

Prison Enterprises Board Meeting

August 26, 2014

APPROVED
Michael J. Moore
Michael J. Moore, Director
DATE 9/17/14

1. Chairman Charles Chatelain called the meeting to order at 10:07 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Attendance
 - 2.1 Members Present:
Charles Chatelain, Chairman
Harvey Honore
Joseph Ardoin
 - 2.2 Prison Enterprises Staff Present:
Michael Moore, Director
Joe Buttross
Todd Labatut
Vickii Melius
Michelle Montalbano
Kristie Sigrest
Misty Stagg
3. Chairman Charles Chatelain deferred approving the minutes for the July meeting, as there were not enough board members present to make a quorum.
4. Mr. Chatelain turned the meeting over to Director Moore.
5. Director Moore began by restating the official deadline date PE Headquarters was given to relocate remains at December 31, 2014.
6. He explained Grace & Hebert were in the process of segregating PE's portion of costs from the total renovation expense for the Mayflower Building.
7. Director Moore updated the board on the meetings PE had with the Louisiana Correctional Facilities Company (LCFC). He reported the LCFC agreed that the project met the criteria for them to assist with a Bond Commission recommendation. He stated the bond funding process should take approximately sixty days to complete and will allow PE to repay the bond over 10-15 years.
8. Next, Director Moore invited the board members to the DOC Employee Memorial Service and Annual Awards presentation, on September 25th at 10 AM at DOC Headquarters. He reported Mikel Vannoy, a former PE staff member, will be honored at the Memorial Service.
9. Continuing, Director Moore reported the following PE employees were retiring: Robert Honeycutt, Industries manager will retire September 28th, PE truck driver, Billy Baggett and the LSP Rowcrop manager, Frank Lemoine plan to retire at the end of October, and Billy Ott will retire November 1st. He also stated PE has a Quality Assurance Coordinator position and an accounting position open.
10. Director Moore discussed his participation at the American Correctional Association Summer Conference (ACA) in Salt Lake City, Utah August 15th – 19th. He attended ACA meetings and the NCIA board meetings that were held in conjunction with ACA Conference.
11. Next, Director Moore announced the Louisiana Correctional Association (LCA), the State ACA affiliate, has scheduled the 1st Annual LCA Conference at the Paragon Casino

Resort from October 20th – 22nd. PE will participate in the conference and provide various items for the attendee goodie bags as well as produce the shirts and hats ordered for the conference.

12. Then, Director Moore reported discussions to ban smoking at the state prisons has begun. He explained how the ban could potentially effect PE's revenues.
13. Continuing, Director Moore informed the board of the September 4th Tag Plant tour requested by Representative Vincent Pierre, sponsor of the legislation creating the "I'm Creole...and Proud" license plates. The group touring will include various OMV staff members, the OMV commissioner, Representative Huval and Representative Pierre.
14. Lastly, Director Moore discussed PE's participation in a DOC project identifying jobs that do not currently qualify offenders to receive good time credits. He stated PE has been working diligently to provide the information to DOC.
15. Director Moore then asked if there were any questions or comments.
16. Mr. Honore commented on Billy Ott's retirement and inquired on the plan for replacing Mr. Ott.
17. Director Moore reported that Billy Ott's replacement has been detailed to his position and in training for the past several months.
18. Next, Chairman Chatelain asked Director Moore to report on the status of the LSU property adjacent to EHCC.
19. Director Moore reported PE has 150 head of cattle on the property and plans to increase to as much as 500 head in the future.
20. Director Moore then asked Deputy Director Labatut for his comments.
21. Mr. Labatut began by stating he was in the process of preparing the 2014 – 2015 list of PE's projected equipment purchases/leases.
22. Next, Mr. Labatut discussed the Grant Parish Detention Center staff and Sherriff's interest in potentially ordering the customized bunk beds PE designed for the Lincoln Parish Detention Center. Mr. Labatut stated DWCC's Warden Goodwin has agreed to assist PE and provide offender welders if necessary.
23. Director Moore then asked Mr. Buttross for an administrative update.
24. Mr. Buttross began by announcing that preparations for bidding the timber at Winn and DWCC have begun. Winn bids will be accepted for thinning and DWCC bids will be accepted for clear-cutting the timber. The bid date has not been announced.
25. He then reported PE made two equipment purchases. The first was a hay fluffer for the LSP Rangeherd and secondly an engine for the John Deere Rowcrop Tractor at LSP.
26. Mr. Buttross explained there have not been any updates on the consolidation of State Purchasing.
27. Next, Mr. Buttross stated that the Annual Canteen Meeting held July 24th was a success and PE should receive the 156A's before September to begin the bid process.
28. Continuing, Mr. Buttross reported PE's controller, Mrs. Sigrest, completed the training for PE staff on the new P-Card Procedures.
29. Lastly, Mr. Buttross announced that the July 2014 job orders totaled \$1.6 million that doubled the July 2013 job orders, which totaled \$800,000. He reported the job orders August 2014 to date were \$378,000 and the orders for all of August 2013 totaled \$436,000.
30. Director Moore then asked Mrs. Sigrest for the financial update.
31. Mrs. Sigrest stated that the total sales for June 2014 were \$28.1 million as compared to last year's 29.2 million, a decrease of \$1.1 million. Industries totaled \$9.5 million this

- year as compared to last year's \$11.3 million, a decrease of \$1.8 million, Agriculture totaled \$3.9 million this year compared to \$3.6 million last year, an increase of \$612,000, Retail sales totaled \$14.6 million this year, compared to \$14.5 million last year, an increase of \$69,000.
32. The June 2014 YTD Net Loss was \$46,000 as compared to last year's net income of \$764,000, a decrease of \$810,000. Industries net income for June 2014 totaled \$60,000 compared to June 2013's profit of \$1 million, a decrease of \$962,000, Agriculture totaled a net income of \$271,000 as compared to last year's net profit of \$118,000, an increase of \$154,000, Retail totaled a net income of \$717,000 compared to last year's net profit of \$687,000, an increase of \$30,000.
 33. Mrs. Sigrest stated that the July 2014 preliminary sales totaled \$2.5 million as compared to last year's \$1.8 million, an increase of \$676,000. Industries totaled \$1.3 million as compared to last year's \$514,000 an increase of \$852,000, Agriculture totaled \$184 as compared to last year's \$15,000, a decrease of \$15,000, Retail totaled \$1.1 million as compared to last year's \$1.3 million, a decrease of \$160,000.
 34. Lastly, Mrs. Sigrest provided an update on the preparation of the following year-end reports: The Annual Financial Statement, Annual Reports, and the Briefing Book Reports.
 35. Director Moore then asked Mrs. Melius for the marketing update.
 36. Mrs. Melius began by reporting there were two significant DOC orders in July, one was LSP's order for uniforms, and printing which totaled \$42,357 and the other was from EHCC for printing totaling \$22,425.
 37. Then, she reported that PE received five significant job orders during the month of July. Department of Environmental Quality for signs totaling \$20,250, St. Mary's Parish Law Enforcement for shorts and scrubs totaling \$30,225, Louisiana State Exhibit Museum (Shreveport) for re-upholstery of auditorium seating for \$13,160, Louisiana Wildlife & Fisheries, Grand Chenier for furniture which totaled \$26,758 and an order from the Livingston Parish 21st Judicial District Court for chairs totaling \$110,345.
 38. Mrs. Melius reported that the sales team recently attended the Louisiana Sheriffs' Association (LSA) Sheriffs' and Wardens' Training Conference and Exhibition from July 27th – July 31st, then they attended the Louisiana Municipal Association (LMA) conference in Baton Rouge from July 31st – August 2nd and they will attend the Louisiana Corrections Association Conference October 20th – 22nd. She reported due to the current consolidation of the State Purchasing Department the NGIP conference was cancelled.
 39. Lastly, Mrs. Melius stated the 2014/2015 State Contract Prices were finalized.
 40. Director Moore then asked Mrs. Stagg to provide the Industries update on behalf of Mr. Honeycutt.
 41. Mrs. Stagg began by recognizing Allen Furniture for providing superior customer service. She stated the plant completed an order to refurbish 100 Catholic Church pews from a church in Hessmer, despite the job ending up being tedious and more time-consuming than originally planned. While preparing to refurbish the pews it became evident, the pews were not sturdy and could not withstand the refurbish process. To fulfill the job order, each pew had to be taken apart, re-glued, and then begin the refurbish process.
 42. Next, Mrs. Stagg reported the Metal Fabrication Shop designed custom cafeteria tables for the Sheriff's offices in Lincoln and Allen parishes. The table design allows for the

tables to be assembled and installed by the customer. PE will deliver the pieces and the customer will install the tables.

43. Continuing, she reported the Metal Fabrication Shop custom manufactured fence panels for the West Feliciana library. Each panel had to be individually measured to properly slide in and be bolted between two existing brick posts.
44. Lastly, Mrs. Stagg informed the board, being proactive; PE contacted Louisiana State University (LSU) inquiring on their need for a barricade order. LSU placed an order for 200 barricades prior to the first home football game.
45. Director Moore then asked Mrs. Stagg to provide the Agriculture update on behalf of Mr. Hoover.
46. Mrs. Stagg began by announcing all of the corn was harvested and the preliminary results show a yield of approximately 188 bushels per acre. She reported seven loads of corn were sent to the elevators and only three more loads are planning to be sent. The remaining corn will be kept. Mrs. Stagg stated the milo was being harvested and the soybeans were drying out and looked good.
47. Next, Mrs. Stagg reported four loads of LSP steers and heifers shipped the week of August 18th and five loads are planned to ship the week of August 25th.
48. Lastly, Mrs. Stagg stated that one load of DWCC steers sold for \$2.58 and one load of heifers sold for \$2.50. Both loads are scheduled to ship by September 15th.
49. Mr. Chatelain announced the next board meeting would be held on Tuesday, September 16, 2014 at the LSP Ranch House at 11:00 AM. Mr. Chatelain then adjourned the meeting.