APPEARANCES

MEMBERS OF THE BOARD PRESENT:

ERAINA ORTEGA, Chief Deputy Director, Policy, Department of Finance, designated representative for Michael Cohen, Director, Department of Finance

ESTEBAN ALMANZA, Chief Deputy Director, Department of General Services, designated representative for Fred Klass, Director, Department of General Services

CESAR DIAZ, Appointee of Edmund G. Brown, Jr., Governor of the State of California

KATHLEEN MOORE, Director, School Facilities Planning Division, California Department of Education, designated representative for Tom Torlakson, Superintendent of Public Instruction

SENATOR CAROL LIU

ASSEMBLYMEMBER JOAN BUCHANAN

ASSEMBLYMEMBER CURT HAGMAN

ASSEMBLYMEMBER ADRIN NAZARIAN

REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

LISA SILVERMAN, Executive Officer
BILL SAVIDGE, Assistant Executive Officer

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

LISA SILVERMAN, Executive Officer
JUAN MIRELES, Deputy Executive Officer

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

JONETTE BANZON, Staff Counsel
CHAIRPERSON ORTEGA: All right. Call the August 20th meeting of the State Allocation Board to order. If you could call the roll.

MS. JONES: Senator Hancock.
Senator Liu.
Senator Fuller.
Assemblymember Buchanan.
ASSEMBLYMEMBER BUCHANAN: Here.
MS. JONES: Assemblymember Hagman.
ASSEMBLYMEMBER HAGMAN: Here.
MS. JONES: Assemblymember Nazarian.
Esteban Almanza.
MR. ALMANZA: Here.
MS. JONES: Kathleen Moore.
MS. MOORE: Here.
MS. JONES: Cesar Diaz.
MR. DIAZ: Here.
MS. JONES: Eraina Ortega.
CHAIRPERSON ORTEGA: Here.
MS. JONES: We have a quorum.
CHAIRPERSON ORTEGA: Thank you. The first item of business is the Minutes from the June 25th meeting.
ASSEMBLYMEMBER BUCHANAN: Move approval.
MS. MOORE: Second.

CHAIRPERSON ORTEGA: Is there any public comment?

All those in favor.

(Ayes)

CHAIRPERSON ORTEGA: Any objections? Seeing none, Item 3 is the **Executive Officer’s Statement.**

MS. SILVERMAN: Yeah. We have a few items to share with you tonight. Keep it short.

In your Consent Agenda, we have tucked away an Emergency Repair Program approved list. That’s 489 applications for $93.4 million. And although the Budget Act did approve for $180.5 million, this is what we currently have, although we’ve been working very closely with the Department of Education and we’ve got some assurances that some of the program money -- remaining program money will be coming relatively soon. So we anticipate October.

And then the next item we wanted to share is the priority in funding apportionments. Also in your agenda in the action items is 34 projects will be presented for $100.5 million and again those authorizations will have until November 18th to activate the cash. So again, it’s very important for those projects that do receive the award to closely associate the timeline associated with project, so -- and we’ll be continuously working with districts to remind them of the timelines associated with them.
We also wanted to share an update. The April 7th apportionment, there was over $372 million that did go out for projects. 105 projects were apportioned and only 2 projects failed to meet the two-strike timeline. So -- these were related to the New Construction and Modernization Program projects. They were small increments of those projects. The bond authority did revert back to the program.

The regulation update, the Board took action in March to also include additional programs as part of the priority in funding 90-day timeline. So Career Tech, Charter Schools, and Overcrowded Relief Grant will have also the requirement to participate and we anticipate the regulation to be effective October 1st.

And very critical that the timelines associated with the next certification round is in November. So we’ll be sending out reminders and email blasts as the regulations become effective, also notifying those folks that the new requirements will also apply to them if they’re on the unfunded list.

And lastly, we wanted to share that there is a high probability we won’t have September meeting. So I just wanted to highlight that.

CHAIRPERSON ORTEGA: Thank you. Any questions, comments? Any public comment? Seeing none, we’ll move onto
Item No. 4 which is the **Consent Agenda**.

In addition to the items that Ms. Silverman mentioned, I’d like to suggest that we include Items 8, 9, and 10 accepting all the staff recommendations as part of the Consent Agenda. This would be the regulatory amendments for the additional grant for general site development, the priority in funding school construction apportionment, and the 12th funding cycle, keeping that open for the ORG program applications.

**ASSEMBLYMEMBER BUCHANAN:** And I also would like to recommend that we move Item 7, the **Dinuba** appeal, to the Consent Agenda. I’d like to recommend that we approve the district’s appeal and also direct staff to conduct an analysis of the regulations addressing the use and application of all the developer fees to ensure that the regulations reflect the statutory requirements and that we have staff report back to the Board its findings with any proposed amendments to the regulations to ensure compliance.

**MR. DIAZ:** So move.

**CHAIRPERSON ORTEGA:** Okay. Is there any objections?

**ASSEMBLYMEMBER HAGMAN:** No, but I would just split that out and put the appeal on the Consent and then have the second one being part of the staff recommendations --

**CHAIRPERSON ORTEGA:** Okay.
CHAIRPERSON ORTEGA: Okay. So there's a motion to that effect --

MS. MOORE: Second.

CHAIRPERSON ORTEGA: -- that would approve Items 7 through 10. Motion and a second. All those in favor.

(Ayes)

CHAIRPERSON ORTEGA: Any objections or abstentions? Seeing none, the next item will be the Status of Fund Releases.

MS. SILVERMAN: Yeah. On page 107, we wanted just highlight that $210 million did go out as a result of a 90-day apportionment and we did share back in June that there was a slow run at the cash, but obviously there was a big run at the end. So we were happy to report that nearly all the funds have been allocated, so -- and that’s the highlight on page 107.

We can move forward to the Status of Fund Releases, we did process as part of the Consent Agenda three Seismic projects, also a High Performance Incentive Grant project associated with a Seismic Program approval. And we had three conversions in the charter area.

So with that, an additional $20.2 million in unfunded approvals are added to the list.

And then we also had the additional closeout
adjustments reflected on your left side and that relates to almost $100,000. And that’s on page 111.

And also highlight on page 112 is again the activation of the Emergency Repair Program unfunded approvals with the cash being provided. Again it will definitely reduce the amount of accumulated unfunded approvals and again that’s reflected in the lower chart.

CHAIRPERSON ORTEGA: Okay. Any questions or comments? Any public comment on Items 5 or 6, the Status of Funds and the Fund Releases? Seeing none, we’ll move onto Item 11, the Quarterly School Facility Joint-Use Program.

MS. SILVERMAN: Yeah. So we just wanted to highlight that we’ve been doing quarterly updates and the Board did take an action back in June 2012 to provide funds and cash associated with joint-use and at the time, the Board took action on several projects and we still have one outstanding and we’ve been working with the district and the timelines associated with that project. They have until December 19th to activate the cash. So we’ll report back and we’re hoping that they can make the timeline.

CHAIRPERSON ORTEGA: Okay. All right. Workload.

MS. SILVERMAN: And we workload reports. So without a September meeting, that workload looks pretty flat. And then we have the October and December anticipated workloads. I’m not sure if we have any questions.
CHAIRPERSON ORTEGA: Any questions or comments?

ASSEMBLYMEMBER BUCHANAN: No.

CHAIRPERSON ORTEGA: I think that’s it. Go ahead, Ms. Moore.

MS. MOORE: I have a final comment.

CHAIRPERSON ORTEGA: Yeah. I was just going to say that I’m going to not adjourn the meeting to the hold the role open for -- to give a few more minutes for anybody who’s going to come late and then -- but the rest of you are free to go. Ms. Moore.

MS. MOORE: I just wanted to say on behalf of the school community thank you to Assemblymember Buchanan and Assemblymember Hagman for all your work on the bond measure. We were, as you noted yesterday, not successful, but I want you to know how much the school community really appreciates the work that both of you did on that.

ASSEMBLYMEMBER BUCHANAN: Thank you.

ASSEMBLYMEMBER HAGMAN: Thank you.

CHAIRPERSON ORTEGA: Anything else.

(Off record at 4:11 p.m.)

(On record at 4:13 p.m.)

CHAIRPERSON ORTEGA: Senator Liu, we have voted on our items, but the roll is open. So please let the record note that Senator Liu has arrived. And we have one action item that was the Consent and then all of the other items
were added to the Consent, so Items 7 through 10. So we just have one vote.

SENATOR LIU: All right.

CHAIRPERSON ORTEGA: So please call the action number.

MS. JONES: Senator Liu, how do you vote on the agenda.

SENATOR LIU: Aye.

MS. JONES: Thank you.

(Off record at 4:13 p.m.)

(On record at 4:13 p.m.)

ASSEMBLYMEMBER NAZARIAN: Just the Consent item?

CHAIRPERSON ORTEGA: The Consent item and then we added basically all the other action items to the Consent Agenda, so everything is under 6.0 or 7.0.

ASSEMBLYMEMBER NAZARIAN: Perfect. I’ll add on.

MS. JONES: Okay.

ASSEMBLYMEMBER NAZARIAN: Thank you.

MS. JONES: Assemblymember Nazarian votes aye.

(Whereupon, at 4:14 p.m. the proceedings were adjourned.)
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