

STATE OF CALIFORNIA

DEPARTMENT OF CORRECTIONS AND REHABILITATION

PRISON INDUSTRY BOARD

PUBLIC MEETING

THURSDAY, JANUARY 28, 2016

CALIFORNIA PRISON INDUSTRY AUTHORITY

CONFERENCE CENTER

2125 19TH STREET

SACRAMENTO, CALIFORNIA

REPORTED BY:

ESTHER F. SCHWARTZ
CSR NO. 1564

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ATTENDEES

BOARD MEMBERS:

- SCOTT KERNAN, CHAIR
- ERIC ALEGRIA (TELEPHONICALLY)
- JIM BUTLER
- WILLIAM DAVIDSON
- DAWN DAVISON
- CURTIS KELLY
- RAY TRUJILLO

STAFF:

- CHARLES L. PATTILLO, EXECUTIVE OFFICER
- SCOTT WALKER
- RAYMOND MEEK
- GARY BUSH
- MICHELE KANE
- THY VUONG
- LISA ROEDIGER-HANCE

COUNSEL:

- JEFF SLY

PUBLIC MEMBERS:

(NO AUDIENCE PARTICIPATION)

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1 SACRAMENTO, CALIFORNIA

2 THURSDAY, JANUARY 28, 2016, 10:00 A.M.

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4 CHAIR KERNAN: Good morning, everybody.
5 Thank you for the nice reception. This has been a
6 week of firsts for me. This is the first meeting
7 that I have had to chair, so I undoubtedly will
8 screw it up. And I beg your indulgence, and help me
9 out.

10 I call the meeting to order. Can we take
11 attendance?

12 MS. VUONG: Chair Kernan.

13 CHAIR KERNAN: Here.

14 MS. VUONG: Vice Chair Singh.

15 Member Alegria.

16 MEMBER ALEGRIA: Here.

17 MS. VUONG: Member Butler.

18 MEMBER BUTLER: Here.

19 MS. VUONG: Member Davidson.

20 MEMBER DAVIDSON: Here.

21 MS. VUONG: Member Davison.

22 MEMBER DAVISON: Here.

23 MS. VUONG: Member Kelly.

24 MEMBER KELLY: Here.

25 MS. VUONG: Member Martin.

1 Member Saito.

2 Member Steeb.

3 Member Trujillo.

4 MEMBER TRUJILLO: Here.

5 MS. VUONG: Mr. Chair, we have a quorum of
6 seven members.

7 CHAIR KERNAN: Thank you.

8 The meeting is being held at a publicly
9 noticed location. I would like to start by just
10 saying a few words about my long-standing work with
11 the Department of Corrections. I retired in 2011,
12 and I had a wonderful golf game and was enjoying
13 life immensely. Before I left, I was Undersecretary
14 of Operations and worked a variety of jobs,
15 including warden and up through the ranks as a
16 correctional officer. I have always had a respect
17 for the work that Prison Industry does, both in the
18 way of rehabilitative programs and the work that
19 they do with prison to make it a safer place. They
20 have had many PIA programs in the prisons that I've
21 operated, and it's been just an encouraging program
22 that has done probably more for the Department in
23 the way of preparing inmates for entry in society
24 than many of our others.

25 I really, really thank you all for your work

1 in this area and I really look forward to working
2 with you in the future.

3 Having been the Secretary for all of two weeks
4 and two days, it seems to me it would be a very good
5 thing, if at all possible, to have some of these
6 events at some of our prison locations. It's been a
7 while for me. As I said, I was on a
8 three-and-a-half-year vacation, and I would like to
9 get out there and see some of the programs with you
10 all.

11 So they prepared a nice little script for me
12 that I'm just going to blow through, much to Chuck's
13 chagrin. General Manager's comments.

14 MR. PATTILLO: Actually start with the
15 Board comments, Mr. Chairman. Anybody have anything
16 right now that they want to bring up before we dive
17 into this?

18 Okay.

19 Mr. Chairman, thank you for coming. Thank
20 you, Board Members, for coming here.

21 At my entire time at PIA I've worked with
22 Secretary Kernan. He was at Mule Creek as captain
23 when I started, that actually wasn't that long ago.
24 The Chair himself mentioned about having PIB
25 meetings out in the field. That's something that

1 all of you have asked. We will get that taken care
2 of.

3 The current meeting, couple things. Approve
4 the Legislative Report. Normally, we would have
5 received the audit report at this meeting. As some
6 of you that are in state government know, there was
7 delay in the OPEB reporting with the State
8 Controller's Office about two days ago. So that
9 affects our books, and so we should be shutting it
10 down. I think we shut it down yesterday. The audit
11 should be complete in the next two weeks. It is not
12 an action item. You will receive it as an
13 information item to be discussed later. If you have
14 any questions, call me right away. It will go to
15 the Audit Committee first.

16 Even though the audit is not in the
17 Legislative Report, the Legislative Report still
18 meets the requirements of 2808(k) which is the
19 report on four factors - what your plans are as a
20 Board, what we've done as financial activity, what
21 the level of opportunities are out in the
22 institution, and a few more smaller degree reporting
23 requirements. But even without the audit, it still
24 does meet the requirements.

25 Future issues that we're working on is OPEB.

1 We did this last June. We're probably going to try
2 to bring it up this June, transfer our OPEB money
3 over to CalPERS. Department of Finance is working
4 with us. It's a \$62,000,000 amount that we need to
5 get secured and off by itself so people don't think
6 we're holding a ton of cash for whatever reason.
7 There's actually a purpose for that, and it gets
8 exposed when it's put in the Prison Industry
9 revolving fund.

10 Our e-waste program, we may have a public
11 hearing. We're not completely sure on that because
12 the program is running as a support program now, and
13 it may not meet the requirement of a hearing, but we
14 will let the Board know right away.

15 The last one is, in your report to the
16 Legislature there are two items. When you open up
17 the report to the Legislature, there are two items
18 written on a piece of paper on your inside cover.
19 From the Leg report that you all got 14 days ago
20 versus this now, these are the two items that were
21 added. Actually, they were left out.

22 CDCR program integration expansion. That is
23 we're talking about -- a lot of you have been out to
24 Folsom. We are out there, and we have four DRP
25 programs integrated at the same time. GED. We have

1 a vocational education program integrated into our
2 metal shop. They also have college courses up
3 there. Monday kicked off substance abuse treatment,
4 in the license plate facility. First one ever.

5 We're looking to expand that out much more.
6 Our acting DRP director has been around this for a
7 minute and has been very helpful on this.

8 The last part is our union program, the
9 apprenticeship program. The ironworkers have moved
10 from outside to inside so we can accommodate more
11 folks inside the prisons. That integration model is
12 what we're looking for all facilities.

13 CHAIR KERNAN: Can I ask: Who is doing the
14 substance abuse program?

15 MR. PATTILLO: WestCare. It's under the
16 contract. We were actually going to go out and
17 contract for it ourselves. The Board had approved
18 money to do so, but then DRP said, "Let's just
19 integrate it into what we are doing already so we
20 are consistent."

21 Then there was the mention of a strategic
22 business plan that went out recently. Was left out
23 in the previous copy of the Legislative Report.

24 Want to thank Michele. This is Michele's
25 baby. She starts on this -- about a week from now

1 she'll be starting on next year's. We always have
2 some stuff we catch here and there. A lot of you
3 called in with small items, but nothing major was
4 called in.

5 I have nothing else to present on this unless
6 you have some questions.

7 CHAIR KERNAN: Our first and only action
8 item for this meeting today is to seek the Board's
9 approval of California Prison Industry Authority
10 report to the Legislature for Fiscal Year '14-15.

11 Public comment, correct?

12 MR. PATTILLO: Public comment.

13 CHAIR KERNAN: So would any members of the
14 public here like to make comment regarding this
15 item?

16 Is there a motion to approve Action Item A?

17 MEMBER TRUJILLO: So moved.

18 MEMBER DAVIDSON: Second.

19 CHAIR KERNAN: Please call role.

20 MS. VUONG: Member Alegria.

21 MEMBER ALEGRIA: Yes.

22 MS. VUONG: Member Butler.

23 MEMBER BUTLER: Aye.

24 MS. VUONG: Member Davidson.

25 MEMBER DAVIDSON: Yes.

1 MS. VUONG: Member Davison.

2 MEMBER DAVISON: Yes.

3 MS. VUONG: Member Kelly.

4 MEMBER KELLY: Yes.

5 MS. VUONG: Member Trujillo.

6 MEMBER TRUJILLO: Yes.

7 MS. VUONG: Chair Kernan.

8 CHAIR KERNAN: Yes.

9 Motion carries.

10 MR. PATTILLO: Thank you, With that we
11 will distribute to the Legislature, as appropriate,
12 copies.

13 Next, if I could have Michele come up, and
14 she's going to give you quick update, and then we'll
15 be out of here.

16 MS. KANE: Good morning. I am Michele
17 Kane, Chief of External Affairs for the California
18 Prison Industry Authority.

19 A few highlights coming up. *Rob on the Road*
20 has been featuring CALPIA. He will be featuring us
21 in an upcoming segment on March 21st, and this will
22 be aired throughout the State of California. He was
23 out at Folsom State Prison, Green Valley Training
24 Center just last week. His focus, of course, is on
25 rehabilitation and how lives are being transformed

1 for the better. CALPIA, along with several other
2 programs, are going to be highlighted in this
3 series, including Michele Steeb's program, Saint
4 John's Program for Real Change.

5 Also, we will have an upcoming graduation.
6 Make note of this. It's at the California
7 Institution for Women in Chino. It's going to be
8 held on Tuesday, April 26. Female carpenters and
9 construction laborers will be honored.

10 Another graduation to tell you about, and
11 that's going to be held at Folsom Women's Facility,
12 and that is on Thursday, May 26th.

13 And we are also planning a graduation for our
14 commercial dive program in Chino at California
15 Institution for Men. That will happen in June. So
16 we have April, May and June. I will make sure you
17 all get invites.

18 And with that, I look forward to seeing you at
19 the next Prison Industry Board meeting May 27th at
20 CSP Solano. Thank you.

21 CHAIR KERNAN: Thank you very much, Ms.
22 Kane.

23 Is there any public comment about that?

24 Hearing none. Can we now go on to the portion
25 of the meeting reserved for comment regarding items

1 not on the agenda?

2 Under the Bagley-Keene Act the Board cannot
3 act on items raised during public comments, but may
4 respond briefly to statements made or questions
5 posed, or may request clarification or refer the
6 items to staff.

7 Is there anyone who would like to make a
8 comment or address the Board?

9 If there are no comments, thank you very much.
10 Thank you for being so kind to me in my first
11 meeting. And we will adjourn the meeting.

12 MR. PATTILLO: Mr. Chairman, I just want to
13 say thank you to Jim Butler. This is probably going
14 to be his last meeting for a while. He pinch-hits
15 for us on a regular basis. He told me that the
16 Chief Deputy will be back next time. I want to say,
17 Jim, thank you very much.

18 MEMBER BUTLER: Thank you, Chuck.
19 Appreciate that.

20 Jim McGuire, new Chief Deputy Director at the
21 Department of General Services. He is normally the
22 assigned person for this duty, and has agreed to the
23 change. It's been a pleasure to work here. I just
24 want to applaud your move to have more of these
25 meetings out in the field.

1 I was privileged to go to the California
2 Institution for Men a few years ago for the
3 graduation of their dive program. It was really one
4 of the most inspirational experiences I've had in
5 state government. It's a beautiful story that gets
6 told. I hope for Members of the Board that that can
7 happen.

8 CHAIR KERNAN: Thank you very much.
9 So we will adjourn. Thank you very much.

10 MEMBER ALEGRIA: Thank you.

11 MR. PATTILLO: Bye, Eric.

12 (Public hearing concluded at 10:18 a.m.)

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REPORTER'S CERTIFICATE

STATE OF CALIFORNIA)
)
COUNTY OF SACRAMENTO) ss.

I, ESTHER F. SCHWARTZ, certify that I was the official Court Reporter for the proceedings named herein, and that as such reporter, I reported in shorthand writing those proceedings;

That I thereafter caused my shorthand writing to be reduced to printed format, and the pages numbered 3 through 13 herein constitute a complete, true and correct record of the proceedings.

IN WITNESS WHEREOF, I have subscribed this certificate at Sacramento, California, on this 10th day of February, 2016.

ESTHER F. SCHWARTZ
CSR NO. 1564