

**AGENDA  
SUBCOMMITTEE No. 4  
ON STATE ADMINISTRATION**

**ASSEMBLYMEMBER JUAN ARAMBULA, CHAIR**

**WEDNESDAY, APRIL 11, 2007  
STATE CAPITOL, ROOM 437  
1:30 P.M.**

**PROPOSED CONSENT CALENDAR**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>PAGE</b>
<b>5225</b>	<b>DEPARTMENT OF CORRECTIONS AND REHABILITATION</b>	
ISSUE 12	COMMUNITY CORRECTIONAL FACILITIES	<b>18</b>

**ITEMS TO BE HEARD**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>PAGE</b>
<b>5225</b>	<b>DEPARTMENT OF CORRECTIONS AND REHABILITATION</b>	<b>2</b>
ISSUE 1	OVERVIEW OF PRISON HEALTH CARE DELIVERY REFORM AND LITIGATION – INFORMATIONAL ITEM	<b>2</b>
ISSUE 2	PLATA SALARY ENHANCEMENT	<b>6</b>
ISSUE 3	OVERVIEW OF ACADEMIC AND VOCATIONAL PROGRAMMING – INFORMATIONAL ITEM	<b>7</b>
ISSUE 4	CMC MENTAL HEALTH BEDS	<b>9</b>
ISSUE 5	CIW PSYCHIATRIC SERVICES UNIT	<b>10</b>
ISSUE 6	CVSP Waster Water Treatment Plant Improvements	<b>11</b>
ISSUE 7	CCC WASTE WATER TREATMENT PLAN	<b>12</b>
ISSUE 8	COR WASTE WATER TREATMENT PLANT IMPROVEMENTS	<b>14</b>
ISSUE 9	CEN Waste Water Treatment Plant Upgrades	<b>15</b>
ISSUE 10	MCSP WASTE WATER TREATMENT PLANT IMPROVEMENTS	<b>16</b>
ISSUE 11	SCC FILTRATION/SEDIMENTATION	<b>17</b>

## **5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION**

The mission of the California Department of Corrections and Rehabilitation (CDCR) is to improve public safety through evidence-based crime prevention and recidivism reduction strategies.

The CDCR is organized into thirteen programs: Corrections and Rehabilitation Administration; Sentencing Commission; Corrections Standards Authority; Juvenile Operations; Juvenile Education, Vocations, and Offender Programs; Juvenile Parole Operations; Juvenile Health Care Services; Adult Operations; Adult Parole Operations; Board of Parole Hearings; Community Partnerships; Adult Education, Vocations, and Offender Programs; and Correctional Healthcare Services.

The Governor's budget proposes \$9.8 billion (\$9.5 billion from the General Fund) and 65,973.3 positions. This reflects an increase of \$606.8 million and 2,312.3 positions from the revised 2006-07 budget.

### **ISSUE 1: OVERVIEW OF PRISON HEALTH CARE DELIVERY REFORM AND LITIGATION – INFORMATIONAL ITEM**

The California Department of Corrections and Rehabilitation is currently involved in three major class-action lawsuits regarding the delivery of health care services. Below are summary of the three classes:

Perez v. Tilton. In December 2005, *Perez v. Hickman* was filed in federal court contending that CDCR was in violation of the Eighth amendment of the United States Constitution by providing inadequate dental care to prison inmates. Some specific examples of key issues raised in the *Perez* class-action lawsuit include: (1) inadequate numbers of dentists and dental assistants; (2) lack of proper training and supervision of staff; (3) insufficient dental equipment such as examination chairs and x-ray machines; (4) poorly organized inmate dental records; and (5) unreasonably long delays for inmates to receive dental treatment, including prisoners with dental emergencies.

The lawsuit was filed concurrently with a settlement agreement reached between the state and the plaintiffs. The agreement committed the state to implement significant changes in the delivery of dental care services to inmates. The agreement requires the department to implement a number of newly developed policies and procedures at all 33 state prisons over a six-year period, beginning with 14 prisons in July 2006. The agreement focuses on improving inmate access to dental care, as well as the quality of dental care services provided in the prisons. For example, the policies and procedures require the department to treat inmates within specified time frames according to the severity of the dental problem and set standards of care that prison dental staff must provide.

In August 2006, the federal court issued a revised order that, among other things, required a lower dental staff to inmate ratio. Currently, there are 950 inmates to one dentist and one dental assistant. The court has ordered this ratio lowered to 515 inmates. The order also directed the department to prepare a revised implementation plan for complying with the settlement agreement.

Generally, the policies and procedures modify or reiterate existing state regulations. For example, under the agreement the department is required to provide a dental examination to inmates within 90 days of arriving at an institution from a reception center and provide subsequent examinations annually for inmates over 50 years of age and biennially for inmates under 50. Title 15 of the California Code of Regulations currently requires examinations within 14 days of an inmate's arrival; current requirements for subsequent inmate dental examinations are consistent with the settlement agreement. According to the department, none of the 33 prisons currently complies with the policies and procedures.

The Legislature has allocated \$56.7 million since 2005-06 to fund settlement of the *Perez* lawsuit. The funds have been used to implement the Inmate Dental Services Program, which is the plan stipulated by the settlement agreement to bring the department into compliance with the United States Constitution.

The Governor's budget proposal includes \$87.7 million to continue to implement the Inmate Dental Services Program. These funds are to comply with the new lowered dental staff to inmate ratio and for salary enhancements for dental staff.

Coleman v. Schwarzenegger. In June 1991, *Coleman v. Wilson* was filed in federal court contending that CDCR was in violation of the Eighth (prohibits cruel and unusual punishment) and Fourteenth (right to due process and equal protection) Amendments to the United States Constitution by providing inadequate mental health care to prison inmates. *Coleman v. Wilson* alleged that the department's mental health care system was inadequate in several areas, including intake screening, access to care, treatment, and record-keeping. As a result, in 1994, the Federal Court ordered the department to develop a remedial plan to correct these deficiencies. The plan developed by the department is referred to as the Mental Health Services Delivery System (MHSDS). The intent of the MHSDS is to provide timely, cost-effective mental health services that optimize the level of individual functioning of seriously mentally disabled inmates and parolees in the least restrictive environment. At this time the court also appointed a Special Master to oversee the implementation of the plan. The current Special Master is J. Michael Keating Jr.

In 1997, CDCR issued a preliminary version of the MHSDS Program Guide, which established preliminary policies and procedures to provide constitutionally adequate mental health services at all CDCR institutions. This Program Guide has been amended several times since 1997 under directives by the federal court. The court has found that successful implementation of the MHSDS Program Guide will require capital improvements at many institutions. The department has developed a Mental Health

Bed Plan to address the capital outlay improvements that are needed. An amended version of the Mental Health Bed Plan was released at the end of January 2007.

The Legislature has allocated \$207 million since 1995-96 to fund settlement of the *Coleman* lawsuit. The funding has supported changes outlined in the MHSDS plan and other specific court orders under the lawsuit.

At the end of the 2006 legislative session, SB 1134 (Budget) was passed to appropriate \$35.5 million to fund about 550 new positions found by the court to be needed to implement the revised MHSDS Program Guide. Included in this legislation was a provision for a workload study to justify the need for these additional positions. This study is due to the Legislature on April 1, 2007.

The Governor's budget includes \$77.8 million for 2007-08 to fund: (1) salary enhancements for mental health workers; (2) retrofitting of Administrative Segregation Unit Intake Cells for suicide prevention; (3) full year costs associated with the additional positions needed to implement the revised MHSDS Program Guide; and (4) full year costs to implement an Enhanced Outpatient Program at Reception Centers.

Plata v. Schwarzenegger. In April 2001, *Plata v. Davis* was filed in federal court contending that the California Department of Corrections and Rehabilitation (CDCR) was in violation of the Eighth (prohibits cruel and unusual punishment) and Fourteenth (right to due process and equal protection) Amendments to the United States Constitution by providing inadequate medical care to prison inmates. Some specific examples of key issues raised in the case include: (1) the lack of nationally recognized medical guidelines for managing inmates with chronic illnesses; (2) inappropriate and inconsistent medical follow-up visits; (3) inadequate number of registered nurses; and (4) poor coordination between medical and custody staff.

In January 2002, the state entered into a settlement agreement, committing to significant changes in the delivery of health care services to inmates. Generally, the settlement agreement focuses on improving inmate access to health care, as well as the quality of health care services provided in the prisons. Under the agreement, independent court-appointed medical experts monitored the implementation of the agreement, and periodically reported to the court on the state's progress in complying with the agreement.

In September 2004, the federal court issued an order finding significant deficiencies in the department's efforts to implement the terms of the settlement agreement and in June 2005, the federal court decided to appoint a Receiver to manage CDCR's health care system. The Receiver will manage CDCR's health care system until the department proves to the court that it is capable and willing to manage a constitutional health care system or contract out for a similar level of care. The current Receiver, Robert Sillen, was appointed by the federal court in February 2006.

In the 2002-03 Budget Act, a seven- year funding proposal was approved to implement the *Plata* settlement agreement signed by the state. So far, \$200 million has been added to CDCR's budget in the past five budget years to implement the settlement agreement.

The 2006-07 Budget Act also included \$100 million in unallocated health care expenditures to fund other actions directed by the Receiver. To date, the Receiver has allocated about half of the \$100 million (\$50.3 million) to implement various efforts to improve health care in the state prison system. These expenditures have generated \$54.6 million in ongoing costs that have been built into the 2007-08 Governor's budget proposal.

The administration has recently proposed an additional \$50 million in unallocated health care expenditures to be directed by the Receiver in 2006-07. This will provide the Receiver a total of \$150 million for 2006-07 to implement various efforts to improve health care in the state prison system. The Governor's 2007-08 budget proposal includes an unallocated \$150 million for the Receiver to direct in his efforts to improve health care in the state prison system. This is in addition to the \$55 million that has been built into the base budget for ongoing actions directed by the Receiver in the current year.

The Governor's 2007-08 budget proposal also includes \$24.6 million in additional expenditures to implement the *Plata* settlement agreement.

**ISSUE 2: PLATA SALARY ENHANCEMENT**

The administration requests \$31.2 million to provide salary enhancement for selected medical classifications within adult and juvenile institutions.

Since 2002, with the approval the "Stipulation of Injunctive Relief", the Plata court has issued several orders to correct deficiencies within the medical care system and ensure delivery of constitutionally adequate medical services to all inmate-patients. An integral part of ensuring inmate-patients timely access to adequate medical services is the establishment and maintenance of a qualified workforce. On October 17, 2006, the Plata court has issued an order that addresses the vacancy rates among the medical classifications by, among other things, increasing recruitment and retention differentials for multiple clinical classifications.

**COMMENTS**

Staff has raised concerns about providing salary increases to vacant positions. Although, it would create administrative challenges, the department could only apply the increases to position that are filled or in the process of being filled. To that end, the Subcommittee may wish to have the department provide testimony regarding updated vacancy rates and the projected impact of the salary increases.

**ISSUE 3: OVERVIEW OF ACADEMIC AND VOCATIONAL PROGRAM WITHIN STATE INSTITUTIONS – INFORMATIONAL ITEM**

Finding and maintaining employment is a critical dimension of successful prisoner reentry. Research has shown that employment is associated with lower rates of re-offending, and higher wages are associated with lower rates of overall criminal activity. However, former prisoners face tremendous challenges in finding and maintaining legitimate employment opportunities, including low levels of education and limited vocational skills.

In creating the new Department of Corrections and Rehabilitation, the administration emphasized a mission of rehabilitation for offenders in state prisons as a means of lowering recidivism and improving the states overall public safety. As a result, CDCR has placed a new emphasis on provide programming to suit the various needs of its current population. Academic and Vocational programs are two sub-sets of the departments rehabilitative strategy.

CDCR currently offers thirteen (13) different academic programs. The themes of the programs range from Adult Basic Education to High School courses to General Education Development. In addition to tradition classroom courses, the department also offers two alternative education programs: Bridging Education Program and Distance Learning and Independent Study. The Bridging Education Program is designed to provide education services to inmates who are awaiting permanent assignment to an education program. In 2005-06, approximately 16,000 inmates participated in the Bridging Education Program, almost 2000 participants short of the budgeted allocation. Likewise, 4,902 students participated in the other non-traditional education program. As of January 31, 2007, 39,266 students were participating in some kind of academic program, or 24.5% of the state institution population.

In 2005-2006, 1,587 inmates successfully completed Adult Basic Education; 1,795 inmates received a high school diploma or equivalent; 991 inmates were enrolled in college courses; and 177 inmates earned a college level degree.

In addition to the Academic programs, CDCR offers thirty (30) Vocational Programs. The program offers inmates a wide range of skill development opportunities, including Office Service, Auto Body, Auto Mechanics, Building Maintenance, Cosmetology and Dry Cleaning. Twelve of the programs the department offers provide inmates with industry recognized certification upon completion of the required number of courses or hours. Identical to the Academic Program, the availability of certain programs depends on the offerings of various institutions. As of January 21, 2007, 8,886 inmates participated in some kind of vocational program, or 5.5% of the state institution population.

**COMMENTS**

The Department of Corrections and Rehabilitation faces a number of challenges in delivery of rehabilitative programming, including academic and vocational. At a recent hearing, the Sub-Committee heard testimony from the Inspector General regarding their investigation into failure within the department's substance abuse program. The thrust of the Inspector General's testimony was a lack of proper programmatic implementation and oversight on the behalf of the department.

In 2003, the Inspector General completed a survey of the Academic programming at Level IV institutions. The survey revealed the classroom education model to be an inefficient and expensive means of delivering education to Level IV inmates because frequent lockdowns cause academic and vocational classes to be closed down more than 60 percent of the time. The Legislative Analyst's Office, in reviewing the Recidivism Reduction Strategies proposal, that lockdown are a significant obstacles in the delivery of programming, causing inmates to be absent from education classes 24 percent of the time.

Lockdowns are an administrative tool prison officials utilize to ensure the safety of staff and inmates. During lockdowns, prison administrators confine large groups of inmate in their cells, typically in response to inmate violence. When lockdowns occur, the prison keeps inmates – including those not involved in the triggering incident – from participating in programs. According to department records, there were almost 600 lockdowns in 2002-03 lasting an average of about two months each.

Additionally, inmates do not attend programs when there are staff vacancies, such as for teachers and vocational instructors. According to the department, 23.3% of the teacher positions are currently vacant. These vacancies occur for a number of reasons, including difficulty hiring teachers in some locations and frequent lockdowns that reduce the need to fill teacher positions. In addition to permanent staff vacancies, teaching positions are often vacant when instructors take short-term leaves, such as for sick leave, vacation and training. Yet, despite frequent vacancies and leaves, the department does not utilize substitute teachers to fill vacancies, nor is it authorized to hire emergency credential teachers. In 2004-05, the department reports that inmates missed education classes 19 percent of the time due to instructor vacancies.



**ISSUE 4: CMC MENTAL HEALTH BEDS**

The administration requests \$3.5 million to support the preliminary plan phrase for a new 50-bed facility that will provide Mental Health Crisis Bed (MHCB) levels of care at California Men's Colony (CMC). The purpose of the project is to provide a licensed Mental Health Crisis Bed facility for short-term inpatient care to replace the emergency temporary operation of the Outpatient Housing Unit as MHCBs at CMC ordered by the Coleman court on May 1, 2006.

Presently, CMC does not have any licensed MHCBs; however, on May 1, 2006, as ordered by the Coleman court, the CDCR began operating CMC's Outpatient Housing Unit, as a MHCB unit, on a temporary emergency basis. As of June 7, 2006, there were 40 patients receiving MHCB level of care in this unit.

According to the Department, the design of CMC's Outpatient Housing Unit prohibits licensing this space a permanent MHCB unit, even if extensive facility modifications were performed. Therefore, the proposed construction for an additional 50-bed would serve as a permanent solution to the lack of MHCBs at CMC, which has the state's second largest mental health population (1,781 male inmates).

Mental Health Crisis Beds are a component of the department's Mental Health Services Delivery System. The beds provide short term (usually less than ten days) crisis care, where patients can be observed, monitored and treated in a continuous 24-hour licensed inpatient treatment setting.

The administration projects the total cost of the project \$55.7 million. The projected is expected to be completed in the June 2011.

**COMMENTS**

It appears that this proposal is coordinated with the overall mental health bed plan that is currently being reviewed by the courts. Therefore, the subcommittee may wish to receive the rendered of the court before taking an action that could be in non-compliance.

**ISSUE 5: CIW PSYCHIATRIC SERVICES UNIT**

The administration requests \$423,000 to support the preliminary planning phase of a project to convert a portion of the existing Support Care Unit at the California Institution for Women into a 20 bed Psychiatric Care Unit.

CDCR's female inmate population requires a small portion to be segregated from general population due to security needs. This segregation typically occurs at the Valley State Prison for Women (VSPW), which is the hub for female offenders at the Enhanced Outpatient level of care. However, VSPW currently lacks sufficient clinical programming space and is experiencing difficulty in filling clinical vacancies. So a result, the department seeks to relocate the Psychiatric Services Unit functions from VSPW to CIW.

CIW does not presently have an isolated and controllable security area sufficient to house high security level female offenders. However, it maintains and operates a Support Care Unit which houses the institutions EOP program. With structural modifications, the existing East Wing of the Support Care Unit can meet the program needs for the Psychiatric Services unit.

<b>ISSUE 6: CVSP WASTER WATER TREATMENT PLANT IMPROVEMENTS</b>
--

The Chuckawalla Valley State Prison's (CVSP) Wastewater Treatment Plant treats wastewater generated by the correctional institution population and associated industries, as well as wastewater from Ironwood State Prison for spray irrigation discharge.

The CVSP Wastewater Treatment Plant (WWTP) was originally designed to house approximately 4,000 inmates. Due to considerable overcrowding, the WWTP now support nearly 9,000 inmates, causing violations of discharge quality and excessive flows. As a result, a Notice of Violation from the Regional Water Quality Control Board has been already been issued. According to the Department population projections, future inmate population is projected to exceed 11,000.

The Department of Finance submitted an April 1 finance letter requesting the project be decreased by a net of \$4,416,000 for the addition of preliminary plans (\$550,000), an increase in working drawings (\$384,000), and the subtraction of construction (\$5,350,000). The project has been re-scoped from furnishing a trickling filter system to an oxidation ditch, based on a December 2006 agronomic study and capacity analysis, which concluded the trickling filters were not a viable option. It recommends the implementation of an oxidation ditch treatment system to increase the WWTP's reliability to accommodate anticipated increase in inmate population.

<b>Funding Request</b>	
January 10 <sup>th</sup>	\$5,690,000
Finance Letter Adjustment	\$934,000
Difference (Decrease)	\$4,416,000

<b>COMMENTS</b>
-----------------

It should be noted that, the 2006 Budget Act provided \$455,000 for preliminary plans. In addition, the total project cost is now estimated to be \$24.7 million, a dramatic increase for the initial projection of \$6.2 million.

<b>ISSUE 7: CCC WASTE WATER TREATMENT PLAN</b>
--

The California Correctional Center Wastewater Treatment Plant provides wastewater treatment from both California Correctional Center (CCC) and High Desert State Prison (HDSP). The original wastewater treatment system, constructed in the 1960's, utilized oxidation pond treatment methods, winter pond storage and spray irrigation during the growing seasons. In 1995, the Wastewater Treatment Plant was expanded to accommodate the construction of High Desert.

The department contracted with an engineering firm to complete a preliminary assessment of the CCC Wastewater Treatment Plan (WWTP) as part of the Statewide Wastewater Treatment Facilities Assessment Project completed in February 2004. Based on the Assessment Project, a facility plan was created to begin the WWTP in compliance with governing regulations for the current inmate populations, sewage flows and waster concentrations.

The WWTP currently operates under Waste Discharge Requirements from the California Regional Water Quality Control Board, Lahonton Region. Operations that exceed the effluent specification or that do not comply with the general terms and conditions of the Waste Discharge Requirements are subject to enforcement action for each non-compliance event. According to the California Water Code, civil penalties ranging from \$410 per gallon of waste discharge, up to \$5,000 per day. In July 2005, the Regional Water Quality Control Board issued a Cease and Desist Order. If non-compliance continues, the WWTP permit may be revoked.

The Department of Finance has submitted an April 1 finance letter requesting the project be increase by a net of \$22.6 million for a decrease in working drawings (\$32,000) and an increase in construction (\$22.6 million). According to the administration, the agronomic report for this project indicates that the actual additional wastewater capacity at that this facility needs to handle twice the amount it originally planned for. Also, a seepage study shows that five storage ponds at this site need to be lined to reduce leakage that is beyond permitted levels.

<b>Funding Request</b>	
January 10 <sup>th</sup>	\$28,858,000
Finance Letter Adjustment	\$51,418,000
Difference (Increase)	\$22,560,000

**COMMENTS**

It should be noted, that the 2005 Budget Act included \$1.7 million for land acquisition and the 2006 Budget Act included \$1.6 million for Preliminary Plans. The estimated total project cost has been revised from \$32.1 million to \$54.6 million.

<b>ISSUE 8: COR WASTE WATER TREATMENT PLANT IMPROVEMENTS</b>
--

The Corcoran Wastewater treatment plant provides wastewater treatment services for both Corcoran State Prison and the California Substance Abuse Treatment Facility.

In 2002, a professional engineering assessment of the Corcoran Wastewater Treatment Plant was conducted. The assessment provided a number of recommendations to removed existing deficiencies that were identified during site inspections.

The scope of the project includes constructing screening stations with flow metering on both the Corcoran and Substance Abuse Treatment Facility sewers ahead of influent screw pumps, installing an automatic transfer switch, associated electrical switchgear, and paving eight sludge-drying beds.

The Department of Finance submitted an April 1 finance letter requesting the project be increased by \$913,000 for construction of the Wastewater Treatment Plant Upgrades. The increase is attributed to the increased equipment costs for the bar screen and electrical equipment.

<b>Funding request</b>	
January 10 <sup>th</sup>	\$5 million
Finance Letter Adjustment	\$6 million
Difference (Increase)	\$913,000

<b>COMMENTS</b>
-----------------

It should be noted that the 2005 Budget Act included \$290,000 for preliminary plans and the 2006 Budget Act included \$264,000 for working drawings. The revised total estimated project cost is now \$6.5 million, up from \$5.6 million

<b>ISSUE 9: CEN WASTE WATER TREATMENT PLANT UPGRADES</b>
--

The Centinela Wastewater Treatment plants have been in operation for approximately ten years. During this period of time, an excessive amount of trash has passed through the headworks into the aeration ponds causing numerous problems with sludge control and poor test results on the effluent water. Based on a 2002 engineer assessment, the primary cause of the problem is due to a small influent wet well.

In addition, the WWTP does not have adequate protection to contain their existing stockpile of dried solids, resulting in wastewater runoff that can infiltrate the groundwater. These solids contain large amounts of plastics and other debris.

The scope of the Centinela WWTP project is to provide a new prescreening structure and mechanical bar screen for removal of large and small solids from the wastewater, an influent pump station to lift wastewater from the collection system into the treatment ponds, a complete solids handling program and related electrical and control system upgrades.

The Department of Finance has submitted a spring finance letter requesting the project be increased by \$896,000 for construction of the WWTP upgrades. The increase is attributed to the increase in electrical equipment costs and the need for fire sprinklers in the chemical building that were not identified in the preliminary plans.

<b>Funding Request</b>	
January 10 <sup>th</sup>	\$5.5 million
Finance Letter Adjustment	\$6.4 million
Difference (Increase)	\$896,000

<b>COMMENTS</b>
-----------------

The 2005 Budget Act included \$440,000 for preliminary plans and the 2006 budget Act included \$548,000 for working drawings. The revised total estimated cost for the project is \$7.4 million, up from \$6.5 million.

**ISSUE 10: MCSP WASTE WATER TREATMENT PLANT IMPROVEMENTS**

The administration requests \$390,000 (General Fund) to complete the preliminary plan phase for improvements to the Mule Creek Wastewater Treatment plant. The total project cost is estimated to be \$4.9 million, with project construction scheduled to be completed in 14 months.

The Mule Creek Wastewater Treatment plant provides wastewater treatment to Mule Creek State Prison, Preston Youth Facility and the California Department of Forestry Fire Academy. In 2001-2002, the department conducted an in house evaluation of eleven (11) WWTP throughout the state in respond to various complaints concerning inadequate treatment of wastewater. The Mule Creek WWTP was ranked as one of the state's most critical sites in need of immediate attention.

In August 2006, the California Regional Water Quality control Board conducted an inspection of the WWTP. They determined the Mule Creek WWTP is in violation of its Waste Discharge Requirements and a Notice of Violation was issued on September 5, 2006.

The scope of the request includes constructing a secondary clarifier, mixed liquor splitter box, chlorine contact basin, disinfected secondary effluent pump station, and electrical improvements.

**COMMENTS**

The community surrounding the Mule Creek facility has expressed strong concern about the current wastewater facility. In addition, the requested project takes into account the Governor's proposal regarding infill expansion.



<b>ISSUE 11: SCC FILTRATION/SEDIMENTATION</b>
---

The water supply for the Sierra Conservation Center is raw water from Lake Tulloch. The absence of a pre-treatment process creates an additional hardship on the existing Water Treatment Plant's ability to meet the water quality standards required from the treatment of surface water. The high turbidity levels of water available from Lake Tulloch during periods of heavy rainfall/runoff exceed the ability of the Water Treatment Plant to comply with the Department of Health Services primary drinking water standards.

The 2006 Budget Act provide for preliminary plans to construct a Filtration Sedimentation Structure to increase the processing capacity of the institution's domestic water treatment plant, meet the objectives of the Porter Cologne Water Quality Act, and meet the Department of health services drinking water standards.

The Department of Finance submitted a spring finance letter requesting the project be decreased by \$1.8 million for working drawings (\$31,000) and construction (\$1,778,000). The working drawings cost for this project have decreased because the Department utilized its own staff for project and construction management. The current project schedule indicates that construction funding will be needed in 2007-08.

<b>Project Title</b>	
January 10 <sup>th</sup>	\$1.971 million
Finance Letter Adjustment	\$162,000
Difference (Decrease)	\$1.8 million

<b>COMMENTS</b>
-----------------

Currently, the department is providing bottled water to the surrounding community. Upon completion of this project, the department will no longer need to provide this service.

**ISSUE 12: COMMUNITY CORRECTIONAL FACILITIES—CONSENT ITEM**

The California Department of Corrections and Rehabilitation (CDCR) have the authority to contract with outside agencies to provide beds and programming for low-level offenders. To date CDCR has contracted with 12 Community Correctional Facilities (CCFs) to provide 5,308 beds for low level offenders. Of the twelve CCFs, six (6) are operated by a city or a county.

	<b>Service Provider</b>	<b>Number of Beds</b>	<b>Annual Amount of Contract (Includes Amendment Amount)</b>	<b>Contract Expiration Date</b>
1	City of Adelanto	500	\$7,206,509	December 2009
2	City of Coalinga	414	\$6,515,581	June 2010
3	City of Delano	478	\$7,088,363	June 2010
4	City of Shafter	468	\$7,190,940	January 2017
5	City of Taft	446	\$6,911,482	January 2017
6	Lassen County	155	\$2,617,727	July 2010

Previously, city operated CCFs voiced concerns about their stagnate level of compensation. In early 1990s, five cities entered into long term agreements with CDCR to provide beds for a set price throughout the life of the contract. Although the bed prices vary by contract, provider cities initially received a per bed fee somewhere around \$13,000 to \$16,000. To date, the provider cities receive a per bed fee between \$14,413.01 and \$16,888.56.

In the current year, the Legislature addressed the concerns of publicly operated CCFs by adopting budget bill language, requiring the Department of Corrections and Rehabilitation to pass along the department's annual price increase to the publicly operated CCFs. The department agreed with the intent of the Subcommittee but requested a revision to the Language. After working with staff, the department's revised language was adopted by the Subcommittee and included in the 2006-2007 Budget Act.

**COMMENTS:**

The Governor's 2007-08 budget did not include the adopted budget bill language guaranteeing the annual price increase for publicly operated CCFs. The department, however, has expressed a commitment to still pass along the price increase. Despite the expressed intent of the department, the city operated CCFs have requested that language regarding the annual price increase be written into the budget bill.

Additionally, on January 19, 2007, the Department of Finance requested the inclusion of Control Section 4.04 into the state budget act. Control Section 4.04 would authorize

the Director of Finance to reduce all General Fund items of appropriation by an amount not to exceed a total of \$46.3 million and the reduction of any department may not exceed half of the funding provided to that department for the 2007-08 General Fund price increase. Accordingly, committee staff has worked with the Department of Finance and CDCR to revise to the previous year's language to reflect the potent reduction to CDCR annual price increase. To date, there is no known opposition to the inclusion of this language. Below is the requested language.

Provision XX

- x. Of the funds appropriated in this item, \$63,377,000 is provided for the purpose of funding a 2.7 percent price increase for the Department of Corrections and Rehabilitation. Of that amount, the department shall provide a 2.7 percent on the variable costs and personal services amounts public community correctional facilities. *To the extent that an executive order issued pursuant to Control Section 4.04 of this act reduces the amount of the department's price increase, the department may reduce the amount provided to the community correctional facilities by a percentage equivalent to the amount of the overall reduction.*