

SUBCOMMITTEE NO. 5

Agenda

Senator Nancy Skinner, Chair
Senator Joel Anderson
Senator Jim Beall



Thursday, March 15, 2018
9:30 a.m. or upon adjournment of Session
State Capitol - Room 113

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PROPOSED FOR VOTE ONLY**5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION (CDCR)****1. REAPPROPRIATIONS**

The California Department of Corrections and Rehabilitation (CDCR) requests the following reappropriation:

California Men's Colony: Central Kitchen Replacement. This project includes the design and construction of a new central services kitchen and two satellite dining facilities.

The project is 17 percent complete. Due to delays caused by workforce availability, weather, and extended reviews of contract and procurement submittals, the project will not be completed before funding expires June 30, 2018. Therefore, the department is requesting a reappropriation of \$22 million in funding for the construction phase in the 2018 Budget Act, to ensure that funding remains available for this project.

Staff Recommendation. Approve as budgeted.

2. AB 900 REDUCTION IN LEASE REVENUE BOND AUTHORITY – TRAILER BILL

The proposed trailer bill language reduces the lease revenue debt authority by \$2,640,000 from AB 900 (Chapter 7, Statutes of 2007) Phase II (County Jail Projects) due to Stanislaus' savings from their completed county jail project. This savings could not be allocated to another county as all eligible counties have been established and received their maximum award.

Staff Recommendation. Approve as draft, placeholder language.

ITEMS TO BE HEARD

5225 CORRECTIONAL HEALTH CARE SERVICES

Issue 1: Prison Health Care Update

Governor's Budget. The budget includes \$3.1 billion in 2017-18 for providing health care to 119,202 inmates. Of that amount, \$2.2 billion is dedicated to prison medical care under the oversight of the receivership. At the request of the receiver, this amount includes \$8.3 million to complete the comprehensive electronic health record system (EHRS) and \$4.5 million to lease an automated drug delivery system. The Administration notes that these augmentations support the transition of medical care back to the state.

Background. On June 30, 2005, the United States District Court ruled in the case of *Marciano Plata, et al v. Arnold Schwarzenegger* that it would establish a receivership and take control of the delivery of medical services to all California prisoners confined by CDCR. In a follow-up written ruling dated October 30, 2005, the court noted:

By all accounts, the California prison medical care system is broken beyond repair. The harm already done in this case to California's prison inmate population could not be more grave, and the threat of future injury and death is virtually guaranteed in the absence of drastic action. The Court has given defendants every reasonable opportunity to bring its prison medical system up to constitutional standards, and it is beyond reasonable dispute that the State has failed. Indeed, it is an uncontested fact that, on average, an inmate in one of California's prisons needlessly dies every six to seven days due to constitutional deficiencies in the CDCR's medical delivery system. This statistic, awful as it is, barely provides a window into the waste of human life occurring behind California's prison walls due to the gross failures of the medical delivery system.

On February 14, 2006, the federal court appointed a receiver to manage medical care operations in the prison system. The current receiver was appointed in January of 2008. The receivership continues to be unprecedented in size and scope nationwide.

CDCR Historical Health Care Costs Per Inmate								
Program	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Medical	\$10,840	\$12,917	\$12,591	\$13,661	\$15,496	\$16,745	\$17,297	\$18,369
Dental	\$1,000	\$1,057	\$1,095	\$1,167	\$1,222	\$1,321	\$1,317	\$1,347
Mental Health	\$2,587	\$2,069	\$2,118	\$2,399	\$2,783	\$3,057	\$3,226	\$3,561
Psychiatric Program	-	-	-	-	-	-	-	\$2,228
Dental and MH Admin	\$313	\$238	\$231	\$269	\$295	\$322	\$444	\$431
Total Health Care	\$14,740	\$16,281	\$16,035	\$17,496	\$19,796	\$21,445	\$22,284	\$25,936
Notes:								
[1] Medical Services includes expenditures for pharmaceuticals for all healthcare programs.								
[2] Beginning 2011-12, Mental Health Nursing was transferred to the Medical Program								
[3] Psychiatric Program was transferred to CCHCS from the Department of State Hospitals effective July 1, 2017.								
[4] 2017-18 is based on the budget authority as of the 2018-19 Governor's Budget.								

The receiver is tasked with the responsibility of bringing the level of medical care in California's prisons to a standard which no longer violates the U.S. Constitution. The receiver oversees 11,830.4 prison health care employees, including doctors, nurses, pharmacists, psychiatric technicians and administrative staff. Over the last thirteen years, healthcare costs have risen significantly. The estimated per inmate health care cost for 2017-18 (\$25,936) is three times the cost for 2005-06 (\$7,668). The state spent \$1.2 billion in 2005-06 to provide health care to 162,408 inmates. The state estimates that it will be spending approximately \$3.1 billion in 2017-18 for 119,202 inmates. Of that amount, \$2.2 billion is dedicated to prison medical care under the oversight of the receivership.

Since the appointment of the receivership, spending on inmate health care has almost tripled. A new prison hospital has been built, a new Electronic Health Records System was implemented in the fall of 2017, and new procedures are being created that are intended to improve health outcomes for inmates. According to California Correctional Health Care Services (CCHCS), in the month of November 2017 over 565,000 health care appointments were requested for inmates. The rate of preventable deaths has dropped significantly since 2006 (from 38.5 per 100,000 inmates in 2006 to 14.0 per 100,000 inmates in 2016).

Chief Executive Officers for Health Care. Each of California's 34 prisons has a chief executive officer (CEO) for health care who reports to the receiver. The CEO is the highest-ranking health care authority within a CDCR adult institution. A CEO is responsible for all aspects of delivering health care at their respective institution(s) and reports directly to the receiver's office.

The CEO is also responsible for planning, organizing, and coordinating health care programs at one or two institutions and delivering a health care system that features a range of medical, dental, mental health, specialized care, pharmacy and medication management, and clinic services.

Serving as the receiver's advisor for institution-specific health care policies and procedures, the CEO manages the institution's health care needs by ensuring that appropriate resources are requested to support health care functions, including adequate clinical staff, administrative support, procurement, staffing, and information systems support.

Process for Delegating Responsibility to State. In March 2015, the Plata court issued an order outlining the process for transitioning responsibility for inmate medical care back to the state. Under the order, responsibility for each institution, as well as overall statewide management of inmate medical care, must be delegated back to the state. The court indicates that, once these separate delegations have occurred and CDCR has been able to maintain the quality of care for one year, the receivership would end.

The federal court order outlines a specific process for delegating authority for medical care at CDCR institutions back to the state. Specifically, each institution must first be inspected by the Office of the Inspector General (OIG) to determine whether the institution is delivering an adequate level of care. The receiver then considers the results of the OIG inspection—regardless of whether the OIG declared the institution proficient, adequate or inadequate—along with other health care indicators, including those published on each institution's Health Care Services Dashboard, to determine whether the level of care is sufficient to be delegated back to CDCR. To date in the OIG's Cycle 5, the OIG has issued final reports for 19 institutions and has found one to be proficient, 11 to be adequate, and seven to be inadequate.

As of March 8, 2018, the receiver has delegated authority back to CDCR at the following institutions:

1. Folsom State Prison
2. Correctional Training Facility
3. Chuckawalla Valley State Prison
4. California Correctional Institution
5. Pelican Bay State Prison
6. Centinela State Prison
7. Sierra Conservation Center
8. California Institution for Men
9. Avenal State Prison
10. San Quentin
11. California Institution for Women
12. Kern Valley State Prison
13. California City Correctional Facility
14. Pleasant Valley State Prison
15. Calipatria State Prison

The receiver continues to determine whether to delegate the other seven institutions that have been deemed adequate by the OIG, and he can also delegate care at institutions deemed inadequate by the OIG based on other performance measures available for consideration.

The process for delegating the responsibility for headquarters functions related to medical care does not require an OIG inspection. Under the court order, the receiver only has to determine that CDCR can adequately carry out these functions.

Staff Recommendation. This is an item intended to provide the subcommittee with an update on the state of inmate healthcare and to serve as an introduction to the budget requests that follow. As such, no action is required at this time.

Issue 2: Electronic Health Record System

Governor’s Budget. The Governor’s budget proposes \$8.3 million from the General Fund in 2018-19 for the EHRS. (Under the Governor’s proposal, this amount would decline to \$7.1 million annually beginning in 2019-20.) Specifically the Governor proposes to:

- **Increase Number of Concurrent User (CCU) Licenses (\$5.9 Million).** The Administration requests \$5.9 million to increase the number of CCUs from 6,000 to 6,600 in 2018-19 and requests more resources to fund that number of CCUs. This amount includes \$1.1 million in one-time costs for additional remote hosting space and \$4.8 million for the ongoing costs of these licenses. Under the Governor’s proposal, the number of CCUs would increase to 7,100 in 2019-20. Each license costs \$110 per month. This increase in CCUs reflects the need for dental and mental health staff to have access to the system.
- **Increase System Responsiveness to Disaster Recovery (\$1.2 Million).** The proposal includes \$1.2 million to decrease the time it would take the vendor to restore the system to operation in the event of a disaster from 30 days to no more than 72 hours.
- **Increase Number of Registered User Licenses (\$600,000).** The Administration is proposing \$600,000 to increase the number of registered user licenses from 12,000 to 18,000, primarily for dental and mental health staff.
- **Replace Dictation Software (\$300,000).** The current dictation software, which allows the EHRS to automatically transcribe speech into text, will no longer be supported by the EHRS vendor. Accordingly, the Administration requests \$300,000 annually to update and operate new dictation software that will be supported by the vendor.
- **Provide Training (\$250,000).** The Administration proposes \$250,000 to provide ongoing training to 167 staff members.

The above adjustments would increase the total project costs to \$406 million, an increase of \$19.6 million (five percent) above the most recent cost estimate for the project.

Background. EHRS was designed to provide a single electronic medical record for every inmate, which would be accessible to staff at all institutions, rather than having to continuously transfer paper files amongst staff (both within and across institutions) or maintain duplicate files. In 2012, the receiver contracted with Cerner Corporation (Cerner) to develop the EHRS. The project was initially estimated to cost \$182 million and be completed by June 2017. The 2016-17 budget included funding to expand the EHRS to include dental and mental health records and address shortcomings that the Receiver identified with the initial plan for the EHRS (such as the need for additional equipment). These changes more than doubled the total cost of the project to \$386 million and delayed the project’s completion until December 2019.

In order for an individual CDCR staff member to access the system, a “registered user” license must be purchased for that person. Currently, the state maintains 12,000 registered user licenses for EHRS. In addition, in order for staff members to access the system simultaneously, a CCU license must be purchased monthly for each person seeking access simultaneously. While the receiver’s budget for 2017-18 includes around \$4 million for 2,600 CCUs, the contract was amended in December 2017 to allow CDCR to purchase as many as 3,400 additional CCUs—for a total of 6,000.

Legislative Analyst's Office (LAO). The LAO recommends the Legislature approve the Governor's proposed funding increases for EHRS. However, they also recommend budget bill language that requires the department to use funding intended to purchase additional user licenses throughout the year only for this purpose.

Staff Recommendation. Approve as budgeted.

Issue 3: Correctional Clinic Model -- Pharmaceuticals

Governor's Budget. The Governor's budget includes \$4.5 million General Fund in 2018-19 and \$4.3 million ongoing to lease an automated drug delivery system as part of the California Correctional Health Care Services (CCHCS) implementation of a correctional clinical model. In addition, the budget includes trailer bill language establishing a correctional clinical model.

Background. Under the current system of medication distribution, physician orders are reviewed by a pharmacist. A 30-day supply of the medication is then filled and labeled for that specific patient at either the local pharmacy or CCHCS Central Fill Pharmacy and delivered to the medication distribution location which serves that patient in health care areas, medication rooms, nursing stations, or pill lines. Institutional outpatient medication distribution locations are not licensed and cannot legally utilize a floor stock system.

Not only are current practices fraught with inefficiencies and waste, current storage handling of controlled substances is out of compliance with Title 21 of the Federal Code of Regulations and could expose CCHCS to costly fines or labor-related grievances. The largest fines levied against pharmacies have involved the mishandling of controlled substances. Besides the risk of fines, the importance of proper handling of these substances is magnified in the prison environment where a high percentage of the population is dealing with some form of addiction. The Office of the Inspector General has reported deficiencies, and the Board of Pharmacy (Board) has expressed concern about current practices. Implementing a non-patient-specific medication model is not permitted under current regulations and would put the institution's pharmacy license at risk.

To address these deficiencies, CCHCS has developed a Correctional Clinical Model and seeks the requisite statutory authority to allow each of the medication distribution locations to operate as a correctional clinic. Each correctional clinic would be issued a permit allowing it to obtain and dispense non-patient-specific medications, provided they have the proper security in place. There is no cost for the licensure as the Board waives the cost for state agencies. Automated Drug Delivery Systems within the clinics are needed to provide the proper level of security and accountability for controlled substances as well as high-dollar medications for which elevated accountability is preferred.

Legislative Analyst's Office (LAO). The LAO did not raise any concerns with this proposal.

Staff Recommendation. Approve as budgeted and adopt trailer bill language as draft, placeholder language.

Issue 4: Janitorial Services at the California Health Care Facility

Governor's Budget. The Governor's budget requests \$185,000 General Fund and 148.9 positions in 2018-19 and \$3.6 million General Fund and 207.8 positions in 2019-20 and ongoing to transition from their janitorial contract with PRIDE Industries to a civil service janitorial staff for the California Health Care Facility (CHCF) in Stockton.

Background. Janitorial issues within the health care areas have existed at all institutions for many years. To address the cleanliness issues within the institutions, CDCR has contracted with the California Prison Industry Authority (CALPIA) to clean the health care areas to an acceptable standard. CALPIA has managed to run a successful Healthcare Facilities Maintenance program within the remaining 34 institutions. Unfortunately, due to the size, scope, and lack of eligible inmates to perform the work, CHCF could not be included in the CALPIA contract.

CDCR turned to private contractors to perform the work in an effort to address the poor cleanliness of its main health care facility. The Budget Act of 2015 provided resources to CCHCS to contract with PRIDE Industries to clean the facility. PRIDE is a national organization that has experience successfully cleaning large-scale facilities, including the Sacramento International Airport. Shortly after the proposal was approved, the Service Employees International Union (SEIU) Local 1000 filed a grievance with the California Department of Human Resources to contest the contract, saying the work could be performed by a civil service classification (Government Code 19130). CDCR was made aware of the grievance and in response developed a transition plan to civil service staff.

The transition plan involves converting the contracted janitorial operations with PRIDE to civil service staff over the span of three fiscal years. CDCR is currently in the second fiscal year of the plan. This proposal is needed to attain the appropriate level of civil service staff to maintain the janitorial program and health care level of cleanliness as required at CHCF.

Legislative Analyst's Office (LAO). The LAO did not raise any concerns with this proposal.

Staff Recommendation. Hold open.

5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION**Issue 5: Dental Equipment and Dental Oral Surgery**

Governor's Budget. The Governor's budget contains two dental related budget proposals.

1. The Governor's budget proposes \$3.5 million from the General Fund in 2018-19 to replace equipment in immediate need of replacement and \$2.5 million from the General Fund in 2019-20 and annually thereafter to replace about 140 pieces of equipment annually. According to the department, having newer dental equipment that is less prone to breakage will reduce interruptions in dental service.
2. The Governor's budget proposes \$3.9 million ongoing to fund a contract to provide oral surgery services for inmate patients. The CDCR dental program estimates that the number of oral surgery procedures will exceed 10,000 for 2017-18 and 2018-19.

Background

Dental Equipment. CDCR is required by statute to provide adequate, appropriate, judicious, and timely clinical services to incarcerated patients, regardless of their incarceration time remaining. This requirement includes dental care. The federal courts have interpreted failure to do so as a violation of the Eighth and Fourteenth Amendments to the United States Constitution.

Perez, et al v. Tilton was a class action lawsuit filed in 2005. This lawsuit alleged that CDCR failed to provide a constitutionally adequate level of dental care and that the Inmate Dental Services Program lacked a system for the timely delivery of dental care to prevent needless suffering, pain, and/or risks to patients' health. In 2006, all parties agreed to a Stipulation Order to settle the lawsuit and an implementation plan, policies, and procedures were developed to address deficiencies in the dental program.

As a result of the Perez lawsuit, CDCR replaced much of the aging dental equipment between 2006 and 2008. Now that a decade has passed, much of this old equipment is in disrepair, outdated, and beyond its service life. Equipment failures which disrupt timely provision of dental services are increasing. Additionally, digital radiographic technology has been introduced since the 2006-2008 equipment refresh, and should replace outdated dental machinery

Dental Oral Surgery. CDCR is required by statute to provide adequate, appropriate, judicious, and timely clinical services to patients in its custody, regardless of incarceration time remaining. The Inmate Dental Services Program's Policies and Procedures Manual contains established guidelines and parameters governing timely delivery of necessary oral surgery services to patients in the custody of CDCR. The dental program's policy also specifies that all necessary oral surgery procedures that cannot be provided by CDCR dentists will be made available through contracted oral surgeons or outside facilities.

The remote locations of many of the institutions, the absence of a statewide contract, and the lack of dedicated funding have historically made it difficult to provide critical statewide dental services. In 2015-16, the dental program established a contract to provide the services that are beyond the scope of

CDCR's general practice of dentists. This contract secured nine providers of Oral and Maxillofacial Surgeon Services who performed over 9,800 procedures in 2015-16. The following table shows the actual and projected numbers of procedures and costs of providing these oral surgery services.

Number of surgeries performed and annual total cost

Fiscal year	Number of procedures	Annual cost
2014-15	6,966	\$1.5 million
2015-16	9,821	\$3.532 million
2016-17	8,592	\$3.064 million
2017-18 projected	10,501	\$3.820 million
2018-19 projected	10,512	\$3.900 million

The decrease in the total number of procedures in 2016-17 was caused by having fewer providers during the implementation of a bidding system used to retain the most qualified dental care providers in the most cost effective manner. This decrease in the number of procedures created a backlog of oral surgeries. For the current fiscal year, through October 31, 2017, a total of 3,488 oral surgeries were performed within the institutions, with eight months remaining in this fiscal year. The number of procedures is projected to remain approximately the same in 2018-19. Meanwhile, the cost per procedure is projected to increase by two percent between 2017-18 and 2018-19.

Legislative Analyst's Office (LAO). The LAO did not raise any concerns related to the oral surgery proposal. Regarding the dental equipment, they recommend that the Legislature modify the Governor's proposal to replace dental equipment by reducing the requested amount by \$150,000 annually to account for CDCR's anticipated savings in equipment repair.

Staff Recommendation. Adopt LAO recommendation.

Issue 6: Mental Health Bed Management

Governor's Budget. The proposed budget requests \$20.1 million General Fund and 115.9 positions ongoing to address the shortage of mental health treatment beds, improve health care data reporting, and manage patient referrals. Specifically, the primary components of the request are the following:

Activate 60 Flex Beds. This proposal includes 55 positions to convert 60 high-custody intermediate care facility (ICF) beds at the California Medical Facility (CMF) and the California Health Care Facility in Stockton into flex beds. According to the Administration, these beds would be staffed in a manner that allows them to flex between being used as high-custody ICF beds, acute psychiatric program (APP) beds, or mental health crisis beds (MHCBS). Since MHCBS have higher staffing requirements than inpatient psychiatric program beds, the requested funds would add enough staff to the 60 existing ICF beds so that they are always staffed like MHCBS and, thus, can be used to meet multiple bed needs.

Activate 15 MHCBS and Five Flex Beds. This proposal includes 40.2 positions to activate 15 MHCBS and five flex beds for the California Institution for Women (CIW).

Increase Health Care Placement and Oversight Program (HCPOP) Staff. The proposal includes funding for HCPOP to (1) continue the five existing, limited-term positions on an ongoing basis and (2) add three new permanent positions. According to the Administration, this would allow HCPOP to review referrals for appropriate housing assignments more quickly and better manage the mental health patient movement process.

Require CDCR Conduct Mental Health Projections. The proposal includes an increase of nine positions for CDCR's Office of Research to use the court-approved methodology to conduct mental health population projections, rather than McManis Consulting. (This would be in addition to the \$150,000 currently provided to McManis Consulting.) According to the Administration, moving the mental health projections from the contractor to CDCR would demonstrate to the court that the department can do these projections internally. The department states that it needs approval from the federal court, which it is in the process of seeking, to be able to do its own projections. CDCR indicates that the current contract with McManis Consulting is likely necessary through the end of 2020-21 to allow the department to develop its own projections in accordance to the court-approved methodology.

Increase Inpatient Reporting Unit (IRU) Staff. The proposal includes funding for IRU to (1) continue the two existing, limited-term psychologists on an ongoing basis and (2) add four additional psychologists. According to the Administration, this would allow additional clinical reviews of referrals to take place and reduce the number of MHCBS patients that remain in the beds beyond the ten-day limit established by the court.

Background. Over the past few decades, state prisons have increasingly become mental health treatment facilities. Data suggests that the number of people with mental illness in prison has almost doubled in the last 15 years. Almost half of the people in the state prisons have been treated within the last year for a severe mental illness. The population of inmates requiring mental health treatment is projected to be 36,854 in 2017-18 and 35,826 in 2018-19. This is an increase of 922 people in 2017-18

and a decrease of 107 people in 2018-19 over the projected population in the 2017 Budget Act. According to CDCR's most recent Offender Data Points report, approximately 30 percent of the people in prison have a current mental health diagnosis.

Ralph Coleman, et al. v. Edmund G. Brown Jr, et al. Primarily because the prison system was severely overcrowded and the provision of mental health treatment was significantly lacking for inmates in need, a class action suit was filed in the United States District Court in 1991 arguing that prisoners with mental illness were subjected to cruel and unusual punishment, a violation of the inmates eighth amendment protections.

In 1995, following a 39-day trial, District Court Judge Lawrence Karlton found that current treatment for mentally ill inmates violated those inmates' eighth amendment protections against cruel and unusual punishment. Judge Karlton found "overwhelming evidence of the systematic failure to deliver necessary care to mentally ill inmates" who, among other illnesses, "suffer from severe hallucinations, [and] decompensate into catatonic states." Although a special master was appointed by the court to oversee implementation of a remedial plan, the situation continued to deteriorate, according to periodic reports from the special master.¹ Twenty-five years after the federal suit was filed, the state remains under the control of the federal court in *Coleman v. Brown* and is under regular review and oversight by the special master.

In the original ruling, the court identified six areas in which CDCR needed to make improvements: mental health screening, treatment programs, staffing, accurate and complete records, medication distribution and suicide prevention. In subsequent rulings, the courts expanded the areas of concern to include use of force and segregation policies. In addition, the courts also required that condemned inmates in San Quentin State Prison have access to inpatient, acute-care treatment.

The Coleman Class. As of February 26, 2018, there are currently 38,238 inmates in the *Coleman* class (35,720 men and 2,518 women). According to a December 24, 1998, court ruling on the definition of the class, the plaintiffs' class consists of all inmates with serious mental disorders who are now, or who will in the future, be confined within CDCR. A "serious mental disorder" is defined as anyone who is receiving care through CDCR's Mental Health Services Delivery System (MHSDS).

MHSDS provides four levels of care, based on the severity of the mental illness. The first level, the Correctional Clinical Case Management System (CCCMS), provides mental health services to inmates with serious mental illness with "stable functioning in the general population, an administrative segregation unit (ASU) or a security housing unit (SHU)" whose mental health symptoms are under control or in "partial remission as a result of treatment." As of February 26, 2018, 28,703 inmates with mental illness were at the CCCMS level-of-care.

The remaining three levels of mental health care are for inmates who are seriously mentally ill and who, due to their mental illness, are unable to function in the general prison population. The Enhanced Outpatient Program (EOP) is for inmates with "acute onset or significant decompensation of a serious mental disorder." EOP programs are located in designated living units at "hub institution[s]." As of February 26, 2018, 7,870 inmates with mental illness were receiving EOP services and treatment.

¹ Stanford Law School Three Strikes Project, "When Did Prisons Become Acceptable Mental Healthcare Facilities?"

Mental health crisis beds (MHCBs) are for inmates with mental illness in psychiatric crisis or in need of stabilization pending transfer either to an inpatient hospital setting or a lower level-of-care. MHCBs are generally licensed inpatient units in correctional treatment centers or other licensed facilities. Stays in MHCBs are limited to not more than ten days. Currently, there are 312 inmates receiving this level-of-care.

Finally, several inpatient hospital programs are available for class members who require longer-term, acute care. The state has five inpatient psychiatric programs for acute and long-term care. As of February 26, 2018, 1,297 patients are receiving that level of care, 45 of those patients were women receiving care at the California Institution for Women (CIW) and 27 were condemned inmates housed at San Quentin State Prison. The remaining 1,225 are receiving care in one of CDCR's three other facilities.

In addition to the patients in the prison-based psychiatric programs, approximately 246 *Coleman* class inmates are receiving care at Atascadero State Hospital and Coalinga State Hospital. The Department of State Hospital (DSH) budget for those patients is \$52 million General Fund per year.

Return of the Inpatient Programs to CDCR. The 2017 Budget Act shifted responsibility for the state's three inpatient psychiatric programs for prison inmates operated by the DSH in state prisons to CDCR beginning July 1, 2017. Accordingly, the budget transferred approximately \$250 million General Fund and 1,978 positions from DSH to CDCR effective July 1, 2017. Almost 90 percent of these positions are for treatment staff, including 495 psychiatric technicians and 374 registered nurses.

Legislative Analyst's Office (LAO)

Adopt Modified Governor's Flex Bed Proposal. The LAO finds that the Governor's flex bed proposal makes sense because it addresses the immediate and short-term need for additional MHCBs. However, since the need for flex beds is estimated to be short-term in nature, they recommend providing funds for the 60 flex beds on a four-year, limited-term basis. This would allow the department to address the near-term need for MHCBs—as well as any unexpected increases—until the need for these additional beds is projected to be eliminated. They also recommend that the Legislature approve supplemental reporting language requiring the department to report annually starting on January 10, 2019, for the next four years on how frequently the flex beds were used as MHCBs, ICF beds, or APP beds. This would provide the Legislature with the information it would need to determine whether to maintain flex beds on an ongoing basis. If there is still an MHCB waitlist after limited-term funding expires, the Legislature could consider providing funding to continue to operate these beds as necessary. To the extent that the additional funding to operate these beds as flex beds expires, these beds would continue to operate as ICF beds.

Reject Proposed Research Staff. The LAO recommends that the Legislature reject the proposed nine positions and \$1.2 million for CDCR's Office of Research to assume responsibility for conducting mental health projections, as the proposed resources have not been fully justified. However, to the extent that the court orders the state to complete the projections with its own staff, the Legislature could consider a request for resources at that time.

Approve Proposed IRU and HCPOP Staffing Resources. Most of the staffing requested for the IRU and HCPOP replace existing limited-term staff that are necessary to continue to meet court-approved

guidelines for transferring patients to MHCBS and inpatient psychiatric programs. The additional staff requested for these units would allow CDCR to manage referrals more quickly, which would further reduce the need for costly MHCBS and inpatient psychiatric program beds. Accordingly, the LAO recommends that the Legislature approve the requested staffing resources.

Staff Recommendation. Hold open pending any updates in the May Revise.

Issue 7: Health Care Access Vehicles

Governor's Budget. The Governor's budget proposes \$17.5 million from the General Fund on a one-time basis in 2018-19 to purchase 338 vehicles that are used for transporting inmates to health care and other appointments (such as attending court). Specifically, the budget proposes:

- \$14.6 million to replace 291 existing health care vehicles ranked highest in CDCR's replacement priority order. According to CDCR, it intends to either dispose of or sell at the state auction the vehicles proposed for replacement.
- \$2.9 million for 47 additional health care vehicles—thereby increasing the size of the department's vehicle fleet.

The department indicates that it is prioritizing the replacement and addition of vehicles used to transport inmates to attend health care and other appointments over vehicles used for other purposes, such as construction, grounds keeping, or perimeter security. This is due to the more serious consequences of delays or cancellations in inmate health care appointments or court appearances resulting from unavailable or unreliable vehicles. Specifically, CDCR reports that over 1,000 inmate court or health care transports (two percent) of the estimated 44,000 inmate transports that occurred between July 2016 and January 2017 were delayed, canceled, rescheduled, or required outside ambulance assistance due to the lack of a vehicle.

Background. CDCR incarcerates more than 130,000 offenders in 35 institutions and 47 conservation camps. To support efforts to provide secure facilities and adequate supervision, CDCR maintains a fleet of nearly 7,700 vehicles and other fleet assets. CDCR's fleet includes vehicles for emergency medical transportation, fire protection, parolee supervision, construction support, institution perimeter security, and a variety of other activities. Many of these assets require specialty modifications, such as security caging, gun racks, law enforcement radio systems, security cameras, and wheelchair lifts.

Health care access vehicles are of particular importance to the department's operations. As discussed in a previous item, in 2012, the judge in the Plata case ordered the department to begin the transition of medical care back to CDCR control, and in 2015, that process began. However, the court noted in its 2015 transition order that CDCR had areas where progress was still needed. In particular, the court highlighted the need for improved access to care. Access to care is highly dependent on adequate, operable vehicles to transport inmates to medical appointments, hospital and emergency services, and specialty care. Currently, about 15 percent of the Department's vehicles are health care access vehicles. However, 23 percent of these health care access vehicles are in junk or poor condition and 291 are considered high priority for replacement.

CDCR's Statewide Transportation Unit uses a variety of fleet asset types, including buses, vans, paratransit vehicles, sport utility vehicles, and sedans to transport inmates statewide. CDCR determines the most appropriate vehicle type based upon the institution's geographical location, medical designation, security level, operational need, and the mileage and/or age of the vehicle being replaced.

SUVs are utilized as inmate transport and chase vehicles in geographically remote locations. Institutions located in rural areas face great geographical challenges, and could be up to 120 miles

from access to higher level of medical care. In such cases, two coverage teams are dispatched for three days and two chase vehicles are required for each inmate admitted to a hospital.

Vans are a key component in the transportation of inmates to and from medical appointments. Vans can hold several inmates, celled separately, in one vehicle, which decreases the amount of vehicles sent out to a specialty appointment. Vans are also used during emergency, or “Code 3”, medical transports as a chase vehicle. This allows CDCR to transport weapons and resources in a secure manner, outside the reach of inmates. Additionally, vans are used to transport inmates between areas within a single institution.

Legislative Analyst’s Office (LAO). The LAO finds that the Governor’s proposal to provide \$17.5 million for CDCR to purchase new health care vehicles merits legislative consideration, given the condition of the department’s vehicle fleet and the negative impact of not having sufficient vehicles available to transport inmates. However, they recommend that the Legislature direct the department to report at budget hearings on the extent to which it could repurpose any of the 291 vehicles that it intends to auction or dispose of after they are replaced with new vehicles, as this would allow these vehicles to be used for other purposes and improve the condition of its non-health care fleet.

Staff Recommendation. Hold open.

Issue 8: Video Surveillance for Mental Health Units at the CSP - Sacramento

Governor's Budget. The Governor's budget proposes \$1.5 million General Fund in 2018-19 and \$177,000 ongoing to install and monitor an audio/video surveillance system within designated mental health segregation units at California State Prison – Sacramento (SAC).

Background. In the fall of 2016, a *Coleman* Special Master monitoring team toured SAC and discovered an increasing number of allegations against staff from its psychiatric services unit (PSU) and Administrative Segregation Units (ASU)/ Enhanced Outpatient Program (EOP) inmates. In their report, the monitoring team recommended that CDCR should implement video surveillance cameras to increase observation and provide transparency in these areas at the Sacramento prison where the increased allegations originate.

This proposal requests funding to install and monitor high definition cameras to cover the PSU, Treatment Centers, and ASU/EOP areas in the institution to increase observation and provide transparency in investigations of misconduct and other incidents, thereby improving a safe environment for inmates and staff.

Current Video Surveillance. Following a special review at High Desert State Prison (HDSP) in 2015, the Office of Inspector General recommended CDCR to "immediately install cameras in all inmate areas, including, but not limited to, the exercise yards, rotundas, building dayrooms, patios, and program offices of HDSP." In 2016, CDCR installed 207 cameras, as well as video monitoring software in designated high traffic and large congregation areas within the institution. Advanced video surveillance technology enables institutions to provide more comprehensive monitoring and a heightened level of safety and security.

Since the transfer of women offenders from Valley State Prison for Women to the Central California Women's Facility (CCWF), there has been an increase in violence, and/or attempted suicide, and drug and contraband trafficking. Although video surveillance enhancement is needed at all institutions, CDCR determined that CCWF and HDSP are the institutions with the greatest and most immediate need. While CDCR has policies and procedures in place to prevent suicides, physical incidents, staff misconduct, and contraband trafficking, video surveillance, CDCR argued at the time, would give CCWF and HDSP the opportunity to use state-of-the-art technology to augment staff resources with objective, available as needed, video cameras.

As part of the approval for video surveillance in the 2017 Budget Act, the Legislature required CDCR to review video of any incidents prior to determining the disposition of a major inmate complaint or appeal, especially in the case of staff complaints. In addition, the budget required CDCR to retain video footage for 90 days.

Legislative Analyst's Office (LAO). The LAO recommends that the Legislature withhold action on the Governor's proposal to implement video surveillance at the PSU and ASU/EOP at SAC until the evaluation report on the surveillance system at HDSP is available in spring. In order to ensure that the evaluation report is available to inform the Legislature's deliberations on the 2018-19 budget, we also recommend that the Legislature require the Administration to provide it with the results of the HDSP evaluation prior to the May Revision. They further recommend requiring CDCR to report at spring

budget hearings on other strategies it is developing to address the concerns at SAC, such as ensuring that staff are adequately trained to work with inmates in the PSU and ASU-EOP units.

Staff Recommendation. Hold open pending review of the evaluation report.

Issue 9: Radio Communications

Governor's Budget. The Governor's budget proposes \$32.9 million in General Fund in 2018-19 to replace the public safety radio system, infrastructure, and subscriber equipment at nine institutions, two juvenile justice facilities, and fire camps, and add interoperability to the CDCR transportation unit.

Background. CDCR implemented and began using trunked radio communication systems in the late 1980s. Radio systems are a critical component of CDCR's core mission, as they are used in daily operation and to communicate during emergency situations. CDCR's radio systems currently serve adult institutions, juvenile justice facilities, fire camps, the peace officer academy, parole, transportation, internal affairs, and safety units, supporting over 20,000 subscribers.

The California Governor's Office of Emergency Services (CalOES), Public Safety Communications is responsible for the oversight and maintenance of state public safety radio systems. According to CalOES and the Federal Communications Commission, the lifecycle of the radio system infrastructure is approximately 10 years. Given that CDCR's radio systems are over 30 years old, they are unquestionably antiquated, overtaxed, and unreliable. Furthermore, the aging radio communications systems are no longer supported by the original equipment manufacturers or secondary markets.

Radio systems operating above maximum capacity pose a great risk to officers and staff requesting assistance. A report conducted by CalOES in 2010 revealed that a majority of CDCR's adult institution radio systems have exceeded their capacity, with one radio system operating at over 225 percent of the traffic loading maximum capacity.

In July 2009, the California Department of Technology hired the consulting firm Gartner Group to complete a ten-year strategic plan for all state public safety agencies that participated in the Public Safety Radio Strategic Planning Committee. The results showed that CDCR is ranked highest among public safety agencies for significant deficiencies based on the gap between technical capabilities and operations/interoperability capabilities, with the immediate risks impacting staff and public safety.

CDCR replaced two radio systems as part of the RJ Donovan and Mule Creek infill projects, and 24 radio systems using existing resources, for a total of 26 radio systems. However, these resources are not likely to be available in future years and the remaining outdated department-wide systems continue to frequently break down and are in eminent risk of extended or catastrophic failure.

Legislative Analyst's Office (LAO). The LAO did not raise any concerns with this proposal.

Staff Recommendation. Approve as budgeted.

Issue 10: Corcoran Levee Assessment

Governor's Budget. The Governor's budget requests \$1.9 million General Fund in 2018-19 and 2019-20 to fund the state's share of costs for emergency levee improvements to the Corcoran Levee.

Background. The Corcoran Levee is 14.5 miles of earthen levees and was constructed in 1983 by the United States Army Corps of Engineers at the culmination of the six wettest years of record in the Tulare Lake Hydrologic Region. The levee protects a variety of land including agricultural, industrial, commercial, governmental, educational, residential, as well as California State Prison, Corcoran, and California Substance Abuse Treatment Facility and State Prison. The Cross Creek Flood Control District (District) was formed in 1983 to maintain the Corcoran Levee.

During this past winter's historic rainfall, the District was concerned that the Corcoran Levee was in danger of overtopping or breaching when the snow melted in the spring. The District determined that land subsidence had led to a two-foot drop in the levee's elevation, necessitating emergency levee improvements. In 2017, the District completed a \$10 million levee improvement project that raised the height of the levee and extended its length in other areas to ensure protection of District lands. Upon completion, the District assessed landowners for the ongoing operation and maintenance of the levee based on the benefits received from the levee. The improvements to the Corcoran Levee benefited CDCR in that a flood would disrupt prison operations.

Legislative Analyst's Office (LAO). The LAO did not raise any concerns with this request.

Staff Recommendation. Approve as budgeted.

Issue 11: Roof Replacement and Mold Remediation

Governor’s Budget. The Governor’s budget requests \$60.7 million General Fund in 2018-19 for roof repairs at three state facilities and \$20 million to repair interior water damage caused from roof leaks at various facilities. In addition, the budget requests \$58.2 million General Fund in 2019-20 for roof replacements at two additional prisons.

Background. California statewide experienced an unprecedented season level of precipitation in 2016-17, comparable with California’s wettest season ever recorded in 1982-83. Several storms included significant winds and sustained atmospheric river events. These events create high altitude streams of moisture that carry water from the Pacific Ocean in sometimes violent spurts, leading to sustained heavy rains. The rain resulted in significant damage to institution roofs.

According to statistics from the California Department of Water Resources, the annual rainfall and snow water content total for the period between October 2016 and June 2017 was 94.23 inches, which is 194 percent higher than average for California. For the 2015-16 water year, the rainfall and snow water content was 27.1 inches, or about 98 percent of average. Several counties were severely impacted by the increased rains, some receiving triple and quadruple the amount of rainfall in the 2016-17 water year (through June 2017) compared to 2015-16.

The annual baseline special repair funding is \$26 million for adult institutions and \$2 million for Division of Juvenile Justice facilities and was augmented by Control Section 6.10 of the Budget Act in 2015-16 and 2016-17. Significant amounts of the special repair, supplemental support budget funding and Control Section 6.10 funding have been directed to roof replacements over the last several fiscal years. The 2017-18 Budget Act authorized \$34.9 million of funding for roof replacements at the California Correctional Institution, Pleasant Valley State Prison, and Salinas Valley State Prison. Providing this additional funding specifically for roofs allows the department to use special repair funding for other critical infrastructure needs, such as water conservation projects (e.g., leaking hydronic loops resulting in significant water loss) and regulatory compliance (e.g., damaged pond liners resulting in costly mitigation efforts).

Legislative Analyst’s Office (LAO). The LAO did not raise any concerns with this request.

Staff Recommendation. Hold open.

Issue 12: CDCR Capital Outlay Proposals

Governor's budget. The Governor's budget requests approximately \$51 million in General Fund for 28 construction projects that are estimated to cost the state a total of approximately \$280 million when completed. The following are those capital outlay proposals:

1. MEDICATION DISTRIBUTION IMPROVEMENTS – 14 INSTITUTIONS

The budget requests \$3.3 million General Fund for design and construction of a second phase of medication distribution improvements at 14 institutions. These projects are required to address recent population mission changes, along with projects inadvertently omitted from the original phase. While this request is combined into one proposal for efficiency purposes, this is not a joint appropriation; it is 14 separate projects with the same objective. The requested funding is for the preliminary plans phase of the 14 separate projects, each subject to project authority separately and individually.

The total estimated cost of all 14 projects is \$38,620,000.

Background. As a result of the *Plata v. Kernan* case, the CDCR health care delivery system was placed under a federal Receiver in 2006. Subsequently, CDCR and the federal Receiver developed the Health Care Facility Improvement Program (HCFIP) to improve the physical plant serving CDCR's health care delivery system, with medication distribution improvements as a primary program component.

A medication preparation room (MPR) is designed for nursing staff to prepare medications to provide to people being housed in an administrative segregation unit (ASU). After preparation of the medications in the MPR, the medications are taken on a cart to each cell front and provided to the inmate at that location through the cuff port because there is no free movement of inmates in ASU.

A medication distribution rooms (MDR) is designed to directly dispense the medications to the inmate population by means of pass-through windows. Medication distribution windows are the most efficient and secure method of medication distribution to non-ASU inmates. There are three medication cycles per day; morning, noon, and evening. In order to minimize impact on custody programs and allow inmates to participate in rehabilitative, educational, and vocational activities, each medication cycle is completed within a two-hour distribution cycle.

2. CLASSROOM SPACE – PELICAN BAY

This proposal requests \$1 million General Fund for the preliminary plans, working drawings and construction necessary to modify an existing 2,500 square foot (sf) storage room in Facility D at Pelican Bay State Prison (PBSP) into three separate classrooms to support education and cognitive behavioral treatment (CBT) programming. Education courses will include career technical education (CTE), adult basic education (ABE), and college courses. The CBT program includes substance use disorder treatment (SUDT), anger management, criminal thinking, and family relationships.

The total estimated project cost is \$1,002,000.

Background. In 2012, a class action lawsuit (*Ashker v. Brown*) challenged the use of long-term solitary confinement. In 2015, a settlement was reached resulting in inmates no longer being housed in the SHU based solely on gang affiliation, but rather on committing SHU-eligible offenses. Inmates previously housed based on gang affiliation have participated in a step-down program. The step-down program is 24 months in duration and consists of four program steps (six months each). Each step provides incremental increases in privileges and freedom of movement. Inmates who do not complete the program are placed in a Restricted Custody General Population facility. This policy change has dramatically reduced the SHU population at PBSP, allowing for conversion of Facility D to a Level II facility.

Because SHU inmates at PBSP did not participate in group programming such as education, there is no traditional rehabilitative programming space for general population inmates at Facility D. Traditional classrooms provide general population inmates an opportunity to participate in education and rehabilitative programs within a group setting. Now that Level II inmates are housed in Facility D, it is important to provide them with the same range of academic and CBT programs available to Level II inmates housed at other prisons. The need to provide rehabilitative program opportunities to these inmates is critical with the current implementation of Proposition 57.

Due to a lack of available space, PBSP has identified a receiving and release storage room on Facility D to conduct its education and CBT programs. This space was originally designed as a clothing distribution facility and is not functional on a permanent basis to provide multiple classroom-style rehabilitative programming. Currently, the existing receiving and release storage room is subdivided by a portable divider to create two classrooms; however, this is not a viable long-term solution for a classroom environment due to insufficient sound barriers provided by six-foot tall dividers. Permanent floor to ceiling walls are needed to provide the proper classroom environment.

3. NEW CLASSROOMS FOR COGNITIVE BEHAVIORAL THERAPY – CSP-SACRAMENTO

This proposal requests \$459,000 for the preliminary planning phase of a project to construct three 1,300 square foot classrooms with inmate and staff restrooms and staff offices to support the cognitive behavioral treatment (CBT) program at California State Prison, Sacramento (SAC). Classes include substance use disorder treatment (SUDT), anger management, criminal thinking, and family relationships.

The total estimated project cost is \$6,437,000.

Background. In 2012, CDCR issued “The Future of California Corrections” (commonly referred to as the Blueprint), which established the department’s goal of providing rehabilitative programs to 70 percent of its population.

To help meet that goal, CDCR’s Division of Rehabilitative Programs offers evidence-based CBT programs to prepare inmates for release by developing the knowledge and skills necessary to successfully reintegrate back into the community and reduce recidivism. CBT programs are designed to address an offender’s specific criminogenic needs and teach offenders positive behaviors to replace their old ways of getting through life.

Priority placement into CBT programs is provided to inmates who have a criminogenic need identified by a validated automated risk and needs assessment tool. CBT programs include SUDT, anger management, criminal thinking, and family relationships.

California Code of Regulations Title 15 requires that CDCR offer SUDT programming to inmates who: receive a second drug or alcohol-related rules violation report (disciplined for alcohol and/or drug related offense while serving their sentence); have a self-indicated substance use disorder; or, have an arrest conviction history for any controlled substance related incident.

Proposition 57, the Public Safety and Rehabilitation Act of 2016, further incentivizes inmates to participate in approved rehabilitative programs, by providing credits for participation to advance their release date or advance their initial parole hearing date.

The SUDT classes meet five days a week, 3.5 hours per day for five months. The curriculum includes pretreatment, motivation and engagement, cognitive restructuring, emotional regulation, social skills, problem-solving, and relapse prevention.

The curriculum for anger management addresses aggression, impulse control, hostility, anger and violence. The goal of this program is to help displace out-of-control, destructive behaviors with constructive pro-social behavior. The criminal thinking curriculum addresses criminal thinking, behaviors and associations as well as moral development, narcissism, low ego, resistance to changes, defensive attitudes, reasoning and behavioral traits that lead to criminal activity. Anger management and criminal thinking classes are held two days a week, 3.25 hours per day for three months.

The family relationship curriculum addresses marriage, family, and relationships. It includes parenting, domestic violence, and family reunification for offenders who have been away for an extended period of time and have had little contact with family members. The goal is to promote healthy family values and parenting skills. The Family Relationship class is held one day a week, 3.25 hours per day for six months.

4. COGNITIVE BEHAVIORAL TREATMENT SPACE – SAN QUENTIN

This proposal requests \$296,000 General Fund for the preliminary planning for the remodel of approximately 8,000 square feet of vocational Building 32 for CBT programs at San Quentin State Prison (SQ).

The estimated total project cost is \$3,104,000.

Background. CDCR notes, to help meet the 70 percent goal discussed above, CDCR's Division of Rehabilitative Programs offers evidence-based CBT programs to prepare inmates for release by developing the knowledge and skills necessary to successfully reintegrate back into the community and reduce recidivism. CBT programs are designed to address an offender's specific criminogenic needs and teach offenders positive behaviors to replace their old ways of getting through life.

Priority placement into CBT programs is provided to inmates who have a criminogenic need identified by a validated automated risk and needs assessment tool. In July 2017, SQ added the long-term offender program (LTOP) to provide CBT programming for eligible inmates who are serving long-term sentences.

CBT programs include SUDT, anger management, criminal thinking, and family relationships. In addition, the LTOP has two more programs to include victim impact and denial management.

SQ began the CBT programs on January 1, 2017 with 160 inmates and 16 counseling staff. In July 2017 SQ, expanded the programs to 420 inmates and 25 counseling staff. Each of the CBT classes is designed for a maximum of 12 inmates to allow for sufficient staff interaction and safety. To accommodate the large quantity of inmate participants at SQ, approximately 14 classrooms are required, with each class scheduled twice per day.

Due to a lack of available space, SQ is using approximately 10,000 sf of gym space to operate this program. However, the gym space is not functional on an ongoing permanent basis to provide classroom-style rehabilitative programming and individual counseling. The open gym lacks confidential spaces for one-on-one sessions as well as private space needed for intake, assessments, and individual treatment planning. SQ has set up modular wall dividers to partition the space to allow for several groups to function at once. However, this does not address confidentiality requirements for counseling sessions, which is contrary to Health Insurance Portability and Accountability Act (HIPAA) guidelines. The gym also has extended ceiling heights and wooden gym flooring allowing for increased noise levels which is disruptive to providing the inmates with meaningful therapy. Additionally, the gym lacks a fire suppression system required by current building code, and the ventilation system lacks cooling. With approximately 225 inmates and staff occupying the building simultaneously, the existing ventilation system cannot maintain indoor air temperatures to meet CDCR Design and Criteria Guidelines (DCG) standards of 68 to 78 degrees Fahrenheit for classroom space.

Due to the CBT programming in the gym, there is insufficient indoor recreational space to provide recreational programming opportunities for SQ's inmates, especially during inclement weather. There is only one gym at SQ and no other indoor recreational space available. Additionally, utilization of the gym for CBT and LTOP programming limits the usage of the gym for self-help programs and other programs that promote educational, social, cultural and recreational interests of participating inmates.

5. AIR COOLING – CALIFORNIA INSTITUTION FOR MEN

This proposal requests \$935,000 General Fund for the preliminary planning phase of a project to install evaporative cooling units with required fire/life/safety improvements in Facility A housing units at the California Institution for Men (CIM) to ensure that indoor temperatures will be maintained at or below 89° Fahrenheit (F) in accordance with the CDCR's Design Criteria Guidelines (DCG). Facility A housing units were built in 1952 when air cooling systems were not required by departmental standards.

The total estimated project cost is \$12,095,000.

Background. According to CDCR, of CIM's four facilities, Facility A is the most likely to experience indoor temperatures that are 90°F or above. Built in 1952, all eight of Facility A's housing units are equipped with roof mounted HV units without cooling equipment, have inadequate insulation, and are of wood construction. With internal heat loads (lighting and occupants), it is quite possible to have indoor temperatures as high as the outside, and without air cooling, there is no relief from summer temperatures that can reach as high as 114°F. Additionally, it is not uncommon for multiple housing units within Facility A to reach Stage 2 or 3 heat alerts simultaneously.

6. BOILER FACILITY – SAN QUENTIN

The budget proposes an increase of \$2.8 million General Fund for a project to construct a new central high-pressure steam boiler facility at San Quentin State Prison (SQ). Boiler replacement is required for compliance with Bay Area Air Quality Management District (BAAQMD) regulations for gas-fired boiler emissions standards.

Construction was funded in the 2015-16 Budget Act. It was subsequently determined by CDCR that boiler technology had changed, and a redesign of the boilers was required in order to eliminate the need for an additional control system, allowing for a shorter building height and lower maintenance/operating costs.

A new appropriation is being requested for the construction phase due to increased construction costs. The total estimated project cost is \$20,911,000. Of the current construction appropriation, \$17,641,000 approved in the 2015-16 Budget Act will be reverted and replaced. These two actions result in a net increase of \$2,840,000.

Background. According to CDCR, in 1996, the CDCR upgraded the existing boilers to meet air quality regulations at that time. When BAAQMD enacted new regulations in 2009, CDCR began evaluating the issues and studied several alternatives which included retrofitting the existing boilers or installing new boilers. Continued engineering design evaluation discovered unforeseen issues in the existing boiler plant facility. Section 3417.3.1 of the California Building Code requires a full code compliance upgrade for existing state-owned buildings if the cost of the renovation is greater than 25 percent of the cost of replacing the structure. Significant structural deficiencies, main electrical service deficiencies, and the lack of backup electrical power and a backup fuel supply system, rendered reuse of the existing boiler building expensive and impractical. Concurrent with the determination that a new building would be required, CDCR consulted with the Department of Finance on the appropriate funding source for this project. While the design has been funded with special repair (support) funding, the construction should be considered capital outlay.

7. PHASE II: KITCHEN/DINING REPLACEMENT – CALIFORNIA CORRECTIONAL CENTER

This proposal requests \$19.7 million General Fund to demolish and replace two existing kitchen/dining buildings, one each at Arnold Unit and Antelope Camp. The project scope includes the design and construction of new, pre-engineered metal kitchen/dining buildings, with exterior paving and fencing.

Preliminary plans were funded in the 2014 Budget Act and working drawings in the 2015 Budget Act. The 2016 Budget Act appropriated \$15,353,000 for the construction phase. Upon receipt of construction bids, it was determined the bids significantly exceeded authorized funding due to the remote location as well as increased costs in building materials that were understated in the original estimate. The Administration is requesting to revert the 2016-17 appropriation in the amount of \$15,353,000 and request a new appropriation for the construction phase in the amount of \$19,683,000. These two actions result in a net increase of \$4,329,000.

The current total estimated project cost is \$21,152,000.

Background. According to CDCR, the existing kitchen/dining building at Antelope Camp is approximately 3,600 square feet (sf) and is utilized to prepare meals for approximately 125 conservation camp and CCC firehouse inmates per day. This building is also used to prepare meals to be served by Mobile Kitchen Units at nearby fires, or to feed in-transit conservation camp fire crews. During fire seasons, the number of meals prepared daily can increase into the range of 500-1,000 meals. The existing kitchen/dining facility at Arnold Unit is approximately 2,900 sf and is used to prepare meals for approximately 350-400 minimum security inmates per day.

Both buildings were built in the 1980s using materials similar to mobile home construction materials with a normal life expectancy of five to ten years. Both structures are now approximately 30 years old, approximately 20 years past their maximum life expectancy. As a result, the structural integrity has degraded to the point where it is creating potential health and safety issues because of the poor condition of these buildings. For more than 20 years, rain, snow, and ice have penetrated the lower section of the walls, causing the metal studs and seal plates to rust and substantial dry rot to develop, compromising the structural integrity of the walls. This moisture buildup has also caused mold to form in the walls, ceilings, and floors.

8. PHASE II: BRINE CONCENTRATOR SYSTEM REPLACEMENT – DEUEL VOCATIONAL INSTITUTION (DVI)

This proposal requests \$2.1 million General Fund for the working drawings phase of this project. The project was approved in the 2017 Budget Act

The total estimated project is \$32,238,000.

Background. DVI's reverse osmosis water treatment plant (ROWTP) began full-time operation in June 2009 and was permitted to operate in February 2010. It has proved to be unreliable due to failures of the brine concentrator system and the lack of redundancy of this system's components. Between February 2010 and March 2015, the ROWTP was out of service approximately 60 percent of the time due to various component failures within the brine concentrator system.

This project is required for compliance with the State Water Resources Control Board (SWRCB) for violations of secondary drinking water standards.

9. PHASE II: ADMINISTRATIVE SEGREGATION CELL DOOR RETROFIT – CORRECTIONAL TRAINING FACILITY

This proposal requests \$9.8 million General Fund for the construction phase of a project to replace the existing 144 barred cell fronts with more secure cell fronts with vision panels in the O-Wing ASU.

The total estimated project cost is \$11,468,000.

Background. According to CDCR, the existing barred cell fronts provide inmates with the opportunity to physically assault staff or inmates, cause injuries from inmate manufactured weapons (spearing), expose persons to bodily waste thrown between the bars (gassing), and cause harm to staff and inmates from thrown burning objects or compressed canisters (i.e. medical inhalers) that are rigged to explode. In addition, the barred doors represent a potential suicide risk for inmates.

The proposed solid cell front and door system has a sliding food/cuff port cover and a tray delivery system that attaches to the door. The "safety feed" box greatly reduces the opportunity for staff assaults during feeding operations.

10. PHASE II: FIRE SUPPRESSION UPGRADE – PELICAN BAY

This proposal requests \$1.1 million General Fund for the working drawings phase of a project to correct fire suppression system deficiencies at Pelican Bay State Prison (PBSP) identified during an inspection by the State Fire Marshal (SFM). The scope of work includes the installation of an automatic fire suppression system (sprinklers) in the general population housing units. This project was approved in the 2017 Budget Act.

The total estimated project cost is \$17,697,000.

Background. During a recent inspection by the State Fire Marshall, it was identified that the housing units at PBSP were not constructed with an automatic fire suppression system as required by California Building Code (Code) Section 903.2.6.2. The code states, "Every building, or portion thereof, where inmates or persons are in custody or restrained shall be protected by an automatic sprinkler system conforming to National Fire Protection Association 13". Neither CDCR nor the SFM could locate an approved alternate means of protection for these buildings to explain why these housing units were built with no fire sprinklers, but both CDCR and the SFM agree there is a need to install fire suppression system upgrades.

11. PHASE II: FACILITY D YARD – PELICAN BAY

This proposal requests \$1.9 million General Fund for the construction phase of a project to construct a recreation yard for Facility D at PBSP. PBSP is repurposing Facility D's SHU to a Level II housing unit. This yard will provide inmates with the necessary space to participate in recreational and physical education programs, including a multipurpose field, handball courts, fitness areas, and a restroom. Construction also includes an observation post for custody staff monitoring the yard activities. This project was approved in the 2017 Budget Act.

The total estimated project cost is \$2,393,000.

12. PHASE II: 50-BED MENTAL HEALTH CRISIS FACILITIES – RJ DONOVAN AND CALIFORNIA INSTITUTION FOR MEN

The budget requests the second phase of funding for the creation of two 50-bed mental health crisis facilities. Specifically:

- \$3.6 million General Fund for the working drawings phase of a project to construct a licensed 50-bed Mental Health Crisis Facility at Richard J. Donovan Correctional Facility (RJD). The current waitlist plus the projected Mental Health Crisis Bed (MHCB) inmate-patient population, combined with the need to eventually cease operation of unlicensed beds, indicates an increased need for licensed MHCBs within the Southern California region. The building will be designed to allow for operation at the Intermediate Care Facility (ICF) level if treatment acuity needs fluctuate.

The total estimated project cost is \$56,065,000.

- \$3.4 million General Fund for the working drawings phase of a project to construct a licensed 50-bed Mental Health Crisis Facility at California Institution for Men (CIM). The current waitlist plus the projected Mental Health Crisis Bed (MHCB) inmate-patient population, combined with the need to eventually cease operation of unlicensed beds, indicates an increased need for licensed MHCBs within the Southern California region. The building will be designed to allow for operation at the Intermediate Care Facility (ICF) level of care if treatment acuity needs fluctuate.

The total estimated project cost is \$54,869,000.

Both projects were approved in the 2017 Budget Act.

Background: MHCB facilities provide acute short-term (approximately 10 days or less) inpatient psychiatric and mental health services for CDCR's seriously mentally disordered inmate-patients. The MHCBs provide care for seriously mentally disordered inmate-patients awaiting transfer to a long-term inpatient program or being stabilized prior to return to their previous outpatient level of care. Inmate-patients who have a serious mental disorder requiring long-term, non-acute mental health treatment and psychiatric programs are treated at ICFs.

In agreement with the Coleman Court in the 1990's, CDCR implemented the Mental Health Services Delivery System (MHSDDS) which established policies that specify that an inmate-patient suffering from an acute, serious mental disorder resulting in serious function disabilities, or who is dangerous to self or others, shall be referred to a MHCB within 24 hours. If the institution does not have a MHCB, or if there are no MHCBs available where the inmate-patient is currently housed, the inmate-patient is to be transferred to a MHCB institution within 24 hours of referral.

13. STATEWIDE MINOR CAPITAL OUTLAY PROGRAM

The Administration requests \$609,000 General Fund in order to fund one project for 2018-19 for the construction of minor capital outlay improvements at the CDCR's adult and juvenile facilities is included with this submission.

Pelican Bay Central Kitchen Walk-in Freezer Addition. The available freezer space in the main warehouse and central kitchen at PBSP is inadequate, leading to the inability to take advantage of bulk purchases at a lower cost per item, and ultimately resulting in higher daily food costs per inmate. PBSP has a total of 6,100 sf of freezer space to store all frozen food items. Purchasing in larger quantities would result in a cost savings on each item purchased. At least partially because of the smaller quantity purchases, PBSP has the highest food cost per inmate (\$3.94/day) of all California prisons. The average food cost per inmate at other facilities is \$3.39/day. PBSP estimates an annual cost savings of approximately \$88,000 as a result of being able to take advantage of larger bulk ordering of numerous products. At an estimated savings of \$88,000/year, PBSP anticipates a project return on investment within six years.

This proposal requests \$609,000 to construct a new walk-in freezer, measuring approximately 1,300 square feet (sf), adjacent to the central kitchen at Pelican Bay State Prison.

14. BUDGET PACKAGES AND ADVANCE PLANNING – STATEWIDE

The budget includes \$250,000 for CDCR to perform advance planning functions and prepare budget packages for capital outlay projects to enable CDCR to provide detailed information on scope and costs on requests for planned projects.

Background. CDCR currently operates 35 adult prisons and three juvenile facilities, along with 44 adult and juvenile conservation camps. The range of capital outlay needs across the facilities is broad and varied. The development of budget packages enables CDCR to develop well-documented and justified capital outlay requests for funding consideration in the annual budget act. Additionally, the need arises during the fiscal year to perform advance planning functions such as environmental reviews and site assessments to determine the feasibility of future capital outlay requests. To perform these functions, CDCR has often been provided with advanced planning funding through the annual budget act.

Provisional language is included with this appropriation limiting it to projects that meet both of the following two criteria:

- The project being studied has not previously received funding from the Legislature.
- The project is being prepared for funding consideration in future Governor's budgets or five-year infrastructure plans.

Legislative Analyst's Office (LAO)

Medication Distribution Improvements. The Governor's proposal includes funding to create additional medication rooms in various housing units at 14 prisons. In order for the Legislature to fully assess the Governor's proposed projects and determine the extent to which they are necessary, the LAO recommends it require CDCR to report at budget hearings on its medication room needs that takes into account the completion of the medication rooms previously approved by the Legislature. Pending receipt and review of this information, we recommend the Legislature withhold action on the Governor's proposed projects. However, they find that the proposed medication rooms specific to general population units that previously served SHU inmates appear necessary and recommend the

Legislature direct CDCR to submit a separate proposal specifically for these for this specific set of projects that it could consider prior to receipt of the above information.

Mental Health Crisis Beds. Reject MHCB Facility Construction. Since the updated mental health projections no longer show a need for these beds by the time they would be completed in 2021, the LAO recommends the Legislature reject the funding proposed for working drawings. To the extent additional MHCBs are necessary in the future, they recommend that the Legislature direct the department to address this need with additional flex beds rather than costly construction projects.

Staff Recommendation. Approve the requests for all previously approved capital outlay projects and hold open all new projects.