CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING

STATE CAPITOL
ROOM 447
SACRAMENTO, CALIFORNIA  95814

DATE:  WEDNESDAY, SEPTEMBER 26, 2018
TIME:  2:02 P.M.

Reported By:  Peter Petty
eScribers
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 ADRIN NAZARIAN

ASSEMBLYMEMBER ROCKY CHAVEZ

ASSEMBLYMEMBER PATRICK O'DONNELL

REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

LISA SILVERMAN, Executive Officer

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

LISA SILVERMAN, Executive Officer
BARBARA KAMPMEINERT, Deputy Executive Officer

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

TOM PATTON, Assistant Chief Counsel
Chairperson Wong-Hernandez: Good afternoon.

Having gone to 2:00 o'clock, we're going to call the meeting of the State Allocation Board to order. Secretary, will you please call the roll.

Ms. Jones: Senator Allen.

Senator Nguyen.

Senator Nguyen: Here.

Ms. Jones: Senator Pan.

Senator Pan: Here.

Ms. Jones: Assemblymember Nazarian.

Assemblymember Chavez.

Assemblymember Chavez: Here.


Assemblymember O'Donnell: Here.

Ms. Jones: Juan Mireles.

Mr. Mireles: Here.

Ms. Jones: Cesar Diaz.

Mr. Diaz: Here.

Ms. Jones: Jeffrey McGuire.

Mr. McGuire: Here.

Ms. Jones: Jacqueline Wong-Hernandez.

Chairperson Wong-Hernandez: Here.

Ms. Jones: We have a quorum.
CHAIRPERSON WONG-HERNANDEZ: And Mr. Nazarian.

Thank you. Welcome.

So a quorum has been established, and the first order of business today the Board is going to adjourn into a closed session.

Pursuant to Government Code Section 11126(e)(2)(b), the Board will meet in closed session for the purposes of conferring with and receiving advice from its legal counsel that based on existing facts and circumstances, there is a significant exposure to litigation against the state body.

The SAB is going into closed session to discuss the matter of the CCI adjustments to grant levels -- grant funding levels with its counsel.

Before we move into closed session, is there any public comment? Seeing none, I would ask that all members of the public please depart from the room and we will reconvene the meeting at the completion of our discussion.

Thank you for understanding that we want to start here and then we'll get to the other items on the agenda.

(Whereupon at 2:04 p.m., the open meeting was recessed for the closed session and resumed as follows at 3:22 p.m.)

CHAIRPERSON WONG-HERNANDEZ: State Allocation Board is reconvened in open session. We finished discussing the CCI adjustments to grant levels -- grant funding levels
tomorrow, a nonconfidential version of the materials discussed in closed session will be made available on the Office of Public School Construction website beneath the link to the agenda for today's meeting.

And now we're ready to move on to action items starting with the Minutes.

Ms. Silverman: Minutes are ready for your approval.

Chairperson Wong-Hernandez: Hopefully, everyone's reviewed.

Senator Pan: So moved.

Assemblymember Nazarian: Second.

Chairperson Wong-Hernandez: Motion and a second.

Great.

The Reporter: Who seconded? I'm sorry?

Chairperson Wong-Hernandez: I'm sorry. Second by Mr. Nazarian.

Ms. Jones: Senator Pan.

Senator Pan: Aye.

Ms. Jones: Assemblymember Nazarian.

Assemblymember Nazarian: Aye.

Ms. Jones: Assemblymember Chavez.

Assemblymember O'Donnell.

Assemblymember O'Donnell: 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: That motion carries.
CHAIRPERSON WONG-HERNANDEZ: Thank you. Next is the Executive Officer's Statement.

MS. SILVERMAN: Yes. Hi. So we wanted to share with the Board tonight that we actually have a bond sale coming up, so we've been sharing that news since last month, but it will actually execute on October 17th, and with that, we are planning to bring apportionments back to this Board. So it would be upward in the area of $400 million. So we're going to be excited about that.

We also notified, at the last meeting, that we are really close to that threshold of having enough -- sufficient applications to have covered the remaining bond authority.

So the applications received beyond authority list has been started and that was effective September 12th, in which we notified the stakeholders that any applications
that come in the door subsequent to that date that need --
they also need to have an additional requirement added to
their application when they submit it, is have that Board
resolution that actually outlines that there's no guarantee
to future funding. So that is in effect.

We also wanted to share that the Career Tech
Education filing round is still open and the deadline to
submit your grant application request for Department of
Education review, which is the first step, is October 19th,
and we did have some communication with the Department of
Education. Probably have a handful of applications, but we
understand there will probably be definitely a rush come
through October 19th.

So we'll have some more updates to share with the
Board about how many applications that came through the door
and are seeking funding.

Full-Day Kindergarten Facility Grant Program, we
actually had two stakeholder meetings and our last
stakeholder meeting was in Van Nuys. So we're actually
having a stakeholder meeting here in Sacramento on
October 4th and it will be in the building.

So we're looking forward to more input. We will
have a draft regulation package and again seeking input from
our stakeholders and we plan to have -- at least our
guideline is to bring that to the October Board for
We also wanted to share announcement of the Education Agency Audit Workshops. There's new instructions for the K-12 Audit Program. And so we are partnering up with the Education Audit Appeals Panel and so our first meeting or our first workshop will be October 17th and outlined several workshops, one also in Fresno at the end of October and three in January, one starting in Los Angeles County Office of Education, Sacramento in the middle of January and that will also be webcast, and the end of January, we'll have it in San Diego.

Space is limited, so please sign up and there will be valuable information for those folks that are going to go out and provide those services, which is your local audit firms and also will be a very good education forum for districts as well.

The last point, we have our Board meeting October 24th. We also wanted to share with the Board that the Office of Administrative Law has approved the regulatory amendments for the multipurpose room gym hybrid facilities. That goes into effect January 1st. That's it.

CHAIRPERSON WONG-HERNANDEZ: Thank you. Any Board member comments on this or questions? No? Any public comment on this item? Okay. Informational items -- seeing none, we'll move onto the Consent Agenda.
MS. SILVERMAN: Consent is ready for your approval.

SENATOR PAN: So move.

MR. MIRELES: Second.

CHAIRPERSON WONG-HERNANDEZ: Motion and a second.

And so can we do without objection or do we need to take a vote --

MS. JONES: We need the roll.

CHAIRPERSON WONG-HERNANDEZ: Go for it.

MS. JONES: Senator Pan.

SENATOR PAN: Aye.

MS. JONES: Assemblymember Nazarian.

ASSEMBLYMEMBER NAZARIAN: Aye.

MS. JONES: Assemblymember O'Donnell.

ASSEMBLYMEMBER O'DONNELL: 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: And that motion carries.

CHAIRPERSON WONG-HERNANDEZ: Thank you. Okay.
Moving onto the next item. I know these are information items, but it's really just if Board members have questions on either the status of fund releases or --

MS. SILVERMAN: Yeah. The financial reports.

CHAIRPERSON WONG-HERNANDEZ: Right. Yeah.

Please.

MS. SILVERMAN: The Board just approved 16 projects for nearly $47 million. So that's the highlight of the Consent Agenda and we also did have some funds that came back to the program that was close to $900,000. So that was pretty much the status of funds.

CHAIRPERSON WONG-HERNANDEZ: Great. Any public comment? Seeing none --

MS. SILVERMAN: The appeal?

CHAIRPERSON WONG-HERNANDEZ: Yeah. The last item we really have is the appeal.

MS. KAMPMEINERT: So the appeal is for Lake Elementary School District in Glenn County. Staff does recommend approval of this appeal. It is a change of scope request due to financial constraints. The district is asking to reduce from six classrooms to two classrooms and go from a permanent to a modular multipurpose room.

Staff believes the project still maintains its core purpose and it's not in violation of any of our procedures for change of scope. So we recommend approval.
SENATOR PAN: Move approval.

ASSEMBLYMEMBER NAZARIAN: Second.

CHAIRPERSON WONG-HERNANDEZ: Motion and a second.

Any public comment on this before we vote? Seeing none --


SENATOR PAN: Aye.

MS. JONES: Assemblymember Nazarian.

Assemblymember O'Donnell.

ASSEMBLYMEMBER O'DONNELL: 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: And that motion carries.

CHAIRPERSON WONG-HERNANDEZ: Thank you. All right. And then the last is just projected workload and dates, more information. Does anybody have any questions on that? This is all your stuff in the last tab.

MS. SILVERMAN: And we also wanted to share there's a Board meeting that has been set for December 11th at 2:00 o'clock.
CHAIRPERSON WONG-HERNANDEZ: Okay. December 11th at 2:00. Okay. Any public comment on any other items not on the agenda? Seeing none, we're adjourned. Thank you all.

(Whereupon, at 3:28 p.m., the proceedings were adjourned.)
TRANScriber's Certificate

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COUNTY OF SACRAMENTO ) ss.

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IN WITNESS WHEREOF, I have subscribed my name on September 27, 2018.

Mary C. Clark
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