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STATE OF CALIFORNIA

DEPARTMENT OF CORRECTIONS AND REHABILITATION

**PRISON INDUSTRY BOARD
PUBLIC MEETING**

SEPTEMBER 20, 2017

16:00:00

**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
DARSHAN SINGH, VICE CHAIR
ARMOND AGHAKHANIAN
WILLIAM DAVIDSON
DAWN DAVISON
BOB JENNINGS
CURTIS KELLY
JEFF McGUIRE
MICHELE STEEB

STAFF:

CHARLES L. PATTILLO, EXECUTIVE OFFICER
SCOTT WALKER
RAYMOND MEEK
RANDY FISHER
SCOTT PERKINS
THY VUONG
MELISSA SCHANE
NATALIE McCORKLE
ZILLE KHAN

COUNSEL:

JEFF SLY

PUBLIC MEMBERS:

DEVIN FONG

---oOo---

1 MEMBER MCGUIRE: Here.

2 MS. VUONG: Member Steeb.

3 MEMBER STEEB: Here.

4 MS. VUONG: Let the record show that we
5 have a quorum of nine members.

6 CHAIR KERNAN: Very good.

7 I will just make a few opening remarks.
8 First, I would like to welcome our new Board Member
9 and formally welcome him to the Prison Industry
10 Authority, Mr. Bob Jennings.

11 MR. JENNINGS: Thank you.

12 CHAIR KERNAN: Pleasure. Mr. Jennings
13 replaces a longstanding and very focused man who I
14 got to meet some years ago, Mr. Trujillo. Thank you
15 for your long years of service on this Board.

16 Mr. Jennings comes to us with a wealth of
17 knowledge and experience in the trades. He's been
18 the Regional Director of Northern California for the
19 State Building & Construction Trades Council since
20 2013. He's also been with the United Association of
21 Plumbers, Pipe and Refrigeration Fitters, Local 246,
22 in Fresno and was president of the Pipe Trade
23 District Council. Previous to that, he was the vice
24 President and councilmember of the Executive Board
25 of the State Pipe Trades Council.

1 Welcome, Mr. Jennings. we look forward to
2 having your expertise and experience be a vital part
3 of this Board. I want to personally thank you for
4 taking on this role and really appreciate your
5 participation.

6 I made a comment that I was the most
7 over-worked bureaucrat in state government, but
8 maybe you've taken that role, given that.

9 MEMBER JENNINGS: Thank you very much.

10 CHAIR KERNAN: Thank you very much.

11 MEMBER JENNINGS: Honor to be here.

12 CHAIR KERNAN: I'm not going to give you
13 any more updates. I don't think anybody is
14 interested in what is going on at CDCR, so can you
15 start with your presentation, General Manager?

16 MR. PATTILLO: Good morning, Mr. Chairman,
17 Members. My name is Charles Pattillo. I am the
18 General Manager of CALPIA and Executive Officer of
19 the Board.

20 For this Board meeting, we have three items
21 today. Two are on business process and one is the
22 potential for adding more folks into PIA's program.
23 At our last meeting, the Board approved the opening
24 of a new E-Waste and Computer-Refurbishment
25 Enterprise in Ventura. We are looking at an October

1 activation date for that.

2 A couple things that are important to CDCR and
3 PIA is a new Division of Juvenile Justice Director.
4 A gentleman by the name of Chuck Supple, who we've
5 worked with for a lot of years. So we are doing a
6 lot of joint programs. There was a lot of money
7 approved in the Annual Budget for DJJ programs,
8 specifically a Pre-Apprenticeship Laborer program at
9 Stockton and a CAD coding, e-waste facility, and
10 computer refurbishing at Ventura that we are working
11 out with them.

12 We continue to move forward with the help of
13 the Secretary. A couple things that we're working
14 on right now is realigning the way folks are
15 assigned to PIA or IWL or other programs when they
16 do come to prison. We make sure that they're
17 running through the training programs first, before
18 we get them into the institution, with programs like
19 Plant Operation or IWL, to make sure that they get
20 all the training that they need and subsequently get
21 them into appropriate jobs upon parole.

22 We have also expanded the number of folks who
23 we are paying union dues for to get into the Labor
24 proper division - Carpenters, Ironworkers -
25 statewide. Now that we're including all such

1 high-tech folks who meet the requirement, as well as
2 career technical education folks on the CDCR side,
3 we've found that the biggest impediment for folks
4 who are joining the union after they've been
5 properly trained, is actually meeting the union
6 portion of it. The union portion is \$1,300 to get
7 in, upfront, including tools. So we're kind of
8 stacking the deck for more people. I think it's
9 especially about to pay off very soon.

10 We've also been the lead for CDCR for
11 integrating former offenders into a statewide
12 workforce plan. We have probably about eight or so
13 meetings we have accomplished. Milo Fitch, who is
14 Chief of Workforce Development, is not here today.
15 He's back East training. He's been leading the
16 effort for our organization. We now have a fully
17 vetted plan that will demonstrate workplans to the
18 California Workforce Development Board on how to
19 deal with ex-offenders coming into the 116 job
20 centers statewide.

21 PIA is financing training as well as
22 potentially doing a pilot program with a county in
23 Southern California. We're going through the
24 process right now, getting that plan implemented.

25 Last, we're going to talk about Mr. Trujillo.

1 You're going to have to wait till after all the
2 action items. While Mr. Trujillo is departing, I
3 also want to talk about another retirement also.

4 This will be Mr. Walker's last official Board
5 meeting as the Assistant General Manager over
6 Operations. He's been with us over thirty years,
7 and if I ever took any credit for anything that's
8 gone on around here, the credit really belongs to
9 this guy. There are not too many times in an
10 organization where you get to have folks where you
11 can close your eyes and know that everything will
12 work out just fine, and let them just go do their
13 job. In this case, that is Scott Walker. While he
14 is departing, he will still be on the payroll till
15 the Spring. He will be doing some consulting work
16 and mentoring the new person who is coming on board
17 effective October 1. Scott Perkins, who is here,
18 will be the new Operations Manager of CALPIA.

19 Please stand, Scott. Just to point out Scott
20 who will be the Operations Manager. He will be the
21 new Scott Walker. And Mr. Walker will be departing.
22 He will be here through the December Board meeting
23 also, but we definitely want to acknowledge him
24 today. He wanted no acknowledgement, so you know I
25 had to acknowledge him today.

1 MR. WALKER: I thought we had an agreement.
2 That's embarrassing. Chuck is -- I don't want to
3 get emotional. Chuck's been like a brother to me.
4 It's a weird relationship we have. Almost like a
5 sibling rivalry. Without you, we'd never even be
6 close to where we are. I certainly wouldn't be.

7 So thank you. Thank you, the Board, for
8 everything you have done for me and certainly the
9 organization. Scott Perkins is more than qualified.
10 You are in good hands.

11 Thank you.

12 MR. PATTILLO: With that, Mr. Chairman, we
13 are going to move into the Action Items.

14 CHAIR KERNAN: First Action Item, A.

15 MR. PATTILLO: I will turn this over to our
16 staff attorney. The first item is actually based on
17 our need to increase the number of offenders who are
18 in our program. Last year the Board approved
19 half-time programing statewide. And now we are
20 assuring that it is very clear that anybody who can
21 work a half-time job, no matter if they are in a
22 mental health program, substance abuse, any other
23 kind of education program, there is a half-time
24 program available for them at PIA.

25 We're also reducing the TABE portion, nine to

1 seven, to accommodate those in some instances. The
2 backstop to all of this is anybody that goes through
3 under this lower score will still have two years to
4 get their GED or high school diploma. That will be
5 done. Right now in our population, 83 percent of
6 the offenders in PIA have a high school diploma or
7 equivalent. That is higher than any other program.

8 MR. SLY: Good afternoon. I am Jeff Sly,
9 General Counsel for the California Prison Authority,
10 and also Counsel for the Board.

11 As Chuck pointed out, this first Action Item,
12 A, is pretty simple. It's just to amend and add
13 some minor language to two already existing Title 15
14 regulations for Prison Industry Authority.

15 Section 8004 is basically going to add
16 language that provides that an inmate with physical
17 or developmental disabilities, who otherwise meets
18 hiring requirements, will not be excluded from
19 participation in CALPIA's job or training programs.

20 The second amendment is Section 8004.1. It
21 makes the Test of Adult Basic Education reference to
22 the Test of Adult Basic Education (TABE) scores.
23 Subdivision D will change the minimum score of nine
24 to seven; and Subdivision E will change the
25 alternate minimum score of seven to five. This

1 change, with the comments from Chuck, is really all
2 I have to say, other than is there any questions or
3 comments? Otherwise I'd ask you to approve these
4 two amendments.

5 MEMBER DAVISON: I have a comment. And
6 when I was -- I just wanted to point out that I have
7 no objection to lowering the scores, and I've talked
8 to Chuck. My only issue is that -- I understand
9 that PIA, within two years, that the offender will
10 get their high school diploma or GED.

11 MR. PATTILLO: Or equivalent.

12 MEMBER DAVISON: In lowering the TABE
13 scores, when the inmate sits in the committee,
14 there's an education representative there, correct?
15 I would like to see, if they have a lower TABE
16 score, that the education representative puts the
17 inmate in the other half of the assignment, makes
18 sure that they are in schooling.

19 MR. PATTILLO: First.

20 MEMBER DAVISON: First.

21 MR. PATTILLO: That is correct.

22 MEMBER DAVISON: If we can have that
23 agreement with CDCR, if we're lowering the TABE
24 scores, so the other half of the assignment will be
25 school.

1 MR. PATTILLO: I think the way that we're
2 going to tweak it a little bit to improve the
3 policy, is to give me authority to make executive
4 changes. In fact, PIA will always be the secondary
5 appointment.

6 MEMBER DAVISON: Okay. School and then.

7 MR. PATTILLO: Or whatever it is, and then
8 - the other, and then PIA.

9 MEMBER DAVISON: Then I'm good.

10 CHAIR KERNAN: Any other comments from the
11 Board?

12 MEMBER STEEB: I have a question, Chuck.
13 Before we instituted GED or affirmative acquisition
14 and a mandatory part, what was our -- you said it
15 was 83 percent now?

16 MR. PATTILLO: Sixty-three. A 20-point
17 difference by doing that.

18 MEMBER KELLY: We should track that we are
19 83 now. We let them know what is possible.

20 MR. PATTILLO: You will see a couple
21 numbers go down if you put more folks in there.
22 They will be in half-time positions. We will know
23 who is in half-time and who is in full-time
24 positions. We can report that real quick.

25 CHAIR KERNAN: I think it ultimately

1 increases the incentive to the inmates. Inmates now
2 who have the lower TABE score, you know they are
3 forced to go to school and not have an assignment
4 where they make some money so they can get canteen.

5 What PIA is doing is balancing that out so
6 they can do both. I think it will improve things
7 for the prison and for the inmate.

8 Any other comments?

9 So as a reminder, if any member of the public
10 would like to make a comment regarding this item,
11 please have a speaker request form filled out and
12 then come forward and state your name and
13 affiliation.

14 And seeing no public comments, is there a
15 motion to approve Action Item A?

16 MEMBER KELLY: So moved.

17 MEMBER JENNINGS: Second.

18 CHAIR KERNAN: First and second.

19 Board Secretary, please take roll.

20 MS. VUONG: Member Aghakhanian.

21 MEMBER AGHAKHANIAN: Aye.

22 MS. VUONG: Member Davidson.

23 MEMBER DAVIDSON: Aye.

24 MS. VUONG: Member Davison.

25 MEMBER DAVISON: Aye.

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MS. VUONG: Member Kelly.

MEMBER KELLY: Yes.

MS. VUONG: Member Jennings.

MR. JENNINGS: Yes.

MS. VUONG: Member McGuire.

MEMBER MCGUIRE: Aye.

MS. VUONG: Member Steeb.

MEMBER STEEB: Yes.

MS. VUONG: Vice Chair Singh.

MEMBER SINGH: Yes.

MS. VUONG: Chair Kernan.

CHAIR KERNAN: Yes.

MS. VUONG: Motion passes nine-zero.

CHAIR KERNAN: Action Item B.

MR. PATTILLO: Action Item B is a regulation and Item C is policy. This has to do with vehicle acquisition. The first part of this is, PIA has had a Board-adopted procurement policy since 2005. What our first Action Item is, is a regulation basically codifying that regulation and also adding in vehicles and vehicle repair maintenance in that portion of the acquisition.

I'll let Jeff open on the regulation.

MR. SLY: In Action Item B, we're actually proposing to add a regulation to 8.5 out of Title

1 15, Division 8.5, which are regulations, rules for
2 the Prison Industry Authority Board. This is
3 actually a regulation for your authority. It
4 addresses the authority given in the statute, Penal
5 Code Section 2808(g), which gives the Board specific
6 authority to create policies and procedures for the
7 California Prison Industry Authority.

8 What we are doing here is the first step,
9 which ultimately will be to move all of our
10 procurement stuff into a regulatory format as we've
11 discussed with the Office of Administrative Law. We
12 thought we would start with the Board.

13 This regulation will address the Board's
14 authority to approve CALPIA's procedures, which
15 would be in the next Action Item. So here,
16 basically, spelled out in the item itself is the
17 reason why we need this and the authority for doing
18 it. I won't actually read all that since everybody
19 has had an opportunity to look at that, but I will
20 open it up for any comments or questions before we
21 ask you to approve it.

22 MR. PATTILLO: There is no opposed
23 amendments on this one. It's just a regulation.

24 MEMBER McGUIRE: I just have some comments.
25 Part of the reason for the regulation is the

1 Department of General Services, which is my
2 department, and so there has been some in the past
3 and part of it kind of looks the other way, or maybe
4 it wasn't as well-known, and the Controller bought
5 it up more recently, that they were looking for our
6 approval for the procurement for the vehicles and
7 for the repairs on PIA's behalf.

8 We looked back at the statute and, again, the
9 vehicle part of the procurement in the statute and
10 Article 5. Our attorneys read that that part of the
11 article doesn't exempt PIA. Article 2 and 3 exempts
12 PIA from the other procurement activities of the
13 State, but, in fact, Article 2.5 doesn't.

14 Clearly, in my 30-plus years in state
15 government, is you can get three attorneys in a room
16 and get three different opinions on how the statute
17 applies in a situation. So I'm not going to pretend
18 to be an attorney myself. Our legal staff really
19 felt that maybe the best approach to get to the
20 solution that everyone is after is a statutory
21 change in Article 2.5. I know that takes a longer
22 runway to do that. And so PIA has chosen to, based
23 on their opinion that 2.5 doesn't include this
24 because of the funding situation and for the parts
25 that are funded there, that they are not funded from

1 the General Fund.

2 Chuck's approach is, let's just put it in a
3 reg, and getting it cleared through OAL has the same
4 effect. So I think for DGS's position and just,
5 frankly, before I vote, is that we aren't opposed to
6 the end result. We think that the more appropriate
7 approach is to change the statute.

8 I'm going to vote no on the reg, but we are
9 not voting no on the ultimate outcome. So we'll
10 vote for the policy after it. So you know where we
11 are and so everyone understands.

12 MR. PATTILLO: Basically, Jeff and I have a
13 very good relationship on this issue. Our main
14 issue on this is it is cumbersome to procure a
15 vehicle through the Department of General Services.
16 They won't show charts. Their timeline is 13
17 months. Ours is three to seven days in procuring a
18 vehicle. It's just one of those things that last
19 year, when we stood up the Facilities Maintenance
20 Program, we had to roll that out at 35 locations at
21 one time. We had to buy a whole bunch of four-wheel
22 vehicles to get folks around. And if we'd gone
23 through that process, we wouldn't have been so far
24 along as we are in resolving the lawsuit as far as
25 prisons.

1 CHAIR KERNAN: Can I ask a quick question?

2 MR. PATTILLO: Yes.

3 CHAIR KERNAN: Is it possible, in going
4 forward with these regs and even despite the
5 conflicting legal opinion, to seek a statute change
6 to further clarify it, even though we're going to
7 ask for --

8 MR. PATTILLO: We can do that in addition,
9 and I think it's probably something we will approach
10 after. It will take us too long to clarify. Things
11 like having a million dollars held up in our account
12 has caused us some serious delays in rolling out a
13 couple programs. That's what we're trying to do, to
14 get through that.

15 I will admit that I have been very critical of
16 DGS. Because the way I look at it is that they're
17 spending an inordinate amount of resources trying to
18 figure out an opinion on us when we're the one
19 agency that does it right. So I would appreciate --

20 CHAIR KERNAN: Are you saying CDCR does it
21 wrong? Are you saying -- is that what I just heard?

22 MR. PATTILLO: We don't abuse our
23 authority. Neither do you. We actually do it
24 right, correct. People have authority --

25 CHAIR KERNAN: I do think PIA, like other

1 state agencies, need more flexibility to be able to
2 move quicker. I certainly wish I could have that
3 authority. I bet you there are a couple of people
4 in this room who would like that greater flexibility
5 to move quicker.

6 MEMBER McGUIRE: Just for whole disclosure,
7 we are relooking at the whole acquisition process
8 and how can we do more, maybe verifying after
9 instead of the front-end of everything. More like
10 crediting departments that you have to track with
11 compliance. We let them kind of do it themselves in
12 order to track afterwards versus approving
13 everything upfront. We will work with our General
14 Services support group, which CDCR is a
15 representative member of. So we are working on
16 looking how to modernize that process. I'm
17 wondering if anyone remembers when it was asked, How
18 many vehicles does the state have? No one knows.
19 There was a lot of criticism, and that was on the
20 agency that was supposed to oversee that.

21 So the pendulum kind of swung over to "We need
22 a lot more control." Now, we're trying to swing
23 back to the middle. We realize PIA has more budget
24 cycle than with everybody else, where they all kind
25 of know and they get in the queue to get their

1 funding and the vehicles and stuff.

2 CHAIR KERNAN: Very well said, and I agree
3 a hundred percent.

4 Any other comments from the Board?

5 Is there any member of the public who would
6 like to make a comment regarding this item?

7 MR. FONG: Good afternoon. My name is Devin
8 Fong. I'm the Deputy Director of the Office of
9 Business Services within CDCR. I am also the
10 Procurement and Contract Officer for the Department
11 of Corrections and Rehabilitation. Both the Fleet
12 Management Unit and the Fleet Acquisitions Unit are
13 sections within of Division of Administrative
14 Services.

15 In '16-17, my office oversaw \$1.4 billion
16 dollars worth of contract procurements and \$146
17 million worth of purchases from PIA. So CDCR is
18 obviously very interested in containing costs, and
19 any proposal which may increase our operating cost
20 to run our institutions is -- we are always going to
21 be interested in those.

22 So just a couple facts that I just want to
23 present today for your consideration. State
24 Administrative Manual 4127 states that if fleet
25 acquisition plans are submitted around the first

1 business day of April, they should be approved
2 within that Fiscal Year or shortly after.

3 CDCR presented its fleet acquisition plan on
4 April 4th. We still don't have an approved
5 acquisition plan. Section 4120, Government Code
6 1332.09, identifies the process in which to acquire
7 vehicles. Those sections do not afford a process to
8 acquire vehicles without an approved acquisition
9 plan. There is no outlet.

10 The Receiver - we're under receivership as
11 most of us know - has been extremely critical of our
12 timely replacement of vehicles - most recently of
13 our CIM healthcare replacement vehicles. It takes
14 us almost a year, if not more, to replace vehicles,
15 and it's a critical finding that we're working
16 closely with the Receiver to resolve.

17 Lastly, as Jeff mentioned, DGS does
18 acknowledge the problem the Departments have been
19 bringing forward in an attempt to work through the
20 problems with the acquisition plan, and are really
21 committed to getting that done. But I just want to
22 offer those facts to you in support of this motion.

23 MR. PATTILLO: Full disclosure. Mr. Fong
24 was also our former Chief Administrative Officer for
25 PIA. I want to acknowledge that. He was with us

1 for many years, also. So he's helped develop a lot
2 of these policies.

3 CHAIR KERNAN: Any other questions?

4 MEMBER KELLY: Does this vehicle policy
5 include trucks and forklifts and everything else?

6 MR. PATTILLO: Everything.

7 MEMBER KELLY: I've been on the Board a
8 long time, been through what I call a lot of
9 head-hunting audits where politicians come in and
10 look at our facilities and see things and tell us
11 that we have too much stock or we're too slow in
12 delivery. And, you know, for this to be -- for our
13 vehicles, we need to transport things on time. It's
14 very cumbersome for us. I, for one, am going to
15 vote yes.

16 CHAIR KERNAN: Let me say one last thing.
17 DGS saved CDCR's bacon when we had -- we needed some
18 emergency transport vehicles for our mental health
19 crisis recently. DGS did everything that they could
20 to help us. I want to be very clear that I think
21 DGS and CDCR are working closely to get to a better
22 place on these vehicles.

23 If there are no other questions, can I have a
24 motion to approve Action Item B?

25 MEMBER AGHAKHANIAN: So moved.

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MEMBER JENNINGS: Second.

CHAIR KERNAN: I have a first and a second.
Madam Secretary, will you take roll?

MS. VUONG: Member Aghakhanian.

MEMBER AGHAKHANIAN: Aye.

MS. VUONG: Member Davidson.

MEMBER DAVIDSON: Aye.

MS. VUONG: Member Davison.

MEMBER DAVISON: Aye.

MS. VUONG: Member Kelly.

MEMBER KELLY: Yes.

MS. VUONG: Member Jennings.

MR. JENNINGS: Yes.

MS. VUONG: Member McGuire.

MEMBER MCGUIRE: No.

MS. VUONG: Member Steeb.

MEMBER STEEB: Yes.

MS. VUONG: Vice Chair Singh.

MEMBER SINGH: Yes.

MS. VUONG: Chair Kernan.

CHAIR KERNAN: Yes.

MS. VUONG: Motion passes eight-one.

CHAIR KERNAN: Jeff, C.

MR. SLY: Action Item C is basically the
second part of what we just talked about in Action

1 Item B. These are essentially, for your review and
2 approval, the changes to our existing procurement
3 policy and procedures that we want the Board to
4 specifically approve, that shows PIA has the
5 authority to purchase vehicles and maintenance and
6 repairs.

7 Some of the Board members may remember back in
8 2005, the Board first took action to approve PIA to
9 have independent procurement authority. Since that
10 time, it's been implied that the procurement
11 authority involved the purchase of vehicles, as PIA
12 has been purchasing its own vehicles since that
13 time. It's only been in the recent year and a half,
14 two years or so that some of this had come into
15 question with regards to reimbursement from the
16 Controller's Office, for the revolving fund
17 expenditures for cars and for maintenance and
18 repairs. It's now kind of come up as to whether or
19 not PIA has the authority and whether that authority
20 has really been documented anywhere.

21 Recognizing Mr. McGuire's comments before, PIA
22 has not ignored the DGS position on this. It is
23 that we do believe that there is statutory authority
24 for this Board to issue that authority to grant PIA
25 this authority and that PIA has legal authority to

1 move forward with the purchase of the vehicles. And
2 these policies, these two policies we are asking you
3 to approve, just merely put it in writing and have
4 the Board affirmatively approve on the record that
5 yes, they agree it's your statutory authority.

6 Essentially, Penal Code Section 2808(g) gives
7 the Board the authority to approve PIA to do these
8 things. We are not saying PIA indefinitely has that
9 authority. The Board has the authority to approve
10 for PIA. Now we're asking you to -- the last action
11 item was to allow us to move forward with this
12 regulation to support that authority. Now this is a
13 procedure we need in order to carry it out in
14 writing, so that we can show that to the
15 Controller's Office and then seek reimbursement
16 that we need for the expenditures that have already
17 taken place and in the future.

18 CHAIR KERNAN: So to our previous
19 discussion, can you explain to me how we are going
20 to report to DGS so that when DGS gets asked the
21 question of how many vehicles we have, how are we
22 going to keep that reporting requirement sustained?

23 MR. PATTILLO: So the Department of General
24 Services is also the acquisition management. They
25 have, basically, a statewide database of all vehicle

1 information. We will continue to operate -- what
2 was just handed out to you was 4.7. The Secretary
3 committed to, Secretary Batjer, which is DGS's
4 parents, that we would comply with all reporting
5 requirements on whatever we buy.

6 Whatever it is, we'll report it up. 4.7 says
7 CALPIA will report to the Office of Fleet and Asset
8 Management all post-purchase data to ensure
9 compliance with state and federal environmental
10 energy and fiscal policies. That is basically just
11 the full, encompassed reporting that DGS requires.
12 There is nothing that we are not going to report.
13 We have hired one position just for this reporting
14 purpose, but we're looking forward to getting to a
15 point where we have just one person for reporting.

16 CHAIR KERNAN: Do you have that many cars?

17 MR. PATTILLO: We have that much reporting.
18 Mr. Fong probably has, I guess, six more people than
19 that. But we're looking for the day when we go to
20 all completely cellular, electronic reporting. So
21 we have volunteered to be a testing agency in this
22 way. We'll put up the upfront money on this thing
23 because it makes sense to have it that way, so we're
24 using data instead of warm bodies to do the
25 reporting.

1 MR. SLY: If I could just interject, it is
2 still past value feature. We are substituting that
3 for the C1 that you have in your binder. When you
4 vote on this, you are approving what has just been
5 given, not what exists in your binder.

6 MR. PATTILLO: That is 4.7, what I read out
7 loud.

8 CHAIR KERNAN: Any other questions from the
9 Board?

10 One last silly one. The zero emission
11 vehicles, do you intend to comply with all state
12 requirements as it relates to zero emission
13 vehicles?

14 MR. PATTILLO: Yes.

15 CHAIR KERNAN: Okay.

16 MEMBER AGHAKHANIAN: I have a quick
17 question. Regarding zero emission vehicles, there
18 are moneys that you can get reimbursed because of
19 the [indecipherable].

20 MR. PATTILLO: We qualify for any rebates
21 that comes through. A lot of times, though, on
22 negotiations we buy off DGS contracts sometimes.
23 There are times we get them cheaper. If we go
24 through them, a lot of those reimbursements have
25 been negotiated as part of the price of the vehicle,

1 so it's not double-dipping.

2 CHAIR KERNAN: Seeing no other questions,
3 would any member of the public like to make a
4 comment regarding this item?

5 Seeing none, may I have a motion on Action
6 Item C?

7 MEMBER JENNINGS: So moved.

8 MEMBER SINGH: Second.

9 CHAIR KERNAN: Board Secretary, roll,
10 please.

11 MS. VUONG: Member Aghakhanian.

12 MEMBER AGHAKHANIAN: Aye.

13 MS. VUONG: Member Davidson.

14 MEMBER DAVIDSON: Aye.

15 MS. VUONG: Member Davison.

16 MEMBER DAVISON: Aye.

17 MS. VUONG: Member Kelly.

18 MEMBER KELLY: Yes.

19 MS. VUONG: Member Jennings.

20 MR. JENNINGS: Yes.

21 MS. VUONG: Member McGuire.

22 MEMBER MCGUIRE: Aye.

23 MS. VUONG: Member Steeb.

24 MEMBER STEEB: Yes.

25 MS. VUONG: Vice Chair Singh.

1 MEMBER SINGH: Yes.

2 MS. VUONG: Chair Kernan.

3 CHAIR KERNAN: Yes.

4 MS. VUONG: Motion passes nine-zero.

5 MEMBER AGHAKHANIAN: Are we now going to
6 get a nice bigger sticker that says CALPIA?

7 CHAIR KERNAN: We are ready for External
8 Affairs update. Mr. General Manager.

9 MR. PATTILLO: Yes, we are. So Ms. Vuong
10 is acting Chief of External Affairs as well as being
11 the Board Secretary.

12 Just to give you an update on Michele. She is
13 still out. We actually went and outfitted her with
14 an office at home. She can work partially from
15 home. She will be out of commission and in a walker
16 for a while longer.

17 MS. VUONG: Good afternoon, Board Members.
18 I just want to start off with September being a
19 fantastic month for PIA. We had our San Diego
20 Employer Forum on September 1st. I want to start
21 off with thanking Mr. Jenkins, Ms. Davison and Ms.
22 Steeb for attending to support the event.
23 Especially Mr. Jenkins for his very powerful
24 presentation. He was part of the planning committee
25 coordinating the event. Ms. Steeb who stepped in to

1 be our emcee. She did a fantastic job holding court
2 and making the program move. Thank you so much for
3 doing that.

4 CHAIR KERNAN: Was the Governor nice to
5 you?

6 MEMBER STEEB: He did not challenge me like
7 he challenged Chuck. I was very grateful.

8 MS. VUONG: The event was coordinated in
9 collaboration with local community partners and law
10 enforcement. The goal was to educate local
11 businesses on the benefits of hiring former
12 offenders. There were about 400 attendees there;
13 168 companies representing employees. So a good
14 turnout with a lot of positive media coverage.

15 We want to thank the San Diego Workforce
16 Partnership, Second Chance, San Diego Sheriff's
17 Office and San Diego County Probation Department. I
18 also want to give a special thank you to Michele
19 Kane. Before she went out with her injury, she had
20 a very well-detailed plan for how to execute the
21 event, so it went very smoothly. She was so
22 detailed oriented, and it went very well. I want
23 you to know that.

24 The highlight of the event was the Governor,
25 who provided the keynote remarks. He praised CALPIA

1 for providing employment and programming
2 opportunities for offenders and also for its
3 self-sufficiency. He also drove home the point that
4 businesses could have a significant impact on public
5 safety as well by being the ones to provide second
6 chances to offenders, and he challenged them to
7 demonstrate this by helping them succeed when they
8 are released.

9 Some additional events we have coming up:
10 September 22nd, this Friday, the Golf Benefit. This
11 year we are benefiting the Folsom Project for
12 Visually Impaired and the Moral Values Program of
13 Sacramento.

14 We have two events in October. October 12th
15 is a grand opening and ribbon-cutting for the
16 Autodesk-Authorized Training Center in Folsom. That
17 will be keynoted by Ralph Diaz, Undersecretary of
18 Operations for CDCR.

19 The second ribbon-cutting ceremony will be
20 October 19th at the California Institution for
21 Women, for the new Code.7370 training room opening
22 up. We're coordinating that event in partnership
23 with CDCR and the local institution and The Last
24 Mile. We're anticipating a lot of good media
25 coverage there.

1 Moving to Legislative updates. The last time
2 the Board convened on June 29th there were two bills
3 that were discussed here that the Board ultimately
4 voted to support: AB 1068 and AB 1092.

5 AB 1068 is a bill that authorizes CALPIA to
6 establish a pilot program to contract with one
7 private employer that employs former offenders and
8 to provide goods and services to CDCR and other
9 state agencies. The bill passed both houses and is
10 now before the Governor for signature, so it is
11 still pending.

12 The second one, AB 1092, Medi-Cal eyeglasses.
13 This bill is actually incorporated in the Governor's
14 budget for the Fiscal Year, so it is in effect, sort
15 of. It comes into effect actually in five years,
16 depending on federal funding. That is in the budget
17 but dependent on funding.

18 There is a new bill that came onto our radar,
19 AB 822, regarding the sale of California produce.
20 This bill requires California agencies to give
21 in-state preferences to agricultural products grown
22 within the state, so long as the purchase price is
23 within 5 percent of the lowest bid grown by
24 out-of-state vendors.

25 We anticipate minimal impact to us, if any.

1 Our only crop is almonds, and that is grown,
2 cultivated and processed for internal consumption
3 only. There may be some impact to CDCR, but
4 definitely not to us, if any.

5 That concludes my presentation for External
6 Affairs. Any questions?

7 MEMBER AGHAKHANIAN: The event that you had
8 in San Diego, the Employer Forum, how often do you
9 hold such events?

10 MR. PATTILLO: We usually do about one a
11 year. We haven't picked the next one yet. Right
12 now we're focusing on the goodwill that we got out
13 of -- we had several hundred employers. So the
14 Secretary has asked us to put a proposal together
15 for Southern California, how we can extrapolate on
16 that and do a little bit more work in San Diego and
17 L.A. County. If we do -- L.A. was mentioned and
18 L.A. Technical Trade College was mentioned.

19 MEMBER AGHAKHANIAN: In terms of
20 businesses, is this open to everyone?

21 MR. PATTILLO: We actually made over 5,000
22 calls throughout the region, and ended up with just
23 shy of 400 people. It was a great turnout. It
24 really was.

25 CHAIR KERNAN: Any other questions?

1 MEMBER AGHAKHANIAN: Are there events in
2 October and what time?

3 MS. VUONG: The ribbon cutting is at 11:00
4 a.m. That is a Thursday, October 19th. The Green
5 Valley one, October 12th at 10:00 a.m.

6 CHAIR KERNAN: Very good.

7 We are now going to move on to the portion of
8 the meeting reserved for comments regarding items
9 not on the agenda.

10 Under the Bagley-Keene Act, the Board cannot
11 act on items raised during public comment, but may
12 respond briefly to statements made or questions
13 posed, or may request clarification or refer the
14 items to staff.

15 Would anyone like to make a comment or address
16 the Board?

17 Before I adjourn, I would like to use the
18 final few minute to give thanks to Ray Trujillo for
19 his service to the Prison Industry Board since,
20 remarkably, 2001, serving as one of the Governor's
21 labor representatives.

22 Ray has been the Regional Director for the
23 State Building Trades since 1995. From '91 to '95
24 he was the representative to the D.C. Ironworkers.
25 From '85 to '91 he was the representative for the

1 Ironworkers, Local 378.

2 He is currently one of the Directors on the
3 Sacramento Metropolitan Fire Board and has been a
4 member of the Contra Costa Transportation Advisory
5 Committee and the Concord Redevelopment Advisory
6 Commission.

7 Ray has had a lasting impact on the Board. He
8 has demonstrated his strong support of labor and
9 also his strong support for CALPIA's mission and
10 objectives. His ability to balance the needs of
11 both has benefited California's correctional
12 industries tremendously.

13 On behalf of the Board, I want to thank him
14 for his support and leadership and for the impact he
15 has on what we do. We could not have come as far as
16 we have without you.

17 Thank you.

18 MR. PATTILLO: Ray's been extremely helpful
19 to me. If you know you want something -- you know I
20 don't like to pick a fight with anybody, but if --

21 CHAIR KERNAN: Yeah.

22 MR. PATTILLO: -- if you want to pick a
23 fight and you need someone to help you, this is the
24 guy you want with you. I've strategized with him
25 several times to move things not only in our

1 department, CDCR, but outside state agencies,
2 including Labor. I have been very appreciative of
3 his help.

4 Ray, come on up. We have a nice plaque for
5 you. Say a couple words.

6 MEMBER TRUJILLO: Well, it would be more
7 than a couple words. First of all, I would like to
8 say that it's been my privilege and honor to
9 represent the men and women in the construction
10 industry, highly trained through apprenticeship
11 programs who have opened the doors for inmates, not
12 as a job but as a career, where they are able to go
13 to any state in the United States and around the
14 world and be able to work in that craft. Giving
15 them a second chance.

16 We have all made bad mistakes at one time or
17 another, and just the opportunity to give them a
18 second chance was a goal that I had when I was
19 appointed to this Board.

20 I have seen several acting Managers, General
21 Managers, on this Board, and Mr. Pattillo above all
22 has stood out and advanced this Board to the men and
23 women in the institutions. And the Board Members
24 who I have worked with, all highly knowledgeable and
25 very intelligent, I appreciate that I have known you

1 and worked with you.

2 The one who sticks out in my mind the most and
3 will remain my friend for life is Dar Singh. Dar,
4 when I was appointed to the Board, took me under his
5 wing, explaining how the Board worked, and if I
6 needed any help he would give advice.

7 So, Dar, I want to thank you personally for
8 the years of knowledge that you've bestowed upon me.
9 And again, I can't say enough for Mr. Pattillo.
10 This organization has really advanced under his
11 leadership and skill. And that's attributed to you,
12 Board Members, who have helped him with his ideas
13 and made it possible for him to do that.

14 Again, I just want to thank everybody,
15 including the Secretary. You are the first
16 Secretary I really had a lot of confidence in. I
17 talked to Chuck about you and Chuck said this guy is
18 the real deal. And in the short time that I have
19 worked with you, you are the real deal. I hope that
20 wherever your endeavors take you, that I know you
21 will succeed.

22 And Michele Steeb. I love you. You are such
23 a sensitive person. And I'll share this with you
24 folks. When we were in San Quentin and listened to
25 some testimony, I was standing next to her, and I

1 looked at her and she looked at me. We both had
2 tears in our eyes. You are special, Michele. And
3 thank you for your work on this Board.

4 And this will be to my predecessor, Bob
5 Jennings. He is very highly qualified. He's been
6 in the trades for years. Very knowledgeable and
7 easy to work with. If you think I did a good job,
8 wait till you see this guy. Thanks, Bob.

9 MEMBER JENNINGS: I have big shoes to fill.

10 MR. PATTILLO: At the very end, when we
11 adjourn, if we can get a picture.

12 MEMBER TRUJILLO: I don't see the union bug
13 on here. They understandably spelled my last name
14 wrong. If it had been a union craft, they would
15 have done it right. Just joking.

16 MR. PATTILLO: Wow.

17 CHAIR KERNAN: Let's get to the picture.
18 If there is no other issue, this concludes our
19 Prison Industry Board meeting on September 20th,
20 2017.

21 Is there a motion to adjourn the meeting?

22 MEMBER SINGH: So moved.

23 MEMBER AGHAKHANIAN: Second.

24 CHAIR KERNAN: We have a first and a
25 second.

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This meeting is adjourned.

(Public meeting concluded at 1:52 p.m.)

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