

TEXAS DEPARTMENT OF MOTOR VEHICLES

MOTOR VEHICLE CRIME PREVENTION AUTHORITY

BOARD OF DIRECTORS MEETING

Hilton Houston Post Oak by The Galleria
2001 Post Oak Boulevard
Houston, Texas 77056

and

via Microsoft Teams

9:00 a.m.
Thursday,
December 7, 2023

BOARD MEMBERS:

Mike Rodriguez, Chair
Charla Brotherton
Rebecca Cantu-Serrano
Julio C. Gonzalez
Sharon Jones
Katherine "Kit" Whitehill

STAFF:

Earl Pence, Interim MVCPA Director
David Richards, General Counsel

ON THE RECORD REPORTING
(512) 450-0342

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CLOSED SESSION

- | | | |
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| 17. | The Board may enter into closed session
under one or more of the following provisions
of the Texas Open Meetings Act, Government
Code Chapter 551:
Section 551.071
Section 551.074
Section 551.076
Section 551.089 | none |
| 18. | Action Items from Closed Session | none |
| 19. | Public Comment | none |
| 20. | Adjournment | 105 |

P R O C E E D I N G S

(9:05 a.m.)

1
2
3 MR. RODRIGUEZ: Good morning. My name is Mike
4 Rodriguez, and I'm pleased to open the meeting of the
5 Board of the Motor Vehicle Crime Prevention Authority. It
6 is 9:05 a.m., and I'm now calling the Board meeting for
7 December 7, 2023, to order.

8 I want to note for the record that the public
9 notice of this meeting containing all items in the agenda
10 was filed with the Office of Secretary of State on
11 November 29, 2023.

12 Before we begin today's meeting, please place
13 all cell phones and other communication devices in silent
14 mode. And please, as a courtesy to others, do not carry
15 on side conversations or other activities in the meeting
16 room.

17 I want to welcome those who are with us for
18 today's Board meeting. If you wish to address the Board
19 or speak on an agenda item during today's meeting, please
20 complete a speaker sheet at the registration table.
21 Please identify the specific item you are interested in
22 commenting on, your name and address, and whether you are
23 representing anyone or speaking for yourself. If your
24 comment does not pertain to a specific agenda item, we
25 will take your comment during the general public comment

1 portion of the meeting.

2 In accordance with the Department's
3 administrative rule, comments to the Board will be limited
4 to three minutes. To assist each speaker, a timer has
5 been provided at the podium. The timer light will be
6 green for the first two minutes, yellow for one minute,
7 and then red when your time is up. Individuals cannot
8 accumulate time from other speakers.

9 Comments should be pertinent to the issue
10 stated on the comment sheet. When addressing the Board,
11 please state your name and affiliation for the record.
12 There are a few things that will assist in making the
13 meeting run smoother and assist the court reporter in
14 getting an accurate record.

15 Please identify yourself before speaking.
16 Speak clearly and slowly, and do not speak over others,
17 and please ask the Chairman for permission to speak, and
18 be sure to be recognized before speaking.

19 I would like to thank our court reporter who's
20 transcribing this meeting.

21 Before we begin today, I'd like to remind all
22 presenters and those in attendance of the rules of conduct
23 at our Board meetings. The Board Chair has authority to
24 supervise the conduct of meetings. This includes the
25 authority to determine when a speaker is being disruptive

1 of the meeting, or is otherwise violating the timing or
2 presentation rules I just discussed.

3 Moving on to Agenda Item 1, roll call.
4 Members, please respond verbally when I call your name.

5 Member Jones?

6 MS. JONES: Present.

7 MR. RODRIGUEZ: Member Whitehill?

8 MS. WHITEHILL: Present.

9 MR. RODRIGUEZ: Member Gonzalez?

10 MR. GONZALEZ: Present.

11 MR. RODRIGUEZ: Member Brotherton?

12 MS. BROTHERTON: Present.

13 MR. RODRIGUEZ: Member Cantu-Serrano?

14 MS. CANTU-SERRANO: Present.

15 MR. RODRIGUEZ: And let the record reflect that
16 I, Mike Rodriguez, am here too. We have a quorum.

17 Moving on to Agenda Item 3, Chair's Reports,
18 Agenda Item A, Approval of Transcript from August 23,
19 2023, Meeting as Minutes.

20 Members, we'll now take up Item No. 3.A.,
21 Approval of Transcript for August 23, 2023, Meeting as
22 Minutes. Members, if everyone has reviewed the
23 transcript, would anyone like to make a motion?

24 MS. JONES: Member Jones, for the record. I
25 move to accept the meeting transcript of the August 23,

1 2023, Board meeting as minutes.

2 MR. RODRIGUEZ: Is there a second?

3 MR. GONZALEZ: Member Gonzalez, second.

4 MR. RODRIGUEZ: Is there any further
5 discussion?

6 (No response.)

7 MR. RODRIGUEZ: Hearing none, I will now call
8 for the vote. All those in favor of the motion, say aye.

9 (A chorus of ayes.)

10 MR. RODRIGUEZ: All opposed, say nay.

11 (No response.)

12 MR. RODRIGUEZ: Let the record reflect that I,
13 Mike Rodriguez, vote aye. The motion passes.

14 Okay. Moving on to Agenda Item 3.B. Following
15 Joe Canady's retirement at the end of August, the Motor
16 Vehicle Crime Prevention Authority conducted a search for
17 the program's next director. I worked with the Texas DMV
18 to conduct interviews, and I want to thank Board member
19 Julio Gonzalez and Sharon Jones for assistance with the
20 selection process.

21 I want to express our sincere appreciation to
22 Earl Pence, who has managed the program as Interim
23 Director since August. He will remain with the program.
24 I want to congratulate Earl Pence on his promotion to
25 Deputy Director of MVCPA.

1 I am pleased to announce that William Diggs has
2 been selected for appointment as MVCPA Director. William
3 Diggs joined the Texas Department of Motor Vehicles in
4 December 2015 as the Assistant Chief of the Regional
5 Services section of the Vehicle Titles and Registration
6 Division, there promoted to the Chief of Regional
7 Services. In this capacity, he oversaw 60 Regional
8 Service Centers, 175 staff members, and more than
9 2 million transactions a year throughout Texas.

10 Prior to joining the Texas DMV, William retired
11 from the Texas Department of Transportation and served as
12 a Texas state trooper in McKinney, sergeant in McAllen,
13 Odessa, and Dallas, lieutenant at the Texas State Capitol,
14 and a captain and major in the Texas Highway Patrol
15 Division office.

16 William's experience also includes spearheading
17 the oversight of statewide grant projects, development of
18 policy and procedure, has conducted evaluations of public
19 safety equipment, conducted bill analysis during
20 legislative sessions, and managed the statutory recovery
21 and reimbursement efforts that we have at Texas DPS with
22 the Texas Division of Emergency Management.

23 William also served as a law enforcement
24 trainer teaching various topics, and achieved a master
25 peace officer's certification. He's a veteran of the

1 United States Marine Corps, serving three years active
2 duty from 1983 to 1986, and his last assignment was a
3 Presidential car station at Camp David in Thurmont,
4 Maryland.

5 William graduated from Midwestern State
6 University with a bachelor of applied arts and science
7 degree. William makes his home in Highland Haven, Texas.

8 He enjoys the outdoors and spending time on Lake LBJ with
9 friends, his children, and 10 grandchildren.

10 I have requested Texas DMV staff to complete
11 the necessary documentation for official appointment of
12 William Diggs as the MVCPA Director, and the official
13 start will be determined very soon.

14 William, do you want to step over here real
15 quick? Let's congratulate William Diggs as our new
16 Director.

17 (Applause.)

18 MR. RODRIGUEZ: So I encourage everyone to -- I
19 know some of you have already had the conversations with
20 Will, and I can tell you that he's an outstanding person
21 and with a lot of experience. Half of the package was his
22 resume. I'm just kidding, but I can tell you that he has
23 a lot of experience.

24 He has a lot of passion for what he does, and
25 now with this new endeavor and new assignment, I can tell

1 you that he's going to be somebody that we're really going
2 to appreciate having as a director.

3 So let's continue the conversations, and again,
4 congratulations, Will, and welcome.

5 Board members, we'll open it up for any
6 comments.

7 MS. JONES: So Mr. Diggs, welcome. But I
8 wanted to say a huge thank you to Earl, because Earl
9 stepped in and he did a fantastic job.

10 There was a lot going on between DMV and MVCPA,
11 as Joe, he had to leave. And so Earl took a lot on his
12 plate, up all hours, day and night. And we really
13 appreciate the sacrifices that he gave us during this
14 time.

15 (Applause.)

16 MR. RODRIGUEZ: Anybody else? Earl, thank you.

17 MR. PENCE: It was fine.

18 MR. RODRIGUEZ: And stressful.

19 (General laughter.)

20 MR. RODRIGUEZ: Moving on from this, I now want
21 to reintroduce a very special person from within what we
22 call our mother agency, Texas DMV. We've got Chairman
23 Bacarisse here with us today, and we want him to say a few
24 words, if he could.

25 But just a couple of notes before we hear him

1 out. Texas DMV has done a complete 180 with MVCPA ever
2 since Daniel and Roland came in the picture. It has been
3 nothing but support. And everything we've done, we've
4 done it together as a team.

5 And this is what has put us where we're at
6 today. And I can say that we've -- coming from the Board,
7 that every time that we engage in some sort of initiative
8 or any conversations that need to happen, Roland, Daniel
9 are always in front of it. And I thank them for that.

10 And Chairman, I thank you for that leadership
11 because I know that your Board is the one pushing for more
12 action coming from DMV to MVCPA, so thank you for that,
13 and welcome.

14 MR. BACARISSE: Good morning, Chairman
15 Rodriguez. Grants Budget and Reporting Chair Gonzalez,
16 good morning. Members of the Board, good morning. Thanks
17 for giving me the time.

18 My name is Charles Bacarisse, and I'm Chairman
19 of the Texas Department of Motor Vehicles' Board, serving
20 in that capacity. And I appreciate the opportunity to
21 speak with each of you this morning.

22 The Department of Motor Vehicles and the Motor
23 Vehicle Crime Prevention Authority have a special
24 connection. All of us Board members recognize that and
25 appreciate that. With MVCPA being the administratively

1 connected arm of DMV while you're governed by this
2 Board -- within this structure, it's DMV's role, we view,
3 to provide administrative support to the MVCPA so you can
4 execute your mission.

5 My goal as Chair is to ensure that this Board
6 allows the MVCPA to effectively perform that mission and
7 to enhance public safety throughout the state. Over the
8 last several years, I've directed DMV staff to improve our
9 connections and our collaborations with MVCPA staff.

10 And I hope you'll agree, and thank you,
11 Chairman, for your remarks, that these efforts have been
12 fruitful, and we're going to continue to that. And I hope
13 to position MVCPA for even further success in the coming
14 years.

15 The current biennium brings opportunities for
16 unprecedented advancements in the MVCPA program, and
17 receiving -- obviously, receiving the funding necessary to
18 execute the mission. The levels -- to the creation of a
19 targeted effort to address catalytic convertor theft, the
20 Texas Department of Motor Vehicles is here as your partner
21 to help you succeed in these efforts.

22 Mr. Chairman and members, I hope you'll call on
23 the DMV staff or myself if there's ever a way that we can
24 continue advancing our relationship. Thank you for your
25 time this morning.

1 And I want to just say, off script, you know,
2 this is an important day in the history of the country.
3 It's a day in which America answered a call after an
4 attack. And in many ways, I feel like we're answering a
5 call today. And there is no time for departmental
6 intermural, any of that. We have to be as one.

7 We have to work as one, and that's what I know
8 the senior leadership of the DMV is prepared and willing
9 to do with you all and with every member of law
10 enforcement in this room. Thank you for the work you do
11 every day to keep our community safe.

12 I live here in Houston. I'm a native
13 Houstonian. And I think we're in a time of challenge that
14 I haven't witnessed in my 60 years of life, that I want to
15 say thank you for this Board and the decisions you make
16 and the work that's being done out here in the field every
17 day.

18 So with that, Mr. Chairman, thank you. I yield
19 back my time.

20 MR. RODRIGUEZ: Thank you, Chairman.

21 (Applause.)

22 MR. RODRIGUEZ: Moving to Item No. 4, MVCPA
23 Director's Report. Interim Director Earl Pence at this
24 time will present a briefing on various topics in this
25 agenda item.

1 Director Pence?

2 MR. PENCE: Interim Director Earl Pence. I'm
3 Director of Motor Vehicle Crime Prevention Authority.
4 Thank you, Mr. Chairman. Appreciate it.

5 Board members, good morning. Thank you for
6 being here. Due to some -- due to the -- I guess, the
7 virus going around the last few years, we didn't have
8 Board meetings.

9 We didn't have conferences. Those were kind of
10 negated due to the virus, the super virus. We did have
11 one last year. During that meeting, we selected certain
12 members in certain organizations of grantees of the Motor
13 Vehicle Crime Prevention Authority for their outstanding
14 work.

15 We were not able to supply the awards at that
16 time due to the lingering effects of COVID, but we do have
17 those with us today. And I believe a lot of the members
18 are here today to accept those awards.

19 Mr. Chairman, if you don't mind, sir, if you'd
20 present them, I can call them out as we go. We arranged
21 them perfectly last night. It took two hours.

22 MR. RODRIGUEZ: [Inaudible].

23 MR. PENCE: Yes, sir. If everybody doesn't
24 mind, go down front.

25 (Pause.)

1 MR. PENCE: The first recipient is for the
2 Chairman's Award. These are outstanding guys. I think
3 they're obviously very, very good at what they do.

4 Receiving the Chairman's Award this year is the
5 Laredo Auto Theft Task Force.

6 (Applause and presentation.)

7 MR. PENCE: Thank you. Our next recipient --
8 there are two of them. They're from the same
9 jurisdiction. These guys are also -- everybody knows
10 them.

11 They're hard workers. Anything you need in
12 that area, all you've got to do is call them.

13 We have Task Force of the Year: Houston Auto
14 Crimes Task Force and Harris County Sheriff's Auto Theft
15 Unit.

16 (Applause and presentation.)

17 MR. PENCE: Thank you.

18 This next award, very important. They make the
19 Director's job a lot easier. They're a phone call away.
20 I don't think they ever, seldom, let the phone ring twice
21 they don't answer.

22 This is going to be for Task Force Commander of
23 the Year: Kenneth Richbourg, East Texas Auto Theft Task
24 Force.

25 (Applause and presentation.)

1 MR. PENCE: Next recipient -- we went through a
2 bunch of these. They're hard to pick. There was a lot of
3 outstanding guys in this -- guys and girls in this
4 organization.

5 Investigator of the Year: Gregory Fregeau,
6 Detective, Dallas Auto Theft Task Force. Ryan [inaudible]
7 will be accepting for Detective Fregeau. He could not
8 make it today.

9 (Applause and presentation.)

10 MR. PENCE: All right. We also have a couple
11 of promotions for you.

12 Go ahead. Go ahead. Thank you.

13 We also have a couple of promotions we want to
14 recognize. We have one promotion to Captain, James Lint,
15 Regional Auto Crimes Task Force. And I don't believe he
16 could be with us today, either. We'll find somebody --
17 we'll get that to him.

18 We also have another promotion to captain,
19 Sandra "Sandi" Chapa, Harris County Sheriff's Auto Theft
20 Unit. And I think -- Commander John Rodriguez -- there
21 you go -- yes, sir -- will be accepting for her.

22 (Applause and presentation.)

23 MR. PENCE: We also have a couple of retirees
24 that we want to recognize for their hard work. I'm not
25 sure if they're here this morning.

1 Retiree David Rowton, Northeast Auto Theft Task
2 Force. And I know -- I talked to him the other day. I
3 don't believe he made it today, either.

4 Chief Investigator Jay Truelock, South Plains
5 Auto Theft Task Force. Also retiree Rene Cardona, Eagle
6 Pass Auto Theft Task Force.

7 And I believe -- is Eagle Pass here? You can
8 take it for him? Yes, sir, please.

9 (Applause and presentation.)

10 MR. PENCE: Thank you.

11 The last two -- this is a partnership, and when
12 I say partnership, I mean that in every sense of the word.

13 When I got thrown into the Interim Director, I guess, in
14 my cloud, there were two guys to help me through this.

15 These two gentlemen, I will go out on a limb
16 for. I would take a bullet for either one of them.
17 Never, ever failed to pick up the phone when I had a
18 question, not knowing what I'm doing.

19 They're with us today, and they're with us all
20 the time. They're a phone call away, I promise.

21 We have a Partnership Award for Deputy Director
22 Roland Luna and Executive Director Daniel Avitia with the
23 Texas Department of Motor Vehicles.

24 (Applause and presentation.)

25 MR. PENCE: Thank you very much. And that

1 concludes the award recipient Board ceremony.

2 (Comments made off the record.)

3 MR. PENCE: Oh, yes, he is. He wasn't on the
4 list. Hang on. Just a second. Yes, he was.

5 Retiree Howard Ray Johnson. I missed him.
6 With Tarrant Regional? Okay.

7 And that would have been one big photo op right
8 there. That would have been worthy.

9 (Applause.)

10 MR. PENCE: Yeah. One more time. Sorry about
11 that. And it's on me, on that one.

12 Yeah. Thank you.

13 (Pause.)

14 MR. PENCE: And that concludes Agenda Item
15 4.A., Chairman.

16 MR. RODRIGUEZ: Thank you, Director Pence.

17 Members, are there any questions for Director
18 Pence or any staff on these briefing items?

19 (No response.)

20 MR. RODRIGUEZ: Then we'll now move to Agenda
21 Item No. 5. Agenda Item 5, Chapter 57, adoption of new
22 57.52 MVCPA Appeal, Fee Penalty for Late Payment or Filing
23 of Report.

24 We will now hear from MVCPA attorney, David
25 Richards.

1 MR. RICHARDS: Good morning, Mr. Chairman,
2 members. For the record, my name is David Richards. I'm
3 the Board's attorney and also Associate General Counsel
4 for the Texas DMV. I'm bringing to the Board today a rule
5 package for final option.

6 It's new Section 57.52, which pertains to the
7 MVCPA fee penalty for late payment or filing of report.
8 These rules were heard by the Board in its August meeting
9 and approved and posted in the *Texas Register* for a 30-day
10 comment period. We received no comments on this
11 particular rule.

12 This item is an action item, so I would ask for
13 a motion and a second to approve the adoption of new
14 Section 57.52. Thank you.

15 MS. JONES: Sharon Jones, for the record. I
16 move that the Board approve new Section 57.52, MVCPA fee
17 penalty for late payment or filing of report, for final
18 adoption and file a new section with the Office of the
19 Secretary of State, Texas Register Division.

20 MR. RODRIGUEZ: Hearing a motion -- is there
21 any public comment on this, Yessenia?

22 MS. BENAVIDES: No, sir.

23 MR. RODRIGUEZ: Okay. Do I have a second?

24 MR. GONZALEZ: Second.

25 MR. RODRIGUEZ: A motion from Member Jones, a

1 second from Member Gonzalez. Is there any further
2 discussion?

3 (No response.)

4 MR. RODRIGUEZ: Hearing none, I will now call
5 for the vote, members. Members, all those in favor, say
6 aye.

7 (A chorus of ayes.)

8 MR. RODRIGUEZ: All those opposed, say nay.

9 (No response.)

10 MR. RODRIGUEZ: Let the record reflect that I,
11 Mike Rodriguez, vote aye. The motion passes. Thank you,
12 members.

13 We will now move to Agenda Item No. 6. Agenda
14 Item No. 6, Chapter 57, adoption of rule amendments to
15 57.48, motor vehicle years of calculations.

16 We'll now hear from MVCPA attorney, David
17 Richards.

18 MR. RICHARDS: Thank you, Mr. Chairman.

19 Members, this is a second action item and rule
20 package involving Section 57.48. This particular
21 section -- amendments are necessary to implement Senate
22 Bill 224. It was enacted in the last legislative regular
23 session.

24 Essentially, what this rule does is increase
25 the fee collected by the MVCPA under Transportation Code

1 1006.153. It changes it from \$4 to \$5 in two places in
2 57.48.

3 I would ask -- this an action item -- I would
4 ask that a motion and a second, approving this, be had.
5 Thank you.

6 MR. RODRIGUEZ: Yessenia, are there any
7 comments on this item?

8 MS. BENAVIDES: No, sir.

9 MR. RODRIGUEZ: Members, are there any motions
10 on Agenda Item 6?

11 MR. RICHARDS: I'm sorry, Mr. Chairman. David
12 Richards again, for the record.

13 I would be remiss if I didn't mention, we did
14 have one comment on this particular rule package from the
15 bill's author of Senate Bill 224, Senator Carol Alvarado,
16 complimenting the Board and encouraging them for enacting
17 this as swiftly as they did. So I wanted to make that
18 part of the record. Thank you.

19 MR. RODRIGUEZ: Thank you, David.

20 Members, are there any motions on Agenda Item
21 No. 6?

22 MS. BROTHERTON: Member Brotherton. I move
23 that the Board approve the rule amendment to 43 TAC 4748
24 [sic] relating to the MVCPA fee for final adoption and
25 file the rule amendment with the Office of the Secretary

1 of State, Texas Registration Division.

2 MR. RODRIGUEZ: Do I have a second?

3 MS. WHITEHILL: Member Whitehill, second.

4 MR. RODRIGUEZ: Members, is there any further
5 discussion?

6 (No response.)

7 MR. RODRIGUEZ: Hearing none, I will now call
8 for the vote. All those in favor of the motion, say aye.

9 (A chorus of ayes.)

10 MR. RODRIGUEZ: All those opposed, say nay.

11 (No response.)

12 MR. RODRIGUEZ: Let the record reflect that I,
13 Mike Rodriguez, vote aye. The motion passes. Thank you,
14 ma'am.

15 We'll now move to the next agenda item, Agenda
16 Item No. 7, refund request from State Farm Insurance
17 Company. This is an action item, and thus we will now
18 hear from Dan Price.

19 MR. PRICE: For the record, this is Dan Price,
20 MVCPA Auditor.

21 I'll call your attention to page 17 of your
22 Board books. Since the last Board meeting, we've received
23 one refund request and several waiver requests which we
24 will go over today.

25 The first one is from State Farm. State Farm

1 had made a payment to the wrong company ID number, if you
2 will. It is actually a separate legal entity, and as a
3 consequence of that, the fee for one of their sister
4 companies was not paid timely.

5 In the past, if this is discovered quickly and
6 it's recognized that it's just a clerical error, they
7 can -- we have gotten permission from the Board to allow
8 the Comptroller to move the fee from one company to
9 another. However, if there's a prolonged period of time
10 when that is not discovered and it is raised by the State,
11 customarily we have to come to the Board for approval to
12 be able to refund that money.

13 Since that misapplication occurred, they have
14 gone ahead and paid the fee into the correct company. So
15 in their minds, they have now paid that fee twice, and
16 they are requesting and staff thinks we should recommend
17 approval to refund the money of the amount they paid to
18 the incorrect company. The amount of that refund request
19 is \$362,080.

20 MR. RODRIGUEZ: Members, are there any
21 questions for Mr. Price?

22 (No response.)

23 MR. RODRIGUEZ: Hearing none, Yessenia, are
24 there any public comments on this agenda item?

25 MS. BENAVIDES: No, sir.

1 MR. RODRIGUEZ: Do I have a motion on Agenda
2 Item No. 7?

3 MS. JONES: Sharon Jones, for the record. I
4 move that the Board approve the refund request submitted
5 by State Farm Insurance Company.

6 MR. RODRIGUEZ: Is there a second?

7 MR. GONZALEZ: Member Gonzalez. I second.

8 MR. RODRIGUEZ: Is there any further
9 discussion?

10 (No response.)

11 MR. RODRIGUEZ: Hearing none, I will now call
12 for the vote. All those in favor of the motion, say aye.

13 (A chorus of ayes.)

14 MR. RODRIGUEZ: All those opposed, say nay.

15 (No response.)

16 MR. RODRIGUEZ: Let the record reflect that I,
17 Mike Rodriguez, vote aye. The motion passes.

18 Members, we will now move on to Agenda Item No.
19 8. Waiver request from State Farm Insurance Company.

20 Members, we'll now hear from Dan Price.

21 MR. PRICE: For the record, this is Dan Price.
22 I'm MVCPA Auditor.

23 Agenda Item 8 is related to Agenda Item 7. The
24 Comptroller's systems automatically apply a penalty and
25 interest to any unpaid amounts. They have requested a

1 total of \$36,208.

2 I'm going to read a paragraph on page 25 of
3 your Board books from the State Auditor's Office, based on
4 an audit of the Comptroller's tax systems. Per the
5 Comptroller's Office, "Please note, during 2021, four
6 different insurance taxes we administer underwent audit by
7 the State Auditor's Office. During the audit, they found
8 a misapplication of payments, either to the wrong tax
9 type, wrong year or wrong taxpayer, has caused several
10 issues, used State resources, and potentially left the
11 State open to fraud.

12 "Also, the funds and several reinsurance taxes
13 are disbursed to other State agencies," such as the MVCPA.
14 I added that, the MVCPA.

15 "Therefore, the misapplication of funds may
16 cause disbursement issues and have extenuating requirements
17 for correction. Due to this, we will be limiting the
18 number of transfers that we will be doing. Generally,
19 when a payment is misapplied, the additional payment will
20 need to be made before the due date to avoid penalties."

21 In this instance, the payment was made well
22 over a month after it should have been made. And because
23 of the State Auditor's comments, the problems that this
24 continues to create within the State accounting and
25 financial systems, we are recommending that the waiver be

1 denied.

2 The staff is recommending the waiver be denied.

3 MR. RODRIGUEZ: Are there any questions for Mr.
4 Price?

5 (No response.)

6 MR. RODRIGUEZ: Are there any public comments
7 on this agenda item, Yessenia?

8 MS. BENAVIDES: No, sir.

9 MR. RODRIGUEZ: Members, do I have a motion on
10 Agenda Item No. 8?

11 MS. BROTHERTON: Member Brotherton. Do we have
12 any background of how they made that mistake and how
13 they're -- what they planning to do to not make that
14 mistake in the future? Or is this something that's
15 common?

16 It just seems like a 10 percent penalty is a
17 lot, but yet if it's repetitive or -- and I'm not a State
18 Farm person, so I'm not defending them. But just -- what
19 was their comment as to why they thought this happened?
20 And how have they remedied that from happening again in
21 the future?

22 MR. PRICE: So customarily, when they request
23 the refund, we do ask them, and there is a page in your
24 workbook which -- you know, in which they -- we require
25 them to explain why that happened and what the remediation

1 is.

2 It is customary for them to say it was a
3 mistake, and you know, we promise it won't happen again.
4 Yet many times, as the Auditor pointed out, they do make
5 repetitive mistakes.

6 It is human error. It is a variety of things.

7 But these are large amounts of money, and again, you
8 know, the problems on their part by not having people who
9 are trained to check and verify their work, as it is
10 executed, is creating a lot of problems for the State.

11 And so you know, the Auditor's Office's
12 recommendation is just that this penalty be imposed to
13 State Farm. They are a large-revenue company, and this
14 is -- you know, I hate to use the term gnat bite, but it's
15 pretty much a gnat bite to them. And it's just to say,
16 hey, please pay attention to what you're doing and improve
17 the quality of your work so that the State isn't caught
18 having to compensate for mistakes that you've made.

19 MR. RICHARDS: May I?

20 MR. RODRIGUEZ: Go ahead.

21 MR. RICHARDS: David Richards, for the record.

22

23 I just wanted to note for the record that on
24 the State Farm refund and State Farm waiver, as well as
25 Agenda No. 9, involving the Hanover Group, I know our

1 statute -- our Insurance Board or insurance members on the
2 Board must recuse themselves from the vote. Nothing wrong
3 with asking questions, as Member Brotherton just did.

4 But for the record, I just want to ensure the
5 statute is being followed and that no votes are taken by
6 the insurance members of the Board. Thank you.

7 MR. GONZALEZ: Member Gonzalez. Mr. Price, so
8 correct me if I'm wrong. So the Comptroller assesses this
9 10 percent fee, and that is statutorily mandated?

10 MR. PRICE: That is correct.

11 MR. GONZALEZ: Okay. And so just larger
12 picture here. A payment was not made by the due date, and
13 therefore, the Comptroller assessed a 10 percent penalty,
14 as statutorily required. Is that correct?

15 MR. PRICE: That is correct.

16 MR. GONZALEZ: Thank you.

17 MR. RODRIGUEZ: Anybody have any questions on
18 Agenda Item No. 8?

19 MS. JONES: Sharon Jones, for the record. I
20 move that the Board deny the waiver request submitted by
21 State Farm Insurance.

22 MR. RODRIGUEZ: Do I have a second?

23 MS. CANTU-SERRANO: I, Rebecca Cantu, second.

24 MR. RODRIGUEZ: Is there any further
25 discussion?

1 (No response.)

2 MR. RODRIGUEZ: Hearing none, I will now call
3 for the vote. All those in favor of the motion, say aye.

4 (A chorus of ayes.)

5 MR. RODRIGUEZ: All those opposed, say nay.

6 (No response.)

7 MR. RODRIGUEZ: And we have one abstaining,
8 Member Brotherton, for the record. Let the record reflect
9 that I, Mike Rodriguez, vote aye. The motion passes.

10 We'll now move on to the next agenda item, No.
11 9, waiver request from Hanover Group. We will hear from
12 Dan Price.

13 MR. PRICE: For the record, this is Dan Price,
14 MVCPA Auditor. I will refer you to page 30 of your Board
15 book.

16 Normally, these items, since they are related
17 to sister organizations under the Hanover Insurance Group,
18 would be taken up separately, but due to the size and the
19 nature of the request, we're going to put them forth as a
20 slate. So again, statutorily, in the last few years,
21 we've added the penalty and waiver. There is a specific
22 form the Comptroller requires to use a waiver. The
23 Comptroller and us are working out details of how to adapt
24 that form to the MVCPA specifically.

25 The gist of this is that the MVCPA and the

1 Comptroller and the Texas Department of Insurance all work
2 together as a team on the fee increase from \$4 to \$5,
3 based on SB 224. That rule went into effect -- that law
4 went into effect at the end of May. And that
5 information -- there were forms that were immediately
6 redesigned for the collection of the MVCPA fee, and they
7 were disseminated to all of the insurance companies that
8 do business in the state of Texas, along with the bulletin
9 from the Texas Department of Insurance Commissioner,
10 talking about the fee increase, to make people aware of
11 this new requirement.

12 Hanover Groups did not process that information
13 appropriately or timely, and as a result, they went ahead
14 and paid \$4 instead of the required \$5 amount. During
15 discussion on rectifying those amounts and correcting them
16 to come into a compliance, they made a written request --
17 it was not on a form, but a written request, to the State
18 Comptroller's Insurance Tax Division, to waive the
19 interest on these late payments.

20 The total amount of interest at that time that
21 was assessed was \$4.26. The State Comptroller's Office
22 has an action item of \$25 to take action with any
23 taxpayer. Below that, it's considered that the
24 transactional costs don't cover the State's time and
25 effort to address those minimal amounts of money.

1 The request from the staff is that: number
2 one, since this was not a formal request; number two,
3 they're only requesting the interest, not the penalty; and
4 the size of the combined refund request for these six
5 companies is \$4.26 and it would cost the State over \$25 to
6 issue the check, that that request be denied.

7 We will be taking up another item in a minute
8 on how to handle these in the future. We'll simplify
9 things as we go.

10 MR. RODRIGUEZ: We'll need to that.

11 MR. PRICE: Yeah.

12 MR. RODRIGUEZ: Only \$4.26?

13 MR. PRICE: Yes, sir. Yes, sir.

14 MR. RODRIGUEZ: Okay. Yessenia, any public
15 comments on this item?

16 MS. BENAVIDES: No, sir.

17 MR. RODRIGUEZ: Members, are there any motions?

18 MS. WHITEHILL: Member Whitehill. I move that
19 the Board deny the waiver request submitted by Hanover
20 Group.

21 MR. RODRIGUEZ: Do I have a second?

22 MR. GONZALEZ: Member Gonzalez.

23 MR. RODRIGUEZ: I have a second from Member
24 Gonzalez. Is there any further discussion?

25 (No response.)

1 MR. RODRIGUEZ: Hearing none, I will now call
2 for the vote. All those in favor of the motion, say aye.

3 (A chorus of ayes.)

4 MR. RODRIGUEZ: All those opposed, nay.

5 (No response.)

6 MR. RODRIGUEZ: Let the record reflect that I,
7 Mike Rodriguez, vote aye. Motion passes. Also for the
8 record, Member Brotherton is abstaining.

9 Members, we will now move on to Agenda Item No.
10 10, Consideration for Delegation of Authority to MVCPA
11 Director for Approval of Certain Waiver and Refund
12 Requests.

13 MR. PRICE: For the record, my name is Dan
14 Price. I am the MVCPA Auditor.

15 So as we just saw, again, we are required by
16 statute to take up waiver and refund requests and get
17 approval of the Board. However, the Comptroller has
18 established a service level of being able to respond to
19 these very rapidly. Usually, their current metric is
20 about five to seven days.

21 Most of these requests are of relatively small
22 dollars amounts, and we feel that the Board's time is
23 valuable, extremely valuable, and we are asking the Board
24 to re-delegate some dollar amount of authority. We're
25 asking for 2,500. We think that's reasonable, that the

1 Board allow the MVCPA Director to review the materials and
2 make a judgment on behalf of the Board as to waiver refund
3 requests under \$2,500 to, number one, expedite their
4 requests, but also not to take up the Board's time with
5 these minimal requests.

6 That amount is subject to the Board's pleasure.
7 You're welcome to change that amount to any amount that
8 you see fit.

9 MR. RODRIGUEZ: Do we have policy on this as to
10 what amount we can delegate for the staff to approve or
11 not approve?

12 MR. PRICE: I would defer to David Richards on
13 that.

14 MR. RICHARDS: Mr. Chairman, members, the
15 amount of 25- was just taken as a starting point. There's
16 no high or low. It just is within the Board's purview to
17 decide what amount -- above what amount do you want to
18 hear -- I mean, below what amount is it okay for, you
19 know, us to handle it, on an administrative level, to the
20 Director.

21 I will say this as a caveat to that. On
22 occasion, similar type delegations have been made, in
23 consult with either the Board Chair or the Grant, you
24 know, Budget Committee Chair. If you wanted to add that
25 to it, or if you just want to have the Director have a

1 certain limit, if it's, you know, below 2,500, as Mr.
2 Price has indicated, then we can deal with that
3 administratively.

4 And otherwise, we're going to wait -- you know,
5 we hold up the process with the Comptroller for months,
6 because we don't meet every month, obviously. So it's
7 just an amount that you feel comfortable with as a Board,
8 giving that authority. If you're giving it strictly to
9 the Director, if you want to add a consult with the Board
10 Chair before that's done, you can do that as well. So
11 it's up to the Board.

12 MR. RODRIGUEZ: Members?

13 MR. GONZALEZ: Mr. Price, what dollar threshold
14 do you recommend and feel comfortable with?

15 MR. PRICE: I think, based on the conferral
16 with legal and Mr. Pence, our acting Director, we feel
17 that 2,500 would handle probably 80 percent of the
18 requests. And we think that that is well within a
19 reasonable level to be handled administratively.

20 MR. GONZALEZ: Thank you.

21 MS. BROTHERTON: Member Brotherton. Is it okay
22 if we get a reporting of that at the next -- after the
23 Board meeting, of what happened, so we can just be aware
24 of --

25 MR. PRICE: I'm glad you asked that. So

1 originally, I had put forth in my Board book consideration
2 that we would commit to presenting those to Board. Again,
3 it may be something where it is presented either at a
4 committee meeting or at a Board meeting.

5 We'll have to establish how you would like that
6 reporting to take place. It could be that we just list
7 them and include it in the Board book, and say there's a
8 list in the Board book. If you have any questions, let us
9 know.

10 But yes, ma'am, I think that would be entirely
11 appropriate.

12 MR. RODRIGUEZ: And bring it back as a briefing
13 item, pretty much.

14 MR. PRICE: Yes, sir. Yes, sir.

15 MR. RODRIGUEZ: Any other questions for Mr.
16 Price?

17 (No response.)

18 MR. RODRIGUEZ: Yessenia, are there any public
19 comment on this item?

20 MS. BENAVIDES: No, sir.

21 MR. RODRIGUEZ: Members, are there any motions
22 under Agenda Item No. 10?

23 MS. JONES: Sharon Jones, for the record. I
24 move that the Board approve a delegation of authority to
25 the MVCPA Director to approve certain waiver and refund

1 requests.

2 MR. RODRIGUEZ: Is there a second?

3 MR. RICHARDS: Mr. Chairman?

4 MR. RODRIGUEZ: Go ahead.

5 MR. RICHARDS: David Richards, Board attorney,
6 for the record.

7 Member Jones, could you set the limit -- are
8 you -- is it \$2,500 waiver and refund request, not to
9 exceed whatever amount you are recommending?

10 MS. JONES: So I could say, like, \$5?

11 MR. PENCE: Yes, ma'am.

12 MS. JONES: Sharon Jones, for the record. I
13 move that the Board approve a delegation of authority to
14 the MVCPA Director to approve certain waiver and refund
15 requests, not to exceed \$2,500.

16 MR. RODRIGUEZ: We withdraw the first motion.
17 This is a second motion. Now, we need to do a second, as
18 amended. Correct?

19 MS. WHITEHILL: Member Whitehill, second
20 [inaudible].

21 MS. BENAVIDES: Ma'am, On The Record is unable
22 to hear that. If you could please restate into the mic?

23 MS. WHITEHILL: Member Whitehill. Second.

24 MR. RODRIGUEZ: Is there any further
25 discussion?

1 (No response.)

2 MR. RODRIGUEZ: Hearing none, I will now call
3 for the vote. All those in favor, please say aye.

4 (A chorus of ayes.)

5 MR. RODRIGUEZ: All those opposed, say nay.

6 (No response.)

7 MR. RODRIGUEZ: Let the record reflect that I,
8 Mike Rodriguez, vote aye. Motion passes.

9 Members, we will now move on to the next agenda
10 item, Agenda Item No. 11, Grant Management Tracking
11 System. This is a briefing only.

12 Members, Director Pence and Dan Price will
13 present on this agenda item.

14 MR. PENCE: For the record, Earl Pence, Interim
15 Director, MVCPA. During the GBR Committee yesterday, it
16 was discussed about the current tracking system for
17 grants, which is referred to as GMTS, the Grant Management
18 Tracking System.

19 This technology was developed in 2017 by Texas
20 A&M University. As stands, the MVCPA pays Texas A&M
21 University \$7,500 per quarter to maintain that system and
22 an additional 5,000 to that 30,000.

23 What we're finding out is that there is one man
24 that actually pioneered this system. He has since
25 retired. He has been left on contract with Texas A&M,

1 which means when the system goes down, we have to wait for
2 anywhere from three days to -- maybe up to weeks to repair
3 the system. That puts the grantees in peril of entering
4 those statutorily mandated information into that reporting
5 system for quarterly reports, expenditure reports, the
6 progress reports, et cetera.

7 What we're asking the Board to do is -- well,
8 let me start this. In March '23, before I started, the
9 State Auditor's Office performed an audit on that system.

10 It found that 19 percent of the user accounts were old
11 memberships from past employees that are still active.
12 That put that system at high risk, on top of being
13 antiquated.

14 What we're asking the Board to do is approve
15 for us to go out and research, test, go out and look for
16 another system that can not only support the GMTS, the
17 Grant Management Tracking System, also the system for
18 Senate Bill 224, which is the catalytic convertor bill.
19 We have begun starting to look and dive into this a little
20 bit.

21 We're finding some systems that maybe can carry
22 until we get a full system in place, and may be able to
23 dump that information into the new standing system, but we
24 are asking the Board for permission to be able to research
25 and continue researching for a new system.

1 MR. RODRIGUEZ: Okay. We paid for this system.
2 Correct? We own this system?

3 MR. PENCE: No, sir. Texas A&M owns it. We
4 pay for it.

5 We get to put information into it, but Texas
6 A&M owns it, which is paid \$35,000 a year to use it.

7 MR. RODRIGUEZ: Okay. Any questions?

8 MS. JONES: Sharon Jones, for the record. Can
9 we get clarification on who owns the system?

10 MR. PRICE: This is Dan Price, MVCPA Auditor.
11 I've been with the agency since the system was
12 implemented. There were negotiations done at the time.

13 There are several components, if you will, to
14 what is defined as a system. The hardware of the system
15 is currently residing and belongs to Texas A&M, and we pay
16 them for a service to run the software on that system.

17 Since the actual coding of the software was
18 customized for MVCPA, we did include a paragraph in that
19 contract, and Mr. Richards drafted it, who is with us
20 today, which indicates that we do own the code, the actual
21 software code, which is, in theory, an intangible asset.
22 We own the code, and we would have the right to move that
23 code to another system if that is feasible.

24 Now, that being said, the code is very old and
25 there are a limited number of people who still understand

1 how to write and maintain it, and that is part of the
2 struggle that Texas A&M is having, now that the person who
3 is the expert on that is retired, is getting people who
4 understand how to use this.

5 So from a practical standpoint, it is a
6 possibility that we're looking into, but it seems like it
7 would probably be difficult to move it to somewhere. But
8 technically, we own the coding and we could move the
9 coding, just not the hardware.

10 MR. RODRIGUEZ: And the reason I'm asking is, I
11 would like to see if we can retain the history, because it
12 does hold the grants' history -- correct -- everything
13 that was -- any transaction that was done there. So I
14 would like to keep that, as a recommendation, the data
15 that it has.

16 Correct?

17 MR. PENCE: Correct.

18 MR. RODRIGUEZ: And another recommendation is,
19 when we're looking at a new system, to make a
20 recommendation to -- as a Board, if we can include or
21 survey the commanders, the financial officers, the program
22 managers that are using this system, the users, to see
23 where were the gaps in this system. So whenever we go out
24 there, we have specifics as to what is it that they want,
25 as opposed to what we think they need.

1 So that way, just whatever we need on that
2 system is going to be there and is going to make their
3 jobs a lot easier when we're submitting reports and things
4 like that. So just a recommendation, and before we bring
5 it back, let's see if we can get this done as soon as
6 possible.

7 When does this expire?

8 MR. PENCE: It technically does not expire. We
9 wanted to get it in place as soon as after January, the
10 initiative of SB 224 --

11 MR. RODRIGUEZ: Okay.

12 MR. PENCE: So we're trying to expedite it.

13 MR. RODRIGUEZ: Okay. I don't think it's going
14 to be able to handle SB 224. Correct?

15 MR. PENCE: We're looking.

16 MR. RODRIGUEZ: Okay.

17 MR. PENCE: We actually talked to Mr. Van Beek
18 [phonetic] a couple weeks ago about taking that same
19 system, update it with a catalytic convertor -- a
20 minimized system. He said there's a possibility.
21 However, we go back to -- he's not constant.

22 When can we get a hold of him? When can we
23 find the answers out? So with every minute that ticks on
24 the clock, we're wasting time.

25 MR. RODRIGUEZ: Yeah. Okay.

1 MR. PRICE: We do have another motion that will
2 be coming up in a few minutes to provide some funding from
3 SB 224 to be able to investigate that. And there is a
4 possibility that we could put a limited scope system in to
5 begin SB 224 activities quickly, but it certainly won't
6 meet the full-on term requirements. But it may bridge us
7 until we are able to get to that point, but that's a
8 future Board meeting item here in a few minutes.

9 MR. RODRIGUEZ: Okay. Any other questions for
10 Director Pence or Mr. Price?

11 (No response.)

12 MR. RODRIGUEZ: Yessenia, are there any public
13 comments on this agenda item?

14 MS. BENAVIDES: No, sir.

15 MR. RODRIGUEZ: As it is a briefing item, we
16 will now move to Agenda Item No. 12, FY 2024 MVCPA Budget.
17 This is an action item.

18 This agenda item will be presented by Dan Price
19 and Texas DMV FAO Director Glenna Bowman and Member
20 Gonzalez.

21 MR. PRICE: This is Dan Price, MVCPA Auditor.
22 We are fortunate to have, again, support from our DMV
23 brothers here today. And Glenna is the CFO for the
24 Department, Texas Department of Motor Vehicles. She has
25 ultimate authority over the budget reporting and all of

1 the technical aspects of the budget.

2 So I'm going to defer to Ms. Bowman to continue
3 the presentation.

4 MS. BOWMAN: Thank you, Dan.

5 For the record, Glenna Bowman, TxDMV. I want
6 to ask you, Chairman Gonzalez, if you have any comments
7 you want to make before I make my presentation?

8 MR. GONZALEZ: (No audible response.)

9 MS. BOWMAN: Okay. Thank you, sir.

10 So this particular item -- we actually have
11 three items that are related to budget today. That's Item
12 12 that we're on now, and then 15.A.(1) and (2).

13 So before we get into the specifics, I would
14 like to make just a few general comments about the MVCPA
15 budget to make sure we're all on the same page about what
16 it is we're dealing with. It will just take a minute. I
17 promise to be quick.

18 So as most of you know, in the General
19 Appropriations Act that was adopted by the 88th
20 Legislature, MVCPA received funding for what I call the
21 base MVCPA program. That's the program that's been in
22 place for a long time.

23 We did get funding to receive the full
24 20 percent of the insurance fees, the \$4 that has been
25 collected. And so that's in the base.

1 And then we have the SB 224 money for the
2 Catalytic Convertor Theft Prevention Program. The
3 appropriations are estimated, so that means -- which I
4 would think -- I think I've mentioned to some of you
5 before that if we collect more, then we have more -- you
6 have more that you can award or spend on program needs.
7 But I also want to mention that if we collect less, we
8 don't have the funds, and our accounting system actually
9 won't even allow us to process a payment if we don't have
10 the funds in the bank.

11 So I just wanted to provide some input, just
12 from a fiscal standpoint, that you don't want to award
13 every single dollar that is projected as revenue. We need
14 to set aside an amount, just in case our crystal ball is
15 not completely clear and our projection is off for some
16 reason or another. So I just want to mention that. I
17 don't -- not aware of any issues, big issues right now,
18 but just for your consideration.

19 But on the other side of that, along with the
20 base appropriation, we received UB authority between
21 biennia. UB is an expended balance authority. So what
22 that means is if there is funds or if you've set aside
23 funds but everything works out great, where we collect
24 more, the money that's remaining that hasn't been
25 obligated can be carried forward to the following year.

1 So it's not a use-it-or-lose-it. It's still available for
2 you to be able to do great program work with.

3 And finally, because the Legislature
4 appropriated the amounts for the base and for SB 224
5 separately, we have to account for them separately. So in
6 some of these budget items, you will see that we've broken
7 out 224 separately. We can still allocate expenditures
8 and you have the ability to make decisions about where
9 things are charged, but we do have to account for them
10 separately.

11 So are there any questions about any of that?

12 (No response.)

13 MS. BOWMAN: Okay. Thank you. Okay. On to
14 Item 12.

15 The Board adopted the FY 2024 base budget
16 earlier this fiscal year, and now that we are three months
17 in, staff had been evaluating spending for Board and
18 committee meetings, and also looking at estimates for the
19 conference that will be held next summer.

20 The Board has expressed an interest in holding
21 Board meetings across the state, instead of just in
22 Austin. That's why we're in Houston today. And as a
23 result, we have to look at our costs for travel, meeting
24 space, and AV support.

25 So on page 39 of your Board materials, you can

1 see the AY 2024 budget. I do need to pause for an aside
2 and just mention what AY means. AY means appropriation
3 year as opposed to fiscal year.

4 Our State fiscal year runs from September 1 to
5 August 31. Appropriation year also runs through that same
6 period, but if -- for example, if you look on page 40, and
7 you can see that the '23 appropriation year, there is this
8 column called encumbrances. There's \$5 million in grants.

9 That means they're obligated. You've awarded
10 them, but payments have not been made. When payments are
11 made, it's still going to be made out of the appropriation
12 year 2023, so that's how we report.

13 We show you -- when you award, those payments
14 go against those awards in that year. So sorry to be a
15 geeky accountant for a moment, but I just wanted to make
16 that clear.

17 In FY 2024 -- I'm going back to page 39 -- we
18 have \$35,000 budgeted for travel. We also have funds in
19 other operating expenses that can help pay for space
20 rental and AV services. And we've analyzed expenditures
21 to get estimated costs for what Board meetings in Austin
22 versus outside of Austin cost.

23 So in Austin, the Board meeting is about 2,500.
24 That's Board travel and some other miscellaneous
25 expenses. Outside of Austin, we have AV and meeting space

1 rental. So it's closer to \$9,800 for a meeting, plus
2 staff travel.

3 So given that, we will need direction, not
4 necessarily today at this meeting, from the Board
5 regarding the meetings scheduled for the remainder of the
6 fiscal year and whether you want to hold those in Austin
7 or outside of Austin, or some combination. And then what
8 we'll do is, obviously, act on that. But in the meantime,
9 what we'd like to do is get approval from the Board to
10 allow staff, at the direction of the MVCPA Director, to
11 update budget amounts as needed to achieve those meeting
12 objectives.

13 And we're looking at -- you know, we made an
14 assumption of one Board meeting in Austin, three outside
15 of Austin. And given that, we think we need an additional
16 \$40,000 -- and also, staff travel, like if staff go to
17 conferences or just other normal operating expenses. And
18 so that's what we're asking for.

19 I believe you have a motion, but -- you have
20 questions. Yeah. Sorry.

21 MR. RODRIGUEZ: So on the salary/personnel
22 cost, we have budgeted \$870,549, and then I guess, year to
23 date, we've expended \$141,110. Is that --

24 MS. BOWMAN: Yes.

25 MR. RODRIGUEZ: And the available budget is

1 \$748,739. But we still have the whole -- the year, or
2 next two years that we're --

3 MS. BOWMAN: This is an annual budget. So --

4 MR. RODRIGUEZ: Okay.

5 MS. BOWMAN: -- yes. So that's -- let me go
6 ahead and just explain. That's a great question.

7 So we have several line items where there's
8 going to be a budgeted amount and you're going to see
9 expenditures. And then it looks like there's a whole lot
10 of money left, but -- and we're actually talking about
11 maybe changing some of the presentation on this report for
12 you.

13 But expenditures, like for salaries, those
14 don't get put on the report until we actually pay
15 salaries. So we have salaries, obviously, budgeted for
16 the whole year. There probably will be some lapse there,
17 but it's not going to be \$700,000.

18 MR. RODRIGUEZ: Okay. So we -- I mean, at this
19 rate, is there a reason why we expended so little on
20 personnel. Is it because we haven't hired the --

21 MS. BOWMAN: We're still in the process of --

22 MR. RODRIGUEZ: There's going to be --

23 MS. BOWMAN: There's new FTEs. So in the base,
24 when the Board received the full 20 percent allocation, we
25 also got four FTEs associated with that, and there are

1 salaries, and that's in the budget. Those -- so that's in
2 addition. That's before you get to SB 224; we had
3 additional positions.

4 MR. RODRIGUEZ: Okay.

5 MS. BOWMAN: And so that's built in, but we
6 haven't hired them. So every month we don't pay, there is
7 savings --

8 MR. RODRIGUEZ: So salary savings?

9 MS. BOWMAN: Yes, sir.

10 MR. RODRIGUEZ: So all in all, how much -- did
11 you not take into consideration any savings at the end of
12 the year, any salary savings?

13 MS. BOWMAN: Uh-huh?

14 MR. RODRIGUEZ: How much do we have right now
15 for operations, for example, the travel, the meetings and
16 all that?

17 MS. BOWMAN: So I'm not sure I can answer the
18 question exactly the way that you're wanting, but we've
19 got every dollar allocated, except for approximately
20 60,000, I believe.

21 MR. PRICE: So to clarify, for the 2024 budget,
22 based on the appropriation for 2024, all of those monies
23 were allocated, except for approximately \$60,000. Now,
24 again, without getting into the weeds -- and we are
25 talking about changing the presentation.

1 We do have the UB carry-forward, but as she
2 indicated, there is a possibility that, based on
3 collections, that that amount can change. And so the
4 recommendation is that some amount be set aside.

5 Now, one more statistic -- and I don't want
6 to -- once again, we don't need to get into the weeds, but
7 before COVID, our revenues were extremely steady. We knew
8 what they were going to be. There was a gradual increase
9 based on the number of vehicles sold in Texas that got new
10 insurance policies. So it was very predictable.

11 During COVID, and still going on in 2023, the
12 numbers of insurance policies sold in the state of Texas
13 has swung wildly, both up and down. And so it's become
14 increasingly difficult for us -- as Glenna said, crystal
15 ball -- to read the crystal ball to determine how much
16 that final number is going to be.

17 In the past, we always got our money in
18 arrears. However, with SB 224 and with the current
19 appropriations and with the increase in our funding this
20 year, they've added that rider to base it on current
21 year's collections rather than prior year's collections,
22 which was a benefit to us to be able to give us access to
23 more immediately.

24 MS. BOWMAN: If I may suggest, if you can
25 restate your question, and I don't know that we've got the

1 full answer today. We can get back with you and provide
2 that information.

3 MR. RODRIGUEZ: Okay. And so we accidentally
4 skipped 4.B. and 4.C., and I think that's -- that is
5 where -- that agenda item, that's where we're going to
6 talk about FTEs.

7 Correct, Director Pence?

8 MR. PENCE: Yes.

9 MR. RODRIGUEZ: Okay.

10 MR. PENCE: That was my mistake. If you can,
11 we're going to pick up with 4.B. for just a minute.
12 Introduction of new employees. We hired two law
13 enforcement trainers in the last couple months. They're
14 over to my right.

15 MR. RODRIGUEZ: Director Pence, we're still on
16 Agenda Item 12.

17 MR. PENCE: Okay.

18 MR. RODRIGUEZ: I'll open up Agenda Item --
19 come back to Agenda Item 4.

20 MR. PENCE: Okay.

21 MR. RODRIGUEZ: We'll hold off on that.

22 MR. PENCE: Yes, sir.

23 MR. RODRIGUEZ: Let's finish on this agenda
24 item.

25 MR. PENCE: Okay.

1 MR. RODRIGUEZ: I will recommend to the Board
2 that we get an actual number from Glenna and Dan as to how
3 it is, structure it a little bit better, where we know
4 your recommendation as to what we need to put aside to
5 continue. And if the recommendation is to have the
6 meetings in Austin, we need to hear from you, versus us
7 trying to find money to make it happen.

8 MS. BOWMAN: Yeah. I do want to make it very
9 clear that we do have the ability, within the budget that
10 you currently have, for you to hold meetings outside of
11 Austin. And I understand, from a policy standpoint, why
12 you'd want to do that.

13 So we can do that, and it's not going to
14 jeopardize anything in the budget. I want to make that
15 very clear. So if y'all decide that you want to have
16 three meetings outside of Austin, we can make that happen
17 within -- and not keep you from doing anything else that's
18 already planned.

19 So that provides some updates. We are really
20 just trying to move money around in the budget so that we
21 can accommodate it if it's needed.

22 MR. RODRIGUEZ: Yeah. And definitely, we want
23 to be conservative with our budget. And we also need
24 to -- well, we'll check on the status for the FTEs that
25 are pending. We need to get those FTEs going. The staff

1 needs the help.

2 So we need to get going on that, but I think --
3 I want to recommend that they give the recommendation.
4 You all know the numbers --

5 MS. BOWMAN: Yes, sir.

6 MR. RODRIGUEZ: -- a lot better than us, so I
7 want to recommend that we do that.

8 MS. BOWMAN: We'll be very happy to do that.

9 MR. GONZALEZ: I have a question. When -- in
10 the Board book, it says, "Review and approve adjustments
11 to the FY 2024 budget for meetings and conferences." What
12 exactly does "conferences" mean? Is that inclusive of the
13 MVCPA's annual conference?

14 MS. BOWMAN: Yes, sir. And really, it says
15 conferences, but it's -- conference is what that's
16 referring to right now.

17 MR. GONZALEZ: And --

18 MS. BOWMAN: And the other meetings are Board
19 meetings and committee meetings.

20 MR. GONZALEZ: And how much in funding is
21 allocated right now for the MVCPA annual conference?

22 MS. BOWMAN: Approximately \$10,000.

23 MR. GONZALEZ: And so it is your recommendation
24 that an additional \$40,000 would suffice for that?

25 MS. BOWMAN: Yes, for the items that we're

1 talking about, to be able to do three meetings, Board
2 meetings, out of Austin, and one in, and --

3 MR. GONZALEZ: And the annual conference.

4 MS. BOWMAN: And the annual conference. Yeah.
5 The -- adding 40,000 to the budget. Yes, sir.

6 MR. GONZALEZ: Thank you.

7 MR. RODRIGUEZ: But we need to make the
8 meetings and the conference separately line items, as to
9 how much we're going to expend --

10 MS. BOWMAN: Okay. Yeah.

11 MR. RODRIGUEZ: -- for each, just so that we
12 can have a clear picture how much was allocated, and we
13 don't move away from that number.

14 MS. BOWMAN: That sounds very appropriate. We
15 can do that. We do it anyway --

16 MR. RODRIGUEZ: Yes.

17 MS. BOWMAN: Thank you.

18 MR. RICHARDS: Mr. Chairman, David Richards,
19 for the record. I just want a point of clarification.

20 On any motion that one of you will make -- or
21 do you think we need to include the 40,000? Is that what
22 you're asking us to do today?

23 MS. BOWMAN: Based on the discussion, we could
24 leave an amount out --

25 MR. RICHARDS: Okay, okay.

1 MS. BOWMAN: -- and simply say, staff, go
2 rearrange the budget so that we can accommodate the
3 meetings, and then come back with a recommendation.

4 MR. RICHARDS: Okay. Well, maybe we'll just
5 keep the motion as stated in your -- in the materials.

6 MS. BOWMAN: Okay. Thank you. Are there other
7 questions on that?

8 MR. RODRIGUEZ: Any other questions?

9 MS. BROTHERTON: We were just having a
10 conversation that \$40,000 is not a lot of money when
11 you're putting on a conference or when you're -- when
12 we're having a Board meeting. So I appreciate the fact
13 that we can come back to that at a later date and get a
14 number on there.

15 But I think there's -- I don't know that I'm
16 speaking for the Board, but I think we probably are --
17 that we understand that 40,000 is not a lot of money to
18 put on the type of events that you guys have taken care of
19 for us. Appreciate you. So --

20 MS. BOWMAN: Thank you.

21 MS. BROTHERTON: -- I move a motion at that
22 to -- I move -- Member Brotherton. Yessenia is going to
23 keep me in order over there.

24 I move that the Board approve the 2024 MVCPA
25 budget changes for Board meetings and conference expenses.

1 MR. RODRIGUEZ: Before we move to a second,
2 Yessenia, are there any public comments on this item?

3 MS. BENAVIDES: No, sir.

4 MR. RODRIGUEZ: Is there a second?

5 MS. CANTU-SERRANO: I, Rebecca Cantu, second.

6 MR. RODRIGUEZ: Okay. Is there any further
7 discussion?

8 (No response.)

9 MR. RODRIGUEZ: Hearing none, I will now call
10 for the vote. All those in favor of the motion, say aye.

11 (A chorus of ayes.)

12 MR. RODRIGUEZ: All those opposed, say nay.

13 (No response.)

14 MR. RODRIGUEZ: Let the record reflect that I,
15 Mike Rodriguez, vote aye. The motion passes.

16 We will now go back to open Agenda Item 4.B.,
17 and then we'll move to 4.C., and then we'll come back to
18 Agenda Item No. 13.

19 MR. PENCE: Okay. Thank you, Mr. Chairman.

20 MR. RODRIGUEZ: Director Pence?

21 MR. PENCE: For the record, Earl Pence, Interim
22 Director of the MVCPA. As stated, we've hired two full-
23 time employees to add to our MVCPA family. They will be
24 in the law enforcement training field.

25 If you gentlemen don't mind, come up here

1 please.

2 We have Justin White. Justin comes to us from
3 the Texas Department of Motor Vehicles Enforcement
4 Division. Justin was an investigator for DMV for the past
5 19 years, duties included investigating consumer
6 complaints on auto dealerships and investigating Texas
7 temp tag usage. Recently Justin has been instructing the
8 fraudulent document presentations at various auto theft
9 courses, including the NICB.

10 We also have Herman Adair. Herman is very well
11 known in the law enforcement community. He began his days
12 in law enforcement at Hays County Sheriff's Office 26
13 years ago.

14 He recently retired. Well, he retired for
15 about a weekend, and we picked him up and put him back to
16 work. He's responsible for 68-A inspections around the
17 Austin-Travis County area. He was also a subject matter
18 expert on live training events.

19 He brings a lot of wealth of knowledge. Both
20 these gentlemen do. So if y'all don't mind, welcome them,
21 please, because they're going to be a great addition to
22 the MVCPA.

23 (Applause.)

24 MR. PENCE: Speaking of, we've also got Justin.
25 He's doing a quick presentation on some training

1 information for us.

2 Please, Justin?

3 MR. RODRIGUEZ: Would that be 4.C. that we --

4 MR. PENCE: Yes, sir.

5 MR. RODRIGUEZ: Okay.

6 MR. WHITE: Thanks. My name is Justin White,
7 for the record. As Mr. Pence said, I'm one of the law
8 enforcement trainers.

9 We were given approval by TCOLE, or Texas
10 Commission on Law Enforcement, to apply for a contract,
11 training provider contract. That way, we can continue to
12 report our continuing hours to TCOLE on the training that
13 we're doing. So we're in the process of starting that,
14 filling out the paperwork, addressing any of the
15 requirements that they need.

16 So if there any questions?

17 MR. RODRIGUEZ: Any questions, Board members?

18 (No response.)

19 MR. RODRIGUEZ: Thank you.

20 MR. WHITE: Thank you.

21 MR. PENCE: Thank you, Mr. Chairman

22 MR. RODRIGUEZ: Moving on to Agenda Item 13, I
23 just want to take this opportunity, talking about new
24 staff members added to MVCPA -- I also want to mention
25 that we've asked Member Cantu-Serrano to join the GBR

1 Committee, and she's taken the task.

2 So thank you, Member Rebecca Cantu-Serrano, for
3 taking up on that task. It's a lot of work. So I just
4 wanted to mention that. So thank you for that, Rebecca.

5 Okay. I'm going on with 13. Members, we'll
6 turn this agenda item over to the representative from
7 Flock Safety, who will present Agenda Item 13, Dave
8 Munson, Senior Director, Major Account Sales.

9 MR. MUNSON: Good morning. For the record,
10 Dave Munson, Senior Director of Flock Safety.

11 We had a meeting about a month ago with
12 Director Pence, with Mr. Price, where we were going over
13 some of the contracts, the refunds for some of the
14 municipalities, the agencies within Texas, that were
15 seeking reimbursement. And it was suggested that I come
16 to present to the Board, answer any questions you have
17 about our business model.

18 And I'd like to take a couple of minutes to
19 talk about the way that we approach things a little bit
20 different than some of the other technology providers in
21 the industry. I'm going to try to give a high-level
22 picture of the way that we approach things. Then we can
23 narrow down specifically to the subscription model when we
24 talk about specific finances. All of them play into one
25 another, and so it's kind of important to see how they are

1 pieced together.

2 So as a company, we got started in about 2017,
3 primarily focused on HOAs, communities. How do we protect
4 them better? We had Ring cameras that were available at
5 the time, but the Ring cameras were still catching grainy
6 video, or wasn't giving necessarily evidence that was
7 actionable for law enforcement.

8 And so our CEO, he put together a phone in a
9 weatherproof box, and taped it up to the stop sign, and he
10 was able to capture a license plate from some porch
11 pirates, and provided that to law enforcement. The
12 quality was very high quality. So law enforcement said,
13 that's valuable, we'll have to get access to more.

14 So in about 2019, we started opening up the
15 business to expand from just HOAs into providing it for
16 law enforcement. We have since grown, and we're now
17 working with a commercial sales team as well. And so we
18 have grown and expanded exponentially where, to date, we
19 have over 60,000 cameras nationwide.

20 We are capturing about 1.5 billion plate reads
21 per week, which is about 30 percent bigger than the
22 other -- the next largest LPR network, and that is
23 contributing to about 4,000 hot tag alerts per hour. And
24 so what we're doing is amazing.

25 Our north star as a company is to eliminate

1 crime. We don't want to just make money. We don't want
2 to just impact crime. We want to eliminate crime and also
3 create good livelihoods while we're doing that, but we
4 want to make it a safe place for everybody.

5 I live in Montgomery, and so I have a personal
6 interest in helping Texas be successful. So I'm excited
7 to be able to talk through how we continue to partner with
8 MVCPA, with all of the local agencies, to help them thrive
9 as we fight crime.

10 We've got great partnerships here in the
11 Houston area where we have over 3,700 cameras, between law
12 enforcement agencies, between HOAs, commercial entities,
13 apartment complexes. I've pulled some numbers really
14 quick so we can understand the scope of what Flock is
15 doing here in Texas.

16 We started, 2023 in January, with about 4,400
17 cameras. We are now up to 7,500 cameras across the state.

18 For law enforcement, we started with about 3,000 cameras.

19 We now have 4,900 cameras.

20 For LE agencies, we had 209 to start the year.

21 We're now at 303. And so we are growing by 60, 70
22 percent, year over year, and we continue to expect the
23 same level of growth next year, through the partnerships
24 with agencies like yours, through enabling agencies to get
25 access to the funding that provides those technologies.

1 So the way that we approach it is a little bit
2 differently. We focus on the community. The name,
3 Flock -- when I think about Flock, I think about a flock
4 of birds, and how it's this beautifully orchestrated dance
5 as they seek out their next power pole or whatever they're
6 seeking to land in, but it takes a concerted effort.

7 As we're looking at eliminating crime, it's
8 going to take a concerted effort with law enforcement,
9 with communities, with businesses, to be able to all
10 contribute to this. And so that's the power of the
11 network.

12 As we add additional businesses, they share
13 their plate reads with local law enforcement. As we add
14 HOAs or apartment complexes, they share their reads with
15 local law enforcement. So they're able to get those hot
16 tag alerts from there.

17 An incredible important piece of it is that
18 it's a community effort. When we look at the way that our
19 technology works, we focus a lot on privacy, because if
20 we're going to be doing this as a community effort, we
21 want to make sure that people don't feel like we're
22 another Big Brother company, that we're creating a
23 surveillance state.

24 And so we're very, very intentional about
25 approaching it in a way that the citizens understand that

1 this is an investigative tool, not something that we're
2 using to surveil and make sure that we know exactly where
3 you are at all times. And especially with 3,700 cameras
4 in the Houston area, that's a lot of cameras, but as an
5 investigative tool. So we have a default, 30-day
6 retention period.

7 After the 30 days, the information is gone. If
8 an agency requires longer retention based on their rules,
9 then we can extend that, but that would be based on an
10 elected individual that is making that determination.
11 That's not something that we can just decide with the
12 police chief that they're going to be able to extend their
13 data by a year.

14 It's going to take elected officials' input.
15 So we're very, very intentional there. We also don't have
16 anything that is related to personal identification
17 information, PII.

18 So the way that our technology works is
19 historical LPR data, with focus on infrared identification
20 of the license plate, which would then query a database,
21 like at CARFAX, the DMV, and then it would take the
22 vehicle identification characteristics off of the VIN.

23 The way that we work is, our cameras are
24 motion-activated. And so when you drive by, it doesn't
25 require that IR, which is important for a lot of other

1 reasons that I'll get into here in a second, but that also
2 isn't tied to and doesn't query any database that would
3 have any PII information.

4 And so that the way that we are getting our
5 characteristics is through what we call a vehicle
6 fingerprint through machine learning. And so when you're
7 doing a query within the Flock database, you can say that
8 I'm looking for a red pickup truck, and it doesn't matter
9 what the license plate is. You can just search for the
10 red pickup truck.

11 And so we are talking a little bit about temp
12 tags. We're talking about -- well, you're very familiar
13 with people swapping tags -- right -- swapping plates
14 before they're committing crimes, taking the plates off,
15 somehow concealing the plate. We don't require a plate.

16 And so through our machine learning, you can do
17 a query based on vehicle characteristics. And then if
18 you're relying solely on a DMV or a CARFAX with those
19 characteristics, you're going miss other characteristics
20 that are easily identifiable, like a bumper sticker or a
21 roof rack or damage to the left fender. And you're able
22 to do the query based on those characteristics and be able
23 to simplify your search, narrow it very quickly, so you
24 have actionable intelligence.

25 So we approach it different from the community

1 level and then from the privacy side. And it all comes
2 together with what does that need to look like so it's
3 going to be a sustainable program that continues to
4 deliver results?

5 Historically, I've been working in the law
6 enforcement sales/technology world for about the last
7 13 years. One of the challenges that agencies have is
8 they don't look at life cycle management of their
9 technology.

10 They'll receive grant funding or they'll look
11 at a capital expenditure, and they'll put that in the next
12 year's budget. They'll buy the equipment. And that
13 solves the problem. Out of sight, out of mind.

14 Let's get it implemented. Let's start to see
15 success. But what happens in two or three years when that
16 technology starts to become outdated or your service
17 contract with your integrator expires?

18 The agency initially may think we have enough
19 personnel that we just send somebody out to maintain, to
20 clean the lens, to do whatever. The reality is that that
21 becomes very, very challenging, especially as we scale as
22 fast as we are. And when you're talking about 3,700
23 cameras, that would take an entire team to maintain those
24 cameras throughout the city of Houston.

25 So the way we've approached it is through a

1 subscription model. We're requiring additional input and
2 updates from Flock as we're using machine learning, as
3 we're adding things like state identification, as we're
4 adding things like new makes and models of vehicles so
5 that we can query more accurately.

6 And so through our subscription model -- it's
7 very similar to a cell phone where you can download the
8 latest IOS update, and you've got the latest feature
9 functionality access to apps that provide additional value
10 to your phone. We can do that same thing through the
11 subscription model on your LPR cameras.

12 And so through our search queries in Flock --
13 our operating system, our search platform, Flock OS, we're
14 able to continue to deliver additional updates to make it
15 a more valuable tool that has the latest updates and
16 feature functionality through that subscription model.
17 What that also does is it builds in that life cycle
18 management.

19 And so you're no longer wondering after five
20 years, what do I need to do to start to fund the next
21 replacement? Do I want to look at a 20 percent, year-
22 over-year replacement of all my hardware?

23 So after five years -- but by that point,
24 you've got some of your equipment that's 10 years old.
25 I've had this conversation with so many agencies across

1 the country, that the subscription model allows us to take
2 care of that. So you don't have to worry about warranty.

3

4 You don't have to worry about additional
5 service contracts. You don't have to worry about keeping
6 your software or your hardware up to date. We take care
7 of all of that. It also lowers that upfront cost.

8 And so an agency that wants to be able to
9 deploy the technology, what we found is, the more densely
10 that you're able to place your cameras, the higher the
11 rate of success is going to be. And so if we're able to
12 lower that upfront cost from \$15,000 per camera for a
13 Cap-X [phonetic] to \$3,000 per camera as the subscription
14 model, you're able to exponentially increase the number of
15 cameras that you get out into the field for quicker and
16 more accurate results.

17 And so our model is based to create
18 sustainability of the program. It is a little bit
19 different than what we've seen historically. And so as
20 agencies are looking at receiving grant funding for that,
21 we are trying to be as amenable and as creative internally
22 as we can.

23 So you can pay for five years up front, so it
24 still looks kind of like a Cap-X, but it gives you that
25 same model of warranty service support throughout the five

1 years. And then we would just continue to renew that
2 contract, going forward. And so it doesn't preclude us
3 from being able to access and take advantage of some of
4 those funds, but it is a model that tries to create more
5 sustainability for fleet health, for better results in an
6 LPR program.

7 Any questions?

8 MR. RODRIGUEZ: You said it was 3,000 per
9 camera per month or per year?

10 MR. MUNSON: Per year. I might have misspoken.
11 There is 3,000 per camera per year.

12 MR. RODRIGUEZ: And the data is stored in the
13 cloud-based system? How does it -- where does the data
14 get stored?

15 MR. MUNSON: AWS. So all of the cameras are
16 LTE-enabled, and so you're not required to have any
17 infrastructure. We are very, very infrastructure-light.

18 We are solar panel. And so you can place them
19 wherever you need the cameras. In certain locations, if
20 it's going to be impacted by harsher weather, you have the
21 ability to do hard-line power, or if it's going to be
22 areas like Houston where there are a lot of high-rises,
23 and so they may not have enough sun to be able to power
24 the cameras, we could do a hard line.

25 But it's all LTE-enabled, so you don't need

1 infrastructure. You can just put the camera, put the
2 solar panel up, and then that's going to be sending
3 information up to AWS, stored for 30 days, unless it's
4 going to be downloaded separately for longer storage.

5 MR. RODRIGUEZ: So it works out of a cell
6 phone?

7 MR. MUNSON: Yeah.

8 MR. RODRIGUEZ: Oh, okay. Any other questions?

9 MS. JONES: I have a question, sir. Sharon
10 Jones, for the record.

11 So solar power will be available on the
12 highways, on the state highways, TxDOT highways?

13 MR. MUNSON: So that's a different product. So
14 right now, we are -- we just launched in May a new
15 product. It's our long-range camera. The Falcon LR is
16 the name of the device.

17 But because of the volume of traffic, when
18 you're looking at a solar panel, a solar panel camera can
19 handle about 30,000 plate reads a day. When you're
20 looking at something that's going to be a freeway where
21 the volume is going to be higher, we do require those to
22 be hard-powered, just so that they can continue to provide
23 more consistent results. So we do have different products
24 for different applications.

25 MS. JONES: So the new, advanced highway system

1 that you have, it needs electricity?

2 MR. MUNSON: Correct.

3 MS. JONES: And have you come up with a plan to
4 get electricity on the highways, or are you still working
5 on that?

6 MR. MUNSON: We are diligently working with
7 that. Yes, we're working on it. It kind of depends.

8 State by state, it's a little bit different,
9 and so I'm not sure where we are in Texas in that
10 conversation. Within about the next year, we're going to
11 be coming out with a solar version of that camera for
12 areas where it is impossible to get hard-line power, but
13 that's going to be a future product that we're still
14 trying to work through.

15 MS. JONES: Do you have any states at all --
16 well, no, because you don't have the cameras yet.

17 MR. MUNSON: So we just launched the product in
18 May. We are installing some in California. We are
19 working through -- one of the challenging things about the
20 state application is DOT right-of-way and permitting. And
21 so that can take several months in order to get those
22 things done.

23 And so once we launched the product, we started
24 working diligently on how do we get the permitting for
25 those locations and then power? There's a lot of

1 complications when it comes to getting cameras up on
2 freeways.

3 And so we're making some progress in Florida,
4 Colorado, California, and then ongoing conversations here
5 in Texas, but we don't have any that are currently
6 installed on our freeway with hard-line power that I can
7 reference right now, just due to the -- it's a newer
8 product.

9 MS. JONES: Thank you.

10 MR. RODRIGUEZ: How many task forces currently
11 are using Flock?

12 MR. MUNSON: I don't have the numbers
13 specifically for task forces. We work really closely with
14 HIDTA. We've got a lot of cameras that are funded by
15 HIDTA down in this region. I could do a little bit more
16 digging, but I don't know that off the top of my head.

17 MR. RODRIGUEZ: I mean, does Flock provide an
18 assessment as to where best to locate the Flock system in
19 their cities?

20 MR. MUNSON: So it's very, very collaborative
21 with the agency. We do have a group. They're called
22 Solution Consultants.

23 They are former law enforcement who joined our
24 team to help with that consultative discussion, where we
25 can look at where are your ingress/egress points, where

1 are the points of concern with your highest crime, and
2 here is -- based on my experience, working at my agency,
3 running my LPR program, that this is where I would suggest
4 you put them.

5 But it is very collaborative with the agencies.
6 We can understand nobody knows their jurisdiction better
7 than they do, and so it would be very presumptive of us to
8 come in and say, this is where you need to put them.
9 We're going to come in and say, this is, from our
10 experience, where you're going to see the most success.
11 Where would you like to put them, based on your knowledge
12 and understanding the agency?

13 MR. RODRIGUEZ: Great. Thank you.

14 Any other questions?

15 (No response.)

16 MR. RODRIGUEZ: Well, appreciate the
17 presentation, appreciate the information.

18 Yessenia, are there are any public comments on
19 this agenda item?

20 MS. BENAVIDES: No, sir.

21 MR. RODRIGUEZ: All right. We're going to take
22 a three-minute break -- oh, I'm kidding -- 10-minute
23 break. We'll be back at -- let's just be back at 11:00
24 a.m.

25 (Whereupon, there was a short recess.)

1 MR. RODRIGUEZ: We will now move on to Agenda
2 Item No. 14, consideration and possible approval of
3 certain MAG grant payments to grantees. This is an action
4 item.

5 Director Pence and Member Gonzalez will present
6 this agenda item.

7 MR. PENCE: Which item?

8 MR. RODRIGUEZ: Okay. And Dan Price.

9 MR. PRICE: For the record, this is Dan Price.
10 I'm MVCPA Auditor.

11 I had hoped to be able to give a little
12 introduction at the beginning of the previous agenda item.

13 First, I want to make it very clear that neither the
14 State of Texas nor the MVCPA nor any member of staff are
15 endorsing Flock over any other LPR agency. The reason
16 that they were invited here today is that a significant
17 number of MAG grantees selected Flock as their vendor of
18 choice for LPR solutions.

19 When the Board approved the MAG grant, they
20 specifically approved the purchase or lease of LPR
21 equipment. During the review for payment and processing
22 of the MAG grants, we encountered a number of
23 inconsistencies in the invoicing from Flock that led to
24 further review on the business model that Flock provides,
25 as well as to specific issues with their invoicing.

1 We were given permission to speak with Flock,
2 as they indicated. We talked to Flock's management team.

3 We reviewed the invoice issues and what the State and
4 federal regulations were for invoicing, to be able to
5 properly make payments under these regulations.

6 Once we got into it, we found out that this
7 would be providing as a service, and there have been a
8 number of accounting issues in the past 15 years over the
9 difference between service items and leases and how they
10 are accounted for, how they are approved, what the
11 business models mean.

12 And so at that point, we looped in our legal
13 counsel. And our legal counsel indicated, yes,
14 technically speaking, this did not meet the standards for
15 what the Flock grants were issued for.

16 So we are asking -- we are trying to come back
17 to the Board today and provide them with an understanding
18 of Flock's business model. The staff that I have spoken
19 to, as well as myself, feel that everybody acted in good
20 faith, that the State got value for its money from these
21 agencies and from Flock.

22 And we are asking for the approval to correct
23 something that probably was not known at the time, and to
24 allow the MAG grants to recognize the fact that the
25 service business model would, if it had been known

1 previously, been allowed by the Board for MAG grants, so
2 that we can validate the MAG grants and continue the
3 payment process for the MAG grants.

4 MR. RODRIGUEZ: So just to understand
5 correctly, the Flock system business model is not allowed
6 for [inaudible]? Is that what I'm getting?

7 MR. GONZALEZ: Mr. Chairman, if I may? If I
8 may kind of -- I got the rundown of this yesterday, and so
9 I think I can probably provide context.

10 There's three categories of reimbursements with
11 grants: purchases, leases, and then services. When we
12 set up this grant, we only set it up for purchases and
13 leases. Come to find out, this is a service that's not
14 included as one of the things that we set up for, and so
15 in order to get everybody paid, we've got to say, okay.

16 Does that about sum it up, Mr. Price?

17 MR. PRICE: Very well.

18 MR. GONZALEZ: And I should say, it is the
19 recommendation of the GBR Committee that we indeed
20 authorize services. This is no different -- I mean, we
21 keep going back to the cell phone.

22 All these -- a bunch of these task force
23 officers have cell phones with Verizon, AT&T, whatever.
24 You know, we paid for that service.

25 The spirit of the Board with the grant was to

1 get license plate readers. We don't care if it is through
2 Vigilant or through Flock or whatever. We care about the
3 end result. And I don't think anyone on this Board --
4 whether it's a service, purchase or a lease, as long as it
5 gets to that end goal. So, yeah.

6 MR. RODRIGUEZ: So we're changing it to service
7 agreement? That's pretty much what it is?

8 MR. PRICE: We're just adding service agreement
9 as being eligible for MAG reimbursement.

10 MR. RODRIGUEZ: So that would be lease,
11 purchase and service agreement, subscription as service?

12 MR. PRICE: Yes, sir.

13 MR. RODRIGUEZ: Right?

14 MR. PRICE: Yes, sir.

15 MR. RODRIGUEZ: Okay. Members, are there any
16 questions for Director Pence, Mr. Price, Member Gonzalez?

17 (No response.)

18 MR. RODRIGUEZ: Any further discussion
19 regarding this item?

20 (No response.)

21 MR. RODRIGUEZ: Yessenia, do we have any public
22 comments?

23 MS. BENAVIDES: No, sir.

24 MR. RODRIGUEZ: Members, are there any motions
25 on Agenda Item No. 14?

1 MS. JONES: Sharon Jones, for the record. I
2 move that the Board approve certain MAG grant payments to
3 grantees, as presented by MVCPA staff.

4 MR. RODRIGUEZ: Is there a second?

5 MR. GONZALEZ: Member Gonzalez. I second.

6 MR. RODRIGUEZ: Is there any further
7 discussion?

8 (No response.)

9 MR. RODRIGUEZ: Hearing none, I will now call
10 for the vote. All those in favor of the motion, say aye.

11 (A chorus of ayes.)

12 MR. RODRIGUEZ: All those opposed, say nay.

13 (No response.)

14 MR. RODRIGUEZ: Let the record reflect that I,
15 Mike Rodriguez, vote aye. The motion passes.

16 We will now move on to Agenda Item No. 15, SB
17 224 plan of operation. Director Pence, Dan Price, Glenna
18 Bowman, and Member Gonzales will now present Agenda Item
19 No. 15.A., budget allocation.

20 MR. PRICE: I'm going to ask Glenna to join me
21 up here at the speakers' table.

22 So for SB 224, as Glenna had previously
23 indicated, this is a separate activity under the State
24 funding requirements, and as such, we have split the
25 discussion of SB 224 funding into a separate agenda item

1 so that there's no confusion over whether this is for what
2 is being called the base or SB 224.

3 There was an initial amount developed which is
4 on page 43 of your Board book. That was kind of a quick-
5 and-dirty, back-of-an-envelope estimate. Glenna's team
6 has reviewed that, and she's going to talk about that in a
7 second, and feels that -- you know, that it requires
8 further review to be able to get -- to rationalize a
9 proper amount for that, I believe.

10 But I'm going to turn it over to Glenna at this
11 point and let her take it from here.

12 MS. BOWMAN: For the record, Glenna Bowman,
13 TxDMV. I think this can be a really quick item, because I
14 think, at this point, based on the discussion from the
15 Board, we would like your approval to just go back and
16 look at the budget and make a recommendation to the Board
17 as far as how many meetings need to be held for SB 224.

18 I believe they're going to be around the state
19 where those need to be, and then come back with a
20 recommendation for what the travel budget ought to be. We
21 actually need to look at the entire budget for SB 224
22 anyway. So it could be a part of that, rather than
23 setting a somewhat arbitrary amount at this point.

24 MR. RODRIGUEZ: I agree on that. I think we
25 should come back with a recommendation for actual numbers.

1 MS. BOWMAN: Yes, sir.

2 MR. RODRIGUEZ: And come back.

3 MS. BOWMAN: Thank you. That's all I have on
4 that item.

5 Do you want me to go ahead and move to A(2)?
6 There's another item, 15.A(2), which does actually have a
7 dollar amount and require your approval.

8 I believe Earl was talking earlier -- and
9 Dan -- about the grant tracking system that we use through
10 Texas A&M University and the fact that, for right now, we
11 need to go ahead and update that system so that it will
12 handle, at least on a preliminary basis, the SB 224
13 activity. In order to do that, we are estimating we need
14 to spend about \$30,000.

15 So we'd like to Board's approval to move
16 forward with that, for the software development.

17 MR. RODRIGUEZ: \$30,000 is based on --

18 MS. BOWMAN: It's an estimate --

19 MR. RODRIGUEZ: -- the software or --

20 MR. PRICE: It's based on preliminary
21 conversations with Texas A&M over what a general scope of
22 work would be, to give us some stopgap data collection and
23 expense processing functionality within our current
24 system, to allow us to implement SB 224 in a very quick
25 and concise manner, while we're developing the permanent

1 system.

2 So this is to take care of us for immediate
3 needs. That is a not-to-exceed amount. We hope it will
4 be less than that, but we're still working on defining the
5 exact scope that Texas A&M thinks they can achieve and our
6 requirements for the stopgap system.

7 MS. BOWMAN: So did we get this original
8 estimate from A&M?

9 MR. PRICE: (No audible response.)

10 MS. BOWMAN: Okay. So it was the person who
11 has worked at A&M that gave us a general estimate.

12 MR. RODRIGUEZ: Will he be doing the
13 development or adding to the program?

14 MR. PRICE: So we hope so. His health is
15 failing. In the last week, he has not been able to work
16 for several days.

17 His health continues to deteriorate. He has
18 indicated that he has a strong desire to support us. He
19 feels he's very much a part of our program since he
20 developed this system at the beginning, and he wants to do
21 everything he can to support us.

22 He is concerned about his health, and he has
23 expressed some concerns about that. He is also concerned
24 just about what the scope of work would be and what we
25 need now, versus what we're going hold off on, on the

1 permanent system.

2 Our Board preparation prevented us from having
3 further discussions with him in the last couple of days.
4 So we're hoping to get with him next week, and for him to
5 get with A&M to give us a more formal quote, as well as to
6 see if we can agree on a scope of work that would be
7 suitable for what our needs are.

8 MR. RODRIGUEZ: Is there any other grant
9 management system that we can look at temporarily?

10 MR. PRICE: There are. It's a little bit of
11 the devil and the deep blue sea. So the previous grant
12 management system to the one we are currently using was
13 written by me.

14 I could do that again. It requires a large
15 amount of manual work. It is not web-based.

16 It is not available to the grantees remotely.
17 They would have to mail in paper documents for us to be
18 able to process, which is a very difficult and burdensome
19 system. So we would like to not have to go that route.

20 If we can get what we need again on a temporary
21 measure from A&M, people are used to using that system
22 now. They know how to use that system now, and it would
23 be far more functionality-wise, and a far easier stretch
24 for the program's success to be able to try and keep that
25 limping along for a few months or a year until the new

1 systems are ready.

2 MR. RODRIGUEZ: Okay. So just my concern is
3 that what if he's not able to complete the project?

4 MR. PRICE: So again, I mean, Texas A&M is a
5 sister agency. They are a division of the State of Texas.
6 We do have a contract with them to provide support.

7 Again, they have found their capacity to
8 provide support to be limited. You know, there have been
9 discussions internally over, you know, do we just say,
10 look, you signed up for it? You signed a contract. You
11 need to find a way to accomplish it.

12 They in fact have been working on trying to
13 find alternative solutions to improve their service
14 levels, who -- our expectations, and they're not being
15 super successful, but you know, technically, we have a
16 contract and we can -- we could move forward and say, we
17 expect you to deliver on your contract and see if it's
18 possible. And again, if he is gone, I don't have a high
19 degree of confidence that they will be able to deliver a
20 quality product.

21 MR. GONZALEZ: Mr. Chairman, if I may? I
22 believe Deputy Executive Director Roland Luna could
23 provide some pretty valuable insight, if you'd be willing
24 to consider bringing him up to speak on the item?

25 MR. RODRIGUEZ: Yes, absolutely.

1 MR. LUNA: Chief Rodriguez, Board members,
2 Roland Luna, Deputy Executive Director, TxDMV.

3 There are two considerations for the Board.
4 The first is an interim solution for SB 224 tracking and
5 associated activities. We have an existing system with
6 the grant management system that has been in circulation
7 for a number of years now, that is nearing end of life.

8 So we are in the planning stages. And former
9 director Joe Canady and I met with our IT Division to talk
10 about exploring the replacement of the grant management
11 system into a more contemporary platform that is
12 cloud-based and internet-based. So those conversations
13 have already been initiated.

14 But for 244 in particular, we have to have some
15 increased functionality to track the associated
16 activities. So in the conversations that MVCPA has had
17 with Texas A&M thus far is to improve those enhancements
18 as an interim solution that carries through the end of the
19 fiscal year, with the goal being in mind for actual full
20 replacement of the grant management system at the
21 beginning of FY '25.

22 So the \$30,000 that is being requested by staff
23 is for the enhancement to the existing system. The
24 research that is underway right now by IT and will include
25 a new director is to look at purchasing a grant management

1 system off the shelf, and then tailor that system so that
2 the look and feel and the functionality fits the needs of
3 the task forces, the MVCPA staff, and the Board.

4 We have also spoken to -- Interim Director
5 Pence and I met with the task forces yesterday about
6 including them in the evaluation of grant management
7 systems, to make sure that we procure and obtain a system
8 that is going to fit the needs of the program.

9 MR. GONZALEZ: Long story short, Director
10 Luna's been on this. He's been taking care of this for
11 us, and they just need a band-aid or something that
12 carries over until they can get a turnkey solution.

13 MR. RODRIGUEZ: Okay. Members, are there any
14 other questions?

15 (No response.)

16 MR. LUNA: Thank you.

17 MR. RODRIGUEZ: Yeah. So members, are there
18 any motions on Agenda Item 15.A., SB 224 budget
19 allocation?

20 MS. JONES: Sharon Jones, for the record. I
21 move that the Board approve an amount not to exceed 30,000
22 for the development of software for the purposes of
23 tracking Senate Bill 224 funding made to partner State
24 agencies as law enforcement grantees.

25 MR. RODRIGUEZ: Is there a second?

1 MR. GONZALEZ: Member Gonzalez. I second.

2 MR. RODRIGUEZ: Is there any further
3 discussion?

4 (No response.)

5 MR. RODRIGUEZ: Hearing none, I will now call
6 for the vote. All those in favor of the motion, say aye.

7 (A chorus of ayes.)

8 MR. RODRIGUEZ: All those opposed, say nay.

9 (No response.)

10 MR. RODRIGUEZ: Let the record reflect that I,
11 Mike Rodriguez, vote aye. The motion passes. Thank you,
12 members.

13 We will now to Agenda Item No. 15.B., partner
14 state agencies' resource needs. This is briefing only.

15 Members, Director Pence, Dan Price, and Member
16 Gonzalez will present on this agenda item.

17 MR. PENCE: Thank you, Mr. Chair. Earl Pence,
18 Interim Director for the record, Motor Vehicle Crime
19 Prevention Authority.

20 We had a workshop in Dallas November 20 with
21 seven of the biggest grant task forces in the state that
22 we had, to identify needs for the upcoming SB 224 bills.
23 We had also partner agencies present. The partner
24 agencies, briefly, off the tip of the cuff, I guess,
25 suggested that the need for increased full-time employees

1 was going to be pretty relevant.

2 A partner with the Texas Department of Public
3 Safety had initially asked for -- I believe it was two
4 full-time employees, four FTEs, full-time employees, in
5 addition, two analysts. As of last week, that has
6 increased to 14. Also, they're going to be non-
7 commissioned investigators.

8 Our other partner, Texas Department of Motor
9 Vehicles, have submitted an interest of five full-time
10 investigators. Those investigators will split the state
11 and do investigations on salvage yards that they currently
12 license as salvage yards.

13 Your salvage yards are normally associated with
14 the GDN of the used motor vehicle dealership. Used motor
15 vehicle dealerships, by nature, will take any wrecked
16 vehicle, repair, file what's called a BTR-61, a salvage
17 repair, and put that car back on the road after an
18 inspection.

19 The other partner, Texas Department of
20 Licensing and Regulatory Services, initially have not
21 requested any additional FTEs. What we're finding out,
22 this is changing as this proceeds. I believe it's going
23 to increase through our partner agencies, as well as the
24 MVCPA was granted four full-time employees through SB 224,
25 and we are currently actively trying to fill those

1 positions.

2 It's a briefing item and we're working on it
3 daily. The plan of operations has changed so much in the
4 last three months, I've lost the original concrete bill.
5 So -- but that is the briefing for the Board, that we are
6 currently trying to get this thing lined up.

7 MS. BROTHERTON: Okay. So did we hear
8 correctly that the Texas Department of Public Safety
9 wanted to move from two full-time employees to 14 full-
10 time employees?

11 MR. PENCE: Yes, ma'am. We were -- we got
12 this, I believe, two days ago -- three days ago from --

13 MS. BROTHERTON: Do we know what those other 12
14 people are going to do? I mean, what the increased duties
15 were that they -- that's a miscalculation, a pretty
16 large --

17 MR. PENCE: Texas Department of Public Safety,
18 actually they monitor catalytic convertor, the precious
19 metals. I believe, pretty much for the most part, they
20 are our criminal side more than administrative, and with
21 the increase of what we're expecting to be a mad rush
22 after the first of the year, they're preparing for
23 probably a pretty explosive, massive amount of theft.

24 Right now, the prices are down on the precious
25 metals. That goes with the economy. If the economy dips,

1 the precious metals go up.

2 They go up; your increased thefts go up. They
3 also -- catalytic convertor ties into auto theft. As we
4 met with commanders yesterday, we're finding out that it's
5 starting to -- you can see the increase. It's starting
6 again.

7 It took about a three-month lull, and it's
8 fixing to start again. So in preparation for what we know
9 is coming, after the first of the year, they've increased
10 the FTEs to 14.

11 MR. RODRIGUEZ: This is just a -- we'll
12 discuss. This is not an ask yet. Correct?

13 MR. PENCE: Sure. There's --

14 MR. RODRIGUEZ: Can I ask Deputy Director
15 Roland Luna to -- I know that you were engaged in this
16 conversation -- or in this workshop.

17 MS. JONES: Also, Mr. Chairman, Texas DPS
18 Captain Berry is here. He can speak for the changes.

19 MR. RODRIGUEZ: Okay.

20 MR. PENCE: Yeah.

21 MR. RODRIGUEZ: So correct me if I'm wrong.
22 This is just what was discussed. It's not an ask yet.
23 Correct?

24 MR. LUNA: Yes, sir. Roland Luna, Deputy
25 Executive Director, TxDMV.

1 During the workshop, we wanted to outline the
2 skeleton of SB 224. We asked our General Counsel for
3 MVCPA, Dave Richards, to provide an overview of what the
4 requirements were.

5 We also heard from various stakeholder groups,
6 law enforcement agencies, partner agencies, task force
7 commanders, as well as some of the regulated community, to
8 provide feedback on SB 224. The document that has been
9 passed out, before you today, includes additional
10 revisions to the plan of operation that is still in draft
11 form.

12 There are components of SB 224 that action can
13 be taken on today to initiate our progress -- to initiate
14 our implementation of the bill. Other components will
15 require a vote at a later date, perhaps the January Board
16 meeting, for final approval from the Board.

17 As it relates to stakeholder needs, we looked
18 at it in two different parts. One was our partner
19 agencies, TDLR, DMV, and the Department of Public Safety.

20 The initial needs that were presented was really an
21 estimation of what they needed to implement SB 224.

22 As part of our grant evaluation process, we
23 want to make sure that we're providing the resources that
24 are needed to those agencies, and we envision presenting
25 that to you at the next Board meeting. But what we're

1 asking for today is for approval of the mechanism, the
2 funding mechanism, so that we could get that initiated, so
3 that we could get that ball rolling. So that when you
4 finally take action the needs for the partner agencies,
5 that won't be delayed in any way.

6 As it relates to the task forces, we do need to
7 use our existing grant management and application process,
8 and we need to refine it so that it fits the needs of SB
9 224. One of the considerations that you just heard
10 earlier is that we do need to have the enhancement to our
11 existing grant management system.

12 So we will do those in conjunction so that when
13 we come back to the next Board meeting you can take action
14 on both of those items as well.

15 Mr. Chairman, there is another item on here
16 that I think is worth mentioning that was not discussed in
17 great detail during the November meeting, as it relates to
18 meeting frequency with our stakeholder groups, whether
19 that be our partner agencies, our grantee task forces, or
20 consideration from this Board for the Advisory Committee
21 meetings.

22 The Advisory Committee meetings -- there's some
23 detail in your packet right now that speaks to that, but
24 Director Pence and MVCPA staff and I are prepared to
25 answer any questions that you have about meeting

1 frequency, as it relates to stakeholder groups.

2 MR. PENCE: Agenda 15.E.

3 MR. RODRIGUEZ: My recommendation would be to
4 meet -- the meeting for six -- for the first six months,
5 one or two meetings per month, and kind of mirror the
6 commanders' meeting, having them there at the same time,
7 but having somebody from the GBR to be there, to be able
8 to have more of a liaison to the task force. That would
9 be my recommendation.

10 And then as we continue assessing the need to
11 continue meeting in that frequency, we'll change it up.
12 It doesn't have to be in stone. Now, do we have to come
13 back to change that, to -- as an action item, to change
14 the frequency of the meetings?

15 MR. RICHARDS: David Richard, General Counsel,
16 for the record.

17 Mr. Chairman, only if we're going to increase
18 the number. If we're going to decrease, I don't see that
19 that's an issue.

20 MR. RODRIGUEZ: I would approach it that way,
21 where we meet once a month and then reassess. And we
22 leave it for the Director to continue assessing how much
23 do we really need to meet, or if it's on an as-needed
24 basis.

25 But at the very -- at least for the first six

1 months, meet every month to continue the conversation as
2 to how we're going to be launching this initiative.

3 MR. LUNA: Yes, sir. And in line with the bill
4 and its January 1, 2025, implementation date, we envision
5 that the Advisory Committee is -- if the Board so
6 approves, we would initiate those Advisory Committee
7 meetings in January.

8 We would initiate the grantee task force
9 meetings in January, as well. And while we have had some
10 initial meetings with our partner agencies, those
11 bi-weekly meetings with partner agencies would continue,
12 so that at the January Board meeting, a solidified
13 presentation on additional resources and needs from those
14 partner agencies can be presented to the Board for
15 consideration and approval so that the interagency
16 contracts can be completed, so those monies and those
17 funds can be distributed to those agencies.

18 MR. RODRIGUEZ: Sounds good.

19 GBR Chairman Gonzales, anything you might want
20 to add to this?

21 MR. GONZALEZ: No, Mr. Chair.

22 MR. RODRIGUEZ: Members from the Board?

23 MS. JONES: No questions from me for Director
24 Luna, but I would like for Captain Berry to come up.

25 MR. RODRIGUEZ: So that's where I was going. I

1 know that there was a question from Member Brotherton
2 as -- for the DPS change. I'll ask -- is it Major?

3 CAPT BERRY: Captain.

4 MR. PENCE: Captain Berry.

5 MR. RODRIGUEZ: And you can step up, Captain,
6 and kind of explain the approach this?

7 CAPT BERRY: For the record, my name is Captain
8 Mark Berry with Texas Department of Public Safety. I'm in
9 the Criminal Investigations Division, but assigned to the
10 Regulatory Services.

11 Initially, the request was for two case support
12 specialists and four commissioned personnel to go out and
13 monitor illegal activity and make arrests. After
14 discussing with -- that was with my immediate supervisor.

15 We were discussing it with the chief of the RSD,
16 Regulatory Services, Division, Wayne Mueller, and the
17 Assistant Chief, Jason Hester, who is not around a whole
18 lot, because he's asked to be interim director for the
19 Infrastructure Operations Division.

20 After discussing it with them, they decided
21 that it would be more beneficial to hire program
22 investigators, which are non-civilians [sic], to help
23 monitor the metals recycling entities and the business
24 transactions. They would also be monitoring some
25 business-to-individual transactions as well, but that

1 would be the shift in the change in personnel.

2 MR. RODRIGUEZ: I think these are non-
3 commissioned. Correct? These are civilian --

4 CAPT BERRY: Yes, sir.

5 MR. RODRIGUEZ: I think that would be a good
6 start to addressing the issues at the salvage yards. And
7 you all -- I know that Member Jones yesterday emailed the
8 list of all the ones that are registered with the State --

9 CAPT BERRY: Yes, sir.

10 MR. RODRIGUEZ: -- and there's a lot of them.
11 Some in Laredo that I did not know they existed. So
12 definitely something that we need to be looking at.

13 But again, I think it is a very good
14 initiative, and it's a good proposal from DPS to start
15 this program. So thank you for the information.

16 Anybody else have any questions?

17 (No response.)

18 MR. RODRIGUEZ: Thank you, Captain.

19 CAPT BERRY: Thank you.

20 MR. RODRIGUEZ: Well, we covered all the way to
21 15.C.

22 So the meeting frequency, that's an action
23 item. I'm still trying to figure out, would it be best to
24 leave it to the Director and the Deputy Department of
25 Information Resources for Texas DMV to just -- and you

1 know, for themselves to recommend, as we move forward with
2 this, the frequencies, instead of setting the actual
3 dates?

4 MR. GONZALEZ: I second that motion.

5 MR. RODRIGUEZ: Let's just do that. So can you
6 do -- can we do a motion for that?

7 MR. RICHARDS: Just the motion for that.

8 MR. RODRIGUEZ: Okay.

9 MR. GONZALEZ: Okay. I can make it. Mr.
10 Chair, do you want to call for the motion, or did you?

11 MR. RODRIGUEZ: Yeah. Call for motion on 15.C.

12 MR. GONZALEZ: Okay. I further move -- what?

13 MS. JONES: See why I passed it?

14 MR. GONZALEZ: I was in a groove. Okay.

15 (General laughter.)

16 MR. GONZALEZ: Mr. Chairman, I move that the
17 Director of the MVCPA and the Deputy Executive Director of
18 Texas DMV be granted the authority to set the frequency of
19 the meetings, using their best judgment. Sound good?

20 MR. RODRIGUEZ: Okay. I have a motion from
21 Member Gonzalez, and I want to --

22 MR. GONZALEZ: I further move that the Board
23 adopt the plan of operation, as provided by staff, with
24 the understanding that MVCPA will continue to work with
25 its partner State agencies, law enforcement task forces,

1 and stakeholders to further implement the plan of
2 operation.

3 MR. RODRIGUEZ: Okay. I have a motion from
4 Member Gonzalez. And before we move to a second, are
5 there any public comments on this, Yessenia?

6 MS. BENAVIDES: No, sir.

7 MR. RODRIGUEZ: Okay. Do I have a second?

8 MS. JONES: Second.

9 MR. RODRIGUEZ: Is there any further
10 discussion?

11 (No response.)

12 MR. RODRIGUEZ: Hearing none, I will now call
13 for the vote. All those in favor of the motion, please
14 say aye.

15 (A chorus of ayes.)

16 MR. RODRIGUEZ: All those opposed, nay.

17 (No response.)

18 MR. RODRIGUEZ: Let the record reflect that I,
19 Mike Rodriguez, vote aye. The motion passes, as amended.

20

21 Members, we'll now take up Agenda Item No. 16.

22 This is briefing only. FY 2024 MVCPA Conference Update.

23

24 We will now hear from Yessenia Benavides, who
25 will provide us with an update with the 2024 MVCPA

1 Conference.

2 MS. BENAVIDES: Chairman, members, thank you
3 and good morning. For the record, Yessenia Benavides. I
4 have the pleasure of serving as Program Coordinator for
5 MVCPA.

6 Chairman, members, the briefing document for
7 Item 16 can be found on page 51 of your Board books. I,
8 along with the chair of the FY '24 Conference committee,
9 Major Jones, Harris County Task Force Commander John
10 Gonzalez, and Houston Task Force Commander Tolan Harding,
11 and MVCPA staff attended a remote Teams meeting on
12 October 19 of this year to begin finalizing some items for
13 the FY '24 conference.

14 In our last Board meeting, the City of Houston
15 was announced as the location of the conference for next
16 year, and we're happy to update the Board that we've since
17 selected this hotel, The Houston Post Oak by the Galleria,
18 as the location of the conference.

19 A purchase order has been issued and we have
20 officially secured some meeting areas for our conference.

21 A room block has been created and it will be shared in
22 the days to follow. If you'd like to mark your calendars,
23 the dates of the conference will be July 15 through 19,
24 with registration starting the afternoon of July 14.

25 To assist with the heavy workload that a

1 conference requires, several conference subcommittees have
2 been created, and each subcommittee will have different
3 roles and responsibilities, such as awards and
4 recognition, sponsorship, vendors, photography and
5 chaplain, registration and guest services, logistics,
6 ambience and entertainment, program, public relations and
7 guest speakers, catering, security, safety and volunteer
8 coordination. And many of our Board members have
9 graciously volunteered to assist with a lot of these
10 subcommittees.

11 In the coming weeks, the conference committee
12 will be working hard to finalize a schedule for the
13 conference, and we are looking for input still from our
14 task forces with the kinds of trainings that they like to
15 see. Our goal is to have trainings that are beneficial to
16 patrol officers, new auto theft investigators, as well as
17 our seasoned auto theft investigators.

18 And lastly, along with the assistance of Roland
19 Luna, the Deputy Director of TxDMV, we are exploring what
20 options we may have for MVCPA to get their own designated
21 conference website. Our vision of what we would like to
22 have the website contain is a centralized location where
23 attendees could easily go and register, a location where
24 an updated schedule of the classes can be posted, and a
25 location where sponsors or exhibitors for the conference

1 can obtain information, et cetera.

2 A draft of the conference flyer has been
3 created. It's in your Board book. And we hope to share
4 the finalized version in the days to follow.

5 And I would be remiss if I didn't say how
6 thankful we are for the hard work that has been going on
7 behind the scenes by the task force commanders from
8 Houston and Harris County, as well as Major Jones, the
9 conference committee chair.

10 And that concludes my update. Are there any
11 questions?

12 (No response.)

13 MR. RODRIGUEZ: We're looking forward to it.
14 Yes.

15 MS. BENAVIDES: Thank you.

16 MR. RODRIGUEZ: Outstanding, outstanding.

17 MS. BROTHERTON: Member Brotherton. Under
18 these sponsorships, how many per area are you looking for?

19 It just lists the bonds for whatever. So are we looking
20 for one per category, or multiple per category?

21 MS. BENAVIDES: I don't think that we've
22 currently set a limit as to how many we'll be accepting.
23 We're quite open. Like, our previous conference, not
24 everybody was willing to donate a certain amount.

25 So we're definitely open to whatever our

1 sponsors would like to provide. And in the coming days,
2 we will be looking to further give more guidance of what
3 each level will give for the sponsors.

4 MR. RODRIGUEZ: And we definitely need to light
5 some -- we need to get some guidance on that, what policy
6 exists.

7 MS. BENAVIDES: Correct.

8 MR. RODRIGUEZ: So for those sponsors to come
9 forward, and you know, what is it that they're getting,
10 what is it that we're getting, and how do we report
11 that --

12 MS. BENAVIDES: Correct.

13 MR. RODRIGUEZ: -- because we are going to have
14 to report that to an authority. I don't think we just
15 receive the money and spend it. Am I correct on that?

16 MS. BENAVIDES: Correct.

17 MR. RODRIGUEZ: Okay.

18 MS. BENAVIDES: And as she stated, just to make
19 sure we don't have any conflicts of interest, for the
20 record. Like I said, part of the reason why I stated it
21 was a draft is because we're still drafting it. We're
22 still going to have to get it reviewed through legal
23 counsel before we make it public and share it to our task
24 forces.

25 MR. RODRIGUEZ: And definitely, what kind of

1 entities can --

2 MS. BENAVIDES: Correct.

3 MR. RODRIGUEZ: -- sponsor this type of event,
4 and then we need to run a background on those entities.

5 I think that should be the way we should
6 approach this, as to who is it that's donating this -- or
7 not donating -- I'm sorry -- sponsoring, and then report
8 that to the State as to who is the entity that gave those
9 \$7,000, \$8,000. I think that we have those clear
10 guidelines.

11 MS. BENAVIDES: Yes.

12 MR. RODRIGUEZ: I do not know, so we would need
13 that --

14 MS. BENAVIDES: Correct.

15 MR. RODRIGUEZ: -- guidance from Legal, DMV,
16 and everybody else involved.

17 MS. BENAVIDES: Yes. Correct.

18 MS. JONES: And to further answer your
19 question, if we get two platinum sponsors or three, we
20 will accept them, and they will share the space and the
21 highlights and all the lights, accordingly.

22 MR. RODRIGUEZ: And along the lines of that, I
23 would like to set the date for the next meeting, which
24 would be January 31. It will be taking place in Austin.

25 MS. BENAVIDES: Correct.

1 MR. RODRIGUEZ: Then March 27-28, we'll be back
2 here in Houston --

3 MS. BENAVIDES: Correct.

4 MR. RODRIGUEZ: -- for this meeting on the
5 31st. It will be a general meeting, no GBR. Am I correct
6 on this?

7 MS. BENAVIDES: Correct. We have discussed the
8 date of January 31 to be an MVCPA Board meeting only, with
9 the future dates of March 27 for the GBR Committee
10 meeting, and March 28 for the MVCPA Board meeting.

11 And again, for the March meetings, we are
12 hoping to begin discussions with the Hilton Houston Post
13 Oak to have the meeting be here.

14 MR. RODRIGUEZ: And the other thing that I
15 would want to bring up at this point is we need to have
16 the Public Education Committee meetings at the same time
17 as the GBR, which is -- that committee is made up already.

18 We need to add another member. I will get another member
19 to see how they feel about joining that committee.

20 I think it's a committee that is much needed
21 for MVCPA. So I know, at this point, we have Member
22 Whitehill and Member Brotherton in that committee. I
23 think it was Member Dean that was also in that committee.

24
25 I do not remember, but I can -- we need to add

1 another member. And then there was an Insurance
2 Committee --

3 MS. BENAVIDES: Yes.

4 MR. RODRIGUEZ: -- that was also created. And
5 I think this is the committee that was created to address
6 the mechanisms that we're using for refunds and things
7 like that, as to the questions that I know Member
8 Brotherton asked, that it can be done in that committee
9 before it is brought up to this Board.

10 So just continue, first and foremost, GBR,
11 Public Education, and Insurance Committee. I know that
12 they were put there to address certain mechanisms within
13 our system. So see if we can get those addressed, and
14 maybe bring back in the -- on the 27th, bring back those
15 committees and let them meet and see where we're going to
16 go.

17 Because the catalytic convertor initiative and
18 the SB 224 -- we need to make sure that we include monies
19 for public education. We can do all the enforcement we
20 want, but if we don't have the support from the community,
21 we're not going to do much. So we definitely need to be
22 sure we address the funding for public education and
23 awareness.

24 So when we come back on the 27th, we definitely
25 need to have those conversations, just as a

1 recommendation.

2 MS. BENAVIDES: Right.

3 MR. RODRIGUEZ: Discussion?

4 (No response.)

5 MR. RODRIGUEZ: Okay. So any other questions
6 for Yessenia, Ms. Benavides?

7 (No response.)

8 MR. RODRIGUEZ: Okay. Moving on to Agenda Item
9 No. 17, closed session. Members, there are no items for
10 closed session.

11 And Agenda Item 18, there are no action items
12 for closed session on this one either.

13 We will now move on to Agenda Item No. 19,
14 public comment.

15 Yessenia, are there any public comments?

16 MS. BENAVIDES: No, sir.

17 MR. RODRIGUEZ: Thank you.

18 We will now take up Agenda Item 20,
19 adjournment. Members, unless there's any other further
20 business, I will entertain a motion to adjourn the
21 meeting.

22 MR. GONZALEZ: Member Gonzalez. I move that we
23 adjourn.

24 MR. RODRIGUEZ: Member Gonzalez makes a motion
25 to adjourn. Do I have a second?

1 MS. CANTU-SERRANO: I, Rebecca Cantu, second.

2 MR. RODRIGUEZ: Member Cantu-Serrano seconds.

3 The meeting is adjourned. Thank you.

4 (Whereupon, at 11:46 a.m., the meeting was
5 adjourned.)

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C E R T I F I C A T E

MEETING OF: MVCPA board
LOCATION: via Microsoft Teams
DATE: December 7, 2023

I do hereby certify that the foregoing pages, numbers 1 through 106, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Elizabeth Stoddard before the Texas Department of Motor Vehicles.

DATE: December 20, 2023

/s/ Adrienne Evans-Stark
(Transcriber)

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