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CALIFORNIA STATE ALLOCATION BOARD
PUBLIC MEETING
(TELECONFERENCE)

ZIGGURAT BUILDING
707 3RD STREET
BOARD ROOM 6-300
WEST SACRAMENTO, CALIFORNIA 95605

DATE: WEDNESDAY, OCTOBER 27, 2021

TIME: 4:00 P.M.

APPEARANCES:

1 MEMBERS OF THE BOARD PRESENT:

2 GAYLE MILLER, Chief Deputy Director, Policy, Department of
3 Finance

4 ANA LASSO, Director, Department of General Services

5 JEREMY SMITH, Appointee of Gavin Newsome, Governor of the
6 State of California

7 JUAN MIRELES, Director, School Facilities and
8 Transportation Services Division, California Department
9 of Education, designated representative for Tony
10 Thurmond, Superintendent of Public Instruction

11 SENATOR CONNIE LEYVA

12 SENATOR SCOTT WILK

13 ASSEMBLYMEMBER PATRICK O'DONNELL

14 ASSEMBLYMEMBER AUTUMN BURKE

15 ASSEMBLYMEMBER CHAD MAYES

16 REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

17 LISA SILVERMAN, Executive Officer

18 BARBARA KAMPMEINERT, Deputy Executive Officer

19 LISA JONES, Secretary

20 MICHAEL WATANABE

21 SAM GUARDADO

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24 Transcribed by: Melissa Reid,

25 eScribers, LLC

Phoenix, Arizona

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1 comment.

2 And before we start, I also want to thank
3 Assemblymember Cunningham and Senator Roth for their
4 remarkable service. They are no longer on the Board. We
5 are thrilled to welcome Assemblymember Mayes, and we will
6 welcome at our next meeting, Senator Laird. So really
7 appreciate you being here and, obviously, Assemblymember
8 Mayes, you already know how phenomenal the staff is at
9 the Office of Public School Construction, so this will be
10 one of the best things you do. I have no doubt. So
11 welcome. Thanks for being here. We really appreciate
12 it.

13 And our first order of business is approval of the
14 minutes from September 22nd. May we have a motion,
15 please?

16 ASSEMBLYMEMBER O'DONNELL: O'Donnell moves.

17 MS. MILLER: Thanks, Mr. O'Donnell.

18 I'll second.

19 MR. MIRELES: Second.

20 MS. MILLER: Oh, great. Thank you, Mr. Mireles. Is
21 there any objection to a unanimous roll call for the
22 minutes?

23 ASSEMBLYMEMBER MAYES: If I could just abstain, just
24 because I wasn't there at that meeting.

25 MS. MILLER: Absolutely. So one abstention.

1 MR. SMITH: I don't think I was there at that
2 meeting either. This is Jeremy.

3 MS. MILLER: Were you not there? Okay.

4 MS. JONES: No. He was absent.

5 MS. MILLER: Why don't we go ahead and take a roll
6 call then, Ms. Jones, just so we make sure we get it
7 correct.

8 MS. JONES: Okay. Great.

9 Senator Leyva.

10 SENATOR LEYVA: Aye.

11 MS. JONES: Assemblymember O'Donnell.

12 ASSEMBLYMEMBER O'DONNELL: Aye.

13 MS. JONES: Assemblymember -- okay. Juan Mireles?

14 MR. MIRELES: Aye.

15 MS. JONES: Ana Lasso.

16 MS. LASSO: Aye.

17 MS. JONES: Gayle Miller.

18 MS. MILLER: Aye.

19 MS. JONES: Unfortunately, that's only five aye
20 votes. It does not pass.

21 MS. MILLER: Yeah. So Mr. Smith, you are a member
22 of the Board, so you actually can vote even though you
23 weren't present for the meeting.

24 MR. SMITH: Okay.

25 MS. MILLER: How do you --

1 MS. JONES: Is that aye?

2 MR. SMITH: Aye.

3 MS. MILLER: Thank you.

4 MS. JONES: Thank you.

5 MS. MILLER: Great. Thank you very much. So the
6 minutes are adopted.

7 And now, we'll move to the executive officer
8 statement, please, Ms. Silverman.

9 MS. SILVERMAN: Yes. Good afternoon, everyone.

10 Yeah. We're excited about giving some updates today
11 and one of them is related to the stakeholder meetings
12 that we've been having. And so that relates to what I
13 call the extended full-day kinder program. So our last
14 meeting we held was on October 12th, and just to share
15 with the Board, we've actually had a lot of feedback and
16 input from the public and stakeholders, so we're really
17 thrilled about that. And we were actually able to
18 incorporate a lot of that feedback into that proposed
19 item. So it also encapsulates the proposed regulation
20 changes, form changes, you name it, we've got a lot of
21 feedback. So it's great that we wanted to share. We had
22 almost 200 participants in the three stakeholder
23 meetings, so that's great news and we're getting great
24 feedback from everyone.

25 The second thing I wanted to share is a facility

1 inspection tool. I know there's lots of folks waiting
2 for that update and so we're happy to share that we'll
3 have our first stakeholder meeting on November 30th, so
4 that's exciting for us. And so we'll take that forward
5 and again, we anticipate additional meetings, so look for
6 us on a Zoom meeting for that first stakeholder input for
7 facility inspection tool. And again, that will be
8 November 30th from 4 to 6 p.m.

9 And then, of course, we wanted to highlight great
10 news related to the fall bond sale, and it's actually
11 tucked in the action item in your Board agenda, so the
12 apportionments, as we say, from the fall bond sale, we
13 have nearly \$755 million to provide districts and those
14 unfunded approvals cash. So again, with the action
15 today, we'll take 248 projects forward and they can
16 access the program cash, and just want to remind
17 districts that in order to access your program cash, you
18 have to come into our office with the fund release
19 request, the grant agreement executed and additionally
20 contracts associated with those projects. And there's
21 timelines associated with those accessing program cash.
22 You have until January 25th of 2022 to advise us whether
23 or not you are accessing the cash, and if folks don't
24 have the availability to do so, you may have one strike,
25 if you haven't already turned away the cash at one point

1 in time. And the second occurrence results into a
2 withdrawal of your application and your grant approval.
3 So again, we've been doing phenomenal in this area, so
4 mostly all the cash has been dispersed, so we want to hit
5 that record again. And so by January 25th, let's come
6 get our cash.

7 So the next update we wanted to share is the virtual
8 training series. We actually had one more training
9 series since our last Board meeting and we wanted to
10 highlight the grant agreements are now an online product.
11 So this is exciting for folks, and we had over 120 signed
12 up, but we had 90 participants yesterday. But don't
13 worry, if you -- if you missed that training, you have an
14 opportunity to do that training on a virtual series on
15 our website and our YouTube page. So we're excited about
16 having this as an online product.

17 Our next item we wanted to announce is our
18 substantial progress and expenditure report virtual
19 training. This too will be an online product, and again,
20 what a great opportunity for us to streamline our efforts
21 and continue to -- to have a paperless process. And
22 again, we are looking forward to our next training, which
23 is November 2nd from 10 -- 10 to 11:30. And we actually
24 had about 120 sign up so far, so again, we're looking
25 forward to have some folks participate in that process.

1 And again, if missed out in this opportunity, you can
2 watch us on the virtual series page.

3 And again, we have completed, as of Tuesday, all our
4 virtual training series for 2021, but more announcements
5 to come next year. So looking forward to having a
6 broader announcement in this area. So thank you all for
7 participating in this training series. And then our next
8 meeting is December 7th at 2 o'clock.

9 MS. MILLER: Thank you, Ms. Silverman. Any
10 questions? Amazing work, as always. Any public comment?
11 Seeing none, we will move on to the consent calendar.

12 Ms. Silverman, I know you --

13 MS. SILVERMAN: Consent agenda is ready for your
14 approval.

15 MS. MILLER: Great. Thank you very much. Any
16 questions on the consent agenda? Any public comment?
17 Seeing none. May we have a motion on the consent agenda,
18 please?

19 SENATOR LEYVA: Motion to approve.

20 ASSEMBLYMEMBER O'DONNELL: Moved.

21 MS. MILLER: Thank you. I didn't hear. It was
22 moved by O'Donnell and seconded by --

23 SENATOR LEYVA: It was me, but --

24 MS. MILLER: And Leyva. Thank you, Senator.

25 Okay. Ms. Jones, can we go ahead and call the roll

1 please?

2 MS. JONES: Yes.

3 Senator Leyva.

4 SENATOR LEYVA: Aye.

5 MS. JONES: Assemblymember O'Donnell.

6 ASSEMBLYMEMBER O'DONNELL: Aye.

7 MS. JONES: Assemblymember Mayes.

8 ASSEMBLYMEMBER MAYES: Aye.

9 MS. JONES: Juan Mireles.

10 MR. MIRELES: Aye.

11 MS. JONES: Jeremy Smith.

12 MR. SMITH: Aye.

13 MS. JONES: Ana Lasso.

14 MS. LASSO: Aye.

15 MS. JONES: Gayle Miller.

16 MS. MILLER: Aye. The consent agenda is approved.

17 Ms. Silverman, on the financial reports, please?

18 MS. SILVERMAN: Yeah. The financial reports we

19 wanted to highlight on page 92 that we released

20 \$2.3 million in cash last month, so again, that's great

21 news, in September. And we also wanted to highlight in

22 the status of funds and that's on page 94 and 95, with

23 your approval and the consent agenda, there was nearly

24 \$54 million in project approvals this month. So again,

25 really busy year, so it's great news that we have

1 additional unfunded approvals moving forward. And that
2 takes care of the financials.

3 MS. MILLER: Thank you very much, and fantastic that
4 we're taking advantage of the favorable bond sales, too.
5 So thank you for that. Any public comment? And
6 questions for Ms. Silverman? Seeing no, we have two
7 action items.

8 The first, by Ms. Silverman, is the priority
9 funding, please.

10 MS. SILVERMAN: Yeah. On page 113, we -- we wanted
11 to share with the Board again our opportunity to bring
12 these bond sales forward with these previously unfunded
13 projects. So to that extent, the certifications came in
14 to participate in -- in this venue. We received the
15 certifications on May 12th and they closed June 10th, so
16 those certifications are valid from July 1st through
17 December 31st, and again, we are able to activate these
18 products as a result of the bond sales, and again, I'll
19 just share with you again, just highlighting that we're
20 asking the Board to approve these items and remind folks
21 that with the cash being available, they have to, again,
22 submit the certifications as necessary and grant
23 agreements, as I shared with you earlier. And again, the
24 goal is to have this information in our office by
25 January 25th of 2022.

1 And at this point, I'm asking the Board to approve
2 recommendations 1 and 2, to approve the apportionments
3 for the products as shown as attachment B for the amount
4 of \$754.9 million and declare that all applications
5 received with the apportionments are subject to the new
6 construction grant adjustments pursuant to Education Code
7 17072.11(b), and are not considered full and final until
8 the Board has made the adjustments. To that extent,
9 we're asking for the approval.

10 MS. MILLER: Great. Thank you very much. And I
11 think everyone, hopefully, on the Zoom knows that
12 January 25th is the deadline, so don't miss it. Any
13 questions for the Board -- or any questions from the
14 Board, I should say? Any public comment? Seeing none.

15 May we have a motion, please, to approve the
16 priority school facility program funding apportionment?

17 SENATOR LEYVA: So moved.

18 ASSEMBLYMEMBER O'DONNELL: Moved.

19 MS. MILLER: Thank you. Moved by Senator Leyva,
20 seconded by Mr. O'Donnell.

21 Ms. Jones, will you call the roll for us, please?

22 MS. JONES: Yes.

23 Senator Leyva.

24 SENATOR LEYVA: Aye.

25 MS. JONES: Assemblymember O'Donnell.

1 ASSEMBLYMEMBER O'DONNELL: Aye.

2 MS. JONES: Thank you.

3 Assemblymember Mayes.

4 ASSEMBLYMEMBER MAYES: Aye.

5 MS. JONES: Juan Mireles.

6 MR. MIRELES: Aye.

7 MS. JONES: Jeremy Smith.

8 MR. SMITH: Aye.

9 MS. JONES: Ana Lasso.

10 MS. LASSO: Aye.

11 MS. JONES: Gayle Miller.

12 MS. MILLER: Aye. Thank you. The apportionments
13 are approved and that's fantastic news.

14 Finally, our last action item is also,
15 Ms. Silverman, the proposed regulations for the school
16 facility program for the repayment funds for financial
17 hardship.

18 MS. SILVERMAN: Yeah. So we wanted to highlight
19 today that the -- the proposed regulation amendments, and
20 that starts on page 408. And since the -- since 1998, we
21 had a statute in place that provided districts the
22 ability to ask for an extension request if they are
23 enduring fiscal distress, meaning they're going to be
24 negative certification or a positive certification where
25 in the case where they can't pay their obligations

1 timely. So to that extent, there has been circumstances
2 where districts were seeking beyond the five-year term as
3 it is in statute. So to that extent, we're happy to
4 share that AB 130 Chapter 44 was adopted and signed by
5 the Governor, and so it's enacted. And to that extent,
6 we want to conform the changes from a five-year repayment
7 to a twenty-year repayment. And so that is also a change
8 in the proposed regulations and also acknowledge that the
9 proposed regulations only are for projects funded out of
10 the 2006 and 2016 state school facility funds. And
11 again, that only applies to those projects funded during
12 those -- that bond initiative.

13 So we're presenting, right now at this time, the
14 regulations for your approval and also, we also wanted to
15 highlight that in the past, we actually have taken to the
16 Board and it requires Board action, at least four
17 districts who asked for an extension of time. So to this
18 extent, this provides additional flexibility when
19 districts are having fiscal distress, and at this time,
20 we're asking the Board to approve the attachment B for
21 the proposed regulation, and authorize the executive
22 officer to submit the regulations on a -- on a normal
23 regulation time track.

24 MS. MILLER: Great. Thank you very much. And I
25 think this is -- this is a great change and I'm really

1 happy we're improving the program ahead of, hopefully,
2 future bond sales and a future bond.

3 Any questions? Any public comment? Seeing no
4 public comment and no question, may we have a motion,
5 please?

6 SENATOR LEYVA: So moved.

7 MS. MILLER: Thanks, Senator Leyva.

8 MR. SMITH: Second.

9 MS. MILLER: Thank you, Mr. Smith.

10 Ms. Jones, will you call the roll?

11 MS. JONES: Yes.

12 Senator Leyva.

13 SENATOR LEYVA: Aye.

14 MS. JONES: Assemblymember O'Donnell.

15 ASSEMBLYMEMBER O'DONNELL: Aye.

16 MS. JONES: Assemblymember Mayes.

17 ASSEMBLYMEMBER MAYES: Aye.

18 MS. JONES: Juan Mireles.

19 MR. MIRELES: Aye.

20 MS. JONES: Jeremy Smith.

21 MR. SMITH: Aye.

22 MS. JONES: Ana Lasso.

23 MS. LASSO: Aye.

24 MS. JONES: Gayle Miller.

25 MS. MILLER: Aye. Those regulations are approved.

1 Finally, will you let us know about the three-month
2 projected workload, Ms. Silverman?

3 MS. SILVERMAN: Yeah. Just wanted to share with the
4 Board, the three-month projected workload and that
5 carries us to February, believe it or not of 2022, and
6 then we also have the appeals log. So I wasn't sure if
7 we had any questions.

8 MS. MILLER: Great. Thank you.

9 Any questions? So Mr. Mayes, you'll always see
10 both -- sort of what's upcoming, but also all those
11 appeals. I'm sure the staff told you. For anything
12 that -- that doesn't -- that -- where folks want to come
13 to the Board and appeal directly to the members. Any
14 questions on that? Any public comment? Seeing none.

15 Thank you very much, everyone. And the meeting is
16 adjourned.

17 Happy Thanksgiving. I'm very grateful to all of
18 you, especially OPSC. Take care.

19 (End of recording)

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