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CALIFORNIA STATE ALLOCATION BOARD

PUBLIC MEETING

(TELECONFERENCE)

DEPARTMENT OF HEALTHCARE SERVICES

EAST END COMPLEX

1500 CAPITOL MALL

SACRAMENTO, CA 95814

DATE: TUESDAY, DECEMBER 03, 2024

1 APPEARANCES: MEMBERS OF THE BOARD PRESENT:

2

3 MICHELE PERRAULT, Chief Deputy Director, Policy,  
4 designated representative for Joe Stephanshaw, Director,  
5 Department of Finance

6 JEREMY SMITH, Governor's Appointee

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

11 ANA LASSO, Director, Department of General Services  
12 (Teleconference Participation)

13 ASSEMBLY MEMBER AL MURATSUCHI (Teleconference  
14 Participation)

15 ASSEMBLY MEMBER LAURIE DAVIES (Teleconference  
16 Participation)

17 ASSEMBLY MEMBER DAVID ALVAREZ (Teleconference  
18 Participation)

19

20 REPRESENTATIVES OF THE STATE ALLOCATION BOARD/OFFICE  
21 OF PUBLIC SCHOOL CONSTRUCTION PRESENT:

22

23 REBECCA KIRK, Executive Officer

24 MICHAEL WATANABE, Deputy Executive Officer

1            REPRESENTATIVE OF THE DEPARTMENT OF GENERAL SERVICES,

2    OFFICE OF LEGAL SERVICES:

3            EPHRAIM EGAN

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Transcribed by:

Antha A. Ward  
QuickCaption, Inc.  
County of Riverside  
State of California

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TRANSCRIBED RECORDED PUBLIC MEETING

December 03, 2024

>> **CHAIR PERRAULT:** All right.

[ GAVEL ]

>> **CHAIR PERRAULT:** We're going to go ahead and call the State Allocation Board meeting to order. It is 3:06.

This meeting, for those of you not online, this meeting is also being held in person at the auditorium. Sorry. Let me start that one over. Okay.

This meeting is being held in person in the auditorium at the East End Complex located at 1500 Capitol Avenue, as well as from several additional locations noted in the meeting agenda and notice for anyone that would like to provide public comment in person. This meeting is also being conducted by way of Zoom meeting for members of the public that would like to participate remotely.

In order for this meeting to run efficiently for those participating remotely, please note the following guidelines. One, all attendees will be muted during the meeting. If any public comment

1 would like to make a comment please use the raised  
2 hand feature in the Zoom meeting interface. I will  
3 call your name at the appropriate time and OPSC  
4 staff will request to unmute you. Number two, if  
5 you are calling into the meeting and not using a  
6 computer or the Zoom application on a mobile  
7 device, unfortunately, you will be unable to  
8 provide public comment at this time.

9       Before we start with our agenda items today, I  
10 did just want to take a moment to thank one of our  
11 former board members, Senator Wilk, who is joining  
12 us online today. Thank you, Senator. And wanted  
13 just to take a moment to acknowledge his dedication  
14 and service as a member of the State Allocation  
15 Board. Senator Wilk recently just left the  
16 legislature and is probably enjoying some well-  
17 deserved downtime. But just as way of background,  
18 Senator Wilk was appointed to serve as a member of  
19 the State Allocation Board on January 18<sup>th</sup>, 2019.  
20 His first meeting was on January 23<sup>rd</sup>, 2019. And  
21 during his tenure on the Board he assisted the  
22 Board in making apportionments and unfunded  
23 approvals for over \$9.031 billion, that's billion  
24 with a "b," representing over 2,767 projects for

1 the School Facility Program and other programs  
2 administered by the Board.

3 Senator Wilk also assisted the Board in making  
4 apportionments, excuse me, in the amount of \$683.3  
5 million representing 205 projects for a total of  
6 857 Preschool, Transitional Kindergarten, and Full-  
7 Day Kindergarten classrooms for the program.  
8 Amongst many significant actions approved by the  
9 State Allocation Board during his tenure, Senator  
10 Wilk helped shaped policy amongst the unprecedented  
11 challenges of COVID-19 that led to decisions  
12 enabling the Board to establish emergency powers to  
13 the Executive Officer, which allowed for the  
14 continued processing of school district's  
15 construction projects.

16 We want to thank Senator Wilk for his commitment,  
17 dedication and service to this Board as well as to the  
18 citizens of the State of California. Senator Wilk's support  
19 to the State Allocation Board has elevated the success of  
20 the Office of Public School Construction's core purpose,  
21 which is to enrich the lives of California school children  
22 as stewards of the taxpayer's commitment to education. And  
23 I would just note that while he's joining us remotely, we  
24 did have the opportunity to present Senator Wilk with a

1 resolution from the Board last month prior to his  
2 departure. And at this time if we could just provide a  
3 round of applause and thanks to the senator.

4 [ APPLAUSE ]

5 >> **CHAIR PERRAULT:** Can you hear us, Senator  
6 Wilk?

7 >> **SENATOR WILK:** I couldn't hear Al clap. Did  
8 Al clap? I didn't hear him.

9 >> **CHAIR PERRAULT:** Oh, let's do it again.

10 [ APPLAUSE ]

11 >> **SENATOR WILK:** Wait, wait. Thank you so  
12 much. It was -- in fact, you need to, Rebecca, go  
13 on my Wikipedia page and add all that, that's  
14 pretty impressive.

15 I wish we could have spent more money but so  
16 I'm not going to be there for the great ride that  
17 you guys are about to have but I just really  
18 appreciated the opportunity to serve. So much  
19 appreciated the staff there. You guys do an  
20 incredible job. And too often government workers,  
21 employees, whatever you want to call them, are  
22 derided by the public because they don't understand  
23 the competence and the diligence it takes to do the  
24 work that you do.

1           So I want to thank all of you. And I  
2 especially want to do a shout-out to Lisa, who's  
3 been with me since the beginning and helped guide  
4 me. And I'm going to miss my fellow legislators. I  
5 guess David's on but I don't see him. But I really,  
6 again, appreciate the opportunity. Very happy about  
7 the bond measure passing.

8           I will tell you, I was actually just as a  
9 regular person working hard to get that bond  
10 measure passed. I have taken on my first client and  
11 it's the -- it's the Building Industry Association  
12 of Southern California. So representing home  
13 builders we were very much involved in making sure  
14 that that in fact passed. So with that, thank you  
15 so much. And I will be up in Sacramento every now  
16 and then, and hopefully our paths will cross again.

17           **>> CHAIR PERRAULT:** Thank you, Senator, if  
18 you'll hold on one second.

19           It looks like maybe Assembly Member Muratsuchi  
20 you might have had a comment. Go ahead

21           **>> ASSEMBLY MEMBER MURATSUCHI:** Yes. Thank you  
22 very much.

23           I just want to say that I've really enjoyed  
24 working with Senator Wilk. Scott, you're definitely

1 one of the good guys, even though we may come from  
2 different political parties, I've always enjoyed  
3 and respected you, enjoyed working with you. And  
4 we're going to miss you on the Allocation Board.  
5 But it sounds like we'll be in touch.

6 >> **SENATOR WILK:** Absolutely. Thank you, Al. I  
7 feel the same way.

8 >> **ASSEMBLY MEMBER MURATSUCHI:** All right.

9 >> **CHAIR PERRAULT:** Okay. Thank you.  
10 Thank you, again, Senator. And enjoy a much-  
11 deserved break from public office. We appreciate  
12 everything you do.

13 >> **SENATOR WILK:** All right. Good luck,  
14 everybody.

15 >> **CHAIR PERRAULT:** Thank you.

16 >> **SENATOR WILK:** Goodbye.

17 >> **CHAIR PERRAULT:** All right, so moving on.  
18 Just to note, the Board will not be meeting in  
19 closed session today.

20 So Ms. Jones, will you please go ahead and  
21 call the roll noting any members joining us from a  
22 remote location please.

23 >> **LISA JONES:** Certainly.

24 Senator Newman.

1 Assembly Member Muratsuchi.

2 >> **ASSEMBLY MEMBER MURATSUCHI:** Here remotely.

3 >> **LISA JONES:** Thank you. Teleconference location.

4 >> **ASSEMBLY MEMBER MURATSUCHI:** Do you need the address  
5 at my district office in Torrence?

6 >> **LISA JONES:** No, no. I have it. I'm just making it  
7 for the record.

8 >> **ASSEMBLY MEMBER MURATSUCHI:** Okay.

9 >> **LISA JONES:** Thank you.  
10 Assembly Member Davies.

11 >> **ASSEMBLY MEMBER DAVIES:** Here. And I'm in the San  
12 Juan Capistrano satellite office.

13 >> **LISA JONES:** Great. Thank you so much.  
14 Assembly Member Alvarez.

15 >> **ASSEMBLY MEMBER ALVAREZ:** I am present here in San  
16 Diego.

17 >> **LISA JONES:** Appreciate that.  
18 Juan Mireles.

19 >> **JUAN MIRELES:** Here.

20 >> **LISA JONES:** Ana Lasso.

21 >> **ANA LASSO:** Hi, good afternoon.  
22 I'm present at the Junipero Serra State Office  
23 Building in downtown Los Angeles.

24 >> **LISA JONES:** Thank you.

1           Jeremy Smith.

2           >> **JEREMY SMITH:** Here.

3           >> **LISA JONES:** Michele Perrault.

4           >> **CHAIR PERRAULT:** Here.

5           >> **LISA JONES:** We have a quorum.

6           >> **CHAIR PERRAULT:** Okay. Thank you so much. I  
7 appreciate that.

8           With that, we'll go ahead and move on to our  
9 next order of business, which is the minutes from  
10 the October 23<sup>rd</sup>, 2024, meeting. Are there any  
11 comments or questions from the Board Members on the  
12 minutes? Seeing none online. Seeing none here.

13           Are there any public comments on the minutes?  
14 Seeing none here in the room or online.

15           Is there a motion to adopt the minutes? It's  
16 been moved by Mr. Smith.

17           >> **ASSEMBLY MEMBER MURATSUCHI:** Second.

18           >> **CHAIR PERRAULT:** And seconded by Assembly  
19 Member Muratsuchi.

20           Secretary, will you please call the roll.

21           >> **LISA JONES:** Certainly.

22           Assembly Member Muratsuchi.

23           >> **ASSEMBLY MEMBER MURATSUCHI:** Aye.

24           >> **LISA JONES:** Muratsuchi, aye.

1 Assembly Member Davies.

2 >> **ASSEMBLY MEMBER DAVIES:** Aye.

3 >> **LISA JONES:** Davies, aye.

4 Assembly Member Alvarez.

5 >> **ASSEMBLY MEMBER ALVAREZ:** Aye.

6 >> **LISA JONES:** Alvarez, aye.

7 Juan Mireles.

8 >> **JUAN MIRELES:** Aye.

9 >> **LISA JONES:** Mireles, aye.

10 Jeremy Smith.

11 >> **JEREMY SMITH:** Aye.

12 >> **LISA JONES:** Smith, aye.

13 Ana Lasso.

14 >> **ANA LASSO:** Aye.

15 >> **LISA JONES:** Lasso, aye.

16 Michele Perrault.

17 >> **CHAIR PERRAULT:** Aye. Thank you.

18 >> **LISA JONES:** Perrault, aye.

19 >> **CHAIR PERRAULT:** Thank you so much.

20 >> **LISA JONES:** That motion carries.

21 >> **CHAIR PERRAULT:** With that we'll go ahead

22 and move on to our next order of business, which is

23 the Executive Officer Statement.

24 Rebecca.

1 >> **MS. KIRK:** Thank you, Madam Chair.

2 The Executive Officer Statement is on today's  
3 agenda on stamped pages 9 and 10. We have several  
4 updates. Firstly, the outcome of Proposition 2 and  
5 some items regarding future planning. I'm pleased  
6 to announce that subject to the certification of  
7 the election results by the California Secretary of  
8 State on December 13<sup>th</sup> Proposition 2, the  
9 Kindergarten Through Grade 12 Schools and Local  
10 Community College Public Education Facilities  
11 Modernization Repair and Safety Bond Act of 2024  
12 appears to have been approved by a majority of  
13 California's voters in the November 5, 2024,  
14 election.

15 Today's agenda does include an action item for  
16 the Board's consideration regarding initial  
17 implementation of Proposition 2. Over the course of  
18 the next year OPSC staff will conduct a series of  
19 stakeholder meetings on behalf of the Board to  
20 propose regulatory amendments to implement  
21 Proposition 2. After discussions with stakeholders,  
22 staff will present the recommended regulatory  
23 amendments to the Board for consideration and  
24 approval followed by submittal of the regulations

1 to the Office of Administrative Law. As previously  
2 announced, school districts may continue to submit  
3 School Facility Program applications for funding  
4 for new construction and modernization projects on  
5 an ongoing basis. Following certification of the  
6 election results by December 13th, OPSC will update  
7 the workload list and applications received beyond  
8 bond authority list to reflect the availability of  
9 additional bond authority from Proposition 2.

10 I would also like to announce an upcoming  
11 Charter School Facility Program filling round.  
12 Proposition 2 authorizes 600 million for the  
13 program. Existing program regulations specified  
14 that the program has a 120-calendar-day filing  
15 round that begins 180 calendar days after an  
16 election that authorizes additional funding for the  
17 program. Accordingly, subject to certification of  
18 the election results, a new filing round for the  
19 Charter School Facility Program will open on May  
20 4th, 2025, through August 31st, 2025. OPSC will  
21 soon announce dates for webinars on the program and  
22 the application process.

23 I'd also like to share that the proposed  
24 emergency regulatory amendments the Board approved

1 at the September 25th, 2024, meeting which  
2 authorized extended fund release deadlines for  
3 certain projects pertaining to school facilities  
4 located on military installations have been  
5 approved with an effective date of November 1st,  
6 2024. We do currently have the 28th priority  
7 funding filing round open, which closes on December  
8 12th, 2024. Certification submitted by charter  
9 school applicants during this filing round will be  
10 valid from January 1st, 2025, through June 30th,  
11 2025.

12 Finally, I also wanted to note that the  
13 California State Auditor released a report on  
14 November 19th, 2024, regarding custodial staffing  
15 and cleanliness standards at California's public  
16 schools. In part, the auditor report recommends  
17 that OPSC engage a stakeholder process by October  
18 2025 to update the facility inspection tool with a  
19 target completion date by October 2026, considering  
20 specific recommendations from the state auditor  
21 that are intended to increase the accuracy of  
22 facility inspection tool reporting by local  
23 educational agencies. OPSC is committed to pursuing  
24 improvements to the facility inspection tool to

1 facilitate accurate and transparent evaluations of  
2 school facilities at the local level. In accordance  
3 with the state auditor's recommendations we plan to  
4 engage stakeholders regarding the recommended  
5 changes to the facility inspection tool for  
6 consideration in the future by the State Allocation  
7 Board.

8 Finally, the next meeting of the State  
9 Allocation Board is scheduled for Wednesday,  
10 January 22nd, 2025. And I'm pleased to address any  
11 questions.

12 >> **CHAIR PERRAULT:** Thank you so much. I  
13 appreciate that.

14 Are there any comments or questions from Board  
15 Members on the Executive Officer Statement?

16 Okay, seeing none. Are there any public  
17 comments about the executive officer statement? I'm  
18 not seeing a rush to the microphone here and none  
19 online. Okay.

20 So this is not an action item so we'll go  
21 ahead and, Ms. Kirk, please proceed.

22 >> MS. KIRK: Thank you, Madam Chair.

23 Today's Consent Agenda begins on stamped page  
24 11 and goes through stamped page 170 of the agenda.

1 Be happy to address any questions and request that  
2 the Board approve the consent agenda.

3 >> **CHAIR PERRAULT:** Great. Thank you so much.

4 Are there any comments or questions from Board  
5 Members?

6 >> **ASSEMBLY MEMBER DAVIES:** I'll make a motion.

7 >> **CHAIR PERRAULT:** Okay, seeing no comments --  
8 okay.

9 >> **ASSEMBLY MEMBER MURATSUCHI:** Second.

10 >> **CHAIR PERRAULT:** We'll take that first and  
11 second. But real quick before we do that, are there  
12 any public comments on the consent agenda? Okay.  
13 Not seeing any.

14 We do have a motion by Assembly Member Davies.  
15 A second by Assembly Member Muratsuchi.

16 Secretary, if you'll please call the roll.

17 >> **LISA JONES:** Assembly Member Muratsuchi.

18 >> **ASSEMBLY MEMBER MURATSUCHI:** Aye.

19 >> **LISA JONES:** Muratsuchi, aye.

20 Assembly Member Davies.

21 >> **ASSEMBLY MEMBER DAVIES:** Aye.

22 >> **LISA JONES:** Davies, aye.

23 Assembly Member Alvarez.

24 >> **ASSEMBLY MEMBER ALVAREZ:** Aye.

1 >> **LISA JONES:** Alvarez, aye.  
2 Juan Mireles.  
3 >> **JUAN MIRELES:** Aye.  
4 >> **LISA JONES:** Mireles, aye.  
5 Jeremy Smith.  
6 >> **JEREMY SMITH:** Aye.  
7 >> **LISA JONES:** Smith, aye.  
8 Ana Lasso.  
9 >> **ANA LASSO:** Aye.  
10 >> **LISA JONES:** Lasso, aye.  
11 Michele Perrault.  
12 >> **CHAIR PERRAULT:** Aye.  
13 >> **LISA JONES:** Perrault, aye.  
14 That motion carries.  
15 >> **CHAIR PERRAULT:** Thank you so much.  
16 We'll go ahead and move on to the next order  
17 of business, which is the Financial Reports.  
18 Ms. Kirk.  
19 >> **MS. KIRK:** Thank you. The Financial Reports  
20 are on stamped pages 171 through 190 of today's  
21 agenda reflecting available funds as of December  
22 3rd, 2024. Pleased to address any questions.  
23 >> **CHAIR PERRAULT:** Thank you.  
24 Are there any comments or questions from Board

1 Members? Seeing none. Are there any public  
2 comments on this item? Okay, seeing none. This is  
3 not an action item. So we'll go ahead and proceed  
4 to the next order of business, which is our appeals  
5 item.

6 >> **MR. WATANABE:** All right, thank you.

7 On stamped page 191 or PDF page 212 for those  
8 following along, this appeal is for Lompoc School  
9 District down in Santa Barbara County. This  
10 district's appeal request involves a request for  
11 accelerated processing, direct apportionment, and  
12 18 months request, their fund release request for  
13 two projects on the Manzanita Public Charter School  
14 site on Vandenberg Space Force Base down in Santa  
15 Barbara.

16 Board's approval of the request would provide  
17 approximately \$7.9 million towards the district's  
18 matching share towards their public school and  
19 military installations projects on military bases.  
20 There are two projects on this -- involved here.  
21 The first one is a charter school project. The  
22 Board previously approved a priority funding  
23 apportionment at the September board meeting. With  
24 this approval the Board would be rescinding that

1 appportionment and providing a direct appportionment  
2 under the new regulations.

3       The other project is a modernization project  
4 for a gym multi-purpose room hybrid project on the  
5 same site. The project's worth approximately \$1  
6 million. Then with passage of Proposition 2 that  
7 provides approximately \$4 billion to the  
8 modernization program. We do know that we have \$3.4  
9 billion roughly in modernization projects on our  
10 workload and applications received beyond bond  
11 authority list. So we would be skipping ahead, but  
12 consistent with the Board's past prior actions on  
13 these types of projects for funding a military  
14 base, staff is recommending approval for this  
15 project. The District is on the call if the Board  
16 has any questions. And I would be happy to  
17 entertain any as well.

18       **>> CHAIR PERRAULT:** All right. Thank you so  
19 much.

20       As noted, the District and the representatives  
21 I believe have joined us via Zoom.

22       Mr. Douglas Sorum, the Assistant  
23 Superintendent. And Mr. Todd Jespersen. I hope I'm  
24 saying that correctly. The district architect.

1 I didn't know if you wanted to provide any  
2 comments?

3 >> [off mic]

4 >> **CHAIR PERRAULT:** Oh, if you would like to  
5 make comments, go ahead and unmute your mics.

6 >> **DOUGLAS SORUM:** Hi, everyone. Can you hear  
7 me?

8 >> **CHAIR PERRAULT:** We can hear you.

9 >> **DOUGLAS SORUM:** Thank you. Thank you for the  
10 opportunity to give comment. I just very quickly  
11 would like to say thank you to all the hard-working  
12 folks at OPSC who have diligently worked with the  
13 district on this PSMI Project at the Manzanita  
14 Public Charter School. And also, would thank the  
15 Board in advance for their consideration this  
16 afternoon.

17 >> **CHAIR PERRAULT:** Great. Thank you.

18 Are there any comments or questions from the  
19 Board? Okay, seeing none. Are there any public  
20 comments on this item? Okay, seeing none.

21 This is an action item, so is there a motion  
22 on the appeal?

23 >> **ASSEMBLY MEMBER DAVIES:** Motion.

24 >> **CHAIR PERRAULT:** Motion by Assembly Member

1 Davies. Is there a second?

2 >> **ASSEMBLY MEMBER ALVAREZ:** Second.

3 >> **CHAIR PERRAULT:** Second. I didn't catch who  
4 that was.

5 >> **ASSEMBLY MEMBER ALVAREZ:** Alvarez.

6 >> **CHAIR PERRAULT:** Thank you, Assembly Member  
7 Alvarez, thank you.

8 We have a motion and a second. Secretary, if  
9 you would please call the roll.

10 >> **LISA JONES:** Certainly.  
11 Assembly Member Muratsuchi.

12 >> **ASSEMBLY MEMBER MURATSUCHI:** Aye.

13 >> **LISA JONES:** Muratsuchi, aye.  
14 Assembly Member Davies.

15 >> **ASSEMBLY MEMBER DAVIES:** Aye.

16 >> **LISA JONES:** Davies, aye.  
17 Assembly Member Alvarez.

18 >> **ASSEMBLY MEMBER ALVAREZ:** Aye.

19 >> **LISA JONES:** Alvarez, aye.  
20 Juan Mireles.

21 >> **JUAN MIRELES:** Aye.

22 >> **LISA JONES:** Mireles, aye.  
23 Jeremy Smith.

24 >> **JEREMY SMITH:** Aye.

1 >> **LISA JONES:** Smith, aye.

2 Ana Lasso.

3 >> **ANA LASSO:** Aye.

4 >> **LISA JONES:** Lasso, aye.

5 Michele Perrault.

6 >> **CHAIR PERRAULT:** Aye.

7 >> **LISA JONES:** Perrault, aye.

8 And that motion does carry.

9 >> **CHAIR PERRAULT:** Thank you so much. I  
10 appreciate that.

11 Right now we'll go ahead and move on to our  
12 action items. We do have one action item before the  
13 board.

14 Ms. Kirk.

15 >> **MS. KIRK:** Thank you, Madam Chair.

16 The action item with proposed board policies  
17 for initial implementation of Proposition 2 for the  
18 School Facility Program begins on stamped page 218  
19 of today's agenda. A majority of California voters  
20 appear to have approved Proposition 2, which  
21 provides \$8.5 billion in bond proceeds for the  
22 construction and modernization of transitional  
23 kindergarten through 12th grade public school  
24 facilities. Prop 2 specifically allocates \$3.3

1 billion for new construction, \$4 billion for  
2 modernization, and \$600 million each for the  
3 Charter School Facilities Program and the Career  
4 Technical Education Facilities Program. Proposition  
5 2 also makes numerous changes to the School  
6 Facility Program. In part, Proposition 2 specifies  
7 that School Facility Program applications received  
8 before October 31st, 2024, will be processed in  
9 accordance with the statutes as they read on  
10 January 1st, 2024. Applications submitted on or  
11 after October 31st, 2024, are subject to the  
12 changes in Proposition 2.

13 Today's item proposes to set Board policy on  
14 several aspects of Proposition 2 that the Board may  
15 wish to address immediately to provide school  
16 districts and stakeholders necessary guidance for  
17 the continued submittal of funding applications. It  
18 is important to note that this item is intended to  
19 seek Board guidance on the most critical components  
20 for initial implementation, and is not all  
21 inclusive of all aspects of Proposition 2.

22 Stakeholder input and feedback will be  
23 critical to inform implementation of many of the  
24 aspects of Proposition 2. As previously indicated,

1 OPSC will hold a series of stakeholder meetings  
2 beginning in early 2025 to gather input regarding  
3 and informing proposed regulatory changes to  
4 subsequently present to the Board for consideration  
5 and approval. Attachment "C" on stamped paged 274  
6 of today's agenda presents estimated timelines for  
7 implementation of Proposition 2 over the following  
8 year.

9 Today's item presents nine specific topics  
10 regarding initial implementation of Proposition 2.  
11 Attachment "B" presents a table that summarizes  
12 each topic, the associated requirements of  
13 Proposition 2 and informational updates and/or  
14 recommended Board policies. I'll provide a high-  
15 level summary of those nine topics on attachment  
16 "B" which are explained in additional detail in the  
17 cover item.

18 Topic one is informational and there is no  
19 action requested or recommended for the Board at  
20 this point. Topic number one is related to new  
21 construction and modernization program authority  
22 set asides. Proposition 2 authorizes up to 10% of  
23 the funding allocated for new construction and  
24 modernization can be available to support small

1 school districts. Proposition 2 also authorizes up  
2 to \$115 million from Modernization Authority to  
3 address remediation of lead in water.

4       Additionally, Proposition 2 provides \$5  
5 million for a grant to the California Department of  
6 Education from new construction and/or  
7 Modernization Authority for specified purposes.  
8 Staff will present options to the Board at a future  
9 meeting regarding amounts to be set aside from  
10 funds authorized for Proposition 2 for these  
11 purposes as well as for necessary administrative  
12 costs.

13       Topic number 2, relates to unfunded approvals  
14 and priority funding apportionments. Topic 2 is  
15 also informational and there is no recommended  
16 action for the Board at this time. In recent years,  
17 the Board has been able to provide direct  
18 apportionments for new construction and  
19 modernization projects due to the availability of  
20 general fund proceeds for the program. Once  
21 remaining general fund proceeds are exhausted in  
22 early 2025, staff will present applications to the  
23 Board for consideration of unfunded approvals.  
24 Pursuant to our existing regulations upon the Board

1 providing an unfunded approval, projects will be  
2 placed on the unfunded list for Lack of AB55 Loans  
3 and must participate in the existing funding --  
4 excuse me, the existing priority funding process.

5 Topic number 3, is the requirement in  
6 Proposition 2 for school districts to submit a  
7 Five-Year School Facility Master Plan as a  
8 condition of participation in the School Facility  
9 Program. For this topic, we do have policies  
10 recommended for the Board. The staff recommendation  
11 for each of the policies that I'll outline in this  
12 item, essentially would be for the Board to adopt  
13 recommended policies in order to provide  
14 information and consistent expectations to school  
15 districts and stakeholders so that they can  
16 continue submitting applications and that would  
17 apply to applications that we've already received  
18 beginning October 31st, 2024. These policies would  
19 be in place until such time that staff brings back  
20 recommended -- regulatory amendments following the  
21 series of stakeholder meetings in 2025.

22 Specific to topic 3 on Five-Year School  
23 Facility Master Plans, staff's recommended policies  
24 pertain to the timing when districts would be

1 required to submit the required School Facility  
2 Master Plan. Proposition 2 requires submittal as a  
3 condition of participation in the School Facility  
4 Program but does not specify when it must be  
5 submitted by a school district.

6 Staff's recommended policies differentiate  
7 between three groups of projects. Firstly, Facility  
8 Hardship and Seismic Mitigation Program  
9 applications. These applications are from districts  
10 that are seeking state funding to address an  
11 eminent health and safety issue with a facility.  
12 They currently receive first priority for  
13 processing and funding under the program. Our  
14 proposal for the recommended policy by the Board  
15 for these projects would be to require the Master  
16 Plan to be submitted with the substantial progress  
17 certification for construction of the project,  
18 which is due 18 months following fund release or  
19 upon submittal of the 100% complete expenditure  
20 report, whichever occurs first.

21 Essentially, this would provide any  
22 applications for Facility Hardship and Seismic  
23 Mitigation Program funding the opportunity to go  
24 through the application process, access state funds

1 for an eligible project and proceed with addressing  
2 the eminent health and safety issue while at the  
3 same time and subsequently having time to develop  
4 the required Five-Year School Facility Master Plan.  
5 Part of the policy that is recommended additionally  
6 would include requiring districts in the meantime  
7 to submit a Governing Board Resolution that  
8 acknowledges this submittal timeline and that their  
9 project may ultimately be rescinded for failure to  
10 submit a Master Plan with the required components  
11 by the timeline specified.

12       The second group of projects in our  
13 recommended policy is for a new construction and  
14 modernization applications received October 31st,  
15 2024, through 12 months following the formal  
16 adoption of regulations approved by the Office of  
17 Administrative Law. So for applications submitted  
18 during that timeline, the recommended Board policy  
19 is that we require school districts to submit the  
20 Master Plan at the time the application is  
21 processed. Consistent with current practice, OPSC  
22 staff would provide a 90-day notification prior to  
23 beginning processing. It is important to note that  
24 due to provisions in Proposition 2 that grandfather

1 applications received on or before October 30th,  
2 2024, under the statutes in place as of January  
3 1st, 2024, if we continue processing at our recent  
4 rates, it will take approximately two to three  
5 years for staff to process those grandfathered  
6 applications. Therefore, this recommended policy  
7 would provide school districts submitting new  
8 construction and modernization applications  
9 approximately two to three years to develop a Five-  
10 Year Master Plan or update a Five-Year Master Plan  
11 with the required elements in Proposition 2.

12       The final group of projects for topic 3 is new  
13 construction and modernization applications that  
14 are received more than 12 months following the  
15 Office of Administrative Law's formal approval of  
16 regulations on this topic. For these applications,  
17 staff suggests and recommends a policy that the  
18 Master Plan would be submitted at the time the  
19 application is submitted to the Office of Public  
20 School Construction. At that point in time, excuse  
21 me, districts would have already also had a period  
22 of time spanning one year after the formal  
23 regulations have been developed, which would be  
24 likely at least two years from today.

1           Moving to topic 4. Topic 4 pertains to the  
2 required local matching share and a calculation  
3 that is prescribed in Proposition 2 for the sliding  
4 scale of the required matching share for the state  
5 and local contributions to new construction and  
6 modernization projects. Staff has recommended a  
7 Board policy basically identifying four data points  
8 that are necessary for staff to conduct the  
9 calculation that is required in Proposition 2 to  
10 determine the state and local matching share. Two  
11 of those data points we would intend to obtain  
12 directly from the California Department of  
13 Education. Those are the district's enrollment and  
14 also the district's unduplicated pupil percentage.  
15 The other two data points would be the policy we  
16 recommend for the Board's adoption. Those pieces of  
17 information we would request from school districts  
18 at the time the application is ready for  
19 processing. The first is a letter from the County  
20 Auditor Controller certifying the school district's  
21 current year assessed valuation. And the second  
22 would be a copy of any applicable project labor  
23 agreement for the project. Under the proposed  
24 policy, OPSC staff would request that information

1 from the district at the time the application is  
2 notified that it will be processed within 90 days.  
3 If the school district is unable to provide the  
4 requested information within that timeframe, they  
5 would not receive the points in that points-based  
6 determination that are associated with those two  
7 data elements.

8 Topic number 5 is Financial Hardship  
9 Assistance. Proposition 2 increases the maximum  
10 bonding capacity a school district may have in  
11 order to qualify for financial hardship assistance  
12 from \$5 million to \$15 million. And that amount  
13 will be adjusted annually moving forward. This is  
14 an informational update. There is no recommended  
15 policy for Board consideration. OPSC will apply the  
16 new threshold immediately to all applications that  
17 request financial hardship assistance and are  
18 received on or after October 31st, 2024. We would  
19 note that school districts that may have submitted  
20 an application on or before October 30th, 2024, who  
21 wish to be considered for financial hardship  
22 assistance under this new criteria must withdraw  
23 their existing application and resubmit for that  
24 consideration.

1           For purposes of presentation, to make this a  
2 little shorter, I will take up topics 6, 7, and 8  
3 together. Proposition 2 establishes numerous new  
4 funding opportunities for school districts via the  
5 School Facility Program. In part, it authorizes new  
6 modernization supplemental grants for minimum  
7 essential facilities, transitional kindergarten  
8 classrooms and career technical education  
9 facilities and equipment. It also authorizes new  
10 supplemental grants for new construction and  
11 modernization projects that include energy  
12 efficient components as specified. And it also  
13 provides additional funding for school districts  
14 that are seeking to replace a building that is at  
15 least 75 years old. For all of these provisions of  
16 Proposition 2, staff has recommended Board policies  
17 that at a high-level would establish a requirement  
18 that the scope of work for which a school district  
19 is requesting any of this supplemental funding must  
20 already be reflected in the CDE and DSA approved  
21 plans submitted at the time the application for  
22 funding is filed with the Office of Public School  
23 Construction. Essentially, the rationale here is to  
24 ensure that there is an equal playing field and

1 that we do not have potential line jumping in which  
2 a school district may hold a place in line based on  
3 a certain submittal date while contracting for  
4 design and undergoing scope changes that would  
5 impact the amount of funding available for the  
6 project as well as the timing of when that project  
7 could access funding relative to other districts.

8 Finally, topic 9 is Interim Housing for a  
9 Governor-declared State of Emergency. Proposition 2  
10 provides the Board new authority to provide  
11 assistance for procuring interim housing or any  
12 other assistance to a school district that has  
13 facilities impacted by a natural disaster for which  
14 the governor has declared a state of emergency.  
15 Staff's recommended Board policy would be that the  
16 Board review and consider these requests on a case-  
17 by-case basis using the existing appeal process  
18 until such time that stakeholder meetings and input  
19 has been obtained and proposed regulations are  
20 presented in the future for the board's  
21 consideration. Our recommendation for this item is  
22 for the Board adoption of the policies outlined in  
23 this item and summarized in attachment "B" for  
24 School Facility Program applications received on or

1 after October 31st, 2024, until the effective date  
2 of regulations implementing the Board policies and  
3 any changes that are identified through the  
4 stakeholder process. We also would recommend that  
5 the Board request staff to bring back proposed  
6 regulatory amendments for Board approval and  
7 submittal to the Office of Administrative Law.

8 Happy to address any questions. Thank you.

9 >> **CHAIR PERRAULT:** Thank you so much. That was  
10 a lot and I appreciate the thorough walk-through in  
11 such a concise way.

12 With that, are there any comments or questions  
13 from board members first? Okay, I'm seeing none.  
14 We'll go ahead and move to public comment.

15 I would note that I have one public comment  
16 card here on this item. Alan Reising from the  
17 Coalition for Adequate School Housing if you would  
18 like to come up to the mic.

19 >> **ALAN REISING:** Absolutely.

20 >> **CHAIR PERRAULT:** Provide your public  
21 comment.

22 >> **ALAN REISING:** So thank you very much,  
23 Honorably Board. My name is Alan Reising. I'm the  
24 current chair of the Coalition for Adequate School

1 Housing, C.A.S.H. So I'll keep my comments short  
2 today.

3       Just an opportunity to come together and  
4 recognize and celebrate the passage of Prop 2 and  
5 really thank all of the elected officials and every  
6 one up and down the state who worked hard to ensure  
7 this proposition was passed. Bringing much-needed  
8 dollars to our schools and the needy schools we  
9 have up and down the state. Also to reaffirm and  
10 redouble our commitment as C.A.S.H., to engage with  
11 the Office of Public School Construction and this  
12 Board to ensure that the regulations that are  
13 adopted and implemented in this program are really  
14 best suited to meet the needs of all our schools up  
15 and down the state and address the majority of the  
16 students in our communities. So we're here today to  
17 really celebrate and renew our partnership and  
18 reaffirm that we're here to commit and work  
19 together to ensure that Prop 2 is -- brings the  
20 best improvements to our schools up and down the  
21 state.

22       So thank you, all. I really appreciate the  
23 time, and I appreciate the effort. Thank you.

24       **>> CHAIR PERRAULT:** Thank you. Appreciate the

1 comments.

2 That's the only comment card I have on this  
3 item. However, are there any other public comments  
4 either here in the room or online? Okay. All right.  
5 Seeing none, this is an action item.

6 So is there a motion for the recommended staff  
7 recommendations?

8 >> **ASSEMBLY MEMBER MURATSUCHI:** So moved.

9 >> **CHAIR PERRAULT:** Moved by Assembly Member  
10 Muratsuchi. Sorry.

11 Is there a second?

12 >> **JEREMY SMITH:** Second.

13 >> **CHAIR PERRAULT:** Second by Member Smith.

14 If we could go ahead and call the roll please.

15 >> **LISA JONES:** Will do.

16 Assembly Member Muratsuchi.

17 >> **ASSEMBLY MEMBER MURATSUCHI:** Aye.

18 >> **LISA JONES:** Muratsuchi, aye.

19 Assembly Member Davies.

20 >> **ASSEMBLY MEMBER DAVIES:** Aye.

21 >> **LISA JONES:** Davies, aye.

22 Assembly Member Alvarez.

23 >> **ASSEMBLY MEMBER ALVAREZ:** Aye.

24 >> **LISA JONES:** Alvarez, aye.

1 Juan Mireles.

2 >> **JUAN MIRELES:** Aye.

3 >> **LISA JONES:** Mireles, aye.

4 Jeremy Smith.

5 >> **JEREMY SMITH:** Aye.

6 >> **LISA JONES:** Smith, aye.

7 Ana Lasso.

8 >> **ANA LASSO:** Aye.

9 >> **LISA JONES:** Lasso, aye.

10 Michele Perrault.

11 >> **CHAIR PERRAULT:** Aye.

12 >> **LISA JONES:** Perrault, aye.

13 That motion carries.

14 >> **CHAIR PERRAULT:** Thank you so very much.

15 With that, we'll go ahead and move onto our

16 next item.

17 Ms. Kirk, I believe it's our information

18 items.

19 >> **MS. KIRK:** Thank you, Madam Chair.

20 The Reports, Discussion and Information items

21 are on stamped pages 275 through 321 of today's

22 agenda. I'm happy to address any questions. Thank

23 you.

24 >> **CHAIR PERRAULT:** Thank you so very much.

1           Are there any comments or questions from the  
2 Board? All right, seeing none.

3           Are there any public comments on this item?  
4 Okay. Seeing none.

5           This is not an action item, so we'll go ahead  
6 and move forward.

7           Before we adjourn, are there any other public  
8 comments on items not on the agenda? Okay, seeing  
9 none. Then we can go ahead and adjourn the meeting  
10 at 3:42.

11           [ GAVEL ]

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TRANSCRIBER'S CERTIFICATE

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I, (Antha A. Ward), a person who has 23 years of demonstrated experience, do hereby certify:

That the proceedings herein of the California State Allocation Board, Public Meeting, were duly transcribed by me;

That the foregoing transcript is a true record of the proceedings as transcribed;

That I am a disinterested person to said action.

IN WITNESS WHEREOF, I have subscribed my name on December 13, 2024,

Antha A Ward

Antha A. Ward  
QuickCaption, Inc.

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