

County of Lassen
BOARD OF SUPERVISORS



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District 4

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District 5

County Administration Office
221 S. Roop Street, Suite 4
Susanville, CA 96130
Phone: 530-251-8333
Fax: 530-251-2663

December 18, 2018

Suzanne M. Peery, Warden
California Correctional Center
P.O. Box 790
Susanville, CA 96127-0790

Dear Warden Peery:

The Lassen County Board of Supervisors is gravely concerned about the attached letter that is alleging that the Department of Corrections and the California Prison Industries Authority (PIA) are contemplating canceling waivers to purchase food and milk from Morning Glory Inc.

Morning Glory Inc. is a significant local employer, a local County vendor and California certified small business. They have been providing this service to the State for the last 55 years.

According to the letter, the State's decision will have negative economic consequences, job losses, and at an additional expense to the State.

The economic loss is estimated to be \$1.3 million annually and would require layoffs of half of Morning Glory Inc.'s workforce. In addition, the cancelation of local purchasing will be of an additional expense to the State of California; an amount in excess of \$110,000 annually to purchase the same products from the PIA.

Such impacts to Morning Glory Inc., its employees and the County would come at a time when the County's economy is shrinking, population decline is placing the local economy at risk of long-term stagnation, and there has been six years of job declines in the last decade. This information was reported by the 2018-2050 California County-Level Economic Forecast.

Thank you very much for your time and assistance in reviewing this matter. The Board of Supervisors of Lassen County looks forward to hearing from you and a successful resolution to this issue.

Sincerely,

CHRIS GALLAGHER, Chairman
Lassen County Board of Supervisors

CG:ts

cc: Assemblyman Brian Dahle
City of Susanville, City Council
Mr. Ralph Diaz, Acting Secretary for the California Department of Corrections and Rehabilitation
California Prison Industry Board
High Desert State Prison
California Prison Industry Authority
Morning Glory, Inc.

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Susanville, CA 96130
Phone: 530-251-8333
Fax: 530-251-2663

December 18, 2018

M. Eliot Spearman, Warden
High Desert State Prison
P.O. Box 750
Susanville, CA 96127-0750

Dear Warden Spearman:

The Lassen County Board of Supervisors is gravely concerned about the attached letter that is alleging that the Department of Corrections and the California Prison Industries Authority (PIA) are contemplating canceling waivers to purchase food and milk from Morning Glory Inc.

Morning Glory Inc. is a significant local employer, a local County vendor and California certified small business. They have been providing this service to the State for the last 55 years.

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cc: Assemblyman Brian Dahle
City of Susanville City Council
Mr. Ralph Diaz, Acting Secretary for the California Department of Corrections and Rehabilitation
California Prison Industry Board
California Correctional Center
California Prison Industry Authority

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221 S. Roop Street, Suite 4
Susanville, CA 96130
Phone: 530-251-8333
Fax: 530-251-2663

December 18, 2018

Charles Pattillo, General Manager
California Prison Industry Authority
560 East Natoma Street
Folsom, CA 95630

Dear Mr. Pattillo:

The Lassen County Board of Supervisors is gravely concerned about the attached letter that is alleging that the Department of Corrections and the California Prison Industries Authority (PIA) are contemplating canceling waivers to purchase food and milk from Morning Glory Inc.

Morning Glory Inc. is a significant local employer, a local County vendor and California certified small business. They have been providing this service to the State for the last 55 years.

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Sincerely,

CHRIS GALLAGHER, Chairman
Lassen County Board of Supervisors

CG:ts

cc: Assemblyman Brian Dahle
City of Susanville City Council
Mr. Ralph Diaz, Acting Secretary for the California Department of Corrections and Rehabilitation
California Prison Industry Board
High Desert State Prison
California Correctional Center

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Susanville, CA 96130
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Fax: 530-251-2663

December 18, 2018

California Prison Industry Board
Ralph Diaz, Secretary for the California Department of Corrections and Rehabilitation
C/O
CALPIA
560 East Natoma Street
Folsom, CA 95630

Dear Mr. Diaz:

The Lassen County Board of Supervisors is gravely concerned about the attached letter that is alleging that the Department of Corrections and the California Prison Industries Authority (PIA) are contemplating canceling waivers to purchase food and milk from Morning Glory Inc.

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Sincerely,

CHRIS GALLAGHER, Chairman
Lassen County Board of Supervisors

CG:ts

cc: Assemblyman Brian Dahle
City of Susanville City Council
High Desert State Prison
California Correctional Center

Morning Glory, INC.
475-020 RICHMOND ROAD
P.O. BOX 189
SUSANVILLE, CA 96130-0189
PHONE (530) 257-3515
FAX (530) 257-0739
E-Mail MorningGlory1921@gmail.com

December 11, 2018

To Lassen County Board of Supervisors,

We are writing you this letter, both as constituent taxpayers, and as small California businessmen. As businessmen, our business is heavily dependent on the two prisons in our community remaining within our customer base. They are easily our two largest customers. Without their volume of business, (approximately \$1.3 million annually), we would be forced to lay off half our workforce, and severely curtail the services that we provide to the rest of the community. As taxpayers, we are vitally concerned with maximizing the utilization of our tax dollars efficiently as possible and eliminating needless waste of those precious tax resources.

We were just informed that Prison Industries Authorities (PIA) wants to acquire the milk and egg sales that we have been providing to our prisons for the last 55 years. Our current bid price for the fat free half pints is \$0.255 vs. PIA's price of \$0.288 our current bid price for eggs is thirty-seven cents lower than what PIA offers, \$1.40 per dozen vs. PIA's \$1.77. Spending an extra \$110,000 annually for food products, in a scheme, that will put working Californians out of work, and threaten the survival of a California small business really makes no sense at all. The loss of \$1.3 million annually in local revenue in a town as small as Susanville combined with the placement of half our workforce on the unemployment rolls would be a huge burden on the economy of a town as small as ours.

As taxpayers we are outraged that the prisons would be forced to pay significantly more money for their milk and eggs than necessary. As businessmen we are outraged that our employees will lose their jobs, so that convicts can do those jobs at a higher cost and with worse service, (note that we deliver three times per week and PIA only delivers twice per week). In addition, the local prisons will probably need expanded cold-storage facilities to deal with twice per week service - an unnecessary additional capital expense for our state.

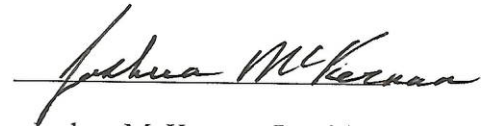
When the prisons were first built in Susanville, and upon every enlargement thereof, the constituents of Susanville were always promised by the Department of Corrections that local goods and services would be utilized whenever possible in order to help mitigate the negative impacts that institutions of this size invariably have on a small community such as ours. They called this their "Good Neighbor policy". Since our prisons were built, they have followed those guidelines with but a few exceptions. Several times now, PIA has tried to take our business, and each time our elected powers-that-be have stepped up and prevented this from happening. We find it incredible that the authority to give or not to give this business to local bidders lies within the very PIA bureaucracy that seeks to gain from our loss. PIA's repeated efforts to take our business away from us are completely contrary to the "Good Neighbor" promises made to the Susanville City Council, and the Lassen County Board of Supervisors, and to all of the citizens of our small town. These promises were made and renewed every time a prison was built or enlarged in our valley.

Since we are a primary provider of eggs, milk, cheese, bread, ice, etc. within our remote area, we receive three to five truck loads a week allowing us the luxury of promising next day service to every customer within our service area at a reasonable price. Without the volume of prison product on board our truck loads, we could only afford two trips per week, which would negatively impact not only our service, but also put an upward pressure on the prices that every hospital, restaurant, school, and store in our area currently receive from us. A symbiotic relationship exists between us, our prisons, hospitals, schools, stores, and restaurants. The loss of any of that business would have an unfavorable ripple impact upon all of the others.

The state of California, through the Department of General Services, office of small and Minority Business, has issued us official "Small Business" status. This is the State's way of helping ensure the survival of small businesses like ours. To arbitrarily take business away from us, especially business that we have served faithfully for over fifty-five years, contrary to the promises so often made, would also be contrary to the avowed wishes of the State of California in regards to small businesses in general.

For any help you can provide us in addressing these issues, we and our employees will be eternally grateful.

Sincerely Yours;



Joshua McKernan, President



Mike O'Kelly, CFO

PR2150

County of Lassen
Board of Supervisors

Board of Supervisors
Meeting of



JUN 24 2003

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District 1

JIM CHAPMAN

District 2

LLOYD I. KEEFER

District 3

BRIAN D. DAHLE

District 4

JACK HANSON

District 5

ANDY WHITEMAN

Administrative Officer

County Administration Center

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Susanville, CA 96130-1239

Virginia Lemke, Admin. Asst.

(530) 251-8333

FAX: (530) 257-4898

e-mail: ccadmin@co.lassen.ca.us

July 24, 2003

(#030618AJC)

Honorable Rudy Bermudez, Chair
Select Committee on Prison Construction
and Operations
12501 E. Imperial Highway, Suite 210
Norwalk, California 90650

Dear Assemblyman Bermudez:

The Lassen County Board of Supervisors is concerned about the June 2, 2003 memorandum from the Prison Industry Authority which contemplates canceling the local waivers for the California Correctional Center and the High Desert State Prison to purchase food and milk from local vendors. According to the information provided to the Board of Supervisors by Mike O'Kelly, President of Morning Glory, Inc., a local Lassen County vendor, the cost of providing milk and eggs to the two prisons by the Prison Industry Authority will be considerably higher than the current practice of purchasing the products locally. Mr. Kelly estimates that the additional expense to the State of California will be in excess of \$150,000 over existing costs.

The \$38 billion budget deficit confronting the State of California will have significant impacts on California counties. The Board of Supervisors of Lassen County believes that State agencies should be diligently reviewing and analyzing their operations to reduce costs and help mitigate the State budget deficit. Consequently, the Board cannot understand a change in the Department of Corrections purchasing policies which increases costs for these two State institutions.

The Board of Supervisors requests that the Select Committee on Prison Construction and Operations review the proposed change in purchasing practices to determine if the increased costs for eggs and milk are justified.

Thank you for your assistance

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim Chapman".

JIM CHAPMAN, Chairman
Lassen County Board of Supervisors

JC:vel

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0002
(916) 319-2002
FAX (916) 319-2102

DISTRICT OFFICE
100 EAST CYPRUSS AVE., #100
REDDING, CA 96002
(530) 243-8300
FAX (530) 223-6737

Assembly California Legislature



DOUG LA MALFA
ASSEMBLY MEMBER, SECOND DISTRICT

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NATURAL RESOURCES
COMMITTEES:
ARTS, ENTERTAINMENT, SPORTS,
TOURISM AND INTERNET MEDIA
NATURAL RESOURCES
UTILITIES AND COMMERCE
JOINT LEGISLATIVE AUDIT COMMITTEE

July 8, 2003

Edward Alameida
Director, Department of Corrections
P.O. Box 942853
Sacramento, CA 94283-0001

Dear Mr. Alameida,

On behalf of my constituents and taxpayers, I am writing to you today because of an inquiry made by the Prison Industry Authority to pursue the milk and egg business at California Correctional Center, High Desert and Pelican Bay with the Department of Corrections.

Obviously, this change, if implemented, would alter the way these prisons are currently ordering supplies from local vendors and having a positive impact on the local economies.

Could you please investigate this issue and ascertain if indeed the Department of Corrections is going to cease its current relationship with outside vendors in favor of a more expensive contract with PLA? As I understand, the change in supplier for those perishable goods will cost taxpayers in excess of \$150,000 per year. Is this amount correct?

If this scenario is true and the cost to taxpayers is accurate, I would like to express my opposition to such a decision. I believe that now, more than ever, we must all be ever vigilant about conserving taxpayer's resources and providing our services at the most cost-effective level as possible.

Further, I would also reiterate the State's goal of being a good neighbor in the communities where it operates facilities such as the 3 named above. Purchasing supplies and hiring local individuals, especially where it may be more cost-effective, is an important part of that good neighbor policy and should be maintained.

Edward Almeida
July 8, 2003
Page 2 of 2

Thank you, in advance, for your attention to this matter. I would appreciate a response to this inquiry as soon as possible so I may notify my constituents of your findings. If you have any questions, please contact my District Director Willie Preston at 530-223-6300.

Sincerely,

**Original signed by
DOUG LAMALFA**

DOUG LAMALFA
Assemblyman, Second District

STATE CAPITOL
P.O. BOX 542545
SACRAMENTO, CA 94249-0003
(916) 319-2003
FAX (916) 319-2103

DISTRICT OFFICE
1550 HUMBOLDT ROAD, SUITE 4
CHICO, CA 95928
(530) 895-4217
FAX (530) 895-4218

email:
assemblymember.keene@assembly.ca.gov
June 30, 2003

Assembly California Legislature



RICK KEENE
ASSEMBLYMAN, THIRD DISTRICT

COMMITTEES:**VICE-CHAIR:**

WATER, PARKS AND WILDLIFE

MEMBER:BUDGET SUBCOMMITTEE #4
NATURAL RESOURCES

JOINT LEGISLATIVE AUDIT COMMITTEE

Edward S. Alameida, Jr., Director
Department of Corrections
PO Box 942883
Sacramento, CA 94283-0001

Dear Mr. Alameida:

It is my understanding that California Correctional Center and High Desert State Prison are considering contracting with the Prison Industry Authority (PIA) for the sale and delivery of milk and eggs to its institutions at a higher cost than the current provider's bid. Morning Glory, Inc. of Susanville has supplied the milk and eggs for the past 40 years and has a current bid price for the 1% milk used by the prisons of .163 per half-pint compared to the PIA price of .172 per half-pint. Additionally, Morning Glory eggs are bid at .42 per dozen while the price for eggs provided by PIA is more than twice that at .88 per dozen. It is truly unreasonable to impose this unnecessary increase amounting to approximately \$150,000 per year on the taxpayers of our State.

Other factors to consider are that Morning Glory delivers to the prisons three times per week, while PIA would only deliver twice requiring additional cold storage at the facilities. Also, when the prisons were built and expanded, the Department of Corrections promised that local goods and services would be utilized whenever possible to help mitigate the negative impacts these institutions would have on the community. The loss of this lower cost contract would have a harmful ripple effect on this rural community.

We are all currently dealing with the issue of fiscal responsibility. Contracting these services to PIA would not be cost effective, nor would it maintain the good will policy your Department has committed to with the City of Susanville and the County of Lassen. Since the PIA proposal would be cost prohibitive, I respectfully request that serious consideration be given to extending the contract with Morning Glory, Inc.

Sincerely,

Rick Keene
Assemblyman, Third District

RK:jlw

cc: Charles T. Ransdell, Warden, California Correctional Center
David Runnels, Warden, High Desert State Prison
Representing Butte, Lassen, Nevada, Placer, Plumas, Sierra and Yuba counties

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ROSEVILLE, CA 95661
TEL (916) 783-8235
FAX (916) 783-5487

200 BROADWAY
JACKSON, CA 95642
TEL (916) 783-5146

WWW.SEN.DAVECOX.COM
SENATOR DAVE COX

California State Senate

SENATOR
DAVE COX
FIRST SENATE DISTRICT



COMMITTEES
BANKING, FINANCE
AND INSURANCE
VICE CHAIR

LOCAL GOVERNMENT
VICE CHAIR

MAYOR
ENERGY, UTILITIES
AND COMMUNICATIONS
ENVIRONMENTAL QUALITY
GOVERNMENTAL ORGANIZATION
HEALTH

June 23, 2005

Mr. Tom Hammond
The Mark
P.O. Box 68
Merlong, CA 96113

Dear Mr. Hammond:

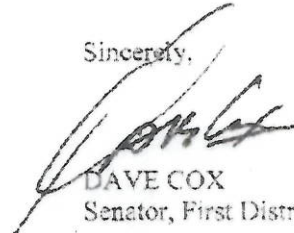
Since you contacted me regarding the efforts of the Prison Industry Authority (PIA) to take over the provision of milk and eggs to the High Desert State Prison and the California Correctional Center (Susanville), I have been working to prevent this from happening.

By personal intervention, I have been successful in getting the PIA to waive its right to take over this function until January 1, 2006 for milk and January 1, 2007 for eggs. This of course will not permanently solve the problem.

If necessary, I will introduce legislation in January of 2006 to take away the authority of the PIA to force state agencies to purchase their products. As a general rule, I support state agencies purchasing products on the basis of a competitive bidding process. In that way, California taxpayers are guaranteed the best quality at the best prices.

Thank you for bringing this situation to my attention. If you have questions or comments about this or any other matter relating to state government, please feel free to contact me again.

Sincerely,


DAVE COX
Senator, First District

DC: dy

COMMITTEES
CHAIRMAN
CONFERENCE ON THE
PRESERVATION OF THE
FAMILY
VICE CHAIRMAN
BUDGET AND FISCAL
REVIEW
JUDICIARY
MEMBER
HEALTH AND HUMAN
SERVICES
NATURAL RESOURCES
AND WILDLIFE
RURAL CAUCUS

Senate California Legislature



TIM LESLIE
SENATOR, FIRST DISTRICT

SUBCOMMITTEES:
BUDGET AND FISCAL
REVIEW SUBCOMMITTEE
NO. 3 ON HEALTH
HUMAN SERVICES
AND LABOR
HEALTH AND HUMAN
SERVICES SUBCOMMITTEE
ON RURAL HEALTH
JUDICIARY SUBCOMMITTEE
ON CORRECTIONS AND
LAW ENFORCEMENT
AGENCIES
JOINT COMMITTEES
FAIRS ALLOCATION AND
CLASSIFICATION

July 9, 1993

Mr. William Merkle, Warden
California Correctional Center - Susanville
P.O. Box 790
Susanville, CA 96130

Dear Bill:

I am writing on behalf of Mr. Mike O'Kelly, a constituent of the First Senate District, who has requested my assistance regarding the contract for supplying eggs to the Susanville Correctional Facility.

Mr. O'Kelly, owner of the Morning Glory Dairy, has expressed concern regarding a recent change in policy related to the purchase of eggs. He indicated that the Susanville Facility no longer receives its eggs from private contractors through a bid process, but, instead, is now acquiring them through prison industries.

The Morning Glory Dairy is a locally owned and operated business that employs 11 people and has supplied the Susanville Correctional Facility with eggs and milk for the past 30 years. As you are aware, I have had numerous conversations with the Department of Corrections regarding the expansion of the Susanville Facility. The focus of these conversations has been to insure that the potentially negative effects of the expansion upon the community will be mitigated and that the Department will, at every opportunity, utilize local goods and services. I am very concerned with any policy action that would eliminate approximately \$50,000 per year from the local economy.

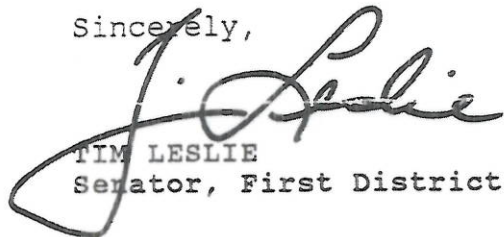
I would appreciate it if you would provide my office with an explanation of this change in policy and include a cost benefit

Mr. William Merkle
July 9, 1993
Page Two

comparison. I have assigned David R. French in my Roseville district office to this matter. If you should have any questions or comments, please do not hesitate to call him at (916) 783-8232.

Thank you for your prompt attention and assistance on this important request.

Sincerely,



TIM LESLIE
Senator, First District

TL/df

Enclosure

cc: Craig Brown, CDC
Jean Loubet, Lassen County Supervisor

City of Susanville

(530) 257-1000
www.cityofsusanville.org

66 North Lassen Street • Susanville, CA 96130-3904

May 18, 2005

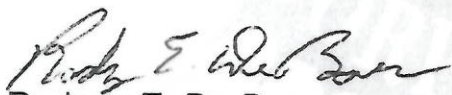
Senator Dave Cox
State Capitol
Room 2068
Sacramento, CA 95814

Dear Senator Cox,

I would like to thank you for your personal intervention on behalf of the City of Susanville regarding Prison Industry Authority (PIA) and their attempts to force state agencies to purchase PIA products. Your commitment to remedy this situation through legislative action is greatly appreciated.

Please let me know if the City of Susanville can be of assistance to you in the future. You have our continued support and appreciation.

Sincerely,



Rodney E. De Boer
Mayor
CITY of SUSANVILLE

Cc: City Council
John Arriaga
Mike O'Kelley

Rodney E. De Boer
Mayor
Rocky T. Joy
Mayor Pro tem

Councilmembers:
Lino P. Callegari
Douglas Sayers
Mary A. Fahlen

City of Susanville

(530) 257-1000
www.cityofsusanville.org

66 North Lassen Street • Susanville, CA 96130-3904

March 28, 2005

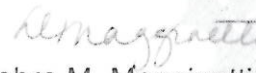
Michael O'Kelly
Morning Glory Dairy
475-020 Richmond Road
Susanville CA 96130

Dear Mr. O'Kelly:

Councilmember Fahlen indicated that she had the pleasure of your company at the Citizens' Advisory Committee earlier in the day. She also advised that you might not have received copies of the letters to a variety of state legislators which the City sent on behalf of Morning Glory Dairy's egg and milk business with the local state correctional facilities.

I have attached copies of Mayor De Boer's letters of February 4, 25 and March 15, 2005 for your records. Please accept my apologies if we did not provide these to you earlier, and feel free to contact me if I may be helpful in your efforts to keep business local. As always, I look forward to hearing from you.

Sincerely,
CITY OF SUSANVILLE


Debra M. Magginetti
City Clerk

cc: M. Fahlen
L. Rainey
Enclosures

/d/050328.mgd

Rodney E. De Boer
Mayor
Rocky T. Joy
Mayor Pro tem

Councilmembers:
Lino P. Callegari
Douglas Sayers
Mary A. Fahlen

March 15, 2005

The Honorable Senator Dave Cox
State Capitol
Room 5064
Sacramento, CA 95814

To Whom it May Concern:

We would like it known that the City of Susanville and the Citizens of Susanville for whom we speak are diametrically opposed to the proposal of Prison Industry Authority taking away the milk sales to our local prisons from our local vendor, Morning Glory Dairy in direct violation of the Department of Correction's Good Neighbor Policy. A policy in which Corrections spokespersons have often iterated to us their promises to buy as many local goods as possible from our local vendors.

We would ask that this proposed removal of some of our direly needed business activity from our economy - an economy that is already in tatters due to the closing of our last sawmill - be given the closest of scrutinies and then aborted at the earliest possible convenience.

We understand that the nearest dairy producing prison to Susanville is still too many hours away for the trip to be accomplished in one day. We understand that this forces PIA, (and the State of California), to have an employee overnight in Susanville, and cost PIA and the State extra per diem expenses in addition to the high costs of having a truck and trailer on the road for two days to haul product to Susanville. We understand that amortizing these costs over the number of half pints of milk to be hauled adds several cents to the costs of the half pints of milk. We further understand that the prices PIA charges for these milk cartons - at the producing prisons - to already be in excess of the delivered price that Morning Glory currently is charging our prisons. We would like to know if the prices that PIA has been charging these closer prisons is economically competitive and viable, and if so, how then can they add several cents worth of freight costs to that milk and then deliver it to Susanville and justify having the same price in Susanville as in Tracy or Soledad or Corcoran? Or have the prices in those three prisons been kept artificially high for all this time to the added expense of the taxpayers of California?

We understand that the provisions of the California Department of Food and Agriculture Milk Stabilization Branch require that milk not be sold below cost, and the Citizens and legislature of the State of California by needs must demand that PIA's prices remain competitive at all of their locations. Thus, we would like to know if the prices proposed for the Susanville prisons are going to be illegal, below cost sales that are subsidized by the comparatively higher prices charged to PIA's nearer prisons.

Rodney E. De Boer
Mayor
Rocky T. Joy
Mayor Pro tem

Councilmembers:
Lino P. Callegari
Douglas Sayers
Mary A. Fahlen

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California State Senate

SENATOR
DAVE COX
FIRST SENATE DISTRICT



COMMITTEES
BANKING, FINANCE
AND INSURANCE
VICE CHAIR
LOCAL GOVERNMENT
VICE CHAIR
MEMBER
ENERGY, UTILITIES
AND COMMUNICATIONS
ENVIRONMENTAL QUALITY
GOVERNMENTAL ORGANIZATION
HEALTH

April 27, 2005

Mr. Mike O'Kelly, President
Morning Glory, Inc.
P.O. Box 189
Susanville, CA 96130

Dear Mr. O'Kelley:

Since you contacted me regarding the efforts of the Prison Industry Authority (PIA) to take over the provision of milk and eggs to the High Desert State Prison and the California Correctional Center (Susanville), I have been working to prevent this from happening.

By personal intervention, I have been successful in getting the PIA to waive its right to take over this function until January 1, 2006 for milk and January 1, 2007 for eggs. This of course will not permanently solve the problem.

If necessary, I will introduce legislation in January of 2006 to take away the authority of the PIA to force state agencies to purchase their products. As a general rule, I support state agencies purchasing products on the basis of a competitive bidding process. In that way, California taxpayers are guaranteed the best quality at the best prices.

Thank you for bringing this situation to my attention. If you have questions or comments about this or any other matter relating to state government, please feel free to contact me again.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dave Cox", written over a horizontal line.

DAVE COX
Senator, First District

DC: dy

March 15, 2005
The Honorable Senator Dave Cox
Page two

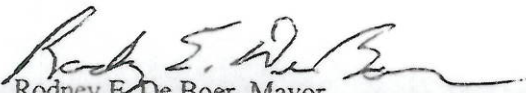
We fully understand the concept of rehabilitation, and the instillment of work ethics in the prison population, and the desire to keep inmates productively busy in job training type programs, but were an inmate to graduate from PIA's milk program and gain his freedom, Morning Glory Dairy could not hire him to deliver to our prisons since ex-convicts are not allowed on prison grounds. So in this instance, PIA seems to be training convicts for jobs that will only be available if they fall victim to recidivism and reenter the prison system.

Since we have fought these battles before and would rather not have to fight them again in the future, we would like a more permanent solution to be found. Perhaps a legislative waiver can be initiated that would allow our local prisons to always seek the best pricing available on the open and free market....a freedom that they now enjoy only when given a waiver to do so by PIA.

Because of the added costs to California that would be caused by PIA's delivering milk to Susanville, a legislated waiver is desired. Because of the economic conditions in Susanville with the demise of the timber industry and the closings of all of our lumber mills and the additional negative impact that loss of this prison business will have on our community, we need a legislated waiver. Because of the Department of Corrections promise to Susanville to be a good neighbor and buy as much locally as possible we need a legislated waiver. Because Morning Glory Dairy is a certified small business and would be devastated by the loss of this business, and because Morning Glory Dairy is a valuable symbiotic partner in the totality of business enterprise that is our economy, Susanville needs a legislated waiver. Because helping California businesses survive and maintaining a viable tax base is the right thing to do we need a legislated waiver.

Because of the negative impacts on the welfare of the families of the employees that Morning Glory Dairy would be forced to lay off if PIA takes over this business, we need a legislated waiver. Because of the long term economic benefits that milk and egg procurement in an open and free market can bring to California, not only in cost savings, but also in tax earnings, the citizens of California should demand a legislated waiver.

Sincerely,



Rodney E. De Boer, Mayor
CITY OF SUSANVILLE

cc: Roderick Q. Hickman, Secretary, CA Youth & Adult Correctional Agency
Richard Ortiz, ACCAP President, City of Soledad
John Arriaga - JEA Associates
Kathy Prosper, Warden - California Correctional Center
D.L. Runnels, Warden - High Desert State Prison
Matt Powers, General Manager - Prison Industry Authority
Susanville City Council



City of Susanville

66 North Lassen Street • Susanville, CA 96130-3904

City of Susanville

(530) 257-1000
www.cityofsusanville.org

66 North Lassen Street • Susanville, CA 96130-3904

February 25, 2005

Governor Arnold Schwarzenegger
State Capitol
Office of the Governor
Sacramento, CA 95814

Re: Morning Glory Dairy

Dear Governor Schwarzenegger:

The Morning Glory Dairy currently supplies 12 million half pints of milk and 120,000 dozen eggs to the High Desert State Prison and the California Correctional Center in Susanville, California. Under the Good Neighbor policy, Morning Glory Dairy receives a waiver to the requirement for prisons to receive Dairy Products from the Prison Industry Authority.

Two Nevada companies outbid the Morning Glory Dairy this quarter for egg delivery. A small local company doing business in California cannot compete with larger Nevada companies, who are not paying the high rates for Workers Compensation insurance and other taxes that California businesses are required to pay. Nevada companies contribute nothing to the economy of the City of Susanville, however every dollar spent by the Morning Glory Dairy is reinvested several times in the local community, providing support for the families of the Dairy workers as well other businesses and retailers.

Every business owner in Susanville supports High Desert State Prison and the California Correctional Center, and they have the right to expect that the California Department of Corrections will honor their commitment to small, rural host prison cities by purchasing goods and services from local suppliers.

Sincerely,



Rodney E. De Boer, Mayor
CITY OF SUSANVILLE

Rodney E. De Boer
Mayor
Rocky T. Joy
Mayor Pro tem

Councilmembers:
Lino P. Callegari
Douglas Sayers
Mary A. Fahlen

City of Susanville

(530) 257-1000
www.cityofsusanville.org

66 North Lassen Street • Susanville, CA 96130-3904

February 4, 2005

Secretary Rodrick Q. Hickman
California Youth & Adult Correctional Agency
1100 11th St., Suite 400
Sacramento, CA 95814

Re: Purchasing Locally

Dear Secretary Hickman:

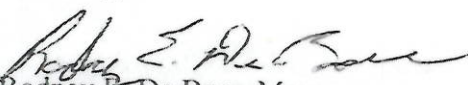
When California's Prison system saw expansion in the 1980s and early 1990s, the State pursued small, rural cities to host new state prisons, promising economic vitality through the creation of jobs and purchases of local goods. To this end, we have held workshops to help local suppliers become qualified to supply our local prisons with goods and services.

Small rural communities are already facing hardships with State reductions in program funding. In addition, the local economy of the City of Susanville has been hit in recent months with the loss of Jeld-Wen manufacturing plant, the closing of the Sierra Pacific Mill and downsizing of the Lassen National Forest workforce. The demise of the local logging industry has resulted in the loss of over 250 private sector jobs and has had a devastating effect on our city's economy.

For years, Morning Glory Dairy has been supplying both California Correctional Center and High Desert State Prison with eggs, milk, bread, cheese, and ice. Purchasing products and services locally is an integral part of the good neighbor policy which the Prison Cities and the Department have worked hard to encourage and support.

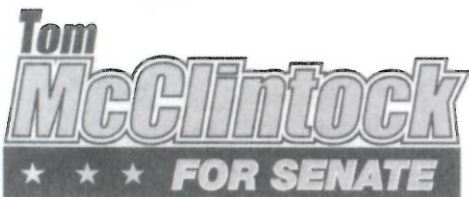
We are seeking the passing of a legislative waiver that would exempt CCC and High Desert State prison from having to seek permission from the Prison Industries to purchase supplies locally. This legislation would mandate that the California Department of Corrections honor their commitment to small, rural host prison cities, in addition to allowing the Prison to shop the free market and sanctify the relationship between the prisons and the local community.

Sincerely,


Rodney E. De Boer, Mayor
CITY OF SUSANVILLE

Rodney E. De Boer
Mayor
Rocky T. Joy
Mayor Pro tem

Councilmembers:
Lino P. Callegari
Douglas Sayers
Mary A. Fahlen



November 22, 2004

30575*****MIXED AADC 901****

Mike O'Kelly
475-020 Richmond Rd
Susanville CA 96130-5117



Dear Mike,

I want to tell you again how deeply I appreciate your support of my campaign for re-election to the state Senate. This was my last legislative race under term limits, and I could not possibly have hoped for a better outcome. THANK YOU.

Your generosity was the solid foundation upon which my entire campaign depended. And because you responded the way you did, the Democrats ultimately abandoned the field - despite the fact that the 19th Senate district had the second lowest GOP registration of any Senate Republican seat up for re-election. Indeed, we ran more than 19 points ahead of Republican registration - more than any other Republican candidate for state Senate.

The results statewide were a mixed bag, but according to the exit polling I've seen, Californians are philosophically far more conservative than the votes they are actually casting. We certainly proved in the 19th Senate District that even in a so-called "moderate" coastal district, the voters continue to respond overwhelmingly to our core Republican principles when our positions are clear and unequivocal - and when supporters like you are willing to stand by our candidates.

I'm going to do everything I can to live up to the trust that you placed in me, and to press the agenda that I outlined during last year's gubernatorial campaign and this year's state Senate campaign. It is a message that has resonated strongly with voters and I believe will determine the future of our state.

Again, thank you for standing by me and for making this victory possible.

(916) 445-8873

Best wishes,

Tom McClintock

Fax
(805) 494-8812
Dist Off
! RESS!