

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING

STATE CAPITOL
ROOM 447
SACRAMENTO, CALIFORNIA 95814

DATE: WEDNESDAY, DECEMBER 9, 2015
TIME: 2:09 P.M.

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES

MEMBERS OF THE BOARD PRESENT:

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

DANIEL C. 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 ROCKY CHAVEZ

REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

LISA SILVERMAN, 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

P R O C E E D I N G S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CHAIRPERSON ORTEGA: Good afternoon, everyone.
I'd like to call to order the December 9th meeting of the
State Allocation Board. Please call the roll.

MS. JONES: Certainly. Senator Hancock.
Senator Liu.

SENATOR LIU: Here.

MS. JONES: Senator Runner.
Assemblymember Nazarian.

Assemblymember Bonilla.

Assemblymember Chavez.

ASSEMBLYMEMBER CHAVEZ: Here.

MS. JONES: Nick Schweizer.

MR. SCHWEIZER: Here.

MS. JONES: Cesar Diaz.

MR. DIAZ: Here.

MS. JONES: Daniel Kim.

MR. KIM: Here.

MS. JONES: Eraina Ortega.

CHAIRPERSON ORTEGA: Here.

MS. JONES: We have a quorum.

CHAIRPERSON ORTEGA: Thank you very much. Thank
you all for being here today. I wanted to take a quick
second to welcome the Director of General Services, Daniel

1 Kim. I don't think you have been at a meeting with us yet.
2 So welcome and we look forward to working with you.

3 MR. KIM: Thank you. Likewise.

4 CHAIRPERSON ORTEGA: Our next item of business
5 would be any public comment on issues that are not on the
6 agenda.

7 Seeing none, we'll move onto the **Minutes**.

8 MS. SILVERMAN: Minutes are ready for your
9 approval.

10 CHAIRPERSON ORTEGA: We have Minutes from
11 August 26th and September 8th. Any comments from Board
12 members?

13 MR. DIAZ: Move to approve.

14 ASSEMBLYMEMBER CHAVEZ: Second.

15 CHAIRPERSON ORTEGA: Moved by Mr. Diaz. Second by
16 Mr. Chavez. Any public comment on the Minutes? Seeing
17 none, all in favor.

18 (Ayes)

19 CHAIRPERSON ORTEGA: Any opposed or abstentions?
20 Adopted unanimously. And the next, Lisa?

21 MS. SILVERMAN: **(Executive Officer's Statement)**
22 We have just a few updates regarding the program and just
23 wanted to announce that we have currently an open filing
24 round for the priorities of funding and that will be for
25 projects that currently have unfunded approval, and those

1 projects that are receiving unfunded approval today will
2 also be eligible to submit.

3 The deadline is tomorrow. So we want to encourage
4 those folks who are eligible to submit that certification to
5 us.

6 And also just an update with the Board for the
7 projects that were apportioned. In September, \$190 million
8 were funded to projects, and a number of projects did come
9 in at the last minute and so providing for some updates in
10 January.

11 CHAIRPERSON ORTEGA: Okay.

12 MS. SILVERMAN: And then we wanted to update the
13 Board, there was a question in August related to the cost of
14 bond issuance related to our program.

15 The Treasurer did actually execute a bond sale.
16 They did share with us there was a slight increase in the
17 market costs due to the Greece climate -- local climate
18 issues in Greece.

19 So they did share a report with us. So it was
20 slightly higher than sales that occurred in March and April.

21 CHAIRPERSON ORTEGA: Okay.

22 MS. SILVERMAN: And the regulation update, there
23 are some updates to the regulations that were approved by
24 the Board. They were approved by the Office of
25 Administrative Law, related to the add-on grant, was going

1 to be removed for public works projects, so those -- it's
2 effective January 1st, 2016.

3 And we have the Board calendar for next year as
4 well. So our next meeting is January 27th.

5 CHAIRPERSON ORTEGA: Any comments or questions
6 from Board members? Okay. Seeing none, we'll move onto the
7 **Consent Agenda.**

8 MS. SILVERMAN: Yeah. Also I wanted to highlight
9 really quickly. I know we have seismic projects that we've
10 been working closely with Desert Sands and again, this is to
11 highlight that we have a streamline process that we've been
12 working with the district and the Division of State
13 Architect to try to alleviate some of those concerns
14 about -- and come to some agreement related to some of the
15 costs associated with the seismic project.

16 So we just wanted to highlight there is a project
17 on the Consent Agenda that we did work very closely with
18 these folks. And so we're looking forward to more
19 streamlining in the future with some additional projects.

20 CHAIRPERSON ORTEGA: Great. Great. I think after
21 much discussion over the issues that have been raised around
22 the Seismic Mitigation Program that it's important to know
23 that some of these issues can be resolved and will be
24 brought on the Consent Agenda. So thank you for that.

25 Any comments or questions on the consent items?

1 Okay. Is there any public comment on any of the items on
2 the consent calendar? Okay. Seeing none, is there a
3 motion?

4 MR. DIAZ: Motion to approve.

5 CHAIRPERSON ORTEGA: Moved by Mr. Diaz.

6 ASSEMBLYMEMBER CHAVEZ: Second.

7 CHAIRPERSON ORTEGA: Second by Mr. Chavez. All in
8 favor of the consent calendar say aye.

9 (Ayes)

10 CHAIRPERSON ORTEGA: Any abstentions or
11 objections? No. Financials?

12 MS. SILVERMAN: So just -- I know we have interest
13 of time today and wanted to give the Board an update as far
14 as the cash that's being released on page 158.

15 The fund releases, the Board took action with the
16 bond sales. There were over \$42 million since we last met
17 in cash being released, and we'll have some additional
18 updates when we report in January as far as those projects
19 that perfect and the timelines with the bond sale in August.

20 And if there's no question with that, on the
21 Status of Funds, just wanted to share with the Board, we did
22 have a number of projects going through the closeout and
23 adjustment phases for all three propositions.

24 So there were 28 projects in the Consent Agenda
25 that reflected some adjustments, and as a result, there's

1 \$1.4 million of program funds returned back to the program.

2 And we wanted to also highlight in the Consent
3 Agenda, there was a number of approvals that also included
4 seismic projects that were -- and a number of facility
5 hardship projects that were approved in the agenda and
6 \$11 million of additional unfunded approvals and some
7 conversions also did go through the Consent Agenda. And
8 that represented over 18 items in that category.

9 So that leaves \$126.7 million available in bond
10 authority for the program.

11 And with that, we'll take questions.

12 CHAIRPERSON ORTEGA: Any questions about the
13 financials? Any public comment on those items? Seeing
14 none, Item 7 was withdrawn. So we'll move onto the
15 legislative update.

16 MS. KAMPMEINERT: On page 191, we have our annual
17 legislative update item and this is included for the Board's
18 reference. It's a listing of bills with a brief summary of
19 anything that may have an impact to programs administered by
20 the Board or may be related to the programs.

21 We are still evaluating if any of these bills
22 require further action by our office or by the Board, and in
23 the event that they do, we will bring it back to the Board
24 for consideration. But for today, it's just for information
25 to alert everybody to the bills that have gone through.

1 CHAIRPERSON ORTEGA: Any comments? Okay. Without
2 anything else, we'll move onto the three-month workload.
3 Lisa, do you have anything --

4 MS. SILVERMAN: No, nothing to highlight. So we
5 meet in January.

6 CHAIRPERSON ORTEGA: Okay. Any other comments
7 from Board members? Any other public comment?

8 Okay. Before we adjourn, we wanted to take a
9 point of personal privilege here of the Chair and the other
10 Board members to recognize -- I think many of you may know
11 that Mr. Almanza -- Esteban Almanza who had been our
12 designee on the Board for over four years that he's been at
13 DGS -- Department of General Services since May of 2011.

14 We have -- very lucky for him, been able to retire
15 and he retired on December 1st with 32 years -- more than
16 32 years of state service. And so we wanted to recognize
17 both his services to the state and his service to the Board
18 and we have a resolution for him.

19 And so I hope you all will indulge us in
20 congratulating him on his retirement and we look forward to
21 hearing about all the great times he's having.

22 Mr. Almanza, if you'd like to come -- we'll hand
23 this to you -- everybody can see how nice it is. From the
24 State Allocation Board and it's signed by all the members of
25 the Board.

1 MR. ALMANZA: Thank you.

2 CHAIRPERSON ORTEGA: There you go.

3 (Applause)

4 CHAIRPERSON ORTEGA: Congratulations again. I
5 know the staff and the Board members will miss you here.

6 MR. ALMANZA: It's been a privilege to serve on
7 the Board and serve the many, many schools throughout our
8 state who are in need of this assistance. So thank you very
9 much.

10 CHAIRPERSON ORTEGA: Great.

11 (Applause)

12 CHAIRPERSON ORTEGA: I don't think we have any
13 other official items. Nothing else from Board members?
14 Anything else from the public? Okay. Seeing none, we'll
15 adjourn. Happy holidays, everyone.

16 (Whereupon, at 2:17 p.m. the proceedings were
17 adjourned.)

18

19

20

21

22

23

24

25

[illegible]

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

That I am a disinterested person to said action.

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