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 Daniel Kim, Director, Department of General Services

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

NICK SCHWEIZER, Deputy Superintendent of Public Instruction, Services for Administration, Finance, Technology & Infrastructure Branch, California Department of Education (CDE), designated representative for Tom Torlakson, Superintendent of Public Instruction

SENATOR CAROL LIU

ASSEMBLYMEMBER SUSAN BONILLA

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
BARBARA KAMPMEINERT, Deputy Executive Officer

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

JONETTE BANZON, Staff Counsel
CHAIRPERSON ORTEGA: Good afternoon, everyone. I'm going to call the State Allocation Board meeting to order as a subcommittee at this point, and we'll start with some of the nonaction items while we wait for our last member to create a quorum.

Lisa, why don't we start with the Executive Officer Statement.

MS. SILVERMAN: Yeah, so we have just a few items to share. Just want to give the Board an update. We had a priority in funding round open up in May and it closed in the middle of June, June 11th, and we had 43 projects that came in requesting for $191 million.

And again, those certifications will be valid July 1st through December 31st, 2015. So if there's cash that's induced to the program, these folks would be first priority in accessing cash.

And also just to highlight to the Board that because of that filing round that did open and close, there were 12 projects, $11.2 million, and these folks had the second occurrence, so they actually lost their award. So -- and those are several career tech education projects.

That bond authority would go back to the line item and then once we have the regulations in effect, that money
will be disbursed as a priority back either to new
collection/modernization or to health and safety projects.

CHAIRPERSON ORTEGA: Okay.

MS. SILVERMAN: And then just to give an update on
the apportionments. The Board took action in April. There
was $113 million that was provided to districts that already
had the existing bond approval and the certification that
was valid.

We technically have $67.6 million that had come
through the door and so we're slightly shy of hitting that
goal of getting all that money out. So we have a deadline
of July 14th.

We've been actively reaching out to those
districts to ensure that they comply with the requirements
and they access the cash.

And another update is the budget. The budget was
enacted and approved by the Governor and the Legislature,
and so there is going to be a reduction in staffing from
OPSC of 37 positions.

There also is -- the outcome is that nobody will
lose their jobs. We have some vacancies that will be
absorbed and 25 folks have either moved onto other positions
within the department or taken positions outside of state
service -- within other state departments.

We also did want to share as well, the Emergency
Repair Program, as a result of the enacted budget, will see $273 million and so the goal is to fund all the projects that are currently on that Williams case settlement that have been preapproved back many years ago. So we'll likely take that action to the August Board. So the goal is to bring all those projects forward and take action at the next Board meeting.

CHAIRPERSON ORTEGA: Okay. I'm going to ask you to hold on for one second.

MS. SILVERMAN: Okay.

CHAIRPERSON ORTEGA: Ms. Jones, if you could take the roll, please.

MS. JONES: Senator Hancock.

Senator Liu.

SENATOR LIU: Here.

MS. JONES: Senator Runner.

Assemblymember Nazarian.

Assemblymember Bonilla.

ASSEMBLYMEMBER BONILLA: Here.

MS. JONES: Assemblymember Chavez.

Nick Schweizer.

MR. SCHWEIZER: Here.

MS. JONES: Cesar Diaz.

MR. DIAZ: Here.

MS. JONES: Esteban Almanza.
MR. ALMANZA: Here.

MS. JONES: Eraina Ortega.

CHAIRPERSON ORTEGA: Here.

MS. JONES: We have a quorum.

CHAIRPERSON ORTEGA: Thank you.

MS. SILVERMAN: And then two more updates. We will not have a July meeting, so just we'll resume back in August 26th.

And then there is regulations that will be effective July 1st and that relates to AB-308 and that relates to site sale proceeds.

CHAIRPERSON ORTEGA: Okay.

MS. SILVERMAN: That's what we have to share tonight.

CHAIRPERSON ORTEGA: Okay. Should we go back to the Minutes.

MS. SILVERMAN: Yes. Minutes are ready for your approval.

CHAIRPERSON ORTEGA: These are the Minutes for the May 27th, 2015, meeting. Any questions or comments from Board member?

MR. DIAZ: I move to accept.

CHAIRPERSON ORTEGA: Moved by Mr. Diaz.

MR. ALMANZA: Second.

CHAIRPERSON ORTEGA: Second by Mr. Almanza. All
in favor.

(Ayes)

CHAIRPERSON ORTEGA: Passes unanimously. And the
Consent Agenda.

MS. SILVERMAN: Consent are ready for your
approval.

CHAIRPERSON ORTEGA: Okay. Any comments or
questions?

MR. DIAZ: So moved.

CHAIRPERSON ORTEGA: Moved by Mr. Diaz.

MR. ALMANZA: Second.

CHAIRPERSON ORTEGA: Second by Mr. Almanza. Any
public comment on the Consent Agenda? And nothing from the
members? Seeing none, all in favor.

(Ayes)

CHAIRPERSON ORTEGA: Passes unanimously. And,
Lisa, you want to do the Status of Funds.

MS. SILVERMAN: Yes. The fund release report,
just really quickly on that item. There was no releases in
the month of May, so that takes care of that report.

And as far as status of funds, with the Consent
Agenda being approved, there was over $35 million in
projects that resulted in $43.2 in seismic projects being
approved for unfunded approvals this month and also to take
into account the $11.2 million in rescissions in the Career
Tech Education Program.

Plus there was also numerous closeout and rescissions and we have over $652,000 in that activity for 14 projects. So that summarizes that activity for this month's Consent Agenda.

CHAIRPERSON ORTEGA: Okay. Any questions for Lisa? Seeing none, we'll move to the action items. So for the members of the audience and the Board members, we have two items for action on the agenda. One is an appeal from Napa Valley Unified School District and the other is three school districts grouped together in one item, Pittsburg Unified, Perris Union, and Lindsay Unified.

All four issues are related to labor compliance issues, and so I thought it would make sense to have one presentation on the background on labor compliance. We can take the items up separately, but have the staff do one kind of overview and then hear from the districts and have our questions and comments.

So we'll move into the staff presentation and this would be related to Tab 8.

MS. SILVERMAN: Tab 8 on page 83. Yeah. So we want just to share with the Board that we are taking forward a report related to the Labor Code compliance.

The Board has heard several cases in the past and to some extent, there's four applications that are unable to
meet the Labor Code requirements and for purposes that we
cannot release the funds at this point in time, it's because
we didn't have the notification requirements that would
enable us to release the funds at this point in time.

So just an overall synopsis: We had four
projects, one from Pittsburg Unified in which they had no
compliance monitoring related to the project. Excuse me.
Let's back up. They didn't have notification related to the
five-day notice to the Department of Industrial Relations.

Likewise, Perris Union, they also have a project
as well. They did have some notification, but it was five
months into the project.

We have Lindsay Unified. They had two projects in
which the work was commenced and completed and we had no
notification of Department of Industrial Relations until
after the project was completed.

So again, we have these noncompliance issues and
we addressed the Board in the past about various issues on
how they've dealt with the matter. So again, without any
action, staff cannot release the funds. So we're seeking
Board direction at this point in time.

CHAIRPERSON ORTEGA: Okay. So if it is okay with
the other members, I thought what we could do is ask the
districts to come up and just talk about the issues for each
of their districts, and I think it makes sense to just start
with how they're listed in the agenda. We'll start with the Pittsburg Unified folks.

ASSEMBLYMEMBER DODD: I'm Assemblymember Bill Dodd.

CHAIRPERSON ORTEGA: Oh, sure.

ASSEMBLYMEMBER DODD: I was told that I might be able to get on because I've got another appointment outside.

CHAIRPERSON ORTEGA: Oh, okay. You know -- I think the Napa issue is really the same background, so I think that will be fine, if you want to go ahead and speak to the Napa issue and then we'll move back around.

ASSEMBLYMEMBER DODD: Is this where you'd like me?

CHAIRPERSON ORTEGA: Sure.

ASSEMBLYMEMBER DODD: Good afternoon, everybody.

I'm here in support of the appeal request for the appropriated seismic funding awarded to the Napa Valley Unified School District that's in my district.

The appropriated amount of $951,423 will be used for two schools that were most vulnerable to risk.

I'm aware of the unfortunate circumstances that led to our being here today. However, I believe that the district acted in good faith and attempted to communicate with the Department of Industrial Relations as required by statute.

One of the concerns was the adherence of the
district to a prevailing wage requirements of which I was assured that they did comply with as prescribed by the intent of the law.

The Napa Valley Unified School District is unique in its circumstances in that their commitment and decision to move forward with these two projects ensuring the safety of their students in spite of the lack of award funding.

This was unsuspectingly validated, though, by a 6.0 earthquake on August 24, 2014. The NVUSD is unique in its circumstances in that their commitment and decision to move forward with these two projects, ensuring the safety of their students in spite of the lack of award funding was unsuspectingly validated by that earthquake.

That decision alone proved to be prudent and timely. Fortunately, there were no children in any of the school buildings at the time.

The need for this funding whose sole purpose is to ensure the safety of the students is urgent, and I respectfully ask that you grant the appeal for the appropriated funding and that the initial award amount of $951,423 be fully funded with all respect to the urgency of this issue.

I appreciate your time and attention. Madam Chair, I appreciate your allowing me to go.

CHAIRPERSON ORTEGA: Thank you. Are there any
other members of the public who wanted to speak on the Napa issue?

MR. SWEENEY: Madam Chair, members of the Board, I'm Patrick Sweeney. I'm the superintendent of Napa Valley Unified.

I really appreciate Assemblyman Dodd being here and representing our school district. We're here to ask your approval for the seismic funds and that they be released to complete our seismic retrofit plan.

We have a plan for 15 schools. We had 13 schools and after the earthquake, we were notified that we had two other schools that actually have to be moved because of their location on faults. Some of those classrooms are over 60 years old.

We do pay prevailing wage on all our projects. We met the intent of the law. We have evidence of all the payments that have been made that have met the prevailing wage requirements, and the State Allocation Board actually did approve these funds back in August four days before the earthquake.

I'd like to pass the microphone to Mr. Don Evans, the Director of Facilities, who's been involved in many of the projects working with the state and we've had a very cooperative relation working with the state offices.

Mr. Evans.
MR. EVANS: Thank you, Dr. Sweeney. Members of the commission, I am Don Evans and I've been involved with these projects since 1978. I've done over $750 million worth of projects within Napa Valley Unified School District.

I have a good relationship with general contractors and subcontractors in our geographical area that has resulted in competitive bids and participation in each of those bids. We've had 3, 4, 5, 6, as many as 10 or 12 which is good sign that people want to come to work at Napa Valley Unified.

Until the law changed that required the districts to no longer be able to use a third party, we had, because we don't have a lot of staff in my office, hired RGM Associates to administer the DIR requirements, and they did that by going out in the field and meeting with our contractors before the jobs began, going through the process so that we could ensure that they knew what was to be done.

Once it was changed, we had to do -- we were in the position that with limited staff, we didn't make that deadline and certainly we apologize for that.

My staff is composed of myself and anywhere from one-half to two clerical positions depending on how many projects we have going. The rest of the folks are part-time as we need them, yet we've completed, as I shared earlier,
millions of dollars' worth of projects.

The year in question, 2013, was a summertime project where we had our first opportunity to address seismic projects.

You've all been involved with school districts and you know that the projects that occur during the summer are quick and fast and have to be done thoroughly. They all go through the Department of DSA and are then monitored by those inspectors and the DSA. Yet they still have to open up for the fall start.

In my 40 plus years, I've never told a superintendent he doesn't have a school to open up.

I was asked by Bill Savidge and others to come before some of you in the summer of 2014 to stress the importance of the seismic monies, which I did.

We are a district unique in the fact that we have those numbers as Patrick shared with you of 15 schools that were built in the '50s or earlier that in many cases were made out of baseline block and that type of material which of course is subject to stresses that were not thought of back in those years and needed to be upgraded.

We put together a plan in 2012, took it to our board, estimated it at $20 million to address those projects. The plan would be to work summer periods because we don't have extra classrooms or extra schools, and we
would hope to accomplish it in three to four years.

We got our first project underway and took care of it in the summer of 2013, which is what we're here today to discuss.

The board cautioned us as they approved it that they didn't have $20 million. They had $10 million, and so we were counting on the state's participation in the seismic program to come up with close to half of that. In some cases, it wasn't going to match it completely but close enough. The board was committed to do that because of the safety involved.

We had the earthquake -- I won't go over that, but I can tell you that the work we did in the summer of 2013 allowed those two schools that were in line -- and if you're familiar with Napa, the earthquake came right up Jefferson Street basically and that high school suffered $1.5 million worth of damage.

Its sister school one and a half miles north had zero dollars damage. But we had invested that money in that school during the summer of 2013. So it works.

We are preparing a facilities master plan that we're going to take to our board of education in July that goes into more depth because, unfortunately, this 6.0 earthquake has now identified three other elementary schools that are in harm's way and will have to be completely
rebuilt, and in one case, we've got to move it off the site. There's no room available on a ten-acre site to build the school.

That alone is $100 million project for Napa Valley Unified.

In closing, I would like to acknowledge not meeting the five-day requirement, but going forward, I have a plan and we've implemented that plan.

This summer my office is overseeing over 100 projects. We have submitted over 60 of those already to the DIR. Every contractor that's working for us knows what they have to do and we can make that deadline and we'll continue to monitor that.

We have a plan. We've done seismic work as I shared with you earlier. The schools that we worked on in 2013 have demonstrated with that 6.0 earthquake that they will survive better than our other schools, but still we have a $1.5 million problem with Napa High School that we are working with FEMA and others of the OES office to address.

In summary, I'd like to thank you for allowing us to come before you today and hope you'll consider our past and present efforts to meet the requirements, which I understand by filing late why I heard nothing from DIR, so I assumed as I was assured every contractor that worked for us
that summer did as they were required to do.

Thank you very much for your time today.

CHAIRPERSON ORTEGA: Thank you. Any questions.

MR. DIAZ: Thank you, Assemblymember Dodd and also representatives of Napa. I do appreciate the information that's provided and also looking forward in how to address some of the deficiencies.

Now that the law has changed, some of those requirements are also not as critical for the -- the district's responsibility.

But making sure that these standards are adhered to I think is critical. I think when you look at what happened in Napa with regards to the earthquake and the safety issues and the integrity of the actual building itself, ensuring that compliance with the prevailing wage statutes as per the Labor Code also addresses a skilled workforce issue to ensure that those buildings are going to be built the way that you want them built, to withstand those earthquakes, because you are investing that money.

So appreciate that and I just want to say thank you for the presentation.

CHAIRPERSON ORTEGA: You know, I think we had thought we would hear from all the schools before we took action on any of the items, if that's acceptable. Okay. We'll stick with that plan. Thank you all very much.
So let's go back to Pittsburg Unified.

MR. PALACIOS: Good evening, Ms. Ortega, Board members. My name is Enrique Palacios. I'm the Deputy Superintendent of Schools in Pittsburg Unified School District, and Ms. Prachi Amin, our Director of Facilities.

Thank you for the opportunity to address the Board on this item.

Pittsburg Unified School District is a school district in Contra Costa County with 11,000 students, 13 schools, with a community that is very supportive of public education.

We have in the past eight years built over $300 million in new schools in Pittsburg. We've had a very aggressive construction program. We've been replacing our old schools with new schools. Of the 13 schools, we have replaced six school and we're in the planning for two more.

In many of our projects that we have had there, we have adhered to labor compliance as well as we have a PLA in place. We've had a PLA in place since 2006.

This particular project in question here in the agenda is a $69,000 project that was the last component to be done in the construction of Marina Vista Elementary School which was completed back in 2008.

That school was built with labor compliance as well as the PLA. It is one of those bureaucratic drop the
ball, so to speak. We do have a third party company that
does labor compliance, but in addition to that, we also have
a staff person whose responsibility it is to do labor
compliance -- to monitor and make sure that we adhere to
those codes.

It just so happened that, you know, at the time
with a small project, this person wasn't extended locally.

CHAIRPERSON ORTEGA: Okay. Thank you.

MR. PALACIOS: And I can provide for the record
the job description of the staff person.

CHAIRPERSON ORTEGA: Thank you. Are there any --
go ahead.

ASSEMBLYMEMBER BONILLA: I just had a question
about the project labor agreement. So the project in
question was done with a project labor agreement?

MR. PALACIOS: Because of the size of it, it did
not apply to it. It's $69,000. But when we built the
school, which was $25 million, we did have a project labor
agreement.

ASSEMBLYMEMBER BONILLA: I just needed that
clarification.

MR. PALACIOS: Yes.

ASSEMBLYMEMBER BONILLA: But on this work, it was
not done under the project labor agreement.

MR. PALACIOS: No.
ASSEMBLYMEMBER BONILLA: Thank you.

CHAIRPERSON ORTEGA: Okay. Any additional questions. Okay.

MR. PALACIOS: Thank you.

CHAIRPERSON ORTEGA: All right. Can we hear from the Perris Union High School folks.

MR. GONZALEZ: Good afternoon, Board Chairman and members of the Board. I'd like to introduce myself. My name is Hector Gonzalez. I'm Director of Facilities for Perris Union High School District, and joining me is Dr. Fred Good. He's our facilities consultant that helps us with all matters facilities related in our district.

And I'm here today to talk to you about our situation, which deals with a project we have going on at Pinacate Middle School. It is our second phase of work that we're doing at that school.

The project involves the remodel and renovation of a classroom building -- single-story classroom building.

And our situation at that time in 2012 when we awarded the project -- the project was awarded in three parts.

The first part was awarded in August. Second part was awarded in September. Third part was awarded in January of 2013.

So staff at that time -- at that time, our district -- we didn't have a director of facilities. Our
purchasing department and staff at the district was in charge of, you know, making sure we complied with all rules and regulations, and, honestly, they dropped the ball on this one.

They felt that the reporting -- the PWC-100 was to be submitted at the end when the whole project was bid and awarded. So that wasn't the case.

In January, when -- I had been working there as a project manager -- asked, you know, hey, have we submitted this paperwork. No, we haven't. So that day we submitted which was January 9th of 2013.

So our issue deals with lack of education of the PUHSD staff at that time. Also Perris Union High School District had awarded a contract for labor compliance monitoring for the phase two project back in January of 2012.

So staff at that time felt that by having the LCP -- the third-party LCP working on the project that that in some way satisfied the requirements of the PWC-100.

You know, 2012 is the year when they kind of took it back. I think our staff was a little confused as to the requirements and what we were supposed to do, but, you know -- so dropped the ball. We tried to rectify it in January when we submitted our PWC-100.

I think really important to mention is, you know,
steps that we have taken to ensure that this kind of situation doesn't happen again.

One of the biggest steps that happened in our district is the hiring of a full-time facilities director. We didn't have one up until that point. We had one in the past when our district was working on building -- or had a heavy facilities construction movement going due to a bond. We passed another bond in 2012 and due to that -- due to issues like this, our district took the step of hiring a facilities director which is myself.

My department has full responsibility for ensuring that any application that gets submitted, any requirements that are due are done and follow all the rules.

One thing that we're doing is that all staff that deals with facilities and purchasing staff or any time any new requirement comes online, we all educate ourselves. We go to many trainings, many conferences, try to learn as much as we can about the facilities programs, and any application we submit, we make sure that we're all on the same page as to what needs to be submitted and when.

So -- and third, we have a redundant system in place. The staff in my office now is really on the ball as far as making sure that -- I have a clerk. Her name is Arielle Griffin, and she won't put a file away until everything is -- you know, all the I's are dotted and all
the T's are crossed.

    Checks and balances are the purchasing department. We have monthly meetings. We meet with them. We appraise them of any new requirements that come up as well as they do to us as far as the purchasing and the contract side. So in that way, we try to do checks and balances for the system.

    This situation's unfortunate. We're a district. We try to follow the rules, and, you know, our commitment is to make sure going forward that this type of situation does not happen again.

    CHAIRPERSON ORTEGA: Okay. Thank you.

    MR. GONZALEZ: Thank you.

    CHAIRPERSON ORTEGA: Any questions? Okay. Thank you. And we'll hear from Lindsay Unified. Mr. Doria.

    MR. DORIA: How are you doing today? I am here on Lindsay Unified School District. My name's Merced Doria and I'm the Director of Facilities.

    So I'm not here today to make excuses for the -- you know, this requirement that we didn't -- we didn't adhere to the five-day rule. Why I'm here today is to explain to you how we've put things in place so it doesn't happen again.

    When this first came out, we had some changeover. Our business manager was leaving. He was retiring. New business manager was coming in.
We went back and looked at what had happened. The previous business manager had started the process with the PWC-100 form, didn't complete it. When the new business manager came in, he realized that this hadn't been completed. At that point, he completed the form.

Since then, what's happened is that any PWC-100 form that gets filled out in our district gets filled out in my department. It's myself and my office manager and what we do to make sure that we don't miss something with any contract that is signed by the board -- at that point, the contract is signed and we fill out the PWC-100 form for that project.

Any projects that are over a thousand that don't require a contract are done at the time that we do our requisition.

And I am -- I can assure you that this won't happen again in our district because we have -- it's not in the business office anymore. It's in our maintenance department and we know better what projects we have out there and timelines and we can make sure that we adhere to those five-day rules.


MR. DORIA: Thank you.

CHAIRPERSON ORTEGA: Thank you. Thank you to
everyone who traveled up here to attend the meeting. I think it was very helpful. I think one of the things that we all wanted to hear was how the issues that led to the noncompliance were addressed for any projects going forward and that the overall issue of labor compliance was well on the minds of folks who are working on projects, even under the new requirements. So thank you again.

We have two separate action items before us mostly because there are procedural differences. The Napa item is actually an appeal, where Napa filed an appeal to come before the Board. The other three are before us as a group where the staff are seeking Board direction, and as you all know, it takes six votes for any action to be taken on either one of the action items.

So I will entertain any discussion or motions there might be. We could start with the three as they're on the agenda, the non-appeal, the staff seeking direction. Go ahead.

MR. DIAZ: Thank you, Madam Chair. And definitely appreciate the districts coming in and discussing the issues that took place but also how to look at it moving forward. And as you all know, the laws have changed. So hopefully they're easier now to comply than some of the requirements that were basically put as conditions to access funding for the SFP.
The Board has wrestled with a lot of these issues in the past. I think, you know, as Board members we look to ensure that districts have the financial ability to continue building these projects that are very important. We know the need is out there.

We also understand there is a need also to comply with the requirements of the program, right, and to ensure that there's a balance and that there's attention that's being paid to this particular priority that the Legislature and the Governor have approved as a condition to access money. I think it's something that we also consider in looking at this.

But also understanding that the -- you know, the hit to the school districts is going to be significant if we do not provide the grant or if we look at a substantial reduction in that grant. That's money that's taken from the classroom as well.

And with that understanding, I think that the Board has gotten the attention of the school districts and not taking this issue as something that's not serious and hopefully other school districts, as they're looking to build their projects, would also adhere to the standards that are set forth in the program.

With that comment, I would also like to make a motion that we approve these projects and -- these
district's application but with a 5 percent reduction, which
would be a significant, you know, change from where we've
been with previous districts which was at 20 percent.

So I'd like to make a motion to approve it with a
5 percent reduction.

ASSEMBLYMEMBER BONILLA: Second it.

CHAIRPERSON ORTEGA: There's a motion and a
second. Is there any discussion?

Is there any public comment -- any additional
public comment on this?

Okay. And so I want to make clear what the motion
would be so that staff, since we don't have calculations in
front of us, the motion would be that the staff would be
able to release funds less 5 percent. So you can do the
math, I think counsel would -- yes.

MS. BANZON: May we have for the record the basis
for the 5 percent reduction?

MR. DIAZ: Sure. So I think in clarification,
what the Board has done is when there were bond funds
available, when we had different issues related to labor
compliance, we looked for bond sources that didn't have the
requirement and basically had forgiven that particular
district.

Then we looked at other districts and we came up
with a 20 percent, and one district was even higher. So we
basically have been in different places with the percentage and I think what we're looking at here is just to ensure that the districts understand this is important, but not necessarily having a high reduction as 20 percent.

MS. BANZON: Thank you.

CHAIRPERSON ORTEGA: Any further discussion? Seeing none, let's call the roll.

MS. JONES: Senator Liu.
SENATOR LIU: Aye.
MS. JONES: Assemblymember Bonilla.
ASSEMBLYMEMBER BONILLA: Aye.
MS. JONES: Nick Schweizer.
MR. SCHWEIZER: Aye.
MS. JONES: Cesar Diaz.
MR. DIAZ: Aye.
MS. JONES: Esteban Almanza.
MR. ALMANZA: Aye.
MS. JONES: Eraina Ortega.
CHAIRPERSON ORTEGA: Aye.
MS. JONES: That motion carries.
CHAIRPERSON ORTEGA: Thank you. And so the last action item is the Napa project. So I'll open up discussion on that item. Mr. Diaz.

MR. DIAZ: If I may, Madam Chair. I think with regards to Napa who had an issue where they're dealing with
seismic projects and then also having to have a natural disaster happen. And I think for that particular district, I think they understand the importance of the prevailing wage and compliance.

I think that what they're doing with regards to preparing for -- to make sure that this doesn't happen again, but also knowing that they've -- if they have a reduction, that's going to take away from possible other projects that they need to actually provide the safety for those kids.

So I would like to make a motion that Napa gets their appeal approved without a reduction.

ASSEMBLYMEMBER BONILLA: Second.

CHAIRPERSON ORTEGA: So a motion and a second. Is there any discussion? Any further public comment on the Napa item? Seeing none, please call the roll.

MS. JONES: Senator Liu.

SENATOR LIU: Aye.

MS. JONES: Assemblymember Bonilla.

ASSEMBLYMEMBER BONILLA: Aye.

MS. JONES: Nick Schweizer.

MR. SCHWEIZER: Aye.

MS. JONES: Cesar Diaz.

MR. DIAZ: Aye.

MS. JONES: Esteban Almanza.
MR. ALMANZA: Aye.

MS. JONES: Eraina Ortega.

CHAIRPERSON ORTEGA: Aye.

MS. JONES: And that motion carries.

CHAIRPERSON ORTEGA: And, Lisa, do you have anything else on --

MS. SILVERMAN: Just our workload reports for the next meeting which is in August --

CHAIRPERSON ORTEGA: Okay.

MS. SILVERMAN: -- and that wraps it up.

CHAIRPERSON ORTEGA: Okay. Any public comment on any items not on the agenda?

Okay. Seeing none and seeing no comments from Board members, we're adjourned. Thank you.

(Whereupon, at 4:47 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 July 1, 2015.

__________________________________________
Mary C. Clark
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Certified Electronic Court Reporter and Transcriber