CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING

STATE CAPITOL
ROOM 447
SACRAMENTO, CALIFORNIA  95814

DATE:  THURSDAY, OCTOBER 16, 2014
TIME:  2:05 P.M.

Reported By:  Mary Clark Transcribing
4919 H Parkway
Sacramento, CA  95823-3413
(916) 428-6439
marycclark13@comcast.net
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

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

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

JONETTE BANZON, Staff Counsel
CHAIRPERSON ORTEGA: Good afternoon, everyone. I want to call to order the October 16th meeting of the State Allocation Board. If you could call the roll, please.


ASSEMBLYMEMBER BUCHANAN: Here.

MS. JONES: Assemblymember Hagman.

ASSEMBLYMEMBER HAGMAN: Here.


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. So we will start with the adoption of the Minutes from our August 20th meeting. Any --

ASSEMBLYMEMBER BUCHANAN: So move.

MS. MOORE: Second.
CHAIRPERSON ORTEGA: Moved and seconded. Any public comment? Seeing none, all in favor.

(Ayes)

CHAIRPERSON ORTEGA: The Minutes are adopted.

And, Lisa.

MS. SILVERMAN: So three items tonight and I’ll keep it quick. There was a sale that occurred with the Treasurer’s Office related to this bond program, and that sale occurred on October 7th.

And this program actually did receive $73 million in bond proceed, but those bond proceeds actually covered the projects that we apportioned back in August. So again, just to clarify, that sale did cover those projects in August.

And just to remind those folks that we have allocated over $100.2 million and those timelines to perfect and come in with contracts and certifications need to come in by November 18th.

And the fund releases related to the apportionment activity are rather dismal at this point in time, but we’re -- I’m sure we’re going to see a rush of projects coming through the door, but at this point in time, we have about $23 million that’s gone out the door out of the original 100 million.

So again, we’ll encourage and continue to outreach
to those folks to come in for those monies.

And to remind also, folks, that we have the
priority in funding round opening up in November, and if you
have an unfunded approval, you need to come in and provide
certification to us within that 38 window.

The last item I want to share is the regulations
came into effect for those other programs for priority in
funding and that applied to the career tech projects and the
charter school projects and overcrowded relief program
projects.

So if you have valid unfunded approvals on those
lists, as we mentioned earlier, again it’s critical that you
do submit the certification for that current round that’s
coming up. So we’ll be reaching out to those folks, sending
email blasts to remind them of the certification
requirements coming up.

CHAIRPERSON ORTEGA: Okay.

MS. SILVERMAN: That’s it.

CHAIRPERSON ORTEGA: And next we have the Consent
Agenda.

MS. SILVERMAN: Yeah. I do want to mention that
there’s a few items that we wanted to acknowledge that Los
Angeles Unified, we had listed in the Consent Agenda, at
this point in time, we’re going to withdraw it, and that’s
on page 15 and 16. We’re still working with the district
and hopefully get those issues resolved.

And then also as part of the emergency repair approval that’s submitted on page 54, although we’re bringing forward $95 million for the Board on the Consent Agenda, there is a few items that we wanted to recognize.

The district did submit -- Desert Sands -- that they would like to have those projects removed from the list at this point in time. So we won’t award those projects. They’re currently on page 54 on Attachment A. It’s about -- slightly over a million dollars.

So acknowledge that the remaining Emergency Repair Program projects will move forward with approval, but the district specifically had a request to remove projects from the Consent Agenda.

CHAIRPERSON ORTEGA: Okay. And I’d like to suggest that we move the items under Tabs 9, 10, and 11, so the Charter School Facilities, New Construction Supplemental Grant, the proposed regulations implementing Senate Bill 854, and the proposed amendments to the K-12 audit guide also to the Consent Agenda. I’m happy to take comments --

ASSEMBLYMEMBER BUCHANAN: I just have -- yeah. I just have a couple comments --

CHAIRPERSON ORTEGA: Sure.

ASSEMBLYMEMBER BUCHANAN: -- on Item 11.

CHAIRPERSON ORTEGA: Okay. On Item 11 then.
ASSEMBLYMEMBER BUCHANAN: Okay. Let me push this. I am -- we’ve talked several times -- I know it’s been sort of a pet area of mine -- in terms of the performance audit and potentially including a couple other items.

And my interest is in -- particularly in those areas where over the years that I’ve served on the State Allocation Board, I’ve seen numerous appeals come before the Board.

And the two areas, one is labor compliance, and I really do believe when a district is going through the performance audit that that auditor ought to be able to check a box or certify that the district is conforming with the labor compliance requirements.

And I know now that labor compliance has been streamlined dramatically. It could change several years down the road, and it’s tough when a district comes in then five years later and we find they haven’t followed all the rules and we’re trying to figure out how we can arrange funds.

So that’s one area in particular. And the other area where we’ve seen districts come in and have penalties is when they check the box to say that they are under contract and they’re requesting release of funds and they actually haven’t signed a contract.

So we find out that we gave them the funds. It’s
been, you know, 9 or 12 or I think one we saw 18 months
later when they actually had the contract for the funds and
so the penalty is that that lost interest to the State that
we would have had, we would have had the funds in our
account.

So I know there are some areas that we can’t avoid
in terms of appeals when districts want to move where they
are on the list or things like that that require Board
action, but I would like them to at least consider looking
at a couple items like that that could help us keep
districts out of trouble down the road and an auditor could
bring those -- items like that to a district’s attention
early on.

MR. DIAZ: So I’d also like to agree with those
comments of Assemblymember Buchanan, and also on Item 10 and
with the new regulations being set forth by Senate Bill 854,
it’s also important to understand that the new requirements
now will actually apply to all public works projects.

It is regardless of the funding source. So I’m
looking at the chart -- the wonderful chart and information
that staff put together, but the chart on page 141, it talks
about the funding sources.

It’s important to note that even if it’s not
funded directly from any statewide proposition that school
districts have to use contractors that are from this
registry. If they don’t, there could be severe penalties not only on the contractor, but you may have to replace that contractor with someone else that actually is eligible from that registry and that might cost school districts more.

So I just wanted to kind of highlight that as a note for school districts to monitor that because this really starts next year.

ASSEMBLYMEMBER BUCHANAN: And school districts have to do these Prop. 39 audits regardless of whether or not there is a State program where they’re participating in the program.

So I just see this as one way of helping keep districts out of trouble.

MR. DIAZ: Yes.

CHAIRPERSON ORTEGA: So, Lisa, let’s see. You have some ideas about how to make sure the information that we put out on the labor compliance is very clear to folks, that this doesn’t change other responsibilities they might have.

So I think from a staff perspective, we will work on making sure that’s clear --

MS. SILVERMAN: Right.

CHAIRPERSON ORTEGA: -- whatever we have on this. And then regarding the audit, you can incorporate those comments into the information we submit.
MS. SILVERMAN: Yeah. We can certainly share that with the Controller’s Office, yes.

ASSEMBLYMEMBER BUCHANAN: Thank you.

CHAIRPERSON ORTEGA: Great.

MR. DIAZ: Thank you.

CHAIRPERSON ORTEGA: Anything else from the members on these items? Any public comment? Oh, sorry.

ASSEMBLYMEMBER HAGMAN: I was just going to move it.

CHAIRPERSON ORTEGA: Any public comment on the regular Consent Agenda as proposed and then Items 9, 10, and 11? Seeing none --

ASSEMBLYMEMBER HAGMAN: So move.

MR. DIAZ: Second.

CHAIRPERSON ORTEGA: We have a motion by Mr. Hagman and a second by Mr. Diaz. And I also want to make sure the record reflects that Mr. Nazarian is here.

So all in favor of approval of the Consent Calendar.

(Ayes)


MS. SILVERMAN: Yeah. We have the fund release update. And on page 72, we just want to acknowledge that in the month of September, we had $28.9 million that was
released and that’s the highlight of that report.

And if we move forward on the status of funds, it’s what we’re tracking as far as our bond funds. On page 76, primary activity has been -- obviously been shifted to some of the rescissions and close-outs.

So in summation, we have $2.9 million that has returned back to the program in the areas of new construction and both Proposition 1D and 55 and then also a charter school that asked to rescind its projects. So that’s 2.9 million.

And then in the activity of actual provide unfunded approvals, there were actually two career tech education projects that did move forward and so $4 million and that actually results in no bond authority left in that program. So career tech education has no more bond authority and so that results in $4 million of activity of unfunded approvals this month.

And on page 77, just to reflect the Emergency Repair Program activity. Although we highlight this $95 million that is going to be awarded to projects, we’ll modify that. Also we’ll modify the Consent Agenda to reflect about 94 million going out as opposed to 2- as a result of the adjustments in Consent Agenda. And that’s what --

CHAIRPERSON ORTEGA: Okay. Any public comment on
any of that? Any questions or comments from the Board? No.

Okay. That was it for status of funds as well; right?

MS. SILVERMAN: That’s -- we’re done.

CHAIRPERSON ORTEGA: So we move to Tab 12 which is the Seismic Mitigation Program report.

MR. LaPASK: Good afternoon. I’m Brian LaPask of the Office of Public School Construction.

Back at the June 2014 Board, the Board asked us to convene the Implementation Committee to discuss the fall-off that we’ve been having. Projects have been proceeding through steps 1 and 2 at DSA. That’s getting their eligibility and determination of rehabilitation or replacement of their buildings, and then they haven’t been proceeding to step 3 in some cases.

So the idea of that conversation was to hear from stakeholders as to why that’s occurring. We had that conversation. A number of things came up.

One of the most noteworthy was how the minimum work is being determined.

As you know the seismic program can fund only the minimum work to mitigate the seismic threats. And currently, DSA does a review and OPSC does a review, and DSA’s role is to really ensure that the plans are -- that they contain the minimum work and also that they bringing the building up to code.
The OPSC then goes through and does a review to ensure that it’s just the minimum work that’s being funded in the program.

So there was some perceived redundancy there, in that maybe that there’s some duplication that needs reviews. So there’s a few things that we think going forward will help with that.

First of all, in May of this year, DSA updated their procedures for how they review those plans as when they come in at step 2 to make the determination of replacement or rehab, they’re going to be required now to submit two sets of plans if there’s extra work.

The first set would contain only the minimum work. The second set of plans would contain any of the extra work. So to help separate that out and make it a little bit more clear when it comes to us.

Another thing that we’re kind of bouncing around where we’d like to maybe try this out is a little bit more outreach on the front end. With the school district’s design and facilities staff, they would meet with us and possibly the DSA to discuss -- you know, kind of outline the expectations for what they could be expecting when they come into us for funding and that way, it would address the concern that we’ve been having of districts coming in to DSA expecting a certain amount, and then when we come in and we
look at the minimum work only, that amount might be reduced.

And so that would eliminate that issue. Again, it’s maybe not going to be a perfect solution, but it’s something that I think will help this immensely, and, you know, try to give them more of an accurate representation of what we can fund before they design those plans and get them approved.

Some of the other things that came up were the issue of reserving bond authority at the conceptual approval stage, and this came up in the context of possibly sweep of funds -- of seismic funds and kind of trying to set aside those funds ahead of time and at a stage where the districts come to the Board for conceptual approval and then carving out. That gives them an assurance that the funds will be there when they perfect their project and come in for funding.

Another thing we discussed was prioritization of seismic reviews at DSA. DSA’s willing to entertain this on case-by-case basis. They don’t want to prioritize typical projects because there is a responsibility to review the projects that they receive in the order that they’re received, but they would on a case-by-case evaluate that.

And another thing was partial seismic upgrades and this would mean instead of having to come in with a full project where you do every single upgrade possible for
seismic and it might trigger some fire, life, safety, or accessibility work, that’s going to make the project bigger than maybe they would like to at that time and it would impact their budget, and this way, they can focus more on the issues that -- select maybe the most critical areas and focus on those.

There were some other topics as well that are covered later in the item having to do with engineering report costs and maybe providing those up front or perhaps on the backend of more a reimbursement for what is exactly spent on these.

The structural engineering report’s a little bit more complicated than the standard project, and they do cost -- we’ve been hearing, you know, a lot more than possibly what the program is providing currently.

We currently provide a percentage increase to the construction grant amount on the backend, but the stakeholders are asking for maybe that to be provided up front or as a function of the actual cost of the reports.

So that’s our summary of what happened at the Implementation Committee and I can answer any questions that you have.

CHAIRPERSON ORTEGA: Okay. Any members -- any questions, comments?

MS. MOORE: I have some questions and comment.
CHAIRPERSON ORTEGA: Go ahead.

MS. MOORE: Well, first would be (indiscernible) role. Having been here awhile, it seems the tradition that the Assistant Executive Officer of the State Allocation Board who operates the Implementation Committee has oftentimes provided the report.

So I’m very interested in what Bill Savidge has to say concerning what occurred at the meeting. Obviously, a good reporting -- a good write-up by staff, but it has been tradition that the Assistant Executive Officer has provided that report directly from what the stakeholders have indicated.

And the secondarily, I am curious about some of the -- further delving into some of the recommendations. And I know this is not an action item. This is an information item. So what are our steps for following up on some of these recommendations.

And also there’s been a legal opinion on a number of them and I’m curious about if there’s any room within those because there seems to be a number of really good suggestions.

And then my final comment is on the work. And when -- as I understood the minimum work determination -- certainly understand the State’s role in capping costs, but we ask districts to deal with things holistically and I’m
really wondering how -- I mean are we in argument about a holistic approach to a project -- a seismic project that should be done as opposed to, you know, this little piece over here is going to be on the district, this little piece over here is on the State, this piece over here is additional.

To me, that is not a holistic approach to a very complicated project.

And so -- and then asking districts to have a separate project for the seismic and another set of plans for the non-seismic or another differentiation seems to be additional work.

So I’m curious about developing that piece a little bit more in the hopes that we really do approach seismic projects that are ostensibly a major safety concern of the State and ensure that they are getting done in accordance with plans that are before the DSA.

CHAIRPERSON ORTEGA: So I think regarding the procedural question, Bill, I’ll give you a chance in a minute to add anything you’d like to add.

Regarding the -- kind of the summary that Brian has provided and those items, I think what we should do is ask staff to bring back a discussion of those items for I would think January is probably the better time frame than December, just to give them some time to actually work
through them.

And then the report can have some of this analysis about legal opinions and also maybe a little bit of what may have been considered before and not before, et cetera.

So --

MS. MOORE: Good.

CHAIRPERSON ORTEGA: Bring back the options like we’ve seen in some of the other issues that we’ve raised.

And then on your final point about a holistic consideration of the project, I think that is a good context for which the staff can bring back the options.

So if we’re talking about looking at the minimum work versus the balance of the work, you know, what -- how much difference does it make in actually doing that division. Is it a worthwhile attempt to make the program more efficient, streamlined, et cetera.

So I think that that’s exactly the context in which some of those options need to be brought back to us. Does it work or are we just parsing the program out in a way that doesn’t really make any sense just to try to pick at pieces that people have concerns with. So --

MS. MOORE: Okay.

CHAIRPERSON ORTEGA: -- I think those helpful suggestions. Bill, before we have some more questions, let me just see -- Bill, is there anything you want to add
either different from what Brian provided us or in addition to?

MR. SAVIDGE: No. I think the staff did a good job of presenting what we talked about. I would probably have a little bit different focus in some areas, but I think focus -- having the minimum work requires discussion and having some follow-up on that item so that we can -- we don’t want to have the situation we’re having now where one State agency says this much and another State agency says, you know, that much.

And it’s confusing for districts and it creates a project scenario that makes it more difficult and districts have no idea what they’re going to get when they go through the process.

So I think that’s the probably the most important area that we need to focus on.

There was one specific item that Brian didn’t mention actually that’s in the report and which is are there ways that we could accelerate cash for these projects and so exempt the projects from the priority in funding process.

If there was cash available at the State and you had a seismic project, you already go to the top of the list, but in this case, if OPSC had residual cash amounts, go ahead and fund those projects immediately. It could save six or nine months.
So that was one other one. I think the entire focus that we’ve heard from stakeholders was we need to make the program easier to navigate and we need to make sure that we’re really reflecting what it takes for a school district to do these kinds of projects.

And it’s not that you want to do a lot of modernization while you do these necessarily, although it’s not a bad idea to do as Ms. Moore said a holistic project where you do seismic upgrade and everything together.

But you’re forced into situations by the extent of seismic work on many of these projects where you get into an area where it sometimes hard for the agency to see that this really is minimum work that’s required.

So I think good discussion and I hope we can carry through on some of the items that were requested. Thank you.

CHAIRPERSON ORTEGA: Mr. Hagman. Sorry, Joan.

ASSEMBLYMEMBER BUCHANAN: It’s okay.

ASSEMBLYMEMBER HAGMAN: Thanks. And this is I think the quintessential problem with government, and what we’re talking about right now is we’re such a diverse state and we have so much to it that we always try to put things in boxes. The more boxes we build to top each other, the more money and time it takes to go through to actually do something.
Obviously, I won’t be here when this comes back for report in January, but I would like to see -- you have a great staff. You have a review Board to review things. Give the flexibility to the staff to make commonsense -- you can’t put a format up there. It’s 50 percent, 20 percent seismic, 80 percent retrofit. You know, we’re doing this new building.

You can’t put everything in boxes or formulas so well that this handcuffs everybody and that’s what makes things confusing. So give authority to the staff to say this makes sense, bring it to the Board so it’s open, transparent, and let the Board say, yes, let’s do this and move on. There are still some boxes and hopefully, you could streamline the process going that way by letting your people in the business with the expertise behind it do what they should do and have that authority to do it.

CHAIRPERSON ORTEGA: Thank you. Assemblymember Buchanan.

ASSEMBLYMEMBER BUCHANAN: I wasn’t a member of the Assembly and the last bond when we created the seismic program, but clearly if it were intended to be modernization or new construction, it would have been part of that program.

I mean it was intended to be a -- its own program and there -- based on the work that we did on the Seismic
Committee for what, close to a year, and then follow-up going over program review, there was concern initially that because the dollars in the seismic program were limited that we wanted to be sure we targeted the most at-risk schools.

And -- so as a result, we set standards very high and we went the first six years with only two projects -- relatively small projects being funded. And Mr. Savidge and I are very familiar with that because one was in my school district and one was in his and that was even after we had to adjust the shaking standards.

So going six years without spending virtually any money, the question was asked how are we going to start addressing these needs and we spent time studying and that’s how we changed the requirements to basically get -- move away from the rigid shaking requirements to be able to say if the seismic risk creates a situation where the schools are not safe to be inhabited, then they will qualify for seismic funding.

And when we went through the program, we really didn’t talk about whether seismic should be used for modernization or new construction, but the idea is that you want to eliminate the structural risks to the schools.

Whether you can go in with a fix to an existing school or whether you need to tear down and build new classrooms, but the idea was to mitigate the structural risk
to a school.

And when I look at where we are now, I understand the holistic approach, but I do think this Board -- ultimately, it’s going to have to grapple with is are these funds there to deal with the seismic risk to a school or are they there now to replace modernization or new construction funding that we’re out of.

Because the -- if I were -- if you do want to take the holistic approach and I were a facilities manager for a school district, I might want to find some kind of seismic tie-in because there’s no modernization money and now I can get modernization money.

So -- and then we started getting into our discussion when we met, you know, to go over the agenda and we talked about the three steps. Yes, there are three steps, but when you start asking the deeper questions and you find out that step 1 takes about two weeks. Step 2 is -- now it’s taking about six weeks with DSA. It’s not -- and you take a look at how long it takes to get a normal modernization or new construction project through DSA, I mean there are more steps, but we all know that there are other projects that take time as well.

So with that as the background, I do appreciate the work you’ve done with DSA because I think anything we can do to expedite any project makes sense. And while maybe
you can’t expedite all of them, certainly there are projects
that we believe pose a real threat to the students in the
classroom. I would expect the DSA would be able to expedite
those projects.

So my interest when I look at your report, I mean
I guess come down to three areas. One is in terms of
streamlining and anything we can do with DSA and still
ensuring the same rigorous review makes sense.

Two is, you know, we talked about your being able
to assemble a team to work with the district earlier, and I
think that’s critically important because we want to try and
identify what that scope of work is and what’s covered
through the seismic program and what’s covered through other
programs.

And the last area where I have interest is in
allowing districts to go in and fix structural -- you know,
the structural -- make structural fixes to a building to
ensure the integrity without having to touch the whole
campus.

I mean I think, you know, it’s -- and that’s not
because I don’t believe that we should meet all the ADA
requirements and everything else. But kids need to be in
classrooms that are safe.

And so for those -- if we’re not able to go in and
do a whole modernization, it doesn’t make sense to me to
leave a certain building seismically unsafe because we can’t
do it all.

And so short of turning this in, holistic is
better, but we’re in a whole new world when it comes to
construction funding. Not having a bond on the ballot,
forcing districts to reassess their resources.

I mean if I were on a school board right now, I
probably would be saying, okay, if we don’t matching funds,
which projects will I do, which am I not going to do. I
don’t want that to be an impediment to making a building
structurally safe.

So those are the three areas where I would like to
see particular focus and the, you know, to the extent you
bring this back to the State Allocation Board later and
address the others, I think that’s fine. But those three
areas are what stand out to me in terms of areas where we
could potentially move forward and make a difference for
districts.

ASSEMBLYMEMBER HAGMAN: Move the report.

CHAIRPERSON ORTEGA: I think this is not an action
item; right? We’re just going to acknowledge the report. I
am going to ask if there is any public comment now on this
item. I don’t see any, so we’ll move onto -- thank you,
everyone, for your comments and we’ll talking about this
again in January. Lisa.
MS. SILVERMAN: We have the workload.

CHAIRPERSON ORTEGA: Yeah.


CHAIRPERSON ORTEGA: The information items.

MS. SILVERMAN: Yes. Just the list that we have on the back of the report and --

CHAIRPERSON ORTEGA: Okay. Is there any other general public comments? Okay.

Before we adjourn, we wanted to take a few minutes to thank and acknowledge a couple of our members who will not be with us at our next meeting.

ASSEMBLYMEMBER HAGMAN: Kicked out.

CHAIRPERSON ORTEGA: And also a staff member. So I’m going to start with Assemblymember Buchanan and read the impressive statistics that the staff provided to me.

So Assemblymember Buchanan has been a member of the Board since July of 2010. So I think she deserves some gratitude for that commitment -- and has been the Vice Chair since January 2013 and has assisted in apportioning over $6.6 billion in school facilities projects. So I think that’s pretty great.

And I think not only your knowledge and attention but the amount of time that you’ve spent on the real details of understanding how the program works I think is really to
be commended.

    ASSEMBLYMEMBER BUCHANAN: Thank you.

    CHAIRPERSON ORTEGA: And also this is something
for both of you and I will say it for Assemblymember Hagman
too is the collaboration with which you folks have worked
especially the two of you on this Committee. I think it’s
really impressive in terms of bipartisanship and trying to
ger at the right answer are good policy, and I think that’s
been great.

    So we have a Resolution for Assemblymember
Buchanan.

    MS. SILVERMAN: Yes.

    ASSEMBLYMEMBER BUCHANAN: Thank you.

    CHAIRPERSON ORTEGA: Hand that to you. Thank you
very much. Let everybody get your --

    (Applause)

    CHAIRPERSON ORTEGA: And Assemblymember Hagman,
who has served as a member of the Board from January 2011 to
the present and assisted in apportioning 3.6 billion in
projects.

    ASSEMBLYMEMBER HAGMAN: That’d be about six
months, seven months.

    CHAIRPERSON ORTEGA: And -- yeah, again, as I
mentioned working so well with other members of the Board.
I really appreciate that and also just again to point out
your participation in the Program Review Subcommittee and I
think all folks who participated in that know well the
amount of time and detail -- effort it takes and took.

So, Mr. Hagman, thank you so much.

ASSEMBLYMEMBER HAGMAN: Thank you. Thank you.

CHAIRPERSON ORTEGA: And we wish you both well and
we have a --

(Applause)

CHAIRPERSON ORTEGA: Thank you so much, and then
Lisa is going to do our staff presentation.

MS. SILVERMAN: Yes, Mr. Juan Mireles, do you want
to stand up. And just to acknowledge, if you don’t know,
Juan Mireles did accept a job at another entity and so --

CHAIRPERSON ORTEGA: The Department of Finance.

MS. SILVERMAN: The Department of Finance, yes. I
know they -- so I appreciate Juan and his noble commitment
to this Board and to this organization and Juan’s been --
we’ve been blessed and fortunate to have him in our
organization for over 16 years and he, to some extent, has
been the crux of knowledge and I’m sure you’ll serve the
Department of Finance very well and we’re going to miss you.
Congratulations.

(Applause)

CHAIRPERSON ORTEGA: Okay. Thank you so much.

Any other comments? Anything to come before the Board
today? I don’t see any public comments. So with that, we’ll be adjourned.

(Whereupon, at 2:38 p.m. the proceedings were adjourned.)
REPORTER'S CERTIFICATE

STATE OF CALIFORNIA )
COUNTY OF SACRAMENTO ) ss.

I, Mary C. Clark, a Certified Electronic Court Reporter and Transcriber, Certified by the American Association of Electronic Reporters and Transcribers, Inc. (AAERT, Inc.), do hereby certify:

That the proceedings herein of the California State Allocation Board, Public Meeting, were duly reported and transcribed by me;

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 October 19, 2014.

______________________________
Mary C. Clark
AAERT CERT*D-214
Certified Electronic Court Reporter and Transcriber