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CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING

CALIFORNIA STATE TREASURER'S OFFICE
915 CAPITOL MALL, ROOM 587
SACRAMENTO, CALIFORNIA 95814

DATE: MONDAY, DECEMBER 9, 2019
TIME: 2:03 P.M.

Reported By: Peter Petty
eScribers

1 APPEARANCES:

2 MEMBERS OF THE BOARD PRESENT:

3 GAYLE MILLER, Chief Deputy Director, Policy, Department of
4 Finance, designated representative for Keely Bosler,
Director, Department of Finance

5 DANIEL KIM, Director, Department of General Services

6 JUAN MIRELES, Director, School Facilities and Transportation
7 Services Division, California Department of Education,
designated representative for Tom Torlakson, Superintendent
8 of Public Instruction

9 SENATOR SCOTT WILK

10 ASSEMBLYMEMBER ADRIN NAZARIAN

11 ASSEMBLYMEMBER PATRICK O'DONNELL

12 REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

13 LISA SILVERMAN, Executive Officer

14 REPRESENTATIVES OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE
OF PUBLIC SCHOOL CONSTRUCTION (OPSC) PRESENT:

15 LISA SILVERMAN, Executive Officer
16 BARBARA KAMPMEINERT, Deputy Executive Officer

17 REPRESENTATIVE OF THE DEPARTMENT OF GENERAL SERVICES,
OFFICE OF LEGAL SERVICES PRESENT:

18 LANCE DAVIS, Staff Counsel

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P R O C E E D I N G S

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MS. MILLER: Good afternoon, everyone. Thank you for coming over here. We're going to -- there are people still coming, but we'll go ahead and get started. Will you call the roll, please.

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MS. JONES: Certainly. Senator Wilk.

8

SENATOR WILK: Present.

9

MS. JONES: Senator Leyva.

10

Senator Roth.

11

Assemblymember Nazarian.

12

Assemblymember O'Donnell.

13

ASSEMBLYMEMBER O'DONNELL: Here.

14

MS. JONES: Assemblymember Cunningham.

15

Juan Mireles.

16

MR. MIRELES: Here.

17

MS. JONES: Cesar Diaz.

18

MR. DIAZ: Here.

19

MS. JONES: Daniel Kim.

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MR. KIM: Here.

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MS. JONES: Gayle Miller.

22

MS. MILLER: Here.

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MS. JONES: We have a quorum.

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MS. MILLER: Great. Thank you very much. Before

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we continue, I'd like to note that at the end of today's

1 meeting, the Board will meet in closed session pursuant to
2 Government Code 11126(e)(1) for the purpose of conferring
3 with and receiving advice from counsel regarding a pending
4 lawsuit. And with that, we will move to Tab 2, the **Minutes**.
5 Is there any public comment? May we have a motion, please.

6 SENATOR WILK: So moved.

7 MS. MILLER: Moved by Senator Wilk.

8 MR. DIAZ: Second.

9 MS. MILLER: Seconded by Mr. Diaz. Ms. Jones,
10 will you call roll, please.

11 MS. JONES: Senator Wilk.

12 SENATOR WILK: Aye.

13 MS. JONES: Assemblymember O'Donnell.

14 ASSEMBLYMEMBER O'DONNELL: Aye.

15 MS. JONES: Juan Mireles.

16 MR. MIRELES: Aye.

17 MS. JONES: Cesar Diaz.

18 MR. DIAZ: Aye.

19 MS. JONES: Daniel Kim.

20 MR. KIM: Aye.

21 MS. JONES: Gayle Miller.

22 MS. MILLER: Aye.

23 MS. JONES: That motion carries.

24 MS. MILLER: Great. Thank you very much. Next is
25 the **Executive Officer's Statement**. Ms. Silverman.

1 MS. SILVERMAN: Yes. We have a few things to
2 share with you tonight and probably longer than the whole
3 agenda itself, but let me share with you that we have a new
4 format. So we're actually happy that the first time
5 through, we will have all our items meeting the
6 accessibility guidelines. So this is great news and I know
7 it's been a (indiscernible) for our staff to get there. So
8 we're really proud to have that moving forward on the first
9 time through.

10 Second item we want to share is the priority
11 funding apportionments that the Board took action in
12 September. That was nearly \$800 million. And I know we
13 reported that November 15th we have close to \$400 million.
14 We're close to 500 million now and it's still flowing. So
15 it's great news that we actually have a lot of funds going
16 out.

17 So the fund releases are due to our office on
18 Christmas Eve, so let's get that going and we'll be happy to
19 report out that all the money goes out in January. So
20 looking forward to providing those updates, but again, those
21 timelines are real important.

22 The third item we want to share is there is a
23 certification round that's currently open. So if you have
24 an unfunded approval that was approved by the Board July 1st
25 through today, you have the ability to submit a

1 certification for the spring bond sale. So let's encourage
2 those folks to do that and again, the timeline to submit
3 your certification is December 12th.

4 Next time I want to share if I can move my tab
5 over is the career tech education round is still open.
6 Although the phase to submit your grant review did close on
7 December 2nd with the Department of Education and again, the
8 goal is to have those projects come in with the scores on
9 the flow basis to the Department of Education and our
10 funding deadline for those folks who have 105 or higher is
11 April 6th and I'm really pleased to share that we actually
12 had a joint workshop on November 6th and that was widely
13 attended. So again, the goal is to have a lot of folks have
14 access to program funds and I'll look to Mr. Mireles to give
15 us an update on the number of applications you have.

16 MR. MIRELES: Yeah. We received 284 applications
17 for 426 million on this last round, so we're going to be
18 very busy next couple of months, but look forward to
19 reviewing the applications and then having the districts
20 submit their funding requests to OPSC for a fund allocation.

21 MS. SILVERMAN: And it looks like we'll have a
22 huge commitment out of the \$250 million, so they may all be
23 gone.

24 The next item we wanted to share with the Board is
25 we're looking forward to some regulation updates in the

1 facility hardship program and wanted to thank Assemblymember
2 Nazarian. I know we had a conversation with him over the
3 last few months about those changes. So looking forward to
4 adjust and have discussions about funding levels when it
5 comes to facility hardship applications, modifying the
6 regulations, and having a more streamlined process so
7 districts can come in and have access to those program funds
8 rather quickly as opposed to -- I know we have -- sometimes
9 we have conversations about how we get there faster, but
10 let's have some tools in place to make this program a lot
11 easier to facilitate.

12 So we're looking forward to bring some stakeholder
13 meetings January 10th and January 11th.

14 We also wanted to share that we actually had
15 participated in a school opening in Camp Pendleton. So this
16 was San Onofre Elementary School. So this is great news.
17 Nearly \$11 million came from our program as a match.

18 The Department of Defense provided \$45 million as
19 far as their program guidelines. So again, this project had
20 \$56 million allocated to this project in Camp Pendleton. So
21 this is great news. This is one of the four projects that
22 were funded at Department of Defense. We were excited about
23 being there.

24 And the last item I wanted to share is we have an
25 open data portal that we just launched just the week of

1 Thanksgiving. So this is great news. Folk who want to tee
2 up. There's 12,000 records on the open data portal and that
3 (indiscernible) \$35 billion of program grants that have gone
4 through the program. So we're really pleased that folks can
5 now download that information. It's raw data. It's really
6 useful. So please go to the California open data portal.

7 MS. MILLER: Great.

8 MS. SILVERMAN: And our next meeting is
9 January 22nd.

10 MS. MILLER: Great. Thank you very much. And
11 thank you (indiscernible) for getting -- moving on those
12 applications. We know they're really important and that way
13 we can sort of do our business. And then those -- the
14 interested parties meetings for the regulatory changes will
15 be on your website as well --

16 MS. SILVERMAN: Yes. We'll be publishing --

17 MS. MILLER: -- posted and all interested
18 parties -- great.

19 MS. SILVERMAN: Right. We're publishing our items
20 next week.

21 MS. MILLER: Great. Well, we're really grateful
22 that you (indiscernible) processes in the agenda. Thank you
23 for that.

24 Next we're moving to the Consent Calendar.

25 MS. SILVERMAN: Consent's ready for your approval.

1 MS. MILLER: Great. Are there any questions from
2 the Board?

3 SENATOR WILK: So moved.

4 MS. MILLER: It's been moved.

5 ASSEMBLYMEMBER O'DONNELL: Second.

6 MS. MILLER: Any public comment? Moved and
7 seconded. And then if there also is no objection, given
8 that staff recommends support of the appeal for McFarland
9 Unified, which is on page 177 of the agenda, and given the
10 recommendation is consistent with the Board's past actions
11 to similar appeals, I'd like to suggest that we take this
12 item up as part of the Consent Agenda. Are there any
13 concerns from the Board on that?

14 SENATOR WILK: No.

15 MS. MILLER: No? Great. Thank you very much.
16 Any public comment on the McFarland District appeal? No.
17 Great. Senator, can we keep your motion and just include
18 McFarland?

19 SENATOR WILK: Yes.

20 MS. MILLER: Great. Thank you. And second from
21 Mr. O'Donnell to include McFarland? Great. Thank you very
22 much. May we take the roll, please.

23 MS. JONES: Senator Wilk.

24 SENATOR WILK: Aye.

25 MS. JONES: Assemblymember O'Donnell.

1 ASSEMBLYMEMBER O'DONNELL: Aye.

2 MS. JONES: Juan Mireles.

3 MR. MIRELES: Aye.

4 MS. JONES: Cesar Diaz.

5 MR. DIAZ: Aye.

6 MS. JONES: Daniel Kim.

7 MR. KIM: Aye.

8 MS. JONES: Gayle Miller.

9 MS. MILLER: Aye.

10 MS. JONES: And that motion carries.

11 MS. MILLER: Great. Thank you very much. So
12 moving onto financial report.

13 MS. SILVERMAN: Yes. So on page 155, we've been
14 aggressively releasing funds. So we just want to share in
15 October that we released nearly 370 million, so that's great
16 news. And then want to advance to 157 on the status of
17 funds.

18 So as part of the Consent Agenda, the Board did
19 take action on \$115 million in unfunded approvals. So
20 that's great news. We're making a huge clip to that
21 workload and we also returned nearly \$25 million in the
22 program. So that's over eight projects with either
23 rescissions or closeouts. And that's all we have.

24 Oop, sorry. Back that up. We actually have
25 \$57 million in full-day kinder. We wanted to report that as

1 well. That was all through 35 projects. That was part of
2 the Consent Agenda as well. Very important.

3 MS. MILLER: Very. Thank you for that. Any
4 public comment on the financial statement? Now moving
5 onto -- Mr. Nazarian, we took up the Consent Agenda and we
6 added the McFarland appeal to it. Would you like to be
7 added to that item?

8 MR. NAZARIAN: Please.

9 MS. JONES: As well as the Minutes?

10 MR. NAZARIAN: Yes.

11 MS. JONES: Thank you.

12 MS. MILLER: And an aye vote for both,
13 Mr. Nazarian?

14 MR. NAZARIAN: Aye vote for both.

15 MS. MILLER: Great. Thank you very much. Okay.
16 Moving on then, we are moving past the McFarland appeal as
17 we've already done it. Moving on to Tab 7.

18 MS. SILVERMAN: Yeah. Tab 7, we're just sharing
19 the workload report and we also put out the calendar for
20 next year.

21 MS. MILLER: Great. Thank you. And you should
22 all have received that. It's on the website and you should
23 all have received the calendar invite.

24 And we apologize for all the moving around, but
25 because of the construction at the Capitol, we are limited

1 in space. So we appreciate your flexibility and if the
2 public could just take note of where the meetings are so
3 that you're sure to be able to attend, we appreciate that.

4 So any further public comment on any of the items
5 on the agenda? I don't have any comment cards at this time.
6 If not, we will move into closed session. We will come back
7 into open session and provide a report if you wanted to wait
8 outside, but -- so the regular session of the public State
9 Allocation Board meeting for today is concluded.

10 At this time, we'll meet in closed session
11 pursuant to Government Code Section 11126(e)(1) for the
12 purpose of conferring with and receiving advice from legal
13 counsel regarding the status of a pending lawsuit.

14 Upon the conclusion of closed session, I will
15 report out from the closed session. So with that, if you
16 could please excuse yourselves unless you are a member of
17 the Board.

18 (Whereupon at 2:12 p.m., the open meeting was recessed
19 for the closed session and resumed as follows at 3:12 p.m.)

20 MS. MILLER: The SAB is back in session. We met
21 in closed session today pursuant to Government Code
22 Section 11126(e)(1) for the purpose of conferring with and
23 receiving advice from legal counsel regarding litigation
24 brought by CBIA and also litigation brought by CASH and six
25 school districts.

1 And we have one more order of business and that is
2 for any members that haven't been able to vote on the
3 Minutes first.

4 MS. JONES: And, Senator Roth, how do you vote on
5 the Minutes?

6 SENATOR ROTH: Aye.

7 MS. MILLER: Anyone else on the Minutes, Lisa?

8 MS. JONES: I think we have everybody else.

9 MS. MILLER: Okay. So that motion carries. And
10 then the Consent Calendar which included the McFarland
11 appeal.

12 SENATOR ROTH: Roth, aye.

13 MS. JONES: Senator Roth, how do you vote?

14 SENATOR ROTH: Aye.

15 MS. JONES: Aye. Okay. Thank you.

16 MS. MILLER: Thank you.

17 MS. JONES: And that motion carries.

18 MS. MILLER: Great. Thank you very much. Meeting
19 adjourned.

20 (Whereupon, at 3:13 p.m., the proceedings were
21 adjourned.)

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That the foregoing transcript is a true record of the proceedings as recorded;

That I am a disinterested person to said action.

IN WITNESS WHEREOF, I have subscribed my name on December 11, 2019.

Mary C. Clark
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