CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING

STATE CAPITOL
ROOM 4203
SACRAMENTO, CALIFORNIA  95814

DATE:  WEDNESDAY, FEBRUARY 28, 2018
TIME:  4:03 P.M.

Reported By:  Mary C. Clark
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APPEARANCES:

MEMBERS OF THE BOARD PRESENT:

JACQUELINE WONG-HERNANDEZ, 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 JANET NGUYEN

SENATOR RICHARD PAN

ASSEMBLYMEMBER ROCKY CHAVEZ

REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

LISA SILVERMAN, Executive Officer

REPRESENTATIVES OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE OF PUBLIC SCHOOL CONSTRUCTION (OPSC) PRESENT:

LISA SILVERMAN, Executive Officer
BARBARA KAMPMEINERT, Deputy Executive Officer

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

TOM PATTON, Staff Counsel
PROCEDINGS

CHAIRPERSON WONG-HERNANDEZ: Good afternoon. It's now just slightly after 4:00. I would like to call the meeting of the State Allocation Board to order. Secretary, can you please call the roll.


Senator Nguyen.

SENATOR NGUYEN: Here.

MS. JONES: Senator Pan.

Assemblymember Nazarian.

Assemblymember Chavez.

ASSEMBLYMEMBER CHAVEZ: Here.

MS. JONES: Assemblymember O'Donnell.

Juan Mireles.

MR. MIRELES: Here.

MS. JONES: Cesar Diaz.

MR. DIAZ: Here.

MS. JONES: Jeffrey McGuire.

MR. McGUIRE: Here.

MS. JONES: Jacqueline Wong-Hernandez.

CHAIRPERSON WONG-HERNANDEZ: Here.

MS. JONES: We have a quorum.

CHAIRPERSON WONG-HERNANDEZ: Great. Thank you.

So our next order of business is going to be to approve the
Minutes for the January 24th meeting. Is there any comment from the Board? Everybody hopefully has looked at the Minutes. Any comments from the public?

All right. Seeing none, is there a motion?

MR. DIAZ: Motion to adopt.

CHAIRPERSON WONG-HERNANDEZ: All right. Motion by Mr. Diaz.

ASSEMBLYMEMBER CHAVEZ: Second.

CHAIRPERSON WONG-HERNANDEZ: Second by Assemblymember Chavez. I'm sorry. Do I just -- without objection?

MS. JONES: Yes. That will be fine.

CHAIRPERSON WONG-HERNANDEZ: Without objection, the Minutes are approved. And next we have the Executive Officer's Report.

MS. SILVERMAN: Yeah. Hi. We just want to highlight a few things tonight. We have an upcoming bond sale. The Treasurer has a public offering and that closes March 15th. And with that, all those folks that actually submitted a certification before the early part of December will have the ability to compete for those bond funds.

So that's great news for the program. So that is the spring bond sale that we'll be bringing back projects and we'll be moving the meeting from March 28th to March 21st so we can take action on that.
And the next highlight we'd like to share with the Board that we had a Career Tech Education filing round and that round was introduced in August by the Board. And we had a number of applicants that came through Department of Education.

There were 300 interested parties and with that, there was a 181 folks that actually had a high enough score to compete for those bond funds.

So there's 125 million that's in the bucket right now for the competition of funds. And we closed up the funding cycle. So districts had the ability to submit a funding application as a result and we had 67 interested parties that came in with the electronic filing -- online filing applications. So that's great news -- out of 181. So the rest came in via paper.

So we're excited about that opportunity and again, we'll be working with the Department of Education on the next filing round. And that's it.

CHAIRPERSON WONG-HERNANDEZ: Okay. Great. Any questions or comments from the Board? Or any testimony from the public?

Okay. Well, then moving right along. Go ahead.

MS. SILVERMAN: Yeah. It's the Consent Agenda, but there is one slight change I wanted to highlight to the Board on the Consent Agenda.
Page 10, we did receive communication late last night from Petaluma City Elementary School District and they requested to withdraw their application. So as part of the Consent Agenda, we wanted to highlight to the Board that that was the only item that wouldn't be subject to your approval tonight. So they're technically withdrawing their application.

CHAIRPERSON WONG-HERNANDEZ: Okay. Did they give any reason or -- no? Okay. Go ahead, Barbara. Did you want to say something?

MS. KAMPMEINERT: Yeah. The reason, they just wanted to wait to a later date to --

CHAIRPERSON WONG-HERNANDEZ: Okay.

MS. KAMPMEINERT: -- establish new construction eligibility.

CHAIRPERSON WONG-HERNANDEZ: All right. Thanks. Okay. Well, is there any comment from the Board on the Consent Agenda specifically, and then any questions or comments from the public?

All right. Then can I get a motion on the Consent Agenda?

MR. DIAZ: So moved.

CHAIRPERSON WONG-HERNANDEZ: Moved by Mr. Diaz.

MR. MIRELES: Second.

CHAIRPERSON WONG-HERNANDEZ: And second by
Mr. Mireles. And without objection, we'll adopt the Consent Agenda.

Okay. Next I've got Financial Reports.

MS. SILVERMAN: Yeah. On the financials, just wanted to highlight to the Board -- actually on page 71 that we did release $18.8 million in January 2018 and that was probably the last of the funds that were released as a result of the September apportionment.

So we wanted to share that with the Board as well. As far as the status of funds, on page 73 and 74, we did want to highlight to the Board as part of the Consent Agenda, there's $41 million of approvals and as a result of adjustments and grant approvals and that represents 29 projects.

And also as far as adjustments for closeouts and increases -- grant increases, there were $1.2 million of those project approvals and that represents 13 projects. So that's the highlight for the financials.

On page 89(a), we did want to share with the Board that we added another chart and it's been great information as far as I know Senator Pan wanted a little bit more in depth about --

CHAIRPERSON WONG-HERNANDEZ: I think he'll be joining us.

MS. SILVERMAN: Yeah.
CHAIRPERSON WONG-HERNANDEZ: We'll let him know.

MS. SILVERMAN: So we wanted to highlight that there's a new chart there and that just breaks out the pupil population for the State of California and how the funds are being disbursed out of Prop. 51.

CHAIRPERSON WONG-HERNANDEZ: Thank you. That's really helpful. Any questions or comments from Board members? And then any public comment on this item?

Okay. The next item we had on the agenda was appeals, but as has been -- hopefully everyone's aware that the appeal item has been withdrawn for now, and so we may hear that at some future time but not today.

And then we'll move onto action items. Go ahead.

MS. KAMPMEINERT: So in Tab 7, we have our action item today which is the balance of the funding being awarded to charter schools for preliminary charter school apportionments.

So in this item, we are recommending Board approval of 24 unfunded preliminary charter school apportionments in the amount of a little over $263 million. And on page 101 of the item, we have included a table that shows the available funding under the Charter School Facility Program.

We had Proposition 51 funding and then there is a little bit from each of the earlier propositions that had
charter school funds as well, and we are recommending to use those funds for this round as well.

You'll note that there is 287.4 million available and we're recommending approval of 263 million. The distinction there is that we cannot fully fund the next projects in line.

We are, however, asking in our third recommendation that the Board allow this round to remain open through the balance of 2018 in the event that additional bond authority returns to the program either through project rescissions, through loan repayments, or for projects that come in under what was reserved for them initially so that we can continue to fund down the list of applications that are included on Attachment C.

There's over a hundred applicants that we did not have sufficient funding for, so we're recommending that we give them the opportunity if sufficient funding becomes available in 2018.

And also on page 108, just to draw your attention to the funding matrix and this list shows all of the projects that are receiving funding under this filing round. Those in white, the Board approved at the January meeting last month and those shaded in yellow are presented today for approval for preliminary charter school apportionment. And I'd be happy to answer any questions.
CHAIRPERSON WONG-HERNANDEZ: Any questions from the Board? Okay. Any public comment or questions on this item? Okay. Then I think we'll entertain a motion.

MR. DIAZ: So moved.

CHAIRPERSON WONG-HERNANDEZ: All right. Mr. Diaz moves the item.

ASSEMBLYMEMBER CHAVEZ: Second.

CHAIRPERSON WONG-HERNANDEZ: And Assemblymember Chavez seconds. Let's go ahead and do a voice vote on this and we're going to give Senator Pan an opportunity to add on when he joins us.


SENATOR NGUYEN: Aye.

MS. JONES: Okay. Thank you. Assemblymember Chavez.

ASSEMBLYMEMBER CHAVEZ: Aye.

MS. JONES: Juan Mireles.

MR. MIRELES: Aye.

MS. JONES: Cesar Diaz.

MR. DIAZ: Aye.

MS. JONES: Jeffrey McGuire.

MR. McGUIRE: Aye.

MS. JONES: Jacqueline Wong-Hernandez.

CHAIRPERSON WONG-HERNANDEZ: Aye.

MS. JONES: Motion carries with the vote open.
CHAIRPERSON WONG-HERNANDEZ: Thank you. So we'll allow Senator Pan to add on. We'll hold the actual vote roll open. Okay. So moving onto Tab 8.

MS. SILVERMAN: Next we have just the information item on the workload list and the appeals log. So with that, we'll open it up for questions.

CHAIRPERSON WONG-HERNANDEZ: Did anybody have any questions on Tab 8? No. Okay. Any public comment on this item or any public comment on any other items not on the agenda?

Okay. Seeing none, we're going to -- I don't have any other business here, but we are going to -- we're not going to formally adjourn, allowing Senator Pan the opportunity. So I don't want to hold everybody here, though. What's --

(Off record from 4:12 p.m. until 4:13 p.m.)

MS. JONES: Senator Pan, how do you vote on the Minutes?

SENATOR PAN: Aye.

MS. JONES: Thank you. How do you vote on the Consent Agenda?

SENATOR PAN: Aye.

MS. JONES: Thank you. And also how do you vote on the CSFP action item?

SENATOR PAN: Aye.
MS. JONES: Thank you very much.

SENATOR PAN: All right. Thank you.

CHAIRPERSON WONG-HERNANDEZ: Thank you. And that concludes the State Allocation Board meeting. We are adjourned.

(Whereupon, at 4:14 p.m. the proceedings were adjourned.)
REPORTER'S CERTIFICATE

STATE OF CALIFORNIA       )
COUNTY OF SACRAMENTO       ) ss.

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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
March 1, 2018.

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