CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING

STATE CAPITOL
ROOM 447
SACRAMENTO, CALIFORNIA  95814

DATE:  WEDNESDAY, SEPTEMBER 6, 2017
TIME:  4:01 P.M.

Reported By:  Mary C. Clark
Mary Clark Transcribing
4919 H Parkway
Sacramento, CA  95823
(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

JEFFREY McGUIRE, 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

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

SENATOR BENJAMIN ALLEN

SENATOR JANET NGUYEN

SENATOR RICHARD PAN

ASSEMBLYMEMBER ADRIN NAZARIAN

ASSEMBLYMEMBER ROCKY CHAVEZ

ASSEMBLYMEMBER PATRICK O'DONNELL

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
CHAIRPERSON ORTEGA: All right. Good afternoon, everyone. I will call to order the September 6th meeting of the State Allocation Board. Please call the roll.

MS. JONES: Senator Allen.
Senator Nguyen.
Senator Pan.
Assemblymember Nazarian.
Assemblymember Chavez.
ASSEMBLYMEMBER CHAVEZ: Here.
MS. JONES: Assemblymember O'Donnell.
ASSEMBLYMEMBER O'DONNELL: Here.
MS. JONES: Juan Mireles.
MR. MIRELES: Here.
MS. JONES: Cesar Diaz.
MR. DIAZ: Here.
MS. JONES: Jeffrey McGuire.
MR. McGUIRE: Here.
MS. JONES: Eraina Ortega.
CHAIRPERSON ORTEGA: Here.
MS. JONES: And Senator Pan.
SENATOR PAN: Here.
MS. JONES: Thank you. We have a quorum.
CHAIRPERSON ORTEGA: We have a quorum. Thank you
very much. We just have one item today under the Consent Agenda. Lisa.

MS. SILVERMAN: The consent items are ready for your approval and to take action on the bond sale.

CHAIRPERSON ORTEGA: Great. Thank you. Any public comment on the consent items? All right.

SENATOR PAN: Actually --

CHAIRPERSON ORTEGA: Yes. Please, Senator.

SENATOR PAN: I actually, unfortunately, was not briefed on exactly what's on the consent items, so --


SENATOR PAN: -- I cannot give consent until I know what it is.

CHAIRPERSON ORTEGA: Absolutely. We'll ask Lisa to give a summary of what the items are for.

MS. SILVERMAN: Yeah. We were activating the projects as a result of the bond sale and so there was $446 million in projects that submitted certifications and we combined that together with other projects that were part of the prior certifications and we're also bringing some consent items that result in project funding for several projects moving forward for Proposition 51. And so those are the items that are a part of the Consent Agenda.

There is a slight modification to the item as a result of the activation of the cash for the bond sale.
There were a handful of projects that didn't have the Division of State Architect approvals in place. So we're working with the districts so that way they can ensure accessing the cash.

They will have their ability to come back once they have the Division of State Architect approval in place. So with that, that's a slight modification that we made last night.

CHAIRPERSON ORTEGA: And, Lisa, maybe since we have many new Board members since these projects were on the list, you could talk a little bit -- these are -- we are funding the projects that have been before the Board in the past for a reservation of funds, correct?

MS. SILVERMAN: Right. The Board took action on these projects on June 5th. So it was just a matter of those folks coming in and submitting certifications during that filing round and then we were able to match up those projects for funding as a result of the bond sale.

CHAIRPERSON ORTEGA: And so proceed -- the tradition of the Board has kind of been to have this consent only, kind of quick approval after the bond sale, but I do want to make clear that there has been a more thorough item before the Board previously on the projects.

I'll let Senator Pan finish and then we'll go to Mr. O'Donnell.
SENATOR PAN: No, I appreciate that. One of the things that I'm hoping -- you know, obviously there's a lot of different projects here and we want to help expedite moving forward. But I know I talked to staff before about on an ongoing basis doing at least, I would say sort of an aggregate profile of where the money is going.

So what I mean by that is obviously we have very specific projects, but like what percentage is going to which regions, to which districts, being sure so that we can -- and how that compares to, you know, the baseline. I think that gives us a sense of, you know, being able to monitor aside from, you know, project by project, that if there's distribution, you know, all the money seems to be going to big districts and not the smaller -- that we can -- we're able to make note of that.

So while obviously we're looking at each -- people are reviewing each individual project and looking at each one, we also need to step back and look at the forest as well as the trees.

So I -- so I mean I think as we are doing these and obviously we have many projects, I think it's good to be able to have sort of a, you know, overview of, okay, now we've approved -- you know, I don't -- how many are in here? 400 or something?

MS. SILVERMAN: There's about 442 million.
SENATOR PAN: Yeah. Right. So 442, so, you know, let's do an analysis of those 442 and how that fits -- you know, how that -- so we're going through these characteristics, you know, sort of like -- kind of like an overview, okay, 442 projects which represents what percentage went where, et cetera.

So I mean we have a list of very individual ones, but I think it's always helpful to be able to say, you know, over the past year, this is how we distributed the money in terms of different groups and so forth.

MS. SILVERMAN: And I apologize that we didn't have the opportunity to brief you, but we'll definitely consider that. I apologize.

CHAIRPERSON ORTEGA: Yeah. It seems like a reasonable thing for the staff to present within a future item. So we'll work on that. Mr. O'Donnell.

ASSEMBLYMEMBER O'DONNELL: Just a quick question. Are these funded at the 2017 models?

MS. SILVERMAN: No. Some of the projects --

ASSEMBLYMEMBER O'DONNELL: Help me understand why/why not -- I mean why they would be/why they wouldn't be. Just educate me, please.

MS. SILVERMAN: Well, the projects that were approved on June 5th were taking action on the projects that were -- had prior approval. So those are the projects that
submitted prior to the regulation change. So the applications for funding may have came in before the November 1st, 2012.

So once those applications were introduced and approved by the Board, even though we didn't have bond authority, they were approved at the project approvals at that point in time. So they didn't factor in an adjustment.

ASSEMBLYMEMBER O'DONNELL: Okay. Thank you.

CHAIRPERSON ORTEGA: Okay. Any other questions or comments from the Board members? Any public comment on this item? All right. Seeing none, is there a motion to approve the Consent Agenda?

MR. DIAZ: So moved.

CHAIRPERSON ORTEGA: Okay.

ASSEMBLYMEMBER O'DONNELL: Second.

CHAIRPERSON ORTEGA: Moved by Mr. Diaz, seconded by Mr. O'Donnell. All in favor of the Consent Agenda before us please say aye.

(Ayes)

CHAIRPERSON ORTEGA: And that passes. And please note that -- I think Senator Nguyen and Assemblymember Nazarian joined the meeting, so they are aye votes on that as well.

MS. JONES: So noted.

CHAIRPERSON ORTEGA: And that is all that is to
come before us. Any public comment on items not on the agenda? Okay. Seeing none, I'm going to give Senator Allen a few minutes to come and add on. Okay. Thanks, everyone.

(Off record)

CHAIRPERSON ORTEGA: Thank you, Senator Allen, for an aye --

(Whereupon, at 4:09 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 September 7, 2017.

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