

STATE OF CALIFORNIA

DEPARTMENT OF CORRECTIONS AND REHABILITATION

PRISON INDUSTRY BOARD

PUBLIC MEETING

WEDNESDAY, JANUARY 28, 2015

BOARD OF PAROLE HEARINGS

1515 K STREET

SACRAMENTO, CALIFORNIA

ORIGINAL

REPORTED BY:

ESTHER F. SCHWARTZ
CSR NO. 1564

CAPITOL REPORTERS (916) 923-5447

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ATTENDEES PRESENT IN SACRAMENTO

BOARD MEMBERS:

JEFFREY A. BEARD, CHAIR
JIM BUTLER
WILLIAM DAVIDSON
CURTIS KELLY
MICHELE STEEB
RAY TRUJILLO

STAFF:

CHARLES L. PATTILLO, EXECUTIVE OFFICER
RANDY FISHER
PHYLLIS GUARE
LISA ROEDIGER-HANCE

COUNSEL:

JEFF SLY

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1 **ATTENDEES AT TELECONFERENCE LOCATIONS**

2 **BOARD MEMBER DARSHAN SINGH, VICE CHAIR**

3 STAFF: SCOTT WALKER
4 OFFICE OF COMMUNITY INVESTMENT & INFRASTRUCTURE
5 1 South Van Ness Avenue
6 San Francisco, California

7 **BOARD MEMBER ERIC ALEGRIA**

8 STAFF: MICHAEL HOUSER
9 CITY OF LONG BEACH
10 DEPARTMENT OF PARKS, RECREATION & MARINE
11 2760 Studebaker Road
12 Long Beach, California

13 **BOARD MEMBER KIRA MASTELLER**

14 STAFF: RAYMOND MEEK
15 CITY OF LOS ANGELES, VALLEY DISTRICT OFFICE
16 15760 Ventura Boulevard
17 Encino, California

18 **STAFF:** MICHELE KANE
19 ALAMEDA COUNTY WORKFORCE INVESTMENT BOARD
20 24100 Amador Street
21 Hayward, California

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SACRAMENTO, CALIFORNIA
WEDNESDAY, JANUARY 28, 2015

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CHAIR BEARD: I'm going to call this meeting of the Prison Industry Authority to order at 11:03 a.m.; and this meeting, unlike most of our meetings, is being held in five different locations. They're all publicly noticed locations. And we are going to begin by asking the Board secretary to call the roll.

MS. GUARE: Good morning. Please acknowledge your presence by saying here when I call your name.

Chair Beard.

CHAIR BEARD: Here.

MS. GUARE: Vice Chair Singh.

MEMBER SINGH: Here.

MS. GUARE: Member Alegria.

MEMBER ALEGRIA: Here.

MS. GUARE: Member Almanza.

Member Davidson.

MEMBER DAVIDSON: Here.

MS. GUARE: Member Kelly.

MEMBER KELLY: Here.

MS. GUARE: Member Masteller.

1 MEMBER MASTELLAR: Here.
2 MS. GUARE: Member Saito.
3 Member Steeb.
4 MEMBER STEEB: Here.
5 MS. GUARE: Member Trujillo.
6 MEMBER TRUJILLO: Good morning. I'm here.
7 MS. GUARE: Member Woodford.
8 Chair Beard, we have a quorum.
9 CHAIR BEARD: Thank you. Let the record
10 show that we have a quorum.
11 I want to thank everybody for being here
12 today. Hopefully, this meeting won't be too long,
13 but thank you for your time.
14 Since we do have five different locations,
15 I'll identify myself. I am Jeff Beard, the
16 Secretary of the Department of Corrections, and I am
17 the Chair of the Board.
18 This meeting today is being held so that we
19 can approve the California Prison Industry
20 Authority's report to the Legislature. And I
21 believe there are two other additional action items
22 on there as well.
23 We do not have any members of the public
24 present here at this location. Are there any public
25 members at any of the other locations on this call?

1 MR. PATTILLO: Locations, please
2 acknowledge if you have any public there that wishes
3 to speak?
4 San Francisco?
5 MR. WALKER: There is no public.
6 MR. PATTILLO: Hayward?
7 MS. KANE: No public here.
8 MR. PATTILLO: Encino?
9 MR. MEEK: No public here.
10 MR. PATTILLO: Long Beach.
11 UNIDENTIFIED SPEAKER: No public here.
12 MR. PATTILLO: Thank you.
13 CHAIR BEARD: Thank you. At this time I
14 would ask any Board Members that would have any
15 comments to make to go ahead and please make them.
16 Anybody here in this room?
17 Anybody on the call?
18 Okay. Hearing none, we will move along, and I
19 would ask the General Manager to give his
20 comments.
21 MR. PATTILLO: Good morning, Mr. Chairman
22 and Members. My name is Charles Pattillo. I'm the
23 Executive Officer of the Prison Industry Board and
24 the General Manager of the California Prison
25 Industry Authority. Thanks for meeting via telecom.

1 We have the four additional locations that
2 we're running at today as we spoke: Long Beach, San
3 Francisco, Hayward, and Encino. Member Alegria is
4 at Long Beach. Member Singh is at San Francisco.
5 We don't have a member at Hayward, although we had
6 noticed it, so Michele Kane is there at the
7 Workforce Investment Board where she is meeting
8 later today. And Member Masteller is in Encino.

9 Although we've flown a lot of people out in
10 the field, it's not costing any additional because
11 these folks are -- we've also timed it so we are
12 also doing business at that location. So it works
13 out for us.

14 Question was: Why do we hold a meeting so
15 quick right after the one we held? There are two
16 reasons. One, we want to wait on our Leg report
17 until the Governor's budget comes out. This year
18 was a good demonstration because, thanks to the
19 Secretary and the Director of Rehabilitative
20 Programs, Millicent Tidwell, we were appropriated
21 via CDCR \$2.6 million for Career Technical Education
22 programs, specifically the ones we've been running
23 in the apprenticeship arena and, also, our
24 technology programs. This will be added extra money
25 specifically to CDCR to contract back with us.

1 Mr. Chair and Ms. Tidwell, who is not here,
2 thank you very much. It is in the Governor's
3 budget. During the spring we will be communicating
4 with you on what the status is. One of the big
5 pieces of that is 75 percent of that money must be
6 used for female programs. So that's good for all of
7 us. The other one is to include all the December
8 actions. That's why we waited a little bit.

9 (Member Butler enters.)

10 MR. PATTILLO: I also want to thank the
11 appointments to the PIA Committee on Executive
12 Recruiting, Retention and Evaluation of
13 Compensation. That would be Members Alegria,
14 Masteller, Singh, Steeb and Trujillo. Randy Fisher
15 who is sitting behind me - Randy raise your hand -
16 is PIA's Chief Administrative Officer. He's taking
17 the lead on developing this with the committee.
18 This is one of the ones we can actually meet on the
19 phone according to protocol, so it will be a lot of
20 electronic, I assume.

21 Also, at the next Board meeting we are
22 temporarily, or excuse me, tentatively scheduling,
23 we just cleared the Secretary's calendar this
24 morning, for June 25th at 10:00 a.m., here, or it
25 may be in our new showroom. Believe it or not, we

1 finally got a showroom again after five years. It's
2 down at 19th and Q, I believe is where it's at. It
3 should be done by June. At that meeting we
4 anticipate output from the executive committee, the
5 annual plan budget and then also a discussion about
6 pushing data; all the action items that you have in
7 the Board binder, we are looking for a way to get
8 those out publicly for comment sooner than ten days.
9 A lot of the public isn't getting it that quick.

10 It saves us a lot of time in responding. In
11 the ten days when we send the agenda out for the
12 meeting, we spend more time on the phone explaining
13 to folks what's going through. I'd rather figure
14 out a way to give them the data up front, with the
15 exception, of course, of drafts that we can't
16 release out, when it's like a Leg report or budget
17 or something like that. At least action items,
18 describe what is there. We will be working on that.

19 Also, upcoming events. Employer Forum in
20 Alameda County on March 20th. That will be our
21 third Employers Forum. The last two have had over
22 220 employers come out to talk about hiring
23 exoffenders. Very positive. The one in the Bay
24 Area should be probably the top one we've done.
25 We've got a lot of folks already coming.

1 The other item is the sheriffs tour April
2 18th, where we have sheriffs' staff come out. Some
3 of the sheriffs come out and tour the Folsom
4 location. I'll notice that for you all. In the
5 last part I anticipate that -- I would ask you over
6 the next year if you could take some time, whatever
7 institution you want to go out, take an institution.
8 Let's go out there and go tour it. I have access to
9 the Secretary's calendar, so I know where he's at.
10 So if he's at one of my institutions, I can go out
11 there and show him PIA. He's seen just about
12 everything we've got right now. And he's been at
13 every prison right now.

14 Correct? Right on.

15 He did it in a shorter time than I ever did
16 it. That's saying something. I know what his
17 travel schedule is like. But if you all can come
18 out and see what we're doing, especially in the
19 female and the CTE programs.

20 The other issue is this year all Board
21 Members, some of you've already done it. Mr.
22 Butler, Chair Beard. Bill, I believe you've already
23 done it. That is ethics training that is online.
24 It's got to be completed by end of the year,
25 two-hour online training. Very good. It answers a

1 lot of questions. Very specific to Board
2 information, like transparency on what we're doing.
3 That's where a lot of these ideas are coming out to
4 increase transparency. You'll need to sign on for
5 about two hours.

6 It doesn't have to be all at once, Mr. Kelly.

7 MEMBER KELLY: I have to do it twice. It's
8 okay.

9 MR. PATTILLO: If you've already done it
10 somewhere, you don't have to redo it. If it meets
11 the requirement, we can talk about it.

12 Last part, I really just want to say thank you
13 to Phyllis for putting this together, five locations
14 at once. Also, Lisa Roediger is in the back, and
15 you will probably talk to Lisa more on the main
16 line, on the phone when you call in. Phyllis is
17 doing a lot of behind the scenes Board stuff and
18 setting up whatever needs to be set up.

19 With that, we will move into our very first
20 item, if there's no questions for me.

21 Our very first item is to consider approval of
22 the PIA report to the Legislature for Fiscal Year
23 2013-14. This is a requirement under Penal Code
24 2808(k) that we report on the financial activity of
25 each enterprise, the plans of the Board regarding

1 significant changes of existing operations, the
2 plans of the Board regarding development of new
3 enterprises, a breakdown by institutions of the
4 number of prisoners at each institution working in
5 enterprises under the jurisdiction of the Authority,
6 and number that indicates the number of prisons
7 which are not working full-time.

8 We also include in there the financial audit
9 that was completed last year. So it is a full
10 service package. We post that on line. It's also
11 distributed to the Legislature, as required, and the
12 Governor's office. Five years ago this Board was
13 given the option of not doing the report by the
14 Department of Finance as a way to save paper. We
15 chose otherwise, saying that it's in our best
16 interest to report out everything we do.

17 If there is anything you see in there that
18 needs to be changed, expanded on, please let us
19 know. The Secretary talked to me this morning again
20 about our plans to move ahead with the third party,
21 being the Attorney General, on a study on recidivism
22 and wanted to assure that, even though we're using
23 the Attorney General, we're working very closely
24 with CDCR research to make sure that it's consistent
25 with the methodology that CDCR reports all programs.

1 So it's an alternative communication tool for
2 us, too. That is a big thing. If you ever need to
3 tell somebody about what we do, other than the
4 videos that Michele does so well, our Michele on the
5 other end, push this out to folks. This is all
6 good.

7 With that, I will ask if there are any
8 questions.

9 Telecom locations, is there any question?

10 MEMBER SINGH: I move this item. From San
11 Francisco.

12 MR. PATTILLO: Mr. Singh.

13 CHAIR BEARD: We have a motion to approve
14 the item. Do I a hear a second?

15 MEMBER SINGH: I moved that.

16 MEMBER STEEB: I second that.

17 MR. PATTILLO: Ms. Steeb seconded.

18 CHAIR BEARD: All in favor -- since we are
19 in different locations, I think we are going to do a
20 verbal.

21 MS. GUARE: Chair Beard.

22 CHAIR BEARD: Aye.

23 MS. GUARE: Vice Chair Singh.

24 MEMBER SINGH: Yes.

25 MS. GUARE: Member Alegria.

1 MEMBER ALEGRIA. Yes.
2 MS. GUARE: Since we took the original
3 first roll call, we now have Member Butler.
4 MEMBER BUTLER: Yes.
5 MS. GUARE: Member Davidson.
6 MEMBER DAVIDSON: Yes.
7 MS. GUARE: Member Kelly.
8 MEMBER KELLY: Yes.
9 MS. GUARE: Member Masteller.
10 MEMBER MASTELLER: Yes.
11 MS. GUARE: Member Steeb.
12 MEMBER STEEB: Yes.
13 MS. GUARE: Member Trujillo.
14 MEMBER TRUJILLO: Yes.
15 CHAIR BEARD: So the motion carries.
16 Let's move on to Item B.
17 MR. PATTILLO: Item B is a rehearing of an
18 item we did for partial, minor changes. Jeff Sly,
19 our General Counsel, is going to present that item.
20 MR. SLY: I am Jeff Sly, General Counsel
21 for the Prison Industry Authority. We are back with
22 personnel regs this morning.
23 These regulations were previously approved by
24 the Board last June. We submitted them to the
25 Office of Administrative Law. Essentially, we

1 started out with -- first, let me say that Action
2 Item B, the first part of that kind of lays out what
3 it is we're talking about today. A little
4 explanation about why.

5 On Exhibit B1, that's the actual, textual
6 language of the regulations; and the underlining and
7 crossouts show what changes that we're proposing and
8 seeking approval of today. And then Exhibit B2 is a
9 supplement to our initial statement of reasons that
10 really gives the background and explanation of why
11 those changes were requested by the Office of
12 Administrative Law.

13 Having said that, we submitted 22 personnel
14 regulations to the Office of Administrative Law.
15 They have approved 14 of them. They asked us to
16 make some changes to six of them. Those six are
17 what's outlined in Exhibit B1.

18 As a result of conversations with them, we
19 have deleted three of them that we initially
20 proposed last June. The reasons for two of them
21 was, after discussing with them, they fell under the
22 internal management exemption from the
23 Administrative Procedures Act. They suggested to us
24 we didn't need regulations, that we can do this
25 through a policy which would be easier to change as

1 the needs arise.

2 Unless anybody has any specific questions about
3 the changes that are proposed that you have had a
4 chance to look at, I will rest my comments for the
5 moment.

6 CHAIR BEARD: Any questions or comments?

7 MR. SLY: Hearing none, I would ask the
8 Board to approve these changes so we can move
9 forward with resubmitting these back to OAL and try
10 to finalize this.

11 CHAIR BEARD: Do I hear a motion to
12 approve?

13 MEMBER MASTELLER: So moved.

14 CHAIR BEARD: Second?

15 MEMBER ALEGRIA: I will second that. This
16 is Member Alegria.

17 CHAIR BEARD: Can we call the roll again?

18 MS. GUARE: Member Alegria.

19 MEMBER ALEGRIA: Yes.

20 MS. GUARE: Member Butler.

21 MEMBER BUTLER: Yes.

22 MS. GUARE: Member Davidson.

23 MEMBER DAVIDSON: Yes.

24 MS. GUARE: Member Kelly.

25 MEMBER KELLY: Yes.

1 MS. GUARE: Member Masteller.
2 MEMBER MASTELLER: Yes.
3 MS. GUARE: Member Steeb.
4 MEMBER STEEB: Yes.
5 MS. GUARE: Member Trujillo.
6 MEMBER TRUJILLO: Yes.
7 MS. GUARE: Vice Chair Singh.
8 MEMBER SINGH: Yes.
9 MS. GUARE: Chair Beard.
10 CHAIR BEARD: Yes.
11 Motion carries.
12 MR. PATTILLO: Members, Item No. 3, the
13 third item, is a rehearing of an item that we heard
14 last month. This is to adopt PIB's recommendation
15 to increase the monthly salary of PIA's General
16 Manager from \$11,082 to \$12,540, which would equal
17 the current average monthly salary of similarly
18 identified division directors of the CDCR, but still
19 be less than the salary of the previous CALPIA GM.
20 MEMBER TRUJILLO: Mr. Chairman, I would
21 move for adoption.
22 MEMBER KELLY: I will second.
23 CHAIR BEARD: We have a motion and a
24 second. Any discussion? Anybody on the phone?
25 Hearing none, would you call the roll, please.

1 MS. GUARE: Member Alegria.
2 MEMBER ALEGRIA: Yes.
3 MS. GUARE: Member Butler.
4 MEMBER BUTLER: Yes.
5 MS. GUARE: Member Davidson.
6 MEMBER DAVIDSON: Yes.
7 MS. GUARE: Member Kelly.
8 MEMBER KELLY: Yes.
9 MS. GUARE: Member Masteller.
10 MEMBER MASTELLAR: Yes.
11 MS. GUARE: Member Steeb.
12 MEMBER STEEB: Yes.
13 MS. GUARE: Member Trujillo.
14 MEMBER TRUJILLO: Yes.
15 MS. GUARE: Vice Chair Singh.
16 MEMBER SINGH: Yes.
17 MS. GUARE: Chair Beard.
18 CHAIR BEARD: Yes.
19 Motion carries.
20 MR. PATTILLO: Thank you, Members. I'm
21 sorry for the extra work there, but as we talked
22 about, transparency.
23 MEMBER TRUJILLO: We did go through it last
24 meeting.
25 MR. PATTILLO: Sure. Very deeply.

1 I have no other items on the agenda at this
2 time. If there is any public comment, if you want
3 to call for public comment.

4 CHAIR BEARD: I don't believe we have any
5 members. We don't have any here. I don't hear that
6 any showed up. There is somebody. He works for me.
7 So he has no comments. Do you?

8 MR. RIVAS: No. You're right.

9 MR. PATTILLO: For the record, we can
10 identify Albert Rivas who is the Deputy Chief for
11 External Communications Division.

12 And I will read this public comment section.
13 This portion of the meeting is reserved for public
14 comment on items not on the agenda. Under the
15 Bagley-Keene Act, the Board cannot act on items
16 raised during public comment, but may respond
17 briefly to statements made or questions posed,
18 request clarification and refer the item to
19 appropriate staff.

20 Chair Beard has already asked if there are any
21 comments, anybody to address the Board. At this
22 point there is not.

23 MEMBER BUTLER: May I ask a point of
24 privilege? I know I'm not a member of the public,
25 but I do have one comment I would like to share as

1 far as the efforts of the Department.

2 Would that be all right, Mr. Chair?

3 CHAIR BEARD: Please.

4 MEMBER BUTLER: As Deputy Director of
5 Procurement for the State, we oversee the State's
6 small business and disabled veterans business
7 enterprise contracting program. And as you may or
8 may not know, we have a goal in law to achieve 25
9 percent small business contracting and 3 percent
10 DVBE contracting.

11 As it turns out, Corrections is far and away
12 the largest single buyer of all the things we
13 contract. And, traditionally, as Corrections goes,
14 so goes the State. In this most recent reporting
15 period, at least three-fourths of the state achieved
16 over 25 percent, actually 28 percent in small
17 business contracting and over 3 percent disabled
18 veterans business contracting. Actually, for the
19 fourth year in a row we beat the DVBE goal. And an
20 integral part of that was the Department of
21 Corrections and Rehabilitation who achieved well
22 over 30 percent small business contracting and
23 exceeded the DVBE goal as well.

24 We don't often thank our peers often enough.
25 So it's important for me to be on the public record

1 today recognizing the outstanding work done by this
2 Department. We held our annual recognitions
3 ceremony just last week and several of the divisions
4 of the Department of Corrections were recognized for
5 their excellent work.

6 I just want to echo our gratitude and
7 accommodation for the efforts of all the many people
8 that went in to making that happen. Thank you.

9 CHAIR BEARD: I certainly appreciate the
10 comments, and I know all my people that did all the
11 hard work to achieve that appreciate that as well.
12 So, thank you.

13 Hearing no other comments, do I have a motion
14 to adjourn.

15 MEMBER TRUJILLO: I have one comment,
16 Mr. Chair.

17 MEMBER SINGH: I second that.

18 MEMBER TRUJILLO: I have a comment, too,
19 Dar. This is Board Member Trujillo.

20 I just want to say that as a 15-year member of
21 this Board, I just want to compliment Mr. Pattillo
22 on the outstanding job he's done. I've seen several
23 in that position and the compensation that you are
24 now going to receive is well deserved and should
25 have happened a long time ago to bring you up to the

1 level where you should be.
2 So, thank you for all your efforts.
3 MR. PATTILLO: Thank you, Mr. Trujillo.
4 CHAIR BEARD: Do I have a motion adjourn?
5 MEMBER KELLY: So moved. I move.
6 CHAIR BEARD: Second?
7 MEMBER KELLY: Second.
8 CHAIR BEARD: We have a motion and second.
9 All in favor.
10 Any opposed.
11 We are adjourned.
12 MR. PATTILLO: Thank you all.
13 (Public hearing concluded at 11:23 a.m.)
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8 I, ESTHER F. SCHWARTZ, certify that I was the
9 official Court Reporter for the proceedings named
10 herein, and that as such reporter, I reported in
11 verbatim shorthand writing those proceedings;

12 That I thereafter caused my shorthand writing
13 to be reduced to printed format, and the pages
14 numbered 4 through 22 herein constitute a complete,
15 true and correct record of the proceedings.

17 IN WITNESS WHEREOF, I have subscribed this
18 certificate at Sacramento, California, on this 6th
19 day of March, 2015.

ESTHER F. SCHWARTZ
CSR NO. 1564