

**August 8, 2006 (Support Document/ The Investigation of Pepe Chavez et al)**

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Intelligence Division

The Division title had changed in late '79 from the Tactical Support Division to the Intelligence Division and I was instantly an Intelligence Investigator. That meant investigative assignments vs. surveillance assists. During the first months of 1980, after pursuing commonality in a sudden rise in regional armed robberies, I discovered that several of the suspects in commercial robbers seemed to have some relationship. Their methods, targets, time of day all had unusual similarities. My partner, Bob Braaten and I looked further into available records and pursued criminal information from other agencies. We found the connection.

It was one of those *career-builder* cases. In 1976, the Superintendent of the Oregon State Penitentiary, Hoyt Cupp, discovered that a violent prison gang, known as "The Family", was actively engaged in organized prison unrest and other criminal activities inside the prison system. The Superintendent ordered a comprehensive investigation and a series of actions to remedy his problem. However, until 1980, Superintendent Cupp's information was never disseminated to any law enforcement agencies in the region. In 1980, many "Family" members were on the outside, engaged in criminal activities: frequenting similar drug sources, associating with similar contacts, victimizing similar targets, practicing similar criminal techniques, and running to similar hideouts. In June 1980, we issued a comprehensive region-wide Intelligence Bulletin to all law enforcement agencies. Below are an accompanying Portland Police Memorandum, and a copy of the Superintendent's memo:

DATE : 6/17/80  
TO : Lt. Dimick



FROM: Officer Braaten  
Officer Tercek

SUBJ : Criminal Associates in the Portland Area

Sir:

The following list of individuals have long been associated in criminal activity in the Portland area. All are acquaintances, directly or indirectly, through coincidental stays at the Oregon State Penitentiary and/or street contacts. Many are old friends from high school days. Criminal activity has ranged from narcotics to robbery, and all are suspected to be active. However, their main relationship appears to stem from narcotics use and trafficking. It appears that all have mutual sources for narcotics. It also appears that the owners and/or managers of the two businesses are involved in criminal activity within their businesses, and may have set them up for that purpose. Furthermore, it is believed that associates of the group make the businesses their first stop when released from Oregon State Prison, either for employment or the criminal opportunities the store-front provides.

Any information relating to the activities, hangouts, acquaintances, vehicles, etc., refer to the Intelligence Division. NOTE THAT OTHER AGENCIES MAY ALSO BE INTERESTED IN THESE INDIVIDUALS, AND ANY UNNECESSARY DIRECT CONTACT WITH THEM (OTHER THAN THOSE WITH WARRANTS) WOULD BE COUNTERPRODUCTIVE AND UNDESIRABLE.

RMT/jlb

## OREGON STATE PENITENTIARY

January 16, 1976

TO: Stephen Michael Saniti  
FROM: H.C. Cupp, Superintendent

Under the authority of the temporary rules of procedure adopted January 15, 1976 by the Administrator of the Oregon Corrections Division under the authority of ORS 423.060, you are hereby notified that you are placed in Segregation and Isolation status pursuant to Corrections Division Rule 40-110.

This action is being taken because you are viewed to be a threat to the safety and security of the institution and it is intended that pursuant to the attached rules you will be permanently assigned to Segregation and Isolation status.

This action is based upon the following facts:

1. Since December 1973 population at Oregon State Penitentiary has climbed steadily resulting in: 1) Double cell occupancy in some cells; 2) make-shift dormitory space; 3) longer lines; 4) crowded recreation areas; 5) reduced medical and dental availability to inmates; 6) reduced t.v. time and other recreational pursuits; 7) shortage of job opportunities for inmates; 8) and reduced program opportunities. Because of these conditions staff and inmate conflicts have risen requiring firm measures of control. Oregon State Penitentiary capacity is 1101, present population is 1363.
2. In January 1975 a planned sitdown strike was discovered resulting in an institutionwide lock-up. Stephen Kessler and other members of "The Family" are believed to be involved. Oregon State Police Crime Laboratory Report showed that the paper cutter found in Stephen Kessler's work area (Physical Plant Office) was used to cut up strike notices. One strike notice was found in Stephen Kessler's desk drawer and three other strike notices were found in a nearby trash can in his work area.
3. From January 1975 through August 1975 there is evidence showing that "The Family" (The Group also a term used interchangeably) has participated in varying degrees of intimidation of inmates. Confidential informants have told staff that members of "The Family" have demanded payments in order to assure their safekeeping in the general population. Some inmates now on protective custody have also told staff that it would be safe for them to enter the general population when Kessler and members of "The Family" have either been removed from the penitentiary or locked up in Segregation. On August 29, 1975 Mr. J.C. Keeney received a handwritten note stating that, "Kessler and Dunster are going to kill Mr. Cupp." A second note was received 8/26/75 indicating, "For every promised brother taken from the family one guard (pig) would be killed. That 'The Family' promised bloodshed." State Police through handwriting analysis shows that David Dunster was the author of this note.

4. The evidence available shows the existence of "The Family". This is confirmed by correspondence between OSP inmates known to be central figures of "The Group" who have used the term "The Family" in their correspondence. In addition correspondence from outside of the prison addressed to these inmates have also made references to "The Family". Confidential informants have also made this reference.
5. "The Family" consists of the following Oregon State Penitentiary inmates: Stephen Michael Kessler, David Dunster, Paul Akins, Chris Anderson, Dennis Kniss, Steve Bekins, Robert McKay, David Spencer, Roy Barton, Michael Guile, Stephen Stillings, Larry Ferguson, Gary Nash, Robert Perea, Cecil Estes, David Forrester, Stephen Saniti, and Donald Booth.
6. The organizational structure of "The Family" at OSP is rather vague. However, it is seen as a loosely structured group consisting of a close association between various prisoners. At the core of "The Family" is Stephen Kessler, David Dunster, Chris Anderson, Steve Bekins, and Stephen Saniti. Other prisoners appear to operate on the fringes acting in the role of runners or other functionaries. There are strong loyalties between them one of which emphasizes that, "The Family are political prisoners." Loyalties to "The Family" extend outside the prison to politically oriented groups such as the Eugene Coalition, Prisoner's Union, Church of the New Song, SLA, and The New World Liberation Front. The use of such terms as "elves and barbarians" by Kessler would also suggest a organizational hierarchy within "The Family".
7. Core members of "The Family" nearly all have extensive histories in drugs (either as users and/or dealers) and have known each other for several years inside and outside of various penitentiary settings. Some of the members have not always been political activists but recruited by "The Family" because of their general anti-prison administration posture. Most have extensive history of violence and some with severe emotional problems. Black prisoners are not known to be members of "The Family" although it is clear that great efforts have been tried by "The Family" to reduce conflicts with other races in order to, "collectivize the inmate population".
8. The long term goals of "The Family" include the eventual collapse of capitalism in this country. Correspondence between members of "The Family" and radical groups outside the penitentiary clearly show a revolutionary thrust against capitalism and the overthrow of the national government. The overthrow of the prison "establishment" is also seen by these groups as a direct attack on the system.
9. "The Family" subscribes to two basic approaches to achieve their goals. The first relates to "The Family's" involvement in causing unrest and violence at Oregon State Penitentiary for purposes of drawing attention to the prison so that their political views will catch the attention of the news and hopefully the interests of legislative inquiries and probes by the Grand Jury. In this way "The Family" would attempt to discredit the present administration.

The second approach is aimed at reducing conflicts between various prison groups within the prison by eliminating racism and, "collectivizing" the inmate body. It hopes to establish camaraderie among inmates by moulding them into a solidified group who respond to one voice, namely that of "The Family". In

time, it would be anticipated that correctional officers and prison management will come to rely more heavily upon "The Family" to maintain internal control. In turn, "The Family" would win concessions that would support their political causes such as: prisoner unions and increased prisoner involvement in the management of the penitentiary.

10. A general analysis of correspondence received by Kessler and various other members of "The Family" and members of outside radical groups regard Kessler's activities, "as not an individual matter, but as a monumental attempt to impeach the system in that armed confrontation is justified as a means of overthrowing the system."
11. There is little doubt that "The Family" is influential over other inmates at OSP. Since they have been removed there has been a significant decrease in the number of assaults, cell burnings, disciplinaries, and an increase in inmates presently on protective custody asking to be returned to the general population.
12. Stephen Saniti from age 10 has been almost continuously in conflict with the law. Initial confinement at MacLaren School. Last release from that institution was July 1968. Confined at Oregon State Correctional Institution October 17, 1969 and transferred to Oregon State Penitentiary May 12, 1970. He has a history of escapes, the last occurring from this institution May 14, 1975. He is a known user of illegal drugs and narcotics and his history of assaultive crimes is a matter of record. Since transfer to this institution he has been a continuing disrupting influence as verified by number of disciplinary reports submitted against him.

From this information it is concluded that Stephen Saniti has engaged in group activity under the leadership of Stephen Kessler for the purpose of bringing about prison unrest.

Stephen Saniti and members of "The Family" with the help of anti-government individuals and groups outside the prison, conspired to bring about prison unrest. Their means of accomplishment include: pressing for stepped up incoming radical literature; "politicalizing" general population of inmates; developing inroads into the prison of outside radicals in the name of visitors, program volunteers/sponsors, and introduction of innocently titled college courses taught by radicals; organizing prisoner groups and programs to "supplement" administratively sanctioned rehabilitation progress; and by creating an atmosphere of tension in the prison that will incite incidences designed to discredit present management's ability to manage institutions. Under the guise of "prisoner benefits", i.e., upgrading minimum wage for prisoners, and seeking more prisoner involvement in inmate affairs in prison, organize and unify the general prison population (with help from outside political activists) to gain control (subtly at first) of the management of Oregon State Penitentiary.

The physical and emotional tension present within the prison at the present time makes it impossible for the institution to operate safely and with good order with inmates engaging in the activities which Stephen Saniti helped create and continue. Therefore the best interest of the institution's population and the public requires that Stephen Saniti be placed permanently on Segregation and Isolation status.

Further, you are served notice that you are entitled to a hearing before the Administrator of the Corrections Division or his representative within 15 days of this notice of action. Your hearing will be at 1:00p.m. on January 26, 1976 in the S & I

Building. You may, at the hearing, present material which you believe would negate this order. This material may include:

1. Your own statements.
2. Documents presented by you.
3. Written statements of individuals.
4. Investigation results by the Administrator or his designated representative.

The Administrator or his designated representative will, within 15 days of the hearing, affirm, modify or reverse this order. His determination will be delivered to you in writing.

H.C. Cupp, Superintendent

Soon Portland Police Bureau Detectives Ed Clark and Bob Benson joined our effort, and other regional law

enforcement agencies began to focus investigations on these criminals, individually, and collectively. As a result of intelligence information we compiled and disseminated, law enforcement officers from many of the region's agencies would nab some of the area's most notorious and dangerous active felons. Of the thirty-three individuals identified in the original memo, thirty were arrested and incarcerated - but not before numerous shootings, robberies, murders including one brave police officer.