

11 MR. HENSON: An indigent -- I'm sorry,
12 indigency.

13 In fact, in the Sunset Bill, an
14 indigency program was discussed in two different
15 sections of this bill. One, Section 15, is a very
16 detailed step by step, "It must include exactly this"
17 instructions that go -- that must be in place by 2011.
18 However, in a separate section of the bill, that has an
19 effective date of 2009, the Commission is actually
20 required to implement an indigency program immediately.
21 It doesn't have to be as extensive as what was
22 recommended by 2011, but it is actually required in the
23 bill.

24 In addition, I wanted to make sure that
25 everyone here understood that the 2011 for the Section

1 15 is a maximum deadline. That's when you have to do
2 it by. This Commission has had the authority since
3 2007 to implement everything that was in the Section 15
4 indigency program as well as to implement amnesty and
5 incentive programs, which it's my understanding has
6 still not be created. Senate Bill 1723 by Steve Ogden
7 in 2007 authorized the creation of an indigence,
8 amnesty, and incentive program, and it said the agency
9 may do this. The Commission has chosen not to act on
10 that so far, those programs have not been created, and
11 so they went ahead on indigence and said, "Okay, you
12 must create it by September 1; it must have these
13 separate elements by 2011.

14 And I wanted to make y'all aware that
15 next week, there will be a petition submitted to the
16 director and to the Commission requesting rule making
17 to go ahead and create an indigency program sooner than
18 later, and I wanted to come today and hear the
19 discussion later when y'all are briefed and get a
20 better sense of what was finalized on that, but that's
21 going to happen next week and I wanted to make y'all
22 aware that it's going to happen, and I wanted to
23 encourage you to -- at your last meeting, there were
24 discussions about why are the collections rates so low?
25 Why is it that you're just getting 30, 35 percent for

1 these fees? Well, the answer is not that they don't
2 have enough authority to force people to pay their
3 fees. They can take their driver's license away and
4 do, and so there's plenty of leverage. The fact is
5 that this is a flawed program. Our fees and surcharges
6 are much, much higher than the other states that do
7 this program and we have created fees that are so high
8 that many, many people can't pay, and that's the bottom
9 line as to why these fees aren't being paid.
10 Six percent -- an astonishing six percent of Texas
11 drivers currently owe this surcharge. That's an
12 astonishing number.

13 It's worth mentioning -- and I know I
14 only have five minutes, so I'll make it real brief, but
15 I think that some big-picture perspective on this fee
16 is in order. Because in 2003 -- and I was, frankly, at
17 the legislature fighting its creation so I'll admit to
18 having a bias here. In 2003, this was created really
19 as a substitute for new taxation. We had a massive,
20 massive budget problem that session and the legislature
21 created this fee, which is a civil fee, in addition to
22 any fine or criminal penalties for your traffic ticket.
23 They created an additional civil fee that goes over a
24 three-year period. You have to pay like between \$250
25 and \$2,000 is what the fees can be for three years

1 going forward. This is simply a tax by another name is
2 the bottom line. This was done purely for revenue
3 generation. It was applied for a massive, large swath
4 of people. Six percent of the public is --

5 MS. BROWN: Now, you just this is a tax
6 by another name and, having been a criminal court
7 judge, I can tell you, I would impose these surcharges
8 on people who had been tried and finally convicted of
9 driving while intoxicated, not people who were accused
10 and not people who were just driving down the street,
11 so if we're imposing a tax, wouldn't you agree with me,
12 sir, we're imposing -- we're proposing a tax on a very
13 specific group of people? We're not just asking
14 everybody in Texas to pick up the tab for these
15 surcharges?

16 MR. HENSON: Well, ma'am, when President
17 Obama said he just wants to tax the top one percent for
18 his healthcare plan, that's a very specific group of
19 people too.

20 MS. BROWN: And I'm not --

21 MR. HENSON: Y'all have chosen six
22 percent of the people and it's people that have a much
23 lower income and a much less likelihood of having the
24 ability to pay, and we know they have less of an
25 ability to pay because you have a 70 percent

1 non-collection rate.

2 MS. BROWN: Well, let me ask you this:
3 What are we supposed to do, then, if we have a drunk
4 driver in front of me and -- am I supposed to not make
5 him pay any kind of fees to the State?

6 MR. HENSON: Oh, I'm sorry, this is --
7 I'm speaking to the Public Safety Commission rules, not
8 the role of the judge applying the surcharges, which is
9 a very different issue. This Commission has been
10 empowered to set rules regarding these fees and it's
11 been empowered to create an indigency program, an
12 amnesty program, and an incentive program so that you
13 can, frankly, increase that collection rate.

14 One of the things that was in the
15 Section 15 of the Sunset Bill was to expand, for
16 example, the payment options. It used to be for
17 some -- for some of the surcharges, you can only have
18 an installment plan with four payments. We'll expand
19 that to 12 and in some cases as much as 36 to let you
20 do monthly payments, a lower amount. I think some of
21 these changes will actually increase your collection
22 rate, frankly, for that reason, that are in that
23 Section 15. So I'm not talking about whether a judge
24 should apply it. Obviously, the law dictates when and
25 how that happens, but the law also gave y'all authority

1 through the justice program because it, frankly, is
2 just not working.

3 And I would respectfully submit that
4 it's not actually the vendor's fault. I know y'all
5 were asking about, well, maybe we can put liens on
6 people's houses or maybe we can do some of these other
7 punitive things to get people to pay these fees. Well,
8 you can't get blood from a skunk, and that's what this
9 vendor is running up against. And it's possible that,
10 by giving them these additional tools, where you can
11 spread out payments over time, where people are truly
12 indigent and just can't afford it, you just take them
13 off the list so the vendor doesn't have to keep mailing
14 them over and over and trying to get blood from a
15 skunk. And, basically, they have given you the
16 authority to fix these structural flaws from an
17 administrative level, and I think that's a different
18 question than the judges needing to impose the
19 surcharge.

20 But this is really what I came here to
21 say. I encourage you to be receptive to the proposal
22 that you'll receive next week. And if you have any
23 questions, I'd be happy to answer him.

24 MR. POLUNSKY: Mr. Henson, let me ask
25 you a quick question. Judge Brown referenced the DWI

1 surcharge, but what percentage of surcharges does DWI
2 represent? Do you know offhand?

3 MR. HENSON: I don't know offhand. My
4 understanding is that it's a much greater percentage of
5 non-collection rate than it is the number of surcharges
6 issued, simply because they're so much higher that
7 that's where non-collections comes in, and that can be
8 up to \$2,000 a year as an additional surcharge, and so
9 I think your non-collection rate is coming from these
10 higher fines, whereas, the smaller -- I say fines,
11 it's not a criminal fine; it's a civil surcharge. The
12 smaller surcharges on the point system that are just
13 like smaller increments of like 100 bucks here or
14 there, I think the payments range, from my
15 understanding -- and I have not seen hard data, this is
16 just from conversation, it's my understanding that
17 there is less of a nonpayment problem on those.

18 MR. POLUNSKY: All right. Well, I would
19 be interested to see figures and percentages as to what
20 percentage DWI represents and what percentage the
21 others represent, which I would imagine primarily would
22 be driving without proper proof of insurance, things of
23 that nature.

24 MR. HENSON: Right. That's right. But
25 there's steeper slope here, because what happens is --

1 and this is becoming a crisis in the courts, honestly.
2 And you were a county court judge, is that right, so
3 you've seen this. These surcharges are causing larger
4 and larger numbers of people to lose their driver's
5 licenses because they can't pay and then they're
6 brought back into court and the whole cycle just starts
7 to feed on itself, and they couldn't pay it in the
8 first place and so there's no reason to expect they can
9 pay the greater fines and fees and everything else down
10 the line. And the legislature has given y'all
11 authority to really help this problem.

12 And I would add, by the way, one more
13 thing before I go. I just found this out this morning.
14 As far as the interpretation about when this must be
15 implemented, whether it's this September 1st or 2011,
16 in the -- the Texas District and County Attorney
17 Association after every session puts out a legislative
18 update manual that details all the changes in state
19 law, you know, in the past session, and they actually
20 interpreted the Sunset Bill exactly as I've described
21 it to you, that you have to -- you do have to implement
22 something by September 1, but that the more extensive
23 requirements are not required until 2011. You do,
24 again, under SP 1723 have full authority to implement
25 all that now. Nothing requires you to wait. You were

1 simply given the flexibility if you deem it is
2 necessary, and I would respectfully suggest that sooner
3 is better than later on this.

4 MR. POLUNSKY: Any questions?

5 MS. BROWN: Thank you.

6 MR. POLUNSKY: Let me just make a brief
7 comment, and that is that, thank you for bringing this
8 issue to our attention. Generally speaking, the agenda
9 item that we're going to be looking at today with
10 respect to the contract, at least in my opinion, is
11 more how that contract was renewed, you know, what
12 they're doing, things of that nature. The mechanics of
13 that process is what piqued my interest. It does raise
14 a larger issue. I would ask that the staff have
15 something prepared for our next meeting in response to
16 this discussion, to any type of written requests that
17 we receive.

18 I'll tell you straight off that I don't
19 have a lot of sympathy for people who have DWI
20 convictions and I'm not, you know, inclined to bend
21 over backwards to help them retain licenses if they're
22 not otherwise complying with state law, but there are,
23 I think, a much larger pool of people out there who are
24 indigents who didn't have proof of proper insurance and
25 maybe some other areas where this would be defensible,

1 so to speak, or something that, you know, should and
2 could be implemented.

3 MR. HENSON: I can appreciate that, sir,
4 but I would respond briefly that we have criminal
5 penalties for DWI and we have stiff fines for DWI.
6 This is an extra civil surcharge and, frankly, it has
7 become dysfunctional. And there's two issues here.
8 One is criminal culpability and criminal liability for
9 DWI, and I don't think, frankly, that this surcharge
10 even speaks to that. This is a civil matter, and so as
11 far as the issue of, you know, reducing criminal
12 punishments for DWI, I think that you can take steps to
13 fix what's wrong with this program and address the
14 fact, for example, the payment program structure, you
15 know, makes it impossible for low income people to pay
16 those sorts of things, create the indigency program the
17 legislature has demanded of you, and still -- you know,
18 Texas will still be very, very tough on DWI. I mean,
19 our criminal enforcement is the piece that actually is
20 a preventive here. This is just a revenue-generating
21 thing that's taxed on after the fact. It's not
22 something that creates a deterrent for DWI.

23 So I would just encourage you to look at
24 it in terms of, is this program working? Is the fee
25 something that is even -- that we're functionally able

1 to process and collect? And, if not, should we use
2 these tools the legislature has given us to tinker with
3 it and make it something that is functional and not
4 embarrassing, where every time the state auditor looks
5 at it, there's a heading that says y'all have a
6 70 percent non-collection rate? I mean, that's no good
7 either. That's a dysfunctional program. Those DWI
8 offenders aren't paying the surcharges now because of
9 all these various reasons.

10 So, anyway, but I appreciate your
11 response and I understand that concern very much.

12 MR. POLUNSKY: Okay. Well, again, thank
13 you for being here this morning. We will address this
14 issue most likely -- or certainly put it on the agenda
15 for our August meeting and we will seriously, you know,
16 review the situation and take appropriate action if
17 necessary.

18 MR. HENSON: Well, thank y'all very much
19 for your time. I appreciate you.

20 MR. CLOWE: Mr. Chairman, I would like
21 to ask that the staff, in preparing this item for the
22 agenda, look into the legislative intent. I would
23 imagine that these issues were discussed in the process
24 of the statute being adopted, and I'd like to have the
25 benefit of what is deemed to be the legislative intent

1 that occurred in regard to this statute.

2 MR. POLUNSKY: Thank you, sir.

3 Is there anybody else here this morning
4 who would like to address the Public Safety Commission
5 at this time?

6 Yes, sir.

7 MS. BROWN: As he's walking up, if I
8 could just ask the last gentleman, if you could help us
9 come up with -- or if you could help provide us some
10 statistics so we could look at that.

11 MR. HENSON: I'd be happy to.

12 MS. BROWN: Great. Thank you.

13 MR. LYON: Good morning. I appreciate
14 the opportunity to be here. I want to take just a
15 little, short second or two to make a little commercial
16 for the DPS Historical Museum. My name is B.C. Lyon.
17 I am the executive director, also am employed here. My
18 address is 8406 Tecumseh Drive, in Austin, Texas,
19 78753.

20 And all I wanted to do is, on behalf of
21 the board of trustees for the museum, just to go on
22 record and say that we would like to be involved in any
23 activities where the 75th anniversary of the Department
24 is celebrated, which would be next year. And that's
25 what I wanted to present to you and I appreciate the

1 opportunity to do it.

2 MR. POLUNSKY: Thank you, sir, for being
3 here. Let me just briefly address that. And that is
4 that, as you may have seen, that is an agenda item. We
5 will be discussing putting something together to
6 celebrate either by an event or a series of events the
7 75th jubilee anniversary of the Department of Public
8 Safety. It's a milestone year for a very historic
9 department, and I would -- I think I feel safe in
10 saying that we want to be as inclusive as possible in
11 bringing in as many organizations, people, former DPS,
12 interested citizens, whatever, to help the department
13 celebrate this milestone anniversary, so I would
14 imagine that, you know, we will be reaching out to you
15 and your group to participate in that endeavor.

16 MR. LYON: Thank you, sir.

17 MR. POLUNSKY: Thank you for being here.

18 Anybody else?

19 All right. I'll move to New Business.
20 Discuss and possible action to acknowledge individuals
21 who have served the department in the 81st Legislative
22 Session. Mr. Clowe.

23 MR. CLOWE: Mr. Chairman, with your
24 permission, I'm going to go down on the floor to make
25 this presentation.

1 The business of this agency and this
2 Commission is serious. It involves the protection of
3 all the lives of the people of the State of Texas and
4 our visitors, and we take our business serious as you
5 can see from the agenda items that are posted today for
6 this meeting, and there was no more serious business
7 than the conclusion of the 81st Session of the
8 Legislature and this agency's representations to the
9 legislature in the pursuit of our budget matters and
10 other legislative items that were of interest to this
11 agency. but while you're conducting serious business,
12 it's okay to have little fun too, and there was some
13 fun about a month ago. I'm not sure I really
14 understand why it was done, but Robbie Knievel jumped a
15 motorcycle over two beer trucks in front of the
16 Capitol, and, you know, I'm not a motorcycle rider, I
17 know we have a lot of motorcycle riders in the DPS, but
18 that was an event that caught a lot of attention and it
19 caused peopled to think about, well, why did he do
20 that? How tough was that? How difficult was it?

21 And Commissioner Steen, Commissioner
22 Brown, Commissioner Barth, and I sort of had a
23 revolution or a revelation, maybe it was a thought, of
24 Chairman Polunsky and what he has done in the 81st
25 Session of the Legislature. You know, every time you

1 looked up, he was there and he worked night and day on
2 behalf of this agency. Where he got the time and where
3 he got the effort -- I know where he got the money
4 because he's so rich, but I have never seen in my years
5 of public service anyone that put forth the effort on
6 behalf of this agency that the chairman did, and I know
7 all of you are grateful for that and his service and
8 certainly the commissioners and I am.

9 Mr. Chairman, would you come down here,
10 please?

11 We envisioned the chairman on a
12 motorcycle, on a DPS motorcycle in a DPS uniform, and I
13 want to read this plaque to you as you see it on the
14 Steen Screen in front of you: In recognition of
15 jumping exceptional obstacles during the 81st
16 Legislative Session. Special recognition to Chairman
17 Allan B. Polunsky from your fellow Commissioners, Carin
18 Marcy Barth, Ada Brown, C. Tom Clowe, junior, and John
19 Steen of the Texas Public Safety Commission,
20 July 17th, 2009.

21 MR. POLUNSKY: Commissioner Clowe, I
22 don't know whether I should be thanking you for this
23 plaque or not, but I'll give you the benefit of the
24 doubt. And this kind of looks like me.

25 MR. CLOWE: It is you.

1 MR. POLUNSKY: In any event, thank you
2 very much for this recognition. This is the second
3 meeting in a row that I've received something, and,
4 believe me, there are any number of people, most of the
5 people in this room, that worked many, many more hours
6 than I did, and whatever I did was certainly a labor of
7 love to be working with the people here at DPS, but I
8 do appreciate this recognition. It will go on my wall
9 of honor, which is, as you would expect, a very small
10 wall, but I do appreciate very much this moment. And,
11 once again, thank you for allowing me to be associated
12 with this Department and the many, many wonderful
13 people who work here. Because there are none finer out
14 there in the world with law enforcement or state
15 government or just generally speaking. You're really
16 wonderful people and I love every moment of being part
17 of this organization, so thank you.

18 MR. CLOWE: Thank you.

19 MR. POLUNSKY: And now I know what that
20 agenda item was all about. I should read these agendas
21 more carefully.

22 Next item: Discussion and possible
23 action regarding the search for a Division Chief for
24 the Driver's License Division, interview processes for
25 this position, status report on the search, and

1 possible action regarding management position
2 candidates.

3 Do you have anything on that, Colonel
4 Beckworth or --

5 MR. BECKWORTH: Mr. Chairman, we don't
6 have anything at this time, so we're asking that you
7 hold it for the next meeting.

8 MR. POLUNSKY: Mr. Clowe, do you have
9 anything?

10 MR. CLOWE: No, sir. I was absent at
11 the last meeting. Was an assignment made of that task?

12 MR. POLUNSKY: No, it was not, but I
13 know that you've had a special interest in the Driver's
14 License Division, so --

15 MR. CLOWE: I would be happy to work
16 with the Colonel if that would be the Commission's
17 desire.

18 MR. POLUNSKY: Okay. Is that something
19 that you're interested in as well, Ms. Barth?

20 MS. BARTH: I'm interested, yes.

21 MS. BROWN: You are now.

22 MR. POLUNSKY: Well, you two have spent
23 some time on that, so I just thought --

24 MS. BARTH: I would be happy to.

25 MR. POLUNSKY: -- if you do not have

1 objections, then I would go ahead and ask that you
2 continue forward in that endeavor to address the issue
3 at the Driver's License Division with respect to a
4 permanent chief's position and exactly where we are
5 there, so --

6 MR. CLOWE: We will do so.

7 MR. POLUNSKY: Next item: Review of
8 pending contracts. Chief Ybarra.

9 MR. YBARRA: Oscar Ybarra, Chief of
10 Finance. Good morning, Mr. Chairman, Commissioners.
11 The contracts on the Public Safety Commission review
12 list meet the criteria of Policy No. 1A2 of the Public
13 Safety Commission contract policies which were adopted
14 on October 16th, 2008. This policy states that the
15 criteria has any change order, individual or in
16 combination with other change orders, that increase the
17 original contracts for commitments by 50 percent or
18 more as long as the dollar amount of the change order
19 is \$100,000 or more.

20 The first one is the renewal of a
21 contract for the electronic prescription and
22 transmission system. The estimated renewal cost is
23 \$173,100. The project director of this contract is
24 Patrick Canu with the CLE Division if there any
25 questions regarding this contract.

1 The second contract is the renewal of a
2 contract for official prescription forms, deduction and
3 distribution. The estimated renewal cost is \$570,000.
4 The project director for this contract is, again,
5 Patrick Canu with the CLE Division if there any
6 questions.

7 An additional cost to a renewal for the
8 software development, maintenance, and support contract
9 for non-IMS supported Highway Patrol Information System
10 Applications, and was reviewed by the Public Safety
11 Commission at the June meeting. The renewal cost was
12 incorrectly stated at \$750,000 at the last meeting.
13 The renewal cost should have been shown at \$800,000, an
14 \$85,000 difference. The project director for this
15 contract is Todd Early with the Highway Patrol Division
16 if there are any questions? This contract is submitted
17 for your review.

18 MS. BARTH: I have a question. Two of
19 these contracts -- although, I just heard you say it's
20 not an IMS contract related to Information Technology.
21 Is that correct?

22 MR. YBARRA: Yes, ma'am.

23 MS. BARTH: In trying to coordinate and
24 make sure IMS is aware of what's going on, are they
25 aware of these contracts and are they aware of the

1 vendors and have they looked at all the issues that
2 might affect IMS?

3 MR. YBARRA: Yes, ma'am. During our
4 contract review, if they are from IMS -- if there is a
5 contract that affects IT, a review team at the IMS
6 Division reviews their contract; it's a requirement.

7 MS. BARTH: Okay. But I guess the
8 question I had was: Texas Highway Patrol, you
9 specifically said it's a non-IMS contract, but it's an
10 information systems contract.

11 MR. YBARRA: I have defer to Highway
12 Patrol to be able to answer that question, the
13 specifics on that.

14 MR. POLUNSKY: Chief Baker.

15 MR. BAKER: Good morning, Chairman,
16 Commissioners. I'm David Baker with Highway Patrol.
17 I'm also asking Todd Early to come up.

18 This contract is for contractors that
19 have written software for our computer-aided dispatch
20 and also our very successful in-car system, and I'll be
21 happy to answer any questions if you might have them.

22 MS. BARTH: You know, because all of
23 this is ultimately IMS, I just would like to think that
24 someone from IMS's headquarters is aware of these
25 systems and, you know, has had their input as to

1 potential issues they might see or notices, and that's
2 what I'm asking.

3 MR. EARLY: Todd Early, Director of
4 Communications and Technology.

5 Commissioner, we stay in close contact
6 with Chief Lane and his group within IMS of these
7 applications and normally run these contracts and those
8 items affecting those systems by them and we also meet
9 with them every Monday morning, with his management
10 staff, and stay in close contact with them on the
11 development of these systems.

12 MS. BARTH: Okay. That's what I wanted
13 to make sure.

14 MR. CLOWE: Commissioner Barth, I want
15 to come in on what I think is your line of thinking
16 there and I'd like to make a statement that it's my
17 understanding of where this Commission wants IMS to
18 go -- and if the commissioners don't agree with me, I
19 would be very appreciative of their comments. We
20 employed Chief Rable as the Chief Information Officer
21 of this agency with the intention that all IT functions
22 be under his supervision, direction, and control. It's
23 my sense that, over the years, those functions have
24 gone out into other divisions and that is not a good
25 thing. And there's some in Highway Patrol, there was

1 some, I guess there still is, in driver's license, and
2 IMS may have been given a cursory look at some of these
3 things, but divisions have sprouted their own
4 information technology function, and my sense is the
5 Commission doesn't want that.

6 We want Chief Rable to bring those back
7 into IMS and make them better and serve the customer,
8 their user, which is Texas Highway Patrol, Driver's
9 License, Texas Rangers, and other functions, but the
10 sense that I had when we brought Chief Rable in is,
11 he's the CIO of the agency, and I think, Commissioner
12 Barth, now is a good time to say that on the record and
13 get that understood if that was the sense of the
14 Commission when we made that move. We have not dealt
15 with the organizational chart of the agency; I
16 understand that. I think we have really deferred that
17 for the next move of the appointment of a director, but
18 that was the intent the commissioners had, in my
19 understanding, and I think this is a good time to say
20 it and put it on the record and send the word that we
21 want these things to come back into IMS as fast as the
22 division chiefs and Chief Rable can accomplish that.

23 MR. BAKER: We'll certainly be happy to
24 work with IMS to facilitate that.

25 MS. BARTH: That's all I have.

1 MR. POLUNSKY: Thank you.

2 I'm going to defer D for the moment.

3 The next item: Discussion and possible
4 action to celebrate the DPS 75th anniversary.

5 MR. CLOWE: Mr. Chairman?

6 MR. POLUNSKY: Yes.

7 MR. CLOWE: I was kind of lost after I
8 made my comment. Was there any action on those pending
9 contracts that was required or --

10 MR. POLUNSKY: I think it's a review.

11 MR. CLOWE: So we've reviewed it?

12 MR. PLATT: You were informed and
13 basically you've had a chance to review the contracts.
14 If you have any objection, you can --

15 MR. CLOWE: And there were no objections
16 taken, so --

17 MR. PLATT: No objections.

18 MR. POLUNSKY: And you're okay?

19 MR. CLOWE: Yes, sir.

20 MR. POLUNSKY: Everyone else okay on
21 that?

22 MS. BROWN: Yes.

23 MR. POLUNSKY: As I mentioned earlier
24 this morning, 2010 will be the 75th anniversary of the
25 Department of Public Safety. Obviously it's a

1 milestone for the Department. I would like to see the
2 Department and the State of Texas actually celebrate
3 this jubilee for the Department of Public Safety in a
4 very appropriate manner. I don't have any specific
5 recommendations as to how that would be accomplished.
6 I think it would be best accomplished by putting
7 together a committee that would consist of present
8 employees of the Department of Public Safety, past
9 employees of the Department, organizations that are
10 associated with the Department, and just the general
11 population. This is without question one of the top
12 law enforcement agencies in the country and I think
13 that we need to pay homage to that and at the same time
14 have a good time celebrating where we are and
15 reminiscing on many of the past accomplishments of the
16 Department.

17 So all I'm doing this morning is, I am
18 putting this out for discussion and thoughts certainly
19 among the other commissioners and any others that have
20 any ideas in this respect, but I would certainly be
21 open to forming some type of committee that could be
22 involved or would be involved in orchestrating some
23 type of celebration or series of events that would
24 acknowledge the 75th anniversary of DPS.

25 Any thoughts among the other

1 Commissioners?

2 MR. CLOWE: Mr. Chairman, I think it's
3 very appropriate. I was serving as the executive
4 director of the Railroad Commission of Texas when they
5 had their 100th anniversary, and a committee was
6 formed just as you have outlined which worked on
7 actually a two-day series of events, wherein, the
8 governor spoke at one event. There were a number of
9 legislators, elected officials who spoke. There was an
10 evening function and a series of events that celebrated
11 that occasion. And, in my view, the 75th anniversary
12 of the Department of Public Safety far eclipses any
13 other 75 anniversary or maybe any other 100th
14 anniversary that I know of. There was a challenge coin
15 struck to commemorate that event and there were
16 presentations of appreciation and it was really a
17 signal -- a series of events that were celebratory in
18 nature to mark that occasion, and I think a similar
19 thing is very much in order for the Department of
20 Public Safety.

21 MR. POLUNSKY: Well, thank you for those
22 nice words, and I'm glad you were involved in the
23 celebration of the 100th anniversary. I do understand
24 that you were present back in 1935 when they opened
25 this place.

1 MR. CLOWE: I was alive.

2 MR. POLUNSKY: So there's no one more
3 appropriate than you to be involved in all this.

4 MR. CLOWE: I think I was here but I
5 think I was late.

6 MR. POLUNSKY: At least you're
7 consistent.

8 MR. CLOWE: We got a sergeant at arms
9 here?

10 MR. POLUNSKY: No, but, seriously, this
11 is a big deal. I mean, this is something that -- you
12 know, that we really need to embrace. Again, I have no
13 specific proposals today, but I will certainly
14 entertain ideas, suggestions, people who would like to
15 volunteer in putting together a committee that would be
16 involved in planning the appropriate events that I
17 think are certainly required for a milestone of this
18 significance.

19 I just briefly talked to Dorothy this
20 morning and she might be the appropriate person to
21 receive interests from individuals, if you have no
22 objection, Dorothy. Certainly anyone who would like to
23 contact me, you know, you're welcome to do so. But I
24 would just ask you to think about what we can do, and
25 if you're willing to stand up and be involved, like

1 somebody has already done this morning, I would
2 certainly invite you to do so. Hopefully at our August
3 meeting, we will have some more concrete ideas and
4 structure in place so that we can start going forward
5 on planning events that will allow us to celebrate this
6 anniversary, but I did want to put it out for
7 discussion this morning. So thank you on that.

8 Moving to ongoing business: Reports,
9 discussion, deliberation, and possible action regarding
10 the following: One, the procurement of a project
11 management contract to implement organizational changes
12 and planning regarding the development and
13 administration of the project management plan for
14 reorganization. Commissioner Clowe.

15 MR. CLOWE: Mr. Chairman, this item was
16 deferred last month until a future date, and it's my
17 understanding that you're communicating with the
18 Deloitte representative, and his daughter is helping in
19 that, for the designation of a date wherein we might
20 have that workshop meeting, and I think that's the next
21 step, and I don't know what the progress of the
22 designating of that date is to this point in time.

23 Linda, can you --

24 MS. DOHERTY: Tentatively you have
25 August the 19th for the next Public Safety --

1 MR. CLOWE: I will be in Argentina that
2 day. I hate to say that on the record, but --

3 MS. BARTH: Is that a Wednesday?

4 MS. DOHERTY: It is a Wednesday.

5 MS. BARTH: I guess I wasn't aware, but
6 I believe that's my kids' first day of school.

7 MR. POLUNSKY: All right. Well, why
8 don't we do this, we will likely be selecting a new
9 director today. That director, in my opinion, needs to
10 be very intimately involved in this process, in this
11 exercise. Let's get that individual and then also poll
12 the various commissioners to see what date would be
13 best for everyone so everyone can in fact participate
14 and just go from there. Okay?

15 Discussion and possible action to
16 implement organizational changes and possible next
17 steps in planning to develop and administer a project
18 management plan and project management office for
19 reorganization of the Department.

20 Again, Commissioner Clowe.

21 MR. CLOWE: I think that would be
22 covered under Item one that we just talked about,
23 Mr. Chairman, if that's agreeable to the board.

24 MR. POLUNSKY: I would agree with that.
25 Any discussion on that?

1 Next one: Executive search firm
2 services for executive director and management
3 positions, interview processes for those positions,
4 status report on the search, and possible action
5 regarding the employment of management position
6 candidates to include the Director of the Department.

7 We have, I think, pretty much brought
8 that close to a conclusion and we have conducted our
9 final interviews and we will be taking a vote on that
10 later today. Beyond that, I don't think there's any
11 need to discuss it.

12 MS. BARTH: Let me ask you a question.

13 MR. POLUNSKY: Yes, ma'am.

14 MS. BARTH: The inspector general
15 position, how [inaudible]

16 MR. POLUNSKY: I don't --

17 MR. PLATT: Mr. Chairman, one of the
18 reasons you left this on the docket was for that very
19 reason, if you had additional positions. It is not
20 limited to the director search, and I know Commissioner
21 Barth has expressed to me that -- that IT position is
22 one that is mandated by the legislature and I know the
23 Commission has answered it, so we've left it on there
24 in case you choose to use an executive search firm.
25 That's the only reason we left it on the agenda.

1 MR. POLUNSKY: Okay. Well, certainly,
2 the selection of an inspector general and the standing
3 up of that office is extremely important to the
4 Commission, in addition to the fact that it's now
5 statutory or soon will be.

6 What are your thought on that,
7 Commissioner? Is that something that you would like to
8 turn over to a search firm or have done internally
9 or --

10 MS. BARTH: I personally think we need
11 to turn it over to a search firm.

12 MR. POLUNSKY: Okay.

13 MS. BARTH: This is a hire out of the
14 Commission right, by the commissioners?

15 MR. POLUNSKY: Yes. The rest of you
16 want to weigh in on this?

17 Colonel Beckworth, could you have a
18 proposal or a recommendation ready for our next meeting
19 so that we can possibly take action on that issue at
20 that time?

21 MR. BECKWORTH: Yes, sir, I'll put that
22 together.

23 MR. POLUNSKY: Thank you.

24 Thank you for bringing that up.

25 Next item: Implementation of Driver's

1 License reengineering, new Driver's License System, and
2 options regarding the implementation. Chief Kelley.

3 MR. KELLEY: Good morning. I'm Michael
4 Kelley, interim Chief of the Driver's License Division.

5 MR. RABLE: Brad Rable, Chief
6 Information Officer.

7 MR. KELLEY: On the Driver's License
8 system, Chief Rable, one of his first duties when he
9 came on board was to meet with me and to analyze where
10 we are on the process of rolling out the new system.
11 We've stayed in close contact with Commissioner Barth
12 with regards to the funds, if they're available, and
13 where we are in the project, and working with her to
14 keep her informed, we've decided to halt anymore
15 rollout until we can do several things.

16 One is to analyze the actual processes
17 themselves. We need to see whether or not the process
18 that will be used in the Driver's License Offices is in
19 a user-friendly and in a manner that's going to speed
20 up and help us to get rid of those long lines and to
21 speed up the service we provide to our customers. The
22 second is, what kind of training will be involved to
23 get our clerks and our frontline supervisors trained up
24 on the new system to make sure that, what we do
25 produce, we do have some means of training them in a

1 timely manner so they can provide a quality product to
2 our customers. Next would be the actual rollout, and
3 that would include working with IMS for preparing the
4 office, working with At&T to set up the landlines,
5 working with the vendors, Deloitte and BearingPoint, to
6 make sure that the computer and equipment is rolled out
7 properly and make sure that we do it in a rollout
8 schedule that is not so aggressive that we set
9 ourselves up to where, if we have one mistake, the
10 whole rollout fails.

11 The original assessment was that we
12 would roll this out across the State of Texas in four
13 weeks. Chief Rable and I met and reviewed that,
14 contacted Commissioner Barth to keep her informed. We
15 feel that's a little too aggressive, so we'd like to
16 analyze and review the process at this point before we
17 move forward. In order to facilitate that, Chief Rable
18 and I met yesterday with a representative from Deloitte
19 who has offered that they would hire at their cost a
20 PMO that would be assigned to us to strictly handle the
21 project management for the new Driver's License System.
22 Their goal would be to have a representative from the
23 IMS side, a representative from the Driver's License
24 side, a representative from our contractors working to
25 ensure that everybody is on the same page as to how do

1 we get this system to rollout, so that it takes care of
2 when the customer walks into that office to when they
3 receive their document or license at the end. How do
4 we make sure that everything in between works? So at
5 this point, Chief Rable and I will be provided with
6 some candidates who could serve as that PMO. We'll be
7 allowed to visit with them so we can find the right
8 person that we feel personality wise and skills wise
9 will fit into that to assist us.

10 Chief Rable if you'd like to add to
11 that.

12 MR. RABLE: No.

13 MS. BARTH: It is what it is here.

14 MR. CLOWE: I beg your pardon?

15 MS. BARTH: Timing wise, any idea on how
16 long it will take you to assess and --

17 MR. RABLE: Commissioner, in my
18 experience, if we could get a strong project manager
19 who can bring this together, I believe within a two- to
20 three-week period the assessment and reality of what
21 really is going on could be done.

22 MR. KELLEY: The assessment is going to
23 have to involve more than just -- it's going to involve
24 multiple items. It's going to be involved, how do each
25 one of the bureaus in the Driver's License Division,

1 how are they individually impacted by this system?
2 And, fortunately, the way it's been analyzed so far,
3 it's been piecemealed together, where one bureau's
4 concerns were taken care but the next created a problem
5 for another bureau so then another change order had to
6 happen, so it was done piecemeal at this point. What
7 Chief Rable is assisting me with is to help us select a
8 PMO so that we can put all those processes together so
9 that also not only within Driver's License but that
10 what IMS is doing matches up.

11 MS. BARTH: How many offices have been
12 rolled out?

13 MR. KELLEY: Seven.

14 MS. BARTH: Okay. And refresh my memory
15 on the BearingPoint, slash, Deloitte contract now with
16 respect to taking acceptance or whatever that --

17 MR. KELLEY: According to the contract,
18 once they provided the equipment and it was operable,
19 then they had met all the demands in that contract.

20 MS. BARTH: So it was operable, meaning
21 it came up on the screen?

22 MR. KELLEY: Meaning it came up and was
23 a -- it was usable, and not just come up on the screen,
24 but that it was in the format that we had asked for,
25 which were the same -- the application and the process

1 is what we asked for, the computers worked and they're
2 ready to roll and was ready for us to transmit data
3 from them. And once we had reached that, which we did
4 reach after the seventh office was rolled out, we had
5 now, according to that contract, which you might -- if
6 you review the contract, you will notice it's quite
7 favorable to the vendor in a sense that there's no
8 real -- there's no outline of what happens if there's a
9 problem. It just simply says, once the system is in
10 place, once we know that it can transmit the data that
11 was required, that was all that they've been required
12 to do, and so based on that contract, they're done.

13 MS. BARTH: And currently there are
14 seven -- you said seven offices?

15 MR. KELLEY: Yes, ma'am.

16 MS. BARTH: With the seven offices that
17 are open, what kind of issues have we seen?

18 MR. KELLEY: One of the problems is
19 training, making sure that if you -- if you -- the
20 question is, do you send an individual, like we were
21 going to initially, to a room for two days and say read
22 the manual and play with the computer and then you're
23 going to go on the front lines tomorrow. What we found
24 is that that's not conducive because it's hard to learn
25 a thick manual in two days and expect to use it,

1 especially when you've got actual customers, so what
2 we're doing now is, we're adapting that. We're
3 creating, first of all, a quick reference card of any
4 problems we've already learned about how to game the
5 system. We're opening up to have dedicated persons
6 here at the headquarters ready to answer questions for
7 those offices.

8 And the training will now consist of
9 about a half day of actually going through the manual
10 and being introduced to the system and then actually
11 going out on the system with somebody who is already
12 trained on it to walk them through. The reason we're
13 doing it this way, it's kind of like the way retail
14 stores, or if you have a fast food or other restaurant,
15 you usually have someone with that person working with
16 customers until they're comfortable with it. We found
17 that's much easier to do.

18 Next, we found that the -- sometimes the
19 data that's entered into the system, if the screen or
20 any of the system locks up, everything that's already
21 been included in that one transaction can be lost and
22 they would actually have to start over. That's a
23 process that we'll have to analyze and see if we can
24 work on. I will say that an analysis of the Garland
25 office had -- Chief Burroughs, when he went out with

1 Carl Beckworth when they were doing their visits to the
2 district offices, he went and visited and analyzed the
3 Garland office; it is working. Even though there are
4 glitches, there are problems like we just mentioned
5 with training and others, they have found a way to work
6 around those problems and still work within a
7 reasonable amount of time, so we're now going back to
8 their office and finding out what they did to try and
9 improve.

10 But, in general, at this point, the
11 seven offices that have rolled out are not achieving
12 the quicker processing and the quality that we would
13 want at this point in time.

14 MS. BARTH: Okay. And I asked this once
15 before, I'm not sure I remember the answer or got the
16 answer. Previously, the old system, what was the
17 estimation from the time -- not that you waited in
18 line, but from the time you hit the counter to the time
19 you were done?

20 MR. KELLEY: Do you mind if I bring up
21 Chief Gloria to assist me?

22 MS. BARTH: No.

23 MR. KELLEY: Greg Gloria is assistant
24 Chief for headquarters and he can better help with
25 this.

1 MR. GLORIA: Greg Gloria, assistant
2 Chief of the Driver's License Division.

3 Over the years, we've done time studies
4 in reference to the current system that we're under.
5 For the last several months, we've been taking the
6 first week of the month to time our system to see where
7 we're at so that we can do the comparison of the new
8 system. We're developing that data. The next
9 commission meeting, we should be able to provide that
10 to you.

11 But there is minutes that we take in
12 order to do a renewal versus a duplicate, versus an
13 original, versus --

14 MS. BARTH: Do we have somewhere in
15 metrics that say, the duplicate should take this amount
16 of time, the renewal should take this amount of time,
17 and, you know, a kid's permit should take this amount
18 of time?

19 MR. GLORIA: Those are the studies that
20 we're currently doing now. We have done those in the
21 past and we have old data to reflect that, yes, ma'am.

22 MS. BARTH: Okay. Well, I would like to
23 see that old data --

24 MR. GLORIA: Yes, ma'am.

25 MS. BARTH: -- in some sort of a chart

1 use Garland and be able to, you know, have a metrics
2 over the next 12 months to see if we're getting any
3 better or have we in fact added a system that now takes
4 seven more minutes longer.

5 MR. GLORIA: Now, some of the factors
6 that we've put in place for the system there can be
7 done on the front end, which is in the Driver's License
8 Office, versus what was done on the back end, and we
9 looked at it from the perspective of, this can be a
10 better customer service to our customer, so we're gong
11 to scan documents in the office now, where we didn't.
12 Part of the objective was, we want to eliminate as much
13 paperwork as possible having to come through the
14 system. Two, it will get the system to be near
15 realtime, and in order to do that, you provide some
16 time on the front end versus doing it on the back end.

17 MS. BARTH: So do you think the customer
18 will wait longer but it won't take us X amount of weeks
19 to get it to them? Is that --

20 MR. GLORIA: Yes. In the long run, yes.
21 And, also, to be able to provide information to them
22 upfront. Currently, the old system now, if I need
23 information, I have to pick up the phone and call
24 headquarters. That's time consumption that we add to
25 the process. On the new system, our employee will have

1 the availability of that data in front of them as they
2 process through the screen. So we take and give a
3 little bit, so there is going to be some time added to
4 the front end, but we'll be able to provide the license
5 faster and we'll be able to provide information faster.
6 The key was providing information near realtime to the
7 law enforcement community, so that what I'm seeing is
8 today not something that's 48 or 72 hours older.

9 So there's give and take, so there's
10 going to be a little time added to the front end. And
11 the processes that we've added to them and, of course,
12 the new changes that are coming that are -- that we've
13 complied with based on legislation that add time to our
14 process, so it's not just the system itself, but things
15 that we have to go through. The learning curve is the
16 biggie.

17 MS. BARTH: Now, on this new system, are
18 we taking credit cards?

19 MR. GLORIA: Currently we're not taking
20 credit cards at the seven locations that rolled out,
21 but we will be, yes, ma'am, but we are charging the
22 transaction fee currently today at the new seven
23 locations.

24 MS. BARTH: Okay. But when we roll this
25 out, we will be taking credit cards?

1 MR. GLORIA: Yes, ma'am.

2 MS. BARTH: And, Michael, I asked you --
3 it occurred to me along the way, when I was out there
4 with -- unfortunately, I have these kids that are --
5 you know, every year seem to be going for a driver's
6 license right now, so, you know, poor you, sorry.

7 MR. KELLEY: It's always good to talk to
8 you.

9 MS. BARTH: Now, the question I have is,
10 it takes cash and check right now?

11 MR. KELLEY: Yes.

12 MS. BARTH: I would like you to tell me,
13 for the Commission's knowledge, the number of bad
14 checks we have a year.

15 MR. GLORIA: And we're trying to capture
16 that data now. I don't have it available for you right
17 now.

18 MR. KELLEY: We've been working on it
19 this week and we'll be -- we'd like to get that for
20 you. Because, as you mentioned, we do not actually go
21 after those individuals. If you write a hot check, we
22 write it off. We don't have prosecution to go after
23 them.

24 MS. BARTH: Do you have any idea on the
25 digits?

1 MR. GLORIA: No, ma'am. I would not
2 even guess for you.

3 MS. BARTH: It struck me and the other
4 commissioners that you write a bad check and we don't
5 collect.

6 MR. GLORIA: And we're not sure if it's
7 broke down through the county. Because the repository
8 that comes into them in reference to all checks for the
9 agency that come in and they --

10 MS. BARTH: Do we have a bad debt
11 reserve?

12 I keep filling this up here, I'm sorry.

13 MR. YBARRA: Oscar Ybarra, Chief of
14 Finance.

15 We do have a bad debt, and, you know, we
16 are -- a couple of items. We are looking at steps at,
17 you know, providing some of this information on credit
18 reports, things of that sort. The Attorney General has
19 a cap on what they're going to look at, if they're
20 going to enforce any of this, and it's normally about
21 \$1,000, so it's really up to us to see what we want to
22 do. And we are taking steps as to, you know, what can
23 we do as an agency if someone writes a bad check. We
24 do send letters out. We do -- we are in the process of
25 possibly affecting their credit. So those are some

1 steps we're taking.

2 MS. BARTH: Well, it would seem to me,
3 we would go to a cash or credit card or money order and
4 eliminate the checks.

5 And I guess the question is, what did we
6 write off last year?

7 MR. YBARRA: We haven't written anything
8 off.

9 MS. BARTH: What's in the reserve right
10 now?

11 MR. YBARRA: I couldn't tell you, but I
12 can get that for you.

13 MS. BARTH: Okay. I'd like that.

14 MR. POLUNSKY: Can you have that
15 information and send it to us in the next couple of
16 days?

17 MR. YBARRA: Yes, sir.

18 MS. BROWN: I was at the DA's office in
19 Dallas and there's a Hot Check Department set aside
20 because checks are bounced so frequently, and guess
21 what the sign says when you go to the Check Department
22 today. It says "no checks." We might want to think
23 about that.

24 MR. STEEN: Chief, you're in a new job.

25 MR. KELLEY: Yes, sir.

1 MR. STEEN: How long have you been doing
2 this?

3 MR. KELLEY: One week.

4 MR. STEEN: One week?

5 MR. KELLEY: Yes, sir.

6 MR. STEEN: It may be premature to ask
7 you this, but what are the three biggest challenges
8 you're facing?

9 MR. KELLEY: Number one is to get the
10 right people in the right places. We've got -- the one
11 thing that's exciting about the division is we've got a
12 wealth of knowledge and we've got some excellent people
13 working there. It's a matter of making sure that we
14 put them in the right place and give them the training,
15 the support, and let them do their jobs. I feel like
16 it's necessary not to micromanage but to let the people
17 know, this is your task, now go use your brain, go use
18 your innovation, go find out what it is you can do.
19 Like General Patton used to tell his troops, "I'll tell
20 you what to do but not how to do it, surprise me with
21 your ingenuity." I want my personnel to be able to
22 think, to come up with solutions and not be afraid to
23 make mistakes, because we can learn from mistakes, but
24 this can be no-fault division.

25 The second thing is, it's going to be

1 the number of personnel, and we're going to be
2 analyzing that and I think we're going to have to
3 prepare through the next -- to get ready for next
4 session to analyze that until the Driver's License
5 system rolls out. How many people can we, through
6 attrition, move from the headquarters out to the field
7 to fill as many of those front line spots as possible,
8 so that way we can assure that, when we have this new
9 system, even if it takes a little longer, if we're
10 saving time on the back end, those people need to be
11 out there in the field on the front lines.

12 The next thing I would say is, making
13 sure that those individuals in the field know that they
14 are the priority. We here at headquarters work for the
15 field not the other way around. The field personnel
16 are the ones who interact every day with the citizens
17 of the State who are applying for a driving license, a
18 driving record, an ID card, and we have to ensure that
19 we have the most quality, efficient people that are out
20 there meeting them on those front lines. And in order
21 to get that -- that's more than just money. It's also
22 going to take morale. It's a matter of making them
23 feel like they're part of the family and that
24 headquarters and the field are not two separate
25 operations, that they are part of our family. They are

1 out there and they need to know that we value the work
2 they do. We value the fact that they sit there day in
3 and day out with long lines in front of them, angry
4 customers, and still manage to do an excellent job,
5 despite the lack of pay, despite the shortage of
6 individuals. Our field personnel are the priority in
7 order to help us able to accomplish our mission.

8
9 MR. STEEN: Thank you.

10 And then back to Deloitte, of course, we
11 sit up here as volunteers, but you got them to
12 volunteer this?

13 MR. KELLEY: Yes, sir. Commissioner
14 Barth asked us to meet with Deloitte and see -- and
15 asked Chief Rable and I if we would propose to them if
16 they could assist us at no cost on the grounds that
17 they helped us already with a study on management
18 organization, they already have a part to play in
19 Driver's License, this new Driver's License System, and
20 we understand that they had a concern that Drew Beckley
21 was concerned that, if the system doesn't work, they
22 also look bad. Because they understand that, if this
23 process is successful, that makes them look good as
24 much as it helps us to serve our customers, so they're
25 offering as a business partner, since they already have

1 a contract dealing with the actual system, they've
2 already assisted us with the reorganization, provided
3 us help so that we can all look good in the end.

4 MR. STEEN: And then regarding the -- in
5 terms of what we're doing with DL, are we shutting down
6 any offices?

7 MR. KELLEY: We have --

8 MR. GLORIA: We're only shutting offices
9 where our terminals are completely dysfunctional and we
10 can't use it anymore. We have a contingency plan in
11 place where all large offices and medium size offices
12 will stay in place. I might have to close a small
13 office and use their equipment. I'm talking a one- or
14 two-person office. So we have a plan in place. We
15 have a handful of offices that are closed statewide
16 because we don't have the equipment or the parts --

17 MR. STEEN: Which of those offices is
18 it?

19 MR. POLUNSKY: Yeah, they're small
20 offices.

21 MR. CLOWE: There was four last week.
22 One of them is Muleshoe and I can't remember the other
23 three.

24 MR. GLORIA: We just found out the great
25 work that IMS has done. They found some parts on eBay

1 or somewhere for us. Chief Rable was able to get --
2 Chief Rable is already earning his money, he's doing
3 great, so we were able to get those offices opened by
4 the end of the week.

5 MR. STEEN: Well, we've got obviously
6 offices all over the state. How did that evolve, where
7 the offices were placed?

8 MR. GLORIA: Where they were placed?
9 One, of course, is way before my time. A lot of them
10 were strategically laid out in large cities initially
11 and then we started expanding the process. The State
12 of Texas is the only state that's known out there in
13 the other states as a DMV that has this many Driver's
14 License Offices. All the other states have a minimum
15 50 to 60 offices and we have 300-plus offices
16 throughout the state. We wanted to provide a service
17 as has been dictated to us over the years so the
18 constituents would not have to travel far to conduct
19 their business.

20 MR. STEEN: Was Commissioner Clowe
21 correct, there's one in every county?

22 MR. GLORIA: There are, I believe, two
23 counties now that we currently do not have one at. At
24 one time, all the counties were covered, that is
25 correct.

1 MR. CLOWE: And, John, you know,
2 everybody wants one in their county, and in the big
3 urban areas, as the chief has said, there are numerous
4 places, but it's really spread out.

5 MR. GLORIA: That's one of the things
6 that we're currently assessing and looking up. The
7 system has changed in the process by statute over the
8 years. Basically, you don't have to come in to see us
9 but every 12 years. Before, it was every four years,
10 so it was different and you always had to come in, but
11 now we require you every 12 years, but it's six year
12 renewal process but you can't go over the internet and
13 do it twice, so it could be 12 years before you come
14 back in to see us. We've changed our business to
15 provide better customer service and people from coming
16 in, but we never looked at reducing offices because
17 sometimes it's not politically correct to do that.
18 That's something we're looking at.

19 MR. STEEN: Well, Chief, what I'd like
20 to suggest is that you look at that. We've got a
21 system in place now, has anybody looked at it recently
22 to say, do we need all of these offices, especially
23 with the capability to do some of these things on the
24 internet? This might be a way that we could save money
25 for the state. I know, in talking with the people in

1 Indiana, when they revamped their driver's license,
2 that was the first step they took, and they looked at
3 all the offices across the state, they shut some of
4 them down. It was controversial, but they used the
5 savings from that to do things that they wanted to do.

6 MR. KELLEY: Now, we have already met --
7 Farrell Walker graciously came to bat with my
8 leadership team. We sat down yesterday. He offered
9 his services to be able to go out when he's doing the
10 regional audits and reviews to ask us to look at items
11 that we would like to see, and one of those was, since
12 region four is next, how many offices are operating?
13 Is it efficient to have one person show up in the
14 middle of -- in an office to serve two people in a
15 whole day, whereas, 40 miles away, they could have
16 served 75 people? And we just ask that those two
17 people drive the difference -- the 40 miles to get
18 their license.

19 There is a large inefficiency there and
20 that's something that I welcome -- I appreciate your
21 interest in asking this. This is the very conversation
22 Chief Gloria and I had yesterday, even after meeting
23 with Chief Walker, is, we need to analyze where those
24 are, but at the same time, we need your support to know
25 that we may close certain offices down and there are

1 going to be lawmakers that may get upset. We need to
2 be able to quantify and show where we're still going to
3 be able to serve out in the large open expanses where
4 there's a smaller population. But I do believe we have
5 inefficiently continued to operate some offices that
6 likely should be consolidated or closed.

7 MR. STEEN: Well, good. Thank you for
8 looking into that.

9 MR. KELLEY: Yes, sir.

10 MR. STEEN: And just on a personal
11 comment, I have a high level of confidence in you and
12 I'm very pleased that you're in this position. Thank
13 you. And I'll put pressure on you, I expect great
14 things from you.

15 MR. KELLEY: Yes, sir.

16 MR. POLUNSKY: Let me make a brief
17 comment. I agree with the point that Commissioner
18 Steen is making. Now, I know that possibly with
19 respect to some of these Driver's License Offices, they
20 may be used in conjunction with the Highway Patrol, so
21 there may be reasons over and above just having a
22 Driver's License office out in some of these locations,
23 but, still, nevertheless, there is an obvious
24 inefficiency when we have so many of these offices
25 spread out through the entire state. And you have

1 successfully tiptoed through some of basic issues there
2 as to why some of these offices are located where they
3 are, but I think we need to look at the overall good of
4 the population, and, to me, the overall good is better
5 served by minimizing a three-hour wait at the Gessner
6 Road Driver's License Office or the Hillcrest Driver's
7 License Office or some of these others where people are
8 waiting for hours and hours and hours and may be having
9 somebody, you know, drive an hour or more once instead
10 of having hundreds of people wait for three hours --

11 MR. KELLEY: Yes, sir.

12 MR. POLUNSKY: -- during a day. So if
13 you're asking for support -- I mean, we're not taking
14 any formal position on this, but I think that the
15 Commission most likely would be supportive of an
16 extensive analysis as to how these offices are more
17 geographically and strategically located and where
18 they're best located in order to serve the 25 million
19 people of the State of Texas and help reduce, you know,
20 some of the pressure points that are, you know, so
21 obviously causing problems to our customers and to the
22 Department itself. So I'm in full agreement with the
23 issue that Mr. Steen has raised here today. I think
24 he's exactly on point.

25 MR. KELLEY: Yes, sir.

1 MR. CLOWE: Chief Kelley, I think it's
2 interesting you brought Chief Rable up with you when
3 you first started. The two newest chiefs handling
4 probably what may be one of the highest profile
5 problems the Department has right now.

6 MR. STEEN: It's easier to duck bullets
7 with two people.

8 MR. CLOWE: Well, you know, it's
9 significant to me that you brought him up and it shows
10 that you're trying to get where I want to see this
11 thing, where IMS is functioning in divisions handling
12 IT problems, and that's really an important thing to
13 me. I spoke on it earlier and I want to emphasize that
14 point, that this thing of taking pieces of IMS into the
15 divisions and making them their own, it hasn't worked
16 here and it's not going to work. We've got to go back.
17 Having said that, you're on the right track. I met
18 with you last night and Chief Gloria, and, frankly, the
19 information I got last night differs a lot from what
20 I've been hearing the last few months, and we're not
21 doing well to this point.

22 I was over at the driver's license
23 office here yesterday and the wait was long. All the
24 people we had there were are not filling the positions
25 at the counters. In Waco, you told me last night the

1 wait was two and a half hours. I went back this
2 morning and the wait was 20 minutes. I worked the
3 line, and I went in and I introduced myself to the
4 people that were standing there and asked them how long
5 they had been in line and were they unhappy and how
6 could we better serve them, and my sense is that, under
7 your leadership and Chief Gloria's -- you're brand new
8 but he's been at the DPS in excess of 30 years.

9 How long in DL? Seven years?

10 MR. GLORIA: All of it.

11 MR. CLOWE: All of it. I remember seven
12 years in our conversation last night and I won't
13 comment on that.

14 The third thing that you mentioned in
15 response to Commissioner Steen is, to me, the most
16 important of all, and that is the motivation and the
17 training and development of the people in the field.
18 And I spent my time yesterday and this morning over
19 there talking to the people in the counter positions,
20 and they were working hard. They are giving it
21 everything they have, and I think it's important that
22 you take back to your employees in this division, you
23 and Chief Gloria, that this Commission appreciates what
24 pressure they're under and how hard they're trying to
25 do their jobs and the support that comes from this

1 board in that effort.

2 We're under the gun, there's no question
3 about it. We are delaying these people, they're
4 unhappy about it. I got a very irate call earlier this
5 week from a lady who was held up for three hours. You
6 know, there's no answer for something like that, but my
7 sense is that you are doing everything humanly possible
8 to mitigate and to get the computer problems solved and
9 get the human training problem solved and your people
10 are getting organized. You're getting the right people
11 in the right jobs and they're moving as a team now to a
12 better final solution, and the Commission appreciates
13 the work that you're doing and the Commission will
14 answer for you, that's our responsibility, but anything
15 that you need to get this job done, tell us and let us
16 help you, and if you want us to do special service of
17 some kind, we're ready, willing, and able. Clearly,
18 this and the concealed handgun license issue are high
19 profile problems that we've got to deal with at this
20 agency and we've got to solve these problems.

21 MR. KELLEY: On behalf of the division,
22 we thank you very much for your support.

23 MR. CLOWE: I'm going to be working the
24 lines in the next few weeks. That's one thing I'm good
25 at, so I'll be out there.

1 MR. KELLEY: Can we task you to the
2 customer service training and put you behind the
3 counter?

4 MR. CLOWE: You know, you probably don't
5 want me. I'd probably create more complaints than I'm
6 worth, but I'm good at stirring it up. You know,
7 people like to see a commissioner out there asking
8 questions. The employees like it and the customers
9 like it, so I'll be doing it.

10 MR. KELLEY: Thank you.

11 MR. CLOWE: Take that message back to
12 your employees.

13 MR. KELLEY: We will.

14 MR. POLUNSKY: Anything else? Thank
15 you.

16 The next item is: Update, discussion,
17 and possible action regarding the recruitment policy
18 committee. Commissioner Brown.

19 MS. BROWN: Chairman Polunsky, for the
20 last few months, I've been meeting with troopers from
21 all over the state from various backgrounds and various
22 services to try to map out a strategy for what DPS can
23 do to retain and attract the best and brightest talent
24 in the United States and to bring them in and make them
25 DPS troopers. We've worked with Paula Logan and Oscar

1 Ybarra and we are very close to rolling out a plan and
2 handing recommendations to you for how we think we can
3 do that, so if you will please make that an action item
4 on the next agenda, we will have our strategy all
5 mapped out and ready to present.

6 MR. POLUNSKY: Great. Thank you very
7 much for everything you've done so far on this, Ada. I
8 mean, you've really embraced this issue with passion.
9 You've called me on several occasions to update me and,
10 you know, you know that I have a very high priority on
11 this item, and I think rightfully so, so I'm excited
12 that you're making progress and I look forward to what
13 the recommendations are, you know, soon.

14 MS. BROWN: Thank you.

15 MR. POLUNSKY: Discussion and possible
16 action on year-end repair rehabilitation projects.
17 Chief Fulenwider.

18 MR. FULENWIDER: Sandra Fulenwider,
19 Assistant Chief of Administration.

20 I actually have a slide if someone can
21 put it up there. We had talked in the May meeting
22 about using seized funds for some repair and
23 rehabilitation projects. At that time, you had asked
24 Chief Ybarra to go back and look at the rules on seized
25 funds and see if these projects could properly be

1 funded through seized assets. The answer is, yes, they
2 can. However, in looking at these projects, the agency
3 has decided that we would be better served to use
4 seized funds for projects that have -- that are more
5 directly related to a law enforcement function.

6 Now, we have identified some funding for
7 some of these projects and we actually are underway
8 with other funding on some of these at this time.

9 Are there any questions?

10 MR. POLUNSKY: I don't believe so.

11 Thank you.

12 Next item: Presentation, discussion,
13 and possible action regarding the Driver's License
14 Division, Driver Responsibility, Vendor Management
15 HQ-08-37, September of 2008.

16 It will be Chief Kelley and, actually,
17 also Commissioner Barth.

18 MR. KELLEY: Michael Kelley, interim
19 Chief Driver's License Division.

20 MS. HIBBS: Rebecca Hibbs, Program
21 Administrator for the Driver Responsibility Program.

22 MS. AUCOIN: Aline Aucoin, assistant
23 general counsel.

24 MR. KELLEY: For this, I would ask that
25 Rebecca provide you some information that she went

1 over -- she's gone over with me and I'd like her to be
2 able to answer this since she's the program
3 administrator over the Driver Responsibility Program.

4 Rebecca.

5 MS. HIBBS: Yes, sir. In response to
6 questions that y'all had last time, we did provide a
7 presentation regarding recommendations that we have
8 that we can do as possible improvements or enhancements
9 to the program in order to increase collections. We
10 broke that down into three different categories. One
11 of them is immediate enhancements that we can do based
12 upon the current contract or statutory language. We
13 broke those down into four different categories based
14 on some of the areas where we can make those changes.
15 The next thing that we did was provided changes that we
16 could do that are within the statute and the contracts
17 but would require an administrative rule in order for
18 the Department to proceed with them. And final one is
19 statutory changes related to possible collection
20 actions that could be taken but would require
21 legislative approval.

22 The final page also was in response to
23 questions that y'all had related to the actual notice
24 that's used by the vendor for the Department and the
25 use of Department letterhead on that as well as

1 concerns that you had in relationship to the other
2 notices that they send out for other collection
3 practices that they do. We did provide, in the actual
4 presentation, a copy of the current notice, which I can
5 also hand out here as well. It does show that they use
6 the Department letterhead in relationship to our name.
7 The logo, though, does not include any of the names of
8 the commissioners or the directors.

9 I also have a copy of the two notices
10 that the vendor mails out for their other collection
11 practices. One is court fines and the other one is
12 tollway fines. Those use specifically their letterhead
13 and do not include ours at all.

14 MS. BROWN: Chairman.

15 MR. POLUNSKY: Yes, ma'am.

16 MS. BROWN: Since this is directly
17 connected, there was a gentleman who came earlier to
18 speak to us about the Driver Responsibility Program.
19 He did offer some statistics, but I think it would be
20 helpful to use the Steen Machine to show the breakdown,
21 the notices.

22 MR. KELLEY: Commissioner, when Rebecca
23 heard the question come up, she ran over and ran the
24 statistics, so that's why you can see the Hibbs font
25 right there, just the percentage, and so we did not

1 have it electronically, but just so you'll know, as
2 you'll see on there, the percentage of driver
3 responsibility surcharge is based on points as
4 three percent: Based on intoxication, it's 12 percent;
5 no insurance, driving while license invalid is
6 57 percent; and no driver's license is 28 percent. And
7 that was to answer Mr. Henson's question that he had.

8 MS. BROWN: So an overwhelming majority
9 of these are not, then, connected to the DWI, it seems?

10 MS. HIBBS: No, ma'am. The majority of
11 them are no insurance. DWI is combined in that
12 category, but it's a very small percentage of that,
13 literally maybe two to three percent, just very close
14 to the points percentage.

15 MS. BROWN: Okay. Thank you.

16 MR. STEEN: There's no way we can put
17 this up for everybody to see?

18 MS. BROWN: May I ask a question in the
19 interim?

20 MR. POLUNSKY: Yes, ma'am.

21 MS. BROWN: I've got a question. Having
22 read the suggestions here on the second page in your
23 category of immediate enhancements, under your
24 suggested enhancements, I was perplexed by the note
25 that we have a current practice of allowing customers

1 the option to be added to the "Do not call list." Can
2 you tell me about that, please?

3 MS. HIBBS: Yes, ma'am. That was
4 information that -- because the original approach that
5 we had for doing outbound calls was to be more customer
6 service oriented rather than true collections based.
7 Because of that, the direction was to allow individuals
8 to say they didn't want to be called anymore and the
9 Department would honor that request. That is not a
10 collections practice and the law does allow individuals
11 to be called even if they say they don't want to be, so
12 that is one of the recommendations that we have, is to
13 discontinue that list.

14 MS. BARTH: Is the vendor here on this
15 contract?

16 MS. HIBBS: Yes, ma'am.

17 MS. BARTH: Okay. I would like to hear
18 last year what the vendor collected for DPS.

19 MR. KELLY: They have a presentation
20 that includes that information if you would allow them
21 to come forward. They had copies -- they wanted to
22 show you that information.

23 MS. HIBBS: Specifically they have
24 overall collections. Didn't know if y'all were also
25 wanting to know how much they collected individually as

1 well.

2 MR. POLUNSKY: I'm interested in that.

3 MS. HIBBS: Okay. They don't have that
4 as part of their presentation, but I do actually have
5 that dollar amount available. Over the last two years,
6 they've collected approximately \$12 million annually.
7 We anticipate that they'll collect that same amount
8 this year as well.

9 MS. BARTH: So off this contract,
10 they've made \$12 million per year over the -- or the
11 [inaudible] I'm sorry, which one is it?

12 MS. HIBBS: It's \$12 million a year over
13 the last three years. Prior to that, at the inception
14 of the program, they had a much lower amounts. In
15 2006, it was a little over \$8 million, and then in
16 2005, it was just over \$4 million, so it has increased.

17 MR. POLUNSKY: And walk me through this
18 again. How is this contract renewed?

19 MS. HIBBS: When we originally went
20 through and looked at the option for renewals, we went
21 ahead and determined that, based off of the vendor
22 processing everything that we had requested up to that
23 part, following through with everything that we had,
24 even though we knew the collection rate was only 37
25 percent, we opted to renew it. It did go through the

1 formal process, the HQ33 process for the formal
2 renewal. It was offered to the vendor and they
3 accepted.

4 MR. POLUNSKY: Are there other companies
5 out that do this type of work?

6 MS. HIBBS: We did not go out and look
7 for other vendors; we used the option for renewal
8 instead, but there are other options available, as I
9 understand.

10 MR. STEEN: And I just want to be clear
11 on this. So in 2005, this vendor made \$4 million? In
12 2006, \$8 million? And then keep going. 2007?

13 MS. HIBBS: It was approximately
14 \$12 million in 2007, approximately \$12 million in 2008.
15 We anticipate that they will do that same amount this
16 year?

17 MR. STEEN: And I think I'm troubled, I
18 don't know if others are, that a contract of this
19 magnitude could be renewed. And I think it wasn't on
20 the radar screen. Is that right, Mr. Chairman?

21 MR. POLUNSKY: It most definitely was
22 not, unless we missed it in some way.

23 MS. HIBBS: And it's our belief that it
24 was prior to the implementation of the work you've
25 processed. It occurred -- we began it in January and

1 February not knowing how long it would take for us to
2 go through the renewal process, and it was, I think,
3 signed off in May.

4 MS. BARTH: So a \$12 million contract,
5 which is about, you know, what it was last year, just
6 prior to just being signed off on that?

7 MS. HIBBS: Yes, ma'am, it did.

8 MR. POLUNSKY: We'll hear the
9 presentation from the vendor, but, on the face of it, I
10 have a very strong problem with the Department of
11 Public Safety administratively renewing a contract of
12 that magnitude without going out for additional
13 proposals, seeing what else is out there, maybe
14 re-negotiating with the current vendor. I don't
15 subscribe to that type of public policy.

16 And this is separate from the issue of
17 indigency and so on, we'll take a look at that down the
18 road, but I'm just talking about how this contract came
19 about and how we do business, basically. You know, who
20 knows how many more of these contracts are out there,
21 but we're not going to be doing business that way.

22 MR. STEEN: And now that it's on the
23 screen, why don't you just walk everybody through what
24 this -- what you're showing here on this overview.

25 MS. HIBBS: Yes, sir, certainly. The

1 top portion of it is fiscal year statistics based off
2 of fiscal year 2008 only, so what it provides is, when
3 it says notices sent, those are the actual surcharges
4 that we assessed during fiscal year 2008 and the
5 revenue that was associated with those surcharges. The
6 revenue collected is the amount of money that was
7 collected during that same year. It is not associated
8 with those notices, per se, because it can also be
9 collections based off of notices that were issued in
10 prior years. Of course, we break it down by category,
11 so we do have it for points and --

12 MS. BARTH: Hold on one second.

13 MS. HIBBS: Yes, ma'am.

14 MS. BARTH: Does the vendor keep
15 statistics as to whether it's last year or this year in
16 terms of the amount collected, what year it's
17 associated with?

18 MS. HIBBS: No. There is --

19 MS. BARTH: Because this would skew the
20 numbers quite a bit, and I would hardly call looking at
21 this and saying, okay, well most of those
22 intoxication -- because you've basically mixed the --
23 the vendor has mixed the data. Is that right?

24 MS. HIBBS: Yes, the report itself, this
25 one that was originally implemented when I first came

1 into the program, so I do recognize that, yes, what
2 you're looking at is, I'm trying to say, this is money
3 that I've collected in fiscal year 2008, although it's
4 not directly related to what I've actually assessed
5 during that time period. The vendor does not actually
6 keep statistics, we actually maintain the statistics
7 ourselves, but there is a way for us to ultimately work
8 through programming where we can break it out and say
9 this is revenue that is based off of surcharge
10 assessments for those particular years and separate
11 them out.

12 MR. STEEN: I would be surprised if the
13 vendor didn't have those statistics. They're being
14 paid off of commission.

15 MS. HIBBS: Yes. And we can ask them.
16 They may maintain them as well separately, but the
17 Department also works its own statistics.

18 MR. STEEN: I would agree with
19 Commissioner Barth, we need something better to look at
20 than this.

21 MS. BARTH: I mean, I'm not a -- I don't
22 have a collection agency, but I'd be -- my first
23 thought would be, the probability of collecting the
24 outstanding fine every three years is probably pretty
25 low, but this is just -- to me, the data is a little

1 bit difficult here knowing that they could be anywhere
2 from 2005 to 2008, is that correct, that's in the 2008
3 number?

4 MS. HIBBS: Yes, ma'am, that's correct,
5 for the revenue collected, yes, ma'am. So we can
6 definitely look at making that a separate category
7 where we can break it down by year.

8 MR. STEEN: At some point, if they can't
9 collect it after a certain time, did they write it off,
10 so to speak?

11 MS.HIBBS: No, sir. We do not allow for
12 that. These collections are basically indefinite.
13 Part of that is because of the way it's associated with
14 the suspension of the driving privileges, so that case
15 remains open and they will continue to work collections
16 on it just as they would one that's brand new.

17 MS. BARTH: And if someone were pulled
18 over for speeding and they had an outstanding fine,
19 would that show up?

20 MS. HIBBS: If the law enforcement
21 officer looks at the individual's driving record, they
22 will actually see that there is a suspension for
23 surcharges, and it will specifically say either
24 intoxication surcharge, no insurance surcharge, so the
25 officer can determine that there is an outstanding fine

1 for that.

2 MR. KELLEY: Actually the license itself
3 is suspended at that point and so they're driving with
4 a suspended license, which, in turn, creates another
5 surcharge.

6 MR. STEEN: Continue on this. So walk
7 us through this. So you have -- it's points,
8 intoxication, no insurance, and that's, what, driving
9 without a license?

10 MS. HIBBS: Driving while license
11 invalid, yes, sir, meaning it's suspended and then no
12 driver's license. And so those four categories are
13 broken out for what we have done that particular year
14 and then of course it gives you the total number right
15 below that.

16 MR. STEEN: Okay. So you've got the
17 total numbers. So that's just a totaling of what's
18 above, the \$1,185,000?

19 MS. HIBBS: Yes, sir, so that's the
20 total number of notices -- surcharges that we assessed
21 in fiscal year 2008 as well as the revenue that was
22 billed and the revenue that we collected during that
23 time period.

24 MR. STEEN: Okay. And then how do you
25 get to the 37 percent at the bottom?

1 MS. HIBBS: That is based off the
2 overall statistical information, which is the next
3 category. It is the total amount of revenue that's
4 been billed to date and taking in the total amount of
5 revenue collected, that's the 37 percent.

6 MR. STEEN: So the bottom part of it's
7 cumulative --

8 MS. HIBBS: Yes, sir.

9 MR. STEEN: -- since the program began?

10 MS. HIBBS: Yes, sir, it is. That would
11 be since inception in September of 2004.

12 The specific percentages that are
13 underneath them that say "percent collected" will tell
14 you what each of those categories does in relationship
15 to the amount of revenue that's been billed for that
16 category and the amount of revenue that's been
17 collected, and you'll see that, obviously, our highest
18 compliance rate right now is the points category. It's
19 also the one that we assess the least amount of
20 revenue.

21 MR. STEEN: That's what I was going to
22 ask you. Interpret this for us. What does this tell
23 you when you look at these numbers?

24 MS. HIBBS: Certainly. Obviously we
25 just discussed points. The intoxication and the no

1 insurance are the two where we have the closest in
2 37 percent and 38 percent, which means that they are
3 the highest revenue collections, or the highest revenue
4 that we billed by category. They only do about mid
5 range right now for collections. Usually that's
6 because, for intoxication, the surcharge dollar amounts
7 are higher than any of the others. They can range
8 anywhere from \$1,000 a year to \$2,000 a year. The no
9 insurance, obviously you can tell that they have the
10 higher dollar amount because it is the most number of
11 surcharges that we assess, and usually individuals who
12 are in this program have multiple convictions so they
13 have multiple surcharges that are being assessed. No
14 driver's license is the lowest compliance category, at
15 27 percent. That is most commonly directed at the fact
16 that those individuals, obviously, if they don't
17 maintain their driver's license, they didn't have
18 driving privileges to begin with, and so suspension of
19 them and then the additional surcharge is not much of
20 an incentive to complying.

21 MS. BROWN: Just so I'm clear, if I
22 might chime in, the no driver's license, that category
23 assumes they're individuals who at no point were
24 complying versus had them and they became invalid for
25 some reason?

1 MS. HIBBS: Correct. No driver's
2 license does include individuals who maybe didn't have
3 a motorcycle license but they have a regular operator's
4 licence and they were cited for that.

5 MS. BROWN: Okay, thank you.

6 MS. HIBBS: I would like to point out,
7 and I know we do not have it on here, but the
8 compliance rate is actually higher than the collection
9 rate. The compliance rate we base off of the number of
10 surcharge notices that are actually being paid on.
11 Right now it ranges about 42 to 43 percent compliance.
12 That is actually much larger, but the reason the
13 collection rate is only 37 percent is due to
14 installment plans. As people are allowed to make
15 payments over time, we will immediately show them in
16 compliance with the law when we lift the suspension or
17 prevent the suspension of their driving privileges, but
18 we can't actually show that we've collected that full
19 dollar amount until it's been paid.

20 MS. BROWN: So until it's paid off
21 100 percent, it's just not reflected?

22 MS. HIBBS: Yes, ma'am, that's correct.

23 MS. BROWN: Have we any idea how many
24 people are on installment plans and what percentage of
25 them are current and complying with the agreements? Do

1 we know that?

2 MS. HIBBS: We have looked at that in
3 the past. I apologize, I don't that information
4 directly with me, but I can provide that for you.

5 MR. POLUNSKY: Any other questions at
6 this point?

7 MR. STEEN: Mr. Chairman, do we want to
8 hear from the vendor?

9 MR. POLUNSKY: Yes. Could you have the
10 vendors come up here, please.

11 MS. BARTH: He's got the signature
12 pages --

13 MR. FOX: This is Duncan Fox, Office of
14 General Counsel.

15 I wanted to provide you with copies of
16 grant tracking sheets, which our office uses for the
17 internal processing of our contracts, as well as signed
18 copies of the master agreements and the service level
19 agreements. So I've got copies for you at this time.

20 MR. POLUNSKY: Well, I appreciate that.
21 However, you know, in the future -- and I think this
22 issue has come up previously -- we need to have this
23 information more than 30 seconds before we discuss
24 something of this nature. And I raised this issue at
25 the last meeting, and I think everyone understood what

1 my issue was.

2 MR. CUMMINGS: Bruce Cummings, the
3 President of Municipal Services Bureau. Elie Sackmary,
4 Director of Operations, Municipal Services Bureau.

5 MR. STEEN: Tell me again your title.

6 MR. CUMMINGS: I'm president, president
7 of the company.

8 MR. POLUNSKY: Your last name again?

9 MR. CUMMINGS: Cummings,
10 C-u-m-m-i-n-g-s.

11 MR. POLUNSKY: And your colleague is?

12 MR. SACKMARY: Elie Sackmary,
13 S-a-c-k-m-a-r-y, director of operations for the
14 program.

15 MR. POLUNSKY: Thank you.

16 MR. CLOWE: And where is your company
17 based, please, sir?

18 MR. CUMMINGS: We are at 6505 Airport
19 Boulevard, just down the street.

20 MS. BARTH: You're a local Austin
21 company?

22 MR. CUMMINGS: Yes.

23 It would probably be best if we started
24 on page nine, which will give you a little background
25 on the company.

1 MR. CLOWE: Before you begin, on the
2 handout that your colleague has given us, at the bottom
3 of the page, it's labeled "confidential." Anything
4 that you give the Commission becomes a public document.
5 Are you aware of that?

6 MR. SACKMARY: Yes, we are.

7 MR. CLOWE: This will not be treated as
8 a confidential document.

9 MR. CUMMINGS: I understand.

10 MR. POLUNSKY: Mr. Cummings, why did you
11 put "confidential" on it?

12 MR. CUMMINGS: We typically label
13 presentations confidential. Obviously, there's nothing
14 in here that is confidential, but we still put this
15 label.

16 So MSB has been -- on page nine, sorry.
17 MSB has been in business since 1991 providing services
18 to governments for customer service payment processing
19 and collections.

20 MR. STEEN: Mr. Cummings, sorry to
21 interrupt you.

22 MR. CUMMINGS: Yes.

23 MR. STEEN: It looks like you've got a
24 nice presentation. There's no way we can have our
25 audience participate in it?

1 MR. CUMMINGS: We had asked for copies
2 to be made. Would you like to wait?

3 MR. POLUNSKY: All right. Is there a
4 way to do that expeditiously or not?

5 MS. BARTH: Does somebody have a flash
6 drive handy?

7 MR. STEEN: Mr. Chairman, if I could
8 make a comment. I'm repeatedly frustrated. You know,
9 we have these screens, I'd like for the audience to be
10 able to see what we're seeing, and I wish the word
11 would go out, Colonel Beckworth and others, that,
12 anybody that's making a presentation, we'd like for the
13 audience to be able to follow along.

14 MR. CUMMINGS: I apologize. This was
15 meant to be just background information for questions
16 as they came up, but it appears that it's probably --

17 MS. BARTH: Mr. Chairman, I'd request we
18 try and get this another time. I think we made this
19 known 30 days ago that we wanted to see this. They
20 hand it to us right now and have us going through
21 trying to figure out what's going on, it's not optimal.

22 MR. POLUNSKY: It makes it difficult.

23 MR. STEEN: Mr. Chairman, it's 12:25,
24 would it be okay to take a short break while we're
25 waiting on this?

1 MR. POLUNSKY: Well, we're going to do a
2 couple of other things first.

3 Are you ready? Is this thing ready to
4 go or not?

5 MR. CUMMINGS: Would you go to page
6 nine, please?

7 MSB has been in existence since 1991.
8 We're been in existence for 18 years. We provide
9 payment processing customer service, call center
10 services, and collections specific to government
11 entities. We were awarded the contract in 2004 and had
12 it renewed until 2013. In addition to this contract,
13 we provide services throughout the U.S. We have over
14 600 court clients nationwide that we provide
15 collections and payment processing services to. We are
16 licensed to collect in all 50 states. We have state
17 contracts in Hawaii, California, Wisconsin, and Utah.

18 As an organization, we are a member of
19 the Association of Credit and Collections
20 Professionals. We are also Professional Practice
21 Management certified, which is an industry
22 certification. There are some 7,000 collection
23 agencies in the United States. There are less than 60
24 that have taken the time and effort to get certified
25 within that program; we are one of those agencies. In

1 addition, we are also SAS 70 Type II Certified and red
2 flag compliant, which are data security certifications.

3 One of the things that we excel in is
4 our ability to execute and our ability to hold our
5 agents in an extremely high regard in terms of the
6 level of ethics that they operate within, and we have
7 been able to maintain an A-plus rating with the Better
8 Business Bureau, which is very important to us as a
9 collections vendor because we hold that in high regard,
10 the ability for us to resolve issues and complaints
11 quickly, and it's tough enough for any agency, I
12 believe to maintain an A rating let alone a collections
13 firm to maintain an A-plus rating.

14 In addition, we are ISO certified.

15 MR. STEEN: Mr. Cummings, before you
16 move on --

17 MR. CUMMINGS: Sure.

18 MR. STEEN: -- and one of the
19 commissioners asked earlier, but you are an Austin
20 company?

21 MR. CUMMINGS: That's correct.

22 MR. STEEN: And you said you have more
23 than 600 court clients nationwide?

24 MR. CUMMINGS: Correct.

25 MR. STEEN: So you're not part of a --

1 you're not an office of another nationwide company, so
2 it's all done here?

3 MR. CUMMINGS: It's all done -- yes. We
4 have one central location. Greater than 350 employees
5 operate out of that facility. Next to Highland Mall,
6 which is the old Service Merchandise.

7 MR. STEEN: Thank you.

8 MS. BARTH: How many clients are agents
9 of the Department of Public Safety?

10 MR. CUMMINGS: How many --

11 MS. BARTH: Are similar to the
12 Department of Public Safety, driver's license type --

13 MR. CUMMINGS: They're all government
14 clients, but in terms of surcharge programs?

15 MS. BARTH: Well, specifically driver's
16 license surcharge programs.

17 MR. CUMMINGS: This is our only
18 surcharge program. There's only a limited number
19 throughout the U.S.

20 MR. STEEN: Who owns the company?

21 MR. CUMMINGS: Who owns the company?
22 It's owned by -- it's a private company owned by
23 shareholders.

24 MR. STEEN: Are you an owner and
25 president?

1 MR. CUMMINGS: Yes.

2 MR. CLOWE: It's a privately owned
3 corporation, was that your answer?

4 MR. CUMMINGS: Yes, correct.

5 MR. CLOWE: Thank you.

6 MS. BARTH: I'm trying not to skip
7 around, but I'm going -- so if I go to slide six, you
8 use New Jersey as the example.

9 MR. CUMMINGS: Right.

10 MS. BARTH: Are they a driver's license
11 program like ours?

12 MR. CUMMINGS: Yes, they are. The
13 reason we use this as an example is because that
14 program has been in existence for 26 years. They
15 plateaued at 36 percent. This contract with the Texas
16 Department of Public Safety was set up to be a payment
17 processing call center customer service contract. It
18 doesn't have any specific collections tools designed
19 into the contract. We have achieved a 30 percent
20 rating to date on our recovery rate, which we believe
21 is fairly significant given that there is a large
22 discrepancy in the tools between a program like New
23 Jersey and a program like the Texas Department of
24 Public Safety.

25 And I believe Rebecca talked to -- DPS

1 talked to additional tools that could be employed
2 within the program that will allow us to achieve an
3 improved recovery rating.

4 MR. STEEN: Mr. Cummings, just to be
5 clear, you're using New Jersey as an example but you
6 don't do the collections for --

7 MR. CUMMINGS: That's correct, we do
8 not.

9 MS. BROWN: I've got a question, sir.
10 You have asterisks as citations to the data, but is it
11 36 percent of what total number?

12 MR. CUMMINGS: 36 percent of the total
13 accounts versus what has been collected.

14 MS. BROWN: But do we -- can you tell
15 me -- I mean, I see your citations, but can you tell me
16 what number of accounts there are in New Jersey? I
17 have no concept of what their scale is versus ours.

18 MR. SACKMARY: I apologize. The data
19 for that particular line item was taken from the LDB
20 Interim Report to the 81st Legislature. It did not
21 contain that specifics in our data.

22 MS. BARTH: Okay. So this is just
23 pulled data from LDB's -- I mean from the -- this LDB
24 Report?

25 MR. SACKMARY: For that particular

1 point, yes, ma'am.

2 MS. BROWN: So we don't really know if
3 these numbers are comparable. Correct? I mean, you
4 haven't looked at the underlying data?

5 MR. SACKMARY: The LDB, I believe,
6 pulled that from a task force in New Jersey. They had
7 it put together to analyze the success of the program
8 and --

9 MS. BROWN: You haven't looked at that?

10 MR. SACKMARY: I have not seen the task
11 report, no, ma'am.

12 MS. BROWN: Thank you.

13 MR. CUMMINGS: Page two, just some
14 overview. There are \$1.5 billion in surcharges that
15 have been assessed in this program since its inception
16 in September of 2004. \$620 million, or that
17 30 percent, has been collected as of June 30th in 2009.

18 MR. SACKMARY: As a quick point to that,
19 you saw on the previous slide 37 percent, please note
20 the Department did state that payers currently in an
21 active installment agreement who have not completely
22 complied, those payments are not reflected in that
23 figure. If you take all payments into account, it does
24 show approximately 38 percent.

25 MR. CUMMINGS: All right. It was stated

1 earlier that six percent of the drivers in Texas are in
2 this surcharge program currently. We have a large,
3 dedicated staff to support the program.

4 MR. SACKMARY: A question was posed by
5 the Commission a little earlier regarding the
6 historical analysis of submissions to collections over
7 time. We do maintain that data. We call those history
8 analysis reports. For example, if \$100,000 were
9 submitted for collection in 2005, we can trace the
10 success of collections against just that \$100,000 over
11 time versus collections submitted in 2008. We can
12 provide those reports to the Commission at your
13 discretion.

14 MR. STEEN: Would you do so?

15 MR. SACKMARY: Yes.

16 MR. STEEN: Thank you.

17 MR. POLUNSKY: What is your percentage
18 on this contract?

19 MR. CUMMINGS: Four percent. We have a
20 four percent fee on the contract.

21 MR. POLUNSKY: Of all these other
22 governmental agencies, give me an example. Do you do
23 collections for municipal courts and things of that
24 nature?

25 MR. CUMMINGS: We do. So an example of

1 fees, typical fees for collections contracts range
2 between 22 and 40 percent, that's the highest we have.
3 Then usually the larger ones are add-on fees. This is
4 also an add-on fee, but it's a very low four percent
5 rate.

6 MR. POLUNSKY: And I would assume you
7 have a number of those in Texas?

8 MR. CUMMINGS: We have a number of
9 clients in Texas, yes.

10 MR. POLUNSKY: When you send a letter
11 out, what does the letterhead say?

12 MR. SACKMARY: It would be Department of
13 Public Safety, sir.

14 MR. POLUNSKY: So if somebody has a
15 delinquent fee in San Antonio, hasn't paid their fine
16 to the Municipal Court -- excuse me -- the Municipal
17 Court in the City of San Antonio, they get a letter
18 from your collection agency and it is on a letterhead
19 that says "Texas Department of Public Safety"?

20 MR. SACKMARY: No, sir. I apologize, I
21 thought you were referring strictly to the surcharge
22 accounts. For other clients that we collect for, it
23 will be our logo, MSB.

24 MR. POLUNSKY: All right. So you do not
25 use the Texas Department of Public Safety logo on

1 anything other than what we're talking about today?

2 MR. SACKMARY: That's correct, sir.

3 MR. STEEN: Could you provide us an
4 example of one of those letters?

5 MR. PLATT: Here's one I can give you.

6 MR. STEEN: Mr. Platt, where is it?

7 MR. PLATT: In the notebook. It was in
8 the driver's license report. I'll give you my copy.

9 MR. CUMMINGS: Page three of the
10 presentation lists some of the services that we provide
11 within the program. Again, as I mentioned, this was
12 set up as a customer service billing and payment
13 processing contract. We provide inbound customer
14 service, which amounts to approximately 1.2 million
15 calls per year. We have a requirement that 40 percent
16 of the agents need to be fluent in both English and
17 Spanish within the contract. 4.5 million mailing
18 notices are sent on an annual basis. In addition, we
19 provide a large amount of payment processing services
20 through mail, phone, online, wire transfer, and we have
21 a secure money room in that facility as well. We take
22 approximately 2.2 million payments per year with the
23 support of over 100 employees to support the program.

24 Page four just goes into some specifics
25 on the origin of the DRP legislation. I don't need to

1 get into those details. That's FYI only.

2 Page five gives a breakdown per year of
3 the amount of fees that we have collected on behalf of
4 the Department of Public Safety. You'll see in 2005,
5 we started with a \$41 million collection rate and that
6 has ramped up to what we expect to be approximately
7 \$173 million for 2009.

8 We've discussed page six, a comparative
9 analysis between recovery rates for a comparable
10 collections firm.

11 MR. SACKMARY: This slide was put
12 together in response to the Commission's concern voiced
13 during the last session in which there was a lot of
14 money potentially being left on the table. This is
15 true. With 38 percent collections, there are a lot of
16 people currently nonpaying.

17 As Mr. Cummings stated also, and the
18 Department stated previously, this contract was
19 established as a billing and payment processing
20 contract; it's not a true collections contract. You'll
21 see ahead in the presentation, as well as a previous
22 packet provided by the Department, enhanced collection
23 measures we propose to further boost that figure.

24 MS. BROWN: Just so I'm clear, you make
25 the statement that this was comparable to our program.

1 In your 36 percent, we don't know that percentage of
2 what total number. Right? That's what we're not aware
3 of?

4 MR. CUMMINGS: Correct, yes, ma'am.

5 MS. BROWN: So it could be 36 percent of
6 three instead of three million in Texas?

7 MR. CUMMINGS: That's correct.

8 MS. BARTH: We don't know what the -- we
9 don't have a breakdown of the surcharges. Is that
10 right?

11 MR. SACKMARY: For the state of New
12 Jersey, the data was pulled from the LDB Report, not
13 the task force New Jersey Report where the LDB got
14 their data from.

15 MS. BARTH: So we don't know whether
16 they have a higher fee on DUI or no insurance or
17 whether they put a fee on fee or any of that?

18 MR. SACKMARY: I apologize,
19 Commissioner, I don't have that information available
20 now. We can research it further.

21 MS. BARTH: I don't think this is an
22 accurate measure for us to -- as a bogie without full
23 information about it, you know. That's just my -- for
24 the record, that's my assessment, is that --

25 MS. BROWN: I agree. I'm not sure we

1 has similar surcharges. They have DWI points offense,
2 driving without insurance that's comparable. This is a
3 percentage. We know they have a large volume of cases.

4 MS. BROWN: How do we know that? We
5 don't know the numbers.

6 MR. CUMMINGS: I don't know the exact
7 numbers.

8 MS. BROWN: So you speculate that they
9 have a lot of them? I mean, you just state to me as
10 fact that they have a large number, but he's just told
11 me that he hasn't looked at the underlying data, so how
12 do you know that?

13 MR. CUMMINGS: Again, we can do --
14 again, we can do some additional research.

15 MS. BROWN: But just to be clear, what
16 you're stating is incorrect, then. Right? You don't
17 know?

18 MR. CUMMINGS: I don't know the exact
19 numbers, correct.

20 MR. SACKMARY: The enhanced collection
21 measures we're proposing would be phased in three
22 stages. The first would be the immediate collection
23 measures we can undertake ideally within 60 days of
24 approval and do so coordinated with the Department.
25 Both of these are effective next steps to take, first

1 and foremost would involve the call center and
2 predictive dialer. And frequency of contacts with the
3 persons, currently we are limited based on the outbound
4 calling campaign guidelines under administrative rules
5 on how many times a person can be attempted to be
6 contacted and how many times a person can actually be
7 contacted. Once every 30 days, we're allowed to
8 contact. We would like to increase that to the maximum
9 allowed by law, which would be one contact by as much
10 as once per day and numerous calls per day as needed in
11 order to ensure that we facilitate contact depending on
12 the availability of the surcharge account holder.

13 A dialing campaign strategy target is
14 based on demographics information, and preemptive calls
15 to persons who may not have yet defaulted to advise
16 them of the surcharge accounts to ensure, in case they
17 haven't checked their mail, that they are aware that
18 they have the surcharge owing and they need to pay it
19 before their driving privileges are suspended.

20 MS. BROWN: Just a moment. What do you
21 mean by demographics information? Can you go back to
22 that?

23 MR. SACKMARY: Demographics information,
24 such as, for example, the percentage of homeownership
25 in the region, this would tie directly with the credit

1 bureau reporting, which I'm going to get to, but the
2 percentage of homeowners you may find may have, for
3 example, a higher rate of collection than
4 non-homeowners, so targeting that area with certain
5 calls first might yield higher collections in the
6 immediate here and now.

7 In addition, "near-bys" would be for
8 contacting neighbors or family members, not to discuss
9 the nature of the account obviously but to determine
10 the whereabouts of the surcharge account holder if no
11 current phone information exists for that person,
12 calling work phone numbers during regular business
13 hours to contact them as well.

14 In addition, we'd like to ramp up the
15 actual talk blocks our agents are using on the phones
16 with these surcharge account holders to overcome
17 objections and better secure payment from them live.

18 For letters and notices, currently the
19 notices are informative in nature; we would simply like
20 to streamline those to be more collections oriented in
21 nature, shaped after notices we currently use for other
22 collection programs. Different color paper for default
23 notices may gain further attention from the recipients
24 of that mail, when otherwise white paper might not.

25 Settlement options for large balance

1 account holders, persons with multiple --

2 MR. CLOWE: Could I interrupt you for
3 just a minute, please, sir?

4 MR. SACKMARY: Yes, sir.

5 MR. CLOEW: Where are we going with
6 this, Mr. Chairman?

7 MR. POLUNSKY: Where do I think we ought
8 to be going with this?

9 MR. CLOWE: No. I'm a little confused
10 about what this presentation is to us and what the
11 result will be that's hoped for here. Are we
12 attempting to review this contract at this time or are
13 we just gathering information? Where are we headed
14 with this?

15 MR. POLUNSKY: Well, here's where I'd
16 like to head with this.

17 MR. CLOWE: Good.

18 MR. POLUNSKY: I mean, we can listen to
19 this information, you know, it's all up to you. I've
20 got some philosophical issues with the fact that this
21 contract is in existence, not that we have a contract
22 in existence but the process in which this contract has
23 been renewed without review by the Commission or just
24 in this automatic manner. I would like to give notice
25 of termination of this contract. I would like to have

1 it put out for bid. We can certainly factor in these
2 issues that were raised on any new contract with
3 respect to whether there should be accommodations made
4 for an indigency component to collections and whether,
5 you know, a program should be put into place and so on
6 going forward, but I, for one, am unhappy with a
7 process as I see here. I mean, these contracts have
8 been automatically renewed without any, you know,
9 oversight, actually, other than it appears just coming
10 through the division.

11 MR. CLOWE: Mr. Cummings, you didn't
12 sign the latest document as the president of the
13 company, did you?

14 MR. CUMMINGS: Which document is that,
15 sir?

16 MR. CLOWE: I have a document before me
17 that was signed on January the 24th of 2008 by a
18 Patrick Swank, I believe it is, as the Chief Executive
19 Officer, and then another document which is signed by
20 another gentleman, Mr. G-i-a-m-b-o-i, as president.

21 MR. CUMMINGS: Tom Giamboi was the
22 original president and founder of the company. Patrick
23 Swank is the current CEO of the company.

24 MR. CLOWE: And the date on this is
25 January the 24th of 2008. I'd like for you gentlemen

1 to understand that, it's my assumption, these
2 commissioners are seeing this documentation for the
3 first time and that, in effect, when this was executed
4 with you, the chairman was a member of the commission
5 but was not the Chair and the other four commissioners
6 were not sitting commissioners at that time.

7 And, Mr. Chairman, I think there are two
8 issues that have been raised here that are substantive.
9 One is the mechanics of the contract relative to the
10 size and the functioning of it and then the other is
11 the philosophical aspect of it, which is governed by
12 the rule making of the Commission, and it seems to me
13 that you're expressing, and I would think the
14 Commissioners are in agreement with that, this whole
15 matter needs to be reviewed because it's substantive in
16 nature, and my suggestion would be that we stop this
17 presentation at this point in time and go to work on it
18 and put it on the agenda for our August meeting, and I
19 think the commissioners would be better prepared then,
20 by working with our legal staff and our purchasing
21 department, to ask intelligent and meaningful questions
22 and understand what the answers mean. I'm at a loss,
23 frankly, at this point.

24 MS. BARTH: Well, I guess I would like
25 to see about taking some action and directing counsel

1 to review this contract. I feel very strongly that
2 this contract should have been out to bid.

3 MR. CLOWE: Should have been what?

4 MS. BARTH: Out to bid.

5 I mean, it's a substantial contract and
6 I would at least like counsel to look into canceling
7 the contract.

8 MR. PLATT: There's a 90-day termination
9 provision. This particular contract falls under
10 Transportation Code Section 708.155. Obviously, it
11 predates my time with the Department, but I'm looking
12 at this 90-day termination provision, so we'll put it
13 on the agenda for next month and we will, in the
14 interim, ramp up and be prepared to answer your
15 questions and brief you in Executive Session perhaps
16 before we meet next month and address the agenda item.

17 MR. CLOWE: And a question that should
18 be answered is, how this company obtained this
19 contract. If I'm reading what I've been given
20 correctly, Stuart, and I've just had a chance to review
21 it here in the last few minutes, they initially came
22 into position of this contract in 2005. It looks like
23 it's been renewed annually. Is that correct?

24 MR. PLATT: There are a series of
25 renewals I looked at this morning, the HQ33 is on at

1 least four, possibly five, so --

2 MS. BARTH: Well, why did we renew it
3 for four years?

4 MR. PLATT: I wasn't here so I can't
5 answer that.

6 MR. CLOWE: And the last renewal was on
7 January the 24th of 2008?

8 MR. PLATT: That's correct.

9 MR. CLOWE: Now, what's our status with
10 them now? Has it been renewed again in 2009?

11 MR. PLATT: The last renewal was just
12 prior to this Commission adopting these rules for
13 review of contracts, and if I'm not mistaken, I think
14 that's correct.

15 MR. CLOWE: And for what period was it
16 renewed?

17 MR. PLATT: I believe it was May of last
18 year.

19 Is that correct?

20 MS. HIBBS: It was for a five-year
21 period.

22 MR. PLATT: It's a five-year period
23 since May of 2008.

24 MR. CLOWE: Okay, now that's new
25 information. So we're in a five-year renewal. You

1 see, we just don't have any of this information.

2 MS. BROWN: If I might, Commissioner
3 Clowe, part of the reason that we don't have this
4 information -- granted, there is some more information
5 that could have been handed to us from our side, but
6 part of it is, whenever you're handed statistics, I
7 mean, I don't think it's unreasonable to be able to
8 expect to rely on it.

9 And I've got to tell you, we're going to
10 have serious concerns with implementing something -- I
11 mean, I've got to believe that you're going to deal
12 ethically with Texans that we send you out on our
13 letterhead to have contact with, and I question the
14 ethics of your dealing with us today. I mean, when I
15 ask you what 36 percent of, you ought to be able to
16 tell me that if the title of your chart is that it's
17 comparable, so I encourage you to be a little more
18 forthcoming in your dealings with us next time.

19 MR. STEEN: Commissioner Clowe, to your
20 point, I think it would be helpful, and we need to
21 designate someone to do this, but, you know, we're
22 volunteering our time as Commissioners, and what I see
23 happening, we're getting all this paperwork thrown at
24 us but nobody on the staff is sifting through all this
25 and summarizing for us and we need someone to be doing

1 that, whether that's Mr. Platt, Colonel Beckworth, or
2 someone, Chief Kelly, someone to be giving us, you
3 know, a good summary of all of this.

4 But I have a couple of more questions
5 for you. Who are your competitors?

6 MR. CUMMINGS: I believe the -- the
7 company in New Jersey that runs the program is ACS. We
8 compete against Linebarger in Miami-Dade. We compete
9 against Linebarger and Alliance One.

10 MR. STEEN: Linebarger is a Texas --

11 MR. CUMMINGS: They are a Texas law
12 firm, so we compete against law firms. In every area
13 that we compete, we are number one as a collection
14 agency.

15 From an ethical standpoint, we hold
16 ourselves in an extremely high regard in terms of our
17 level of ethics.

18 MS. BROWN: Can I ask you a question
19 there? You said you're number one. Is that right?

20 MR. CUMMINGS: Yes.

21 MS. BROWN: Of what total? I mean, how
22 many --

23 MR. CUMMINGS: Well, how the Miami-Dade
24 contract works, for an example, is that they take all
25 the accounts, all the cases in the court system for

1 traffic and criminal, they split them up equally based
2 on age of the account, based on type of the account.

3 MS. BROWN: Who do they split it up
4 amongst?

5 MR. CUMMINGS: They split it up amongst
6 ourself, Linebarger, and Alliance One.

7 MS. BROWN: Okay. So of three, you're
8 one?

9 MR. CUMMINGS: Of three, that's correct.
10 Yes, we compete against two other contractors, yes,
11 ma'am.

12 Another example would be the Anchorage,
13 Alaska contract, we competed against Alliance One. On
14 that contract, we had outperformed them so they decided
15 to sole source with us as the agency.

16 MR. STEEN: Were you around when y'all
17 originally got this contract?

18 MR. CUMMINGS: I was not, sir.

19 MR. STEEN: Was your colleague?

20 MR. SACKMARY: I was around, yes, sir.

21 MR. STEEN: And how many people
22 competed -- how many vendors -- or potential vendors
23 competed with you on it?

24 MR. SACKMARY: I can't answer that, sir,
25 I was not involved in that process.

1 MR. STEEN: And I know Commissioner
2 Clowe is anxious to move on and I agree with him. Just
3 the last question: I'm somewhat troubled that you all
4 are using our letterhead, and could someone get me the
5 background of that? How did that come about? Is it
6 something that you're allowed to do under the contract?
7 Explain that to me.

8 MR. SACKMARY: The content of all
9 letters that we send out and the format must be first
10 approved by the Department, so, under that purview,
11 yes, sir, it is.

12 MR. STEEN: It doesn't say anywhere in
13 the contract that you can use DPS letterhead?

14 MS. BARTH: Who reviews the letterhead?

15 MR. PLATT: I don't whether it's been in
16 existence. I have some concerns about letterhead based
17 on a case in Judge Justice's court out of Red River
18 County on the same issue a number of years ago.

19 I did have a question. In your
20 telephonic calls, do you use the Department's name in
21 telephonic calls or your name as an agency?

22 MR. SACKMARY: We use our name as an
23 agency, sir.

24 MR. PLATT: Okay. Is there any other
25 time that the Department's name is used other than the

1 letterhead that's been produced before the Commission
2 today?

3 MR. SACKMARY: We will use the
4 Department's letterhead in singular responses to
5 individual concerns from different surcharge account
6 holders.

7 MR. PLATT: Okay. And would those be
8 form letters or are they tailored by your agency?

9 MR. SACKMARY: Depending on the nature
10 of the inquiry, they will either be form letters
11 or tailored.

12 MR. PLATT: I would express some
13 substantial concern, as general counsel, about that
14 issue and I'd like to address that by next session.

15 MR. CLOWE: And, Commissioner Steen, I'm
16 not eager to move on away from the subject, it's just
17 that I don't think we're going anywhere with the
18 subject. I don't see any conclusion because I don't
19 feel comfortable with any of the data, frankly, that
20 has been given to us and the presentation is not
21 helpful. And my hope is that the Chair will assign a
22 commissioner or two to work with purchasing of -- the
23 General Counsel's Office, the Colonel and dig into this
24 so that we'll get meaningful and helpful information.

25 MR. POLUNSKY: Would you be interested

1 in that?

2 MR. STEEN: Yes. Could I have some
3 help?

4 MR. POLUNSKY: Absolutely. Off the
5 commission or the staff?

6 MR. STEEN: The Commission.

7 MR. POLUNSKY: Commissioner Barth will
8 help you with that. If that's okay.

9 MS. BARTH: That's fine.

10 MR. POLUNSKY: Okay. So thank you for
11 being here today.

12 MR. STEEN: Can I ask one more
13 question --

14 MR. POLUNSKY: Yes.

15 MR. STEEN: -- just because we've got
16 them here and I think this would be helpful to know?

17 Mr. Cummings, what's your philosophy on
18 using the DPS letterhead?

19 MR. CUMMINGS: Our philosophy is that we
20 have our vendors approve all our letters that go out
21 and -- I mean, that's -- I don't have a personal
22 philosophy on that.

23 MR. STEEN: Well, as opposed to using
24 your own -- someone must think -- is it that -- is it
25 because -- why?

1 MR. CUMMINGS: I wasn't involved in that
2 decision, I don't know. I apologize.

3 MR. STEEN: Does your colleague know?

4 MR. SACKMARY: I apologize as well, sir,
5 I was not -- I do know that the letters in their
6 current format were approved. In terms of the
7 rationale behind that, no, sir, I can't speak to that
8 at this time.

9 MR. STEEN: Could you provide that?

10 MR. CUMMINGS: Sure.

11 MR. STEEN: If someone could explain
12 that business decision to use our letterhead rather
13 than yours and why.

14 MR. CUMMINGS: Okay.

15 MR. POLUNSKY: Okay. So at our August
16 meeting, we're going to revisit this issue. We'll have
17 full documentation and support information that will
18 allow us to really understand what has taken place here
19 in the past. It will be placed on the agenda as an
20 item for termination, Mr. Platt?

21 MR. PLATT: Possible action for
22 termination.

23 MR. POLUNSKY: Possible termination.

24 I will say this, it would be not in your
25 best interest to have any lobbyist or any state

1 official contact me on this issue. It will not be --
2 it will not be, you know, received well.

3 MS. BROWN: Should you supply any data
4 to us at the next meeting, at this point, I would need
5 you to support that with the underlying research.

6 MR. CUMMINGS: Yes, ma'am.

7 MR. STEEN: Mr. Chairman, who on the
8 staff is going to pull all this information together?
9 Would you designate --

10 MR. POLUNSKY: Well, I would say it
11 would be Chief Kelley in conjunction with our general
12 counsel.

13 Is that okay with y'all?

14 MR. PLATT: That's fine.

15 And it looks like there's actually
16 several issues here that need to be addressed not just
17 one and --

18 MR. POLUNSKY: Well, let me tell you, I
19 want all of them addressed. I want all the loose ends
20 addressed, put on the table. Not to say, at the end of
21 the day, that, you know, if we go out and re-bid, you
22 know, this contract, that they may not be the company
23 that we go with, but I want to go through a process.
24 You know, and I am deeply disturbed by the way this has
25 been handled in the past, and if there are other

1 contracts like this out there, they better float to the
2 surface quickly and we're going to be looking at those
3 as well.

4 MR. STEEN: Mr. Chairman, and I'm
5 pleased to have the help of Mr. Platt and Chief Kelley.
6 I also know they are swamped over there, but they're
7 the people we want be working on this?

8 MR. KELLEY: Mr. Chairman, if I may, I
9 think we owe it to you. I think it's our
10 responsibility. This is a contract, first of all, even
11 though it was done under our predecessors, it falls
12 under the General Counsel's approval, it falls under
13 the Driver's License Division. First of all, I
14 apologize if this information was not put together in
15 better reference. We will fix that and we'll come
16 forth next time with some format.

17 We also know that we owe you information
18 on the number of persons in the [inaudible], comparison
19 of Texas and New Jersey data, indigency, all these
20 issues that have been brought up. I will get with
21 Chief Platt, we will answer those questions. We will
22 provide it to you ahead of them and we'll be prepared
23 to present and answer any questions at the next
24 meeting. We will also provide you, for example, a
25 handout, some letterhead, so you will have that ahead

1 of time.

2 But I will commit to you that, if you
3 ask for this type of information again, we will all get
4 together ahead of time, put it together in some format
5 that's coherent. And I apologize if it's --

6 MS. BROWN: I think, in fairness, since
7 it was their New Jersey statistics, I think it would be
8 very helpful if you would provide your data to him. I
9 mean, they've got enough on their plate. I think you
10 ought to clean up your own presentation.

11 MS. BARTH: Mr. Chairman, I do have one
12 other comment, and it is to remind the commissioners
13 that this percolated up at the audit that was deemed
14 fine, I mean, so we need to keep that in mind. I mean,
15 that's just -- several months ago, their audit, you
16 know, package in a stack came to me and I happened to
17 look at it and, you know, just caught -- not
18 understanding the contracting process, it disturbed me
19 just on the numbers, and so I think somewhere along the
20 way, we need to make sure that on the audit information
21 we're getting that there's a way to distill it a little
22 bit better. Because, really, I just saw the numbers
23 and sent, I think, Commissioner Clowe originally, and
24 maybe even the Chairman, I just said, this just,
25 business wise, doesn't make sense. I think I sent all

1 the commissioners a note, I'm going to call for this,
2 so --

3 MS. BROWN: Thank you for your
4 attention.

5 MS. BARTH: It's just sort of
6 interesting how this whole thing has evolved.

7 MR. STEEN: Well, and why is this
8 important, as we close this discussion, you know, I'm
9 looking at the original chart that was put up, but I
10 guess -- I don't have a calculator with me, but I think
11 we're talking about half a billion dollars that's
12 uncollected for the State, so I think that's well worth
13 our time to look into.

14 MR. KELLEY: Mr. Chairman, if I may ask,
15 with this subcommittee, or group, with Commissioner
16 Steen and Commissioner Barth, could we also look at the
17 indigency program?

18 MR. POLUNSKY: I think that's
19 appropriate to incorporate that into this review.

20 MR. KELLEY: Okay.

21 MR. POLUNSKY: I think that there's some
22 obligation for this Commission and Department to review
23 that and see, you know, what needs to be done in order
24 to factor that into this program.

25 MR. KELLEY: As a point of information,

1 Athena Ponce, who is here with Senator Hinojosa's
2 office, she worked with us on the Sunset Bill, House
3 Bill 2730. Rebecca was with me when we were working on
4 the Sunset Bill when DRP was the one thing that held it
5 up on the last day of the Senate. We committed to
6 Senator Hinojosa that, during the interim, we would
7 look at the indigent program, because it was brought up
8 and Senator Shapleigh was concerned, and so, as
9 Mr. Henson correctly point out, the delay on -- the
10 courts determining indigency was delayed until 2011,
11 but the commission was charged by one of the amendments
12 in the House side by Representative Turner to go ahead
13 and look at the indigency, and we committed to those
14 lawmakers, and I believe it is -- it's very useful that
15 we go ahead and move forward and take advantage of
16 this, to go ahead and implement what we committed to
17 those lawmakers.

18 MR. CLOWE: If that's the legislature's
19 intent that I mentioned earlier --

20 MR. KELLEY: Yes, sir.

21 MR. CLOWE: -- I want to know what
22 was -- what we were told and what we promised and
23 wherever the legislature wanted us to go.

24 MR. KELLEY: Yes, sir, I will provide
25 that as part of the information back to you.

1 MR. POLUNSKY: We're going to do the
2 right thing, and, yes, we will address that issue with
3 respect to indigency.

4 MR. STEEN: Mr. Cummings, before you go,
5 I was rounding off the figure, but just as we end this,
6 what is the -- what is the figure that -- the
7 uncollected figure?

8 MR. CUMMINGS: The amount of dollars
9 uncollected? About \$900 million.

10 MR. STEEN: What?

11 MR. CUMMINGS: About \$900 million.

12 But, again, this was, again, not set up
13 as a collections contract; it was set up as a payment
14 processing and customer service contract, so we have
15 not done collections -- which was the intent of showing
16 some of the enhanced collections documents.

17 MR. STEEN: Thank you.

18 MR. POLUNSKY: Thank you for being here.

19 The next item on the agenda: Discussion
20 and possible action regarding Sunset Review
21 recommendations and other legislation affecting the
22 Department and the Public Safety Commission.
23 Ms. Smith.

24 MS. BARTH: I hate saying this, but --
25 oh, that's just our Sunset report.

1 MR. POLUNSKY: I'd like to review this
2 all in the next 60 seconds.

3 MS. SMITH: That is truly just the final
4 report from the Sunset Commission that we wanted to
5 provide to you today.

6 Good afternoon. I'm Janie Smith,
7 legislative liaison in the Office of Governor
8 Relations. Chairman Polunsky, Commissioners, Colonel
9 Beckworth, I'm happy to be here with you representing
10 our office, and I just wanted to say, since you've
11 given Michael this wonderful opportunity to lead the
12 Driver's License Division, that I know he's going to
13 meet and exceed your expectations and I also know that
14 he's going to be available to us, just down the hall,
15 so whenever you need anything from our office, know
16 that, if he closes his door, I'll find a way to get in.

17 MR. STEEN: Chief Kelley, more pressure.

18 MS. SMITH: Michael and I worked side by
19 side for nine years and I have all the faith in the
20 world that he's going to do a good job and lead that
21 division in the direction you want it to go.

22 Today I'm going to go over the Sunset
23 Review, just a wrap up of the regular session, a little
24 bit about the special session, and then some undated
25 casework information from our office.

1 You've got the final report of the
2 Sunset Advisory Commission in your packet that I've
3 just handed out. That report is also available on
4 their website and can be accessed from the DPS website
5 for anybody else that is interested in getting that
6 report.

7 A summary of the provisions in House
8 Bill 2730 are included in the tabbed item on the actual
9 Sunset Report on pages 4A through 4C. They include ten
10 major provisions that were included in the initial
11 Sunset recommendations and then another 24 that the
12 legislature added through the process. While
13 everything in that legislation is important and ranges
14 everywhere from requiring a civilian business model for
15 vehicle inspection to coordinating the Sunset dates for
16 the Private Security Bureau, the most important may be
17 that the bill did extend the life of the Department for
18 six years, so if any of you are still around, we'll get
19 to do this again in 2015.

20 I've included numbers for the tracked
21 legislation from the regular session, and while it
22 looks like we tracked a whole lot of legislation that
23 didn't pass, it's a good thing to know that a lot of
24 legislation, particularly this session, got rolled into
25 other bills right at the end of the session, and I

1 think a good example of that is our Sunset Bill. Those
2 24 provisions added by the legislature were all
3 standalone bills at some point and ended up being part
4 of that big Omnibus Bill. So the numbers look like
5 they didn't pass a lot of legislation, what they did
6 was roll a lot of legislation into a few bills.

7 In case you blinked in early July, we
8 did have a special session. Three issues were on the
9 call. They gaveled in July 1st, gaveled out on
10 July 2nd. They proved that they really can get
11 something done in a hurry when there's a big holiday.
12 The first issue on the call was to extend those five
13 state agencies that didn't make it through the Sunset
14 process, including agencies that we work closely with,
15 such as TxDOT, the Department of Insurance, and the
16 Racing Commission. That bill did pass. It was Senate
17 Bill 2 of the special session. The second issue would
18 allow TxDot to issue general obligation bonds for
19 highway construction and provide financial assistance
20 for funding highway projects. That was House Bill 1
21 and it also passed. The third issue on the call would
22 have extended the authority for TxDOT and Regional
23 Mobility authorities to utilize comprehensive
24 development agreements to finance some road projects.
25 That was filed as Senate Bill 3. It did not pass, with

1 legislators citing that they just really wanted to
2 study that issue more thoroughly and they'll address
3 that in the 2011 regular session.

4 The next two slides are overviews of
5 casework for our office for this year. You'll note
6 that we had quite a few -- an increase in inquiries in
7 June. That's pretty typical. As soon as they get back
8 from a legislative session, that focus kind of starts
9 shifting back toward constituent concerns, and summer
10 vacations bring a lot of inquiries, particularly
11 regarding driver's licensing. People traveling, they
12 need things expedited, et cetera. And I will say that
13 the backlogs in driver's license and concealed handgun
14 are still generating quite a few calls. We're very
15 encouraged by the changes that are coming along in
16 concealed handgun with the additional personnel,
17 changes in driver's licensing, that that call volume
18 and those concerns are going to decrease very rapidly
19 over the next few months.

20 So we've gone over Sunset, regular
21 session, special session, our office casework, and that
22 concludes my presentation. If you've got any
23 questions, I'll be happy to answer them.

24 MR. POLUNSKY: Are there questions?
25 Thank you very much.

1 Update, report, discussion, and possible
2 action on transformation of the administration of the
3 Driver's License Division to a civilian model.

4 Chief Kelley, it looks as though you're
5 being paid by the presentation now.

6 MR. KELLEY: I'm going to have Ron
7 assist me with this presentation. I'm Michael Kelley,
8 interim Chief of the Driver's License Division.

9 MR. COLEMAN: And my name is Ron
10 Coleman. I'm also with the Driver's License Division.

11 Members, I would just like to give you a
12 brief update of where we are on the management of the
13 Driver's License Division. In June we posted 29
14 positions internally and externally within -- for the
15 agency. We were successful in filling 29 of those
16 positions. We were very excited about the interest
17 that we had received from those positions and we did
18 get a good round of applicants. Those 29 positions
19 started affective July 1st. We are moving forward with
20 another round, ranging from manager to assistant
21 manager, to office supervisors, and we hope to have
22 those positions filled by September 1st. Like I said,
23 we're very excited about the process. You know, we
24 were very excited about the fact that we did have such
25 an interest in those positions and I do think that we

1 did have a very good round of qualified applicants for
2 those positions. That's all I have to report.

3 MR. POLUNSKY: Anything?

4 MR. COLEMAN: Thank you.

5 MR. POLUNSKY: Thank you.

6 Discussion and possible action regarding
7 security measures for the Department. Chief Fulmer.

8 MS. FULMER: Good afternoon, Mr. Chair
9 and Commissioners. I'm Valerie Fulmer, the Chief of
10 Administration.

11 I did have some information for
12 Executive Session, but, just briefly, we are looking at
13 the draft recommendations from the Department of
14 Homeland Security. We've divided them into several
15 different types of options that they have requested. A
16 lot of those revolve around the parking, therefore, we
17 have put together some high-level employees from
18 several of our major divisions to look at the parking
19 situation both from the standpoint of security and from
20 the standpoint of maximizing available parking. As you
21 can see, we've started work on the crime lab so we've
22 lost quite a bit of our parking. We have also, with
23 our temporary employee program in concealed handgun,
24 lost on additional 65 parking spaces, so --

25 MR. CLOWE: 65?

1 MS. FULMER: I believe 64. So we've
2 lost more than 100 spaces just in the span of a few
3 weeks, so the group is going to look at both security
4 and maximizing available parking within that security
5 plan.

6 That's all I have for the session unless
7 you have questions.

8 MR. STEEN: Chief, list what we've done
9 to date in terms of these security measures.

10 MR. PLATT: Chairman, do you want these
11 matters covered in Executive Session or publicly? I
12 don't know how detailed you want her to go. We have
13 the right to discuss these matters in Executive Session
14 if they involve security devices that have been
15 implemented and things of that nature.

16 MR. STEEN: I think that would be
17 appropriate in Executive Session.

18 I guess the point I'm making, it seems
19 like that we're studying this a lot and I sure would
20 like to see more activity. I don't know if you want to
21 comment on that.

22 MS. FULMER: I have some activity that I
23 can discuss during the Executive Session.

24 MR. POLUNSKY: Anything else? Thank
25 you.

1 Discussion and possible action regarding
2 the procurement of an Information Management Intrusion
3 Detection System. Chief Rable.

4 MR. RABLE: Chief Rable, Information
5 Technology.

6 We are in final stage negotiations with
7 a product that has been in and monitoring successfully
8 the network within the Department. We are at terms and
9 conditions with this vendor. As you remember, the
10 contract started at a very large rate for a lot of
11 services, we've narrowed it down to exact services with
12 responsibilities and end dates in these contracts. I
13 suspect we will be closed by middle of next week on the
14 contract.

15 MR. POLUNSKY: Thank you.

16 MR. STEEN: Before you go, how long have
17 you been on the job?

18 MR. RABLE: Two weeks, four days, but
19 not counting.

20 MR. POLUNSKY: And can I ask you about
21 the three challenges? You have pretty tough
22 challenges?

23 MR. RABLE: Lack of documented
24 discipline process, lack of data to make decisions on a
25 day-to-day basis, and lack of money to get us to where

1 we need to be.

2 MR. POLUNSKY: And what are you doing
3 about those challenges?

4 MR. RABLE: I have detailed in great
5 length the industry comparisons from a financial
6 perspective over the last six years of the agency and
7 where we should be; I am making every attempt to
8 address the differentials in salary and compensation of
9 the employees against a mid range IT south region
10 comparable salary and job class; and I have started
11 three different tracks against an operational
12 architecture, an application or a business systems
13 architecture, and a security architecture. That will
14 be in a program plan and starting to implement at the
15 beginning of the fiscal year.

16 MR. STEEN: It sounds like you've hit
17 the ground running.

18 MR. RABLE: Sprinting.

19 MR. STEEN: We're glad to have you on
20 board.

21 MR. RABLE: Thank you, sir.

22 MR. POLUNSKY: Thank you.

23 Okay. I am going to go back to Item D
24 on New Business: Discussion and possible action to
25 fill the position of Department Director.

1 for discussion and at some point a motion from our
2 Commissioners.

3 Commissioner Clowe.

4 MR. CLOWE: Mr. Chairman, I'd like to
5 review this process for the benefit of the record
6 because I think it's important that all of the action
7 that this Commission takes that is appropriate to be in
8 the open and there be knowledge of the process,
9 particularly in regard to this selection.

10 You initially appointed Commissioner
11 Barth and myself as a committee to work with an outside
12 firm to conduct a search for the director, and through
13 the process, Kornferry was selected. They were paid
14 \$125,000 for this project and, in my opinion, they did
15 very fine work. They canvassed the market, as they
16 term it, and produced a number of really outstanding
17 candidates that Commissioner Barth and I discussed and
18 reviewed with them.

19 One of the major items in this search
20 was the desire of the candidates to be the Director of
21 the Texas Department of Public Safety. It is a
22 position that is viewed with great respect, esteem, and
23 there is an intangible drive in almost every candidate
24 that we reviewed to aspire to hold this position. We
25 are very fortunate in that. And that's the result of

1 almost 75 years of exemplary performance on behalf of
2 the Department and the unselfish giving of so many
3 employees to create the image and the reputation of
4 this Department. So as Commissioner Barth and I moved
5 ahead in this process, we found some really outstanding
6 people who wanted this job.

7 We had a great disadvantage, and I'd
8 like to be very clear about that, because it is
9 something that is incumbent on this Commission to do
10 whatever it can to deal with this, and that is that, by
11 statute, this position is limited to an annual income
12 of \$157,500, and that is woefully short of what this
13 position should be compensated at, and my hope is that
14 we'll see some relief in that regard in the future. We
15 lost some candidates in this process because of that
16 issue and the relocation issue. We had some candidates
17 that were out of state and just couldn't stand the
18 burden of relocation, they told us. But we ended up in
19 this process with a number of outstanding candidates
20 regardless of those problems, and I think I should make
21 that very clear. We did not accept anything other than
22 prime candidate and they were, interestingly enough,
23 all residents of the State of Texas.

24 Commissioner Barth and I interviewed
25 what we agreed with Kornferry, and we had an outside

1 expert who joined us as part of our team, the three top
2 candidates in Houston about three weeks ago at her
3 business office. In our opinion, each of the three
4 candidates was extremely well qualified and it was our
5 decision to bring them to the full board. The full
6 board interviewed them yesterday. It was a lengthy
7 process. It began about 10:30 in the morning, I think,
8 I ended somewhere between 5:00 and 6:00 yesterday
9 evening.

10 The Board asked meaningful and decisive
11 questions. The candidates answered extremely well.
12 They interviewed extremely well and they were very
13 impressive. In my opinion, we had three outstanding
14 candidates. They were all different, each one of them
15 was different, but it is a clear indication of this
16 Department's image and the challenge that it represents
17 to be the director and to have the kind of candidates
18 that we interviewed yesterday.

19 This process, to my knowledge, has been
20 open, it has been unflawed, everyone has had an equal
21 opportunity, and that has been Commissioner Barth's and
22 my goal as we've gone through this process. Kornferry
23 did an excellent job and I feel that we are to a good
24 point where this Board is ready to select from the best
25 of the best that have gone through this process.

1 MR. POLUNSKY: Thank you, Commissioner
2 Clowe.

3 Commissioner Steen.

4 MR. STEEN: I'm going to begin by
5 thanking Colonel Beckworth for the outstanding job he's
6 done in the interim. Very impressive individual, high
7 integrity. And, Colonel, we've appreciated your
8 leadership. We can thank you very much.

9 (Applause)

10 MR. STEEN: I think everyone knows that
11 Colonel Beckworth was not a candidate for the permanent
12 position.

13 And then I want to thank Commissioners
14 Clowe and Barth. It was an unbelievable amount of time
15 and effort that they put into this. And I, you know,
16 served in state government and been on commissions, I'm
17 just very impressed with both of you in terms of your
18 commitment, and it's not -- this was such a big task.
19 I know in the meantime, you're working on other things
20 as this meeting -- as has been evident from the meeting
21 and thank you so much.

22 And as Commissioner Clowe said, they
23 narrowed the field to three very outstanding
24 candidates. We spent all day yesterday interviewing
25 and I'm ready to make a motion on a candidate if that's

1 all right with, Mr. Chairman.

2 MR. POLUNSKY: Anyone else have anything
3 to say?

4 Go ahead.

5 MR. STEEN: I'll make the motion and
6 then I'll add some personal comments.

7 The motion would be that the Commission
8 extend a conditional offer, subject to appropriate
9 background investigation, formal reference
10 verification, and United States citizenship
11 verification, to appoint as director of the Texas
12 Department of Public Safety the following candidate
13 Steve McCraw, and that this action been approval by
14 vote of the Commission under the authority of
15 Government Code 411.005.

16 As a part of this motion, I would ask
17 the Commission empower either the Chair or another
18 Commission member to verify to prerequisite conditions
19 are met satisfactorily and to finalize the terms and
20 negotiations for employment, including starting date
21 for the candidate. That member can inform Human
22 Resources of the progress and, when completed, request
23 the Commission be notified of the successful resolution
24 of negotiations by Department personnel and notifying
25 individual Commission members. In the event the

1 conditions or negotiations do not lead to a successful
2 conclusion, then I would ask the matter of an
3 appointment of the director be returned to the August
4 agenda for Commission consideration. However, I
5 believe the candidate, Steve McCraw, should be voted
6 upon and approved by the commission today.

7 And I want to say how impressive he is
8 as a visionary, how passionate he is about law
9 enforcement, and I was very taken with his advocacy of
10 a proactive threat-based approach to law enforcement.
11 It's what we would like to see here at the DPS. And I
12 wish we could put up on the screen his very, very
13 impressive resume. What I liked so much is that he
14 spent six years with the DPS on the front lines.

15 He started with the DPS in 1977 as a
16 highway patrol trooper in Canyon, Texas and there he
17 provided close support to local law enforcement
18 agencies as needed. He maintained a rate of felony
19 apprehensions, involved in several successful high
20 speed pursuits, and two shooting incidents. I mention
21 that because he's been there. From '80 to 83, he was a
22 narcotics investigator in Amarillo, Texas. He
23 conducted numerous undercover assignments resulting in
24 felony convictions of gang members and associates and
25 other high priority targets throughout Texas. He

1 conducted the first state wiretap investigation in
2 Texas and developed DPS procedures for future wiretap
3 investigations. He left in 1983 to join the FBI. And
4 it would take a long time to go through his very
5 impressive background. Kind of starting as a special
6 agent in Dallas, Texas in 1983 and then moving to
7 Jonestown, Pennsylvania. And from 1986 to 1989, he
8 then was a special agent in Los Angeles. 1989 to 1992,
9 a field supervisor special agent in Los Angeles. He
10 then became -- in 1992, he moved to headquarters in
11 Washington, D.C. It just goes on and on.

12 Headquarter supervisor, special agent,
13 Criminal Intelligence Unit, Criminal Investigative
14 Division. And from 1997 to 1999, he was the assistant
15 special agent in charge of the Tuscon Resident Agency,
16 Phoenix Division, Tucson, Arizona. From 1992 to 2002,
17 Inspection Division in Washington, D.C., deputy
18 assistant director inspector in place, Investigative
19 Services Division, Director of Foreign Terrorism
20 Tracking Task Force. 2002 to 2003, he was a special
21 agent in charge here in San Antonio. And then he moved
22 back to Washington from 1983 to 2004 where he was the
23 assistant director of the Office of Intelligence and
24 Assistant Director of the Inspection Division. And
25 then in 2004, he made the move to the Governor's

1 Office, and I think this is also a very notable thing
2 on his resume, where he's been the Director of the
3 Texas Office of Homeland Security.

4 I'm sorry to belabor that but I've
5 hardly seen a more outstanding resume in law
6 enforcement, and I'm very proud to make the motion that
7 we elect him director.

8 MR. POLUNSKY: Thank you, Mr. Steen.

9 Is there a second to Commissioner
10 Steen's motion?

11 MR. CLOWE: Second.

12 MR. POLUNSKY: Seconded by Commissioner
13 Clowe. Is there a discussion on the motion?

14 It has been moved by Commissioner Steen
15 and seconded by Commissioner Clowe that the Texas
16 Public Safety Commission select Steven McCraw as the
17 new director and Colonel.

18 All those in favor, please say aye. Any
19 against, no. Motion passes unanimously.

20 We will now recess into Executive
21 Session to consult with legal counsel regarding pending
22 or contemplated litigation or settlement offers or to
23 receive legal advice on items posted on this agenda;
24 deliberation regarding real estate matters; and
25 consideration of any other items authorized by law,

1 including personnel matters, the Directors action of
2 discharging employees as identified in this agenda;
3 ongoing criminal investigations; interview and
4 deliberations regarding applicants for position of
5 Department Director as authorized under Government Code
6 571.074. The Executive Session is authorized by
7 Government Code Section 411.0041 and Sections 551.071
8 through .076. The time is 1:32.

9 (Executive Session from 1:32 to 2:58)

10 MR. POLUNSKY: The Public Safety
11 Commission is now reconvened and a quorum is present in
12 Open Session. The time is 2:58 p.m.

13 I'm going to turn this meeting over in a
14 second to Commissioner Barth for a few minutes, but
15 before I do that, I want to appoint you to oversee a
16 couple of areas: The selection and the -- actually,
17 the creation of the position of Inspector General and
18 everything that will be involved in the construction of
19 that particular new responsibility and also the CFO
20 function here with respect to finance and so on, so I'd
21 like to make that -- actually, those two appointments
22 at this point for you to take over.

23 MS. BARTH: Okay. I think we're on
24 reports.

25 MR. POLUNSKY: Yes, you are.

1 MS. BARTH: Do we have any commission
2 members who would like to give a report or have any
3 further discussion?

4 Okay. At this point we will go into
5 commission meetings. Chief Ybarra, budget matters.

6 MR. YBARRA: Chief Ybarra, Chief of
7 Finance. Chairman, Commissioners, during our June
8 Commission meeting, or was it May, Commissioner Barth
9 asked us to look into seeing if we could obtain federal
10 dollars to cover the destruction that was felt there in
11 Galveston by Ike. We're not eligible due to the fact
12 that we have identified ourselves as a self-insured
13 agency, but have since found out through the State
14 Office of Risk Management that, after Hurricane Trina,
15 they started to process and bid out insurance for the
16 State. There are several State agencies that have
17 taken advantage of that and we are starting to look
18 into that process so that we can be eligible for
19 reimbursement for the destruction from the federal
20 government.

21 If we show that we are in the process of
22 obtaining insurance for this facility with the value of
23 about \$1,850,000, they will come and look at the
24 facility and then identify that it was caused by
25 Hurricane Ike, then potentially we could be eligible

1 for reimbursement, so we're going to look into that.
2 The premium for the full year for that particular
3 facility is just \$5,825, to include insurance for any
4 terrorist act for that particular facility. And that
5 particular policy was bid out by the State Office of
6 Risk Management. So those are the steps we're taking
7 to move forward and based on your request.

8 Okay. The other thing that I would add
9 to my report is that we will be providing the
10 Commission with the agency's 2010 internal budget at
11 the next commission meeting. We will provide details
12 in that budget. It will include upfront budgeting for
13 any agency shortfalls and I will identify those to you
14 in that -- in my report to you.

15 That's all I have unless you have any
16 questions.

17 MS. BARTH: Anybody have any questions?

18 Thank you.

19 Audit and Inspection, Chief Walker.

20 MR. WALKER: Farrell Walker, Director of
21 Audit and Inspection. Madame Chair, Commissioners,
22 unless you have questions, I don't have much to add to
23 my report; however, I'd like to make you aware of two
24 things. One, you can expect three major reports in
25 August. There will be the Grand Report that Deloitte

1 completed, or is in the process of completing now; a
2 Performance Measure Report that you see listed as "in
3 process" in my report; and the Daily Classification
4 Report that's also listed there. And my hope is, in
5 working with Commissioner Barth, that I'll have an
6 audit plan together for fiscal year 2010 for your
7 approval at that time.

8 And that concludes my report unless you
9 have questions.

10 MS. BARTH: I just have one question.
11 With respect to the trainer program, I noticed we were
12 significantly over budget on ours. Could you explain
13 what happened there?

14 MR. WALKER: Well, the issues we ran
15 into were a little more significant than what I
16 expected when we conceived the project early on. We
17 spent some time consulting with them and making some
18 corrections. I believe Chief Gavin found all that
19 useful, and I believe the time was well spent even
20 though it is over budget. If I ever have questions
21 about whether or not the benefit is there, I'll either
22 usually abruptly conclude the project and report what
23 we have or decide to go forward if I feel like the
24 benefit is there.

25 MS. BARTH: Okay. Anybody else have any

1 questions? Okay. Thanks.

2 MR. WALKER: Thank you.

3 MS. BARTH: Division status reports on
4 activities and action taken. Administration, Chief
5 Fulmer.

6 MS. FULMER: Good afternoon again. You
7 have my division report in front of you. I want to
8 point your attention to the summary of our CHL backlog
9 efforts. We are in the middle of a backlog project.
10 We've got 64 temporaries that have been here for
11 approximately two weeks. I have a copy of this that we
12 can put on the screen. This doesn't really lend itself
13 very well to the public looking at it, but we can put
14 it on the screen if you'd like. We've got 64
15 temporaries here. They've been here for approximately
16 two weeks. The project is going on schedule at this
17 point.

18 I have Chief Mueller here if you guys
19 want to talk about the CHL backlog project at all in
20 any detail. Any questions?

21 MR. STEEN: Chief, at a previous
22 meeting, I had asked if you would -- I don't want to
23 just do pointless work, but I thought it would be
24 helpful to us if we could look at the graph in terms of
25 how this problem has grown over time.

1 MS. FULMER: We can do that.

2 MR. STEEN: I asked for it at a previous
3 meeting.

4 MS. FULMER: I'm sorry, I don't recall
5 that. We put the summary together, I didn't realize
6 you wanted it in a graph form.

7 MR. STEEN: But bring us up to date on
8 what's happening in terms of the numbers you all are
9 dealing with.

10 MS. FULMER: Well, I can tell you that,
11 just from the summary from the last two years, in 2007
12 we had approximately 88,000 licenses; in 2008 we had
13 approximately 105,000 licenses, and it looks like we're
14 going to have approximately 159,000 licenses this year.
15 I mean, it continues to go up every year.

16 MS. BARTH: So I would use as a segue
17 into the one from the Texas State Rifle Association,
18 his line was, at some point it's no longer a spike and
19 that we need to address it as a new level of demand.

20 MS. FULMER: Right. And that's -- that
21 is what we've done with the legislature for the past
22 two sessions. We have not had a lot of luck with that
23 so far, but we've had to have these efforts
24 periodically with temporaries until we can actually get
25 some relief.

1 MR. STEEN: If we look at that graph, it
2 would just be going up, up, up?

3 MS. FULMER: Certainly over the last
4 five years, yes.

5 MR. MUELLER: Wayne Mueller, Chief of
6 Administration. The numbers we will certainly have for
7 you next time. In 2005 we were receiving on average
8 about 5,300 applications per month and that's gone up
9 steadily every year to 2009. The first half of 2009,
10 we're receiving over 12,000 applications on average per
11 month, so we are coming close to, what, two and a half
12 times what we had in 2005, and at that same time, we've
13 only added one FTE to the program, so we've had to add
14 30 some-odd temporaries that are now with us
15 indefinitely to help us with the backlog.

16 Chief Fulmer and the Colonel's Office
17 tried to get us some more FTE's and some help during
18 the session. We didn't get a meaningful amount of help
19 so we're going to try and first do this project
20 short-term to catch ourselves up, and it's on target
21 right now, and then we will look at aggressively
22 automating the program after we get caught up.

23 MR. STEEN: If we looked at that graph,
24 does it go down and up and down and up or is it just a
25 steady line going up?

1 MS. FULMER: There were a few years
2 after the beginning of the program -- because,
3 obviously, in the first year of the program in 1996, we
4 had a huge influx of applications because it was the
5 first year that that was available, and then the
6 numbers went down after that for maybe the first few
7 years and then we've seen sort of a steady increase
8 since then, but in the last two years, it's been much
9 more of a spike.

10 MR. STEEN: All right.

11 MS. BROWN: And I don't guess, based on
12 our kind of political climate, that we have any reason
13 to believe that this is going to be changing any time
14 soon downward?

15 MS. FULMER: We certainly don't have any
16 reason to believe that, no.

17 MS. BARTH: Anybody else have any
18 questions? Anything else, Chief?

19 MS. FULMER: That's all. Thanks.

20 MS. BARTH: CLE, Tom Ruocco.

21 MR. RUOCCO: Good afternoon. Tom
22 Ruocco, Criminal Law Enforcement Division Chief. You
23 have my report. The only thing I wanted to add to that
24 real quickly is -- it's not on the report -- in the
25 last two weeks -- one of the benchmarks we've

1 established for the agency was multiagency
2 investigations. In the last two weeks, we've seen in
3 the newspaper an investigation was concluded in
4 Lubbock, Texas where the -- this agency, along with
5 federal agencies, including FBI, DEA, ATF, and a lot of
6 local agencies, were part of a serving of a 110 count
7 indictment against the Bandidos and their meth labs and
8 their drug trafficking operations, where we had 28
9 defendants, including a couple of sheriff deputies, and
10 that case concluded just last week.

11 And also last week, we were involved in
12 Uvalde and San Antonio, Texas where we -- again, joint
13 investigations with federal indictments and arrests
14 with the FBI and DEA on the Mexican Mafia. These are
15 three different investigations that had a significant
16 impact on how we should be working not only now but way
17 into the future.

18 And that's pretty much my report. Do
19 you have any questions?

20 MS. BARTH: Anybody have any questions?

21 Thank you.

22 Chief Kelley, do you have anything else?

23 MR. KELLEY: No, ma'am.

24 MS. BARTH: You don't even want to come
25 up here, huh?

1 MR. KELLEY: No, ma'am.

2 MS. BARTH: Jack Colley, Emergency
3 Management.

4 MR. COLLEY: Commissioners, Jack Colley,
5 Chief Emergency Management Division. I've got a few
6 slides I want to show you. The three main areas of
7 operation right now are obviously the drought. This
8 first slide is very dramatic and it is a very dramatic
9 situation. Yesterday the governor declared 167
10 counties in Texas a disaster due to drought and
11 wildfires. This is about the third iteration we've
12 done this since this year. This is just a re-iteration
13 of this. The drought is very serious. The second and
14 third effects of drought of course is wildfires, and
15 then the enduring economic impact of drought is even
16 equal sometimes on these catastrophic hurricanes we
17 have when you look at that. About 20 million people in
18 this area. Obviously not all are affected, but the
19 wildfire piece is a very important part of this.

20 We've established an area of command in
21 Granbury, outside of Ft. Worth, in that area. We have
22 a large operational site there in which we are
23 conducting fire suppressions operations out of there.
24 This is a continuous effort ongoing almost daily. As
25 we can speak, we have four helicopters launched just,

1 you know, in the Central Texas area and they're working
2 with local law enforcement -- I mean local volunteer
3 fire departments. We have about 1,800 volunteer fire
4 departments across the state, they are the tip of the
5 spear in this thing, and then the governor has directed
6 us to do whatever we need to do to support them in
7 those operations, and we do that through TxDOT and
8 through Texas Forest Services providing the support.

9 The Department's role in all of these
10 wildfire operations is to provide the on-scene
11 coordination of patrol and to ensure that the resources
12 that the State is providing, which are Texas military
13 forces and/or contractor helicopters and fixed-wing
14 aircraft, are on scene, so there's -- you know, the
15 Texas Highway Patrol is very, very much involved in
16 those operations.

17 Next slide. A lot is said about H1N1.
18 You hear about it and it is a major threat, a potential
19 threat. It has not gone away. I show you the slide
20 only to say that, back during a few months ago, we went
21 through an intense effort, as you know, with the events
22 that occurred in Mexico and the United States. What
23 has not happened is, it has not gone away. We are
24 preparing for the -- again, the regeneration of this
25 virus in the fall time frame, and to that end, on the

1 10th of August here in Austin, we will convene a
2 statewide H1N1 summit of elected leaders from around
3 the state and go through the procedures again of
4 lessons learned, and there were many lessons learned
5 for that, and to include Texas Education Agency. We
6 have almost 4.5 million children in school, 500,000
7 faculty, you know, 8,000 and something campuses, and
8 they're all getting ready to go back to school in
9 August at various times. This is a major concern to
10 them on what the processes and procedures will be with
11 respect to that, if you remember that.

12 The week of 17 August, 17th through 20
13 August, we will convene -- and this is a Texas
14 [inaudible] convene our contiguous states -- Louisiana,
15 Arkansas, Oklahoma, and New Mexico -- in another
16 meeting to work through the kind of issues -- because
17 just, obviously, they have no boundaries. And the key
18 here is reporting. What you see up here is Tex Map;
19 it's a system we use for border security that we've
20 adapted to this process. It allows us to track these
21 cases, which, as you know, are very -- you know, I
22 mean, it's a dynamic piece here. And then, of course,
23 we're very much linked to Mexico, and our concern,
24 obviously, is through situational awareness with
25 Mexico, not just with border operations but for what

1 occurs in Mexico affects Texas, affects the United
2 States, but more importantly it affects Texas.

3 Next slide. This is a breakdown by
4 counties on where we're at right now in cases, and,
5 again, it's not to -- it's to show you that this has
6 not gone away. And there's a perception that it went
7 away and it's going to come back. Well, it has not
8 gone away; it continues to do that. It's been said
9 that there are some -- there is a virus out that the
10 World Health Organization has found that is, in fact --
11 it's no affected by Tamiflu, which is the one antiviral
12 that we have.

13 The next slide. Hurricane preparedness
14 obviously is the other thing we do. I briefed the
15 Commission last week -- or at our last meeting last
16 month, next week we have a major mobility exercise.
17 One of our new innovations this year is to establish
18 task forces for re-entry operations. Beginning next
19 week, we will bring three of these task forces up --
20 Task force Dallas, Waco, and Austin -- and a full scale
21 exercise will be conducted on the 21st, 22nd, and 23rd.
22 The Department provides the incident commander or
23 command in control for these task forces, and it's a
24 very important job and they have done a marvelous job,
25 Highway Patrol has, of pulling these together, but

1 we're actually going to do a full scale exercise of
2 each one and conduct a communications piece with this,
3 and it is very essential to that.

4 Next slide. The last slide I want to
5 emphasize on task organization is one of the partners
6 you'll see in your lower left hand, and that is the
7 private sector. Texas does a pre-innovative approach
8 to having the private sector be partners with us.
9 They've done this with us now, you know, since Katrina.
10 And so when you see Brookshire, Brookshire Brothers,
11 Home Depot, Sysco, Lowes, Wal-mart, and HEB, that's
12 just an example of the number, and they are actually
13 involved in these task forces with us along with our
14 fuel teams made up of about 38 providers from our
15 private sector. So in each one of these task forces
16 that will re-enter the impact area, there is a
17 component of the private sector and they are willing
18 and capable to play with -- you know, not just play but
19 participate in this with us.

20 That's the end of my update unless you
21 have any questions.

22 MS. BARTH: Any there any questions?

23 Chief, I have -- Jack, I have one
24 question and one, I guess, direction. The question
25 would be that I would like to have you come back to us

1 at the August meeting, having met with the TEA and the
2 Health Department, and at least formulate a policy of
3 recommendation to the schools with respect to, at what
4 point do you shut the schools down. It is a
5 recommendation. I know the schools systems are all
6 independent and they all can make up their own
7 decision, but I think there was just so much noise out
8 there this last time, the schools were very confused as
9 to what to do, and obviously some recommendation that
10 all three agencies have thought through I think would
11 be very helpful. Okay?

12 And the second is, I would also like you
13 to get with Chief Fulmer and take on the permanent
14 generators for not emergency but redundancy power at
15 those sites and see if we can't get that done. And, as
16 I understand, we have the portables but we're still
17 trying to figure out this backup generators --
18 permanent backup generators at those sites and I'd like
19 to see if we can't get that done as soon as possible
20 working together with them.

21 MR. COLLEY: Yes, ma'am.

22 MS. BARTH: Texas Highway Patrol, Chief
23 Baker.

24 MR. BAKER: Good afternoon. David
25 Baker, Texas Highway Patrol Chief. I hope our tour

1 this morning was a benefit to your parents. I hope
2 they enjoyed it.

3 MS. BARTH: Thank you.

4 MR. BAKER: You have my report. I'll
5 just point out very quickly on the back page that our
6 crash activity report errors continue to reduce, ever
7 be so slightly but that's better than increasing.

8 MS. BARTH: Can I ask you a question?

9 MS. BAKER: Yes, ma'am.

10 MS. BARTH: Do we have the technology
11 that's out there with respect to -- Commissioner Clowe,
12 maybe you can help me -- with the laser technology to
13 recreate the crash?

14 MR. BAKER: Yes, we have laser transits.
15 Each district team has a laser transit where they can
16 go out and map --

17 MS. BARTH: Is that enough, having one?

18 MR. BAKER: We do have plenty. We have
19 one in each district.

20 MS. BARTH: Okay.

21 MR. BAKER: And in some districts, we
22 have more than one, each team has a laser transit.
23 It's very beneficial. We also -- just as a side note,
24 we assist the Rangers with crime scenes, mapping those
25 for them as well.

1 MS. BARTH: Okay, thank you.

2 MR. BAKER: A couple incidents I'd like
3 to bring to the attention of the Commission. On the
4 26th of June, there was a murder in Hopkins County and
5 a radio call had been put out over the radio about the
6 suspect and a possible location that this suspect might
7 be heading to, and five of my troopers along with a
8 deputy sheriff went to that location and, sure enough,
9 they got there just as the suspect had entered a -- it
10 was a rural residence. She had closed the gate and was
11 beginning to walk off when they confronted her. She
12 turned around and was bearing a high powered magnum
13 pistol. She was given numerous commands to drop the
14 weapon, and instead of dropping the weapon, she raised
15 the weapon at the officers and one of my troopers took
16 a bead with his M4 rifle and did what he was trained to
17 do. He saved somebody's life, saved an officer's life.
18 And the Rangers are currently investigating that.

19 Also, on July the 14th, one of my
20 troopers along with two deputies responded to a shots
21 fired call. A meter reader had encountered a resident
22 who they got into a verbal altercation and shots were
23 fired. The deputies and trooper went to that residence
24 and knocked on the door. The female came to the door
25 and she was immediately apprehended. The deputies and

1 the trooper entered the residence and, most
2 unfortunately, as the deputy being in the lead walked
3 into the bedroom, he encountered another armed subject
4 who fired on him and fatally shot the deputy. Our
5 troopers -- again, my trooper again returned fire and,
6 along with the other deputy, they were able to retreat
7 and retrieve the deputy that had been mortally wounded,
8 and that subject ended up committing suicide. So it's
9 been a busy, busy time for us.

10 My dive team and Highway Patrol folks in
11 the Valley are participating in Operation FORD, and
12 that's an acronym and, I'm sorry, it has just -- I've
13 lost what it means. What they're doing is, our dive
14 team went down to the Rio Grand Valley last week and
15 did reconnaissance and determined that there were over
16 30 vehicles in the Rio Grande Valley and they've been
17 recovering those vehicles. The majority of them are
18 stolen.

19 MR. CLOWE: In the Rio Grande River?

20 MR. BAKER: Yes, in the Rio Grande
21 River, I'm sorry.

22 In addition to those stolen vehicles
23 that they're recovering, they've also recovered over
24 3,000 pounds of marijuana out of those vehicle. The
25 mules get into their process where they're trying to

1 get their product over and they're encountered by law
2 enforcement. They immediately retreat and they try to
3 ditch that vehicle in the river and they -- the Cartel
4 members are there waiting and they try to secure as
5 much of that load and hoist things as they can and
6 float it back to the other side. So we've been working
7 with Border Patrol and all the local agencies in that
8 area and been very successful.

9 And with that, I'll conclude my report
10 and answer any questions that you might have.

11 MR. CLOWE: What's the current strike
12 team force on Border Star?

13 MR. BAKER: Can I talk to you later
14 about that? I'd rather not say anything in public.

15 MR. CLOWE: Sure. Sure. I'll be happy
16 to visit with you after the meeting.

17 MR. BAKER: Okay, very good, certainly.

18 MR. STEEN: Chief, thanks for reporting
19 to us on that monthly crash report, giving the monthly
20 crash activity, and just to commend you on staying on
21 top of that.

22 MR. BAKER: Thank you.

23 MR. STEEN: You reported a 1.6 percent
24 decrease in the number of errors reported for May,
25 congratulations.

1 MR. BAKER: Thank you.

2 MR. STEEN: And, also, on your strength,
3 you're operating -- with Highway Patrol, you've got 185
4 vacancies. You say you're at 92 percent?

5 MR. BAKER: Yes, sir.

6 MR. STEEN: And your thoughts on that?

7 MR. BAKER: Retirements are coming up
8 and we're looking for a few good men and women. I've
9 been working with Commissioner Brown on some recruiting
10 suggestions and ideas and we have anticipated that,
11 with the status of the economy, that we would be seeing
12 a lot more folks interested in law enforcement jobs
13 because of the stability, but it's just not happening
14 right now.

15 MR. STEEN: Looking back over -- and we
16 don't have the history here, but is that something --
17 put that in perspective, 185 vacancies, is that
18 something you're used to dealing with?

19 MR. BAKER: Yes, sir, it is,
20 historically.

21 MR. STEEN: All right. Thank you.

22 MR. CLOWE: What's the current level of
23 the graduating class coming up?

24 MR. BAKER: I believe, Commissioner
25 Clowe, that they're down to 74.

1 MR. CLOWE: Thank you.

2 MS. BARTH: Any other questions?

3 MR. BAKER: Thank you.

4 MS. BARTH: Texas Rangers, Chief Leal.

5 MR. LEAL: Commissioners, Tony Leal,
6 Chief Texas Rangers. You have my report there. What
7 I'd like to point out again this month, there's four or
8 five murders and they're pretty routine murders, but
9 the one on the -- the unsolved --

10 MS. BROWN: Routine murders.

11 MR. LEAL: I'm sorry?

12 MS. BROWN: Only a Ranger, right, just a
13 routine murder?

14 MR. LEAL: Routine murders. But this
15 other one from 1985 is another -- I was a young trooper
16 at the time, that was a girl who was murdered,
17 dismembered, and thrown in the Sabine River. It says
18 that she was recovered in 1995, that's not true. She
19 was killed in 1985, on September 8th, and her body was
20 recovered in the Sabine River on the 12th, four days
21 later. Anyway, this was a murder that went unsolved
22 out of there and Jimmy Schroeder [phonetic] Ranger
23 Jimmy Schroeder, started working this back in 2005.
24 These take a long time because they re-work them, chase
25 witnesses all over the United States and re-interview

1 people and put the case back together, but, you know,
2 it's just a -- every month it seems we have one of
3 these. It is a significant piece of work when you do
4 these. Again, I'll stress, they're not just from a DNA
5 match like some departments use for stats. These are
6 cases we get -- because we don't have any -- because
7 the Department doesn't have original jurisdiction over
8 any crime, these are cases that usually -- not usually,
9 they came to us when that other Department needed to
10 send it somewhere and had done what they could with it
11 and we worked it with them. And I think it's very
12 significant that we keep having these successes like
13 this.

14 MR. CLOWE: Good work.

15 MS. BROWN: Chief, may I ask you a
16 question? On the 6-2 -- I'm always interested by the
17 report summary. On the 6-2-09, a capital murder in
18 Harris County, I was trying to figure out, having read
19 the summary, if there were two people murdered or if
20 one of the persons survived. We're both of the
21 convenience store clerks -- did they both --

22 MR. LEAL: One survived, ma'am.

23 MS. BROWN: One survived, okay.

24 MR. LEAL: One of them lived.

25 And another one was teamwork with -- a

1 lot of this stuff, you know, Ruocco will come and we'd
2 work together, and this other one was this highway
3 patrolman -- you know, we stress that, you know, we all
4 came from the Highway Patrol except for Ruocco, and we
5 got this -- what started out as a hit and run, and
6 working Highway Patrol and Rangers together, they put
7 enough evidence together where this turned into a
8 murder. You know, where in years past, you know, when
9 I was a young trooper for -- you know, in many small
10 counties where you don't have the resources the
11 Department can bring to the table, that would have been
12 just a drunk and his girlfriend saying they hit this
13 person in the middle of the road and it would have just
14 been a hit and run accident. And I don't say that
15 demeaning to investigating a hit and run accident
16 because I've worked a bunch, that's how you learn to be
17 a policeman is working those things, but being able to
18 put a case together where you turned that from that hit
19 and run accident, Highway Patrol and Rangers working
20 together, where you turn it into a murder, that's also
21 significant. So I think there's a lot of teamwork
22 going on out there in these CLE cases that Chief Ruocco
23 was talking about, with Highway Patrol. It's -- I
24 think we're doing pretty good out there.

25 MS. BROWN: We do, too.

1 MS. BARTH: IMS, Chief Lane, Chief
2 Rable.

3 MR. RABLE: Brad Rable, Chief of IT.
4 Unfortunately, this path of my processing crossed, so
5 Chief Lane is going to have to answer any questions you
6 may have. I am working on a new report that better
7 aligns with where I want to represent IT and I have a
8 target to give you that in the August meeting.

9 MR. LANE: Brian Lane, Assistant Chief
10 IMS. I have nothing further to add. We would be happy
11 to answer any questions you have.

12 MS. BARTH: Are there any questions?
13 Thank you.

14 Consent items. The following items may
15 be discussed and acted upon in a single motion or
16 discussed separately as determined by the Commission.
17 How would the Commission choose to --

18 MR. CLOWE: I would suggest we deal with
19 them all in one motion.

20 MS. BARTH: Can I have a motion?

21 MR. CLOWE: So moved.

22 MS. BARTH: Is there a second?

23 MS. BROWN: I'll second.

24 MS. BARTH: Any further discussion?
25 I'm waiting for you, Commissioner Steen.

1 MR. STEEN: Well, we're dealing with
2 appointments of Special Rangers and Special Texas
3 Rangers and also the adoption of proposed rules and
4 then also action on proposed rules for publication.
5 It's a pretty extensive list. Colonel Beckworth, can
6 you help us on this? Can you reassure us that these
7 are all items that we should be acting on favorably?

8 MR. BECKWORTH: Commissioner, I will
9 assure you those are items you can act on favorably.

10 MR. STEEN: So moved.

11 MS. BARTH: Is there a call for a vote?

12 MR. STEEN: Did you move, Commissioner
13 Clowe?

14 MR. CLOWE: I did.

15 MR. STEEN: Oh, second.

16 Was there a second?

17 MR. CLOWE: I think that train has left
18 the station.

19 MS. BARTH: Is there any further
20 discussion? All those in favor?

21 Are there any items that the
22 commissioners would like to have on for the future
23 agendas?

24 MS. BROWN: For next month, if you would
25 please put a possible action item, update, discussion,

1 and possible action regarding the recruitment policy
2 committee. Thank you.

3 MR. CLOWE: And, also, next month the
4 Chair has assigned Commissioner Barth and myself the
5 duty of moving forward on the search for a person to
6 full the role of Inspector General, so that should be
7 an action item relative to action on search firms
8 activities as well.

9 MS. BARTH: Does anybody --

10 MR. PLATT: Excuse me. There was some
11 mention by Commissioner Brown yesterday about possibly
12 looking at overtime issues. Do you want that back on
13 the agenda?

14 MS. BROWN: That's a good idea, yes,
15 sir. If you would please put possible -- update,
16 discussion, and possible action regarding the overtime
17 policies. Thank you.

18 MR. STEEN: Commissioner Barth, I would
19 like to put on the agenda discussion and possible
20 action on our use of transcripts at the meetings.

21 MS. BARTH: Stuart, I assume also you
22 will have the MBS, MS -- whatever that federal --
23 discussion, possible action on the Driver's
24 Responsibility?

25 MR. PLATT: Correct. I've already got

1 that noted.

2 MS. BARTH: Okay.

3 MR. STEEN: I have another item I wanted
4 to bring up but I need to have the Chairman here. And
5 I think he thought he was going to be here for the end
6 of our meeting.

7 MS. BARTH: So we just move a little
8 smoother.

9 MR. STEEN: Are we about ready to
10 adjourn?

11 MS. BARTH: We are.

12 MR. STEEN: Could someone go see if the
13 Chairman could come back?

14 MR. CLOWE: I have one other item,
15 Madame Chairman. I believe our next Commission Meeting
16 is scheduled for August the 20th, a Thursday, and I
17 will be out of the country prior to that date and I
18 would be landing at Love Field at 6:30 that morning
19 after traveling overnight, and if the Commission, in
20 its wisdom, would see its way clear to perhaps meeting
21 the next day, the 21st, I'd like that to be considered.

22 Commissioner Steen had an item he wanted
23 to bring up but he wanted you present for it.

24 MR. POLUNSKY: Okay.

25 MR. STEEN: Mr. Chairman, as we get new

1 leadership, I have a suggestion in terms of
2 reconfiguring for our future meetings. In following
3 the model of other state agencies, I'd like to suggest
4 that just the members of the Commission be here on the
5 dais and that -- we have this table over here, maybe we
6 could have a parallel one on this side, and that seated
7 at that table, we would have the director and the
8 assistant director or deputy director.

9 And in terms of the agenda, that after
10 the approval of the minutes, that maybe the first item
11 on the agenda would be a director's report which would
12 provide us an overview of what's been going on in DPS
13 and maybe highlight top priorities before we get into
14 the other parts of it.

15 MR. POLUNSKY: That's fine, Mr. Steen,
16 and we will certainly implement that. I have no
17 objection to it. Does anyone have an objection to it?

18 All right. So at our next meeting can
19 whoever the appropriate person would be go ahead and
20 reconfigure the seating arrangements and also the
21 agenda reflect the order that Commissioner Steen has
22 requested with respect to a report from the director.

23 MR. PLATT: Did you want that to be
24 before or after Public Comments or do you want to move
25 the Public Comments to later in the meeting?

1 MR. STEEN: My suggestion would be that
2 it would be the first thing because it's providing us
3 an overview.

4 MR. POLUNSKY: Okay, no problem with
5 that.

6 MR. STEEN: And I don't want to get too
7 far into this. In terms of the Public Comment, I know
8 that Commissioner Barth has mentioned that before, what
9 about moving that to the end of the meeting? That's
10 where it's been in the -- the agencies that I've been
11 involved with before, it's been toward the end of the
12 meeting.

13 MR. POLUNSKY: Okay. Anybody have an
14 objection to that?

15 MS. BROWN: I think that's a good idea.
16 I think that would be very appropriate.

17 MR. POLUNSKY: All right. You okay with
18 that, Tom?

19 MR. CLOWE: Yes, sir.

20 MR. POLUNSKY: All right. Then we'll
21 have the Public Comment at the very end of the meeting.

22 MS. BARTH: You just have to say we're
23 adjourned.

24 MR. POLUNSKY: Well, the next meeting?

25 MS WRIGHT: August the 21st would be

1 Friday.

2 MS. BARTH: No, no, it's a Thursday and
3 he's requesting a Friday. Right?

4 MR. PLATT: The 20th is the meeting as
5 scheduled and the 21st is the date that Commissioner
6 Clowe is requesting. It's a Friday.

7 MR. POLUNSKY: All right. So you can be
8 here on the 21st?

9 MR. CLOWE: Yes, sir.

10 MR. POLUNSKY: Any problem with that,
11 with anyone else here?

12 All right. So, Linda, could you go
13 ahead and put that down?

14 Anything else?

15 MS. BARTH: I'd just like to say
16 personally before we adjourn again to thank Colonel
17 Beckworth for all of his work myself personally. You
18 stepped up beyond the call, so thank you.

19 MR. BECKWORTH: Thank you.

20 MR. POLUNSKY: Let me tell you
21 something -- and I don't need to say this because the
22 people in this room know this better than anyone on the
23 face of the earth -- this man is the pillar of the
24 Department of Public Safety. He's what this Department
25 is all about. He's what everybody should aspire to be

1 like. He's one in a million. He chose not to apply
2 for the position permanently but he was certainly
3 eminently qualified for that position and we are
4 grateful for many, many years of service that you have
5 provided and, as Ms. Barth has stated, stepping in here
6 and keeping this place going, and, beyond that, we look
7 forward to a continued future with the Department in a
8 position of responsibility because I am quite confident
9 that you will have one.

10 MR. BECKWORTH: Thank you, I appreciate
11 that.

12 MS. BARTH: I would also like the record
13 to reflect that we thank your other half standing up
14 for the sacrifices you have made.

15 MR. CLOWE: In case there's any doubt,
16 his picture ought to go up on the wall.

17 MR. POLUNSKY: And how do we -- we'll
18 take care of that. We'll take care of that.

19 Anything else? You good?

20 MR. STEEN: Yes.

21 MR. POLUNSKY: Meeting is adjourned.
22 Thank you very much.

23

24

25

1 THE STATE OF TEXAS)

2 COUNTY OF TRAVIS)

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5 I, Kim Furr, Certified Shorthand Reporter in and
6 for the State of Texas, do hereby certify that the
7 above and foregoing contains a true and correct
8 transcription of my stenographic notes taken in the
9 above-captioned cause at the Texas Public Safety
10 Commission meeting in Austin, Texas.

11

12

13 Witness my hand this 2nd day of August,
14 2009.

15

16

17

Kim Furr, CSR, RPR

18

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Firm Registration No. 528

114 West 7th Street, Suite 240

20

Austin, Texas 78701

(512) 320-8690

21

(512) 320-8692 (Fax)

22

23

24

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