

Michael J. Moore
Michael J. Moore, Director
DATE 9/24/15

Prison Enterprises Board Meeting

July 28, 2015

1. Chairman Charles Chatelain called the meeting to order at 10:01 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana.
2. Attendance
 - 2.1 Members Present:
 - Charles Chatelain, Chairman
 - Joseph Ardoin
 - Eric Lane
 - Frank Strickland
 - 2.2 Prison Enterprises Staff Present:
 - Joe Buttross
 - Scot Floyd
 - Kacie Henderson
 - Danny Hoover
 - Todd Labatut
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
3. Chairman Charles Chatelain asked for a motion to approve the minutes of the June meeting. Mr. Lane made a motion that the minutes be approved as written. Mr. Ardoin seconded the motion and it passed unanimously.
4. Mr. Chatelain turned the meeting over to Deputy Director Labatut.
5. Deputy Director Labatut announced that Director Moore could not attend the meeting, as he was ill. He then asked Mr. Buttross to provide an update on the status of the Canteen Packaging Warehouse.
6. Mr. Buttross began by announcing that a bid was put out for the construction materials and supplies needed to construct the building. He reported that PE was preparing the dirt so that the concrete slab could be poured.
7. Next, Mr. Buttross provided a synopsis of the Print Shop tour PE hosted for the Office of State Printing (OSP). He discussed the potential growth in print shop orders, resulting from the consolidation of the OSP. He noted that both agencies benefited from the tour. PE obtained operational suggestions from OSP that will aid in improving PE's production process and OSP recognized that PE could effectively manage high volume, labor intense print jobs.
8. Mr. Labatut reported on the success of the Louisiana Sheriffs' and Wardens Association (LSA) Conference PE attended in Shreveport from July 19th – 22nd.
9. Continuing, Deputy Director Labatut provided an update on personnel changes and announced that PE had three (3) open positions; a Truck Driver, a Tag Plant Supervisor and the Front Desk position at PE Headquarters.

10. Next, Deputy Director Labatut reported on PE's equipment purchases and specifically noted that PE recently upgraded four (4) tractors.
11. Then, Deputy Director Labatut requested that Mr. Buttross provide an update on the progress of the renovations to Building 10.
12. Mr. Buttross reported that the mechanical and electrical equipment for Building 10 had been delivered and the panels and transformers were being installed. He stated that the last of the concrete would be poured by mid August. He revealed that PE's furnishings and cubicles had been put out for bid. He noted that a meeting with the Credit Union was scheduled, in which they would begin selecting the millwork and the furniture for the portion of the building they would occupy.
13. Next, Mr. Buttross announced that the Canteen Standards Annual Meeting would be held Thursday, July 30, 2015 at PE Headquarters. He stated that he expected minimal changes to be made to the 2016 Canteen list.
14. Lastly, Deputy Director Labatut expressed his appreciation and gratitude to PE's staff for working together to close the 2015 fiscal year timely.
15. Deputy Director Labatut then asked Mr. Buttross for the administrative update.
16. Mr. Buttross reported that in addition to upgrading tractors, PE was working toward improving numerous pieces of equipment. He cited the recent purchases of two used truck cabs, a used box truck, a dirt bucket, and a new soap press machine.
17. Lastly, Mr. Buttross reported that June's 2015 job orders totaled \$806,000 as compared to June 2014 job orders of \$1 million. He noted that the July orders to date were 2.3 million, which far exceeded the entire month of July 2014, orders of \$1.4 million.
18. Deputy Director Labatut, then asked Mrs. Sigrest to provide the financial update.
19. Mrs. Sigrest stated that the Year to Date (YTD) sales for May 2015 were \$29.2 million as compared to last year's \$25 million, an increase of \$4.2 million. Industries totaled \$10.6 million this year as compared to \$8 million last year, an increase of \$2.6 million. Agriculture totaled \$4.5 million this year and \$3.8 million last year, an increase of \$703,000. Lastly, she stated Retail sales for May 2015 were \$14 million and \$13.1 million for May 2014 resulting in an increase of \$882,000 for this year.
20. Next, Mrs. Sigrest reported that the May 2015 Net Income YTD was \$1.7 million compared to last year's loss of \$358,000, an increase of \$2.1 million. Industries net income for May 2015 totaled \$989,000 compared to a loss of \$334,000 in May 2014, an increase of \$1.3 million. Agriculture's total net income for May 2015 was \$1 million as compared to last year's income of \$364,000, an increase of \$696,000. Retail totaled a net income of \$717,000 compared to last year's net income of \$594,000, an increase of \$123,000.
21. Lastly, Mrs. Sigrest reported the preliminary YTD sales for June 2015 were \$32.5 million as compared to \$28.1 million in June 2014, an increase of \$4.4 million. Industries sales were \$12.3 million compared to \$9.5 million in 2014, an increase of \$2.8 million. Agriculture sales for June 2015 totaled \$4.5 million and \$3.9 million in June 2014, an increase of \$608,000. Mrs. Sigrest stated Retail sales were \$15.6 million as compared to last year's sales of \$14.6 million, an increase of \$1 million.
22. Deputy Director Labatut, then asked Mrs. Melius for the marketing update.

23. Mrs. Melius began by reporting that PE received two (2) Department of Corrections (DOC) orders on June 30th and three (3) orders since July 1st. A June 30th order was received from Elayn Hunt Correctional Center (EHCC) for offender clothing, linens and chairs totaling \$113,321 and an order from Louisiana State Penitentiary (LSP) for offender clothing, soap products, chairs and linens totaling \$48,707. The July orders received were from Dixon Correctional Institute (DCI) for offender clothing, officer uniforms, soap products and linen totaling \$450,913, from LSP for laundry bags, chairs, printing, offender clothing and officer uniforms totaling \$255,238 and from EHCC for soap products, mops, brooms and offender clothing totaling \$115,250.
24. Continuing, Mrs. Melius announced that three (3) significant job orders were received in July. She reported an order from Office of Motor Vehicles (OMV) for license plates totaling \$964,911, an order from Orleans Parish Sheriff's Office for jumpsuits and mattresses totaling \$222,670 and an order from Fontainebleau State Park for sofas and chairs totaling \$13,074.
25. Lastly, Mrs. Melius reported that the Sales and Marketing staff attended two conferences in Shreveport, Louisiana. They were the Louisiana Chiefs of Police Association Conference from July 6th – 9th and the LSA Training Conference from July 19th – 22nd. She reported they would attend the Louisiana Municipal Association 78th Annual Conference on July 30th and 31st in Lafayette, Louisiana.
26. Deputy Director Labatut, then asked Mr. Floyd to provide an Industries update.
27. Mr. Floyd began by providing updates to the LSP Industries. He announced that the OSP tour of the Print Shop was a success. Next, he reported that the Metal Fabrication Shop was in the process of developing product structures and drawings of cabins, picnic tables, and beds for Bayou Segnette State Park. He stated that the Mattress Factory was diligently working to complete a 1,300 clear mattress order for the Orleans Parish Sheriff's Office and the Tag Plant was functioning at maximum capacity to produce 530,000 license plates needed to fill the OMV order. Lastly, he reiterated that the staff at the Canteen Distribution Center at LSP was eagerly waiting to attend the Canteen Standards Meeting on Thursday, July 30th at PE Headquarters.
28. Next, Mr. Floyd reported that the Garment Plant at Louisiana Correctional Institute for Women (LCIW) successfully completed the large DCI and Avoyelles Correctional Center orders as well as currently working on a 7,800-jumpsuit order for Orleans Parish Sheriff's Office. He noted that since all of the raw materials were in stock, the orders were processed without any delays. He reported that the Garment Plant at Winn Correctional Center (Winn) was steadily working on a large terrycloth towel order.
29. Mr. Floyd reported that the furniture plant at Allen Correctional Center completed and delivered the orders that were received. He mentioned that the Chair Plant was waiting for the chosen fabric needed to recover the sofas and chairs for the Ernest Morial Convention Center.
30. Lastly, Mr. Floyd reported that the Soap Plant received a large order for three (3) ounce and one (1) ounce soap bars. He estimated that the new Soap Press machine being built in Italy was at least one hundred (100) days from completion.
31. Deputy Director Labatut asked Mr. Hoover to provide the Agriculture update.

32. Mr. Hoover reported that on July 27th EHCC sold eighty-eight (88) steer calves weighing five hundred fifty (550) pounds for \$2.25. He stated that LSP sold five hundred seventy-five (575) pounds of Braham steers for \$2.18 and five hundred seventy-five (575) pounds of steer calves for \$2.3075. He noted that David Wade Correctional Center would sell two loads on August 17th.
33. Mr. Hoover announced that the corn, soybean, and milo crops all looked good and were drying down quickly. He suspected they would all be ready to harvest at about the same time.
34. Lastly, Mr. Hoover summarized the enhancements made by the Agricultural industries during the 2015 fiscal year and discussed the benefits that arose from each. He specifically discussed the liquid fertilizer, the making of rows, the use of a new catchpen, implementation of a GPS system, renting the tractor and ditcher, spreading lime on DCI's pastures and bulldozing the timber fields.
35. Mr. Chatelain announced the next board meeting would be held at 10:00 AM on Tuesday, August 25, 2015 at PE Headquarters. At 11:04 AM, Mr. Chatelain adjourned the meeting.