

**ARKANSAS DEPARTMENT OF HEALTH AND HUMAN SERVICES
STATE INSTITUTIONAL SYSTEM BOARD**

Division of Behavioral Health Services
Administration Building
Little Rock, Arkansas

Thursday, January 11, 2007

Members Present: Bonnie Coates, Chairman
Micheal Burden, Vice Chairman
Trudi Ramsey
Steve Foti
Clara Ferron

DHHS Staff Present: Rich Rosen, Attorney, DHHS Office of Chief Counsel
Ray Scott, Deputy Director, Dept. of Health and Human Services
Gregory Rivet, Interim Director, Division of Youth Services
Karen Scott, Assistant Director, Division of Youth Services
John Althoff, Interim Director, Division of Behavioral Health Services
Glenn Sago, Assistant Director, Division of Behavioral Health Services
Liz Ganahl, Administrative Assistant to DYS Director
Scottie Leslie, Administrative Assistant to DBHS Interim Director

Guest: Matt Brown

Chairman Bonnie Coates called the meeting to order at 1:35 p.m.

APPROVAL OF MINUTES FROM OCTOBER 12, 2006 MEETING

Mr. Steve Foti made a motion that the minutes of October 12, 2006 meeting be approved as distributed. Mr. Micheal Burden seconded the motion. Motion passed.

DIVISION OF BEHAVIORAL HEALTH SERVICES REPORT

The Division of Behavioral Health Services' report had been previously distributed and is attached to the meeting minutes.

Dr. John Althoff, Interim Director of the Division of Behavioral Health Services presented the report for DBHS.

Dr. John Althoff stated the DBHS Administration has completed the move into the new administration building at 4800 West 7th Street.

Arkansas State Hospital

Dr. John Althoff asked Mr. Glenn Sago to provide an update on the new construction at the Arkansas State Hospital. Mr. Sago stated at the beginning of construction it was estimated that approximately 8,000 yards of bad dirt would need to be removed and 4,000 yards of good dirt would be brought in. As of this date, 28,000 yards of bad dirt has been removed and 20,000 yards of good dirt has been brought in at a cost of over \$100,000.

Mr. Sago reported the power plant, which we have a little over one-third ownership in, is 50% complete. This is an extremely large undertaking. Three cooling towers, the size of railroad cars, are to be installed. An energy loop will run completely around the campus that will carry hot and cooling water for all the buildings. This will replace the thirty-five boilers that are currently being used.

Mr. Sago noted a substation to power the power plant is needed. Mr. Sago reported Entergy says they can build the substation in twelve to fourteen months. It needs to be completed by August. Mr. Sago said Entergy has not started on it as yet but has assured us they can complete the substation by August 2007.

Mr. Sago reported on the new Arkansas State Hospital building. The patient units are being built first. The nurse's stations ceiling will be 30-feet high with glass. Natural light will be utilized as much as possible. The roof will be made of a silver metal. At the front of the hospital six large columns are in place. The columns will hold the canopy to the entrance of the hospital. The hospital is scheduled to be completed by December 2007. Mr. Sago offered to give the board members a tour of the facility at their convenience. Chairman Coates commented on her satisfaction of the use of a metal roof.

Attorney Rich Rosen noted some issues dealing with the land where the substation is to be built. Chairman Coates asked Mr. Rosen to present the issues to the board. Mr. Rosen stated Entergy wants to own the land. The SIS Board in October of 2005 passed a resolution authorizing this purchase. The SIS Board's motion stated 150 ft. x 150 ft. is to be transferred. Mr. Rosen stated he did not know the exact dimensions of the substation. Mr. Sago said it is not exactly square, but it is still the same total footage. The only change is they have requested an easement across the front of the property to allow Entergy to use large trucks to bring in equipment. Chairman Coates asked if this is a problem. Mr. Sago replied no. Mr. Rosen noted from the Office of Chief Counsel's point of view the SIS Board has already approved this issue. Mr. Rosen is recommending the SIS Board consider a resolution to authorize the SIS Board Chairman to sign the warranty deed. (A copy of the warranty deed is attached to the minutes.)

Mr. Micheal Burden made a motion to authorize the SIS Board Chairman to sign the warranty deed to Entergy for the substation. Mr. Steve Foti seconded the motion. Motion passed.

Arkansas Health Center

Dr. John Althoff reported that minor repairs, renovations and improvement to the Arkansas Health Center are in the DBHS report. He noted all issues are on track as indicated in the report.

Dr. John Althoff asked Mr. Rich Rosen to present an update on the lease of property to Birch Tree Communities to build a 15-unit apartment complex. Mr. Rich Rosen informed the board that negotiations are in progress. There are items in the lease prepared by Birch Tree's attorneys that Office of Chief Counsel is not in agreement with. Most of the issues relate to HUD and their requirements. OCC has concerns related to the language and the security interest that HUD would obtain into the property. The proposed agreement states HUD would acquire a title to the property in event of default. Birch Tree does not own the property so HUD could not receive a title. Mr. Rosen stated HUD could obtain a lease hold to the extent that the lessee has an interest. The SIS Board approved the concept of this lease in the meeting on October 12, 2006. Details are being defined; basically it involves Birch Tree Communities obtaining financing from HUD. Mr. Rosen stated issues should be finalized before the next meeting of the board in April.

Mr. Micheal Burden made a motion to allow Dr. John Althoff, Interim Director of the Division of Behavioral Health Services, to sign the lease for property located on the Arkansas Health Center campus to Birch Tree Communities to build a 15-unit apartment complex to house seriously mentally ill residents. Ms. Carla Ferron seconded the motion. Motion passed.

Arkansas Services Center – Jonesboro

Mr. Steve Foti requested Chairman Bonnie Coates' permission to address Mr. Rich Rosen. Mr. Foti noted in the October meeting the board authorized Mr. Hicks to take action to prevent ASU from cancelling the lease of property in Jonesboro. Mr. Foti asked Mr. Rosen to provide an update and also asked if there is any action the board should take to strengthen our position. Mr. Rosen answered that ASU filed a notice of cancellation of lease with the county clerk in the Jonesboro area. This is a notification to the public they are cancelling this lease. In response, OCC filed an objection saying we consider the lease still in effect. Any person or title company who is interested in buying or entering into any interest in that property will see it is under dispute at this time. As of this date, litigations have not been filed. Mr. Rosen stated there are two different property issues in Jonesboro. One is what happens in approximately a year with property that several Divisions will have an ownership interest. The property that is under the lease is not part of that. Mr. Rosen stated we don't want to lose any rights we have in this long term lease. He noted OCC has reviewed the situation and decided no further action is needed at this time.

Mr. Foti recommended having the next SIS Board meeting in Jonesboro to allow board members to view the property.

Mr. Micheal Burden made a motion to hold the next SIS Board meeting on April 12, 2007 in Jonesboro. Ms. Clara Ferron seconded the motion. Motion passed.

DIVISION OF YOUTH SERVICES REPORT

The Division of Youth Services' report had been previously distributed to the Board and is attached to the minutes.

Mr. Gregory Rivet, Interim Director of the Division of Youth Services presented the report for the Division of Youth Services. Mr. Rivet introduced Karen Scott, Chief Financial Officer for DYS.

Mr. Gregory Rivet distributed a document, Juvenile Operational and Facilities Master Plan, which gives a broad comprehensive overview of the facilities that DYS currently operates. Mr. Rivet presented a high level review of the report. This report was presented to the Legislature in December 2006. To develop this report a consultant team worked with steering and advisory committees composed of a broad group of stakeholders. Ms. Bonnie Coates and other board members questioned why a member of the SIS Board was not included on the planning committees. Ray Scott, DHHS Deputy Director, stated it was an oversight not to have a representative from the SIS Board directly involved in the planning process. Mr. Scott would like to address this oversight by having a representative from the Board involved from this point forward.

Mr. Micheal Burden made a motion for Ms. Trudi Ramsey and Ms. Clara Ferron to serve as SIS Board representatives on the DYS planning committees. Mr. Steve Foti seconded the motion. Motion passed.

Mr. Gregory Rivet stated as recommendations in the Master Plan begin to be adjusted and work groups are formulated Ms. Trudi Ramsey and Ms. Clara Ferron along with the rest of the SIS Board members will be notified of meetings to allow the board to be involved in the planning process.

NEW BUSINESS

Board Members Reimbursement for 2007

Mr. Micheal Burden made a motion in accordance with ACA 25-16-901-908 the Board authorizes the \$60 stipend payment per official meeting attended and expenses for meals, travel, lodging and other associated expenses, which are provided to state employees for the members of the DHHS State Institutional System Board throughout 2007 while on official business for the State. Ms. Clara Ferron seconded the motion. Motion passed.

OLD BUSINESS

Ray Winder Field

Mr. Steve Foti provided an update on Ray Winder Field. Mr. Foti is on a steering committee appointed by the City Board to look into the best use of the property. The committee is considering creating a city park. There are a number of businesses/entities in the area which include War Memorial Stadium, Recreation Center, Golf Course, Tennis Courts, Zoo and Ray Winder Field. Mr. Foti stated our concern is what would happen to property we own at Ray Winder in any kind of reconfiguration. On October 12, 2006, the board authorized the state to enter into a 50-year right of first refusal agreement with War Memorial Commission in order to protect the Ray Winder Field property. Mr. Foti noted we are trying to protect the value of the property so when a final decision is made any funds derived from this property will come back to Behavioral Health Services. DBHS does not want to end up giving the property away. Mr. Foti reported the process has become controversial in community meetings. Mr. Steve Foti will continue to keep the board informed as he serves on the City of Little Rock Steering Committee.

NEXT MEETING

The next meeting will be held April 12, 2007 at the Arkansas Services Center in Jonesboro, Arkansas.

Mr. Micheal Burden made a motion to adjourn the meeting. Mr. Steve Foti seconded the motion. Motion passed and the meeting was adjourned at 2:55 p.m.

Respectfully submitted,

Mark Tripp, Secretary