On the 26th day of March, 2009, the following meeting was held in Austin, Travis County, Texas.
APPEARANCES

COMMISSIONERS OF THE PUBLIC SAFETY COMMISSION:

Allan B. Polunsky, Chair

C. Tom Clowe, Jr.

Carin Marcy Barth

Ada Brown

John Steen

DIRECTOR'S STAFF OF THE DEPARTMENT OF PUBLIC SAFETY:

Colonel Stanley E. Clark

Lt. Colonel Lamar Beckworth, Assistant Director
CHAIRMAN POLUNSKY: Commissioner Barth.

COMMISSIONER BARTH: Present.

CHAIRMAN POLUNSKY: Commissioner Brown.

COMMISSIONER BROWN: Present.

CHAIRMAN POLUNSKY: Commissioner Clowe.

COMMISSIONER CLOWE: I can see by the new flat screens that you're on the call to order, Mr. Chairman, and I would like to be recorded as present.

(Laughter)

CHAIRMAN POLUNSKY: Let the record show that he is physically present.

(Laughter)

COMMISSIONER CLOWE: In the call to order.

CHAIRMAN POLUNSKY: In any manner. But Commissioner Steen.

COMMISSIONER STEEN: Present.

CHAIRMAN POLUNSKY: And I am present.

There is a quorum present.

The Texas Public Safety Commission is called to order in accordance with Chapter 551 of the Texas Government Code and the Open Meetings Act. A quorum of the Commission is present, and the meeting is now declared open. It is 10:40 a.m.

The first item on the agenda is public
comment. Is there anybody here who would like to address the Public Safety Commission at this time? If they do, they will have five minutes to speak. Nobody wishes to address the Commission. All right.

The next item will be under new business. The first item will be the discussion and possible action regarding transcription of Public Safety Commission meetings. Commissioner Steen, I believe that this is an issue that you have raised in the past. Would you like to begin the discussion on that?

COMMISSIONER STEEN: Yes, Mr. Chairman. I would like to suggest again that we -- that we change from having a transcript done of our meeting to traditional minutes. And I've talked to the -- some of the commissioners about it. I brought it up once before. I didn't get much support. But I think that if there's some reluctance, what I would like to do is perhaps get together with our general counsel and work out a format and let us do it for a couple meetings, that is, produce some minutes, and I think you'll see the value of it.

CHAIRMAN POLUNSKY: Okay.

COMMISSIONER BROWN: To add to the discussion, since it seems like it takes significant time for the transcripts to be uploaded and publicly
available, I tend to after considering it agree that
perhaps having some more digestible minutes that are
available more quickly would better serve the public.
So I think we ought to give that a try.

COMMISSIONER STEEN: Thank you.

COMMISSIONER BARTH: I would like to make

a motion.

CHAIRMAN POLUNSKY: Well, one moment,

please. Any further discussion on this or --


COMMISSIONER CLOWE: Yeah. I would like
to make a comment. I think to clarify perhaps what
Commissioner Steen said initially, I think you and I
have had a discussion. I don't think you've talked to
the commissioners, have you? I hope you haven't.

COMMISSIONER STEEN: I haven't done it in
a way that would be a problem, but I -- but I did show
each -- give each commissioner a copy of the minutes
that we used at the --

COMMISSIONER CLOWE: Right. And I have a
copy of those. But you didn't do it in a way that it
would have been a violation of the Open Meetings Act?

COMMISSIONER STEEN: No, sir.

COMMISSIONER CLOWE: And that's important
to clarify your comment on that. And what I said to
Commissioner Steen when he and I met this morning just
before this meeting was convened is that I have reviewed these minutes and they didn't satisfy the concerns that I had, and I hope we would continue with a certified transcript because so many times I receive calls from employees and former employees who tell me that they have read the minutes -- the transcript -- pardon me -- and they refer to specific comments and questions which are asked and answers which are given. So I told Commissioner Steen that I was not in favor of this, and I am not opposed to his suggestion that he work with the general counsel to come up with some compromise, but I still carry the concern that we be precise in what is reported in these meetings relative to questions asked, answers given, comments made.

CHAIRMAN POLUNSKY: Thank you, sir. Do you have any comment, or do you wish to make a motion, did you say?

COMMISSIONER BARTH: I would like to make a motion that we make available an abridged copy as soon as possible of the minutes with a certified copy available as quickly afterwards so that there would be basically a compromise here. There would be a copy, and if someone had a question, they could then -- I hate to use this word -- click through and see the full transcripts behind it.
COMMISSIONER CLOWE: And Commissioner Steen commented to me this morning I think correctly what he would like would be minutes, which would necessarily be voted on and approved by the commissioners. The transcript is a different animal, and it is certified by the reporter. So if I were to understand your motion, you're suggesting we have both?

COMMISSIONER BARTH: That's right. And then we could, to the best of our knowledge, approve the abridged minutes based on what was in there so that if down the road it was perhaps misinterpreted, we have that full transcript behind it.

COMMISSIONER STEEN: Second.

CHAIRMAN POLUNSKY: Okay. There is a motion that has been made by Commissioner Barth and seconded by Commissioner Steen that in the future at Public Safety Commission meetings that both an abridged copy of minutes setting out what took place at the previous meeting be produced and made available and then that abridged copy be followed by a full transcript. Is that a permanent policy that you want to go forward on, or do you want to try this for --

COMMISSIONER BARTH: I think we should try it. I think we should try it and see how it works. I mean, I envision somewhere in those minutes tags where
you could -- if you decided, Hey, I don't remember it this way, or, I want more information, you could go right to the full transcript. It's a little -- a little bit of technology that's definitely out of my space, but I've seen it done before with -- and, in fact, if you look at some of the documents now with respect to SEC filings, you have that sort of situation where there are tags and you (inaudible). Does that make sense?

COMMISSIONER BROWN: Just to chime in, I think the thinking of the Commission is that the transcript is available for accuracy and precision, but because it takes so long to get that, that in the interim, the public will be able to read the succinct minutes. Is that the thinking?

CHAIRMAN POLUNSKY: I believe that's what the thinking is, although I'm not quite sure why it takes so long to get these transcripts.

COMMISSIONER CLOWE: Could we have an answer to that question?

STUART PLATT: We are current on the minutes, and we have a contractual arrangement and we're -- they should be expedited from here on out. I will address the issue of the abridged minutes and so forth. The last 12 and a half years I have used a digital recording in my courtroom and what we would be
capable of doing in working with IT is putting a digital
copy of the transcription -- when I say "transcription,"
an actual recording of the meeting and people -- and
then we can have an abridged outline with hyperlinks to
particular locations.

COMMISSIONER BARTH: Hyperlinks.

That's -- there you have it. Thank you.

STUART PLATT: And the other benefit of
that might be that you can actually tag action items
where the Commission says, We want this action to be
carried out, and that might be a benefit to have on the
Web site so you can tag it, and the person could then
link to that action item. Mr. Fox and I have looked at
that as an option. We haven't really talked extensively
with Commissioner Steen, but as a part of this
experiment and Commissioner Barth's move for it, I think
we could perhaps work that direction.

COMMISSIONER STEEN: Mr. Chairman, just a
little bit of semantics. You know, we've been using a
transcript, but that transcript -- those aren't minutes.
Minutes by definition are a summary of what went on at
the meeting. So -- and then just to the point that
Commissioner Clowe made, if we do this, then on future
agendas, we're going to have to have an item -- it's
usually at the beginning of the agenda -- where we would
consider the minutes and approve them as correct or whatever.

CHAIRMAN POLUNSKY: Which we certainly should be doing so that there's no question about that. So are you okay with this, then? I mean, obviously you seconded the motion, but --

COMMISSIONER STEEN: Yes.

CHAIRMAN POLUNSKY: -- is this a solution that you're comfortable with going forward, at least on a trial basis, so that we see how it works. And I guess we can revisit this if it's not to everyone's satisfaction in the next couple of months or so.

COMMISSIONER STEEN: Agreed.

CHAIRMAN POLUNSKY: Okay. All right.

There is a motion and a second, and there has been a discussion. Is there any further discussion? There is none. All those in favor, please say "aye." Any against, "no." Motion passes.

The next item is the discussion and possible action regarding unused salary dollars in the last five years. Chief Ybarra.

OSCAR YBARRA: Good morning, Mr. Chairman.

CHAIRMAN POLUNSKY: How are you?

OSCAR YBARRA: Just give me a minute.

COMMISSIONER CLOWE: Learning how to use
new technology.

(Laughter)

CHAIRMAN POLUNSKY: Make sure you get
these -- these are the JS monitors here, the John Steen
monitors.

(Laughter)

OSCAR YBARRA: Mr. Chairman,

Commissioners, at the last Commission meeting the
Commission requested the agency to identify how much
funding was generated by agency employee (inaudible) for
the last five years. A similar question was asked of us
from the Senate Finance Committee, and we had provided
this information to that committee and sat down and
explained this information to them. Accounting & Budget
Control has presented you with this information in your
committee meeting notebooks. The report reflects the
activity for fiscal year 2004 through 2008. Just as a
note, for this particular budget year, 2009, salaries
represent about 60 percent of the agency's funding.
That's just an FYI. The way this report is laid out for
the Commission is we identify the total salary dollars
available and then identify the total expenditures
related to salaries to identify the remaining balance.
We also provided unfunded expenditures that the agency
incurred during these fiscal years. We tried to
identify how some of these dollars were utilized. You also were made aware that some of these dollars were not sufficient in those fiscal years, and we had to find additional dollars to cover those shortfalls. We provided you with a summary report for each fiscal year and a detailed report behind each fiscal year. That's how this report is laid out. Would you like me to answer any questions that you have?

CHAIRMAN POLUNSKY: Are there questions?

COMMISSIONER BARTH: Let me ask a question. The 25 percent transfer, tell me what that is.

OSCAR YBARRA: There's a rider in our bill pattern, specifically in our bill pattern that allows the agency to transfer up to 25 percent out of a particular strategy. Other agencies may not have that specific rider. Article 9 pretty much allows them to only transfer up to 12 and a half percent, but the agency has a 25 percent rider in our bill pattern.

COMMISSIONER BARTH: So we're allowed to transfer up to 25 percent of the total?

OSCAR YBARRA: The way it works, Commissioner Barth, is if you had a strategy that is a rather large strategy, you're allowed to transfer up to 25 percent out of that strategy. If you're transferring
dollars into a strategy that is not as much funding, it would only allow you to transfer up to 25 percent of that particular strategy.

COMMISSIONER BARTH: Okay. I just want to make sure on the -- on a 325 million dollar salary, we could transfer 70 million, is that right, give or take?

OSCAR YBARRA: Possibly. But depending on the rules, it would limit the agency if the particular strategy you're transferring into only allows up to 25 percent coming in.

COMMISSIONER BARTH: Okay. Let's take specifically the -- where we are transferring unfunded salaries to cover, you know, the -- the right to exceed. Okay. I assume that there was no problem with transferring that amount of money?

OSCAR YBARRA: It's a 90 million dollar strategy.

COMMISSIONER BARTH: It's a 90 million dollar strategy. So you're saying we could transfer 25 percent of these fungible dollars over there; is that right?

OSCAR YBARRA: That's correct.

COMMISSIONER BARTH: So we could have transferred over the years off of 325 million quite a bit of money.
OSCAR YBARRA: The transfers are heavily regulated by the LBB and the Comptroller's office.

COMMISSIONER BARTH: Okay. My -- so just in the back of my head, I'm sort of thinking, okay, we have somewhere between -- it seems to me 350 and 450 unfunded -- excuse me -- unfilled positions a year. That's what I've noticed. Is that about right?

OSCAR YBARRA: Well, over the past two years we have seen quite a bit of vacancies, and in 2006 and 2007 we did not have that many vacancies within the agency from a Commission ranks perspective. At one time, I believe, in 2000 -- late 2006, the agency only had 14 vacancies in the Commission ranks once that recruit school graduated.

COMMISSIONER BARTH: But in the last two years we've basically had somewhere between let's call it 400 --

OSCAR YBARRA: Yes, ma'am. And if you recall, during the beginning of the 2008 biennium, the legislature appropriated dollars for several exceptional items that called that particular -- those particular vacancies, and we had about 188 additional personnel that were added to the agency, and about 120 border positions that were added to the agency to name the majority of what was added to the agency.
COMMISSIONER BARTH: But nevertheless, you know, it seems to me there's somewhere between -- and I'm using the number 70,000 for unfilled positions kind of in my mind. 70,000 times 400, there's 28 million dollars out there in play.

OSCAR YBARRA: At some time possibly, yes, but some of those positions are filled right away.

COMMISSIONER BARTH: Okay. In the last two years it seems like there's 20, 20, and 30 million out there.

OSCAR YBARRA: Correct.

COMMISSIONER BARTH: Okay. And that's what I'm trying to understand.

OSCAR YBARRA: I believe in the next biennium because of the state of the economy and what I'm seeing in other government agencies, those positions -- even the noncommissioned -- will be filled.

COMMISSIONER BARTH: I don't want to see us look towards these unfilled positions as a place to, I call it, plug holes in other parts of the budget.

OSCAR YBARRA: Yes, ma'am. I'm with you there.

COMMISSIONER BARTH: I mean, I really -- it concerns me when (inaudible) shortage, and I'm looking at basically between 20 and 30 million dollars
on this side. I would not want our budget to continue -- or our actions to continue to show shortages and think, you know, well, we always have this amount of money to plug the holes.

OSCAR YBARRA: Right. And I will tell you, Commissioner Barth, that in just looking at what is going on within the economy and positions being filled within the agency, I'm concerned that when we do fill those positions and what we're seeing in the (inaudible) exceptional items that are being approved for this agency, I'm concerned that some of those -- when we fill those positions, some of those utility dollar overages, the -- some of the shortfalls in director staff, I'm going to be concerned of how we're going to cover all those expenditures when we do fill those positions. But, again, our initiative and strategy is to fill those positions, but there will be a concern when we do.

COMMISSIONER BARTH: Then we're not budgeting right, or we're not --

OSCAR YBARRA: We're budgeting based on what we're given, and the legislature appropriates for specific items, you know, and they allow that 25 percent transferability to make your budget. I mean, we ask -- we ask for what we need. You know we ask for 27 million dollars for operating shortfalls, and in the Senate and
the House the only activity to date is about a million dollars dedicated for deferred maintenance. Other than that, zero has been considered for our operating shortfalls.

COMMISSIONER BARTH: Okay. That's all I have.

CHAIRMAN POLUNSKY: Well, let me -- let me amplify somewhat on Commissioner Barth's comments. I do not agree with that philosophy with respect to how we address shortfalls.

OSCAR YBARRA: Yes, sir.

CHAIRMAN POLUNSKY: It doesn't meet the transparency test. I don't think it's good public policy. I'm sure all things being equal, we would love to fill all of the empty positions, and I'm very hopeful that in the future that we will because that would be a very high priority for the department, but nevertheless, I just -- I just have a problem with that type of accounting process.

OSCAR YBARRA: Yes, sir.

CHAIRMAN POLUNSKY: If for some reason we incur shortfalls or find ourselves in a situation or situations where we need additional dollars, then there are procedures that are in place for us to go back and hopefully plug those holes in that manner. I just --
I'm not going to be too strong in my language here, but I just don't feel that that is a proper way for a state department to be funding various needs when -- when, you know, we ask for certain items and money for those items are diverted to other items. I mean, that's just something that is inappropriate in my mind and can certainly get us into trouble with the people in the state legislature and the leadership when we do something like that. So that's just my position. Any discussion beyond that?

COMMISSIONER BROWN: I agree with you.

OSCAR YBARRA: I just have to ask you if that's the direction the Commission wants to go, then I -- I believe I would -- we have to look at our budget process. The way it's set up today, you know, we do have positions in the agency that we add because of additions that the legislature has made. An example would be for border security and the 187 FTEs. You know, that's a lot more activity coming through the support functions, whether it be in Chief Fulmer's area or mine. We've had to add positions into those areas to support those activities and -- and it would be a challenge for us to find dollars at this point if -- if we take this strategy in the future. And I'm assuming what I'm hearing is if we stay straightforward with what
the budgeting is providing, then we'll be asking for
emergency appropriations in the future for these
expenditures from the legislature.

CHAIRMAN POLUNSKY: That's how I think it
ought to be done, but I'm just one of five people here.

OSCAR YBARRA: I'll just -- if you recall,
Mr. Chairman, when we were testifying in front of the
Senate Finance, Senator Ogden was asking questions about
shortfalls, and one of the things that I mentioned to
him is that -- and he asked for this information -- was
that we -- we were using salary dollars to cover some of
these shortfalls, and if I'm not mistaken, he said,
Good. Cover yourselves. Try to cover yourself as much
as you can. That's what I recall. I'll go back and
check, but I believe that's what he said, and then he
asked for this information.

COMMISSIONER BARTH: I don't want to put
words in Senator Ogden -- but I would be surprised if in
the spirit of him giving -- appropriating the money, he
would want to see us in the habit of plugging our holes
with unfilled position dollars.

OSCAR YBARRA: And I know he's frustrated
with that. No doubt. No doubt.

COMMISSIONER BARTH: I mean, that just
sort of surprises me.
OSCAR YBARRA: Right.

COMMISSIONER BARTH: I mean, in the spirit of full transparency, I would rather go back for emergency appropriations than --

OSCAR YBARRA: Sure.

COMMISSIONER BARTH: -- get in this habit of we don't really want to go fill these positions because we have these dollars over here that we know we're going to need to use for deferred maintenance. I just --

OSCAR YBARRA: I will tell you just in this budget process -- and you recall, Commissioner Barth -- when we sat down with you in early September, we identified $15 million of shortfalls, which the five million is for DL reengineering and about a million dollars or two million dollars in director staff and the dollars for utilities and so on and so forth. But right now just off the top of my head, I can think of about $15 million that we would probably -- nine million dollars of which were for gasoline, which we ended up covering and wasn't part of that 15 million.

COMMISSIONER BARTH: It was covered with salary dollars?

OSCAR YBARRA: Yes, ma'am.

COMMISSIONER BARTH: The spirit is to fill
those positions and pay those salaries. That's -- you know, I have a real problem asking the legislature for more positions --

    OSCAR YBARRA:  I do.

    COMMISSIONER BARTH:  -- okay, and then sitting there and going, okay, well, really (inaudible) fill those positions because I need those dollars over here.

    CHAIRMAN POLUNSKY:  It's almost a disincentive not to fill those positions, which is not what this is all about.

    OSCAR YBARRA:  There's no argument there, sir.

    CHAIRMAN POLUNSKY:  So, I mean, that troubles me for that reason, that there is a reason not to fill certain positions here because people are looking at those dollars to be reallocated in some other area. But beyond that, it's the integrity issue. I'm not suggesting that there's a lack of integrity here, but nevertheless, I think that, you know, we should be completely truthful and we should do this in a very businesslike manner. You know, we should ask for what we need, and it should be set out as such, and that there should not be -- and I'm not trying to be flippant here, but some type of hocus-pocus going on where, you
know, this gets moved from here to there and so on. I don't think that that is how this process was fully designed to operate.

OSCAR YBARRA: We -- we have set up budgets. You know, I just have to defer to the Commission on how they want us to operate in fiscal year '09.

COMMISSIONER BARTH: I want to operate as the money was appropriated as opposed to the idea of continuing to transfer it around. I mean, this money seems very fungible and --

OSCAR YBARRA: Okay. In '09 y'all adopted 15 million dollars to up front budgeting. So it's kind of -- we're kind of in the middle of the year already and we're -- we spent some of those dollars.

COMMISSIONER BARTH: We -- I'm not following you.

OSCAR YBARRA: Okay. At the beginning of fiscal year '09 --

COMMISSIONER BARTH: Right.

OSCAR YBARRA: -- during our budget process, we were sent back to create -- to recover unfunded shortfalls within the agency up front, and that required transfers within the agency either from highway patrol, criminal law enforcement, into director staff,
into Private Security Bureau to cover shortfalls there.

COMMISSIONER BARTH: These shortfalls not
being staff shortfalls?

OSCAR YBARRA: Some of them would be staff
shortfalls. The Private Security Bureau is spending
additional operating dollars to stay staffed up to
prevent backlogs by utilizing temporaries. We have an
exceptional item in our LAR which requests additional
FTEs to fund that either from an -- from an FTE
perspective and dollars were sent to Private Security
Bureau and dollars were sent for driver's license
reengineering.

COMMISSIONER BARTH: Well, see, to me,
it's one thing if you're funding salaries with salary
money. Okay. Maybe it's a different division or
department. It's another thing to use this money with
the idea that you'll have this money out here, don't
fill these positions because I've got capital programs
and deferred maintenance, DL, whatever it be. That's
what -- these are salary dollars, and so, to me, if we
have a mismatch in personnel, that's one thing, but, you
know, we're not asking the right amount of money for
utilities or fuel or deferred maintenance and we're
thinking we'll cover it with whatever stays unfilled,
that's another thing. That's just my position.
COMMISSIONER STEEN: Mr. Ybarra, I have a question. You mentioned that an alternative is to use the -- did you say emergency appropriation process?

OSCAR YBARRA: Yes, sir.

COMMISSIONER STEEN: Could you expound on that? How does that work?

OSCAR YBARRA: Let's use the disasters for an example. A lot of state agencies had to spend a lot of their operating dollars and their salary dollars and whatever dollars they had to meet the need, and some of those agencies by utilizing all of their second year dollars are not going to have the dollars to operate for the rest of the year. So they would make a request through the LBB and submit their request as an emergency appropriation, and I believe that also may be going through the Governor's office, if I'm not mistaken, and requesting emergency appropriation, and then it would be granted those funds to cover their shortfalls.

COMMISSIONER STEEN: Thank you.

CHAIRMAN POLUNSKY: So do you need direction, then?

OSCAR YBARRA: I will state that the rider allows us through the legislation allows us to make these transfers. If the Commission so desires to change this for fiscal year '09, my staff and I will work to
see what we can do, but I'm -- I'm almost certain that
we would be requesting dollars from the legislature as
an emergency appropriation to cover some of these
shortfalls.

CHAIRMAN POLUNSKY: And then what would
happen to the dollars that would have otherwise been
utilized?

OSCAR YBARRA: They would lapse.

CHAIRMAN POLUNSKY: So theoretically if
you go in for an emergency appropriation, it can show
that these dollars are lapsing because they are not
going to be used since those vacancies have not been
filled. I mean --

OSCAR YBARRA: I believe the LBB would ask
us, sir, why we're not using our transferability, and we
would explain why.

CHAIRMAN POLUNSKY: So this is prevalent
among all state departments and agencies?

OSCAR YBARRA: That's why I believe that
rider was put in place because things do come up and
agencies -- they know agencies are operating to the best
of their ability what's been appropriated, but they give
them that flexibility within their budgets.

COMMISSIONER BARTH: What would happen if
you have 14 vacancies at the end? You filled all these
vacancies. Now, if you go back to a couple years where you said there were very few vacancies, we would be asking for it anyway. Is that right?

OSCAR YBARRA: What would happen is the -- we try to -- what we've done in the past is we would identify projections to the director and where we're at as an agency like we did last month and the director, based on those projections, would advise each division to come (inaudible) and try and make their -- work with their budgets and not exceed budgets, and at the same time, if there was funding that was made available, would identify that we're going to need that to pay our utility bill.

COMMISSIONER BARTH: So not fill positions?

OSCAR YBARRA: It's not about not filling positions. That's never been the case. From a -- the -- our dollar --

COMMISSIONER BARTH: Slow filling positions?

OSCAR YBARRA: Well, there's no way around it. The recruit school takes six months to graduate those people. It takes six months to graduate right now today. So if you're moving people from Texas Highway Patrol into CLE to fill a position, you know, when you
work with a recruit school, that position is going to be open until that recruit school graduates. So it's the process. We're not holding any vacancies.

CHAIRMAN POLUNSKY: So what to do here.

COMMISSIONER BARTH: I guess -- I mean, I think we ought to make sure we're comfortable with this, which I'm not that comfortable with this idea of asking for more positions along the way. And I hear what you're saying. It sounds to me like we really need less positions based on the flow of the people. If you're telling me the recruit school is six months, right off the bat, you would already need 115 less positions.

OSCAR YBARRA: In the beginning of 2008 we had three recruit schools to try to fill all these positions, and we had the additional personnel, the current vacancies, had the border security, and you started seeing those positions fill up, but then that particular year, '08, was the third year of a cycle where people had an advantage to retire at that point in the Commission ranks, and we had quite a few people retire, and that's why you saw the 100 -- maybe 150 vacancies at the beginning of '09. I mean, I know from April -- from April to August, Commissioner Barth, there were probably 116 Commission positions that were vacated due to retirement. In '06 --
COMMISSIONER BARTH: You know, I guess where I -- I don't want to look to this pot as always the plug, and I think that's the problem. Okay.

OSCAR YBARRA: And when we get full, Commissioner, it kind of forces the money to be spent where it should be spent. I mean, look at -- look at Page 5.

COMMISSIONER BARTH: Well, what I want to do is not be forced. I want to get in the habit.

OSCAR YBARRA: It's there, you know, but you know you would have vacancies. Look at Page 5 as an example. Look at how much was spent on salaries that fiscal year.

COMMISSIONER BARTH: And you had to have had a shortfall in the budget, right, that year?

OSCAR YBARRA: We had a shortfall and, of course, we didn't have some of the expenditures we have today, gasoline being one of them. Back then I think the price of gas was about a dollar -- well, that's when it was about $1.38, but that's when we finally received some money to cover our gasoline shortfall going from 90 cents a gallon to $1.38. We received about five million dollars --

UNIDENTIFIED SPEAKER: For the biennium.

OSCAR YBARRA: -- for the biennium. Two
and a half million a year.

    COMMISSIONER BARTH: I don't have a solution. It bothers me to have this sort of pot out here that is the plug and not get a better budgeting situation.

    COMMISSIONER BROWN: Chairman, is that something that we could maybe -- would that be appropriate to discuss with counsel in the executive session?

    CHAIRMAN POLUNSKY: I don't think it would be.

    STUART PLATT: I don't think it's appropriate because it's not -- unless you have a legal question regarding legal ramifications of this, we could touch on that, but I think otherwise it's a policy decision that has to be --

    COMMISSIONER BROWN: I do have a legal question, but --

    STUART PLATT: And we can certainly take that part up in executive session.

    COMMISSIONER BROWN: Okay.

    COMMISSIONER STEEN: Mr. Chairman, could we have Colonel Clark weigh in on this?

    COLONEL CLARK: Well, I was just going to make one comment regarding these personnel. In addition
to what Oscar said about this large retirement that we
had at the end of August of '08, on an average we lose
six to eight commissioned officers per month. Every
month we lose that many. So over the year you're
talking about 60 officers right there in salary that
goes away at some point during the year as opposed to
normal retirements. So it's an ongoing process of
trying to fill these commissioned ranks. It's difficult
when we have a recruit school that lasts so long and it
takes, like Oscar said, six months to put those -- and
we'll just use a hundred as an average -- get those
people out there. Well, we've lost 60 just through
normal attrition. So it's a battle to stay filled.

OSCAR YBARRA: And during that time frame
in '08, you saw almost double not only because of the
attrition, but because of the retirements. And that's
how we started '09. But in other years you will see
that wasn't the case.

COMMISSIONER BARTH: I think it's
something we should keep an eye on.

CHAIRMAN POLUNSKY: I guess what I'm
hearing is that you should go forward as you have and
this is something that we'll probably review, I guess,
at each meeting going forward and just see how it's
working out.
OSCAR YBARRA: I would be glad after session to sit down with the LBB and Mr. Pitts and Mr. Ogden's staff and discuss anything with them and see what -- and like I said, we discussed this with the lieutenant governor and Chairman Ogden's staff, and I'll be glad if we can get insight from them. And maybe I could share that with y'all and see what they say and then kind of report back if you would like.

CHAIRMAN POLUNSKY: Well, we may set up meetings and go over there.

OSCAR YBARRA: Sir?

CHAIRMAN POLUNSKY: Excuse me. We -- possibly one or two of the commissioners can meet with Chairman Ogden and Chairman Pitts --

OSCAR YBARRA: Sure.

CHAIRMAN POLUNSKY: -- staff members, whatever.

OSCAR YBARRA: And there's no doubt that's been one of his concerns about the vacancies. There's no doubt about that. I've heard that in many a meeting. You're absolutely right about that.

COMMISSIONER CLOWE: About what?

OSCAR YBARRA: That he does notice that we have vacancies. He does.

COMMISSIONER STEEN: "He" being?
OSCAR YBARRA: Chairman Ogden.

CHAIRMAN POLUNSKY: Yes, sir.

COMMISSIONER CLOWE: I would like to give you my opinion about this if I may. My sense is in a state agency of this size where there is the constant recruitment and separation from the agency by both commissioned and noncommissioned employees, there will be a fluctuation from biennium to biennium depending on the FTEs authorized, the economic conditions, retirement programs that come into play, et cetera. This agency in the time that I've been on this board appears to me to have used unfilled FTEs as a source for money that was needed where it could be legally and properly used. My sense is from my experience in state government, that is not an unusual practice among agencies. Now, if this Commission decides this is an ethical issue and directs you never to do that, then to put a fine point on it at a point in time where money needs to be spent and you don't have it, you will not be able to spend it even though it might be available in some other category.

OSCAR YBARRA: That's correct.

COMMISSIONER CLOWE: Case in point, you will not do building maintenance and you will park vehicles when you run out of gasoline.

OSCAR YBARRA: Yes, sir.
COMMISSIONER CLOWE: We have a very graphic example of this in the driver's license issue that Chief Brown is going to brief us on shortly where money is being spent that has not been authorized or it's about to be spent. This is an emergency request. Those are not granted easily based on my experience by the LBB and the leadership officers. The Racing Commission has just asked for an emergency appropriation, which I believe they have received, because they were not going to meet a payroll in April of this year if it weren't granted. The DPS, to my knowledge, has never gotten in that situation. But if this board determines this is an ethical issue and gives you orders to not transfer money, it puts you in a position where you've either got to go to the LBB for an emergency appropriation or not spend that money. Am I correct in that, in your opinion?

OSCAR YBARRA: That's correct, sir.

COMMISSIONER CLOWE: And we're going to hear from Chief Brown shortly on that very issue in regard to the driver's license project.

OSCAR YBARRA: In all due respect, sir, I believe that's why that rider is in our bill pattern, the 25 percent transferability, to manage our budget.
candid discussion I've ever heard in a public meeting of this issue, and I think it's very beneficial. It is a very difficult problem to deal with.

OSCAR YBARRA: Yes, sir, it is.

CHAIRMAN POLUNSKY: Anything else? Any additional discussion? Chief, I think, as I said a moment ago, my feeling is that we'll just go forward as we've operated in the past, but need to review this on an ongoing basis just to keep, you know, a handle on it --

OSCAR YBARRA: Yes, sir.

CHAIRMAN POLUNSKY: -- and see if it's being executed properly, but beyond that decide whether it's something we might want to still address in some manner going forward.

OSCAR YBARRA: Yes, sir.

CHAIRMAN POLUNSKY: But as of today, I guess we're just going to continue on. Is that how you feel? And obviously you feel the same way, Tom?

COMMISSIONER CLOWE: Yes, sir.

OSCAR YBARRA: Is there anything else the Commission would like us to do with the House Appropriations and Senate Finance on this issue? We'll be glad to do that.

COMMISSIONER CLOWE: Yes. There is one
thing. And I think that this discussion is beneficial
from the standpoint that in the past my sense is there's
been sort of a we'll take care of that some way or
another attitude about funding requirements. Clearly
this board is not satisfied with that position or that
attitude, and I think it calls on you, Chief, to improve
your budgeting process and sharpen up on how you
forecast needs and covering those needs, and this board,
I think through the members, stands ready to help you in
that, but it's a new day --

OSCAR YBARRA: Yes, sir.

COMMISSIONER CLOWE: -- and the sense of
this discussion is we don't want this -- the worst word
I can think of to describe it is slush fund rolling
around over here that's generated from unfounded FTEs
that we can just reach in the cookie jar and get the
money and take care of it. I'm sitting here wondering
where these funds for these screens came from. They
certainly weren't in any appropriation.

COMMISSIONER STEEN: I paid for them.

(Laughter)

COMMISSIONER CLOWE: They weren't cheap --

COMMISSIONER BROWN: They were from CE --

COMMISSIONER CLOWE: -- but somehow things
get done when commissioners or when colonels say, Well,
we need to do this. But let's sharpen up, and let's get
a more preciseness about what we're doing. And as I
said earlier twice, we're going to hear from Chief Brown
about one heck of a problem we've got in regard to this
issue shortly.

OSCAR YBARRA: May I make a remark on
that, sir?

CHAIRMAN POLUNSKY: Yes, sir.

OSCAR YBARRA: Okay. I believe we've
already started doing that, sir. A, we started
reporting to the Commission. We had a staff meeting
with the division chiefs regarding forecasts. The
colonels are allowing us to present our budget forecast
to all division chiefs in one place, and we are
identifying that these are our shortfalls. Commissioner
Barth made a grand move to start identifying shortfalls
at the beginning of the year and fund them up front.
That alone has improved our transferability. It's a lot
of homework to do that on the back end, but thank you
very much. That is the beginning. We are sharpening
our pencils. We are communicating. The colonels are
listening. The division chiefs are all listening.
We're all working together. We have ideas about how to
look at exceptional items in the future as a team all
together, all the players at the table to identify
exactly what we need. Those are the moves that we're making today, and we are sharpening our pencils, and this Commission is being informed like it's never been informed about the financial status of this agency. So those are the steps we've taken, sir.

COMMISSIONER BARTH: And, Commissioner Clowe, I agree, where I was headed truly on this discussion is budgeting. I think you understand from him and myself that the -- you know, that -- to use this word "slush fund," we prefer not to have. We prefer to do a better job on the budgeting on the front end of the budgeting, you know, putting in contingencies and going to the various legislators and saying we've got to have them. I mean, I hear what they say, no contingencies. There isn't a capital project out there on the private sector that, you know, correctly budgeted doesn't have a contingency, and we need to keep that in mind as we go forward.

OSCAR YBARRA: And you see those rules, Commissioner. You see the capital limitations (inaudible) 25 percent. You see the 25 percent transferability. The legislature has provided those tools to state agencies to manage their budget.

CHAIRMAN POLUNSKY: I would certainly agree that there's a new day, and I am pleased to see
how things have come together much more constructively
in the recent months. So I think you're certainly in
that respect going in the right direction. Anything
else?

OSCAR YBARRA: No, sir. I think I've got
the next one too, though.

(Laughter)

CHAIRMAN POLUNSKY: Well, since we're on
budget, I just want to ask Colonel Clark for a -- or to
participate in a brief discussion on an issue that came
up here in the last few days. At a House Appropriations
Committee meeting on the 19th, there was a question
raised by Representative Brown, and also concern by
Chairman Pitts, with respect to the expenditure of funds
that had been earmarked for border operations, in
particular a helicopter, which is -- tell me what type
of helicopter that is. It's not the A-Star.

COLONEL CLARK: It's the EC 145. It's a
twin engine.

CHAIRMAN POLUNSKY: Okay. Long story
short, it appears that the EC 145 was purchased through
funds that had been allocated for border operations and
is here in Austin where there is a feeling that it
should be stationed in Laredo. Can you comment on that?

COLONEL CLARK: Yes, sir. And just for
the benefit of everyone in the room, of course our
Border -- Border Star initiative is a very exciting
topic to everyone down at the legislature, Senate, and
the House. Everyone is interested in that operation,
the tactical side as well as the funding, and it's been
heavily audited. And one of the side notes to Border
Star was the previous funding for four new helicopters
that would be deployed along the border, and one of
those helicopters was to be placed -- the funding was to
purchase a helicopter, and it was to go to Laredo. That
particular helicopter was unlike all of the other
helicopters that we had purchased previously. This is
the -- a large -- you've all seen medevac type
helicopters. It's a very large helicopter capable of
flying upwards of 11 people, I believe, if it's fully
loaded. And, Bill, you can nod if I'm correct on that,
okay? Thank you. So-so. But anyway, that's the EC
145. It is a beautiful machine, very sophisticated,
twin engine -- not twin rotor, but twin engine, very
expensive, around eight million dollars. That
helicopter was delivered to -- of course, first to
Austin. So our chief pilot, Bill Nabors, the assistant
chief, John Brannon, our trainer, our captain, Tim
Ochsner, so they could get certified on this helicopter.
It is a very sophisticated piece of machinery. It's not
just the ability to fly. It is to operate all of the equipment that is on that particular helicopter. Hoists, thermal imaging. It's equipped like I'm told no other helicopter in the United States. No one has an airframe like this. And so it is something to be very proud of. Representative Brown brought to our attention that he wanted to know why this helicopter was not in Laredo where it was intended to be. We tried to explain to him -- and I'm not sure we were clear in our -- well, I know that Colonel Beckworth was clear, but they misunderstood, I think. We have to get our senior pilots, our chief, our assistant chief, our trainer up to speed and certified on this helicopter before we can even think about deploying it to Laredo. We have inexperienced pilots in Laredo. They are not ready to fly this piece of equipment. But we will comply with their wishes and their intent and so therefore we have prepared a letter to Representative Pitts which lays out our plan to deploy that helicopter to Laredo. But before we do that, I want Representative Pitts and all members of the Appropriations Committee to know that safety is our first and foremost concern. We're not going to deploy that aircraft to the border until we can certify that our pilots have been adequately trained. There's a special school that they have to go to up in
the metroplex area to get certified on this aircraft.
But Chief Nabors is working on this. We have a plan in
place. We hope to deliver this aircraft by mid April
and to begin training those younger, inexperienced
pilots on the border. That aircraft can be deployed
anywhere quickly, and that's what our plan is. So we
hope to do a better job of explaining to the members of
the Appropriations Committee that we're not trying to
hide the ball. We're not trying to keep that helicopter
here in Austin for our pleasure. That's not the concern
at all. I will note that our -- that our SWAT team is
stationed and based out of Austin, and if we have to
deploy the SWAT team in an emergency, that is the
aircraft that we would use. And so that is a good
reason, aside from the other issues we've discussed, to
keep that aircraft in the Austin area. But with that
being said, Mr. Chairman, is that an adequate
explanation of the helicopter?
CHAIRMAN POLUNSKY: Yes, Colonel. If I
understand you correctly, notwithstanding your last
argument regarding the SWAT team, that the EC 145 that
was purchased with funds that are associated with Border
Star is going to be deployed in Laredo within a
reasonable period of time, probably in the next 30 days
or so.
COLONEL CLARK: Yes, sir.

CHAIRMAN POLUNSKY: After our aircraft section people are confident that our training is -- has been completed successfully and that it's safe to operate that -- that airframe down in Laredo.

COLONEL CLARK: Yes, sir.

CHAIRMAN POLUNSKY: So there's absolutely no intention on the part of the Department of Public Safety to divert that helicopter to Austin and replace it as it was intended to be in Laredo with another helicopter on a permanent basis.

COLONEL CLARK: That's correct. And I did not mention this, but we will -- on a rotation basis, Chief Nabors will have his senior experienced pilots TDY down to Laredo to participate in the training so we'll always have an experienced, mature pilot with our younger pilots as they learn.

CHAIRMAN POLUNSKY: Okay. And then briefly there was some discussion on black-and-whites that somehow somebody felt money was appropriated for new ones, and new ones were not sent down there.

COLONEL CLARK: Another misinterpretation or miscommunication. Colonel Beckworth I thought adequately described that, but I'll pitch the ball to Lamar and let him answer that.
Mr. Chairman, Commissioners, the audit reflected that we had purchased and provided older vehicles to the border, and that was not accurate. It was a miscommunication and a misinterpretation. What basically happened in the process is annually we buy approximately 450 to 500 black-and-white cars to replace our existing fleet once they get to some certain mileage. So when you go by our fleet shop, you will see probably 200 to 300 cars on that particular shop. They are brand-new cars. When this request occurred for us to deploy personnel to the border, based on the number of FTEs that were provided for us, we chose to send the new cars that were on the shop operation down to the operation so that we could meet their needs. We then took the funding that was provided by the border and replaced those cars through our normal yearly process. Had we chose not to do that, we would have to order cars, wait for approximately eight to 12 months before they would have arrived here before we could send those cars down to that operation. So I think there was a miscommunication and understanding that in some concept that we sent old cars to the border, and we did not. All the cars that were sent down there were brand-new cars right out of our shop.
CHAIRMAN POLUNSKY: Good. I think that's a very good explanation. So in summary to Representative Brown, and Chairman Pitts, and Chairman Ogden, and everyone else involved in the Appropriations process, and all members of the state legislature, certainly I want to make it very clear that it is the intent and the direction of the Department of Public Safety that whatever funds are appropriated to the department for specific uses will be used for those specific uses.

OSCAR YBARRA: Yes, sir.

CHAIRMAN POLUNSKY: And that will be the case certainly here with these items that we've discussed this morning, and that will be the case with items going forward.

OSCAR YBARRA: Yes, sir.

CHAIRMAN POLUNSKY: And, again, we want to make sure that the integrity of the department, which is extremely high, is maintained at that level and that the confidence of the legislature is in no way impaired by misconception or actual actions that might take place or whatever. We're just going to be fully committed to comply with the intent of any type of legislative appropriation that benefits the department, no ifs, ands, or buts.
OSCAR YBARRA: Absolutely, sir.

CHAIRMAN POLUNSKY: Okay. Thank you very much. And you're correct. You have the next item, and that will be the discussion and review of pending contracts, commitments, and change orders, including the following: Livescan Palm Print Upgrade.

OSCAR YBARRA: Just as an FYI, sir, this particular item was an exceptional item that was approved by the legislature for the '08-'09 biennium. So this is a fulfillment of that particular approval of the legislature. It's a palm print device which will greatly enhance fingerprinting, and the contract is provided for your review.

COMMISSIONER BARTH: Was this contract bid out?

MS. TAYLOR: Yes.

OSCAR YBARRA: Yes, it is.

COMMISSIONER BARTH: So there would be multiple vendors out there that could provide it?

MS. TAYLOR: Yes, ma'am.

COMMISSIONER BARTH: And have we used this vendor before?

MS. TAYLOR: Yes, ma'am.

COMMISSIONER STEEN: Chief, this is being brought to us because it's over a million dollars?
OSCAR YBARRA: That is correct. It's 2.4 million dollars, sir.

COMMISSIONER STEEN: But that's the reason you're bringing --

OSCAR YBARRA: Yes, sir. It's for your review.

COMMISSIONER STEEN: And when the contract is signed, remind me who signs it.

OSCAR YBARRA: It's a process, sir. The actual contract, once it's ready for execution, will require the tracking of it through several parties within the agency. First it will come to my procurement section from the actual division. That document that's submitted will have the division chief's approval, along with the project director's signature. And then that will go through the process of procurement. And then general counsel will be looking over that contract. Once they have looked at it and they feel that it's okay, it will be submitted to accounting and budget control where I will review it and my staff will review it. And I will at that point execute it, and the two directors will have the opportunity to review it, and if they choose to not approve it, then we would eliminate that contract.

COMMISSIONER STEEN: Does someone from the
general counsel's office sign the contract approving it as to legal form?

OSCAR YBARRA: That's correct, sir. On that tracking sheet they sign as to --

COMMISSIONER STEEN: But not the contract?

OSCAR YBARRA: No, sir.

COMMISSIONER STEEN: They sign the tracking sheet?

OSCAR YBARRA: The tracking sheet. An official agency form.

COMMISSIONER STEEN: Mr. Chairman, are you looking for a motion on this?

CHAIRMAN POLUNSKY: I don't think we need a motion. I think it's just more a --

OSCAR YBARRA: Just for review.

COMMISSIONER STEEN: Thank you.

CHAIRMAN POLUNSKY: Any additional questions? Anything else, sir?

OSCAR YBARRA: No, sir. I think I'll stay up for the next item just in case.

CHAIRMAN POLUNSKY: Okay. The next item is discussion and possible action regarding purchases using seized funds. That will be Colonel Beckworth.

LIEUTENANT COLONEL BECKWORTH:

Mr. Chairman, Commissioners, this will be the first
opportunity this Public Safety group has had an opportunity to discuss seized funds, and so I feel compelled to kind of give you an overview of the full process and being at your consideration for any questions.

First of all, the Public Safety Commission is the ruling authority for all seized funds. The group controls everything relating to seized funds. The agency, DPS, has a Seized Asset Committee that meets or is called by the chair, who is chief of criminal law enforcement division, and he will call the chief of the rangers, administration, THP, and the County to come together to discuss requests from different agencies based upon needs, equipment, and training needs that they have, and that's the area in which we utilize our seized fund assets. Chapter 24 of our general manual lays out the governing process and the guidelines as relate to the seized forfeited asset process. What I provided to you -- and I don't have an overlay of it -- in your booklet you have a process for forfeited assets from a federal perspective and forfeited assets from a state perspective, and what that entails is if we process a court case on seized assets, money, homes, land, whatever the process might be, it will go through a process with the -- from a state perspective. It will
go through a process with the district attorney
processing the case through the courts. With all of the
counties within the state, we have a local agreement.
That agreement stipulates that any approved process
through state forfeiture, the Department of Public
Safety could receive up to 70 percent and the local
entity would receive 30 percent. That percentage can
vary depending upon other agreements made between the
two entities. When that money is processed, all of the
proceeds go into our general revenue process. The
agency does not retain any funding from the state
forfeiture process. It all goes in the general revenue.
However, on the federal seized process, there is a
process by which working with the attorneys from a
federal perspective, we could end up processing the
cases federally. If we do that, the agency can receive
up to 80 percent of those proceeds, or they can receive
as low as 5 percent of the proceeds depending upon the
nature of it. And I've given you two examples of court
cases in that document, one from a state perspective and
one from a federal perspective kind of outlining how
that process works. And so we are governed by Chapter
59 of the Code of Criminal Procedure on our state
assets, and we frequently get changes in district
attorneys in an area, and we'll go back and try to
create another 70/30 agreement, but that 70/30 agreement
in that state court is binding, and we try to follow
that accordingly.

What I also have in the document is a
disbursement list of '08 and '09 projects or projected
'09 projects, and it will show you some of the items
that have been approved by previous commission and have
been purchased with seized funds.

I also have provided you with a document
in the report that shows the amount of money that we
currently have on hand in our seized funds. The amount
that we currently have available today is
$17,194,564.26. You will also see projected
expenditures for 2009, and that will be based upon the
items that we will present to you today and should you
choose to approve them. So this particular sheet
outlines the available money and the projected
expenditures that we'll present to you today.

What I also have in there is a document
that shows what has occurred previously in 2004, 2005,
2006, 2007, and 2008. You can see how much money has
been awarded and how much money has been received in our
seized funds process. Also, what happens is we also
have a process by which the Public Safety Commission
previously has authorized the agency to replace certain
items, and we replace those annually based upon a one-fifth percentage of the number of items that we have, and that's how we replace those items. For example, we have the ability by a previous commission -- if you want to do something different, you can, but we have the ability by previous commission to replace the following items: Body armor replacement, both in criminal law enforcement and THP; in-car video camera replacement in THP; handheld radio replacement in THP and criminal law enforcement. We also have the ability to -- recurring costs on certain items. Court costs and liens, vehicle storage and towing, hazardous chemical destruction, and forfeited vehicle makeready. So those are the categories that previous commissions have authorized us to do annually from these particular funds.

So I've given you an overview of these particular items. What has happened, two months ago the committee met based on critical things that we believe we need and we are recommending and asking your consideration for the following approval items. We are in a position to where we're asking for four portable 400 KW generators, emergency generators to be placed on a platform to be taken to offices where our power goes out based upon (inaudible) so we can bring those systems
back up and be operational in a short period of time.

COMMISSIONER STEEN: Colonel, may I ask you a question? Are you now going down this list of items that's on the sheet that's entitled "Disbursements"?

LIEUTENANT COLONEL BECKWORTH: No. I'm going over the items that are identified that we're making a request today. However, I'll stop and entertain questions.

COMMISSIONER STEEN: No. But where are they in the handout?

LIEUTENANT COLONEL BECKWORTH: They are at the very back.

COMMISSIONER BARTH: They are past the spreadsheet of the numbers.

LIEUTENANT COLONEL BECKWORTH: They are past the spreadsheet under the breakout items. Look over one additional page and you will see where we identified them.

Have you found them?

COMMISSIONER STEEN: Yes. I'm wondering, is there a way we could -- if we're going to dwell on anything here, is there a way we can put it up on the screen?

LIEUTENANT COLONEL BECKWORTH: Dorothy has
a copy, and she can try and put it up on the screen.

COMMISSIONER STEEN: Thank you, Colonel.

CHAIRMAN POLUNSKY: I think this is the type of information that Mr. Steen correctly was thinking should be available to be displayed on the screens.

COMMISSIONER BARTH: It seems to me there would be like a summary of all the items as opposed to each individual one. Is there a one page summary of each one?

LIEUTENANT COLONEL BECKWORTH: No.

COMMISSIONER STEEN: Are we going to vote on each one? Is that --

LIEUTENANT COLONEL BECKWORTH: No. We can provide that in the future for you. We don't have a one page --

COMMISSIONER BARTH: Summary. I guess the other question I have is: Can you use this money for anything?

LIEUTENANT COLONEL BECKWORTH: There are -- no, you cannot. There are certain things the funds can be utilized for, and so there's a guideline that the federal government provides to us that they can be used for. So I will make that available to you as well to show what those particular items can be.
OSCAR YBARRA: There is also a rider in our bill pattern that specifically identifies these funds and how they -- what would be preferably it should be spent on, and that is -- and I hope I'm not quoting it incorrectly -- police equipment, preferred police equipment.

COMMISSIONER BARTH: Preferred police equipment?

OSCAR YBARRA: Yes.

COMMISSIONER BARTH: But it doesn't have to be?

OSCAR YBARRA: No. But you're also limited by the federal guidelines also, which -- which gives you a little bit more flexibility.

COMMISSIONER BARTH: Does it give you --

OSCAR YBARRA: But for the most part, the agency uses it for preferred police equipment.

COMMISSIONER BARTH: But does it give you a flexibility like for IT?

OSCAR YBARRA: Yes, it does.

COMMISSIONER BARTH: Okay.

OSCAR YBARRA: I think mostly like from a onetime perspective purchase.

COMMISSIONER BARTH: Okay.

LIEUTENANT COLONEL BECKWORTH: Dorothy has
placed on the screen the request from the highway patrol service for the four 400 KW portable backup emergency generators to allow us to be able to have the flexibility when a facility goes out across the state to bring that system back up. Those particular units would cost $148,000. There are four of them. The estimated cost would be $592,000 from seized funds. There's another request for generators that she's going to place on there. These particular generators would be placed at all of our coastal locations. When we had the storms during Hurricane Ike, our Beaumont system went completely out, our Houston facility went out. We anticipate these same or similar problems and so we're asking and requesting consider be provided for these particular generators to Houston, Corpus Christi, McAllen, and Beaumont. The cost for those particular equipment will be $1,152,000 for the four full generators to go in those facilities, and we're asking your consideration on those.

We're also asking for consideration on a request to replace a component in the highway patrol offices to allow us to replace (inaudible). There are several offices across the state that have frequent failures and cannot link into our system. We need to try to make sure those systems work appropriately. We
had available one million dollars in our technology refresh budget that we used and so we're asking you to approve $836,842 to finish out that project in those highway patrol offices.

And finally, we are requesting a piece of equipment, weapons of mass destruction bags. That particular kit has injectors called DuoDote. They are two devices that allow us if we are exposed to a certain chemical, we can use this antidote for Sarin, VX, or Soman Nerve Agents. And this particular equipment in our weapons of mass destruction bag has passed it's expired expiration date and therefore it's critical that we replace this equipment. That cost to replace all the equipment, which is 9,100 units we're requesting, would be $419,328. And those are the items that we're asking you to consider.

I would also like to kind of touch on Commissioner Barth's comment about IT use. We have made a request to CJD to be considered for a grant to pay for a TDEX system funding. We were denied that particular CJD grant. It puts us in a vulnerable position going forward that we may not have enough money to fulfill paying for the system as it currently is in place. We are talking about almost four million dollars -- a little over four million dollars that could possibly be
needed. We are not exactly sure how much will be needed
because each month we're forecasting (inaudible) our
budget, and our plans are to try to replace that with
any unused federal dollars that we do not use, but
there's a possibility that we may have to come to the
Commission and ask for funding to pay for those
particular unmet needs as relate to the TDEX system. So
I want to bring that to your attention this morning as
well.

And that concludes my report, and I ask
your consideration on approving these four items.

COMMISSIONER STEEN: Colonel, when you
began your presentation, you said this is the first time
we were doing something. Say that again.

LIEUTENANT COLONEL BECKWORTH: We have not
had a meeting of our seized funds for quite some time,
and this is the first particular meeting we will have
had making a request to this body. So I felt compelled
to kind of give you an overview of how the process
worked in the past and for your consideration on
approving these particular items.

COMMISSIONER STEEN: That's the first time
it's come to this --

COLONEL CLARK: This commission.

LIEUTENANT COLONEL BECKWORTH: This body.
COMMISSIONER STEEN: This commission as it's constituted?

COLONEL CLARK: As constituted, right.

COMMISSIONER BROWN: The overview was helpful. Thank you.

CHAIRMAN POLUNSKY: Is there a discussion on this?

COMMISSIONER STEEN: Mr. Chairman, do you want a motion on all the items together, or do you --

CHAIRMAN POLUNSKY: I mean, we can do that if everybody is in agreement or we can pull them for individual discussion. I mean, it's up to y'all.

COMMISSIONER STEEN: Well, just to move along, I'll make the motion on the entire group of expenditures.

COMMISSIONER CLOWE: Second.

CHAIRMAN POLUNSKY: All right. It's been moved by Commissioner Steen and seconded by Commissioner Clowe that the items that have been presented by Colonel Beckworth be purchased using the seized funds as set out this morning. Is there a discussion on this? There is none. All in favor, please say "aye." Any against, "no." Motion passes.

COMMISSIONER BARTH: I have one quick question after the fact, though. Can we look at this
notice -- if I did my numbers right, roughly 14 million
in the seized funds.

OSCAR YBARRA: Yes, ma'am.

COMMISSIONER BARTH: Do we look at that as
a place to solve some of our budget shortfalls?

OSCAR YBARRA: This year, yes, ma'am.

Specifically TDEX.

COMMISSIONER BARTH: You know, but just in
general, I mean, I'm sitting here saying, okay, there's
14 million dollars out there that's not been spent --
I'm not saying rush out and go spend it, but with the
same respect --

OSCAR YBARRA: Yes, ma'am. And we do that
like specifically for TDEX and -- but there's also
things that we can see in the future that are going to
happen, you know. This money is traditionally utilized
by the agency via a rider approved by the legislature to
replace aircraft. Everybody -- the Cessna and a
helicopter. You're looking at probably close to five
million dollars there. We also -- we're also aware of a
rider that exists today in the Senate for the purchase
of a helicopter in Longview which specifically
identifies the use of seized funds to purchase that
helicopter. When you put those two together and you add
the recurring costs, it chews up the money pretty fast.
So we're taking that into consideration this particular fiscal year.

CHAIRMAN POLUNSKY: And how much is that rider for the helicopter in Longview?

OSCAR YBARRA: Currently, sir, that helicopter is around 4.2 million dollars, and it allows the agency to hire pilots to fly that helicopter, but no funding from an operational perspective in the Senate. We would have to find dollars to do that within our budget.

CHAIRMAN POLUNSKY: But that's not an exceptional item.

OSCAR YBARRA: No, sir. That was added to our request by the Senate.

CHAIRMAN POLUNSKY: So --

COMMISSIONER BROWN: Do you mind -- I'm sorry. I didn't mean to interrupt you, Jim.

CHAIRMAN POLUNSKY: Well, obviously then it doesn't rise to the level of priority of other items. Is that -- would that be an accurate assessment?

OSCAR YBARRA: Other items as in agency needs? If that's a rider that's put in our bill pattern, sir, that would be the direction for the agency to go.

CHAIRMAN POLUNSKY: You maneuvered around
that pretty well.

(Laughter)

COMMISSIONER BROWN: You've been over an important distinction, and I want to see if you could repeat that as to what --

OSCAR YBARRA: Repeat what?

COMMISSIONER BROWN: Okay. Go back over --

LIEUTENANT COLONEL BECKWORTH:

Commissioner Brown, let me help you.

COMMISSIONER BROWN: Okay.

LIEUTENANT COLONEL BECKWORTH: Basically what he's saying is that there has been -- if you look at the sheet that you have before you see, you will see a Rider 3 and you will see a Rider 57. The last 57 Rider required DPS to take seized fund money and purchase a new helicopter and place it in Amarillo.

COMMISSIONER BROWN: Right. Okay.

LIEUTENANT COLONEL BECKWORTH: We just did that recently. However, we are also tasked by the process to place the existing aircraft after they reach a certain period of time. We have a Cessna in Houston that's due. We have to replace that. It's coming up. 660 some odd thousand dollars is what we anticipate that's going to cost us. We also have another aircraft
in Lubbock, I think, that's coming up for replacement. That's a helicopter. That's 4.2 million dollars. So we know those particular projects are coming up for replacement. In addition to that, in this particular session, there is a rider that's kind of like Rider 57 for Amarillo telling us to go ahead and identify funding through seized funds to provide a helicopter in Longview, Texas, to the amount of 4.2 million dollars. That that particular rider is not like the one that was done for 57. The one in 57 gave us permission -- gave us funding for two pilots and --

COMMISSIONER BROWN: Got you.

LIEUTENANT COLONEL BECKWORTH: -- also operating costs. This one does not. It just gives us permission to get the aircraft, and we would have to find the dollars to operate it from some other source.

COMMISSIONER BROWN: Thank you. And you asked that far better than I. We went over a lot of stuff, but that was the distinction I was looking for was what was not funded in this particular -- okay. Thank you.

COLONEL CLARK: Mr. Chairman, I might make one comment to Commissioner Brown. There's no guarantee that these funds will continue to come in. I mean, our troopers do a magnificent job of criminal interdiction,
and we're going to seize currency, but there is no
guarantee any year how much money would come in to be
awarded. So it fluctuates from year to year. And
there's a lot of money pending out there right now.
It's in your file that shows you what is currently
awaiting distribution. But as we know, it will
continue, but it depends on the good work of our
troopers, who we have some fantastic interdictors out
there, and they do a good job, and that's just one of
the things that they do. They seize narcotics, weapons,
and currency. But that currency on the federal side
allows us to fund these very important equipment items.

COMMISSIONER BROWN: And I will say it was
really impressive to look at the amazing numbers of -- I
mean, that's -- it's amazing that our troopers are
seizing that much. We should be really proud of them.

CHAIRMAN POLUNSKY: Okay. So that -- we
voted on that motion, correct? Anything else?

OSCAR YBARRA: You tell me, sir.

CHAIRMAN POLUNSKY: Are you having fun?

OSCAR YBARRA: Every day, sir.

CHAIRMAN POLUNSKY: Thank you. The next
item: Discussion and possible action regarding
implementation of driver license reengineering, new
driver license system, and options regarding
implementation, including consideration of current key contract relationships and possible expedited contract processes during the implementation phase. That will be Chief Brown.

OSCAR YBARRA: I'm not gone yet, sir.

JUDY BROWN: If you will indulge me for just a moment so I can back up and provide some history, which I think it will make it easier as we go forward.

As we spoke to the Public Safety Commission on a number of occasions with regards to the driver license reengineering project, two of the most significant obstacles that we met in this project were the communications network and the ability to operate on a mainframe computer. As we reached those obstacles, the technical team, project team were able to maneuver to new technologies. They distributed server environment to allow us to operate outside of the mainframe on a -- several pieces of hardware that would allow us the throughput capacity that we need to operate the system with some efficiency as well with regards to the satellite system not having the ability to move the images through the bandwidth that we had on the new satellite. We have found the opportunity, tested it and the ability to run via a phone line network. Both of those pieces of technology are an increase in what we
originally intended for the cost of this project to run.  
We have identified through the request to exceed  
documentation that's been provided to the Public Safety  
Commission prior to today the need to exceed our capital  
authority. Those requests take most specifically those  
two items and allow us the opportunity to do the  
installation of equipment and the operating costs  
through the end of this fiscal year. In our exceptional  
items on the LAR under the IT portion, we have the  
continuing cost for the communications network to take  
us through the biennium. We are, I guess I would say, a  
third through the request to exceed process with  
approvals. We still have a couple approvals to obtain,  
with a couple of approvals promised. So we are  
diligently working to ensure that all questions are  
answered and Chief Ybarra and myself, and perhaps  
repeatedly with some, have made ourselves available with  
others, and continue to work through that process for  
the request to exceed to be approved. Because of the  
timing and where we are today, the project schedule  
required us to begin cutover, which means stopping  
certain processes in order that we would fulfill all the  
way through the life cycle of some of our functions,  
which would allow us to begin our migration of data over  
the Easter weekend. We began that cutover this week.
Knowing that we've got the request to exceed pending and
we've got the budgetary appropriations request for the
biennium pending as well, it is our recommendation that
we continue forward with this process. We have
determined through continued effort from our technical
team, office of general counsel, the procurement folks
out of Chief Ybarra's division, the opportunity to move
through the migration and move through the pilot with
expenditures that would be within the cap. Now, what
that means is if we don't get the request to exceed
approved, then we have to regroup at the pilot and
determine how we function as a Driver License Division
supporting the offices across the state. Additionally,
if we got the request to exceed approved and did not get
the biennium request approved, we would also have that
same dilemma. We believe with the timing -- and it will
be to the moment and almost exact, but with the timing
that we can continue to move forward and be able to make
those decisions along the way keeping the Public Safety
Commission apprised of each step as we obtain approvals
and as we move through implementation.

We also would ask that as we go through
implementation that the Public Safety Commission give us
the authority and/or the direction to have latitude in
the procurement process. We anticipate as any large
scale project of this type that as we move to
implementation, as we move through that probably 120
days from migration to full implementation across the
state, that we may encounter hurdles that would require
us to obtain services or a contract for equipment that
might need to be made on an immediate basis.

So we have provided again through the work
of general counsel, through the work of the fiscal
affairs division, through the technical team, we have
provided a recommendation to you kind of a best and
worst recommendation, but our recommendation would be
that you give us the authority and the latitude to make
procurement decisions through the implementation phase
of this project at your will, Chairman Polunsky. If you
would like to appoint a commissioner that we could work
through, one commissioner to seek approval for those,
and then at each opportunity to report to the full
commission, we would be able to report those purchases
as part of our division report.

CHAIRMAN POLUNSKY: Thank you, Chief.

With respect to the last comment, we are going to have
some commissioners become involved in this directly. I
am appointing a committee that will be chaired by
Commissioner Barth, and also have Commissioner Clowe
serve on it that will be involved in this process, and
also provide a more global overview and interface with
the Driver License Division on behalf of the Commission.

You have an important project going on
here. You have an important function and responsibility
and duties over there, and I feel that it's extremely
important that the Commission be very much involved --
not doing your job, but at least, as I said, interfacing
with you and providing a bridge between the Public
Safety Commission and Driver License Division. So Carin
and Tom are going to become involved in that capacity.
Of course, Carin is already working with you on that in
the immediate past here. So that's how we'll be doing
that in the future.

JUDY BROWN: Okay. I appreciate the
appointment and welcome the involvement.

CHAIRMAN POLUNSKY: Yes. Any comments?

COMMISSIONER BARTH: I've got a question

on -- in terms of recommending to the chairman to
appoint either myself or Commissioner Clowe for this
interim approval of contracts dollar -- total dollar
value that you anticipate.

JUDY BROWN: In talking with Jimmy and
Linda -- or for those of you who don't know Jimmy Weise,
he's our technical project manager, and Linda Boline is
the business -- business side project manager. But in
speaking with them, we don't anticipate to exceed $500,000.

COMMISSIONER BARTH: And that would still fall under the amount under the RTE; is that right?

JUDY BROWN: That's correct.

COMMISSIONER BARTH: So these are vendors we haven't contracted for but anticipate we might and not having to wait the 30 days between meetings to approve it?

JUDY BROWN: That is correct. Or vendors that we would have the opportunity to go direct through DIR's process to obtain their services.

OSCAR YBARRA: Just to clarify, I mean, those would not be dollars associated with the request to exceed, right?

COMMISSIONER BARTH: Yes or no?

JUDY BROWN: They are included in the request to exceed.

OSCAR YBARRA: But you're using capital authority to do that?

JUDY BROWN: As part of the project.

COMMISSIONER CLOWE: I'm sorry. I didn't hear your answer.

OSCAR YBARRA: They have some capital authority under the current budget process. I think
what they are doing is substituting certain things for others to use their capital authority. It's still all under the same project. I understand that that -- that will be okay under the rules. The dollars set aside, in other words, for the shortfall would not be spent.

COMMISSIONER BARTH: That's not what I heard. Is that --

JUDY BROWN: There are dollars included in the request to exceed that are justified in the request to exceed that would cover the potential for any of these emergency, I'll call, procurements, that if the -- the interim procurements that may come up during the implementation process.

COMMISSIONER BARTH: Are you struggling over here, Oscar? I see you struggling, so --

OSCAR YBARRA: I just want to make sure that -- I know that they have -- you have 10 million dollars of (inaudible). Would you be using those dollars for the 500,000?

JUDY BROWN: No, sir. We would be using the dollars in the request to exceed.

OSCAR YBARRA: Then I cannot authorize that expense.

JUDY BROWN: In the request to exceed we have dollars in the justified -- a memo that we did with
the request to exceed that these funds would be out of
those same dollars for those same subject matters.

OSCAR YBARRA: They would be associated
with those items. Bottom line is that the 7.9 million
dollars is restricted from a perspective that we could
not buy capital items beyond that amount -- in that
amount. So if you're using existing deal reengineering
authorized dollars to pay for that, then it's just a
flip-flop. If you're going to pay for this -- something
later with this money, if that's the case, okay. But if
you're using the 7.9 million, we're not allowed -- we're
not allowed to move forward.

JUDY BROWN: Because of -- because of --
and I'll back up. I'll back up. With regards to not
having the request to exceed approved at this point, we
can move forward with the existing cap to do the pilot
and implementation. We have negotiated -- Jimmy and
Linda have negotiated successfully with the
communications vendor the opportunity to extract the
pilot offices out of the overall contract so that we
could move forward with that -- execution of that
contract and installation of those communication lines.
So within existing cap dollars, we could move forward.

OSCAR YBARRA: I would be fine with that.

COMMISSIONER BARTH: Are you sure?
OSCAR YBARRA: The key words being "existing cap dollars," yes.

COMMISSIONER BARTH: I'm going on what he's saying here, so -- I sure would like to have you --

JUDY BROWN: I apologize for that.

CHAIRMAN POLUNSKY: In the future y'all need to get together before these meetings and get this --

OSCAR YBARRA: I think we were, but when I heard it, it sounded a little different, but we're on the same page. Sorry.

CHAIRMAN POLUNSKY: All right.

STUART PLATT: Mr. Chairman, can I make an inquiry?

CHAIRMAN POLUNSKY: Yes, sir.

STUART PLATT: With -- Commissioner Barth has been extremely helpful in this matter. We talked yesterday. She asked the question about anticipated expenditures. There are some constraints the Commission has regarding particular IT expenditures. Are you authorizing for this -- the appointment of this committee those committee members to use their discretion if we hit those cap amounts for expenditures in this process on a short-term basis on these procurements?
CHAIRMAN POLUNSKY: Are we --

COMMISSIONER BARTH: No, that's not

what --

OSCAR YBARRA: He's talking about from the

contract perspective.

STUART PLATT: The contract perspective.

COMMISSIONER BARTH: Okay.

STUART PLATT: Because right now we've got

some constraints --

COMMISSIONER BARTH: Right. Right. And

what I would suggest to the chairman now with the

approval of the other commissioners is to delegate to

Commissioner Clowe and myself during this -- I call it
during the stub periods on the ability to approve these

contracts up to a combined total of half a million over

what I'm hearing is the next 120 days?

JUDY BROWN: Yes, ma'am.

COMMISSIONER BARTH: Commissioner Clowe.

COMMISSIONER CLOWE: Well, let me

understand exactly where we are. We started off with a

project that was supposed to cost 38,238,145, and now

we're looking at an expense projected to be 56,049,574,

and we're short in that 56,049,574 by seven point

something million, which we have a request pending -- an

emergency request pending that we hope to get.
JUDY BROWN: That's correct.

COMMISSIONER CLOWE: And in the interim it is your plan to begin implementation. You've already got some testing going on now, but you have tests planned in two steps that can be funded through an agreement you made with the vendor under present authorized funds.

JUDY BROWN: That's correct.

COMMISSIONER CLOWE: So you're not spending any money up to this point that is not properly funded and available.

JUDY BROWN: That is correct.

COMMISSIONER CLOWE: If you don't get the emergency funding approved, then you're in the soup.

MR. WEISE: We have a contingency in that contract that basically says we're not going to buy anything else.

COMMISSIONER CLOWE: And then the whole program stops?

MR. WEISE: Yes.

COMMISSIONER CLOWE: And what you're asking this commission for is that two commissioners be named and those two commissioners act in lieu of the full commission on an intermediary basis to approve up to half a million dollars of contracts if necessary that
are within the funding that's already approved and available?

JUDY BROWN: That is correct.

COMMISSIONER CLOWE: How did we get into this situation? You know, I think this started a long time before this board came into being, but it is an embarrassment to me to see the kind of overrun we have on this and that we're now in with our hat in our hand before the LBB with this gun at our backs to get this thing done. How did we get in this mess?

JUDY BROWN: I will tell you very honestly, Commissioner Clowe, that the project scope when we began some six years ago to lay this project out, to scope it out, we determined, the agency, the division chiefs, the leadership at that point in time in this agency, which is significantly different with the exception of myself, determined that we would partner in implementation of this project.

COMMISSIONER CLOWE: With who?

JUDY BROWN: The Department of Public Safety would take on a certain role with regards to IT support, and we would contract out the software development and the mechanism to implement the project in the field.

COMMISSIONER CLOWE: That's the
partnership you're talking about?

JUDY BROWN: That is the partnership that I speak of. The piece of that partnership that failed is the department's piece and -- and there's not one there's significant -- there's not one specific issue to point a finger at. There's not one specific issue to blame. But we determined back then that we would use mainframe technology. That wasn't the best decision for the technology that's available. And we stepped right up to that hurdle and couldn't get over it without changing from mainframe technology to this distributed server environment. The other technology that had been historically used in the agency for many, many years to support law enforcement was the satellite communication network, and again, the decision was made then that we were going to do everything we could to utilize the satellite network to support the system. And very quickly as we resolved the issue with the mainframe throughput, then we bumped against the hurdle that the technology of satellite will not move images back and forth to driver's license offices in an efficient capacity. The technology is changing through that time period, the inability to maintain a continued level of support from the IT environment, which y'all are very familiar with, have been the significant hurdles that
have cost us not only delay in the project, but the
increase in the cost.

COMMISSIONER CLOWE: Well, I for one am
disappointed not only the overrun in cost, but the
increased delays and, you know, to say that it's the
failure on the department's part is easily articulated,
but my sense is this program has not been well managed,
and I think that the IT portion is a weak part of this
whole plan. And I think it points up the need for
strength in the IMS and better coordination with IMS on
all the projects that depend so heavily on it such as
this one. And I hate to see this department backed into
a corner like it is with so many ifs and alternative
plans where we ought to be doing things in a well
planned, orderly, with firm deliverables forthcoming.
It's an embarrassment, as I say, to get ourselves in a
position where we're trying to come up with this new
driver license, and we just don't know.

JUDY BROWN: Commissioner Clowe, I will
take complete blame for where we're at today. I will
tell you that several months ago that some members in
the agency will tell you that I stole Jimmy Weise.
Others will tell you that I dragged him kicking and
screaming, but we brought him over to driver license
full-time. He brought a team with him that we -- we
coordinated with Chief Lane, and we brought those IT
experts into our environment, into our house, and we
have housed them that way. And from that point forward
we have seen continued success, continued coordination
and would not be where we were today without that. But
it lays out exactly the issue that you laid out as being
an inefficiency that we have corrected in this project,
and I will tell you that we need to correct it in every
project moving forward that we ensure we have the right
dedicated team from the very beginning.

COMMISSIONER CLOWE: And you see, that
makes my point in that when you had to go steal somebody
and drag them into your division to get this job done,
that's not the way I think we ought to do things here
with IT. IT ought to be a strong, productive entity
that when driver license or CLE or the Texas Rangers or
the highway patrol have a project, they deal with them
and provide what is needed. That displays a weakness on
our part, in my opinion, organizationally, that we've
got to deal with.

JUDY BROWN: And I agree. I think if we
are successful in the exceptional item list that we
have, you will see an IT division that's able to
maintain their technical expertise, and that they are
able to maintain that, stay with that, and move forward
with that. While we have the turnover that we have in
our IT division, it's difficult to maintain a solid team
on a five year project.

COMMISSIONER BARTH: Can I ask a question
with respect to the overall project in terms of what
other states have successfully implemented a project
this size?

JUDY BROWN: Two.

COMMISSIONER BARTH: And they are?

JUDY BROWN: Utah has -- and there is not
a state that's implemented a project of this size.

COMMISSIONER BARTH: Okay.

JUDY BROWN: Texas is one of the top three
largest states out there. California has not. New York
has not. Florida has not. Utah has delivered a project
like that. There are a number of states who have begun,
stopped, started over again, and I can't tell you
exactly the status of those states, but Utah and I
believe --

JIMMY WEISE: Pennsylvania.

JUDY BROWN: Pennsylvania stopped.

LINDA BOLINE: Iowa.

JUDY BROWN: Iowa.

CHAIRMAN POLUNSKY: Chief Brown, are you
confident that this project will be implemented
successfully?

JUDY BROWN: With the request to exceed, yes, sir, I absolutely am, and the continued budget over the next biennium. This -- we have -- the last two weeks we have been in training. We have the system fully operational. We have trained our -- we're training our trainers. We have had solid, very confident opportunity to work through the system, to bring our field people in, to bring our headquarters in. We are getting rave reviews on the project. We are seeing very few issues come up along the way, which you would expect on a project of this scope. And, again, I think as we implement and as we move forward, we have the opportunity to put a state-of-the-art driver's license system out there.

CHAIRMAN POLUNSKY: So you are confident --

JUDY BROWN: Yes, sir.

CHAIRMAN POLUNSKY: -- that we will not have issues that will result in this project being delayed further or being in any way dysfunctional?

JUDY BROWN: Yes, sir.

COMMISSIONER BARTH: And when do we deem it complete with respect to the bearing point contract in terms of robust?
LINDA BOLINE: We have 60 days after we begin pilot, and then we have final acceptance. After final acceptance, there is -- I believe the actual project closeout is in September, if not a month before that. But it's just right after we get our pilot and do all the project management stuff after the final acceptance.

JUDY BROWN: The pilot period is -- it's a bit of a misnomer, Commissioner Barth. Pilot is really the transition to the new system. The first 30 days would be in the headquarters environment. The next 30 days will be in seven driver license offices, and from that point forward, we begin to roll a number of offices a week over a 12 week period.

COMMISSIONER BARTH: But once the 60 days from the time, let's call it, Easter, this then deemed complete given we don't run into any issues?

JUDY BROWN: We accept the (inaudible).

COMMISSIONER BARTH: Okay.

JIMMY WEISE: Now, one of the things that you need to be aware of is if the RTE continues to get delayed and if we do stand up on Easter -- we go (inaudible) get headquarter pilot. We begin that 60 days then. So each increase in the RTE cuts the window that we -- when we actually start (inaudible) in the
field. So, I mean, if we don't hit the field on the 
31st day and we hit them on the 60th day, then we're 
basically without bearing point when we do those six or 
seven field performances. And to clarify. One thing 
that was able to -- we will have bumps during 
implementation. That's why we're requesting the ability 
to make procurements if they are needed. Well, we're 
not expecting anything that's going to force us to turn 
around and go back. We will continue to move forward.

CHAIRMAN POLUNSKY: Well, I think that 
bumps are to be expected in a project of this size and 
scope. I'm just concerned that we don't get into a 
situation where the project in some manner collapses or 
is derailed in such a way that we have a catastrophic 
situation on our hands.

JUDY BROWN: I do not expect that to 
happen.

JIMMY WEISE: And one of the things that's 
got to be built in is future life cycle maintenance of 
the application. I mean, once it's stood up, it's going 
to have to be fed each day. It's not an application 
that you can just stand up and walk away and say we 
never have to invest any money again. If that's the 
approach, then, you know, two years from now you'll be 
doing another (inaudible).
STUART PLATT:  Mr. Chairman, can I make an inquiry regarding that maintenance issue?  At what point would our maintenance contract with bearing point -- is there an overlap between a pilot program and the maintenance contract to (inaudible)?

LINDA BOLINE:  The SLA begins the day after the pilot.

JIMMY WEISE:  So after the 60 day pilot (inaudible).

COMMISSIONER BARTH:  Can I ask Oscar kind of a technical question in terms of the flow of funds? Do the flow of funds go to bearing point and then they pay their subcontractors? How does that work?

OSCAR YBARRA:  I'm assuming that's correct. Yes. They would pay their subcontractor. We would pay them directly, and they would pay their subcontractors.

COMMISSIONER BARTH:  Do we have the ability to pay the vendors directly?

LINDA BOLINE:  The subcontractor?

OSCAR YBARRA:  The subcontract vendor?

COMMISSIONER BARTH:  Yes.

LINDA BOLINE:  Not --

OSCAR YBARRA:  Not through contract. The contract is set up through that particular vendor -- the
COMMISSIONER BARTH:  Bearing point, let's call it, is the parent, for lack of a better way of saying it. So we pay them the money and then they are to disburse it to the vendors.

OSCAR YBARRA:  There's language in the contract that identifies that.

LINDA BOLINE:  And they disclose that -- what they pay each month.

COMMISSIONER BARTH:  And how does that flow with respect to the bankruptcy courts?

STUART PLATT:  That's why we consulted with bankruptcy counsel before, and we may have the answer for that by the time we go into executive session.

CHAIRMAN POLUNSKY:  Well, that's certainly a very fundamental issue here that we're all very concerned about. So it would be very helpful, Mr. Platt, to have whatever information possible.

STUART PLATT:  We had a conference this morning with bankruptcy counsel and we'll talk in executive session about that.

CHAIRMAN POLUNSKY:  Where are we with the request?

JUDY BROWN:  We are working it through the
legislative process at this point.

CHAIRMAN POLUNSKY: And where are we?

Where is it?

JUDY BROWN: We have two signatures pending approval at the Governor's office, and we have approval from Senator Ogden.

CHAIRMAN POLUNSKY: So we need signature from Chairman Pitts?

JUDY BROWN: Chairman Pitts --

CHAIRMAN POLUNSKY: The speaker?

JUDY BROWN: -- lieutenant governor and the speaker.

CHAIRMAN POLUNSKY: And what -- again, where are we?

JUDY BROWN: We are answering questions. We answered some questions yesterday for Representative Pitts. We have a commitment from the lieutenant governor's office. We're contacting them as frequently as we possibly can.

CHAIRMAN POLUNSKY: You have a commitment from the lieutenant governor's office for what?

JUDY BROWN: That when we receive both Ogden and Pitts's approval, that that approval will be granted.

CHAIRMAN POLUNSKY: All right. So what
I'm -- what I'm hearing here is it's very critical to get the approval of Chairman Pitts.

JUDY BROWN: I spoke with his staff yesterday on two occasions.

CHAIRMAN POLUNSKY: So what do we need to do in order to get that?

JUDY BROWN: It -- I am making myself available at every opportunity to answer any questions, to provide any level of detail that they need. It may be, Chairman Polunsky, that if you reached out to Chairman Pitts, we may have a more successful audience at his level.

CHAIRMAN POLUNSKY: Chief Kelley, could you facilitate a meeting if necessary?

MICHAEL KELLEY: I'm Michael Kelley, Chief of Government Relations. Are you asking me if I have set up or would you like a setup?

CHAIRMAN POLUNSKY: Well, I don't think you have set up from what I can hear, but I would agree with Chief Brown that if this is not going to be addressed expeditiously, that it possibly could be helpful or advantageous for me to meet with either the chairman or members of his staff to see if we can move this forward because from what I'm hearing today and what I've heard previously, it's critical that we get
MICHAEL KELLEY: Yes, sir.

CHAIRMAN POLUNSKY: -- and with this approval then the others probably will follow suit quickly --

MICHAEL KELLEY: Yes, sir.

CHAIRMAN POLUNSKY: -- and we'll be on track.

MICHAEL KELLEY: I'll contact Kathy Panaszek on the committee and see if we can do something either this evening since we're going up to the capitol anyway, if that will be okay with you.

CHAIRMAN POLUNSKY: That will be fine.

MICHAEL KELLEY: Okay.

JUDY BROWN: That concludes my report unless you have further questions.

CHAIRMAN POLUNSKY: Are there other questions?

COMMISSIONER BARTH: Do we need a motion?

STUART PLATT: My concern was -- yes. I have some concern with the scope of the authority being given to the committee. So I wonder if you need a motion or some sort of formal action to delegate that authority to the committee?

COMMISSIONER CLOWE: Is it on the agenda
as an action item?

COMMISSIONER BARTH: It should be.

STUART PLATT: It is in terms of DL reengineering. It's fairly generic, and so I think -- and I anticipate this, I'll believe it (inaudible) open meetings.

COMMISSIONER CLOWE: Point it out to us, would you please.

STUART PLATT: It's under Roman numeral III, Subpart E.

COMMISSIONER CLOWE: You think that covers it?

STUART PLATT: I believe it does because it includes language about possible expedited contracting process.

CHAIRMAN POLUNSKY: Mr. Platt, would you -- would you formulate a motion --

STUART PLATT: Sure.

CHAIRMAN POLUNSKY: -- for consideration? Would you like to put one forth at this point?

STUART PLATT: I can put one forth. I would request that a member of the Commission move for the subportion of the committee -- of the Commission, being committee members, Commissioner Barth and Commissioner Clowe with Commissioner Barth serving as
chair, be vested with the delegated authority to oversee the critical stage of the implementation of the DL reengineering process during this next -- basically from this point until the pilot project is completed and vest them -- that the Commission vest them with authority to approve for procurements up to but not exceeding $500,000 to expedite the implementation of the program.

Is that consistent with what was discussed on it?

COMMISSIONER BROWN: I'll move. So moved.
CHAIRMAN POLUNSKY: Is that okay with you, Tom?

COMMISSIONER CLOWE: Yes, sir.

CHAIRMAN POLUNSKY: Okay. There's a motion from Commissioner Brown. Is there a second to Commissioner Brown's motion, which is tracking the proposed motion that Mr. Platt has articulated?

COMMISSIONER STEEN: Second.

CHAIRMAN POLUNSKY: It's been seconded by Commissioner Steen. Is there a discussion on this motion? No discussion. All in favor, please say "aye."

Any against, "no." Motion passes. You now have assistance.

COMMISSIONER BARTH: (Inaudible) click on the icon.

(Laughter)
CHAIRMAN POLUNSKY: Thank you. We're scheduled next to go to executive session, but for time reasons, I'm going to move onto ongoing business at least partially if that is okay with the rest of the commission.

COMMISSIONER BROWN: Sure.

CHAIRMAN POLUNSKY: And I would move on to reports, discussion, deliberation, and possible actions regarding the following, and the first would be the procurement of a project management contract to implement organizational changes and planning regarding the development and administration of the project management plan, and we will address that through a report from Commissioner Clowe.

COMMISSIONER CLOWE: Commissioners, as instructed by the chair, Commissioner Brown and I met following the meeting of a selection committee to responses for a request for proposals for a project management office that resulted in four entities that were deemed qualified and recommended for interview. Approximately two weeks ago Commissioner Brown and I interviewed those four entities and went through a rating process with our purchasing department, and as a result of those actions, including the cost factor, the Deloitte firm was named the number one respondee. A
meeting was subsequently scheduled between our director of human resources and the colonels, as well as other people -- I was not present and so I do not know who else attended -- and the work was begun on a statement of work and the identification of costs in this matter.

Now, to my knowledge, this agency has never worked in the past with a project management office, and it was to a great extent a learning experience for me and perhaps for Commissioner Brown, but we did learn that it is not uncommon for large entities or entities that have complex expansions or reorganizations or redevelopment activities to employ a firm as a project management office to assist the management in the implementation of that expansion or reorganization or turnaround. And although I don't think Colonel Beckworth was there, Colonel Clark attended a number of these meetings and was brought into this process. The Deloitte people demonstrated, in my opinion, and I think in Commissioner Brown's opinion as well, a high level of expertise and generated a level of confidence from us in their ability to assist us in the reorganization of this agency and the hiring of people necessary to run the organization under the director's guidance, and their help to this point has been very beneficial.
We have come up against a major obstacle that was identified in the meeting that Paula Logan and Colonel Clark had with Mr. Drew Beckley of Deloitte and that is the projected costs. And in entertaining moving forward with a contract -- and no contract has been signed at this point. We are in the negotiation stage. There is no obligation on either party's part. -- it was identified that the resources of Deloitte that would be brought to bear over perhaps a two year period would range in costs from possibly three and a half million the first year to an additional two and a half million the second year, a total of six million dollars for two years. Now, Commissioner Brown was unable to meet at the next meeting with the Deloitte individuals, so in light of that I asked the chairman to attend that meeting, and he did so. And at this point there's been a very careful division of communications. Commissioner Brown has not communicated with the chairman and there's been -- we've been very careful to observe the open meetings protocol, and we are here now in the public meeting, which is the proper venue to discuss this issue.

My sense, Commissioners, is that there's no question that Deloitte has the expertise. They have the depth. They have the experience. They would be a
fine company to work with as a PMO. The cost is the issue that I think the commissioners might want to delve into and focus on in this discussion today. We ended the meeting, the chairman and others on the staff, asking Mr. Beckley to be creative in his thinking and see what Deloitte might do to reduce the expense of employing his firm and how that might work out. We have not heard from him, and he's here today, and I assume prepared to speak to that. Mr. Chairman, that would be where I think we are in this process today.

CHAIRMAN POLUNSKY: Thank you very much, Commissioner Clowe, for all the work you've done on this project to date. Mr. Beckley, I think that certainly accurately describes the status of where we are, you know, that there is some concern, at least on my part, and I believe certainly Commissioner Clowe's part as well as to the price that is associated with the services that you're proposing. And you were asked, as Commissioner Clowe spoke to a second ago, to possibly revisit your strategy as to what services, you know, could or would be provided to the department in this endeavor. So I would like to hear what your thoughts are and if your proposal has changed since it was originally presented.

DREW BECKLEY: I'm Drew Beckley, a
principal with Deloitte Consulting. We've had several
discussions following the meeting last week and
preparing actually a draft statement of work, which
would be a modification from the proposal we had
submitted to the Commission.

Basically it would anticipate a budget of
a million and a half dollars over the next two years.
Part of that was as we had raised the possibility, the
assumption of the number of those responsibilities by
the department itself in the conduct and changing the
mode from the proposal in which we would participate.
So we have proposed a smaller team, that it would be
part-time in an organized fashion rather than full-time
with some adjustments to the individual's
responsibilities and working much more in an oversight
and review mode with more of the detailed work to
actually be done by department personnel. I would
emphasize also that the contract as structured in the
RFP is a time and materials contract so that we
basically serve at the pleasure of the Commission and
the department under that in terms of the level of
effort. So it is -- it's not fixed at any number, but
in fact this as structured would have a cap on it of a
million and a half over the two year period.

It also included as part of that the doing
of the first task as we had proposed and doing that pro
bono, which would involve the putting together of the
recommendations, division, the priorities in the initial
plan. It was clear to us that in both making the
proposal that also we went through discussions just as
we have to better understand collectively how a PMO
might operate that it's very important to get to a sense
of the priority for those things to be undertaken over
the next two years and even in the shorter period over
the next three to six months. So that work initially
would be to establish that, which would basically be the
plan for the next six months or through the end of this
fiscal year.

CHAIRMAN POLUNSKY: So if I understand
what you're saying, you do have a plan to reduce the
scope of your services and remarkably reduce the costs
associated with it?

DREW BECKLEY: That's correct.

COMMISSIONER CLOWE: May I add a couple of
things?

DREW BECKLEY: If I can also say -- and
that's actually been reduced to a graph of the statement
of work that we have exchanged with the department and
going through a couple of modifications.

PAULA LOGAN: This is probably (inaudible)
a final draft -- I'm Paula Logan. I'm the human resources director. But we wanted to at least get it to the phase where we were in general agreement about all the main clauses so that you could reference in this meeting if you wanted to discuss it in detail.

COMMISSIONER CLOWE: Mr. Platt, let me ask a question before you go forward, Paula. Are we within the parameters of the original RFP in this discussion and are we authorized to discuss this matter in this way?

STUART PLATT: I believe we are. Aline, you've worked the scope of this contract. I -- probably the best (inaudible) North Lamar contract matters out here who has worked intensely on this, and we talked about it yesterday. She believes --

COMMISSIONER CLOWE: We're not changing the parameters so that we made the original RFP null and void?

STUART PLATT: No, I don't think so. In fact, one of the things that happened is I think they identified the pro bono portion, which, as you and I sat last week and met, has been identified, if I'm not mistaken. So we deal with that up front before we move into the pay phase, which I think is consistent with the cafeteria plan approach that we had in the RFP.
PAULA LOGAN: I was just going to point out that although Deloitte is limiting their scope, as he said, that means that DPS would take over more portions to do in-house. And so we would probably have to in turn identify staff, possibly hire staff that could work full-time to do that. Now, we could probably do that less expensively than Deloitte can, but it would still be an additional expense to the contract to have internal people. Either that or we would have to draw a lot of people from their permanent jobs into these temporary jobs and leave those permanent jobs vacant during the duration of the project.

COMMISSIONER CLOWE: Commissioners, I would like to -- may I?

CHAIRMAN POLUNSKY: Yes, sir.

COMMISSIONER CLOWE: I would like to add some background to this so that you'll have the benefit of some of the time that we spent on this. This is a big project to implement and you have a divergence of priorities that must come together to be accomplished in an efficient way. There was a meeting between the Deloitte people and the staff and the identification of some priorities took place and it was clear as it was recounted to me that staff was focusing on what I would consider more tactical objectives, which is natural.
There are certain problems facing this agency that the leadership says, Well, we've got to perform. Case in point, the driver's license issue. That's a very tactical problem that has to be dealt with. My personal feeling is that the Commission has more of a strategic view that we would like to see an organization come out of this that is, in fact, one that accomplishes the tactical goals, but as an overall policy and guiding focus that puts us where we want to be as far as the end organization, the emphasis on intelligence, counterterrorism, all of the things that the original Deloitte study pointed out were lacking, and that points up the problem here of coordination where you've got a board that meets once a month and a leadership that's here every day, and then perhaps a PMO that's trying to grind these two forces together and make progress, and it can be done I think through close coordination and communication. It may, Mr. Chairman, call for another subcommittee and an oversight or a steering committee, but this is a tough job. And I know, Mr. Chairman, you're eager for us to move ahead on it because you've expressed that to me, but to begin without a good plan is probably a mistake, and this is an important part of identifying how we're going forward. And I thought when Deloitte came out on top personally we were ready to
move forward, and then the chairman and I saw that six
million dollars and we said no, that's not going to fly.
And so we had another meeting and the money is important
and it's got to be settled, but how we progress this
change and make it meaningful, productive, lasting, and
in the end beneficial is extremely important. And the
PMO ranges all the way from an outside firm doing all of
it to doing it internally all on our own, or just not
having a PMO and saying, Well, we're just going to do it
with the colonels. And here we are in the public and we
now have to say our thoughts in the public. So this
calls for a very candid discussion I think to get us to
where we need to be.

DREW BECKLEY: Commissioner Clowe, if I
could add one thing. You mentioned PMO and trying to
understand what that is, and I know we had some
discussion the last time I was before you. For those
members who weren't involved in the discussion, this is
the same concept that was used five years ago for the
reorganization of Health and Human Services Commission
under House Bill 2292. I mean, so it's not necessarily
a new concept even within Texas, although not used as
often, and that was the concept that was in place for
two years in the development of the plan and the
implementation of it for Commissioner Hawkins. And then
it was disbanded at the end of the -- what was actually
called day one, which was the completion of that work.

COMMISSIONER STEEN: Mr. Beckley, was

Deloitte involved in that?

DREW BECKLEY: Yes, sir, we were.

CHAIRMAN POLUNSKY: And what did that
cost?

DREW BECKLEY: To the point, it was
approximately five million dollars, I believe, across
two years, and there was also -- and the piece I'm not
clear on is there were some additional tactical projects
beyond that that were undertaken such as specific work
done within the Medicaid portion of the agency.

CHAIRMAN POLUNSKY: And those services
were paid for through state funds or federal funds or --

DREW BECKLEY: First, I can't answer that
with specific knowledge. I can make a good guess, and
that would be that it was a combination of funds because
of the nature of the agencies covered in the federal
programs, that there would have been federal matching
money available. I don't know exactly how it was
accounted for because of the specific program funding,
and then also the overhead allocations of funding within
HHSC.

COMMISSIONER BARTH: Commissioner Clowe,
do we have the ability to handle as much in-house as this reduced scope of work and dollars?

COMMISSIONER CLOWE: That's a very good question, and the chairman and I discussed that at length, and I think our feeling is we have a number of very talented people in this agency who could be called into this team, and yet we probably don't have everybody we need and Paula has correctly pointed to me -- pointed out to me that we do not have any funding designated at this point in time to hire people for this. We've got to take people who are in jobs or vacant FTEs and press them into service if we decide to form a team internally. A very good question.

COMMISSIONER BARTH: And I guess the million and a half dollars in terms of a cap, would that mean we would then have to put out another bid?

COMMISSIONER CLOWE: No. The way I understand it is, it's within the RFP that we posted, and a statement of work would be on a time and materials basis. Mr. Beckley mentioned that. And if the chairman appointed a steering committee, it would be sort of like the committee he appointed just recently where you are the chair and I'm on it where you would have meetings that would agree on certain jobs to be done. And you would know what that expenditure was going to involve,
and when it reached a certain point, there would be a stop and you would be authorized in his response to our concern up to a million and a half over two years or 750,000 a year or some division by two of that total amount.

COMMISSIONER BARTH: I don't think you answered him.

COMMISSIONER CLOWE: I didn't answer it?

COMMISSIONER BARTH: No. I mean, the --

PAULA LOGAN: We can amend the -- we can amend.

COMMISSIONER BARTH: That's the question I have.

PAULA LOGAN: As long as we stay in scope, which --

COMMISSIONER BARTH: So that if we seem -- for whatever the reason we can't pull the appropriate people off within our department and/or we can't attract people to work as employees of DPS on this project, somewhere along the way we rapidly get to that million and a half dollars because we just don't have the people within the agency to pick up the workload. We were supposed to be doing from our end based on this statement of work. We could then amend the contract without having to go out and go through this whole
PAULA LOGAN: Right. And in fact you don't have to put the million and a half cap in there in the first place if you don't want to. There could simply be the Commission's understanding with the staff that we won't obligate funds above that without coming back to you and getting more authority. I think what we tried to do when we put this statement of work -- this draft statement of work together was to try to answer the question of what's this whole thing going to cost, and come up with a scheme so we could answer that question, but we could -- it is a monthly time and materials and so -- and we also identified some -- in this proposal some routine costs that would happen monthly, but there's still some control over that. If we're spending too much on a monthly basis, we can always go to Deloitte and say, It's costing too much on a monthly basis. How can we change that? We can stop the contract at any time because it is a time and materials basis contract. So we can stop ordering services under the contract. And we have the ability to go out and create substatements of work where we identify specific projects and say, This is really important to us, and we realize it might cost a lot of money, but we need you to come help us do something. I
think one of the things that was identified was maybe help stand up the (inaudible) or something like that and so -- and then, you know, they could tell us what they think it's going to cost to do that substatement of work and we can either get approval to move forward on those on an individual basis.

So there's -- when we bid the RFP, we made it this broad (indicating), and now we're kind of making it this broad (indicating), but we can amend the contract to go back out and take it to here (indicating), or we can make it smaller or we could just leave it here with an agreement that staff will only do certain things without coming back to you and asking for permission.

COMMISSIONER BARTH: Okay. Let me ask a question to Commissioner Clowe. With the -- I guess we -- the original scope of the contract or the statement of -- the original scope of the RFQ, I -- it was all encompassing, as I understand.

COMMISSIONER CLOWE: Very broad.

COMMISSIONER BARTH: Okay. Very broad. But you felt like what was in there had to be done; is that correct?

COMMISSIONER CLOWE: Yes.

COMMISSIONER BARTH: Okay. So, you know,
given we're now going to have some firm do some portion of it and we think we can absorb the rest of that work within the agency, we still have to have some dollars available. Maybe we think we can do it for less than Deloitte thinks we can do it, but we still have to have some dollars available and attract people. The old saying is that, you know, if you take one person and move them over there, we're doing something over there. Okay. All right. So I just want to understand making sure that we can attract people to do the skills that we need and implement the plan we need implemented. And in a quick pace to meet the time line, I'm not advocating spending any more money, but I just want to make sure that the rest of the commissioners are aware that we could run into, you know, I hate to use the word dragging this project out by not having the right staff within our department.

CHAIRMAN POLUNSKY: We're not going to drag the project out. One way or the other, this thing is going to get done. This has got the highest priority in my mind.

COMMISSIONER BARTH: But what I'm hearing here --

CHAIRMAN POLUNSKY: I mean, I --

COMMISSIONER BARTH: What I'm hearing is
two-thirds of the work just based on -- maybe a little
bit less than two-thirds of the work we're going to pick
up going forward with this statement of work, meaning
the department. Yes?

COMMISSIONER CLOWE: I think you're making
an excellent point, and that is taking a very realistic
view of what we're discussing.

COMMISSIONER BARTH: Okay.

DREW BECKLEY: Commissioner Clowe, if I
could add something. In the original concept it was
really a PMO structure that was about 50/50. So we're
starting from that point and shifting much heavily into
the department in this regard.

COMMISSIONER CLOWE: But in my mind in the
RFP the thinking was Deloitte would play the leadership
role in their 50 percent.

DREW BECKLEY: Right.

COMMISSIONER CLOWE: And the DPS would
furnish their 50 percent as a supportive and an involved
participant, but Deloitte would lead the way. I think
now we're talking about Deloitte saying go that way, but
then we have to pick up and go. And if you're having
some concerns about that, I think those are valid. The
fact is that I think you need a guide in something like
this unless you're going to have a commission that meets
with the leadership constantly, frequently, or a steering committee that's here almost as much as the chairman has been, which is practically every day, and -- because, you know, you're shaping the future of this agency. It's tremendously important.

COMMISSIONER BARTH: I don't disagree. I think you look at this and -- do we have people -- have we identified people within the agency that are going to pick up this load other than just approve this?

COMMISSIONER CLOWE: The chairman and I talked about that and we have identified some people by name that we think have tremendous potential to step up and be involved in this along, of course, with the current leadership. The colonels are doing an excellent job of moving ahead as best they can. But if we enter into this next phase, the pace is going to pick up and we're going to start making some real substantive changes.

COMMISSIONER BARTH: There's only 24 hours in a day. I just want to make sure that the people we've identified, you know, we have people behind them to pick up whatever load they need to pick up.

COMMISSIONER CLOWE: I think you're very wise to have that concern and ask that question, and I think that's something that this board ought to be
CHAIRMAN POLUNSKY: Ms. Logan, what's your opinion? Do we have the personnel here that can provide the services we're discussing?

PAULA LOGAN: I'm going to agree with Commissioner Clowe. I think we have a lot of people that can step up and do it. There might be some areas of expertise that we need to hire some, you know. Some of the kinds of things that Deloitte identified in their study was communication operator, you know, somebody to help with the communications plan maybe, maybe some change management strategy, you know. I think he identified strategy innovation office and needing to have somebody that can really look at business process reengineering stuff. There might be a few talents like that that we might need to hire in, but I think, you know, for the most part, we have a lot of talent. But a lot of these decisions that need to be made are going to be decisions that would normally in our agency be made by division chiefs and above. They are major policy level decisions. And so, you know, back to what you're saying is that when you start partnering up those people that already have a 60 hour a week job, then so -- and how much time can each person put in on the different parts of the project and -- but we have, you know, some
depth in the agency as far as assistant managers and managers that you could -- and captains and lieutenants and people that you could draw in and build a program with, but there probably are going to be some areas that we're going to need to maybe get some assistance in as well.

COMMISSIONER STEEN: Mr. Beckley, when you had proposed the six million dollars -- of course you're looking at what Deloitte people would be involved and their hourly rates. You're just estimating the time and -- is that how you came up with the six million?

DREW BECKLEY: That's correct. It was not a requirement of procurement to come up with a number. It was to provide a rate schedule because of the time and materials nature of the contract. As part of that, it did also require that we put together an approach of how we would recommend going forward. So it was in the combination of those and answering the question of well, then what would that require as the budget for a statement of work the first two years under this contract that we came to that number and the decision to explore how to make that number smaller.

COMMISSIONER STEEN: Could you paint a picture -- if we decided to spend the six million, just tell us what -- how -- what the office would be, how
many people there, and then as you shift over to this idea that now we're backing off to 1.5 million, how is that different?

DREW BECKLEY: Let me offer two thoughts. One, in the preface to that, the reason we thought it would be valuable to do the front end piece of work to really get to the plan would be to help put some of the specifics that feel ambiguous and not laid out now in terms of what would be the resource requirements, what are the suggested priorities, how long might those go before the projects were chartered, but to start to bundle those together and say does this fit the leadership's vision and the Commission's vision of what needs to happen over the next two years. So some of the specifics would come out of that effort that we're suggesting will facilitate in the front.

To the specific question of what would it look like, there were in the RFP 35 different specialty areas identified. In other words, skills could be provided potentially under the RFP and about 26 or so different kinds of tasks to be performed under the RFP if those were in effect included either under a base PMO work or under the substatements of work. So they were a very broad base. In responding to that, we put together as laid out in the RFP -- and I think it was pretty wise
-- the key players to put a project manager in place, to put a client service executive in place to really work as the interface on the board or the Commission and the project manager to be working with the leadership within the department and the individual chiefs. And then underneath that -- and these were all proposed of what we would call manager level. So very experienced people. One in finance. One in technology. There was a requirement for an internal audit position and so we responded and we thought that would be part-time. Internal audit and risk management. Also, to have one for human resources, another for change in management and communication. And I think that's the list. Oh, financial management if I didn't mention that.

COMMISSIONER STEEN: So how many people?

DREW BECKLEY: So that was seven people, two of whom were part-time.

COMMISSIONER STEEN: Five of them would be Deloitte people that would be coming over here every day and devoting full-time?

DREW BECKLEY: That's correct. I'm sorry. The position I didn't mention was a business process position, which was really to reach across in the integration processes like finance and recruiting and so on. So the intent was not only that they would be
available, they would do the initial planning exercise with the leadership and with the Commission, which would develop what would happen over the next two years and potentially beyond that with the longer term projects.

Secondly, coming out of that planning exercise that they would actually become deployed in working with the individual areas such as information technology or financial management or human resources or in business process projects such as the optimization within the driver license implementation so that that core team would in effect have the knowledge of the vision and the priorities set that would be working with the leadership of the department. And then would move into the implementation role as each of those areas took on those projects. So the idea was to try to keep a core team and have that knowledge resident rather than have those people shuffled in and out over the two years. The -- that was the original plan. The modified --

COMMISSIONER STEEN: That's the six million dollar plan?

DREW BECKLEY: Yes, sir. And the modified plan was to use four of those people and to use them part-time and to switch the role from the leadership in doing the planning and being involved necessarily in the
implementation of the projects to more the specification and the oversight and the review in terms of this is -- this is what we walked through on the project, this is -- for instance, if there were a project around the implementation of the figurative operations portion of the organizational model, what might -- what would be the elements of bringing the project back, and then the department personnel would be fully putting together that project and we would be functioning more in an oversight and review mode on a periodic basis rather than being involved each day. Is that helpful?

COMMISSIONER STEEN: I think so. I'm just sort of trying to get the big picture. So what you originally proposed you would had -- you would have had -- I'm just trying to picture this. There would be some space dedicated to it over here and you would have people from Deloitte coming over every day and working here full-time?

DREW BECKLEY: That's correct.

COMMISSIONER STEEN: And there would have been how many full-time people?

DREW BECKLEY: I think it was five full-time and two part-time. Five or six. I'm sorry. I don't remember.

COMMISSIONER STEEN: All right. And then
on this revised -- the one that you are here on today, now it's four people, but they are not full-time?

DREW BECKLEY: That's correct. And so we would be scheduling meetings to -- around really the plan once developed to say here is an update meeting. This is an oversight. And we would be working, in effect, having them part-time, but it would be the same group of people but we would be managing their involvement to make that fit within the budget.

COMMISSIONER STEEN: And I think, Ms. Logan, what you were saying earlier that if we were looking at six million and now we're coming down to 5. -- 1.5 million, there's still costs associated with it, and I guess we need -- wouldn't we want to get a handle on that, Commissioner Clowe, in terms of --

COMMISSIONER CLOWE: Yes.

COMMISSIONER STEEN: What's the real cost? If we're going from six million to something more than 1.5, but what are we going to have to --

COMMISSIONER CLOWE: We haven't done that, and that's an excellent point, Commissioner Steen. Whatever resources we bring to bear are tangible expenses, and a value has to be put on those. But we have not quantified that because our path has not been clear up to this point, and that's why we're here today
hopefully to get some direction from the entire board.

PAULA LOGAN: I would add one thing to what Drew was saying and that is that in addition to those four people that he just talked about, they also delineated -- and they are delineated in the statement of work I gave you -- a series of experts that they have either on staff or can bring in that could also come in when we identified a project that needed somebody to lead it that had a particular area of expertise that could be brought in, and those would be recurring costs also under the six million. And we might have to be a little bit more strategic about that under 1.5 million because we have a smaller pot of money, and so we might need to bring them in. And instead of maybe leading a small project like that and getting it together, again, they would go more in the oversight and planning mode and so that -- those experts would still be available, but instead of coming on board and working for three months full-time to get a small project implemented or something like that, they would come on board part-time for that eight month period.

COMMISSIONER CLOWE: Probably the first step, Commissioner Steen -- and Mr. Beckley suggested that -- would be for Deloitte and the leadership and the commissioners to come together for a workshop, and we
would identify our priorities and our goals, and that's where you bring the strategic and the tactical objectives together. You prioritize, and that would give substance to the plan to move forward. That's probably the first step. And once you do that, if you do that, you could begin to identify the roles that people were going to play and what the expense would be for those services.

COMMISSIONER BARTH: I think we have to have some idea of a budget here. I hate to see this thing just be a runaway situation. I mean, in terms of assigning costs to our own people as well, you know, as the contract.

COMMISSIONER CLOWE: You know, it's reminiscent of the DL restructuring.

COMMISSIONER BARTH: I'll let you say that. I was thinking it.

COMMISSIONER CLOWE: How in the world did we get in the mess we are in there? And we certainly don't want to get in that kind of mess here.

COMMISSIONER STEEN: Well, then aren't we missing part of it today? In other words, he's -- Mr. Beckley has backed off from the six million to the 1.5. Ms. Logan said, Well, of course that's -- you know, we're shifting more of the burden over to DPS, but
we haven't -- we haven't tried to quantify that. It
seems like we would want to do that, wouldn't we, before
we made a decision?

COMMISSIONER CLOWE: Well, I think what
we're looking for today is some direction from the
board. Because one of the options I mentioned briefly
was we just do this whole thing in-house. That's an
option. And if the board's will is that we take that
approach, then we'll budget that. But I think it's
wasteful not to have direction from the board and have a
direction pointed out before we begin to try to budget,
but I certainly think you made a good point. We want to
be very careful before we get into this thing that we
have some stops and some checks and balances so that we
don't say, Oops, we're sorry in two years. We spent a
lot more than we thought we were going to.

COMMISSIONER BARTH: Would it be possible
today to move to accept Deloitte as project -- outside
project management with the intention of coming together
with some committee to pull together the resources of
both the department and Deloitte and figure out what
that budget is?

COMMISSIONER CLOWE: Well, I'll tell you
what I think is the answer to that. Mr. Beckley was
very kind to make an offer to have this workshop, this
planning meeting pro bono on behalf of Deloitte. And I readily accepted that before he could withdraw it. And if he still wants to do that, then I think a meeting
where all the commission is involved -- and I see that as a working meeting -- the leadership, the colonels, and whomever they designate, where we identify what our priorities are is a step before we put numbers on a piece of paper. You know, what is it you want me to do and then you tell me what you want me to do and I'll project the cost for it. Otherwise, I think we're just pulling numbers out of the air.

CHAIRMAN POLUNSKY: I would agree with that wholeheartedly.

PAULA LOGAN: And I did ask general counsel yesterday if we delay -- how long could we delay implementing the contract and it still be something that we could do. In other words, was there a drop dead date that we had to make a decision and sign the contract. And they said basically the answer was no. The proposal, I believe, showed it good for 120 days. After that we would have to beg the consideration of Deloitte to still hold it the same pricing structure and enter into the contract with us. But as long as Deloitte is still willing to negotiate with us, there's no particular time limit on -- so if you wanted -- you
could do what Commissioner Barth suggested and go ahead
and indicate you want to award the contract and move
forward and figure out the numbers as we go, or you
could have the initial planning session, see if you can
get a handle on it, and then award the contract or not
depending on maybe what the discussion is surrounding
the initial planning phase. And so, I mean, we actually
have some fluidity there in the contract process.

DREW BECKLEY: I suggest a clarification
to that.

PAULA LOGAN: Okay.

DREW BECKLEY: What we actually -- that's
exactly right. What we talked about is a statement of
work would basically be to put in place the contract as
time and materials, that the first step would be the
development of the agreement around what the division
is, what the priorities are, what the projects are, what
the potential level of resources is so that then the
rest of that can be done. We would do that portion pro
bono. So we wouldn't start any paid work under the PMO
per se unless there was some sort of special project
that the commission wanted us to take on in addition
eyearly on. But basically we could start, get to that
point, and then based on the plan, that it either is
something that's comfortable from however the commission
and the leadership are overseeing the project that we would be moving forward or we wouldn't be moving forward. So the attempt was to try to get that point without actually costing the commission or the department anything and get more clarity on the table.

COMMISSIONER CLOWE: But you're saying you want the contract signed before you do that pro bono work. Did I hear you right?

DREW BECKLEY: If I had a choice of trying to close that today or coming back and having another discussion, I would rather close it today.

COMMISSIONER CLOWE: Well, we're talking truth here. So just lay it out. Okay. Colonel, did you have a comment?

COLONEL CLARK: Mr. Chairman, Commissioners, let me just speak on behalf of the employees. I know Deloitte wants to work to support our efforts. I mean, that's the whole purpose of getting this PMO. But I just want to be on the record as I think you'll find that we have some remarkable people who are ready to move forward to assist in this project, and I think you'll be surprised at the level of expertise that we have when they are challenged. This is the way we'll save money, by using our people, and I am confident that we can produce a great product as we
go forward in this organizational change, and I just
want to be on record as stating that we have some great
people and they are ready to go. They are ready to
serve. And I'll leave it at that.

COMMISSIONER CLOWE: Well said. And I
think it's very true. Very true.

CHAIRMAN POLUNSKY: I would agree with
that as well with all do respect to Mr. Beckley and
Deloitte who certainly did a wonderful job with respect
to the --

COMMISSIONER STEEN: Mr. Chairman, of
course this isn't of the highest importance. It's just
as a suggestion. Maybe in two weeks we could have the
session you're talking about, Commissioner Clowe, where
we come together and then at our next regular meeting, I
think that we with be at the point where I think we
would be in better shape to address this in terms of
having an idea of what it's really going to cost us.

COMMISSIONER CLOWE: And, you know, this
discussion has been very productive. I think you-all
are now up to speed on where we are. And thank you for
that suggestion.

COMMISSIONER STEEN: Would the Commission
be willing to do that, to have in essence a meeting
halfway between, you know, this and our next regular
meeting?

CHAIRMAN POLUNSKY: Right. That's what I was about to say. I think Deloitte is a fine company. We very well may go forward with them, but at this point, I am not prepared personally to make the commitment to enter into a contract with Deloitte. I do think that it would be constructive for us to do as Commissioner Steen and Commissioner Clowe essentially have suggested here, and that is to have some type of workshop meeting where we go through this, see if we can construct a collaborative effort between Deloitte if we go forward with Deloitte and our own staff, allocate that out, see what it's going to cost, see if it's workable, so on, and then come back and take some type of action at the April meeting. So that's where I would like to go with this. It very well may be that we go forward with Deloitte in the form that they've discussed today or some variation thereof, or it's certainly possible that it could all go in-house and let the department handle it. But in any event, I do think it would be good for us to have some type of workshop meeting in a couple of weeks and address all of this because it is so important.

COMMISSIONER BROWN: Let me chime in for just a second. There's a term of art that was thrown
out and probably everybody knows what it means, but just
in case, pro bono is just Latin for public good. It
means free.

COMMISSIONER CLOWE: For free.

COMMISSIONER BROWN: Free. Fancy talk for
free.

COMMISSIONER CLOWE: Lawyer talk for free.

CHAIRMAN POLUNSKY: So what are you
suggesting? That Deloitte do this pro bono?

COMMISSIONER BROWN: Pro bono. Free.

CHAIRMAN POLUNSKY: I didn't see a yes.

COMMISSIONER BROWN: For the record,
there's silence on the part of Mr. Beckley.

DREW BECKLEY: I'm sorry. I thought it
was a rhetorical question. The answer is yes.

COMMISSIONER STEEN: Mr. Beckley, so you
would be willing to -- your firm would be willing to
participate in this session workshop or whatever we're
going to call it?

DREW BECKLEY: Yes.

COMMISSIONER BARTH: And who would you
envision in the workshop?

DREW BECKLEY: Pardon?

COMMISSIONER BARTH: Who would you
envision in the workshop?
DREW BECKLEY: Actually, the -- I was about to say yes to the workshop. The best way to prepare for that would actually be working with the DPS leadership and what we have in the background so we come properly prepared to the workshop. That might involve working with a couple of the commissioners as well to get the kind of guidance. Honestly, I believe two weeks is probably too quick to be able to take the breadth of the recommendations that were in the report we issued in the fall and be able to start organizing -- Colonel Clark has been designated at least within the intent of the RFP to be that interface. Putting that together will probably take several weeks. So I would think that the -- we would be pressed to try to get it in before the next meeting. I would rather do it right so that at the point we came together, we had a good set of things to present to the entire Commission for reaction, which would mean organizing that set of recommendations, starting to look at what can be done within the department and starting to put names against those, laying out contingent kinds of priorities while this is done in the first year, this is the implication of the second -- we would end up -- if we did it in two weeks, we would be too much in the development of that in the meeting. So I suggest that we really take three or
four -- I prefer having about four weeks just given how
schedules would tend to work to try and put that
together.

COMMISSIONER CLOWE: And I would like to
add that at least on my experience the leadership role
falls to you or your designee to lead the work session
and help the participants identify through the work that
you do prior to convening that what the priorities are.
Someone has to take the leadership role and I see --

DREW BECKLEY: That's correct.

COMMISSIONER CLOWE: -- Deloitte in that
role.

COMMISSIONER BARTH: Let me ask you this
question. Being very specific, how much time would you
envision our top people spending with you over the next
three or four weeks?

DREW BECKLEY: Some of this would be
delegated within that in terms of gathering and sending
things out for review and approval. I'm anticipating
probably 10, 12 hours at a minimum, maybe as much as 20.

COMMISSIONER BARTH: I mean, I just want
to recognize that we're in the critical phase of DL, and
I am like looking at this going I think that's a big
part of this --

DREW BECKLEY: The two weeks is tight
because I would rather come prepared to that so we -- I
would rather be spreading that over three or four weeks.

COMMISSIONER BARTH: And now we've got the
legislative session, you know, and when they call, we go
up. I don't want to prolong this project. I think we
have to recognize that --

COMMISSIONER CLOWE: Other priorities.

COMMISSIONER STEEN: The question I have
is if we have the workshop, then how much time do we
need between the workshop and being in a position --

CHAIRMAN POLUNSKY: Well, I don't think
you would need much time at all. Can you do it in three
weeks?

DREW BECKLEY: I would like to be able to
sit down with Colonel Clark in answering that because
it's partly what resources can I put together, but also
how that fits with their schedules as well. We'll
certainly do everything we can to do that. We can
probably get an answer to that in the next day or so.

COLONEL CLARK: Our next -- just for your
information, our next public safety meeting is on the
16th of April. That's a pretty short time.

DREW BECKLEY: I'm not --

COLONEL CLARK: It's the third Thursday.

PAULA LOGAN: This one was delayed a week,
CHAIRMAN POLUNSKY: Okay. So what do y'all want to do here?

COMMISSIONER CLOWE: My suggestion would be that we ask Mr. Beckley to get together with Colonel Clark. They look at what resources are available and come back to the chairman and Mr. Beckley advise him of his recommendation for a meeting date, and then the chairman through -- Dorothy can poll the members of the board and try to find a date. I don't think we can set a date at this time.

CHAIRMAN POLUNSKY: Is that okay with everyone else?

COMMISSIONER BARTH: Would you consider putting a subcommittee together here? I hate even saying that. So we can delegate and try and -- just in case we start with the calendar game and all of a sudden, you know, we're five weeks out or four weeks out. It's just a thought.

PAULA LOGAN: Well, I think it might be important also to have that subcommittee be available to Deloitte and the Colonel during this getting everything together just so that they can provide guidance and leadership on some of the things that they might need to be putting together as well.
CHAIRMAN POLUNSKY: Do you want to continue on with this, Tom?

COMMISSIONER CLOWE: Your pleasure, Mr. Chairman.

COMMISSIONER BROWN: May I make a motion for lunch? I'm starving.

CHAIRMAN POLUNSKY: Very well. And I'm freezing and so I want to get out of here.

(Laughter)

CHAIRMAN POLUNSKY: But --

COMMISSIONER BARTH: It's a hostage situation by the chairman.

CHAIRMAN POLUNSKY: Now, let me ask you a question. John, do you have a strong interest in this?

COMMISSIONER STEEN: Do I?

CHAIRMAN POLUNSKY: Yes, you.

COMMISSIONER STEEN: Yes.

CHAIRMAN POLUNSKY: Would you like to serve on that committee?

COMMISSIONER STEEN: I will.

CHAIRMAN POLUNSKY: Is that okay with you, Ada? I know you've done some work on this, but --

COMMISSIONER BROWN: Absolutely. You bet.

CHAIRMAN POLUNSKY: -- I would like to spread this out a little.
COMMISSIONER BROWN: You bet. I give you the torch.

CHAIRMAN POLUNSKY: Okay. So then it will be Mr. Clowe and Mr. Steen that would serve on the subcommittee that would work towards facilitating all of this and then coordinate a workshop meeting thereafter or sometime in the near future.

COMMISSIONER CLOWE: And, Mr. Chairman, I want to thank again Mr. Beckley for his involvement, his offers. Deloitte has really I think tried to help us and be responsive. We appreciate that. We know you're in business to make money. We're in business to do this right, but to save money. I would like to acknowledge Paula's good work, Aline's, Ray Miller. And who else, Paula, has been a stalwart in this? Stuart?

PAULA LOGAN: Yes.

COMMISSIONER CLOWE: I mean, this is an example of what Colonel Clark mentioned. These people have done wonderful work in being responsive on short deadlines, a minimum of direction and instruction, and really done super work, and we thank all of you for what you do for this board.

CHAIRMAN POLUNSKY: Thank you. All right.

COLONEL CLARK: May I make one comment?

CHAIRMAN POLUNSKY: Yes, Colonel Clark.
COLONEL CLARK: Mr. Chairman, I hold in my hand the Senate Journal from Monday, March 23rd, and I would like to just advise our audience if they don't know that our four commissioners were confirmed on that day and I would like to congratulate them and officially welcome them to the Public Safety Commission.

(Applause)

COLONEL CLARK: And we'll have a souvenir booklet for each one of you.

COMMISSIONER CLOWE: Now, Colonel, we cannot be dismissed. We can be fired.

(Laughter)

CHAIRMAN POLUNSKY: The Commission now adjourns to executive session, which is closed to the public in accordance with the Texas Government Code, Sections 551.071 and 551.074. Those people in the audience may remain in the room. There will be lunch served for everyone except Commissioner Brown --

(Laughter)

CHAIRMAN POLUNSKY: -- who was overly presumptuous in --

(Executive session from 1:44 to 3:50)

CHAIRMAN POLUNSKY: All right. Let's go.

The regular session of the Texas Public Safety Commission is convened in accordance with Chapter 551 of
the Texas Government Code and the Open Meetings Act.

During this meeting the Commission will be conducted from the agenda posted in the Texas Register. A quorum of the board is still present and the meeting is reconvened. It is 3:50. Because a couple of the commissioners are going to need to leave early today, we're going to jump around a little on this agenda so that we can address a couple of the more pressing issues and then the balance will be carried over to the April meeting and therefore I believe that one of the --

COMMISSIONER STEEN: Mr. Chairman, can I --

CHAIRMAN POLUNSKY: Yes, sir.

COMMISSIONER STEEN: I know it's Commissioner Clowe and Commissioner Barth. When do y'all have to leave?

COMMISSIONER CLOWE: 4:15.

COMMISSIONER STEEN: 4:15. So -- and then, Mr. Chairman, are we going to adjourn the meeting at that time or will the three of us continue?

CHAIRMAN POLUNSKY: We can continue.

COMMISSIONER STEEN: So we can cover some of the consent items and other things?

CHAIRMAN POLUNSKY: Yes. All right. Let me -- I want to drop down to at least one of the
reports, that would be audit and inspection.

Mr. Walker.

FARRELL WALKER: Mr. Chairman,

Commissioners, my report includes seven internal audits and one inspection report and a list of the projects that we're currently working on. While our reports include a number of recommendations, none of them are particular lily remarkable. For your information, I might tell you that to date our inspectors have worked on 1,133 bill analyses and 493 fiscal notes. We still have 60 days to go, and during the 80th legislature for the entire legislative session, they did 475 fiscal notes. So the folks downtown are being very creative this year, but we're keeping up with them. Other than that, I have nothing to report.

CHAIRMAN POLUNSKY: All right. Also, you have an internal audit services contract?

FARRELL WALKER: Yes, sir. After written responses to our RFQ were evaluated, three firms were selected for oral presentations. We're currently in negotiations with the highest ranking of those three. I expect that we'll conclude those negotiations as early as Monday of next week. So in the interest of time, I would request that the Commission delegate authority to enter into the contract next week so that we can get
started on the projects that are part of that RFQ.

COMMISSIONER STEEN: Mr. Walker, what does

that RFQ cover?

FARRELL WALKER: We have three grant audit

projects that are outlined in that RFQ. In addition,

we've allowed ourselves enough flexibility to request

any additional assistance that we may need over the next

several years.

COMMISSIONER STEEN: And can you say who

are the three that -- who were the three finalists?

STUART PLATT: I think since we're still

in the process at this point in time, we probably don't

want to identify those three out loud. It's my

understanding there's been one that was identified

(inaudible). We can't identify that entity by name. We

shouldn't identify them. In case something fell through

with that, we shouldn't identify the rank order of those

individuals.

COMMISSIONER STEEN: So what you can

identify the --

STUART PLATT: I don't think you should

identify the individual names.

COMMISSIONER STEEN: At all?

STUART PLATT: I don't think so.

COMMISSIONER STEEN: So we're --
STUART PLATT: The party that they have already entered into negotiations with, you are free to name that. Commissioner Barth and I talked about that yesterday. If you do want to identify that, you can.

FARRELL WALKER: We're negotiating with Deloitte.

COMMISSIONER BARTH: So do you need a motion to delegate the authority to come to a conclusion on the contract to Mr. Walker in the audit? Then I'll make that motion.

COMMISSIONER BROWN: Second.

CHAIRMAN POLUNSKY: All right. There's a motion made by Commissioner Barth and seconded by Commissioner Brown. Any discussion on the motion?

COMMISSIONER STEEN: And what's the motion again?

CHAIRMAN POLUNSKY: To --

STUART PLATT: To approve -- as I understand it, to approve Deloitte on that, but it would be subject to legal completing its review. We will get a final copy this afternoon is my understanding of the contract that's proposed by Deloitte, and until we've reviewed it, it would not be effective to be signed.

COMMISSIONER STEEN: Okay.

CHAIRMAN POLUNSKY: Discussion? There's
no discussion. All in favor, please say "aye." Any against, "no." The motion passes. Do you have anything you want to add?

COMMISSIONER BARTH: Yes. I just want to make a comment with respect to audit to the departments that it is I believe this commission's expectation that where there are recommendations as a result of audits that they would be taken under advisement and responded and corrective action would be taken in a timely fashion. And I have asked Mr. Walker to make sure that we have time lines so we can see when the responses were forwarded and when the corrective action was taken because I believe there are a number of issues out there in a number of departments where the audit recommendations have been put over to the side, and I don't find that acceptable at all. I think audit is a tool. We need to use it as a tool, and it doesn't need to be something that we get to when we have time.

COMMISSIONER STEEN: Mr. Walker, I want to echo that, that I feel very strongly about that. And I hope that when recommendations are made that there's a real intense follow-up, a timetable set up so that we know that these things are being acted upon and not just -- things aren't just drifting. Do you want to comment on that?
FARRELL WALKER: I appreciate the support.

You know, with competing priorities, it's helpful for us all to understand what the expectations are, and I will do my part to --

COMMISSIONER STEEN: We want to stand behind you, and if you need our assistance with that, we're ready to get involved if we need to.

FARRELL WALKER: Thank you, sir. I appreciate it.

CHAIRMAN POLUNSKY: That's it?

COMMISSIONER BARTH: That's it.

CHAIRMAN POLUNSKY: Thank you, Mr. Walker.

Is Mr. Kelley here? No.

The next item is the update report, discussion, and possible action regarding employment of an assistant to the Commission. Colonel Clark.

COLONEL CLARK: Mr. Chairman, I have met with the individual who has been selected for that position. Her name is Linda Dougherty. She has passed her background investigation, and I believe in my discussions with her, she will be available and ready for employment April the 20th. She is currently employed with a company that is being downsized and moved to Boston and she is heavily involved in getting that transformation done, but she will be at our
disposal on the 20th of April.

CHAIRMAN POLUNSKY: Ada, did that come up in your discussion with her that this was going to take that long for her to be available?

COMMISSIONER BROWN: It was not my impression that it was going to be a long time, but I'll have to go back and look at the date that she was hired. It feels like it was a long time ago.

CHAIRMAN POLUNSKY: We're talking basically two months from the time that we made that decision.

COMMISSIONER BROWN: I did not understand that it would --

COLONEL CLARK: I think initially she would have been available on April 1st and due to the company issues and that move, it has been delayed is what I was -- is what she told me.

COMMISSIONER BROWN: That's not something I was aware of at the time. I knew that there would be some period of time, but I don't recall it being multiple months.

CHAIRMAN POLUNSKY: I don't think I like that.

COLONEL CLARK: I'll be glad to call her and see if I can hasten her arrival.
CHAIRMAN POLUNSKY: Particularly since we're right in the middle of the legislative session. We're -- I mean, we need assistance really 365 days a year, but particularly during this period of time is critical, and I think that you may need to decide, you know, where -- what's most important to her.

COLONEL CLARK: I'll express those concerns.

CHAIRMAN POLUNSKY: Thank you.

COMMISSIONER CLOWE: Mr. Kelley is here now.

CHAIRMAN POLUNSKY: All right. I'm going to drop down to discussion and possible action regarding the ongoing Sunset Review recommendations and other legislation affecting the department and the Public Safety Commission. Chief Kelley.

MICHAEL KELLEY: Good afternoon, Mr. Chairman and Commissioners. I'm Michael Kelley, chief of government relations. What I would like to present to you is an update on -- let you know who has been here and who said they could not be here today at the commission meeting. I'll give you an update on the confirmation of the four commissioners, review the DPS requested bills, go over the DPS bill tracking, and then go over the Sunset bill that is coming up.
First of all, Kyle Mitchell is here from
the Governor's office, and earlier Mike Meyer was here
from the Senate Finance Committee. Mike had to go back
because they had some meetings, but we were glad he took
time to do that. Texas Burglar & Fire Alarm Association
was here earlier. Mike (inaudible) and Rodney Hooker
have worked very hard with us on the private security
interest. We've got Sergeant Gary Chandler and John
Pike of DPS here today and then Don Dixon with the Texas
State Troopers Association. And Amy Trost was not able
to be here because of other Sunset duties, but she
wanted to make sure you know that she is readily
available and she has been working for me to make sure
you guys have the latest information. I just want to
say about these persons, especially these interest
groups, that they have been working with us down at the
legislature. Not only did they help us get working on
our budget, they endorsed the commissioners when they
were up for appointment. They've been side by side
helping us with Sunset. So we have some really good
partners out here, and I just want to thank these groups
for attending these meetings and for helping us out
because not only are they helping us publicly, but they
are working behind the scenes, meeting with lawmakers
and giving us feedback so we can work with them to try
to achieve the results that we think you want to have.

Next, on the confirmation Colonel Clark mentioned earlier, you received a seven to nothing support vote in the Senate nominations committee on the 9th of March. That was the week after you actually went there to testify. And then on the 23rd of March, that Monday was a 31 to nothing confirmation. So you are confirmed. One thing I want to mention that I've heard great feedback from, you're one of the only commissions that actually went down and met and interacted. While others are still getting approved, I think what we found was you doing that is really helping us on the budget and on other policy issues. It means a lot. I know you meet with Senator Carona. He just so happens to be carrying a lot of our legislation that we have asked for. We met with Senator Shapleigh and were able to work through on this Chicago plan. And so now Representative Chavez on the House side wanted a briefing. So Tony Leal went and told her all that we were doing. So what we found by you going down was it was not only beneficial for your getting approved, it's also been very beneficial to this whole agency. So thank you for taking the time to do that.

Next, on the DPS requested bills, there's a total of 40 bills that lawmakers have asked for, and I
keep sending you those on Fridays so you have the latest
update. But there's 40 bills that we have requested,
and that's 26 policy issues. So you've got some House
and Senate bills that are the same. On the 1st of
April, next week, we're going to have the Transportation
and Homeland Security Committee have the DPS day, is
what they are calling it, where they are going to have
many of these same bills, are all going to be brought up
at one time by Chairman Carona, and he's just going to
have -- have all of us -- have all our bills that he's
got laid out and any bills pending in his committee
dealing with DPS to try to do them all in one day.
Last -- this current week was emergency management day,
if you will. So he decided to have all the emergency
management bills. So that being said, since we've been
given that heads-up as of last night, we know we're
going to have our witnesses down there, but certainly if
any of the commissioners want to come and attend that
day, we know there will be a lot of bills on the 1st of
April before the Transportation and Homeland Security
Committee.

One thing that Senator Carona has let us
know, his intent is to do like he's done with a lot of
other pieces of legislation he's worked with, is to
create some omnibus bills. So while we have 26 issues
floating around in different bills, he fully intends to pull some of those into one big omnibus bill. Like I know he has emergency management. He's trying to pull them into one big bill. Drivers License he wants to pull into one big piece of legislation, and then some of the other legislation dealing with the DPS he would like to roll into the Sunset bill. So just understand a lot of these bills on that chart may end up being a part of a different piece of legislation, but his intent is fully to support us and get these bills passed by the end of session.

The next thing I would like to talk about is DPS bill tracking. Once again, every Friday morning the Office of Audit and Inspection, the Office of General Counsel and the Government Relations Office is meeting to go over with the division chief representatives what we're doing as far as how we've been doing that week, where we need to improve, where we're not having coverage, where we ought to improve coverage. So we're learning as we go during this session to make sure that we have representatives at all the committee meetings where DPS legislation is coming up or DPS related legislation. That is working very well. The divisions are communicating back and forth with each other. You may have a highway patrol that's
sitting in uniform gets a DL question. They know what
to answer, what to say and how to get back to the Driver
License Division. You may have Chief Burroughs sitting
in there stuck like he did last week and he gets
questions related to law enforcement. He can then turn
back to Major Joy and say, Major Joy is here with
Highway Patrol. We'll let him handle that one. That is
working very well, and it's something we've found in
this session. The communications between divisions is
working very well and us working together to track all
these bills together I think is putting a very favorable
light upon the agency whenever we're down at the
capitol.

As far as the total number of bills, the
total number of House bills filed so far is 4,723, which
is 14 percent higher than last session. The total
number of Senate bills is 2,459, which is a 20 percent
increase. So now you've got a total of 7,182 bills that
have been filed in both the House and Senate. That's a
16 percent total increase. Of that you've got a total
of 1,039 bills that DPS believes has some kind of impact
upon our agency. Those are categorized as either high,
medium, or low, and that's what you see in the bill
tracking chart that I sent you on Friday. That helps us
to alert which bills we think are going to have the
largest impact or which ones we really need to be
working hard on or if we think there might be a problem
the way it's drafted and the way it might impact us,
that helps us to be able to work to go down to work with
the bill author or sponsor to let them know our
concerns. So 14 percent of all those bills that have
been filed have some kind of impact upon the Department
of Public Safety. Out of this we've got a breakdown of
all of the divisions tracking. You've got
Administration tracking 401 bills; Highway Patrol, 268;
Criminal Law Enforcement, 234; Driver License, 195;
Accounting, 144; Emergency Management Division, 91;
Information Management Service, 72; Texas Rangers, 57;
Public Information Office, 16; Aircraft has 9; and
Internal Affairs has six. So there again you see by
having those Friday meetings we're all talking, we're
helping each other keep an eye on all these various
bills that are coming forth.

As far as next is the DPS Sunset bill, and
we have two pieces of legislation that are considered
the Sunset bill for DPS. That's House Bill 2730 by
Representative Lois Kolkhorst, a Republican out of
Brenham, and Senate Bill 1017 by Senator Juan Chuy
Hinojosa, a Democrat out of McAllen. The intent is for
the House bill to be the main vehicle. In other words,
the bill that will go through both bodies and go forward. I spoke with Athena Ponce, who works for Senator Hinojosa yesterday and Senator Hinojosa's preference is not to hold a separate hearing on the Senate bill, but to wait for the House bill to pass and just have one hearing when it comes over. So on Monday, House Bill 2730 by Representative Lois Kolkhorst will go before the House Public Safety Committee where it will be heard and then it's allowed to be amended, changed. And so we will need to be down there as leadership ready to watch and see what happens and answer any questions related to the bill. On this -- and that's going to be in Room E-2.014. One thing you need to understand on the Sunset bill, we did meet on the 18th of March, last Wednesday -- and Chairman Polunsky and Commissioner Clowe, thank you for being at that meeting where we've met with Representative Kolkhorst as the author of the bill to go over with her the different issues and concerns we might have about the bill itself and also some concerns about the fiscal implications about if the bill is to be enacted, monies we might need. So each one of the divisions analyzed what that bill does and we provided some fiscal impacts to them just to let them and the Sunset staff know these are some things that we need to consider. And in particular I want to bring up
on Page 79 of the bill under Article V, it says, The Department of Public Safety will have under a review of the Sunset in 2010. The Sunset Commission is going to look at DPS to see for recommendations in the 2008 audit of the department's information technology system. Then Sunset is to look at our civilian business model for operation of the Driver License Division that focuses on improving customer service and that improvement is for the Driver License Division they must look at using best practices and call center technology in monitoring customer service calls, expanding operating hours of driver's license offices, and decreasing the time the department takes to send a replacement driver's license. The continuation is that the Sunset Advisory Commission shall submit a report about how we're doing in those areas no later than February 15th of 2011 and then that will give the legislature a chance to look and see how are we doing with implementing some of these provisions that were brought up in Sunset. The concern that our agency has had is that in order to do this properly, we need money. Obviously one of our exceptional items is converting to a civilian model in the Driver License Division and then customer service initiatives that go along with that. Were we not to be appropriated dollars to do that, then our concern was that the Sunset is
going to come out and say we did not do a good job on
here even though the bill passes and the bill says that
Sunset bill says that we're supposed to look at doing
these things. So we just wanted to make sure that
Representative Kolkhorst and Senator Hinojosa understood
that more than just the Sunset bill, we're going to need
their assistance in getting those dollars in the
Appropriations Act to help fund and pay for that.

I do have some information on the budget,
but I would like to wait until Chief Ybarra comes up to
talk about the side by side on the Senate and House. If
you wouldn't mind, I would like to wait and we can
discuss that at one time. But subject to that, I would
be glad to answer any questions.

CHAIRMAN POLUNSKY: Are there questions?

Can you bring him up?

MICHAEL KELLEY: Sure.

OSCAR YBARRA: Chairman and Commissioners,
we provided you with a side by side in your commission
notebooks, but there have been meetings since that
particular time and we want to provide you with the most
updated information that we have. That's provided on
the screen. Chief Haas has also extra copies. If
anybody needs any, raise your hand and we'll be glad to
provide you one. Again, as -- my name is Oscar Ybarra.
I'm the Chief of Finance. This activity is new activity based on activity in both the House and the Senate. This information is provided to the Commission based on hearings that have been provided by these committees, testimony in these committees, and written information that is provided by the LBB. With all that information, we consolidated to this report. The agency has not officially received notification of these items. Again, it's testimony and bits and pieces of information. So we've done the best we can to get the proper updates. This particular spreadsheet is laid out to identify the rankings of these exceptional items that we have, and the Commission has adopted over this last summer the original amounts. If there's columns in here with the letter C, that means commissioned positions, N/C non-commissioned positions. As far as some of the language that's on this document, I would like to define a few of these things. You'll see some -- the term "adopted." That means it's been approved by the committee for their particular version of the appropriations bill. If the item is pending, that means that the committee has pretty much pended this item and waiting to take action, and whether this item is going to be added to the bill, it maybe rejected, or sent to Article XI. Article XI is pretty much what they call
the wish list. I think in the House they are calling it
the hope chest.

COMMISSIONER BARTH: Can I ask a question?
For example, under DL, both the House and the Senate,
that's what they have adopted and now they are going to
get together and decide which of the numbers they like?

OSCAR YBARRA: I think Michael is going to
cover that a little bit at the end of this, but we would
like to cover that as far as how that's done in each
house. There will be a conference. So you want to
cover that?

MICHAEL KELLEY: Sure. Just so you
understand, let me just do an overview of this process
just to put it all in perspective. Last session -- or
the last session there was a House Bill 1 and that was
carried by Chairman Chisum in the House and that became
the General Appropriations Act. Well, by tradition, the
next year it becomes Senate Bill 1. So the Senate Bill
1 version will be the Senate's version that you see over
here on the right hand column. That will be Senate Bill
1, the Senate's version. So the Senate Finance
Committee will finish on Monday, and this is what we
believe the final numbers will be its version of the
General Appropriations Act. It will then pass the full
body of the Senate, and by tradition, the Senate and the
House do not amend Appropriations Act on the floor of the House or the Senate. So whatever comes out of committee is pretty much what you expect. That Senate Bill 1 will then go to the House, it reverts through the House Appropriations Committee, and then it will be completely substituted by all the numbers you see in the middle column, which is the House version of that bill. Then it will pass the House. Again, traditionally, they do not amend the bill on the floor of the House, but now you've got two versions of the bill, and that's when a conference committee will be appointed to iron out these differences. The conference committee will consist of 10 members, five House members, five Senate members, and by tradition, the leader of each delegation is going to be for the Senate, the finance committee chair, that's Senator Steve Ogden, a republican out of Bryan, and then you'll have Representative Jim Pitts, a Republican of Waxahachie. He's the chairman of Appropriations leading the House delegation. Also by tradition on that conference committee the other four members are going to be members of House Appropriations and Senate finance respectively. So it's going to be individuals who have already seen our budget and worked with it. Those 10 members have to come to some kind of agreement where they will iron out between the two figures here which
number they are going to give us. So it could be the
House version, it could be the Senate version, or it
could be something in between if they were to try and
negotiate down the price. So that's why once we get to
the conference committee, it's going to be very
important that we work really hard with the conferees to
make sure they understand our needs and don't back out
any of the dollars once we get there.

COMMISSIONER BARTH: Hang on one second
before you go further. So just as DL as an example --

MICHAEL KELLEY: Yes.

COMMISSIONER BARTH: -- we ask for 62, it
looks like the greatest number is 45, and we could
potentially be compromising on that number. Is that
right? I just want to make sure I'm reading that right.

OSCAR YBARRA: That is correct.

COMMISSIONER BARTH: Okay.

MICHAEL KELLEY: And the way the
Appropriations Act is written, the conferees have room
to play with the number. So you could say House
version, Senate version, or they can try and work
somewhere in between, but once you see the numbers on
here, you -- it's kind of a given you're not going to
probably get more. So that's the highest they are
offering at this point.
COMMISSIONER STEEN: Mr. Kelley, what does "GR" mean?

MICHAEL KELLEY: That's general revenue.

COMMISSIONER STEEN: And then when you have "Fed," that's federal?

MICHAEL KELLEY: F-T-E?

COMMISSIONER STEEN: F-e-d.

OSCAR YBARRA: That's federal dollars.

MICHAEL KELLEY: Federal dollars. And the way that works, just so you understand, too, the new dollars that you're looking at on here, none of those coming from Highway Fund 6. The legislature and the Governor's office, Lieutenant Governor have all visited and decided their interest is not adding new funds -- is to try to eventually wean DPS off of Fund 6, but not to take us off (inaudible). In other words, the current funding net for which we receive Fund 6, they will allow that to stay for this session, but that they are going to look for new dollars from general revenue, general revenue dedicated and federal dollars that are not highway funds to pay for that. So you'll see a lot of this -- the reason the numbers are is because it's based on what's available in general revenue rather than federal dollars. In the end all of this has to match up under the biennium revenue estimate that the Comptroller
has said is available because we do not allow deficit spending. So Article 3, Section 49(a) of the Constitution says that this bill cannot even go to the Governor's desk until the Comptroller says there's enough money available. So that's why the legislature has to be sure, and that's why we're going to be limited because they have to make sure all the numbers we get plus what all the other agencies get add up to less than that 77.1 billion dollars for the biennium that Comptroller Combs has said is available. And then later it would go to the governor's office, and then the Governor will have the option to either sign the whole bill, to veto the whole bill, or what he typically does will be a line-item veto, and on the line-item veto he's not allowed to strike out any words, but he is allowed to strike out any numbers. So that means any numbers that's in our budget he could line through and zero out the funding for those items unlike what the president who does not have line-item veto authority, the governor does, and so therefore it can go through a line out. And that's why it's important to continue working with Kyle and the Governor's office to let them know why we need this funding and where it's going because they, too, are concerned about expenditures and want to make sure that we're only getting the dollars that we truly
COMMISSIONER STEEN: Mr. Kelley, on the chart, just look at that first item where it says, "1A, additional personnel" --

MICHAEL KELLEY: Yes, sir.

COMMISSIONER STEEN: -- and so that shows on the -- we'll start with the Senate, and it says "Adopted," and then it says "General Revenue," but it says on the House side "Article XI." So what does that mean?

OSCAR YBARRA: That is -- Article XI is basically -- it is an item waiting --

COMMISSIONER STEEN: They are not saying no. They are just saying if there's enough money, somehow we'll consider it.

OSCAR YBARRA: There is actually one more article that is being utilized in the Senate, Article XII. Article XII is -- are items that the Senate Finance Committee has approved but will be funded out of the stimulus dollars, and we do have one example in here.

(At this time Commissioner Clowe and Commissioner Barth leave the meeting.)

COMMISSIONER STEEN: Mr. Chairman, by the way, you might want to reflect for the record what just
happened.

CHAIRMAN POLUNSKY: I'm sorry. What?

COMMISSIONER STEEN: We just --

CHAIRMAN POLUNSKY: We've just had two commissioners leave the meeting. They had to -- they had previous commitments and had to leave at 4:15. So Commissioner Clowe and Commissioner Barth have left the meeting.

COMMISSIONER STEEN: And the three of us will continue. There's a quorum.

CHAIRMAN POLUNSKY: A quorum still exists.

OSCAR YBARRA: Mr. Chairman, there's a lot of information on this particular document. If you would like, I will try to summarize it or I can field questions as you desire, sir.

CHAIRMAN POLUNSKY: Well, I've seen the document, but the other two probably have not.

COMMISSIONER STEEN: You mentioned there was one art -- what did you say? It was Article XII?

OSCAR YBARRA: Yes, sir.

COMMISSIONER STEEN: Where is that?

OSCAR YBARRA: If you look at Number 6 at the very bottom of the first, border security, that particular item has about 11 and a half million dollars that is in Article XII.
COMMISSIONER STEEN: Not to -- I don't think we want to go over it item by item, but any big picture comments on this from either of you?

OSCAR YBARRA: Well, from a financial perspective, we do see some agreement in both houses. For example, we're glad to see some activity in the restructure of driver's license in both the Senate and the House. I don't like seeing hardly any activity on Item Number 3, the operating shortfall. Our Item Number 1, the House has pretty much put that entire item in the wish list, but we will be listening tomorrow to the House Appropriations Committee, who will be going over Article IX. So hopefully we'll be hearing something positive there.

MICHAEL KELLEY: If I can add on that. When I spoke earlier to Kathy Panaszek when you asked me to call her, she let me know that Chairman Pitts is looking at trying to fund salaries, that that's not -- in the past sessions if something was in Article XI, it was very difficult to get it funded. He truly does want to look at providing funds for peace officer pay raises and also for non-commissioned, but he's been waiting to try and work through and see what dollars are available for that. They are doing it a little differently than the Senate. The Senate went ahead and had an Article IX
meeting the other day. We attended and listened and all the division chiefs and the colonels. That was all public. Apparently what Chairman Pitts is trying to do is work through the rest of the budget and then go back to Article IX with dollars that are available. So just because it says Article XI now, we do expect that there will be some dollars offered by the House.

CHAIRMAN POLUNSKY: That's reassuring.

MICHAEL KELLEY: Yes, sir. One thing I will say, too -- we visited about this -- Oscar and I talked. If you look at it and you watched the other agencies' budget hearings, even though this looks like we're not getting much, percentagewise and total dollarwise, we're getting a lot more compared -- if you look at -- we're about 10 -- we're getting about 10 percent less monies available according to the biennium revenue estimate. DPS is not doing badly when it comes to being able to get dollars compared to when you look at other agencies when they got their wish list and there's nothing on it. Again, Mr. Chairman, you've come to town, some of the other commissioners have come to town and visited. It's meant a lot having the presence of the Public Safety Commission with the colonels and the chiefs attending these hearings in order to ensure they know how important these dollars are for us.
OSCAR YBARRA: And if y'all have any questions on this document, by all means, you can call either one of us to try to clarify any of this information.

COMMISSIONER STEEN: Y'all are changing this sometimes daily?

MICHAEL KELLEY: Sometimes hourly.

OSCAR YBARRA: Hourly.

COMMISSIONER STEEN: On the gasoline rider, we -- we're operating now with a gasoline rider; is that correct?

OSCAR YBARRA: That is correct. It's a rider that with allow -- at the beginning of the biennium, it would allow you to transfer funds from the out year back into the first year, but in the second year of the biennium, it does not have any funding mechanism other than that the agency would request some kind of special appropriation if we were in dire and --

COMMISSIONER STEEN: But with gasoline prices when they spiked, it really helped us?

OSCAR YBARRA: Because of the state of the agency at the time, we did not have to request -- or we did not have to transfer any money back into the '08 fiscal year. We didn't have to do that. We were able to cover it.
COMMISSIONER STEEN: I guess I'm asking why we -- we've just been turned down by the Senate Finance Committee on it. Can you explain that to me?

OSCAR YBARRA: I believe in some meetings that we've had with the Senate, I believe that they understand the need for gasoline and that if the agency would request an emergency appropriation, their ears would listen and provide it. That's what I have heard.

COMMISSIONER STEEN: Thank you.

CHAIRMAN POLUNSKY: Are there other questions? Mr. Steen, anything else?

COMMISSIONER STEEN: No, Mr. Chairman.

CHAIRMAN POLUNSKY: Thank you. Next item is discussion and possible action regarding review and reconsideration of physical readiness standards for commissioned officers of the department. Chief Fulmer.

VALERIE FULMER: Good afternoon, Chairman, Commissioners. I'm Valerie Fulmer, Chief of the Administration Division. As you directed, Chairman, we put together a committee to look at some specific issues regarding recruitment and training. There are some very specific charges to the committee and there are some other additional issues that will be determined by the committee. Commissioner Brown is the commission representative on the committee.
CHAIRMAN POLUNSKY: Well, what -- one moment. Is that the item I just called?

VALERIE FULMER: Perhaps it's not. Which item did you call? I thought it was this one.

CHAIRMAN POLUNSKY: I thought it was the physical readiness standards test, but --

VALERIE FULMER: I apologize. We're out of order?

CHAIRMAN POLUNSKY: Yeah, we're out of order, but that's fine.

VALERIE FULMER: Sorry about that. I can talk about both of them.

CHAIRMAN POLUNSKY: Let's do both.

COMMISSIONER STEEN: I think you did -- you did ask for the physical readiness standards.

CHAIRMAN POLUNSKY: That's fine.

VALERIE FULMER: Which one would you prefer to do first?

CHAIRMAN POLUNSKY: Let's do them both.

Finish the --

VALERIE FULMER: Sorry about that.

CHAIRMAN POLUNSKY: -- PR team.

VALERIE FULMER: I was going down the list. We put together a list of individuals to be on the committee, and in addition Commissioner Brown has
come up with a list of individuals that she's interested in being on the committee. Our lists actually are very similar. So we're going to put those together and come up with a -- we have representatives from both the training academy and human resources and we have some at-large representatives from all over the department. Another thing we've done is we've added a public member to this committee. We thought it would be a good idea to have someone from the public to -- you know, who is a taxpayer and a citizen of Texas to see kind of what their perspective is on our current practices and what they are looking for from the state. And then several of us would be serving as advisors on this committee. Chief Fulenwider will actually be the chair of the committee. I'll be sitting on as an advisor, as well as Stuart Platt, our general counsel, and Commander Rodriguez, and Director Logan with human resources. So we will -- as soon as we have our list put together, we will be setting up the first committee meeting.

CHAIRMAN POLUNSKY: And that should be when?

VALERIE FULMER: I guess it -- it will depend on the commissioner's schedule, but I would think within the next week to two weeks.

COMMISSIONER BROWN: Perfect. I'm
CHAIRMAN POLUNSKY: And not to be repetitive, but you understand the importance of this issue?

VALERIE FULMER: Absolutely.

CHAIRMAN POLUNSKY: Okay.

VALERIE FULMER: And then to the question that you asked about the PRT committee. Colonel Clark sent out a memo on March 13th to all employees of the department making the changes to the physical readiness testing policy that we discussed during the last commission meeting. The response has been very good to those. To remind you of them, it allows employees to choose whether they are going to take the field exercise test or the job task scenario test. It gives employees 90 days from the initial test date to retake failed portions of the test. It provides for a mandatory training and wellness education program for any employee who has not met the current minimum standards by April 30th, and it provides a six month grace period prior to a final determination after the August 31st date if an individual is in this training wellness education program. Currently our human resources section is working on the final requirements for the program and we are bringing in experts from -- from several different
fields. We've got new nutritionists. We've got folks who are experts in training in several different areas. So we're hoping that this will be useful. Then our next meeting is set for the -- I believe the first week in April, and at that point now that we've gotten sort of the initial recommendations out of the way, then we're going to look more at the long-term issues involving the policy.

CHAIRMAN POLUNSKY: And the associations are participating or involved?

VALERIE FULMER: Yes. Each of the associations are participating. They've actually had some very good feedback. We are -- we've got about 22 members, and I guess six of those are from the associations, and they've had some very good interaction and feedback. I don't know if anybody that's on the committee is here. I don't think we've got any of them here today. But, yes, we're actually getting a lot of good input from them. That's all I have unless you have questions. Unless there were any other items that I want to randomly talk about.

CHAIRMAN POLUNSKY: Well, do you want to just take some other items while you are there? Thank you.

Update report, discussion and possible
action to develop an approach for transforming the
administration of the Driver License Division to a
civilian model. Chief Brown.

JUDY BROWN: We have -- as we spoke last
week, we had select -- last month, we had selected our
first mid level manager for the Garland area. We have
gone through -- successfully gone through the background
with him and brought him on. He is now quickly learning
the driver's license process, how it works amongst the
offices in the Dallas region. We have finalized the job
description for this line level civilian supervisor and
expect to get that job posted over the next week. We'll
be filling four positions in the Dallas area where we
currently have vacancies in our sergeant ranks, filling
those with civilians and putting those offices under the
civilian mid level manager that we have in place in
Dallas. Once we get those positions filled, then we
will begin to look at our other vacancies that we have
in our commission supervisory ranks and begin to fill
those as well. As we currently stand, we have five
lieutenants and five sergeant vacancies in the division
that are not being filled, and we will fill those with
the civilian positions as the job descriptions are
finalized and posted in those regional areas.

CHAIRMAN POLUNSKY: Thank you. Are there
questions for Chief Brown?

COMMISSIONER STEEN: No questions.

COMMISSIONER BROWN: No.

CHAIRMAN POLUNSKY: Department organization structure. Colonel Clark, do you want to address that at this time?

COLONEL CLARK: Yes, sir. I will get the organizational chart up on the screen. I don't know how well people can see that. It's been a while since we discussed this, and we took the advice of the commission, and you have a copy of this in your packet. It might be easier to see. But I just want --

CHAIRMAN POLUNSKY: It definitely would be.

COLONEL CLARK: Yeah. I guess Commissioner Steen could have got us a little larger screen.

(Laughter)

COLONEL CLARK: Again, I would like to just make a few comments about this recognizing that we're not asking for any adoption of this org chart today. This is a framework to build on, and let me just make a few comments about this. You'll notice that it's color coded and it builds on the recommendations by Deloitte, and that fleshes them out to apply to all the
DPS functions that we are currently involved in. And it includes the recommendations of not just Deloitte, but by the commissioners, the agency management, and other stakeholders all in keeping with the Deloitte findings. And the chart that you're looking at is actually a snapshot of a living document that's intended to provide a framework that we can build on as we go forward. It can be used by our PMO if we end up going that direction. You'll notice he is listed there on the right-hand side. He could use this chart to build on and flesh out as that person sees fit in working with the administration. And I want you to know that we will continue to refine this chart as needed. The major changes that you'll see on this particular chart from our first presentation that we made is that it's organized the agency by functional lines into three major areas, and each one of these areas is managed by a deputy director. And the functions that interact with the public as violators and victims you'll see as the Law Enforcement Deputy Director.

The second one is functions that interact with the public as clients and customers, and that would be under your deputy director of licensing or License & Regulations.

And Number 3, functions that provide the
infrastructure to the agency so that all the functions can be performed, and that would be under our Administrative Deputy Director. You'll notice the addition of the PMO to the chart, which is in blue.

Thirdly, the division of the current training academy into law enforcement and administrative training and movement of the law enforcement academy to the Law Enforcement Services Division to acknowledge the function that they actually perform in providing training to other law enforcement agencies. This was a direct recommendation from Commissioner Clowe which we felt was good, and we implemented it here.

Number 4, this was Commissioner Barth's recommendation. Movement of the agency's procurement and contract management function to the agency support division, and you'll see that under the deputy director of administration. The consolidation of licensing and regulation attorneys into a special section to allow for cross training and career development, as well as an inclusion -- and we think this is real important -- of a regional counsel to work with the regional director as we go into this theater of operations. And we renamed the divisions to more closely represent the functions that they actually perform.

And lastly, the point I would like to make
is that the addition of communication lines to describe
the relationship between the regional directors and the
law enforcement divisions. So it may look a little
confusing at first glance, but the way we color coded
it, I think it simplifies certainly what we had before.
Now, we also presented this to Deloitte. Drew Beckley
looked at this. He reviewed it. We visited with him.
He basically gave it his blessing. He felt like we
included all of the findings that Deloitte included in
their report, and he had a few observations that were
basically in line with ours. But one thing, for
example, he still didn't quite understand about the
relationship of the Texas Ranger Division having a
direct report to the director by statute, and they
didn't quite understand that. But other than that,
Deloitte was pleased with this organizational chart, and
we just wanted you to look at that today, and it would
serve as a platform we can build on. It's a living,
breathing document that I believe we can go forward on
and work with as we move forward. End of story.

COMMISSIONER STEEN: Colonel, I just --
CHAIRMAN POLUNSKY: That's actually the
beginning of the story.

COMMISSIONER STEEN: This is good work,
and it's -- I think it's great you're taking into
account people's input, and this thing is evolving and I like the way it's presented today. I think that the color coding really helps us understand it. Just a comment. On the communication lines, you know, you've got the solid line and then you've got the dotted line, so to speak. Articulate that for me.

COLONEL CLARK: Okay. The solid lines are your direct reports. For instance, pencil me in as the director here for right now and you will see that the Office of General Counsel is a direct report to me, as well as media relations and government relations. They report directly to me, but simultaneously you see a dotted line that comes to each one of you on the commission. They are going to keep you involved as they can find you. I mean, you're not a full-time person here. They've got to be able to contact me directly and so that's the reason for the solid line. The change we made from the big chart that I had prepared is that in our Sunset meeting it was understood that internal affairs would be a direct report to the commission. Before we had internal affairs as a direct report to the director and then dotted line to the commission, but we clearly understood what Sunset's recommendations were and we changed that. So we'll have a larger picture of this on a larger board to bring from now on just to kind
of set it off to the side in case we have questions about it.

COMMISSIONER STEEN: On the direct report of internal affairs to the Public Safety Commission, tell me what the Sunset Commission's thinking is there.

COLONEL CLARK: They -- and that name, for example, we've had it -- it currently is internal affairs. When we started building this new chart, we wanted to try to professionalize our Internal Affairs Division. So we've renamed it Office of --

STUART PLATT: Professional

Responsibility.

COLONEL CLARK: -- Professional Responsibility. Representative Kolkhorst was not thrilled with that name. She -- that didn't have enough punch to it, she said. So she actually preferred the model that was in TDCJ and in some other places where it would be called the inspector general. Now, we can change that name later on if that's the will of the commission. But internal affairs, what their thinking is there, that those -- they would have the ability to be an independent body where they would report to the Public Safety Commission where they would -- it would take away any idea that there was some kind of cronyism, brother-in-law going on from my perspective. That's the
best way I can -- in other words, I would be subject to
the IG investigating me or Lamar or any of the chiefs
and it would take me out of the picture and it would be
a direct report to the commission where it would
eliminate any sense of impropriety on the part of the
director or other of the upper management. So by
separating it into its own investigative entity, they
would eliminate that.

COMMISSIONER STEEN: Thank you. Also, you
said something that Deloitte didn't understand about the
direct report of the Rangers to the director. But what
don't they understand about that? It's in the statute.

COLONEL CLARK: It is. Now, you talked
with Drew quite a bit about that.

LIEUTENANT COLONEL BECKWORTH: Well, they
believe -- Drew believed that the process should afford
the deputy director of law enforcement to have
day-to-day interaction with this, and we believe that we
can still accomplish that by the process in place based
on the relationship we have with the Rangers. However,
under certain circumstances we believe -- and that's why
the law is specific -- that they should have direct
contact with the director. So they are willing to work
with us on that. I would also add that there's a bill
passed by Representative (inaudible) asking that all
large law enforcement -- excuse me -- all large state agencies have the office of inspector general. She filed a bill to try to get all state agencies lined up that same way and she attributes that to Chairman Polunsky.

(Laughter)

COLONEL CLARK: One of the other issues that I -- I had a note here from Drew Beckley with regards to the direct reports to the director. He thought it was unnecessary for the media and government relations to report directly to the director, to me, and I feel that's very important. Tela and Michael, they keep me informed 24 hours a day because I'm readily available and anything of importance you're going to find out about it quickly. But Deloitte just felt like that should be really not a direct report to the commission, but to a chief of one of these divisions and we disagreed with that.

COMMISSIONER BROWN: I think that's a good call. Just in our experiences when there are emergencies or safety issues, it's been, I think, pretty effective to have a point person, which is you, who gets all of the relevant media information so you can disseminate it quickly.

COLONEL CLARK: Well, we like to sift out
the fluff before we -- we want to send you the facts and
we're not always successful, but most of the time we
are. And I will -- I would like to thank Chief Fulmer
and her white board because we have scribbled all over
that in working on this particular chart and she has
solicited input from a lot of people in this room and
anybody that walked by her office, she would bring them
in, get their thoughts on it, and I thank all of our
employees who had input into that.

COMMISSIONER STEEN: Colonel, on the media
relations and government relations, I think you were
persuasive on that, but where did Drew Beckley want to
place those, just out of curiosity?

COLONEL CLARK: Originally I think he
had -- do you remember, Valerie?

VALERIE FULMER: I believe it was under
administration.

COLONEL CLARK: It was under
administration under -- it may have been one -- either
information management chief or agencies --

VALERIE FULMER: It's probably what we're
calling employee support division.

COLONEL CLARK: Yeah. The one on the far
right over there.

COMMISSIONER STEEN: So Deloitte would
have as a box under the employee support division chief?

   COLONEL CLARK: Right. Answering to that chief and then that chief would have to notify me, I, in turn, would notify the chair, and we just don't believe that that's good business. Our business is critical and fast and we need to get information out in a hurry.

   COMMISSIONER STEEN: Where do they have government relations?

   VALERIE FULMER: In the same place.

   COLONEL CLARK: Same place. Now, that won't work. We've got to have Michael on the front line. And really there is a solid line to me and to the chair on that I can tell you. Anything else?

   COMMISSIONER BROWN: No.

   COLONEL CLARK: You can just kind of take that home and chew on it and ask me something next time.

   CHAIRMAN POLUNSKY: Anything else, Mr. Steen?

   COMMISSIONER STEEN: No. I think this is very helpful. Thank you, Colonel Clark.

   CHAIRMAN POLUNSKY: Thank you, Colonel Clark. Let me state that I'm glad that this is being advanced. We did sit on this for a month or two waiting for a couple of things, primarily the progress with respect to the project management office and some other
factors, but let me make it very clear that it is the intent of the Public Safety Commission to go forward vigorously in implementing the general recommendations that came out of Deloitte and certainly come forward with a new structure for this department. That will be done and it will be done in a timely manner, and this is -- this is something that, as I mentioned to Colonel Clark when I told him I was putting it on the agenda, I just wanted to put it out for initial discussion and then as we go forward in the next month or two, then this will become much more serious of an issue that we'll start taking action on. So if anyone had the misimpression that this was somehow not going to happen or it no longer was a priority, that is incorrect. This is the highest priority that the Public Safety Commission has at this point. I just wanted to make those brief comments. Thank you very much for the work that you and Colonel Beckworth and others have --

COLONEL CLARK: And my chiefs.

CHAIRMAN POLUNSKY: Chief -- well, all of the individuals who have contributed to this, thank you very much for the work that has been done so far, and it looks like a very good starting point in what we'll be doing going forward.

We've discussed the security measures in
executive session.

We will go to reports. Budget matters.

You've done enough?

OSCAR YBARRA: I think so unless you want me to say something up here.

CHAIRMAN POLUNSKY: Why don't we just pay you by the hour and make you rich.

OSCAR YBARRA: I think that's a compliment.

CHAIRMAN POLUNSKY: Division reports. In Administration. Chief Fulmer, do you want to come back? Do you have other --

VALERIE FULMER: I'll tell you one brief thing. You've got my report. I do have a continuing concern about concealed handgun licensing. We have had another spike in applications over the last month or two and we are doing our best to keep up with it, but I just want to make the commission aware that it's happening again for reasons unknown and we'll keep up with as best we can. This kind of ties back to what Chief Ybarra was telling you about on the side by sides. We have a request for additional entries in the concealed handgun listening bureau and if we don't get those, it's going to be very difficult for us to keep up with these. I just wanted to make the commission aware of that. But I
have nothing else unless you have questions about my
report.

CHAIRMAN POLUNSKY: Questions?

COMMISSIONER BROWN: No, sir.

CHAIRMAN POLUNSKY: Thank you, Chief.

VALERIE FULMER: Thank you.

CHAIRMAN POLUNSKY: Criminal law
enforcement. Chief Ruocco.

THOMAS RUOCco: Tom Ruocco, Chief of
Criminal Law Enforcement. You got my report. I told
you it wouldn't take me long to learn this process.

(Laughter)

THOMAS RUOCco: But I do want to bring to
your attention on this report we've added a column to it
where we're comparing our numbers from last fiscal year
to this fiscal year so you could see the month last year
where we are and where we are total. And then I will
just bring in here on Page 3 it talks about the
(inaudible) and the additional systems that we're
buying, which we get from federal grant money, which
looks very high, but also if you look at the bottom of
Page 1, that the backlog without additional FTEs has
been going down because of this type of, you know, what
they call robots (inaudible) robotics because I just
picture robots and with Star Wars days. It's not that
kind of stuff. That's all I have unless you have any
questions.

COMMISSIONER BROWN: I've got a question. So on Page 3, just to make sure I'm understanding this
correctly, the CODIS database has now helped solve 52
burglaries, 39 sex assaults, eight robberies, eight
homicides, four thefts, and so on; is that right?

THOMAS RUOCCO: That's correct. From cold
cases.

COMMISSIONER BROWN: Wow. So those are
cases then that you had no suspect until the information
was put in CODIS?

THOMAS RUOCCO: That's correct.

COMMISSIONER BROWN: That's awesome.

CHAIRMAN POLUNSKY: Thank you.

THOMAS RUOCCO: Thank you.

CHAIRMAN POLUNSKY: Driver's license.

Chief Brown.

JUDY BROWN: I have nothing else to add
unless you have questions about my report.

CHAIRMAN POLUNSKY: Are there questions
for Chief Brown?

COMMISSIONER BROWN: I have none.

CHAIRMAN POLUNSKY: Thank you. Texas

Highway Patrol. Chief Baker.
DAVID BAKER: Good afternoon,

Mr. Chairman, members. I'm David Baker, Chief of the Highway Patrol. You have my report. I would be glad to answer any questions that you might have about the information contained in the report. I would like to talk to you about a couple of things that are not in the report, the first being an incident that occurred yesterday in Junction. One of my troopers by the name of Mormon turned on a vehicle for a minor speeding violation, 10 miles over the limit. Nothing just terribly out of the ordinary. That traffic stop evolved into a major pursuit incident. The vehicle evaded him for several miles and about five miles south of Menard on US 83, another highway patrol unit and the sheriff set up stinger spikes to stop the pursuit. The evading vehicle dodged the stingers and spikes and in the process ran into the sheriff's vehicle, veered into a pasture through some fences, and when the cavalry arrived to arrest him, he got out of the vehicle and began firing on the officers with a .380 caliber pistol, and the law enforcement officers there immediately returned fire. The suspect took his own life by shooting himself in the head with the pistol that he had. He had a 16-year-old runaway female in the vehicle with him and we believe that that was the reason that he
took his life, that he knew that he was facing some serious jail time as a result of those actions. So another incident where a routine traffic stop became very nonroutine.

I would like to give you a report on our monthly crash activity. The summaries that we've been doing we -- we have taken action to reduce errors on the eight data points on the crash reports training. This month all of our troopers have received that additional training. We have a few troopers who were absent during the scheduled classes and we are in the process of scheduling those makeup classes. The first month's activity that we looked at, the month of February, our personnel reviewed 4,847 crash reports. Of those reports, 1,532 contained an error in one of those eight data points, and that calculates into an error rate of 31.6 percent. When I first saw that number, I was kind of taken aback a little bit, but that indicated to me that there was no brother-in-lawing going on on reporting those errors, and that's one thing that I stress to my supervisors, that I did not absolutely want to see any brother-in-lawing going on. If an error was submitted, I want it counted, and I want to point it out. When the accident report does get to TxDOT into the database, that means it's going to be thoroughly
reviewed, and I fully expect the error rate to be much lower the next time OAI goes in and audits those crash reports. And I'll provide the Commission with a monthly report. If it's the will of the Commission, I can include this in the monthly report or just give you a verbal report. Whichever you would prefer.

COMMISSIONER STEEN: I would like you to include it --

DAVID BAKER: Okay.

COMMISSIONER STEEN: -- if that's all right with the rest of the commissioners.

COMMISSIONER BROWN: Sure.

DAVID BAKER: We can do that. The last thing I have --

COMMISSIONER STEEN: Chief, before you go on, I commend you for that, the training you're giving and the way you're approaching it and not trying to push it to the side, but say this is an issue we have and let's get on top of it. I commend you for that.

DAVID BAKER: I appreciate it. During our first meeting with the Senate Finance Committee, we were kind of -- it was pointed out to us by the Senate -- Senator Whitmire that there was a concern about our patrol cars not having cages. I had already asked my highway patrol equipment committee to do a feasibility
study on the cages for our patrol cars. I have a copy of that for each of you. Mr. Chairman, with your permission, I'll just walk y'all through this fairly quickly. The committee looked at four points to determine feasibility. They looked at the officer's safety concerns and our line personnel. They looked at prisoner escapes and the effectiveness of the partitions in preventing escapes. They looked at damage to patrol vehicles caused by prisoners. And they looked at other considerations. Under officer safety, the FBI and the Department of Justice statistics showed that 59,201 officers were assaulted in the U.S. and of those 7,347 were assaulted while handling, transporting, and maintaining custody of prisoners. That's about 12.4 percent. They broke down the 12.4 percent into the categories there that have the double asterisks by it, and the reason those asterisks are there is because those three duties are the duties that our personnel are more involved in. Of course in my division we don't have detectives or special assignments. The majority of (inaudible) personnel that are normally assigned in one of those categories, there were 4,184 officers that were assaulted, and that's only 7 percent of that total number of assaulted officers, which is relatively low. The committee also polled each trooper to get their
input on whether they would prefer to have the cage or not and there was an overwhelming response of no, we don't want a cage. It was over a two to one ratio. So they did take the --

CHAIRMAN POLUNSKY: And why is that? I know there's probably multiple reasons, but is there one reason in particular that stands out?

DAVID BAKER: No, sir. There's no one reason that really stuck out. It is just a combination of when you put a cage in a patrol car, some of our larger troopers are limited on how far back the seat would go. They didn't like that. A lot of the troopers use the backseat for storage, and they didn't like losing that additional space. Some of the troopers even brought up the fact that the partition creates blind spots where they can't see through the rearview mirror, and they thought that that would be a safety concern. Some of those reasons are all pointed out in this report.

COMMISSIONER BROWN: Chief, I've got a question for you.

DAVID BROWN: Yes, ma'am.

COMMISSIONER BROWN: On the 2007 reported escape events from news reports, I'm assuming that --

DAVID BAKER: From the Google News
COMMISSIONER BROWN: Uh-huh. I'm assuming that's nationwide, correct?

DAVID BAKER: Yes.

COLONEL CLARK: Chief, where would we put the shotgun?

DAVID BAKER: That follows in -- that comes into the other findings. They looked at prisoner escapes and they looked at DPS escapes for three years. 2006 through 2008 there were 200 escapes involving our personnel. The way our data is collected, they couldn't -- they couldn't distinguish if the prisoner had already been placed in the car or if during an arrest outside of the car he bolted and ran or something like that. So we don't know exactly the number that was in the car. But --

COMMISSIONER BROWN: I'm sorry. I didn't mean to interrupt you.

DAVID BAKER: According to the Google News reports, the 2,007 reported escapes, you can see that of those that escaped, there were 364 prisoners that escaped that were in a cage, 11 were in no cages, and 18 were unknown. So the reliability and the effectiveness of the prisoner partition systems, they are not without issue. A lot of the -- and then this came up in talking
to some of our troopers and it also came up in this Google News report that there is a sense of false security and safety by placing a prisoner in that cage. Some of our troopers who were former police officers who had cages said that, you know, they were lax in searching prisoners when they put them in the cage. So that's another safety issue. They looked at damage to our patrol vehicles and they looked at seven years of statistics and in those seven years, there were only 121 instances of criminal mischief involving putting a criminal in a car and that criminal kicking the radio or kicking the radar or kicking the windshield. Also, the other considerations that they looked at, again, by placing a partition system in the vehicles, it effectively reduces the amount of office space. And I use that term "office space" because that is the office for our troopers. And it cuts it in half basically. Again, safety concern for the visibility from within the vehicle. Another safety concern involves crash protection. And I'm just hitting the highlights here. One concern is that with the prisoner partition installed, the air bag may not be able to inflate correctly. That was an issue. There is a pretty substantial physical impact by doing this. We have approximately 1,950 vehicles right now that those things
would go in and that does not include the additional vehicles that the legislature will be giving us in the future. The average cost is between $370 to $450 for the prisoner partition systems. If we were to contract the installation by an outside entity, we would be looking at about a million and seventy two thousand dollars to do that. And DPS shop said that they could do the installation, and if they were to do the installation, we would be looking at about $780,000. Colonel, that does not include the shotgun lock that would be compatible with a prisoner partition system. We would be looking at an additional $325 per unit, which totals up to $494,000.

COMMISSIONER BROWN: A question for you about the shotgun lock. Would that be -- I mean, I'm assuming the shotgun would be accessible to you in the front seat?

DAVID BAKER: Yes, ma'am. It would have to be moved up front. Another significant issue is that prisoner partition systems are not generic for any type of vehicle. They are made for certain vehicles. Ford Motor Company tells us that in 2011 that they will no longer make the Crown Victoria as a pursuit vehicle. So that means that if we invest this money, it's about a one year investment, and then in 2012 when we get
another type of pursuit vehicle, then we've just scraped
a lot of money on those prisoner partition systems. The
recommendation of the equipment committee and then my
recommendation is that we not look at prisoner partition
systems at this time. And with that, I'll close and be
glad to answer any questions.

COMMISSIONER BROWN: Can you -- you
initially gave some numbers about the number of groups
on the ground who wanted it and didn't. Can you go --

DAVID BAKER: Yes, I can. I have that
broken down by --

CHAIRMAN POLUNSKY: It's in there.

COMMISSIONER BROWN: What page number?

DAVID BAKER: The pages are not numbered,
but the results of the survey are in there. If highway
patrol --

CHAIRMAN POLUNSKY: Columns.

COMMISSIONER BROWN: Okay. I see it.

DAVID BAKER: Do you see that?

COMMISSIONER BROWN: Yes, sir. Thank you.

Partition survey results. I'll look that over.

DAVID BAKER: Okay.

COMMISSIONER STEEN: Chief, you studied
this because Senator Whitmire brought up the issue?

DAVID BAKER: No. Actually I heard some
grumbling about we don't have cages and I wanted to just
get a little information to see if that's something that
we needed to look at. I had asked the captains to start
the study before that meeting. It just was

coincidental.

COMMISSIONER STEEN: Did we want to get
back to him at all with the results of this, Colonel?

COLONEL CLARK: Well, he's already aware.
He approached me and said, Hey, I've done some research
on my own and it appears that the majority of the
troopers do not want this. He didn't pursue it, but I
think it would be good to give him a -- we'll give him a
copy of this.

COMMISSIONER BROWN: Chief, I have one
more question.

DAVID BAKER: Okay.

COMMISSIONER BROWN: Region 7B, I think
it's interesting looking at the chart, they
overwhelmingly seem to be a little different than all
the other regions in that they overwhelmingly did
request it.

DAVID BAKER: 7B is the patrol section at
the capitol.

COMMISSIONER BROWN: Got you. Okay.

DAVID BAKER: And they are in a very urban
(inaudible) type of environment.

COMMISSIONER BROWN: So different needs?

DAVID BAKER: Yes.

COMMISSIONER BROWN: Thank you.

COMMISSIONER STEEN: Chief, I think this is a very good report. I want to pass along my compliments to the Highway Patrol Equipment Committee. David Salmon, chairman, Captain Bill Snyder, and Captain Michael Bradley. They did an excellent job.

DAVID BAKER: This was presented to me yesterday during the regional commanders meeting, and I was extremely impressed with their work as well.

COMMISSIONER STEEN: I am impressed, too.

DAVID BAKER: And I will pass your comments on to them.

CHAIRMAN POLUNSKY: Chief, I want to ask you just a question. Brief answer -- you don't need to get in a lot of detail. Nothing to do with this, but could you give me a little historical background as to how the department evolved from the patches -- the different patches? I know that the highway patrol at one point had red patches and CVE had gray patches.

DAVID BAKER: Yes, sir.

CHAIRMAN POLUNSKY: And now where one wears the same --
DAVID BAKER: Everyone has the same patch.

I can't tell you, Commissioner, when the original service patches were -- well, I guess in 1968 during that reorganization each service within the highway patrol -- within the old traffic law enforcement division had their own service patch. In 2003, there was a reorganization of the Traffic Law Enforcement Division. It was -- it was -- that name -- that division name was not synonymous of the work that the troopers in that division did. They are not speed cops. And traffic law enforcement gives the connotation or it sounds like that's what they do is speed cops. Our guys do a lot more than that, as you are fully aware of. Not only do we enforce traffic laws, we enforce criminal laws and lots of other types of duties. In 2003, the chief of the division at that time put a plan together to rename the division and to consolidate some of the services so that we just have two services in the division, highway patrol service and commercial vehicle enforcement, and put them all under the same patch.

CHAIRMAN POLUNSKY: And people are happy with that?

DAVID BAKER: As far as I know, they are.

You've got your die-hard red patchers and then your old license and weight troopers who like that gray patch.
I've not heard any comments from any of the troops about --

CHAIRMAN POLUNSKY: It was just -- no one has said anything to me either, but I just wondered why that happened.

DAVID BAKER: I have a copy of that reorganizational study if you would like to have a copy of it.

CHAIRMAN POLUNSKY: If there's one floating around. I mean, it's not super urgent or anything like that.

DAVID BAKER: This patch is a lot prettier than that old red patch.

CHAIRMAN POLUNSKY: It's got a lot going on it. That's for sure.

DAVID BAKER: Yes, sir.

CHAIRMAN POLUNSKY: Okay. Thank you very much.

DAVID BAKER: Thank you.

CHAIRMAN POLUNSKY: IMS. Chief Lane.

BRYAN LANE: Bryan Lane, Chief of IMS.

Mr. Chairman, members, I plan to give you a brief update on the disaster recovery process as we move forward. To date we've reviewed our current disaster recovery contract with our vendor, and we're working with Chief
Platt's office. We're looking at opportunities to tweak that contract where it's more appropriate for our current configurations on our system. Additionally, we have visited -- we have toured four different facilities in the Central Texas region looking at where we can locate our disaster recovery hardware equipment, including our network infrastructure. All four of these facilities are very interested in our business and are doing everything they can to provide us an opportunity to join in with them. One of the four is a city owned disaster recovery site that houses not only the City of Austin Police Department and Travis County Police Department, but also TxDOT. So we're engaged in four different conversations there as we look at opportunities. We've had a committee or a cross functional team that's been working also towards identifying the fundamental disaster capabilities that we would need as quickly as we can stand those up. We received a response to our request from the vendor this week that has shown us that we have some significant challenges around the budgetary outlays for the disaster site. We took that forward to the IT board, which is, as you know, the governing body of the division chiefs and the colonels, who reviewed that, and based on the design that was provided by the group of vendors and
business requirements, we have determined that we just
don't -- we're not getting enough for our money, to be
very blunt. The functionality that they were going to
be able to provide us for about double our budget outlay
was not going to meet the requirements of the division
chiefs and their missions on a day-to-day basis if we
did in the event had a disaster. In a disaster recovery
scenario, one of the first things you do is a business
impact analysis, which helps you identify the
requirements of each of your major divisions or your
operating divisions on what they need in the event of a
disaster. We have a second proposal due today to us on
that. We've had one proposal from -- I believe that's
about two months old. And it's my recommendation that
we continue to look at our network configuration and our
lease site where we will actually store our equipment
and be able to respond to and drive through the business
impact analysis so that we ensure that we have a full
understanding of where we need to be before we put the
cart in front of the horse, if you will, and go out and
drop funds into a solution that doesn't meet our
requirements or needs. That said, the business impact
analysis is estimated to be able to be completed within
30 to 45 days once we sign the contract. Both the
vendors that have responded so far are in the DIR and Go
DIRECT contracting capabilities. So that's not an RFP scenario. We can actually go directly with a purchase order if we find their statement of work and their proposal to be acceptable. That concludes my update. I'm happy to answer questions.

CHAIRMAN POLUNSKY: Questions?

COMMISSIONER STEEN: No questions.

CHAIRMAN POLUNSKY: Thank you.

BRYAN LANE: Thank you.

CHAIRMAN POLUNSKY: Texas Rangers. Chief Leal.

COMMISSIONER STEEN: Mr. Chairman, I think we have moved on in the agenda and so maybe if we could put the second page up there.

CHAIRMAN POLUNSKY: I'm sorry? Oh. Well, I -- that's probably my fault. I've been bouncing around there.

COMMISSIONER STEEN: Thank you.

CHAIRMAN POLUNSKY: Chief.

TONY LEAL: Tony Leal, Texas Rangers.

Chairman, Commission, we have our report there and worked quite a few murders since our last meeting. We've been involved in a lot of capital murder investigations. There are two things I wanted to point out to you that aren't on this report. I had
something -- I've been in the rangers 15 years and I've talked to rangers that have been in the rangers over 25 years who had never heard of this happening. We have a ranger at each one of the executions in Huntsville to witness it, write a report on it, and make sure everything went well. It's just a policy with TDCJ as a witness to their execution. Well, an inmate that was being executed earlier this month started talking to the ranger during the deal and then they went in another room and read him his rights because he was in custody and he confessed to two murders in San Antonio that were 20 years old.

COMMISSIONER BROWN: Wow.

TONY LEAL: We got -- we kind of -- I don't know how legal it was, but we -- it doesn't really matter. The guy is dead. But we postponed the execution for a little bit and took a confession from him on both those murders, a guy in desperation type statement, and then contacted our cold case rangers in San Antonio, who contacted the San Antonio Police Department, and they matched up the murders to the murders that this guy was talking about. One to a woman that he had worked with in a Stop-N-Go that he had murdered and then another violent type episode on the road where he had beat someone to death and they still
had those two -- you know, he was able to provide enough
information in his confession where he said these are
those two cases. So it cleared those two old murders.
And I just had never heard of that happening on death
row before. They will say they are sorry or not.

On another note, we had been working on a
murder out of Waller County. That's out of Houston. We
knew it was a dump murder and could tell it was
execution murder and here -- and I won't go into great
details. Some of it is still open. But when we went to
the house to arrest one of the three suspects, there at
the house, among other people, was a Mexican policeman
with his Mexican credentials from Mexico who we think is
part of one of the cartel enforcers working in the
Houston area as part of the organized crime initiatives
that we have going on. So it is a border problem, but
it is a Houston problem and a San Antonio problem and a
Dallas problem and the rest of the state problem also
and I think we're going to continue to see that. That's
what I have. Do you have any questions?

COMMISSIONER BROWN: I just have a
question. Do you know the name of the unit where the
inmate was --

(Laughter)

CHAIRMAN POLUNSKY: (Inaudible). I'll
tell you where it was. It was the Huntsville unit.

TONY LEAL: The Walls Unit is where they put him down. Polunsky just fattens them up.

(Laughter)

CHAIRMAN POLUNSKY: The gourmet cooking there. Thank you for that insightful question.

COMMISSIONER BROWN: You're welcome.

CHAIRMAN POLUNSKY: Emergency management.

Chief Colley.

JACK COLLEY: Good afternoon,

Mr. Chairman, Commissioners. Jack Colley, Chief of Emergency Management Division. We had a pretty active week. We finished our annual homeland security conference in San Antonio. We had 4,263 attendees, plus we had -- we opened it up to volunteer organizations and we had another 565 members of volunteer organizations. So we had about 4,800 attendees over a five day period, about 300 workshops, and in our estimation it was very successful. We also unveiled our new mobile command center to the department. This is a very high tech capability the department now has to literally move the state operations center anywhere in Texas and conduct operations just like we do anywhere else. A typical day in Texas. We've got tornados in Corpus, wildfires in East Texas, we have a blizzard that's fixing to happen
in the Panhandle tonight. So we're working all of those
right now. We had 254 counties declared by the governor
a disaster for drought and about 208 counties declared
for wildfires. The governor is in -- he was supposed to
meet Secretary (inaudible) today. She did not come
and -- but the governor went ahead and went on the visit
to the Ike area, if you will, and met with local
officials there. We have some significant appeals in to
FEMA. I think you're aware of they have major financial
impact on communities and that is the appeal to extend
debris removal at a hundred reimbursement for six months
for these counties on the coast. If that is not
approved, then that goes to a 75/25 percent, 25 percent
local, 75 percent federal. They don't have the 25
percent. So that will -- places like (inaudible) and
Chambers County, that will have a significant impact.
So the governor is -- obviously has a lot of interest in
that appeal right now to get that approved. We continue
to support, as Michael said, any number of efforts in
legislation. I guess there's good news and bad news,
however you want to look at it, but I'm very encouraged.
This is the first time since I have been here that there
has been so much interest in emergency management and
what we do. It may be a good bill or a bad bill, but
it's a bill in terms of what we do. The two ticker
bills I mentioned is House Bill -- or Senate Bill 985 by
Senator Davis and Senate Bill 1474 by Senator Nichols,
which impacts on employees. One lifts the ban on the
current cap on hotel/motel during a disaster and allows
us to use all facilities, just not those that meet
that -- many times in a disaster people will not give
you the state rate and you have to -- and it has an
impact on our responders. The other one is Senator
Nichols 1474, which will allow our employees who accrue
comp time to extend that out 18 months versus a year and
also it will allow the (inaudible) DPS at his discretion
during a declared disaster to allow us to pay overtime
for comp time, which in many of these disasters is
reimbursable from the federal government. So we're very
encouraged by that because there's a lot of support to
get those through. Mr. Chairman, that concludes my
report.

COMMISSIONER BROWN: That reminds me of
something. Who is it that I need to talk about -- I
have some questions about -- generally, not specific to
your department -- overtime and comp time use? Who
would be my go-to guy on that or gal?

COLONEL CLARK: Paula Logan.

COMMISSIONER BROWN: Got you. Thanks.

CHAIRMAN POLUNSKY: I had the opportunity
to take a tour of the mobile command center in San Antonio. Pretty amazing. I think everyone should examine that piece of equipment or actually a couple of pieces. It's really state of the art, and it's something the state should be proud of, and y'all did a great job in putting that together.

JACK COLLEY: Thank you, Mr. Chairman.

CHAIRMAN POLUNSKY: And beyond that, the conference itself from what I briefly saw and what I heard was as usual a great success. So great job there as well.

JACK COLLEY: Thank you, sir.

CHAIRMAN POLUNSKY: The next item would be consent items. Are there any items anybody would like to pull for individual discussion?

COMMISSIONER STEEN: What is Item A about?

STUART PLATT: Mr. Steen, when -- on February 19th when (inaudible) Clark was moved in interim to director status, he had several individuals who were in an interim status as well or temporary appointment status. The provisions of the Government Code 411.006 state that he may appoint with the advice and the consent of the commission the head of the division or bureau provided for under the chapter.

Thereafter he provided letters appointing Lieutenant
Colonel Lamar Beckworth as assistant director, Chief
Valerie Fulmer as admin chief, assistant chief -- Sandra Fulenwider as assistant chief, and Chief David Baker for THP, assistant chief, Luis Gonzalez for HPD, chief pilot, Phil Nabors, and assistant chief pilot, John Brannon. So those letters were provided to them, and it's on here as a consent item simply because the statute says it's with the advice -- with the appointment and consent of the commission.

COMMISSIONER STEEN: Thank you. Colonel Clark, anything on here we ought to be concerned about?

COLONEL CLARK: No, sir. As a side note, just FYI, at our April promotional ceremony I will formally recognize the chiefs now that they've had their interim tag removed. We'll have a little promotional ceremony for them and express my gratitude for their hard work. The other consent items just concern some discharges of employees, most of them job abandonment, probationary employees. They have no rights of appeal. And the Special Rangers, they've all been -- they are qualified to be Special Rangers recommended by their previous supervisors. No problems with any of them.

COMMISSIONER STEEN: And then the last item?

COLONEL CLARK: The proposed rules, no
problems with those. David, you might want to mention those.

DAVID BAKER: David Baker, Chief of Highway Patrol. Mr. Steen, these proposed rules are just a cleanup to the Administrative Code. DPS used to have the responsibility of accident reports. That duty was transferred to TxDOT and we're just cleaning up our administrative rules and remove that from our responsibility.

COMMISSIONER STEEN: Thank you for that clarification. Then I move for adoption of the consent items as a group.

CHAIRMAN POLUNSKY: Is there a second to Mr. Steen's motion?

COMMISSIONER BROWN: Second.

CHAIRMAN POLUNSKY: Seconded by Ms. Brown.

The motion is to approve all of the items under the consent item section. Discussion? There is no discussion. All in favor, please say "aye." Any against, "no." Motion passes unanimously.

The next item would be items for future agendas. Anybody have any items that they want to put forth at this time for next month's agenda or any agenda thereafter?

COMMISSIONER BROWN: I would like on the
next agenda to have some discussion about or some
information presented about the amount of comp time
that's actually redeemed to be under overtime policies.

CHAIRMAN POLUNSKY: Okay. Dorothy, could
you make note of that, please. Anything else?
Mr. Steen?

COMMISSIONER STEEN: No.

CHAIRMAN POLUNSKY: Okay. Date for future
meetings. Any problem with the usual -- the unusual or
usual date?

COLONEL CLARK: The 16th?

CHAIRMAN POLUNSKY: The 16th will be our
next meeting.

COMMISSIONER STEEN: Mr. Chairman, before
we adjourn, Colonel Clark, thank you for doing this. I
think we're making a lot of progress in terms of being
very public friendly here. I would hope that as we move
forward we have more and more reports that are sort of
PowerPoint presentations where we can have more
information up on the screen as we move along in the
meeting. Just something to strive for.

COLONEL CLARK: Bryan did a good job of
putting this together. We'll continue to work on it.
First time out, I'm pretty pleased with it.

COMMISSIONER STEEN: I am, too. Thank
you.

COLONEL CLARK: I may have to borrow a
little more money from Tony to put one more monitor. We
need one right there for Don Dickson.

DON DICKSON: I couldn't see it anyway.

COLONEL Clark: But I think seriously we
may want to put one more for that side of the room
because y'all are having to look across.

COMMISSIONER STEEN: Well, I've noticed
that as we put things up, it seems like you-all in the
audience were looking at it and I think it -- I hope it
was helpful to you.

COLONEL CLARK: Before I say that, once --
I know we have classes in here. Does that pivot, Bryan?

Disregard.

BRYAN LANE: The commission doesn't have a
view.

COLONEL CLARK: Well, I'm talking about
when we use it for classes.

BRYAN LANE: It will move.

CHAIRMAN POLUNSKY: Anything else?

COMMISSIONER BROWN: No.

CHAIRMAN POLUNSKY: The Texas Public
Safety Commission is now adjourned for this meeting.

The time is 5:34 p.m. Thank you.
I, Lisa Minister, Certified Shorthand Reporter in and for the State of Texas, do hereby certify that the above and foregoing contains a true and correct transcription of my stenographic notes taken in the above-captioned cause at the Texas Public Safety Commission meeting in Austin, Texas

Witness my hand this 13th day of April, 2009.

__________________________________
LISA MINISTER, Texas CSR 4459
Expiration Date: 12-31-2009
Integrity Legal Support Solutions
Firm Registration No. 528
114 West 7th Street, Suite 240
Austin, Texas 78701
(512) 320-8690
(512) 320-8692 (Fax)
IN THE MATTER OF § BEFORE THE

THE DISCHARGE OF § PUBLIC SAFETY COMMISSION

PROBATIONARY EMPLOYEES § IN AUSTIN, TRAVIS COUNTY, TX

Advice and Consent

In accordance with Government Code Section 411.007(f), the Director found that the following named probationary employees were unsuitable for continued employment in the Department of Public Safety. The Public Safety Commission has consented to the discharge of these employees:

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Employee Title/Division</th>
<th>Date of Discharge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeremiah Carr</td>
<td>Trooper Trainee, Administration Division</td>
<td>02/09/09</td>
</tr>
<tr>
<td>Jeremy Garate</td>
<td>Trooper Trainee, Administration Division</td>
<td>03/03/09</td>
</tr>
<tr>
<td>Aaron Godfrey</td>
<td>Trooper Trainee, Administration Division</td>
<td>03/09/09</td>
</tr>
<tr>
<td>Melissa Vasquez</td>
<td>Trooper Trainee, Administration Division</td>
<td>03/03/09</td>
</tr>
</tbody>
</table>

Approved:

[Signature]

Allan B. Polunsky, Chairman
Public Safety Commission
Date: March 26, 2009
DIVISION/SERVICE/SECTION MAKING REQUEST: THP

PROJECT MANAGER: David Baker
Name: 512/424-2110
Contact Number

DESCRIPTION OF ITEM(S) REQUESTED (ATTACH REQUEST MEMO): 4 400Kw Portable Back-up Emergency Generator

DESCRIPTION OF OVERALL IMPACT OF REQUEST: To provide emergency back-up power during outages from natural disasters such as hurricanes and flooding.

EQUIPMENT LOCATION:
Mark one - Field Headquarters BOTH x

ESTIMATED COST OF THIS REQUEST: 4@ $148,000 $592,000.00

RECOMMENDATION OF COMMITTEE
APPROVED x
NOT APPROVED

FUND NO.
BUDGET NO.
CONTROL NO.

ITD NO. CAPITAL PROJECT NO.

Does this project have Capital Items? ☐ Yes ☐ No
(ATTACH PRICE LIST FOR CAPITAL ITEMS)

REASON IF NOT APPROVED:

THOMAS D. PUSCIA
COMMITTEE CHAIR
2/26/09

DANIEL HUNTER, LT. COL.
DIRECTOR
2/26/09

PUBLIC SAFETY COMMISSION
3/26/09

REVISED 09-2008
TEXAS DEPARTMENT OF PUBLIC SAFETY

Request for Forfeited Funds

Date: 11-10-08

Division/Service/Section making request:

Texas Highway Patrol

Description of Item requested (list only one type item per request):

400Kw Portable Back-up Emergency Generator

Justification/Need for requested items (include additional pages, if necessary):

The Department has experienced a number of power outages over the years in different locations from natural disasters. The outages have been from both hurricanes and flooding. Severe weather is always a threat. The citizens of the State of Texas depend on the Department of Public Safety to bring stability back in the impact zones as soon as possible.

The world we live in today leaves us faced with the possibility of an act of terrorism in the State of Texas. If the loss of power occurred from a Terrorist Act the Department would be in a much better position to respond if portable generators are available.

Quantity requested (if applicable): 4

Unit cost: $148,000

Estimated total cost: $ 592,000

CRIMINAL LAW ENFORCEMENT

NOV 13 2008

REVISED 10/30/2003
TEXAS DEPARTMENT OF PUBLIC SAFETY
FORFEITED FUNDS EXPENDITURE REVIEW COMMITTEE
COMMITTEE ACTION REPORT

Date: 2/20/2009

<table>
<thead>
<tr>
<th>Division/Service/Section making request:</th>
<th>ADMINI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Manager</td>
<td>Valerie Fulmer</td>
</tr>
<tr>
<td>Name</td>
<td>512/424-2100</td>
</tr>
<tr>
<td>Contact Number</td>
<td></td>
</tr>
</tbody>
</table>

Description of Item(s) requested (attach request memo): 4 Generators for Houston, Corpus Christi, McAllen and Beaumont

Describe Overall Impact of Request: Generators for these areas that are often impacted by emergencies when hurricanes make landfall along the Texas Coast

Equipment Location:
Mark one - Field x Headquarters BOTH

Estimated Cost of this Request: $1,152,000.00

<table>
<thead>
<tr>
<th>RECOMMENDATION OF COMMITTEE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>APPROVED</td>
<td>x</td>
</tr>
<tr>
<td>NOT APPROVED</td>
<td></td>
</tr>
</tbody>
</table>

Fund No. ____________________________
Budget No. ____________________________
Control No. ____________________________

ITD No. ____________________________
Does this project have Capital Items? [ ] Yes [ ] No
(attach price list for Capital Items)

Reason if NOT Approved:

[Signature] Thomas P. Ruscio 2/26/09
Committee Chair

[Signature] Lamar Bedworth Lt. Col. 3/2/09
Director

[Signature] ____________________________
Public Safety Commission 3/26/09

Revised 09-2008
REQUEST FOR FORFEITED FUNDS

Date: 12-11-08

Division/Service/Section requesting funds:

Administration/Staff Support Service/Building Program Bureau

Description of Item requested (list only one type item per request):

Generators for Houston, Corpus Christi, McAllen, and Beaumont offices

Justification/Need for requested item (include additional documentation, if necessary):

The Houston, Corpus Christi, McAllen, and Beaumont offices are critical operations centers for emergencies along the coastal area. These offices, however, are often impacted by the emergencies for which they must respond. When a hurricane makes landfall along the Texas Coast, these offices are generally without electricity, sometimes for extended periods, which severely hampers the response and recovery efforts. Emergency electrical power is needed to better direct response and recovery actions and to provide a safer, more hygienic environment for the personnel working the emergencies. Permanent (fixed) generators are requested for these offices to meet the electrical power needs. Emergency power at these offices is a high priority for the Public Safety Commission.

Quantity requested: ................................................................. 4

Unit cost: ........................................................................ Varies

Estimated TOTAL cost: ......................................................... $1,152,000.00

Cost Breakdown:

<table>
<thead>
<tr>
<th>Location</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beaumont</td>
<td>$222,000</td>
</tr>
<tr>
<td>Corpus Christi</td>
<td>$240,000</td>
</tr>
<tr>
<td>McAllen</td>
<td>$230,000</td>
</tr>
<tr>
<td>Houston</td>
<td>$460,000</td>
</tr>
<tr>
<td>Total</td>
<td>$1,152,000</td>
</tr>
</tbody>
</table>
TEXAS DEPARTMENT OF PUBLIC SAFETY
FORFEITED FUNDS EXPENDITURE REVIEW COMMITTEE
COMMITTEE ACTION REPORT

Date: 2/20/2009

Division/Service/Section making request: IMS/THP/ADMIN

Project Manager: Bryan Lane
Name: 512/424-7760
Contact Number: Sergeant Area Office Connectivity Upgrade

Description of Item(s) requested (attach request memo):

Describe Overall Impact of Request: Replaces obsolete hardware and accessed remotely

Equipment Location:
Mark one - Field Headquarters BOTH x

Estimated Cost of this Request: $836,842.00

RECOMMENDATION OF COMMITTEE

APPROVED x Fund No. ____________

NOT APPROVED
Budget No. ____________
Control No. ____________

ITD No. ____________ Capital Project No. ____________

Does this project have Capital Items?  ☐ Yes  ☐ No
(attach price list for Capital Items)

Reason if NOT Approved:

_________________________  ________________________
Thomas J. Rufo    2/24/09
Committee Chair

_________________________  ________________________
Samuel Berkowitz    3/1/09
Director

_________________________  ________________________
Public Safety Commission  3/26/09

Revised 09-2008
TEXAS DEPARTMENT OF PUBLIC SAFETY
REQUEST FOR FORFEITED FUNDS

Date: 12/1/08

Division/Service/Section making request:
THIS IS A JOINT PROJECT INVOLVING IMS, BPB, AND THP.

Description of item requested (list only one type item per request):
$1,836,842.00 required for Completion of the Remote Sites and Sgt Areas

Justification/Need for requested items (include additional page, if necessary):
DIR Controlled Penetration Tests and OAI Audits have documented the need for these hardware upgrades. In addition, failure rates have contributed to the critical need to replace failing hardware on a planned and accelerated basis.
1. Required router replacements of obsolete hardware
2. Required replacements of security vulnerable wireless routers
3. New hardware can be remotely administered.

Quantity requested (if applicable):
n/a - See attached Spreadsheets

Unit cost:
n/a - See attached Spreadsheets

Estimated total cost: $1,836,842.00

Amount Available from Technology Refresh Budget $1,000,000.00

Requested from Forfeited Funds: $836,842.00

Revised 06/2006
Division/Service/Section making request: THP

Project Manager David Baker Name  
Contact Number 512/424-2110

Description of Item(s) requested (attach request memo): DUO Dote Injector

Describe Overall Impact of Request: Replaces Mark I Kits for Weapons of Mass Destruction Bags. Injectors are the antidote for Sarin, VX or Soman Nerve Agents. Replace for all commissioned officers within the Dept.

Equipment Location:
Mark one - Field Headquarters BOTH x

Estimated Cost of this Request: $419,328.00

________________________________________
RECOMMENDATION OF COMMITTEE

APPROVED x Fund No. __________________
NOT APPROVED Budget No. __________________
Control No. __________________

ITD No. __________________ Capital Project No. __________________

Does this project have Capital Items? □ Yes □ No
(attach price list for Capital Items)

Reason if NOT Approved:

______________________________ 2/24/09
Committee Chair

______________________________ 3/2/09
Director

______________________________ 3/26/09
Public Safety Commission

Revised 09-2008
TEXAS DEPARTMENT OF PUBLIC SAFETY

Request for Forfeited Funds

Date: 11-10-08

Division/Service/Section making request:

Texas Highway Patrol

Description of Item requested (list only one type item per request):

Duo Dote Injector (currently on State Contract)

Justification/Need for requested items (include additional pages, if necessary):

The current WMD Bags have (3) Mark I Kits in them. The expired Mark I Kits will be replaced with Duo Dote Injectors. The Duo Dote Injectors are the antidote for Sarin, VX, or Soman nerve agents. The 9,100 requested will account for all commissioned officers within the Department who have expired Mark I kits. Duo Dotes have a three year manufactures expiration.

Quantity requested (if applicable): 9,100

Unit cost: $46.08

Estimated total cost: $419,328