CALIFORNIA STATE ALLOCATION BOARD

PUBLIC MEETING

STATE CAPITOL
ROOM 447
SACRAMENTO, CALIFORNIA 95814

DATE: WEDNESDAY, JANUARY 24, 2018

TIME: 4:00 P.M.

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1 APPEARANCES:

2 MEMBERS OF THE BOARD PRESENT:

3 JACQUELINE WONG-HERNANDEZ, Chief Deputy Director, Policy, Department of Finance, designated representative for Michael
4 Cohen, Director, Department of Finance

5 DANIEL KIM, Director, Department of General Services

6 CESAR DIAZ, Appointee of Edmund G. Brown, Jr., Governor of the State of California
7
JUAN MIRELES, Director, School Facilities and Transportation
8 Services Division, California Department of Education, designated representative for Tom Torlakson, Superintendent
9 of Public Instruction

10 SENATOR BENJAMIN ALLEN

11 SENATOR JANET NGUYEN

12 SENATOR RICHARD PAN

13 ASSEMBLYMEMBER ROCKY CHAVEZ

14 ASSEMBLYMEMBER PATRICK O'DONNELL

15 REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

16 LISA SILVERMAN, Executive Officer

17 REPRESENTATIVES OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE OF PUBLIC SCHOOL CONSTRUCTION (OPSC) PRESENT:
18
LISA SILVERMAN, Executive Officer
19 BARBARA KAMPMEINERT, Deputy Executive Officer

20 REPRESENTATIVE OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE OF LEGAL SERVICES PRESENT:
21
JONETTE BANZON, Staff Counsel
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1 P R O C E E D I N G S

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3 CHAIRPERSON WONG-HERNANDEZ: It's 4:00 o'clock.
4 I'd like to call this meeting to order. Secretary, will you
5 please call the roll.
6 MS. JONES: Certainly. Senator Allen.
7 Senator Nguyen.
8 SENATOR NGUYEN: Here.
9 MS. JONES: Senator Pan.
10 Assemblymember Nazarian.
11 Assemblymember Chavez.
12 ASSEMBLYMEMBER CHAVEZ: Here.
13 MS. JONES: Assemblymember O'Donnell.
14 ASSEMBLYMEMBER O'DONNELL: Here.
15 MS. JONES: Juan Mireles.
16 MR. MIRELES: Here.
17 MS. JONES: Cesar Diaz.
18 MR. DIAZ: Here.
19 MS. JONES: Daniel Kim.
20 MR. KIM: Here.
21 MS. JONES: Jacqueline Wong-Hernandez.
22 CHAIRPERSON WONG-HERNANDEZ: Here.
23 MS. JONES: We have a quorum.
24 CHAIRPERSON WONG-HERNANDEZ: Great. Thanks. So
25 there has been a request by a member to take the action

1 items out of order. The Charter School Facilities Program
2 Unfunded Preliminary Apportionment item and the Seismic
3 Mitigation Program and Other Technical Conforming Regulatory
4 Amendments item. Both items are in Tab 6. If the Board
5 agrees, we'll start with those items and then move to the
6 Consent Calendar which is in Tab 4 and then to the Minutes
7 which is in Tab 2. Is it without objection --
8 UNIDENTIFIED SPEAKER: Do you need a motion or is
9 it just --
10 CHAIRPERSON WONG-HERNANDEZ: That's what I was --
11 MS. JONES: You don't need a motion.
12 CHAIRPERSON WONG-HERNANDEZ: Okay. We're all
13 good. Everyone will object if they want to. Okay. Then
14 we'll proceed in that order. So then the first order of
15 business in Tab 6 is the **Charter School Facilities Program**
16 **Unfunded Preliminary Apportionments**.
17 MS. SILVERMAN: Yes. Hi. Good afternoon. We
18 wanted to highlight to the Board that since Proposition 51
19 was approved, there was $500 million for the Charter School
20 Facilities Program and with that, we were happy to announce
21 in February that the filing round had opened.
22 And that filing round did close in June and as a
23 result of that, we had over 191 applications for 3 and a
24 half billion dollars. So it was definitely well worthwhile
25 filing round. So -- very competitive, if I may add.

1 So in order for a charter school to compete, they
2 actually have to have financial soundness tests performed by
3 the California School Finance Authority and then the
4 application reviewed and scored by our office.
5 So at this time, I just wanted to highlight to the
6 Board that the Attachment B, we're seeking the Board to
7 approve for 25 projects for $243 million and those were the
8 preliminary reservations of funds. So once the Board takes
9 action, they have four years to perfect their project. So
10 it's just a preliminary reservation and charter schools
11 actually have the ability to apply for a loan as well if
12 they don't have a local match.
13 And if they are seeking site and design, along
14 with that attachment, we will be placing those items on the
15 unfunded list. So those charter schools will have the
16 ability to seek out the design and site funds in advance.
17 So with that, we are asking the Board to approve
18 the Attachment B along with the 25 preliminary
19 apportionments for $243 million and also place the advanced
20 site and design projects on the unfunded list.
21 We also will be bringing back a complementary item
22 for February so we can bring forward additional projects at
23 the February Board and that will obviously subsume the rest
24 of the 500 million. Seeking your approval.
25 ASSEMBLYMEMBER CHAVEZ: Move approval.

1 CHAIRPERSON WONG-HERNANDEZ: Before we do that --
2 thank you, Assemblymember Chavez. Is there any public
3 comment on this item? Okay. I was going to ask for a
4 motion. Thank you.
5 ASSEMBLYMEMBER CHAVEZ: Motion to approve.
6 MR. DIAZ: Second.
7 CHAIRPERSON WONG-HERNANDEZ: Great. And we have a
8 second.
9 MS. JONES: Senator Nguyen?
10 ASSEMBLYMEMBER O'DONNELL: I'd like to ask a
11 question.
12 CHAIRPERSON WONG-HERNANDEZ: Yes.
13 ASSEMBLYMEMBER O'DONNELL: So I just want to
14 clarify where -- this is Action Item No. 6. It's speaks to
15 the Charter School Facilities Program only.
16 MS. SILVERMAN: Yes.
17 ASSEMBLYMEMBER O'DONNELL: Just want to clarify.
18 Thank you.
19 MS. JONES: Senator Nguyen.
20 SENATOR NGUYEN: Aye.
21 MS. JONES: Senator Pan.
22 SENATOR PAN: Aye.
23 MS. JONES: Assemblymember Chavez.
24 ASSEMBLYMEMBER CHAVEZ: Aye.
25 MS. JONES: Assemblymember O'Donnell.

1 ASSEMBLYMEMBER O'DONNELL: Aye.
2 MS. JONES: Juan Mireles.
3 MR. MIRELES: Aye.
4 MS. JONES: Cesar Diaz.
5 MR. DIAZ: Aye.
6 MS. JONES: Daniel Kim.
7 MR. KIM: Aye.
8 MS. JONES: Jacqueline Wong-Hernandez.
9 CHAIRPERSON WONG-HERNANDEZ: Aye.
10 MS. JONES: Motion carries.
11 CHAIRPERSON WONG-HERNANDEZ: So then we're moving
12 onto the next item and I know we have a lot of public
13 comment on and we'll get to you, but we're going to start
14 with the staff presentation on the **Seismic Mitigation**
15 **Program and Other Technical Conforming Regulatory**
16 **Amendments**.
17 MS. KAMPMEINERT: So the item we have before us --
18 there are a couple things happening in this item. One is
19 sort of good news situation.
20 We have -- with the approval of the Consent Agenda
21 at this Board meeting, we will have exhausted the funding
22 that was made available for the Seismic Mitigation Program
23 through Proposition 1D.
24 Through that bond, there was 199.5 million made
25 available out of the New Construction Bond Funds to address

1 seismic mitigation projects for the most vulnerable
2 Category 2 building types and the Board set aside that full
3 199.5 million back in 2007 and it has been going out over
4 the past few years and we will exhaust it in the
5 applications that we've received to date.
6 That brings us to a new issue and we have now
7 received more funding application requests for the seismic
8 funds than we have bond authority available.
9 If I can draw your attention to the chart on
10 page 129 of the agenda, there is a chart there with a black
11 line. Without any additional action by the Board, we will
12 be able to provide partial funding to the first project on
13 that chart and then according to the regulations in effect
14 today, we would need to return the five applications below
15 that line as well as any other seismic requests that are
16 submitted to our office.
17 So when we realized this was -- we had reached
18 this point, we took a look at the Proposition 51 language
19 and the statute to see if there were any options if the
20 Board so chose to continue to fund seismic mitigation
21 projects and we do believe that there is room within the
22 Proposition 51 bond funds under the new construction funding
23 category to include Seismic Mitigation Program projects as
24 part of a standard facility hardship application.
25 To do so, we would need regulation changes that

1 would remove the limit of $199.5 million in funding for
2 those project sites. It would also align the regulations so
3 that this would all be part of the regular Facility Hardship
4 Program and it would remove the requirement that we return
5 the applications in excess of that $199.5 million.
6 So if the Board chooses to make the change to
7 continue to allow these projects to go forward as health and
8 safety projects under the Facility Hardship Program, we've
9 included proposed regulations that would enable us to
10 continue processing the applications under the regulations
11 once they become effective.
12 With that, the regulations -- the entire
13 regulation packet, we have requested that if the Board
14 approves the regulations, we do so on an emergency basis
15 because these are health and safety projects, and with an
16 emergency track, then the regulations would be in effect
17 prior to the next priority funding certification period
18 which means that the projects would be able to access the
19 cash faster than if this is the normal regulation route.
20 So that is one decision point that we need from
21 the Board there.
22 Also included in the regulation package are
23 conforming amendments to the regs related to the June 5th
24 policy decision that the Board made for how to process
25 funding applications moving forward now that we're back

1 within bond authority under Proposition 51.
2 So what you will see in that regulation section
3 are two things to note. The technical amendments have been
4 made for those applications that were submitted on June 5th,
5 2017, or later so that they have in regulation that they
6 would be updating their new construction eligibility at the
7 time that OPSC is processing the application, which is
8 consistent with the Board's action on June 5th.
9 And then also we have put into place how that
10 works for the small school districts. You may remember a
11 couple discussions that we've had at the Board meeting where
12 small school districts have a statutory provision where we
13 don't have to process a decrease in their new construction
14 eligibility for a period of three years from the time that
15 the Board approves their eligibility adjustment.
16 So we have included in there the language that
17 would have small school districts update beginning in the
18 '16-'17 enrollment year which was the first opportunity for
19 those new construction adjustments to be submitted or
20 '17-'18 or future years, whenever the small school districts
21 are ready to provide that eligibility update.
22 And then once that update is approved by the
23 Board, we would not decrease the eligibility for a period of
24 three years after that approval.
25 If the small school districts choose not to make

1 that update in advance of their funding application being
2 processed, they would be subject to the enrollment in place
3 at the time that the application is processed by OPSC.
4 Another thing to note in these regulations related
5 to the process that we would be using to notify school
6 districts of the need to do an eligibility update and that
7 we would be processing the funding application, we have had
8 the regulations out a couple of other times in the past and
9 originally we had proposed that we would notify school
10 districts 60 days in advance of processing and that if the
11 enrollment information was not submitted, we would return
12 the funding application at the end of those 60 days.
13 We've received some feedback from stakeholders and
14 we believe that there is some room here to make this a
15 little bit easier process for everyone. So we have changed
16 the regulation language to specify that we will notify
17 school districts 90 days instead of 60 days in advance of
18 OPSC processing the application. And at the end of that 90
19 days if we do not receive the enrollment information, we may
20 return the application, and that gives OPSC some discretion
21 in the event that something unexpected/unanticipated comes
22 up, the fires, for example, where a district is making a
23 good faith effort to move forward with updating the
24 eligibility, but something comes up and they need a few more
25 days/a few more weeks, something in that time frame.

1 So those have been included in this regulation
2 package as conforming amendments and we are recommending
3 that the Board adopt the regulations that are shown in
4 Attachment B and we are asking that the Board authorize us
5 to file these regulations on an emergency basis.
6 CHAIRPERSON WONG-HERNANDEZ: Thank you. So we're
7 going to actually start with questions and comments from the
8 Board. Mr. O'Donnell.
9 ASSEMBLYMEMBER O'DONNELL: Yes. What I'd like to
10 do is put forward a motion that separates these items. I
11 don't necessarily have any issues with the seismic
12 mitigation side of the question -- of the item, but on the
13 other technical conforming regulatory amendments, I do have
14 some challenges mainly along the lines of process because I
15 don't feel it's been significantly vetted at the Board
16 level.
17 I think there are some practical issues there with
18 districts maybe limiting how many facilities they'll build
19 because of their fear that they might be rebenched at a
20 later date, and I think there's even some legal
21 considerations with regard to state law there.
22 So what I'd like to do is -- hopefully I'll get a
23 second on this -- is put forward a motion that segregates
24 the Seismic Mitigation Program elements of Item No. 6 from
25 the other technical conforming regulatory amendments of Item

1 No. 6.
2 SENATOR NGUYEN: Second.
3 CHAIRPERSON WONG-HERNANDEZ: Okay.
4 ASSEMBLYMEMBER O'DONNELL: So we have --
5 essentially it has two questions. It needs two votes.
6 CHAIRPERSON WONG-HERNANDEZ: I'm trying to figure
7 out how that works -- sort of add the regulations package
8 the way that the package is written?
9 SENATOR NGUYEN: I think you could always divide
10 the motion.
11 ASSEMBLYMEMBER O'DONNELL: Well, we're splitting
12 the question into two parts -- two votes.
13 CHAIRPERSON WONG-HERNANDEZ: Right.
14 ASSEMBLYMEMBER O'DONNELL: One adopting the
15 seismic regulation. I don't have a challenge with that.
16 What I do have an issue with is the technical conforming
17 regulatory amendments.
18 MR. KIM: Just to clarify, I'm wondering if we
19 split the motion, what are the consequences? Can we make
20 that action now or would that require staff to go back and
21 make changes because the motions are inextricably linked and
22 you'd have to change the reg packet?
23 MS. KAMPMEINERT: The reg packet's been structured
24 as one regulation packet. So there are multiple sections of
25 the regulations that have been put into the same packet. So

1 it might be unclear if we submit the regulation packet with
2 separate Board action pulling them out because we're going
3 to have to list all the individual regulation sections that
4 the Board approved versus the ones that they didn't approve.
5 So we could separate it out, potentially bring
6 them both back in the future so that it's clear exactly
7 which regulation package was approved by the Board, but it
8 might be a little messy to do it as an action today.
9 MR. KIM: So if we took that action, we basically
10 would have staff go back, review that, and make those
11 changes and in the meantime, we wouldn't be able to fund any
12 of the schools; is that correct?
13 MS. KAMPMEINERT: Without a regulation change on
14 seismic, we would not be able to continue processing the
15 applications because current regulations would direct us to
16 return those applications.
17 ASSEMBLYMEMBER O'DONNELL: So what you're telling
18 me is you can't -- we don't even know what the vote will be,
19 number one, but what you're telling me is you can't
20 segregate these two? Why were they combined? You know,
21 again, I don't feel like there's been adequate discussion on
22 the second -- so it kind of puts me in a position too as a
23 Board member who's not comfortable with voting on something
24 unless it's further vetted.
25 You know, I want the seismic regulations -- I

1 don't like them. In the future going forward, hopefully we
2 wouldn't bunch these things together and how are they
3 bunched together so they can't be segregated today.
4 MS. KAMPMEINERT: Well, we included them as part
5 of one item because we are seeing these as just technical
6 changes because the Board already had the policy discussion
7 on the new construction eligibility adjustments. So we're
8 just bringing the conforming regulations on that.
9 We weren't seeing that that was a separate policy
10 decision, but there are multiple sections of the regulations
11 that are being amended, some for seismic, some for new
12 construction eligibility.
13 So it is technically possible to pull them out,
14 but it makes for a less clear regulation package to OAL.
15 ASSEMBLYMEMBER O'DONNELL: So it is possible,
16 number one, but remember our discussion was about beyond
17 authority and there was significant discussion. I don't
18 believe it was -- there was any discussion on the new
19 projects.
20 MS. BANZON: Excuse me. I would just like to
21 remind the Board that if we were to bifurcate, the
22 requirement would be that each proposition has to stand on
23 its own. Apparently, there are some mesh up with the other
24 proposition. It might be quite difficult, just as a
25 reminder. Thank you.

1 CHAIRPERSON WONG-HERNANDEZ: So can I kind of just
2 take a step back. Can we have the discussion of both of the
3 items and just kind of fully flesh out the actual discussion
4 of the two pieces people want to talk about and then kind of
5 come back to the bifurcating of the actual motion.
6 ASSEMBLYMEMBER O'DONNELL: Well, that motion's
7 been made thus far, been seconded, but we can come back to
8 that discussion.
9 CHAIRPERSON WONG-HERNANDEZ: So we can take a vote
10 on the motion. So I at this point don't a reason to
11 bifurcate them without further discussion. So I'll be
12 asking for a no vote. But we can -- we have a motion and a
13 second. Oh, sorry. Senator Pan.
14 SENATOR PAN: So I understand that the regulations
15 regarding the second portion, which I did support the
16 policy, so, you know, so that's not the issue for me, but I
17 mean to be fair, that was actually part of the last meeting.
18 We decided to defer it. So we know what body of regulations
19 apply to that particular item.
20 So are you telling me that seismic ones are -- you
21 know, those are new to this -- are you telling me that those
22 are so interdigitated with the other one -- because we know
23 what the ones that are related to the second portion, the
24 regulatory, because those were actually on our agenda at the
25 last meeting and then we decided not to --

1 ASSEMBLYMEMBER O'DONNELL: But what list -- the
2 real question here is what lists we're applying them to.
3 The discussion last time was that they would apply to the
4 beyond authority list. Now we're talking about other new
5 projects as well, correct?
6 SENATOR PAN: Okay. So besides from the merit of
7 each of the items, I just want to clarify our ability to
8 divide the question clearly should be present. Right? I
9 mean I'm not sure why we can't divide the question.
10 MS. KAMPMEINERT: It could be divided, but
11 typically we submit a copy of the Board item to OAL when
12 we're sending -- to the Office of Administrative Law when
13 we're sending a regulation package forward. So we would
14 need to be very specific in the Board option on how we moved
15 forward with this to make sure that we are adopting just the
16 pieces that apply to seismic and make sure that we're not
17 blending sections. So we would need a minute to kind of
18 take a look at that and see exactly what that structure
19 would be.
20 SENATOR PAN: Okay. But we know exactly which
21 ones apply -- well, just want to say. We know which ones
22 apply to the technical regulatory amendments because we
23 actually had them as a separate set last meeting except we
24 decided to put it off to this meeting and then we also have
25 some additional regulations relating to seismic.

1 Unless they're interdigitated, we should -- at
2 least we certainly know what one group is and I assume the
3 remainder is the other one unless somehow they're
4 interconnected.
5 ASSEMBLYMEMBER O'DONNELL: Can I ask a question?
6 It's my feeling that we had the discussion on the beyond
7 authority list, but the vote here today is on beyond
8 authority and new projects list. Is there a way to just
9 segregate out the new projects?
10 MS. KAMPMEINERT: The staff position on the
11 Board's past action based on the staff write-up and the
12 conversation is that the -- Option 1 applies to all the
13 projects. So the regulations as written do not actually
14 apply to the projects that were on the applications received
15 beyond bond authority list. They apply to applications
16 moving forward that were submitted on or after June 5th.
17 ASSEMBLYMEMBER O'DONNELL: That was in a follow-up
18 memo, but I don't believe it was a point of discussion at
19 the Board level. That's why I have this struggle. Beyond
20 authority list, I concur it was discussed. New projects,
21 that's where I'm not comfortable saying that -- significant
22 discussion at the Board level.
23 CHAIRPERSON WONG-HERNANDEZ: So I have a question.
24 I obviously wasn't here in June and you all were. I have
25 read through the June 5th items and it seems to me that in

1 several places they talk about all applications in
2 referencing anything received on or after June 5th, 2017.
3 So I took that to mean applications already received and
4 those in the future. Is that not correct?
5 MS. SILVERMAN: That is correct.
6 ASSEMBLYMEMBER O'DONNELL: But where are you
7 seeing that? Is that on a post-meeting document?
8 MS. SILVERMAN: That was the June 5th report.
9 CHAIRPERSON WONG-HERNANDEZ: Yes, on our report,
10 and so if that's not -- if that report isn't correct, I
11 would -- I'm looking to you, if you're saying that's not
12 what the discussion was. You all were here. Can you all
13 clarify what was discussed?
14 MS. SILVERMAN: Yeah. It was actually stated on a
15 few pages on the June 5th report, to be exact, in highlight
16 actually on the first page 554, we talk about applications
17 received beyond the bond authority list and any future
18 applications. So that's under the -- the first paragraph.
19 On the bottom of page 555 on the background, we
20 actually list out the applications that we receive beyond
21 authority and then we also highlight that this list does not
22 include approved applications for new construction and
23 modernization that were received on or after April 1st,
24 2017, but yet acknowledged by the Board.
25 So that was discussion about what the process

1 would be and how we need to update new construction
2 eligibility.
3 It is further defined also in page 557 of the
4 report under staff analysis, top paragraph, and it seeks the
5 Board direction on how to proceed with a project when the
6 application is received beyond bond authority list as well
7 as approved applications for new construction and
8 modernization received on or after April 1st, 2017, that
9 have not been added to the list.
10 MS. KAMPMEINERT: It's also in the options on
11 page 551 where it indicates that in this option, the Board
12 would move the applications from the applications received
13 beyond bond authority list and those approved applications
14 received on or after April 1st, 2017, to the standard OPSC
15 workload list.
16 SENATOR NGUYEN: Madam Chair, I understand if we
17 bifurcate and have two separate motions. What I'm
18 hearing -- and correct me if I'm wrong, Barbara -- is really
19 it's just a little more juggling from staff in terms of
20 making sure that the documents are correct.
21 There's not really that many items on the seismic
22 portion of it anyway. It's not it's a thousand list of
23 projects. So legally, I don't -- is there legal problems
24 for us to divide the item?
25 Here's why I'm supportive of it is that, because I

1 did not support the policy, I would like to stay consistent,
2 but I do support the projects. So I have no problem with
3 the projects. It's just that I want to be consistent with
4 my previous vote and we did have a very lengthy discussion
5 of the policy.
6 And then so that's really -- I mean legality wise
7 can we or can we not do it. I mean set aside the mechanical
8 part of paperwork and documentation from staff's, you know,
9 concerns. Legally, can we bifurcate it?
10 MS. BANZON: I gave the guideline that if -- to be
11 able to bifurcate according to Mason's Legislative Manual,
12 it has to be a proposition that can stand up on its own.
13 Each proposition has to stand up on its own.
14 So I would leave to staff, you know, how -- as
15 they've testified here that there is -- it's kind of unclear
16 as to the division. It's --
17 SENATOR NGUYEN: But the items don't -- I mean
18 when you're saying stand by its own, I mean I'm going to
19 assume most of the members here might support the policy
20 because you voted last time. So that passes, then the
21 seismic projects can still pass. You can't pass seismic
22 project without the policy, but I don't know where other
23 Board members stand, but I mean I guess that would be a
24 concern if the policy doesn't pass and the projects pass.
25 Is that what it is? Because they can't stand

1 alone.
2 MS. BANZON: If they cannot stand alone, then it
3 would be very difficult to bifurcate them.
4 ASSEMBLYMEMBER O'DONNELL: Well, it's very clear
5 it's new projects versus the beyond authority list. The
6 argument that I'm making is that the last -- when we
7 discussed this in June, right, we spoke specifically about
8 the beyond authority list, okay, not the new projects.
9 Beyond authority list was that old list. Now
10 we're talking about all projects going forward. Your
11 districts could have the potential they build a project and
12 when it comes time to their application getting processed,
13 their student numbers get rebenched and they don't get the
14 money for the project.
15 MS. BANZON: So according to staff, they testified
16 according to what they were reading was beyond bond
17 authority plus future applications. I'm not sure at what
18 point we can clearly separate them.
19 MR. DIAZ: Yeah. I just want to clarify. I
20 think, you know, this discussion is healthy, but it's also I
21 think hurtful. We've been talking about a possible delay of
22 actually approving projects and even if there was an ability
23 to bifurcate, staff would have to delay and actually look at
24 it and present it back to the Board, still with no guarantee
25 that we'll actually adopt those changes because we're going

1 to have to look at that as well.
2 For consistency purposes, I do think that if the
3 item is presented the way it is, we have the option to
4 oppose the actual proposal and still be consistent with it
5 while still being supportive.
6 I do think that a delay based on what staff has
7 already outlined what was detailed in the actual item about
8 applications received and the date certain and the
9 processing, I do want to kind of highlight a concern that we
10 have is we would be operating under an underground
11 regulation if we actually don't do something about a
12 proposal that we have already approved an item. Is that
13 correct or --
14 MS. KAMPMEINERT: Yes.
15 MR. DIAZ: Okay.
16 MS. KAMPMEINERT: We need to put the regulations
17 in place so that we are avoiding the underground regulation
18 situation with the projects moving forward after the beyond
19 authority list.
20 MR. DIAZ: And what is the potential harm for
21 having underground regulations and the harm that it may
22 cause to projects?
23 MS. BANZON: Underground regulations would mean
24 that any action we would take is invalid.
25 MR. DIAZ: Thank you.

1 MR. KIM: If I could. I totally appreciate
2 Senator Nguyen's position that she just wants to be
3 consistent with her position in the June hearing.
4 I think my question is there's one thing being
5 consistent with your beliefs, but I think what we're trying
6 to do here is -- the question I have is do we think that the
7 conforming regs reflect the policy action that we took in
8 June.
9 That's a different question than are we going to
10 read this as the policy and I think from my understanding,
11 the conforming regs do reflect the policy decision we made
12 and if we could vote on whether it does reflect -- if
13 members here don't feel it reflects the decision, that's a
14 different thing.
15 But it would seem to me that it does reflect the
16 action we already took.
17 CHAIRPERSON WONG-HERNANDEZ: Does anybody want
18 to -- go ahead.
19 SENATOR NGUYEN: I just wanted just to -- I know
20 the comment was made that this -- bifurcating could delay
21 the projects. I don't believe so. And then when I say
22 consistency, for me it's more, you know, if -- I believe in
23 seismic retrofitting. I believe we should do that.
24 So by me voting no on this would then show that I
25 don't believe in that and I don't support that. So that is

1 not consistent of -- I mean the regs and the policy's
2 different to me than the actual project and the merits of
3 the project.
4 And so that's what I meant by, you know, staying
5 consistent. So the comment that was made earlier, I just
6 want to make sure it's understood that I'm not -- I mean
7 just -- yes, I do have a choice to vote yes or no on this
8 currently as it stands, but by voting no, then it shows that
9 I don't believe that we should retrofit seismic for our
10 children's schools.
11 I don't believe in that, you know, and I don't
12 believe any of us here does. So then that won't be where I
13 would stand. It's just that the policy -- you know, I agree
14 with the Assemblymember, I don't believe it's consistent.
15 This is new projects -- did not vote those in the past. But
16 I -- that's all my comments for now.
17 ASSEMBLYMEMBER CHAVEZ: Can I make --
18 CHAIRPERSON WONG-HERNANDEZ: Yes. Assemblymember
19 Chavez.
20 ASSEMBLYMEMBER CHAVEZ: I appreciate all the
21 discussion we're having because I was -- I'm sure we've all
22 heard from our districts and the concerns on the second
23 portion that trying to be segregated.
24 But if I hear this right -- and I want to get the
25 lawyer to tell me if I'm right -- is that if we -- the

1 motion on the floor to bifurcate this would not be
2 legally prudent. Is that what I'm hearing you say? From
3 the understanding of the staff's guidance; is that correct?
4 MS. BANZON: That is correct.
5 ASSEMBLYMEMBER CHAVEZ: Okay. So the motion on
6 the floor would not be legally prudent. The second issue I
7 see coming forward is that we can either approve the
8 recommendation by the staff or disapprove the recommendation
9 by the staff.
10 If we disapprove the recommendation by the staff,
11 what would concern me is the seismic issue and if you look
12 at the chart that they had, the -- we could only do this
13 Orange, Garden Grove, and not the other ones.
14 One in particular to me is in Desert Jr.-Sr. High
15 at Edwards Air Force Base. It's a military school. So I
16 would like to make sure we take care of them.
17 And so I would be supportive of what we have here.
18 If we vote no to it, then we wouldn't be able to support
19 this and not get the money out. I think the real mission of
20 this whole Board is to get resources out to the school
21 districts to build schools for kids.
22 So I mean under that situation. I would ask,
23 though, that maybe we could leave it to staff to come back
24 on February 28th or if there's any other concerns that are
25 being voiced from our school districts. I'm sure that

1 the -- Assemblymember O'Donnell's running across also that
2 maybe we can look at that and study that, figure out how to
3 address those concerns.
4 But I -- if there's some way we could do that.
5 Staff, Barbara or Lisa, do you think?
6 MS. SILVERMAN: The option -- I mean the whole
7 discussion that was had on June 5th, the Board did make the
8 recommendation also to hear appeals.
9 We have no appeals to date with the issue of
10 updates on the new construction eligibility. So -- and we
11 were supposed to fast track if there are any appeals in that
12 arena, and we have not received anything to date.
13 So I just wanted to clarify that. I think it's an
14 important point. We've also had -- you know, there's been
15 news reels about recent seismic activity in Alaska, over 8.6
16 earthquake that just happened yesterday, some other seismic
17 events that happened in California just recently.
18 So, again, we want to just to clarify concerns.
19 We have no appeals related to the new construction
20 eligibility updates.
21 ASSEMBLYMEMBER CHAVEZ: So there is an ability to
22 appeal --
23 MS. SILVERMAN: Absolutely.
24 ASSEMBLYMEMBER CHAVEZ: -- so in my particular
25 case (indiscernible), if they chose to appeal their -- the

1 impact of this decision, then we would be willing to hear
2 that.
3 MS. SILVERMAN: Absolutely. That was part of the
4 recommendation.
5 CHAIRPERSON WONG-HERNANDEZ: So it seems like --
6 ASSEMBLYMEMBER CHAVEZ: Okay. Thank you.
7 CHAIRPERSON WONG-HERNANDEZ: Thank you,
8 Assemblymember Chavez.
9 MS. SILVERMAN: Appreciate it.
10 CHAIRPERSON WONG-HERNANDEZ: I want to acknowledge
11 that a motion has been made and a second. I think that if
12 there is no further discussion, I think people have made
13 their points, raised legal concerns, raised the points about
14 wanting to be consistent with their previous policy votes.
15 Go ahead.
16 ASSEMBLYMEMBER O'DONNELL: What I don't appreciate
17 is trying to be scared in to voting for this. I don't
18 appreciate that. Listen I think -- bluntly, I think
19 there's some more work done on this, quite frankly. There
20 was a discussion held in June and that discussion was on the
21 beyond authority, a list of projects. That's what that
22 discussion was about.
23 Now we're adding in projects -- all projects going
24 forward. So your districts may not be able to build certain
25 projects because they don't know what money they're

1 ultimately going to get back from the state because the
2 application for the project that's built today might not get
3 worked on for three, four years down the line and at that
4 point, going to say, well, rebench your numbers. How many
5 students you have today? Uh, you get less money.
6 So this ultimately might have fewer school --
7 fewer safe school facilities built, fewer seismically safe
8 school facilities built if we do go down the path of
9 approving a new projects list as well because a district may
10 be limited on the financial side from constructing those
11 facilities.
12 CHAIRPERSON WONG-HERNANDEZ: Okay. So we're going
13 to entertain the motion that was made to bifurcate this item
14 into the two -- seismic regulations versus the technical
15 regulatory amendments. Do you want to call?
16 MS. JONES: Okay.
17 CHAIRPERSON WONG-HERNANDEZ: Go ahead.
18 MS. JONES: Senator Allen.
19 SENATOR ALLEN: Aye.
20 MS. JONES: Senator Nguyen.
21 SENATOR NGUYEN: Aye.
22 MS. JONES: Senator Pan.
23 Assemblymember Chavez.
24 ASSEMBLYMEMBER CHAVEZ: No.
25 MS. JONES: Assemblymember O'Donnell.

1 ASSEMBLYMEMBER O'DONNELL: Aye.
2 MS. JONES: Juan Mireles.
3 MR. MIRELES: Aye.
4 MS. JONES: Cesar Diaz.
5 MR. DIAZ: No.
6 MS. JONES: Daniel Kim.
7 MR. KIM: Nay.
8 MS. JONES: I'm sorry?
9 MR. KIM: No.
10 MS. JONES: Thank you. Jacqueline Wong-Hernandez.
11 CHAIRPERSON WONG-HERNANDEZ: No.
12 MS. JONES: The motion does not carry.
13 CHAIRPERSON WONG-HERNANDEZ: Okay. So the motion
14 does not carry. We're back to considering the item in its
15 totality and I do want to continue the Board discussion and
16 then take public comment on the item as a whole. So please
17 feel free to continue with your questions and concerns for
18 staff or for other Board members.
19 Okay. I'd like to take public comment. I have a
20 number of speaker cards here and so the first one I have is
21 Julie Arthur. Please come forward.
22 MS. ARTHUR: Madam Chair, members of the State
23 Allocation Board, thank you for the opportunity to address
24 you this afternoon. I think it's still afternoon, not
25 evening yet.

1 My name is Julie Arthur. My day job is Palm
2 Springs Unified School District. I'm Executive Director of
3 Facilities, Planning, Development there. I'm also the
4 vice chair of the Coalition of Adequate School Housing,
5 CASH, and you should have received a letter from our chair,
6 Don Ulrich, regarding Tab 6 which is the seismic mitigation
7 regulation that we're here to speak about.
8 And I wanted to go on the record about a few
9 things. The first is we are in opposition to the latter
10 part of the regulation being proposed as technical
11 conforming regulatory amendments.
12 The proposed regulation is in conflict with
13 Education Code 17071.75(a)(2) which states that a school
14 district shall calculate enrollment projections for the
15 fifth year beyond the fiscal year in which the application
16 is made.
17 The proposed regulation presented in the agenda
18 adds language to the requirement, current year enrollment
19 for purposes of beginning application processes by OPSC.
20 This is a new concept, totally inconsistent with the statute
21 that states the enrollment is projected.
22 Proposed regulation also intends to penalize
23 districts for failure to provide the current year enrollment
24 within 90 days. This is also a new concept, totally
25 inconsistent with statute.

1 Planning for school building construction is
2 challenging, requiring great expertise in advance of
3 submission to OPSC for new construction funding. Plans for
4 new construction funding submitted based upon student
5 projection anticipated by Ed Code 17071.75(a)(2) is
6 predictable and logical.
7 The unpredictability that's being proposed will
8 result in a waste of local bond funds used in developing new
9 school construction plans. It is therefore our request that
10 the Board respect the technical performing regulatory
11 amendment as proposed as in direct conflict with Ed
12 Code 17071.75(a)(2).
13 Also we do want to put forward that CASH and most
14 of our districts here today, we do support the Seismic
15 Mitigation Program. My district was -- has received quite a
16 bit of funds on that and we greatly appreciate it and we
17 look forward to a new program on that.
18 However, we fail to see any need for the
19 regulations being proposed to be presented on an emergency
20 basis. I don't see the difference of processing these forms
21 and coming back with separate items here decoupling these
22 two by February 28th. I don't believe that there will be a
23 check cut in the next 30 days. So there wouldn't be any
24 districts or any projects harmed if holding to the 28th,
25 come back, and taking these as two separate items.

1 So again, the Board has no available funds which
2 to provide an apportionment for seismic mitigation or for
3 health and safety projects. Such funds may not be existing
4 or accessible to the Board until May or June which would be
5 the next bond sale.
6 So it is our request that the Board take action to
7 decouple the seismic mitigation regulation language from the
8 item as presented and take action to approve the seismic
9 mitigation regulation only and without an emergency
10 determination. Thank you. Any questions or --
11 CHAIRPERSON WONG-HERNANDEZ: Thank you. Next I
12 have Randall Rowles. I'm not sure if I'm pronouncing the
13 last name correctly.
14 MR. ROWLES: Thank you very much and you did get
15 my name right, by the way. Board, we're very glad to be
16 here. I first of all want to -- my name's Randy Rowles and
17 I'm Director of Maintenance, Operations, and Transportation
18 for the Bakersfield City School District. We're the largest
19 K-8 school district in the state of California with over
20 31,000 students.
21 A profile of our students: 90 percent of our
22 students receive free and reduced lunches. 33 of our 44
23 schools are over 60 years old. Our school district is 45th
24 out of 47 school districts in Kern County assessed valuation
25 per student, and our average home value in our district

1 $88,000.
2 As you can tell, the state facilities program is
3 extremely important to districts like ours and others. To
4 enact -- well, let me say this.
5 Additionally during this time, we built two
6 schools and we received the funds last week, 25 and a half
7 million dollars, so thank you all very much for that. It's
8 in the bank and we're putting that to use on a new school.
9 So during the time -- we turned in our application in 2012.
10 Until now, our district's grown almost 3,000 students in
11 that time.
12 We've had the delay building our new school for
13 six years in order to receive those funds and do that.
14 Our district benefits because we've grown, but I
15 could imagine the uncertainty that the new policy and
16 technical conforming regulations can cause many districts to
17 have to go out, address growth issues, and then have the
18 potential of migratory district student movement and
19 changing your numbers and then have to go back and return
20 money.
21 The key to the program for all of us districts
22 that have to leverage it so much in order to address our
23 growth needs is to have a certain and logical and noncomplex
24 system for us to understand. We have to plan 10 to 15 years
25 in advance and we have to deliver our projects.

1 So we support the idea of bifurcating the two
2 issues. We think the issues particularly with eligibility
3 and others, the changes in the regulations have dire
4 consequences to our district and several districts that had
5 such growth. We had to go out and fund our own projects to
6 the tune of $49 million and have had to wait six years to
7 receive our funds.
8 We're very appreciative of those funds, but we're
9 equally appreciative that we need to have a certain logical
10 and reliable system, the state facilities program, that we
11 can count on. Thank you.
12 CHAIRPERSON WONG-HERNANDEZ: Thank you. I'd like
13 to ask Julie Boesch or Boesch -- you can let me know if I
14 got that one. You can come up here.
15 MS. BOESCH: It's Boesch like the u-s-h. It just
16 doesn't look like it.
17 Thank you for the opportunity to address you
18 today. I was here last month because we were incredibly
19 blessed with a facility hardship approval and a scope change
20 that you all approved, although many of you weren't here.
21 So incredibly thankful also for the support of --
22 from the State Allocation Board and from the Office of
23 Public School Construction. They did amazing work on the
24 part of our district.
25 So I am the Superintendent of a small school

1 district in Shafter in Kern County. I have absolute fire,
2 life, and safety conditions that are unsafe for my students.
3 So I understand this item and I'm absolutely in
4 favor of the seismic portion, but I think that the
5 additional portion makes an already complicated process even
6 more complicated. So I'd like to impress upon you and just
7 give you a little bit of insight into the importance of the
8 work that you do here and also encourage you to really
9 consider all of the aspects of the decisions that you make.
10 In my particular case, I have project approval for
11 facilities hardship, but one of the things that's really
12 important and one of the things that was brought up in the
13 comments is that none of us are receiving any money at this
14 moment.
15 So at my particular district, my sixth grade
16 teacher gets shocked every time he turns the lights on
17 because water is running down the walls in my classroom and
18 it is intermixing with the electrical.
19 My library ceiling fell in last week -- portions
20 of it, creating hundreds of books to be damaged. We have no
21 bond capacity and we have no developer fees, so we are
22 completely 100 percent dependent upon the school facilities
23 funding.
24 And also due to past experience with school
25 facilities funding, my contractors, even though they are

1 committed to my project, are afraid to take action to
2 mitigate the circumstances that I have right now because
3 they don't really believe that money is coming. So
4 complicating the process and the project that is already in
5 place just creates additional issues for us.
6 So please consider the importance of the decisions
7 that you make and the consequences of the numerous districts
8 who are facing similar challenges as mine. Thank you.
9 CHAIRPERSON WONG-HERNANDEZ: Thank you. Could
10 Shawn Atlow please come to the front.
11 MS. ATLOW: Hello. I am Shawn Atlow. I'm from
12 Los Angeles Unified School District. I'd like to start by
13 thanking OPSC for reaching out to us to try to address our
14 concerns related to this item.
15 They did put a lot of effort into it and though it
16 doesn't necessarily get us exactly what we want, we
17 appreciate that they're working with us.
18 I'd also like thank the Board for already
19 entertaining a request to split these two items. Though you
20 didn't approve that, I'm going to ask again if you could
21 consider or reconsider splitting these two items.
22 I think they're not inherently connected to each
23 other. The connection is being made only because the
24 regulations have been presented together, but outside of
25 that, there's no commonality between them and they probably

1 should be considered as two separate issues because from our
2 point of view, they are two separate issues.
3 On the seismic item, half of the value you see in
4 the report is related to projects at LAUSD. We are willing
5 to wait if that's the only way to get the two items
6 segregated. So if you have to bring it to a future meeting
7 in order to consider them separately, we would support that.
8 For the new construction eligibility item, we are
9 of the opinion that the conversation in June was not clear,
10 so much so that OPSC had to come back at the next meeting
11 and clarify. So I think there's probably among stakeholders
12 some agreement that the action the Board took might not have
13 been black and white that it was intended to apply to all
14 future applications.
15 When we rewatched the webcast and when we were
16 here at the meeting, we left with the impression that the
17 action was only related to the beyond authority list.
18 We would ask that the Board have a public
19 discussion that very clearly is intended to cover all future
20 applications so that it's 100 percent clear to everybody
21 what the Board's intent is.
22 The one thing that I do recall from the June
23 meeting is the absence of a conversation about what it
24 actually would cost a district to get an eligibility review
25 if this new rule is put in place.

1 And so the rules as they stand today, we can have
2 our eligibility evaluated by OPSC and acted upon by the
3 Board and we know before expending money on our project
4 whether or not we would be eligible for funding in that
5 fiscal year.
6 This rule change would require us to acquire land,
7 get all of our agency approvals, basically finish design
8 which could cost us tens of millions of dollars, only --
9 that's only to get a determination of whether or not we
10 might be eligible for funding.
11 So it's not just a policy question for us. This
12 could be tens of millions of dollars of investment just to
13 get an answer on whether or not we're eligible for the
14 program.
15 And so we would very much like the Board to just
16 have that conversation in a way that makes it clear that the
17 context is not just the beyond authority list because when
18 we left that meeting and when we rewatched the item or the
19 webcast, it seemed like it was only about the beyond
20 authority list.
21 And I do acknowledge that the written item did
22 speak to projects beyond -- or projects going forward, but
23 it was posed as a question and I don't believe that question
24 was actually addressed in the meeting. Thank you for your
25 time.

1 CHAIRPERSON WONG-HERNANDEZ: Thank you. Next I
2 have Thomas Pace.
3 MR. PACE: Good afternoon. I wanted to start by
4 thanking Lisa and her team for their continued support of
5 our building program. We always don't see eye to eye, but
6 they always give us a lending ear and we seem to work out
7 our issues over time.
8 I'd also like to thank the Board for their
9 continued support of our building program. We've benefited
10 greatly over the years from the money we've received from
11 the state.
12 Like Randy, we deal with a lot of need. Over the
13 past ten plus years, we've received well north of
14 $600 million under the state facility program, and I can
15 tell you that since that time, that capital investment has
16 led or contributes to at least a 5 percent growth in our
17 grad rate over the last ten years. There is a direct
18 correlation of capital investment and our grad rate.
19 We are extremely thankful for the funds we've
20 received, which is one of the reasons why we've stayed quiet
21 over the past few months in discussions concerning new
22 regulations, but the time has come for our silence to end.
23 We stand in opposition to the proposed regulations
24 that would require the use of current year enrollment at the
25 time of application processing date for the following

1 reasons.
2 The School Facility Program requires districts to
3 invest in the planning with new construction projects with
4 local funds. For us local funds are a gift. They don't
5 come very easily.
6 Given the time frames required for the planning of
7 new construction projects, the proposed regulations could
8 potentially waste local taxpayer dollars. Predicting future
9 enrollment in a large urban school district such as ours is
10 challenging and an inexact science.
11 Challenges that affect our ability to provide
12 accurate enrollment projections to an unknown date in the
13 future include a diverse and ever changing economy and a
14 volatile political landscape.
15 The beauty of the current School Facility Program
16 is that risk and financial obligations are shared between
17 the state and the LEA. Under the proposed regulations, all
18 risk in the planning and reporting of enrollment projections
19 transfers to the LEA.
20 The proposed language only benefits the state and
21 is potentially punitive to local districts.
22 We'd like you to reconsider the proposed language
23 found in the technical conforming amendments and I thank you
24 for your time.
25 CHAIRPERSON WONG-HERNANDEZ: Thank you. I'd like

1 to call up Bill McGuire.
2 MR. McGUIRE: Good evening. I'm calling it
3 evening. I don’t care what anybody else says.
4 Madam Chair, members of the State Allocation
5 Board, thanks for the opportunity. I'm breaking ranks with
6 all my members. You heard great stuff from all those school
7 districts.
8 Twin Rivers Unified School District, I'm the
9 Deputy Superintendent. We're the guys right over there.
10 We've been before you over hardship for various projects and
11 you have helped us every step of the way.
12 I hate to tell you this. You know, we have a
13 (indiscernible) count of 88 percent. We got 28,000 kids
14 that need you every day. We have $3.5 billion of unmet need
15 in Twin Rivers. Our schools are 45 years old on average.
16 We have an opportunity for a new school in the
17 Greenbriar Development which is bound by 99 and I-5 which
18 will be the first school in our district in 20 years and
19 these regulations will make it next to impossible for us to
20 implement the developer fee agreements that we already have
21 in place because they're based on the current law in place
22 not a change in statute.
23 So while everybody else have all these other great
24 things and they did all the statutes and I can do all those
25 things to you, I can tell you this is going to affect us.

1 It's going to affect our kids right over there next to the
2 Sacramento Metropolitan Airport where our school's going to
3 be going in.
4 And as everyone has said we got to have the
5 certainty to know that we're going to invest $45 million in
6 a K-8 school for that community and it's desperately needed
7 in our community. And these regulations make that almost
8 impossible.
9 And the most important thing, everybody's asked
10 you to bifurcate this issue. You have already voted not to
11 bifurcate it. I urge you to vote no today on these and
12 reconsider that action. Thank you.
13 CHAIRPERSON WONG-HERNANDEZ: Thank you. Could you
14 stay. I think Senator Allen has a question for you.
15 SENATOR ALLEN: Okay. So -- I think there's a
16 series of competing narratives here about the impact of
17 these regulations. Now, I didn't vote for the proposal back
18 in June and I voted to bifurcate this now. Both cases, my
19 side lost.
20 But it does appear as though the Board's made a
21 decision a couple times, and, you know, I don't agree with
22 that decision, but the Board's made a decision. But one
23 thing I am struggling with is the extent to which your
24 really rather strong assertion is true or not.
25 And I'd like to get a little bit of clarification

1 maybe from the staff or from others to just respond to this
2 whole idea that what -- it seems to me that, at least the
3 way it's been presented, that there -- basically the Deputy
4 Superintendent's assertion is a little hyperbolic from the
5 staff's perspective and I'd love to just get -- I'd just
6 love to get a better understanding because I'm struggling
7 here given the strength of some of the things that have been
8 said in public comment.
9 And I'd love to have an opportunity for you to
10 respond because we're -- you know, we're running around here
11 voting on prison reform and taxes and parks and
12 transportation plans and then we're here. So we're trying
13 our best to keep our head -- you know, make thoughtful
14 decisions on a lot of different topics and I'm hearing such
15 fundamentally competing areas and I want to get a better
16 understanding.
17 CHAIRPERSON WONG-HERNANDEZ: Senator Pan, do you
18 want to pile on Senator Allen's question --
19 SENATOR PAN: Just -- yeah. Well, certainly Twin
20 Rivers is in my district out in the middle of the Greenbriar
21 which is a brand new development. There's no one living
22 there at the moment.
23 So -- but I am -- I actually admit I'm a little
24 puzzled that you're going to be -- saying that actually you
25 can't build the school based on the -- because we implement

1 a set of regulations.
2 So I mean I'd like to have an explanation as to
3 why that is the case. I'm happy to talk to the developer as
4 well to find out if that's their determination as well.
5 It's -- this has not been, that I know of, communicated with
6 my office and you're in my district.
7 CHAIRPERSON WONG-HERNANDEZ: So -- okay. So I'd
8 like staff to respond to Senator Allen's question and sort
9 of pile onto that. You know, if the Board is taking an
10 action, made a policy decision in June, and these are the
11 regulations and the regulations are in fact voted down as is
12 being suggested, sort of where does that leave us. So
13 that's sort of my pile on to the broader question. I'd kind
14 of just like staff to respond to those few things.
15 SENATOR ALLEN: And I understand that they oppose
16 the original idea, but is it really accurate assert that you
17 won't be able to move forward with your building program.
18 MS. KAMPMEINERT: So to answer the question about
19 the technical end of the regulations, I think what we're
20 hearing from the school districts is the projection may be
21 accurate now.
22 So the way new construction eligibility is
23 calculated, it looks at your current classroom capacity and
24 then it looks out either five or ten years, depending how a
25 school district files their eligibility, to determine

1 whether or not you're going to have a projected need for
2 more seats than you currently have.
3 So what the regulations do is determine that time
4 point at which you are going to be making that projection.
5 So in 2017, we're processing the backlog of projects that
6 have been submitted on the acknowledged list. So we're not
7 going to get to applications that are submitted in 2017 --
8 we're in 2018. I apologize -- 2018 in the 2018 projection
9 year.
10 So the concern seems to be that in a year or two
11 years, whatever time frame, when we are actually processing
12 the application that the projection will not show a need for
13 additional capacity within the school district or that it
14 will show a lower need for capacity than the school district
15 was anticipating.
16 That was a conversation that also came up on the
17 acknowledged list and that I think speaks to the appeals
18 process which was mentioned by Lisa earlier that the Board
19 made it very clear that if the requirement to update new
20 construction eligibility resulted in districts experiencing
21 some harm that the district could go to the Board and
22 explain the specific circumstances during the appeal
23 process.
24 CHAIRPERSON WONG-HERNANDEZ: About why their
25 projection was not correct and why they think that they

1 should be an exception to the --
2 MS. KAMPMEINERT: Correct. To answer your add-on
3 question about what happens if the regulations are voted
4 down. So the Board's already taken a policy action on the
5 acknowledged list projects -- the applications received
6 beyond bond authority list projects.
7 So those projects could continue to be processed.
8 I think staff would be unclear about next steps for the
9 applications that were received on or after that June 5th
10 date. We would not have clear direction on how to process
11 it because we heard one thing with the policy action on
12 June 5th, but we can't get the regulations in place that --
13 CHAIRPERSON WONG-HERNANDEZ: To implement that
14 policy.
15 MS. KAMPMEINERT: -- we believe align with the
16 policy which could lead to an underground reg if we don't
17 adopt the regulations or just lack clarity on what we do
18 with those applications moving forward because that's part
19 of what we were seeking in that June 5th item was direction
20 on not just the beyond authority list but also moving
21 forward how do we run the program.
22 SENATOR ALLEN: How do you respond to the repeated
23 assertions that have been made by various school district
24 representatives that this is going to significantly jam up
25 their work?

1 MS. KAMPMEINERT: We haven't seen -- in the
2 applications that we've processed so far which have been
3 subject to updating new construction eligibility, we haven't
4 seen any appeals or circumstances where a project could not
5 move forward because the eligibility changed.
6 We have had a few cases where it's come out a
7 little bit differently, but because the applications are
8 being processed in years later, they have actually worked
9 out where the funding was sufficient where districts didn't
10 even need the additional eligibility that they originally
11 thought they needed for the application.
12 So we've yet to see an appeal or a problem in the
13 applications that we've been processing so far. So I don't
14 know that we have -- I don't know that we know the answer to
15 that because we haven't seen an issue with it yet.
16 SENATOR ALLEN: So I guess with that in mind, I
17 ask you, the Superintendent, you're making such strong
18 assertions on this dais. Why can't you see how the process
19 plays out and what is it about the regulations that make you
20 so -- make you come to make such strong assertions about how
21 this is going to impact your construction.
22 MR. McGUIRE: Well, I think the first strong
23 assertion is this -- this is completely opposite to the
24 current statute that we have and regulations shouldn't
25 change statute. Give to us -- the very specific example of

1 Greenbriar.
2 We have a great relationship with the developer
3 moving forward. We have a development agreement that says
4 they're going to pay for 55 percent of the project. We have
5 no local funds. We don't have another bond. Our only
6 source of funds is for -- from the state program because
7 you've just heard of all the other issues that we have.
8 With that, we have one area of growth, and if you
9 know the rest of Twin Rivers, we don't have a lot of growth.
10 We're a declining enrollment school district. There's lots
11 of problems. There's lots transiency, lots of issues going
12 on.
13 And so when we're looking to build a school for
14 $45 million and we are going to invest millions and we're
15 investing hundreds of thousands right now to get prepared
16 for the drawings to make it all through at, you know, DSA,
17 all of that to build this school, right, based upon the
18 enrollment projections that we have -- now, it's not just on
19 that one area. It's for the entire district or for the high
20 school area.
21 So within that, if I lose students in the other
22 side of the district, right, in the high school area and not
23 in this area, I'm now jeopardizing that school. I don't
24 have enough money to build that school. I don't have what I
25 need for that community to provide a school for a thousand

1 students.
2 SENATOR ALLEN: But arguably at that point, it's
3 because you've lost students --
4 MR. McGUIRE: I could have. I may or may not have
5 lost students and then how far is that school outside of the
6 boundary of the rest of our district. So the regulations
7 were made to give districts certainty when we're out
8 building a new school in a new community that is far away
9 from the rest of our district.
10 This community is landlocked from our district by
11 two freeways. It's not like, oh, we can just say, oh,
12 you're going to go over here. We're going to bus you down
13 four miles, five miles to another thing across two freeways.
14 It's not realistic for us to do that.
15 That's why I am so adamant about this is a big
16 deal for us. Because of the very specific situation of
17 Greenbriar, its location, and the rest of the 28,000
18 students of Twin Rivers.
19 CHAIRPERSON WONG-HERNANDEZ: Senator Pan.
20 SENATOR PAN: So -- actually I wanted to ask the
21 Board. So, you know, obviously there are some unique
22 circumstances here because knowing -- we probably know the
23 geography better than anyone else in the room.
24 But -- so essentially, this is a development
25 property that's almost like a panhandle away from the main

1 part of the school district. So physically, it would be
2 very difficult for students who are in this future
3 development. There's nobody there right now, but when they
4 build houses and so forth to actually -- they'd have to
5 travel quite a distance to get to the next school which I
6 think is Regency Park actually.
7 MR. McGUIRE: Yes.
8 SENATOR PAN: Cutting across -- I even know my
9 geography in my district. So I mean wouldn't that -- and I
10 realize that -- you know, you said there's some uncertainty,
11 but wouldn't that then impact the -- I mean in terms of the
12 appeals process? I mean do you look at things like that. I
13 mean --
14 MS. BANZON: I would just like to remind the Board
15 to stick to the agenda. I think this discussion is going
16 outside of the agenda item. Thank you.
17 SENATOR PAN: Well, I think it is relevant to what
18 we're trying to address which is -- so anyway, I guess in
19 terms of factors that are going to be considered for
20 appeals, right, by -- is that -- would that -- so you have a
21 school district and you have portions -- you know, given the
22 geography -- the declining enrollment because one chunk of
23 the school district was going down and there's another chunk
24 of the school district that needs a school, would you say,
25 well, what you have to do is ship everybody over to the

1 other part of the school district. Geographically, it would
2 be very difficult to do so.
3 MS. SILVERMAN: There's lots of calculations and
4 flexibility in how to calculate that and that's what we do
5 is when we get to that point, to review the enrollment
6 changes. There is a lot of flexibility on how you could
7 shift the high school attendance area.
8 So there is flexibility in how the calculation is
9 worked and again, we'd be working with the district.
10 Actually, we have a handful of districts that have those
11 calculation shifts and we were able to work that out
12 without -- and those applications are actually processed in
13 the August Board and in the December Board without any
14 hiccups. So --
15 SENATOR PAN: So when it comes to appeals in terms
16 of restrictions on what you're able to do appeals for -- or
17 reasons you're allowed to do appeals that the geography of
18 the district could be a factor in deciding whether you'd
19 think an appeal would be appropriate or not.
20 CHAIRPERSON WONG-HERNANDEZ: And the appeal would
21 happen at the point at which you had not worked that out,
22 right?
23 MS. SILVERMAN: That's correct. That's correct.
24 CHAIRPERSON WONG-HERNANDEZ: If you had not been
25 able to work those things out, then it would come to us and

1 then --
2 ASSEMBLYMEMBER O'DONNELL: Could I ask a question?
3 CHAIRPERSON WONG-HERNANDEZ: Um-hmm.
4 ASSEMBLYMEMBER O'DONNELL: You need to build an
5 new elementary school; is that a fact?
6 MR. McGUIRE: Yes.
7 ASSEMBLYMEMBER O'DONNELL: This year, you build
8 it, it's built. You have 875 students in an elementary
9 school. Your application is sitting in Sacramento. They
10 don't take it up for about four years down the line. That
11 elementary school now has 800 students and you might be
12 deemed ineligible for your state funds, correct, because
13 your enrollment has declined.
14 MR. McGUIRE: Yes.
15 ASSEMBLYMEMBER O'DONNELL: Correct?
16 MR. McGUIRE: Yes.
17 ASSEMBLYMEMBER O'DONNELL: And that's your fear.
18 MR. McGUIRE: Yep.
19 ASSEMBLYMEMBER O'DONNELL: That's your fear.
20 You're going to build it today and then within the next
21 couple years, his enrollment might fall a bit and then he
22 won't be deemed eligible for his state dollars because we're
23 not working on his application today at the Sacramento level
24 if you will.
25 MR. McGUIRE: Correct.

1 ASSEMBLYMEMBER O'DONNELL: The school
2 construction -- it's that simple, quite frankly, because
3 what we've done -- and I've made this argument before -- is
4 we've expanded the projects we're talking about. No longer
5 are we talking about the beyond authority list, but we're
6 saying new projects going forward too, this new rule is
7 going to apply.
8 That's my dispute is the new projects going
9 forward and I think that's the fear he's presenting is he's
10 not on the beyond authority list.
11 MR. McGUIRE: New project.
12 ASSEMBLYMEMBER O'DONNELL: He's got a new project
13 and that's his concern that he's going to build this new
14 project. He wants the state dollars. He's going to use
15 current dollars. He's going to take money from students
16 that are there today, right, to fund this project, hoping --
17 now it's just a bet.
18 With new policy, it's a hope that he's going to
19 get those dollars back to him several years down the line
20 when Sacramento might sell the bonds. Might -- doing it
21 very slow right now, right? When Sacramento might get to
22 the application. That's your fear.
23 MR. McGUIRE: Yep.
24 ASSEMBLYMEMBER O'DONNELL: When -- if you confirm
25 that, please comment on it.

1 MR. McGUIRE: Yes, absolutely. Correct. Because
2 we don't --
3 ASSEMBLYMEMBER O'DONNELL: -- doing two lists and
4 a new project list. Now we're going forward, guys, we're
5 going to new projects and now they're not -- there's no
6 guarantee they're going to get their money.
7 MR. McGUIRE: Right. And we're very specific.
8 This is -- we are a new project and we're talking about how
9 this is going to affect new projects. Understand all the
10 rest. I'm just talking about Twin Rivers -- Twin Rivers
11 Unified and how it's affecting us and, Assemblymember
12 O'Donnell, you got it right. Perfect.
13 CHAIRPERSON WONG-HERNANDEZ: Assemblymember
14 Chavez.
15 ASSEMBLYMEMBER CHAVEZ: To the staff, is that a
16 valid fear? I hear what he said. The outline didn't say
17 850 down to 800 four years later, we're going to not give
18 them the money. Is that a valid fear?
19 MS. KAMPMEINERT: I think it's the same concern
20 that was raised with the applications received beyond bond
21 authority list which is why the Board opened the door to
22 appeals on a fast track basis in case individual
23 circumstances did change.
24 With the particular situation, I would be
25 interested to run the district's eligibility on a high

1 school attendance area basis to see what it looks like, to
2 see if there was a huge problem there.
3 ASSEMBLYMEMBER CHAVEZ: You're really getting into
4 much detail. This is an easy answer. Yes or no.
5 MS. KAMPMEINERT: It -- yeah. We'd be guessing.
6 We don't -- if a district is showing enrollment growth and
7 that is the trend, then there should be no concern that
8 there would be any loss --
9 ASSEMBLYMEMBER CHAVEZ: But if the district is not
10 showing enrollment growth --
11 MS. KAMPMEINERT: Then it could have an impact and
12 they could show that they did not qualify for the same
13 number of classrooms that they built the school for or that
14 they anticipated building a school for.
15 ASSEMBLYMEMBER CHAVEZ: Would you disallow the
16 entire requested money or a percentage of it? So use the
17 example here, you know, 850 to 800 or so.
18 MS. KAMPMEINERT: It would take a big change in
19 enrollment to not justify the entire project. Would some of
20 the classrooms not be eligible, that is a possibility.
21 Again, we have not really seen this yet. We've
22 seen a handful pupil grants on certain applications that
23 have not been eligible based on the current enrollment
24 projections, but I would not expect to see an entire project
25 that did not get funded because of an updated enrollment

1 projection, but again that is speculating.
2 ASSEMBLYMEMBER CHAVEZ: And if I remember back in
3 June when we had this whole conversation, the issue was that
4 we have more requests than we have money for. The idea in
5 June was how can we best use our money to help the most
6 schools, and so the money that may not be going fully
7 funded, this example we're using here, would then be used
8 for other schools or other opportunities for other
9 facilities that do have -- because they have growing
10 enrollment.
11 MS. KAMPMEINERT: And that's correct. It would go
12 onto --
13 ASSEMBLYMEMBER CHAVEZ: That was the discussion we
14 had back there then.
15 MS. KAMPMEINERT: -- next eligible application,
16 yes.
17 ASSEMBLYMEMBER CHAVEZ: Yeah. Right.
18 CHAIRPERSON WONG-HERNANDEZ: Mr. Diaz.
19 MR. DIAZ: I just have to -- once again, I'll
20 follow the Assemblymember on that. In the appropriations
21 committee room, there is a sign that says the most amount of
22 good for the most amount of people and I think kind of --
23 well, your comment basically summarized it.
24 So we're not really looking forward to just
25 looking at one specific area. We're running a program here

1 that could be on adjustment affecting -- perhaps benefiting
2 more school districts, and sure, you may have some risks of
3 having an adjustment that might give you less money or you
4 may stay the same, but I think that for the greater good,
5 this policy is sound because it still provides you a process
6 to receive assistance from staff who, as you stated earlier
7 in your commentary, has been very helpful to you as well and
8 knows your district very well.
9 And I also believe that the history of this Board
10 granting your appeals has been good as well. So I think --
11 for those reasons, I think this is a healthy discussion, but
12 I would also like to just move on and move the item for
13 approval.
14 CHAIRPERSON WONG-HERNANDEZ: Okay. We have one
15 more public comment and then we can redo that motion. So
16 Darren Waters.
17 MR. WATERS: Good evening, Darren Waters, Deputy
18 Superintendent, Val Verde Unified School District in
19 Riverside County.
20 I'm going to kind of just try to hit the points
21 that haven't already been hit, but I certainly would agree
22 the action in June was not clear -- the discussion. I
23 certainly agree with you on that, sir.
24 It's a little early for appeals I think. I mean
25 we've just had the first flow of funds go out. It's a

1 little bit early and there's also going to be costs
2 associated with that. If I'm going to be appealing to this
3 Board, I'm going to make sure I'm doing it right.
4 So we're going to have additional costs for
5 consultants so we can work through the system and work
6 through with you. So that -- I understand we've got an
7 appeal process and that could help, but it's also adding
8 costs and fighting for dollars we may or may not have.
9 And too, my colleague's point -- the last speaker,
10 how do I budget for a project? I've been doing this for 15
11 years. I'm not sure how I'm going to budget for a project
12 and tell my community that your portion -- and I'm not
13 hardship. I've got a GO bond.
14 So now I'm going to have to go to my voters in my
15 community, the people that obviously you're very familiar
16 with, and tell them that the state has reduced the amount of
17 money that they had promised us and now you're going to need
18 to step forward, community, and make the difference up.
19 That's a difficult conversation to have, I think.
20 The program feels like a gotcha', and the gotcha' is we do
21 everything we can and we get Monday morning quarterbacked at
22 the end and then we're going to get our apportionment
23 reduced, and that's very difficult to stomach.
24 So the local bond, talked about that. And I think
25 the question -- and maybe a question to staff might be

1 something to the effect of what is the impact to the
2 projects that are on the agenda tonight.
3 Another speaker spoke about maybe moving forward
4 with some sort of tentative approval or just wait until we
5 can come back next month, bifurcate the item, and then vote
6 at that point so we can kind of look at this on a go-forward
7 basis on how this is going to play out. Thank you.
8 CHAIRPERSON WONG-HERNANDEZ: Thank you. Is there
9 any additional public comment? Okay. So Mr. Diaz moved the
10 item.
11 ASSEMBLYMEMBER CHAVEZ: Second.
12 CHAIRPERSON WONG-HERNANDEZ: Okay. Mr. Chavez.
13 MS. JONES: Senator Allen.
14 Senator Nguyen.
15 SENATOR NGUYEN: Aye.
16 MS. JONES: Senator Pan.
17 SENATOR PAN: Aye.
18 MS. JONES: Assemblymember Chavez.
19 ASSEMBLYMEMBER CHAVEZ: Aye.
20 MS. JONES: Assemblymember O'Donnell.
21 ASSEMBLYMEMBER O'DONNELL: No.
22 MS. JONES: Juan Mireles.
23 MR. MIRELES: Aye.
24 MS. JONES: Cesar Diaz.
25 MR. DIAZ: Aye.

1 MS. JONES: Daniel Kim.
2 MR. KIM: Aye.
3 MS. JONES: Jacqueline Wong-Hernandez.
4 CHAIRPERSON WONG-HERNANDEZ: Aye.
5 MS. JONES: That motion carries.
6 CHAIRPERSON WONG-HERNANDEZ: Thank you. I'm sure
7 we'll continue to have discussions on this and try and make
8 sure that the program is working to the best of its ability
9 and doing the most for all those people.
10 We're going to move onto the next item.
11 MS. SILVERMAN: **Consent Agenda.**
12 CHAIRPERSON WONG-HERNANDEZ: Which is -- right.
13 MS. SILVERMAN: Yeah.
14 CHAIRPERSON WONG-HERNANDEZ: Which is the Consent
15 Agenda in Tab 4.
16 ASSEMBLYMEMBER CHAVEZ: Move the Consent Calendar.
17 SENATOR PAN: Second.
18 CHAIRPERSON WONG-HERNANDEZ: We have a motion and
19 second.
20 MS. JONES: Okay. Senator Allen.
21 Senator Nguyen.
22 Senator Pan.
23 SENATOR PAN: Aye.
24 MS. JONES: Assemblymember Chavez.
25 ASSEMBLYMEMBER CHAVEZ: Aye.

1 MS. JONES: Assemblymember O'Donnell.
2 ASSEMBLYMEMBER O'DONNELL: Aye.
3 MS. JONES: Juan Mireles.
4 SENATOR ALLEN: Allen, aye.
5 MR. MIRELES: Aye.
6 MS. JONES: Cesar Diaz.
7 MR. DIAZ: Aye.
8 MS. JONES: Daniel Kim.
9 MR. KIM: Aye.
10 MS. JONES: Jacqueline Wong-Hernandez.
11 CHAIRPERSON WONG-HERNANDEZ: Aye.
12 MS. JONES: And Senator Allen, you said aye?
13 SENATOR ALLEN: Yes.
14 MS. JONES: Okay. Thank you.
15 CHAIRPERSON WONG-HERNANDEZ: Thank you. Okay.
16 Moving onto the next item --
17 MS. JONES: Excuse me, Chair? Motion carries.
18 CHAIRPERSON WONG-HERNANDEZ: Okay. Thank you.
19 And moving onto the next item which is the **Minutes** in Tab 2.
20 Is there any public comment or Board comment on the Minutes?
21 Okay. Is there a motion?
22 MR. DIAZ: Motion to approve.
23 SENATOR PAN: Move.
24 CHAIRPERSON WONG-HERNANDEZ: Okay. We have a
25 motion and a second.

1 MS. JONES: Okay.
2 CHAIRPERSON WONG-HERNANDEZ: Second Senator Pan.
3 And go ahead and take roll.
4 MS. JONES: Okay. Thank you. Senator Allen.
5 SENATOR ALLEN: Aye. Well, should I abstain
6 because I wasn't present? What's the practice of the Board?
7 CHAIRPERSON WONG-HERNANDEZ: You may vote on the
8 Minutes.
9 SENATOR ALLEN: Aye.
10 MS. JONES: Thank you. Senator Nguyen.
11 Senator Pan.
12 SENATOR PAN: Aye.
13 MS. JONES: Assemblymember Chavez. Okay.
14 Assemblymember O'Donnell.
15 ASSEMBLYMEMBER O'DONNELL: Aye.
16 MS. JONES: Oh, thank you. Juan Mireles.
17 MR. MIRELES: Aye.
18 MS. JONES: Cesar Diaz.
19 MR. DIAZ: Aye.
20 MS. JONES: Daniel Kim.
21 MR. KIM: Aye.
22 MS. JONES: Jacqueline Wong-Hernandez.
23 CHAIRPERSON WONG-HERNANDEZ: Aye.
24 MS. JONES: Motion carries for the Minutes.
25 CHAIRPERSON WONG-HERNANDEZ: Thank you. And then

1 our last -- our next item rather is not an action item.
2 It's the **Executive Officer's Report**. And again, for those
3 of you who weren't here at the very beginning, we moved the
4 action items to the beginning to accommodate members.
5 MS. SILVERMAN: And before I get started, I know
6 we were supposed to present a resolution and that won't
7 happen tonight, so --
8 CHAIRPERSON WONG-HERNANDEZ: Okay.
9 MS. SILVERMAN: Yeah. And the rest of the items
10 we have today is obviously nonaction items.
11 So I want to share with the Board the Executive
12 Officer's Statement. We wanted to share that there was a
13 filing round that closed for the certification, so any
14 projects that were approved during the window of July 1st
15 through December 6th, they actually had the ability to
16 submit a certification.
17 So we wanted to highlight to the Board that we
18 received 81 certifications for a value of 185 million and
19 those certifications are valid from January 1st through
20 June 30th, 2018, and with that, those projects will be
21 eligible for the spring bond sale. So we wanted to
22 highlight that as well.
23 The second item is we've been working rather
24 closely with the Department of Education. So the Board
25 announced in August they had a Career Tech Education filing

1 round that opened, and the Department of Education had
2 received over 300 applications and we did highlight that at
3 the last Board meeting in December.
4 And with that, they're finalizing the scoring of
5 those projects and the districts with the highest project
6 eligibility scores will have the ability to submit a funding
7 application for our office for Career Tech Education.
8 And so we're looking forward to that happening in
9 the next few weeks. And those districts will have the
10 ability to file an online application as well. So we'll be
11 introducing an online feature for districts to submit
12 electronic processing with our office. So we're excited
13 about that to roll out.
14 And also we wanted to announce that we worked
15 together with the Department of Education for the second
16 filing round. So right now the Department of Education will
17 be accepting grant applications through October 31st, 2018,
18 and the timeline will mirror the same timelines we
19 highlighted in the first round with the Department of
20 Education publishing the scores in February and presenting
21 the highest scores to our office and those projects will be
22 eligible to submit a funding application in February 2019
23 and again presenting those items to the June 2019 Board.
24 The process right now, the Department of Education
25 is updating the grant applications right now. And so once

1 those applications have been updated, we will definitely
2 share those updates and email blast to the constituents the
3 ability to file with those new forms.
4 And I mentioned the online application feature
5 that's available and we're highlighting the following item
6 is the joint agency workshops. We've been working closely
7 with the Department of Education, the Division of State
8 Architect throughout the state. We actually have at least
9 10 to 12 outreach opportunities focused on Career Tech
10 Education workshops and small school district outreach.
11 And we're announcing that we have two more that we
12 have scheduled next week. One is in Modesto in Stanislaus
13 County and one February 9th in the Contra Costa area in
14 Brentwood.
15 And with that, we'll have a meeting on
16 February 28th.
17 CHAIRPERSON WONG-HERNANDEZ: Thank you. Does the
18 Board have any questions?
19 MR. KIM: I just want to make a comment. I want
20 to thank the OPSC staff for their high level of engagement
21 in outreach. I think it's been incredible, especially given
22 the number of staff within school districts that are new to
23 these processes. I think it's just well worth the effort.
24 Thank you.
25 MS. SILVERMAN: Thank you.

1 CHAIRPERSON WONG-HERNANDEZ: And is there any
2 public comment on the Executive Officer's Report? Okay.
3 Then we're going to move on to the next item which is the
4 **Status of Fund Releases** and that's in Tab 5.
5 MS. SILVERMAN: Yeah. And I'll make that quick
6 for folks.
7 We just wanted to highlight real quickly in Tab 5
8 that we had a flurry of disbursements as a result of our
9 consent item agenda when we had the fall bond sale. And so
10 with that, there was -- most of the money that was committed
11 in that fall bond sale has been released. So we had a huge
12 push to get the cash out over the last three months. So
13 that was something that we didn't share in the quick
14 December meeting that we had.
15 I also wanted to highlight in the financials that
16 we actually had four increases in some grants as a result of
17 closeout. So districts that were eligible for additional
18 grant increases, that actually did provide them that
19 additional opportunity because they showed additional
20 expenditures.
21 And -- so that related to $7.5 million in grant
22 increases for seven projects. And we also wanted to
23 highlight there was $3.2 million in fund recoveries over the
24 last several months and we wanted to highlight that as well.
25 And page -- Emergency Repair Program, we did have

1 some recoveries of funds, nearly $340,000 in savings that
2 came back to the program. And we were able to disburse six
3 more projects for close to a million dollars. So that
4 provided other opportunities for those districts in the
5 Williams Settlement Act.
6 And with that, answer any questions?
7 CHAIRPERSON WONG-HERNANDEZ: Any questions from
8 Board members? And is there any public comment on this
9 item? Okay. Then seeing and hearing none, our last item is
10 the Status of Funds which is also in Tab 5.
11 MS. SILVERMAN: Yeah, we covered that.
12 CHAIRPERSON WONG-HERNANDEZ: We covered all of
13 that. Okay.
14 MS. SILVERMAN: So we have --
15 CHAIRPERSON WONG-HERNANDEZ: Okay. Then -- oh.
16 Then I think we have -- our last -- I keep saying our last,
17 but there actually are a couple more. So our **2017 Annual**
18 **Legislative Update** is the next item.
19 MS. KAMPMEINERT: And I can make that brief. This
20 is an information item for the Board and for our
21 stakeholders. We bring this item each year to highlight any
22 legislation that was passed in the prior year that may have
23 an impact to the School Facility Program or just information
24 that might be relevant to school districts that are
25 participating in school construction.

1 So we have that listing of bills with a high-level
2 summary of what each of the bills does or changes and
3 preliminary staff comments about whether or not there will
4 be any Board action.
5 If we need to come back to the Board with any sort
6 of updates, changes, or decisions based on the legislation,
7 you'll see that in future agendas as an actual agenda item.
8 CHAIRPERSON WONG-HERNANDEZ: Great. Thank you.
9 Does anyone have any questions? And is there public
10 comment? Okay. Then our actual last agenda item is the
11 **State Allocation Board's Three-Month Projected Workload**.
12 MS. SILVERMAN: Open for any questions or concerns
13 about the workload.
14 CHAIRPERSON WONG-HERNANDEZ: Okay. I'm sorry.
15 Can you say that --
16 MS. SILVERMAN: Yeah. We were just -- we usually
17 open that to see if they have any questions or concerns
18 about the 90-day workload and the appeals log as well.
19 CHAIRPERSON WONG-HERNANDEZ: No. And no appeals.
20 Okay. Is there any public comment about anything we've
21 discussed up to now or things that weren't on the agenda?
22 Seeing and hearing none, we're adjourned.
23 (Whereupon, at 5:22 p.m. the proceedings were
24 adjourned.)
25

1 REPORTER'S CERTIFICATE

2

3 STATE OF CALIFORNIA)
) ss.
4 COUNTY OF SACRAMENTO)

5

6 I, Mary C. Clark, a Certified Electronic Court
7 Reporter and Transcriber, Certified by the American
8 Association of Electronic Reporters and Transcribers, Inc.
9 (AAERT, Inc.), do hereby certify:
10 That the proceedings herein of the California
11 State Allocation Board, Public Meeting, were duly reported
12 and transcribed by me;
13 That the foregoing transcript is a true record of
14 the proceedings as recorded;
15 That I am a disinterested person to said action.
16 IN WITNESS WHEREOF, I have subscribed my name on
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