EXHIBIT C

APPROVED SEPTEMBER 23, 2019

DRAFT MINUTES

SENATE & HOUSE INTERIM COMMITTEES ON CITY, COUNTY, AND LOCAL AFFAIRS

| V | Wednesday, August 21, 2019 | |
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The Senate and House Interim Committees on City, County, and Local Affairs met Wednesday, August 21, 2019, at 3:30 p.m., at the Hot Springs Convention Center, 134 Convention Boulevard, Hot Springs, Arkansas.

Committee members present: Senators Gary Stubblefield, Senate Chair. Representatives Lanny Fite, House Chair; Justin Boyd, Karilyn Brown, Cameron Cooper, Carol Dalby, Jana Della Rose, David Fielding, Monte Hodges, Mike Holcomb, Lee Johnson, Fredrick Love, Marcus Richmond, Johnny Rye and Nelda Speaks.

Other members present: Senators Linda Chesterfield, Lance Eads, Kim Hammer and Mark Johnson. Representatives Bruce Cozart, Cindy Crawford, Justin Gonzales, Douglas House, Jack Ladyman, Stephen Meeks, Ron McNair and Keith Slape.

The Meeting was called to order by Senator Stubblefield. Legislators in attendance made a brief introduction.

Consideration of Motion to Approve the June 12, 2019 Meeting Meetings [Exhibit C]

Representative Love made a motion to approve the minutes of June 12, 2019. The motion was seconded by Representative Della Rosa, and without objection, the motion carried.

Overview of Programs Offered by the Association of Arkansas Counties (AAC)

Mr. Chris Villines, Executive Director, AAC, was recognized. Mr. Villines introduced one of AAC's board members, Ms. Debbie Weise, who is also circuit clerk for Randolph County. Mr. Villines also mentioned that in addition to Governor Hutchinson, Mr. Sam Quinones, author of the book "Dreamland" will be a guest speaker for tomorrow's event. Mr. Villines also gave a brief overview of AAC, and noted the following:

- AAC serves as the official voice for 75 counties
- Represents 9 different member associations
- Has a risk management program that handles approximately 56 of the 75 counties' property insurance, auto coverage, and general liability
- Has approximately 27 yearly association meetings

Continued Discussion of Recent Floods and Levee Issues

Senator Stubblefield addressed the most recent flooding that affected four counties in the state. Due to the floods the Governor set up a task force to address the levee system and to revisit laws that were put in place for this issue.

Senator Rapert stated that there are areas with more risk of flooding right now than it was prior to the flooding which creates a false sense of uncertainty and insecurity, which is why the task force was created. Lastly, he mentioned the Channel 21 Program a Walter Cronkite program that toured the flood areas and archived some of those events in a four part series.

Senator Chesterfield asked about the meeting dates for the task force. Senator Stubblefield stated that he will have staff, send out meeting dates prior to any scheduled meetings and those meetings will be held in conjunction with the Toad Suck Task Force meetings.

U.S. Army Corps of Engineers, Little Rock District [Exhibit E2]

Mr. Chris Roark, Deputy Chief Operations, Executive Officer and Mr. Mike Biggs, Chief of Hydraulics and Technical Services, were recognized, and provided a brief description on the McClellan-Kerr Arkansas River Navigation System: [See Exhibit E2 for details]

- The system is shared with the State of Oklahoma
- Flows 445 miles through both states and into the Mississippi River
- There are 18 locks and dams along the system
- Most of the flooding occurs along the southern Kansas and eastern Oklahoma system
- Locks and dams along the Arkansas River are designed to maintained a 9ft navigation depth, and any excess water passes through
- The Arkansas River Keystone reservoir holds about 1.2 million acre-feet of storage and during the month of May it reached 8.3 million acre-feet of in-flow into the river.

The Arkansas statistic on Statewide Levees:

| • | Total number of levees | 98 |
|---|---------------------------------|------|
| • | Acceptable/Minimally Acceptable | 60 |
| • | Unacceptable | 38 |
| • | Total Miles | 1802 |

Arkansas River Levees:

| • | Total numbers of levees | 38 |
|---|---------------------------------|-----|
| • | Acceptable/Minimally Acceptable | 25 |
| • | Unacceptable | 13 |
| • | Total Miles | 363 |

Currently, there are (7) levees that will be eligible for federal assistance and repair. These are active levees that are in the inspection program and damages have to exceed \$15,000, and the

benefit cost ratio has to be greater than 1/1. The Corps of Engineers has accessed damages at \$7 to \$8 million for repairs to the levees. Also, there are levees that are not in the federal assistance program, and for those levees that are inactive, they will have to go through a process called "system-wide improvement framework". This allows the levee board to develop a plan to get those levees active again, and to support the needs of those levees.

Arkansas Department of Emergency Management (ADEM)

Mr. A.J. Gary, Director, ADEM, was recognized and stated that ADEM has played a vital role in the emergency recovery efforts on assisting with the levee flooding. The ADEM center was fully operational from May 25th through June 9th, which is the longest period since hurricane Katrina. The Governor approved funding for two new \$30,000 sandbag machines to assist in the efforts of controlling flooding in different areas. A federal emergency declaration request was sent to the President on May 29th and approved on May 30th to allow any additional federal resources. Governor Hutchinson requested a federal major disaster declaration on June 6th with an approval by the President on June 8th.

Mr. Gary also, provided an update on the individual assistance homeowner's program:

- They have provided thirteen (13) designated counties with assistance. These counties are Arkansas, Conway, Crawford, Faulkner, Desha, Jefferson, Lincoln, Logan, Prairie, Lonoke Sebastian, Pulaski and Yell
- A total of 1,842 homeowner's registered for assistance
- \$8,692,371 was approved for FEMA disaster assistance
- The National Flood Insurance Program reported 384 claims, 94 remain open and \$20,774,770 was the total amount paid out for building, contents and etc.
- The Small Business Administration Disaster Loan Program (SBA) reported as of August 15; 423 home loan applications in-process, 169 loans approved (\$12,626,700), business economy injuries (61) loans in-process, (6) loans approved (\$488,800) with a total estimate over \$13 million in (SBA) loans
- The Public Assistance Grant Program designated (12) counties with (62) approved applicants, total infrastructure damage estimates (\$15.36 million), the application period ended August 8th.

Mr. Gary mentioned two other significant events that occurred around the same time as the flooding; in which case on June 19th the Governor had to declare the following counties as national disaster areas: Bradley, Calhoun, Drew, Ouachita, and Madison, Newton, and Washington. A federal preliminary disaster assessment was performed for some of those counties which were completed on August 2nd. The final preliminary damage assessment was at \$7,314,795.00. The Governor declared another major disaster declaration on August 20th, and ADEM is waiting for a response to that request. On July 16th the Governor declared the following counties as disaster areas: Clark, Hempstead, Howard, Nevada and Pike counties as

disaster areas. The final preliminary disaster assessment was at \$3,531,409.00, and was short \$843,000.00 of meeting the 30 day federal threshold, which is September 12th. A second state FEMA assessment is being considered for those counties, and if those assessments have changed, then it's possible that the threshold have been met and the Governor may be declaring a 3rd declaration.

Update on Basic Wildland Fire Course

Mr. Joe Fox, State Forester, Arkansas Department of Agriculture, Forestry Division, was recognized. He discussed the Wildland Fire training course for volunteer firefighters. This training course has been in existence since 1979. In 2018, a total of 1845 firefighters were trained. Mr. Fox stated the course will eventually be updated to include more specific courses and in-depth training. Mr. Fox stated the training courses be held in proximity with some of the rural fire departments, and that the schedules for the training courses will be found on the websites at (www.agriculture.arkansas.gov).

<u>Discussion and Consideration for Adoption of Interim Study Proposals (ISPs)</u> [Exhibits F1 – F3]

Representative Fielding made a motion, and the motion was seconded by Representative Rye, to adopt the Interim Study Proposals listed below. Without objection, the motion carried.

- 1. **2019-122** by Representative Justin Boyd "Requesting the house committee on city, county, and local affairs study the population of inmates being housed in county jails, the cost of inmate's being held in county jails, the reimbursement rate available to county jails, the reasons behind overcrowding in county jails, and possible alternatives to address the overcrowding in county jails" [Exhibit F3]
- 2. **2019-129** by Senator Hammer "Requesting the Arkansas Legislative Council that the Senate Committee on City, County, and Local Affairs conduct an interim study to determine the best practices of fire departments in the state and in the nation that may be implemented in a local community to improve efficiency" [Exhibit F1]
- 3. **2019-131** by Representative Jana Della Rosa "An Act to create a study of public notice and participation in the environmental permitting process" [Exhibit F2]

Continued Discussion of ISP 2019-122 [Exhibits H3 – H5]

Ms. Lindsy Bailey, General Council, AAC, was recognized and provided a brief educational breakdown on the per diems reimbursements from the state to the counties for the jails. In 1981, the Department of Correction began reimbursing state inmates until adequate space became available at the Department of Correction and the same system is still being followed today. In 1985, the board of corrections began using rates for reimbursements up to a maximum rate of \$18 per day, which continued until 1991, when the prison rate increased to \$25 per day per

inmate for local government, and raised again in 2001 to \$28 per day per inmate. The rate includes the care, custody, treatment and transportation for state prisoners. Finally, fourteen years later, Governor Hutchinson approved an increase up to \$30 per day per inmate, effective fiscal year 2015. Ms. Bailey referenced Exhibit H4, the last three audited years (2015, 2016 and 2017) where 15 counties across the state were selected for audit. The audit provides a breakdown of the actual cost per day per inmate, and from the highest to lowest cost per day; it is actually costing double the approved amount to house inmates.

Mr. John Montgomery, Sheriff, Baxter County, was recognized, and provided a breakdown of what the cost is per day per inmate and other factors that can increase that cost such as a medical emergency and other things. Currently in Baxter County to house an inmate it costs \$47 per day, not including the additional 60 new beds that's being added to the jail, which will increase the cost significantly in the next year. Across the state, the current number of inmates, that's waiting to go to prison is 1,961, meanwhile the jail is holding these inmates and receiving a reimbursement per diem at \$30 per day and it's costing the jail \$48 to \$70 per day. The county does not receive their \$30 reimbursement until that paperwork is submitted and approved within 21 days.

Judge David Hudson, Sebastian County, was recognized and provided his thoughts on the State's prison and jail system and the overcrowding of inmates. He discussed the expansion of jails and prisons and the sales tax. Judge Hudson also discussed the Crisis Stabilization Units (CSU) which are intended to divert the mentally ill from being arrested and booked into jail for short term treatment. Governor Hutchinson led the funding with his leadership to establish four pilot units in the state of Arkansas with the legislature's appropriation of funds, and those units are located in four counties; Sebastian (opened: February 28, 2018), Pulaski (opened: August 20, 2018), Washington (opened: June 14, 2019) and Craighead (opens: fall of 2019).

Mr. Eddie Jones, County Consultant, AAC, was recognized and discussed Exhibit H5 and how state funding is used on a local level. He also, addressed Representative Della Rosa concerns about the funding for the CSU's in stating that the funding between the CSU's models is an inter-local agreement between both the state and the CSU's. (*Please see Exhibit H5 for further details*)

There being no further business, the meeting adjourned at 6:30 p.m.