

MINUTES OF ARKANSAS STATE POLICE COMMISSION MEETING
April 17, 2014

The Arkansas State Police Commission met on Thursday, April 17, 2014 at the Arkansas State Police Headquarters, Little Rock, Arkansas.

Commission Chairman Christenson called the meeting to order at 9:12 a.m.

MEMBERS PRESENT:

Commissioner Woody Futrell, Chairman
Commissioner Wallace Fowler, Vice-Chairman
Commissioner Frank Guinn, Secretary
Commissioner John Allison
Commissioner Bob Burns
Commissioner Dr. Lewis Shepherd
Commissioner Jane Christenson

STATE POLICE PERSONNEL ATTENDING:

Colonel Stan Witt	Donna Humphries
Lt. Colonel Tim K’Nuckles	Major Les Braunns
Major Mike Foster	Major Henry La Mar
Captain Lindsey Williams	TFC Corwin Battle
Lieutenant Forrest Marks	Captain Wesley Smithee
Corporal Jeff Whitlock	Captain Leonard Hogg
Captain Mark Allen	Corporal David West
John West	Corporal Shelby Clark
Corporal Keith Ponder	Sergeant Rodney Myers
Jenna Castleberry	Emma French
Alexis Winters	Major Shawn Garner
Sergeant Ray Gentry	Sergeant Paulette Ward
Captain Steve Coppinger	Lieutenant David Lafferty
Lieutenant Bryon Davis	Sergeant Dennis Overton
Harmony Daniels	Lieutenant Scott Woodward
Debbie Roark	Lieutenant Jason Aaron
Lieutenant Stacie Rhoads	Lieutenant Mike Kennedy
Lieutenant David Sims	Lieutenant Mark Hollingsworth
Lieutenant Barry Saffold	Lieutenant Charles Watson
Sergeant Ken Whitmore	Corporal Doug Estes

OTHERS PRESENT:

Amy Ford, Attorney General’s Office	J. R. Hankins, Retiree
John Morrow, Retiree	Dr. Marvin Leibovich
Roy Reed	

PLEDGE OF ALLEGIANCE:

Commissioner Guinn led the pledge of allegiance.

NOTIFICATION OF MEDIA:

The media was notified of this meeting on April 7, 2014.

Commission Chairman Futrell welcomed all attendees.

MINUTES:

Commissioner Fowler made a motion to approve the minutes of the March 13, 2014 monthly Commission Meeting. Commissioner Burns seconded the motion. The motion passed.

WEAPONS RESOLUTIONS:

Major Les Braunns presented the below resolutions for consideration by the ASP Commission.

R E S O L U T I O N

WHEREAS: Major Lester G. Hankins efficiently and effectively served the Arkansas State Police for a period of thirty-five years, and sixteen days;

WHEREAS: Major Lester G. Hankins retired from this department February 28, 2014;

WHEREAS: His departure creates a vacancy that will be most difficult to fill, which is recognized by each and every member of the Arkansas State Police Commission;

WHEREAS: Major Lester G. Hankins has made formal request that his service weapon be retired with him and remain in his possession;

BE IT THEREFORE RESOLVED: The Arkansas State Police Commission, in its regular meeting at Arkansas State Police Headquarters in Little Rock, Arkansas on Thursday, April 17, 2014, in accordance with Act 547 of 2003, awards him his Glock Model 21, Serial Number PKS379, as a token of their esteem and appreciation for service devoted to the Arkansas State Police.

Commissioner Christenson made a motion to approve the above weapon resolution presented to the Commission. Commissioner Fowler seconded and the motion passed.

R E S O L U T I O N

WHEREAS: Major Lester G. Hankins efficiently and effectively served the Arkansas State Police for a period of thirty-five years, and sixteen days;

WHEREAS: Major Lester G. Hankins retired from this department February 28, 2014;

WHEREAS: His departure creates a vacancy that will be most difficult to fill, which is recognized by each and every member of the Arkansas State Police Commission;

WHEREAS: Major Lester G. Hankins has made formal request that his shotgun be retired with him and remain in his possession;

BE IT THEREFORE RESOLVED: The Arkansas State Police Commission, in its regular meeting at Arkansas State Police Headquarters in Little Rock, Arkansas on Thursday, April 17, 2014 in accordance with Act 547 of 2003, determines the fair market value of the Remington shotgun, serial number PC535480, that Major Lester G. Hankins has carried be affixed at \$100.00, and that Major Lester G. Hankins be permitted to purchase the shotgun for his personal use.

Commissioner Guinn made a motion to approve the above weapon resolution presented to the Commission. Commissioner Christenson seconded and the motion passed.

Major Mike Foster presented the below resolutions for consideration by the ASP Commission.

R E S O L U T I O N

- WHEREAS: Corporal James M. Sullivan efficiently and effectively served the Arkansas State Police for a period of twenty-eight years, nine months, and twenty-nine days;
- WHEREAS: Corporal James M. Sullivan retired from this department February 28, 2014;
- WHEREAS: His departure creates a vacancy that will be most difficult to fill, which is recognized by each and every member of the Arkansas State Police Commission;
- WHEREAS: Corporal James M. Sullivan has made formal request that his service weapon be retired with him and remain in his possession;

BE IT THEREFORE RESOLVED: The Arkansas State Police Commission, in its regular meeting at Arkansas State Police Headquarters in Little Rock, Arkansas on Thursday, April 17, 2014, in accordance with Act 547 of 2003, awards him his Glock Model 21, Serial Number PKS359, as a token of their esteem and appreciation for service devoted to the Arkansas State Police.

Commissioner Christenson made a motion to approve the above weapon resolution presented to the Commission. Commissioner Fowler seconded and the motion passed.

R E S O L U T I O N

- WHEREAS: Corporal James M. Sullivan efficiently and effectively served the Arkansas State Police for a period of twenty-eight years, nine months, and twenty-nine days;
- WHEREAS: Corporal James M. Sullivan retired from this department February 28, 2014;
- WHEREAS: His departure creates a vacancy that will be most difficult to fill, which is recognized by each and every member of the Arkansas State Police Commission;
- WHEREAS: Corporal James M. Sullivan has made formal request that his shotgun be retired with him and remain in his possession;

BE IT THEREFORE RESOLVED: The Arkansas State Police Commission, in its regular meeting at Arkansas State Police Headquarters in Little Rock, Arkansas on Thursday, April 17, 2014 in accordance with Act 547 of 2003, determines the fair market value of the Remington shotgun, serial number PC605503, that Corporal James M. Sullivan has carried be affixed at \$100.00, and that Corporal James M. Sullivan be permitted to purchase the shotgun for his personal use.

Commissioner Christenson made a motion to approve the above weapon resolution presented to the Commission. Commissioners Fowler and Allison seconded and the motion passed.

OFFICIAL COMMENDATIONS:

Sergeant Ray Gentry gave an overview of the events for which S/A Corwin Battle was nominated for an Official Commendation.

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Sergeant Gentry stated on August 10, 2013 at around 2:00 a.m. Arkansas State Police was contacted about a major collision on Interstate 30 at the 12 mile marker. When troopers arrived on the scene, they were able to tell this was a catastrophic event. The entire interstate was blocked by the three vehicle accident. One of the vehicles and its occupants were burned beyond recognition. Due to the carnage on the interstate troopers requested the assistance of Company C. S/A Corwin Battle was on call for Company C and responded to the scene and was asked to assist with the identification of the vehicle and the occupants in the vehicle. The damage to the vehicle and its occupants were damaged to the extent that neither the make nor the model could be seen. The VIN and license plates were destroyed and burned. S/A Battle worked 18 hours straight in order to obtain the make and model of the vehicle. S/A Battle was also able to get a VIN number off the transmission. With that information, S/A Battle was able to determine that the vehicle had been rented in Houston, Texas. S/A Battle made contact with Texas authorities in effort to find information about the occupants. The Texas authorities were unable to come up with occupant information. While searching the vehicle, S/A Battle was able to locate a damaged cell phone in the vehicle. With his knowledge of technical equipment, S/A Battle was able to obtain contact information off the phone. With that information, S/A Battle was able to locate a family member that could give him information on the three occupants. It was determined that the deceased occupants were headed to a wedding. Due to the fact that the occupants were burned beyond recognition, S/A Battle continued to work with the Arkansas Crime Lab and the family of the deceased occupants to get the bodies positively identified. S/A Battle went the extra mile in order to assist Troop G with the fatality accident.

Colonel Stan Witt presented S/A Corwin Battle with an Official Commendation.

Captain Jackie Clark gave an overview of the events for which Corporal Shelby Clark, Corporal David West, Sergeant Rodney Myers, and Trooper Cleyton McDonald were nominated for Official Commendations.

Captain Clark stated on August 1, 2013 a Cross County bank was robbed in Wynne. Troop D troopers made a quick apprehension of the suspected bank robber and the recovery of cash taken during the course of the robbery. The troopers caught the bank robber because of the relationships they have developed within the community. The relationships they have with the individuals in the community and taking action before being requested by local authorities helped solve this bank robbery. The troopers did a fantastic job in their timing and going after this guy and taking him into custody.

Colonel Stan Witt presented Corporal Shelby Clark, Corporal David West, and Sergeant Rodney Myers with Official Commendations. Trooper Cleyton McDonald was not able to be there at that time.

Sergeant Rodney Myers gave an overview of the events for which Corporal David West was nominated for an Official Commendation.

Sergeant Myers stated this is basically for his effort for the whole year of 2013. His record of performance of job duties is superior and just the manner in which he does his job each and every day is outstanding. He led the post in criminal arrests; he led the post in activity. He is active in his community and in his church and respected personally and professionally.

Colonel Stan Witt presented Corporal David West with an Official Commendation.

Sergeant Rodney Myers gave an overview of the events for which Corporal Daniel Ponder was nominated for an Official Commendation.

Sergeant Myers stated on this particular day he was working off-duty on TSS overtime. Corporal Ponder made a traffic stop and found the man's license had been suspended.

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As he walks up to the vehicle, he noticed there was a large screen TV and some computers in the back. Upon investigation he runs the information of the TV through the ACIC. Nothing in there came back stolen; Corporal Ponder had a gut feeling this stuff was stolen. Corporal Ponder looked at the computer which has a little name tag on it and he actually called the person that owns the computer and asked if they knew the suspect. They said no we don't know this guy, he shouldn't have our computer. So the sheriff's department went to the house and found it had been broken into up around Searcy. Corporal Ponder also checked out some pawn tickets he recovered and found one was a television stolen out of a burglary in Woodruff County. He did an extraordinary job.

Colonel Stan Witt presented Corporal Daniel Ponder with an Official Commendation.

DIVISION REPORTS:

Fiscal Report – Emma French

Ms. French gave an overview of the reports which were distributed to the Commission. She stated they are about three-fourths of the way through the year, and we are watching everything, and it's looking fine right now. We did get permission to pay merit pay, and that is going to be around 1.3 million dollars. We have received our budget instructions for FY15, they are due May 12th, so we will start working on that.

Commissioner Allison asked how we managed to get permission to pay the merit pay, and where did the money come from. Ms. French advised it is from salary savings.

Administrative Services – Major Les Braunns

Major Braunns presented an oral summary of the written report distributed to the Commission. He began by reporting the Human Resources/Personnel transactions for the month of March; we had two civilian new hires, six civilian voluntary resignations, two promotions, and one extra help hire. The Commission transactions included two resignations, three promotions, these were troopers promoted to Trooper First Class, two lateral transfers, one disciplinary, one retirement, and one reinstatement. Currently we have four military deployments.

Regarding the ASP Health Plan, we are pleased to tell you that we have completed the first quarter claims administration with QualChoice. We have a snapshot of the savings report of the incurred claims paid through March which indicates discount savings of 50%. This is in line with Mr. Hatcher's projection of an 8% decrease in discount savings. Total claims for medical prescriptions paid by QualChoice for the first quarter are \$1,409,352. This is an increase of \$674,819 from this time last year. The 2013 run out claims paid by UMR through March are \$687,629. The total fund balance through March is \$10,211,458. This is higher by \$385,286 from March 2013. Of interest, Colonel and staff met with Mike Stock the CEO of QualChoice about the Catholic Health merger, and we have been assured through that meeting and our plan doctrine that the merger will not change our insurance, the plan will stay the same and benefits will not change.

Commissioner Allison asked what kind of opinion is there for QualChoice, whether he is happy or not happy. Major Braunns advised what we're seeing is that Mr. Hatcher told us it would about 8% less than what we were seeing with UMR. What we were seeing with UMR was anywhere from 55% to 57% discount, QualChoice is coming in right at 50%.

Commissioner Allison asked if they take that into consideration during the selection process, that we were expecting somewhere in the 58% savings ratio and now we're receiving from QualChoice 50% savings ratio? Commissioner Allison stated 8% is a lot of money. Commissioner Allison asked if they weigh that in any way when making their decision or do they know what they're doing?

Major Braunns advised he really can't answer that because it is a big process that goes through State Procurement. That's all in their hands under sealed bids, so I don't know what they consider.

Commissioner Allison asked if there is any way to find out what they consider. Major Braunns said we could contact them and see how that bid process was and what they take into consideration based on what our contract would say and how it's presented. There's some background on that, Colonel, I can get Harmony to talk a little bit about it, as she knows more about that procedure than I do or we can just wait until the next commission meeting.

Colonel Witt stated we were just told to take the bid, we wrote the specs for the bid and four companies bid on it and three of them were disqualified. QualChoice was the only one left for us to accept. And I know we were concerned about the discounts, so that was unknown to us on what the discounts were going to be through QualChoice. This is the first time we have had a chance to see what it is like, maybe it could increase as time goes on or it could decrease. That's something we don't know, but it's something that regardless of how the discounts are coming in, we won't be changing for at least a year. At some point we will have to rebid it again.

Commissioner Allison said it was just aggravating, that 8% is a huge amount of money, and we've been upside down with this program before and we're pretty healthy now, and if we start losing 8% that we could be sticking in the pot, that's a lot of money. He said he hoped the Commissioners could get more involved in the bid process, because somebody sure should take into consideration this additional saving possibility. It is not all black and white is my point.

Major Braunns said hopefully as we get further along into it, maybe next quarter those discounts will come up a little bit. I sure hope they don't go down, but we'll keep an eye on them.

Major Braunns then reported on the Troop School. They are now in week 13 in the 21 week school, they have got their assignments and we still are holding at 28 recruits and they are set to graduate June 12th, 6:00 p.m. on Thursday night.

NEW BUSINESS

Bond Presentation – Arkansas Development Finance Authority

Mr. Edmond Hurst, with Cruse and Associates, introduced himself and Ms. Michelle Allgood, with the Mitchell Williams Law Firm. He explained their firm identified a savings of refinancing for 1 year outstanding bond issues. This was also done in 2011, he advised we had 2 bond issues back in 2004, one of which could be prepaid back in 2011; another one that can't be prepaid until June of this year. He said they have been keeping our eye on that, he said the interest rate on that 2004 bond issue that is outstanding is a little over 4% and we are still near historic lows.

He advised we can get under 2% on a new bond issue today. There's only 4 years outstanding on that, but we can save over \$600,000 in today's money, and that is real meaningful. The Arkansas Development Finance Authority has approved a refunding of that bond issue and Ms. Allgood has a resolution today to present for your approval. If it is approved hopefully within 2 to 3 weeks we can lock that interest rate in and get it closed in time with a prepayment in June.

Commissioner Allison asked about the "over 4%" and "around 2%". Mr. Hurst explained that was a good basis for it, he said right now it's at 4.17% average interest rate on our existing bond issue when we turned that proposal in March, the all inclusive rate including all the expenses and everything was about 1.95%, and I think if we did it today we would

be under that, but the interest rates have been kind over the last month on this type of financing. He said he always gets a little nervous because we don't know until we get them locked in, we have to get the rating agencies, Standards and Poor's has to look at it, and we have to get portable bond insurance. There are a few variables there but within 2 to 3 weeks we'd be in a position to lock that completely in.

Commissioner Allison asked how many years we were talking about, and Mr. Hurst advised it is 4 year. Mr. Hurst advised they were leaving the structure exactly the same, so we will still pay it off the same as what we would have if we did nothing, but by doing this we will save \$150,000 a year for the next 4 years, and that's meaningful enough to go through the process. The state sets a bar in our industry. We like to see today's dollars be at least 3% of what you're borrowing to justify going through a refunding. The Arkansas Development Finance Authority has a little higher threshold, they want to see at least 5% present value savings, and so right now we're estimating more than 5% present value. The Arkansas Development Finance Authority won't allow us to close an issue unless we can get at least that 5%. So we're going to have to deliver at least about \$600,000 in today's money savings to justify going through it. If interest rates change and we don't get to that level, well then we don't do the deal.

Commissioner Allison asked what the face value of the bond is today. Mr. Hurst explained almost 13.5 million, but you have quite a bit of money saved in the bank, you have got a big payment due in June of this year, so when we do the actual bond issue and we pay it down with the money you have already set aside, it will be a little over \$11 million, about \$11.4 million.

Ms. Allgood stated the Commission should have a copy of the resolution where you acknowledge you have been presented with the information and the savings opportunity and you need to ask the Arkansas Development Finance Authority to proceed with the refunding, they do this on your behalf and you want them to proceed.

R E S O L U T I O N

WHEREAS, the General Assembly of the State of Arkansas has adopted Act 1057 of 1997 known as the Department of Arkansas State Police Headquarters Facility and Wireless Data Equipment Financing Act (the "Act"); and

WHEREAS, the Act provides a method for (i) providing permanent financing for the Arkansas State Police Headquarters Facility and (ii) acquiring Wireless Data Equipment, as defined in the Act by the issuance of tax-exempt revenue bonds by the Arkansas Development Finance Authority ("ADFA"); and

WHEREAS, ADFA has previously issued its Drivers' License Revenue Bonds (Arkansas State Police – Headquarters and Wireless Data Equipment Project) Series 2004B (the "Series 2004B Bonds"); and

WHEREAS, ADFA and the Department of Arkansas State Police (the "Department") have determined that interest savings can be achieved by refunding the outstanding Series 2004B Bonds; and

WHEREAS, the Commission wishes to request that ADFA proceed with a plan of financing to issue revenue bonds to refund the Series 2004B Bonds and to pledge the drivers' license fees to the payment of the revenue bonds as authorized by the Act.

NOW, THEREFORE, BE IT RESOLVED, THAT:

Section 1: ADFA is hereby requested to proceed with the sale and issuance of revenue bonds to refund the Series 2004B Bonds and to pledge the drivers' license fees, as

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authorized by the Act in an amount not to exceed \$12,500,000 of refunding bonds to be captioned as the Arkansas Development Finance Authority Drivers' License Refunding Revenue Bonds (Arkansas State Police – Headquarters and Wireless Data Equipment Project) Series 2014 (the "Refunding Bonds").

Section 2: The Director of the Department, Chief Financial Officer and other officers of the Department are hereby authorized to approve the plan of financing and the documents necessary to issue the Refunding Bonds, including a Loan Agreement between the Department and ADFA.

Section 3: The Director, the Chairman and the Secretary of the Commission are hereby authorized to carry out or cause to be carried out all appropriate actions, to execute such other certificates or documents to evidence the authority authorized herein, and to take such other actions as they, in consultation with ADFA, shall consider necessary or advisable in connection with this Resolution.

Section 4: The Director and the officers of the Department are hereby authorized to do all things necessary to carry out the intent and purposes of this resolution and to implement fully the intent and purposes of the Act.

Commissioner Burns made a motion to approve the refinancing of the bond issue by Arkansas Development Finance Authority. Commissioner Allison seconded and the motion passed.

Commission Chairman Futrell asked if there was any more new business for the Commission, and Colonel Witt advised they needed to go into Executive Session to discuss personnel matters.

Commission Chairman Futrell asked Ms. Humphries to announce the names of visitors. She then read a list of those visitors attending which were, Amy Ford with the Attorney General's Office, Retired Captain John Morrow, Retired Major J.R. Hankins, and Dr. Marvin Liebovich.

Commission Chairman Futrell thanked everyone for coming, and he said it is always good to see the retirees coming back to the meeting.

Colonel Witt announced we are holding a benefit for Sergeant Barry Roy today. It will be held down in the vending machine area serving several types of meat, baked beans, coleslaw, and potato salad. This will be for a donation of \$7.00 per person and it will begin at 11:00 o'clock.

Commission Chairman Futrell stated they would be going into Executive Session but when they came out they would have a hearing for Trooper Woodward, and we'll take a break at some point to go down and make a donation.

The Commission went into Executive Session at 10:00 a.m. and returned at 10:20 a.m.

Trooper Cleyton McDonald had arrived, and Captain Clark gave an overview of the event for which he was nominated for an Official Commendation.

Captain Clark stated this was for exceptional coordination among Highway Patrol Troop D personnel resulting in the swift apprehension by State Troopers a suspected bank robber and the subsequent recovery of cash taken during the robbery.

Colonel Witt presented Trooper McDonald with an Official Commendation.

Commission Chairman Futrell asked Colonel Witt if he had any recommendations for the Commission.

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Colonel Witt recommended the Commission consider Corporal Ronnie Stewart for the vacant Sergeant position in the Highway Patrol Division, Troop I. Commissioner Christenson made the motion that Corporal Stewart be promoted to Sergeant, Commissioner Allison seconded and the motion passed.

NEXT MEETING:

The next scheduled meeting will be Thursday, May 8, 2014 at 10:00 a.m.

Commission Chairman Futrell announced the meeting was adjourned. Commissioner Futrell stated they would take a ten minute break before beginning the Appeal Hearing for Trooper Woodward.


Commission Chairman


Commission Secretary