CALIFORNIA STATE ALLOCATION BOARD

PUBLIC MEETING

CALIFORNIA DEPARTMENT OF EDUCATION
1430 N STREET, ROOM 1101
SACRAMENTO, CALIFORNIA 95814

DATE: WEDNESDAY, MARCH 23, 2011

TIME: 4:07 P.M.

Reported By: Mary Clark Transcribing
4919 H Parkway
Sacramento, CA 95823-3413
(916) 428-6439
marycclark13@comcast.net

1 APPEARANCES

2 MEMBERS OF THE BOARD PRESENT:

3 PEDRO REYES, Chief Deputy Director, Policy, designated representative for Ana Matosantos, Director, Department of
4 Finance

5 SCOTT HARVEY, Acting Director, Department of General Services.
6
KATHLEEN MOORE, Director, School Facilities Planning
7 Division, California Department of Education, designated representative for Tom Torlakson, Superintendent of Public
8 Instruction.

9 SENATOR ALAN LOWENTHAL

10 SENATOR LONI HANCOCK

11 ASSEMBLY MEMBER JULIA BROWNLEY

12 ASSEMBLY MEMBER JOAN BUCHANAN

13 ASSEMBLY MEMBER CURT HAGMAN

14 REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

15 LISA SILVERMAN, Acting Executive Officer

16 REPRESENTATIVE OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE OF LEGAL SERVICES PRESENT:
17
LANCE DAVIS, Staff Counsel
18
19
20
21
22
23
24
25

1 P R O C E E D I N G S

2

3 CHAIRPERSON REYES: This meeting is called to
4 order. Secretary, will you please call the roll.
5 MS. GENERA: Senator Lowenthal.
6 SENATOR LOWENTHAL: Here.
7 MS. GENERA: Senator Hancock.
8 Senator Huff.
9 Assembly Member Brownley.
10 Assembly Member Buchanan.
11 ASSEMBLY MEMBER BUCHANAN: Here.
12 MS. GENERA: Assembly Member Hagman.
13 ASSEMBLY MEMBER HAGMAN: Here.
14 MS. GENERA: Scott Harvey.
15 MR. HARVEY: Present.
16 MS. GENERA: Kathleen Moore.
17 MS. MOORE: Here.
18 MS. GENERA: Lyn Greene.
19 Pedro Reyes.
20 CHAIRPERSON REYES: Present.
21 MS. GENERA: We have a quorum.
22 CHAIRPERSON REYES: Thank you. Is there any
23 public comment. Thank you. We've established a quorum.
24 Ms. Silverman.
25 MS. SILVERMAN: Hi, Tab --

1 CHAIRPERSON REYES: You're too far from me.
2 MS. SILVERMAN: We'll try to get closer next time.
3 CHAIRPERSON REYES: Please.
4 MS. SILVERMAN: So the **Minutes** are ready for your
5 approval.
6 ASSEMBLY MEMBER HAGMAN: So move.
7 ASSEMBLY MEMBER BUCHANAN: Second.
8 MR. HARVEY: Second.
9 CHAIRPERSON REYES: Been moved and second. Any
10 comments? Questions? Any public comment from the -- okay.
11 All in favor say aye.
12 (Ayes)
13 CHAIRPERSON REYES: Unanimous of those present.
14 Thank you. **Executive Officer's Statement**.
15 MS. SILVERMAN: Yes. We're actually happy to
16 highlight today at the Board that the success of the
17 December priority in which we actually apportioned
18 $1.437 billion to projects that were waiting on the unfunded
19 list and that actually resulted in -- the round closed
20 actually on March 15th, which was Tuesday, and we're happy
21 to report that 441 projects worth $1.436 billion will
22 receive funding.
23 So again that's success to the priorities round
24 and we wanted to highlight that today at the Board.
25 And we also want to provide you some updates on

1 the January and February priority round apportionments as
2 well. Those are also moving quite well.
3 We apportioned 26 projects for $103.6 million at
4 the January Board and to date we've received 12 fund release
5 requests over $1.8 million. Again we wanted to remind
6 districts that we have the deadline of April 26 to submit a
7 fund release request to our office, so we encourage those
8 districts to come in.
9 And at the February Board, we provide 20
10 apportionments for $87.9 million and so far we've received 8
11 fund releases worth $74.3 million and we want to encourage
12 those districts for that particular priority round that they
13 have until May 23rd to come in with their fund release
14 requests.
15 We also wanted to share with the Board the process
16 to receive accelerated funding in the case of a natural
17 disaster -- this issue came up last month. And we wanted to
18 inform the Board that districts that have applications
19 in-house or projects that may be on the unfunded list, if
20 they experience a natural disaster, earthquake, fire, or
21 flooding, to that extent they could submit an appeal request
22 to the Board for the Board to take up for consideration, and
23 it would be helpful if they also include the rationale of
24 requesting that accelerated funding as part of the request
25 and we would obviously take that item to the Board for

1 consideration.
2 The next item I want to highlight is the seismic
3 update. We would like to share with the Board included in
4 the agenda is a conceptual approval for a seismic project.
5 That particular project is going for a conceptual approval
6 of $14.3 million. Again that's part of Tab 7b.
7 And we also have a report to share with the Board
8 as far as the update to the Seismic Mitigation Program which
9 includes details of the seismic evaluations that were
10 recently completed as a result of a $200,000 grant that we
11 received from the Seismic Safety Commission and to share
12 with the Board the progress we've made in that area.
13 And last -- excuse me. I have two more things to
14 share with you. State agency workshop -- we have a joint
15 workshop kicking off tomorrow and it will be held at
16 Department of General Services. We will be in concert with
17 Department of Education, Division of State Architect, and we
18 have at least 52 participants that are scheduled to be
19 present and also this training and workshop will be Webcast.
20 So we encourage those districts that are in town to join us
21 at the workshop tomorrow.
22 And the last thing I would like to share with the
23 Board is we actually have a priorities in funding cash
24 management meeting on April 12th and highlight that it's
25 important that we all participate in this venue and we would

1 like to provide stakeholders another opportunity to weigh in
2 on these issues and that meeting will be between 3:00 and
3 5:00 and the place is yet to be determined. So -- that's
4 all I have today.
5 CHAIRPERSON REYES: Between 3:00 and 5:00 what
6 date?
7 MS. SILVERMAN: April 12th. Sorry.
8 CHAIRPERSON REYES: Thank you. Board members.
9 MR. HARVEY: I have a quick question. I know
10 we're all trying to make things work quicker and better
11 particularly in a natural disaster. Is it possible that if
12 the Governor has declared the area as a disaster area, which
13 is something normally done to allow Federal dollars to come
14 in, could that suffice for the Form 189 or could it suffice
15 in some fashion to expedite the handling of the district's
16 request?
17 MS. SILVERMAN: Well, I think that would be --
18 yeah, helpful and we also probably need to know to what
19 extent is it impacting the project that's on the workload
20 list. That would also be helpful.
21 We do track these particular emergencies or
22 declarations of emergency and reach out to the districts if
23 there are any issues, and so yeah, it would be helpful. We
24 do track that information as well. So we would definitely
25 be following really closely and communicate with those

1 that -- issues with the district.
2 MR. HARVEY: So it's helpful. It can't replace
3 anything.
4 MS. SILVERMAN: It's helpful, but yeah.
5 MR. HARVEY: Okay.
6 CHAIRPERSON REYES: Yeah, because some of those
7 disaster areas are the results of freezes, civil
8 disobedience, fire, and it's not necessarily an earthquake
9 or something else that --
10 MR. HARVEY: I was thinking of if it were germane
11 to the natural disaster definition only.
12 CHAIRPERSON REYES: Um-hmm. Okay. Yeah.
13 MR. HARVEY: Okay.
14 CHAIRPERSON REYES: Thank you. Mr. Mireles.
15 MR. MIRELES: One other thing I'd also like to add
16 is that the Form 189 also provides staff and the Board more
17 specific information from the District's perspective in
18 terms of what they're requesting. So it provides us more
19 information so that we can analyze a request. That's
20 another reason why we request the 189 as well in addition to
21 the declaration.
22 CHAIRPERSON REYES: Thank you. Anybody else?
23 MR. HARVEY: They just want money, don't they?
24 They just want money.
25 CHAIRPERSON REYES: Is there any comments from the

1 public on the executive report? Thank you. **Consent Agenda**.
2 Senator Lowenthal.
3 SENATOR LOWENTHAL: Yeah. I'd like to remove one
4 item from the Consent Agenda.
5 CHAIRPERSON REYES: Okay.
6 SENATOR LOWENTHAL: I think on page 56, the
7 Lynwood School District. I think it's the return of $2.5 or
8 -6 million. I don't think this should be on Consent. There
9 are some real concerns on -- I would like to have the
10 ability to lay this over, but the district does not agree
11 with this and so I don't think this should be in a
12 conversation today, that this should be -- I'm not saying
13 I'm opposed to this, but I just think that it shouldn't be
14 on Consent and I'd like to hear more from the district in
15 terms of what they think was unspent.
16 CHAIRPERSON REYES: Okay. So we'll pull out
17 page 56 dealing with the 2,158,821 coming back from the
18 Lynwood Unified.
19 SENATOR LOWENTHAL: Right. Right.
20 CHAIRPERSON REYES: Okay. Anybody else?
21 MS. MOORE: Pedro, I --
22 CHAIRPERSON REYES: Yes, Kathleen.
23 MS. MOORE: And I'll be abstaining on the Elk
24 Grove item and if there becomes a problem with the voting on
25 that item, then I'll choose to -- choose at that time. But

1 if another member comes and there's enough votes for that
2 item, then I'll --
3 CHAIRPERSON REYES: Okay. Could we -- because
4 where we are in number, could we have you vote for it and
5 when another member shows up --
6 ASSEMBLY MEMBER BUCHANAN: Add on.
7 CHAIRPERSON REYES: -- and we get their added aye,
8 then we can ask that you be removed? Would that be okay?
9 MS. MOORE: That's fine.
10 CHAIRPERSON REYES: Okay. But you want to --
11 okay. Let's do this. Let's bifurcate it because it's only
12 one item that you want to abstain from.
13 MS. MOORE: Usually what happens is I just -- I
14 vote for the Consent Calendar with the exception of the
15 Elk Grove School District items. So -- and it usually --
16 CHAIRPERSON REYES: And the record will show that?
17 MS. MOORE: And the record shows that.
18 CHAIRPERSON REYES: Okay. And then -- but to the
19 extent then nobody else shows up, then you're an aye vote.
20 MS. MOORE: Then I will consider voting for it.
21 CHAIRPERSON REYES: Okay. Thank you.
22 ASSEMBLY MEMBER BUCHANAN: So could I move the
23 Consent item removing the Lynwood Unified item.
24 MR. HARVEY: Second.
25 CHAIRPERSON REYES: So it's been moved and second.

1 Any comments from the public? Excellent. All in favor say
2 aye.
3 (Ayes)
4 CHAIRPERSON REYES: Opposed/abstains. Ayes have
5 it. Thank you.
6 MR. HARVEY: As a follow-up question, if I may,
7 Senator Lowenthal, the pulling of the Lynwood, we're setting
8 that for a future agenda --
9 SENATOR LOWENTHAL: Right. Just --
10 MR. HARVEY: -- we're not dealing with it today.
11 SENATOR LOWENTHAL: Right. Right.
12 CHAIRPERSON REYES: That is correct.
13 SENATOR LOWENTHAL: But I just want to hear
14 from -- because it just came as quite a surprise to me this
15 afternoon. I'd assumed that it was on the Consent and
16 everything and they just wanted additional time to provide
17 us information. That's all and so --
18 MR. HARVEY: Thanks for the clarity. I just want
19 to know when we were going to do --
20 SENATOR LOWENTHAL: As soon as they send us the
21 information.
22 CHAIRPERSON REYES: All right.
23 MS. SILVERMAN: **Status of Fund Release Report**,
24 Tab 5. So we've been highlighting to the Board on a monthly
25 basis as far as how we are releasing the various bond

1 authorizations that we've received since the freeze and
2 we -- again the purpose of this is just to show how fast
3 we're disbursing the funds in the various pots or
4 allocations we received.
5 In March 2009, we have no activity, so there's
6 nothing to report in that particular category. There was a
7 general obligation bond sale in April 2009. We actually
8 disbursed $5.7 million for the month of February and in the
9 lower chart on page 91, we actually -- for the October 2009,
10 November 2009 obligation, we actually released
11 $13.6 million.
12 On page 92, if you look at the top portion of your
13 page, there is no releases for the November and December
14 2009 category and the May 2010 category, there is
15 $32.1 million released for the month and then the lower
16 portion is November 2010. We actually released
17 $394.3 million in bond proceeds which actually relates to
18 the acceleration of the funding due to priorities in
19 funding.
20 On page 93, summary is the release for February is
21 $445 million for the month. Again 394 million of that
22 relates to the priorities in funding.
23 We -- if I could grab your attention on page 94,
24 so as a summary of all the cash disbursements that we've had
25 in the program, again this just highlights on a monthly

1 basis what we have left in cash in our particular pot. We
2 have over a billion dollars still left in this month as far
3 as what's in our bank account. Although with the success of
4 priorities and the other disbursements being -- that came in
5 at the latter part -- excuse me -- the middle of the month
6 as a result of closing of the round, we're going to have --
7 see a huge portion of the money being drawn down again next
8 month.
9 Again the whole point is because we release almost
10 everything in priorities of funding for the December round.
11 So you'll see a significant drop next month, on page 94.
12 And we actually added a new chart to this report.
13 On page 95, this is what we have -- time and time again, I
14 know we have questions as far as what is out there as far as
15 the cash and how many projects does that relate to and what
16 are the time limits. So we're actually writing the Board
17 another informational item which shows that we actually show
18 in March 2011, as we show this chart is we actually had 117
19 projects and that was all part of priorities that actually
20 have about $400 million and again this is just a snapshot of
21 time as of February.
22 We're going to show a large -- this March will
23 obviously go down -- dissipate next month because we did
24 release most of the funds with the exception of $1 million
25 in the priority round.

1 But for April, we actually have $74 million that
2 is still outstanding and they have the time when to come in
3 and request for the funds and that represents 25 projects
4 and in May, we have 116 million allocated and that
5 represents 47 projects.
6 But the chart incrementally shows -- reflects to
7 the Board how many projects we have outstanding and how much
8 funds are available on a monthly basis and again
9 highlighting that we want to encourage districts to come in
10 for those funds and provide the Board some relevance as far
11 as the summary of the funds that are available and is out
12 there.
13 So with that, I'd like to open up for any
14 questions.
15 CHAIRPERSON REYES: Thank you. Is there any
16 public comment on this? Board members, any comments?
17 MR. HARVEY: Seeing none, I'd move to accept the
18 report.
19 CHAIRPERSON REYES: I have a question.
20 MS. MOORE: Ms. Silverman, does that mean that if
21 the projects in April and May do not meet the requirements
22 that there would be an additional $72 million back into the
23 program cash?
24 MS. SILVERMAN: That's correct. Because those
25 projects are part of the priorities in funding round and if

1 they don’t come in for those funds, then the money will
2 revert back to the program.
3 MS. MOORE: So it will be important for us in
4 April to determine our cash management if that kind of
5 funding is going to be -- if that kind of actual cash is
6 available to continue to go down the list then.
7 MS. SILVERMAN: That's correct.
8 MS. MOORE: Thank you.
9 CHAIRPERSON REYES: Thank you. I have a motion to
10 approve the report. Is there a second?
11 ASSEMBLY MEMBER HAGMAN: Second.
12 SENATOR LOWENTHAL: Second.
13 CHAIRPERSON REYES: It’s been seconded. All in
14 favor say aye.
15 (Ayes)
16 CHAIRPERSON REYES: Opposed. None. Ayes have it.
17 Thank you.
18 MS. SILVERMAN: So Tab 6, page 96, is our **Status**
19 **of Funds** and it’s just tracking of our bond authority and
20 how much projects have we processed this month.
21 If I can get your attention to the top portion of
22 the sheet there on page 96, Proposition 1D, we originally
23 received a $7.3 billion allocation. This month as far as
24 the estimated approvals that was part of the Consent Agenda,
25 19.6 million relates to modernization projects and that was

1 15 projects we -- the Board actually provided approvals for.
2 There was over $200,000 in high performance and again that's
3 also reflected in the Board's approval.
4 So we have a summary of $19.8 million as far as
5 estimated approvals that are being drawn down on the bond
6 authority for Proposition 1D.
7 In the middle category is Proposition 55. The
8 Board -- excuse me. The voters authorized $10 billion and
9 as far as the drawdown for new construction, we posted
10 $1.2 million and that represented three projects. We
11 actually have a posting to difference here [sic] that
12 reflects the critically overcrowded schools and that
13 reflects two projects and we have a charter school project
14 and that's also being provided an unfunded approval so that
15 it's actually a positive balance here because we were
16 actually making a posting correction.
17 And in Proposition 47, we actually are processing
18 $8 million in new construction. So the total that we're
19 processing this month in unfunded approvals is $25.3 million
20 and that represents 29 projects.
21 And on page 97, if I can draw your attention to
22 the middle of the page is the summary of the Emergency
23 Repair Program and the applications we've been processing.
24 We've actually processed $51.3 million in unfunded approvals
25 for the emergency repair program and that represents 41

1 projects.
2 So the total cash need for the Emergency Repair
3 Program is over $333 million.
4 And on page 98, again summary pie chart of where
5 we're at with the various propositions. We've actually
6 apportioned in Proposition 1D 67.19 percent of the original
7 bond authorization and we still have 22.6 percent which is
8 over 1.666 in bond authority in Proposition 1D.
9 And in Proposition 55, again the voters allocated
10 $10 billion and we've apportioned over 91 percent of that
11 bond and we still have over 4 percent in unfunded approvals
12 and we have just slightly under 4 percent of remaining bond
13 authority, so we still $372 million on the books for
14 Proposition 55.
15 On page 100, for Proposition 47, the voters
16 approved $11.4 billion. We've apportioned 98 and a half
17 percent of that and we still have 64 -- slightly over
18 64 million in bond authority.
19 And then on page 101, we actually -- it's a
20 summary of the new construction category with respect to all
21 three bonds and the voters approved between the three
22 propositions over $14 billion in authority and we've
23 extended 92 percent of that and we still have over
24 $528 million in remaining bond authority in new construction
25 and again seismic is part of that category. So we still

1 have 3.6 percent remaining in new construction authority.
2 CHAIRPERSON REYES: It's page 101.
3 MS. SILVERMAN: And then the last chart is on
4 page 102 and that's just a summary of Emergency Repair
5 Program and settlement authority. We still have over 123
6 million in settlement authority left on the books and we're
7 aggressively processing those applications.
8 So with that, I'll open up to any questions.
9 CHAIRPERSON REYES: Mr. Harvey.
10 MR. HARVEY: I need you to help me remember what
11 the funding cycle is for the Overcrowding Relief Program.
12 That is one that has 446 million and I think sometimes we
13 need to be very aggressive in our outreach, making sure
14 districts understand what the eligibility requirements are,
15 making sure they know that they might qualify for these
16 funds before they disappear.
17 Where are we on the funding rounds for that and
18 have we done anything or should we do anything to reach out
19 and remind folk that they might qualify or here are the
20 things that you should look at to see if you do qualify
21 because it's a wonderfully intended program. It's one that
22 doesn't seem to get drawn down quickly.
23 We've had discussion anecdotally going forward
24 about do we want move this money at some point. But I'm
25 interested in if at all possible using it for the purpose it

1 was set aside.
2 MS. SILVERMAN: We actually have a funding round
3 that just wrapped up January and we actually have a few --
4 several applications that we're processing now and we
5 actually have another filing round that actually wraps up
6 July 31st.
7 And part of our joint workshop tomorrow is we're
8 going to highlight to the audience, the school district
9 community, that there are opportunities in the program that
10 relate to overcrowded relief grant. We're going to
11 hopefully obviously be successful and walk folks through the
12 process of how you apply for those particular grants and
13 other grants as well.
14 So we're out there trying to stimulate some of
15 that conversation with the districts, if they're not aware
16 about the grants and how they could qualify. So yeah, we're
17 aggressively trying to provide some more outreach and some
18 opportunities for districts to come in for those particular
19 programs.
20 MR. HARVEY: That's great news. It's a wonderful
21 start. I'd like the opportunity to work with you between
22 now and July to make sure we're as robust and as thorough as
23 we can be. But thank you. It's a wonderful anecdote.
24 I would move approval, if there are no other
25 questions, to accept these reports.

1 CHAIRPERSON REYES: Thank you. Is there a second?
2 ASSEMBLY MEMBER BUCHANAN: Second.
3 CHAIRPERSON REYES: All right. All in favor say
4 aye.
5 (Ayes)
6 CHAIRPERSON REYES: Opposed, none. Thank you.
7 Senator Hancock, thank you for joining us. Do we want to go
8 back to those items that we had -- that we skipped. We have
9 the Consent and the Minutes and approval of the reports.
10 MS. GENERA: Senator, this would be the Minutes
11 approval.
12 SENATOR HANCOCK: Right. And thank you very much,
13 Lisa. There is just an additional correction that I want to
14 make to the Minutes of the January meeting.
15 I have it written out for Lisa. I have requested
16 the clarification of Ms. Oropeza's request that we put the
17 election of the Chair until Mr. Reyes could be here because
18 he was going to be the Chair and it wasn't clarified and
19 what the Minutes say is that I asked for clarification, but
20 it doesn't say what it was.
21 And I would be happy just to give a sentence to
22 Ms. Jones and move the Minutes with that understanding that
23 we're going to clarify the January Minutes.
24 CHAIRPERSON REYES: Well, we have -- at this
25 point, we actually have approval of last month's Minutes.

1 SENATOR HANCOCK: Okay.
2 CHAIRPERSON REYES: We took action to approve the
3 February Minutes and in February, took action to approve the
4 January Minutes. So what you're asking us right now is to
5 open what we just approved --
6 SENATOR HANCOCK: Oh, don't worry about it. What
7 would make me very happy would be simply to have this
8 month's Minutes reflect that the clarification that I had
9 requested in January was that the acting Chair requested the
10 deferral of the election of the Chair and Vice Chair until
11 the February meeting when the new Department of Finance
12 designee could be present.
13 And if you could get that into this month's
14 Minutes or the Minutes of this meeting, which have not been
15 written yet because the meeting has not concluded --
16 CHAIRPERSON REYES: Right. No, I know. What we
17 voted on earlier was the February Minutes. So could we --
18 would you be okay -- I'm just trying to figure out since I
19 wasn't here and we already accepted the January Minutes,
20 would you be okay with going on record of what your
21 interpretation of those Minutes ought to be?
22 SENATOR LOWENTHAL: In today's Minutes -- in
23 today's hearing --
24 CHAIRPERSON REYES: In today's Minutes --
25 SENATOR LOWENTHAL: -- and it would be reflected

1 next month --
2 CHAIRPERSON REYES: So that would be
3 memorialized when we take the Minutes, but what the
4 record -- what the Minutes will reflect is what you are
5 seeking as the clarification that you wanted. It doesn't
6 change the Minutes as they were accepted, but it goes on
7 record of what you understood.
8 SENATOR HANCOCK: As specifying what the
9 clarification was that I had requested, yes.
10 CHAIRPERSON REYES: Okay.
11 SENATOR HANCOCK: Okay.
12 CHAIRPERSON REYES: Does that -- okay. We got it.
13 All right. So do you want to add onto the February --
14 SENATOR HANCOCK: Actually --
15 CHAIRPERSON REYES: Do you want to add an aye to
16 the vote for the accepting of the February Minutes?
17 SENATOR HANCOCK: Yes. Yeah. Yeah.
18 CHAIRPERSON REYES: Okay.
19 SENATOR HANCOCK: Thank you.
20 CHAIRPERSON REYES: So the vote is aye.
21 Ms. Brownley, do you want --
22 ASSEMBLY MEMBER BROWNLEY: What are we voting on?
23 CHAIRPERSON REYES: On the -- we just opened it up
24 to Ms. Hancock because she just joined us. Thank you.
25 Ms. -- Senator Hancock just joined us and so we wonder if

1 you want to be added on as an aye to the Minutes.
2 ASSEMBLY MEMBER BROWNLEY: To the Minutes, yes.
3 CHAIRPERSON REYES: They've been moved and
4 approved and then we just out of courtesy --
5 ASSEMBLY MEMBER BROWNLEY: Yes.
6 CHAIRPERSON REYES: -- open it up for adding on.
7 ASSEMBLY MEMBER BROWNLEY: Great.
8 CHAIRPERSON REYES: Okay. So she's an aye as
9 well. And take over.
10 MR. HARVEY: Consent Calendar.
11 CHAIRPERSON REYES: Amended Consent Calendar.
12 MS. GENERA: Now we have the Consent Calendar
13 which would be minus page 56, pulling Lynwood. Senator
14 Hancock?
15 SENATOR HANCOCK: Yes. Aye.
16 MS. GENERA: Assembly Member Brownley.
17 ASSEMBLY MEMBER BROWNLEY: Aye.
18 MS. GENERA: Thank you.
19 CHAIRPERSON REYES: And then the acceptance of
20 both reports presented by the Executive Officer. Aye on
21 both?
22 SENATOR HANCOCK: Aye.
23 MS. JONES: We'll just add them on, yes.
24 CHAIRPERSON REYES: Okay. Thank you. All right.
25 Moving on. Tab 7, **Cuyama Unified**.

1 MR. MIRELES: Tab 7 and 8, beginning on page 103,
2 is a request from the Cuyama Joint Unified School District.
3 This is a small school district with a total district
4 enrollment of 261 pupils. They're located in rural Santa
5 Barbara County.
6 The district is requesting to receive an unfunded
7 approval for the Cuyama Elementary under our Facility
8 Hardship Program. The school site was built in the 1950s
9 and they also had a well that was built at that time.
10 ASSEMBLY MEMBER HAGMAN: Move to --
11 CHAIRPERSON REYES: It's been moved.
12 MR. HARVEY: Second.
13 CHAIRPERSON REYES: It's been second. Are there
14 any questions from the Board? Any comments from the public.
15 It's been moved and seconded. All in favor say aye.
16 (Ayes)
17 CHAIRPERSON REYES: Opposed? Abstentions? Ayes
18 have it. Thank you. Next item. **West Contra Costa Unified**.
19 MS. SILVERMAN: Mr. Dave Zian will present.
20 MR. ZIAN: Can you guys hear me? No. Mr. Chair,
21 members of the Board. Page 106, Tab 7b, West Contract Costa
22 County Unified School District is a conceptual approval
23 request for a Seismic Mitigation Program project that Lisa
24 mentioned earlier. It's our fourth project for this
25 program, so that's good news.

1 Why it's before you is the district is requesting
2 beyond the fact that they meet the criteria for the Seismic
3 Mitigation Program, they're in the right seismic zone, and
4 they have the right building type considered most
5 vulnerable.
6 But they're requesting -- due to the regulation
7 being a little vague as far as a site switch, they're
8 requesting before you -- this request for this item is to
9 actually rebuild this facility that has been deemed to be
10 unsafe at the Castro site from the Portola site.
11 Staff is in support of the Seismic Mitigation
12 Program conceptual request for $14.3 million. At the
13 Portola site right now, the school has been closed since
14 June of 2010 and right now we're not sure whether or not the
15 school district will be leasing or selling the site off.
16 So there's no issue with us as far as whether they
17 qualify for the Seismic Mitigation Program. Why this is
18 before you again is to really deal with the issue of the
19 rebuilding of this 67,000 square foot facility at the Castro
20 site which is another district-owned site that is closed
21 right now currently.
22 They'd like to reactive it and rebuild this school
23 there on this site because it's a safer site in the school
24 district's viewpoint.
25 Are there any questions?

1 CHAIRPERSON REYES: Are there any questions from
2 the Board?
3 ASSEMBLY MEMBER HAGMAN: Chair, I'll move
4 recommendations 1 through 7 I guess.
5 MR. HARVEY: Second.
6 SENATOR HANCOCK: Good. I second it.
7 CHAIRPERSON REYES: Any comments from the public?
8 Okay. It's been moved and seconded. All in favor say aye.
9 (Ayes)
10 CHAIRPERSON REYES: Opposed? Abstentions? Ayes
11 have it. Thank you. Next item. Tab 8.
12 MR. MIRELES: That one's been withdrawn.
13 CHAIRPERSON REYES: Withdrawn. Tab 9.
14 MR. ZIAN: Okay. Mr. Chair, members of the Board
15 again. Tab 9, page 146, this is our latest **Seismic**
16 **Mitigation Program Funding Update** for the Board.
17 This item provides background on the first phase,
18 so I won't go through it. A lot of this has been
19 communicated before. Unless there are questions of the
20 Board, I'll be happy to go through those facts again.
21 The primary focus of this report today is to
22 report back to you with regard to the California Seismic
23 Safety Commission grant that was provided of 200,000 to our
24 office to do a couple things: first of all, enter into
25 contracts with seismic engineering contractors.

1 We have two contractors onboard, north and south
2 part of the State, and in addition, these contractors were
3 to develop a uniform seismic evaluation template.
4 So those things have happened in the background
5 and then lastly these contractors -- this seismic
6 engineering contractors were to use this uniform template
7 out in the field to, you know, evaluate the ability of the
8 district to garner funds in the seismic mitigation program.
9 So to that end, our school -- our office actually
10 queried school districts that were on a list that have been
11 developed by the Division of State Architect. There were 48
12 school sites or buildings that have been identified on this.
13 It wasn't sites, but 48 buildings that have been identified
14 on the site as potentially being eligible as far as the
15 right seismic zone, as far as the most vulnerable category.
16 And after we queried the school districts, 16 of
17 them, 9 of the actual school districts said yes, they would
18 like for the seismic engineering evaluations using the new
19 template that had been developed and those represented 38
20 buildings.
21 And what you see on the bottom of page 147 are the
22 schools districts that -- the nine school districts that
23 indicated yes, that they wanted to have the seismic reviews,
24 and after the reviews are all done because it's all wrapped
25 up as far as the contract that we have with these structural

1 engineers, we had 38 of the buildings yield a total of 20
2 buildings that are potentially eligible. As long as they go
3 forward, you know, with plans, cost estimates, and so forth
4 through DSA and get approved plans and file an app with our
5 office, they're ready to go.
6 So at the bottom of page 147 are the school
7 districts representing those buildings that I talked about
8 earlier.
9 At the top of page 148, you'll see the 7 school
10 districts now -- so the 9 plus 7 equals 16 school districts
11 total representing the other ten buildings that districts
12 for different reasons indicated they were not interested in
13 the seismic reviews.
14 I should add that the first three districts,
15 Piedmont, San Ramon, and West Contra Costa County, indicated
16 no, while West Contra Cost County, we just approved that one
17 a second ago and Piedmont and the San Ramon Valley are the
18 first three projects that were approved in the Seismic
19 Mitigation Program. So that's kind of the answer to that.
20 Now the other school districts, Hayward,
21 Jefferson, Alameda, and LAUSD, their districts for different
22 reasons have indicated at least at this point now that they
23 weren't interested.
24 I would like to update at this point though to
25 update the information relative to the LA Unified School

1 District. We just received information today from them that
2 they are working closely with DSA on these seismic issues
3 for the buildings indicated on the list that we have.
4 So they're working through this process right now
5 and so in the future, we'll have more information hopefully
6 to report out on LA Unified School District.
7 The other thing I'd like to report to you is, per
8 Senator Hancock's request, we did convene a Seismic Program
9 Workshop with representatives from -- two legislative member
10 representatives. We had the California Seismic Safety
11 Commission members there. We had three people from that
12 representing them, DSA representatives, representatives from
13 OPSC, CalEMA, and we also had a Department of Finance
14 representative that discussed current methodology in the
15 program, whether or not we were determining seismic risk the
16 appropriate way.
17 We also looked at the California model, what we're
18 currently doing in the Seismic Mitigation Program juxtaposed
19 to what's happening in the Oregon situation where they have
20 more simplistic view of it utilizing a Federal FEMA model
21 numerical rating.
22 There were a lot of discussions along those lines
23 also whether or not maybe the spectral acceleration rating
24 we're currently using maybe should be adjusted.
25 There was no consensus as far as lowering

1 thresholds or anything like that. It was just an initial
2 meeting, but preliminarily the experts that we had indicated
3 that it appeared that we were on the right track as far as,
4 you know, the ground shaking motion, that the protocols
5 there were good, you know, as far as whether we need to
6 lower thresholds and maybe -- you know, at this point that's
7 a discussion for another time.
8 Lastly, I'd like to report to the Board that at
9 the California Seismic Safety Commission, there was a
10 meeting on the 10th of March and I presented to them the
11 report that I'm providing to you now also, the findings of
12 what happened with the use of the template and also reported
13 to them the actual dollars that are left in the original
14 $200,000 grant.
15 77,000 remains after all the final billings have
16 been tallied up and my request was is to seek approval from
17 the California Seismic Safety Commission to retain those
18 funds for future outreach and whatever changes may happen to
19 this program. There may be other districts that could
20 potentially be identified in the future.
21 So they granted the request. So that concludes my
22 report at this point as far as what is going on with the
23 program right now. Are there any questions?
24 CHAIRPERSON REYES: Any questions? Ms. Hancock.
25 SENATOR HANCOCK: I just had a comment. I really

1 want to acknowledge the efforts that DSA and OPSC and all of
2 you have made to move this forward. I appreciate it a lot.
3 I hope that you'll be able to come back with some
4 final resolution and recommendations here by April or May at
5 the latest so that we can -- if we're going to lower the
6 shaking as has been suggested or look at any new building
7 types, we'll be able to do that so we can get the money out
8 the door. But thank you.
9 MR. ZIAN: Thank you, Senator.
10 CHAIRPERSON REYES: Senator Lowenthal.
11 SENATOR LOWENTHAL: Yeah. First I want to thank
12 staff for the report. I also want to thank Senator Hancock
13 for providing leadership in the development of the working
14 group that we've done.
15 I'm just -- do we need -- I have first just a
16 procedural one. Do we need to in any way have a formal
17 motion to -- for the working group or is that just -- that's
18 just -- guess it was a letter -- or is that just fine?
19 CHAIRPERSON REYES: I think it's just fine. I
20 think we can -- we can acknowledge the report, is really
21 what the staff recommendation. So you can --
22 SENATOR LOWENTHAL: It's fine.
23 CHAIRPERSON REYES: Do you want to take an action
24 to acknowledge the report? Is there a motion?
25 SENATOR LOWENTHAL: I just want to know --

1 MR. HARVEY: Accept the report.
2 CHAIRPERSON REYES: Accept the report.
3 SENATOR LOWENTHAL: Yeah, I'd like to --
4 CHAIRPERSON REYES: Motion to accept. There's
5 been a second. All in favor say aye.
6 (Ayes)
7 CHAIRPERSON REYES: Abstentions, none. Good.
8 Okay. Approved.
9 SENATOR LOWENTHAL: The other part that I have is,
10 you know, the question of a lot of this was why are
11 districts not accessing this money. Is there any issue
12 about how we're going to address the issue or should we
13 address it if districts do not have matching funds to meet
14 this? Is that really -- I have not heard that about their
15 own access to funds. Is -- there is a matching requirement
16 and will we be addressing or looking at the whole issue of
17 matching funds for this? Is that a potential issue to just
18 to be raised and dealt with.
19 MR. ZIAN: I can tell you, Senator, that we early
20 on performed outreach relative to our Financial Hardship
21 Program that augments a facility hardship up a hundred
22 percent of the cost of an eligible project.
23 Obviously if they do not qualify for financial
24 hardship status, then we're kind of back to what you're
25 talking about.

1 SENATOR LOWENTHAL: Right.
2 MR. ZIAN: But we'll continue to do outreach with
3 the current ones when we do further outreach to see if --
4 you know, sometimes --
5 SENATOR LOWENTHAL: Yeah, I would like that.
6 MR. ZIAN: -- status has changed and in a new
7 school district. Beyond that there may need to be some
8 other --
9 SENATOR LOWENTHAL: Yeah. I --
10 MR. ZIAN: -- discussions, possible legislative
11 changes.
12 SENATOR LOWENTHAL: Right. No. That's right. I
13 would like you to at least address that issue and get back
14 to us if that's really one of the reasons why districts are
15 not availing themselves to these resources.
16 CHAIRPERSON REYES: Senator -- oh, Ms. Buchanan.
17 ASSEMBLY MEMBER BUCHANAN: I -- you know, we have,
18 what, roughly a thousand school districts and 10,000 schools
19 in the state and the Field Act has been in place for 60
20 years; right?
21 MS. MOORE: 1933.
22 ASSEMBLY MEMBER BUCHANAN: Right. And so, you
23 know, I'd like to think that most of our schools, you know,
24 meet the standards even though we know they've changed over
25 time and it's -- I don't know -- I think it's not feasible

1 to go out and inspect every school.
2 So I mean my interest is in, you know, what should
3 the standards be. If your panel believes that the shaking
4 standards, whatever, defined adequately, we need to know
5 what those standards are so when schools apply, we know -- I
6 mean our goal is safety as much as it is trying to spend
7 money.
8 And if we don't have demand on the money, then I
9 do think we should look at whether or not we move it over to
10 the Facilities Hardship Program and make this one of the
11 criteria -- expand the criteria for applying.
12 But, you know, we need to, you know, figure out
13 how we're best going to deal with this so hopefully the
14 money is spent for school repairs.
15 CHAIRPERSON REYES: Well, here's what I'd like to
16 do to this end. I know this issues come up before and
17 there's been a lot of interest in this. I know when we had
18 the meeting on cash management or priorities in funding last
19 time, this issue came up -- the transfer of money. But I
20 know that folks were concerned about doing the transfer.
21 So I'd like to elevate this a little bit and have
22 folks from the Board work on this. I'd like to have
23 Mr. Harvey chair a subcommittee with Ms. Buchanan and
24 Ms. Brown [sic] to look at this and bring back to the
25 Board -- some of the staff has done some work. Some of the

1 constituents have some interest -- and bring back to the
2 Board where we should be heading on this and I'd like to
3 have that conversation to occur at a subcommittee level so
4 it's a public setting and we know what the interest is and
5 what folks would like to do and then just bring it back and
6 have them vet it.
7 There's been close to $200 million and there's
8 definitely the need out there for seismic, but we want to
9 make sure it's spent properly and not wasted since it's a
10 very limited pot. So I'd like to do that.
11 ASSEMBLY MEMBER BROWNLEY: Who is the
12 subcommittee? I'm sorry.
13 CHAIRPERSON REYES: Pardon?
14 ASSEMBLY MEMBER BROWNLEY: Who did you say was on
15 the subcommittee.
16 ASSEMBLY MEMBER BUCHANAN: I think you meant Moore
17 and not Brown.
18 MS. JONES: Brownley not Brown.
19 MR. HARVEY: Moore.
20 ASSEMBLY MEMBER BROWNLEY: Well, you said
21 something about Brown and --
22 CHAIRPERSON REYES: Brown.
23 MS. MOORE: You meant Moore.
24 CHAIRPERSON REYES: Moore. Why do I call you --
25 keep calling you Brown.

1 MS. MOORE: You elevate me to the ex-treasurer.
2 I'm very pleased.
3 CHAIRPERSON REYES: I apologize, Kathleen. And we
4 just met earlier today.
5 MS. MOORE: Sister of the Governor.
6 CHAIRPERSON REYES: I have the boss in my head.
7 That's what it is. So --
8 ASSEMBLY MEMBER HAGMAN: Do you need a motion,
9 Mr. Chair, or anything or just --
10 CHAIRPERSON REYES: Please. If I could have a
11 motion.
12 ASSEMBLY MEMBER HAGMAN: Okay. So move.
13 SENATOR HANCOCK: Second.
14 CHAIRPERSON REYES: Okay. Any comments from the
15 Board? Any comments from the public on this issue?
16 Thank you. So we'll move forward with that.
17 Thank you. Next item. **Rules**.
18 MS. KAMPMIENERT: Good afternoon. Behind Tab 10,
19 we have the report on the outcome of the February
20 Subcommittee meeting on Rules and Procedures. And of the
21 topics discussed at that meeting, one is being presented
22 today for full Board consideration and that relates to the
23 appeals process.
24 The Subcommittee adopted Option 1 of the original
25 staff report which can be found on stamped page 152 with the

1 amendments and what that option did was lay out a general
2 plan for the appeals process, the first step being that upon
3 reaching this agreement with OPSC, a district with submit
4 the Form SAB 189 to formally start the appeal process.
5 The timeline for appeals to come before the Board
6 shall be 90 to 120 days unless the appeal is related to a
7 health and safety issue in which case the timeline will be
8 shortened to 60 to 90 days.
9 Also within five working days of receiving the
10 appeal, the OPSC will respond in writing to the school
11 district acknowledging receipt of the appeal and providing
12 the date that the item will be placed on the SAB workload.
13 And also requests for postponement may be made by
14 the district or OPSC but must be submitted in writing to the
15 Chair and the Vice Chair no later than five working days
16 prior to the Board meeting.
17 In addition, the Subcommittee requested that an
18 appeal timeline that fits within that 90 to 120 days be
19 developed by OPSC and we have provided that here on
20 Attachment B and that's on stamped page 160.
21 And so with this item, we are seeking direction
22 regarding adoption of the general appeal procedure
23 recommended by the Subcommittee as well as seeking approval
24 for the timeline that's presented by OPSC on Attachment B.
25 With that, I'd be happy to answer any questions.

1 CHAIRPERSON REYES: Senator Lowenthal.
2 SENATOR LOWENTHAL: Yeah. I think you've done a
3 good job. The question that -- the Subcommittee has done on
4 rules and regulations. I think the -- the problem that I
5 have is the request for postponement section which was on
6 page 152 which requires districts to request a postponement
7 of an appeal board date -- I think they have to do it, as we
8 say, at least five days before the hearing.
9 They're not going to receive the OPSC report until
10 even closer than that five days because they don't -- we
11 receive that report before they do. So there may be very
12 useful information in what OPSC says in that report and they
13 don't have a chance to respond to that before they -- that
14 appeals come up.
15 I think we should get -- you know, what I would
16 like to do is to remove the restrictions on the five days or
17 at least raise that issue.
18 I think I would personally amend it because it's
19 very difficult to appeal something if you haven't seen the
20 report by OPSC.
21 CHAIRPERSON REYES: Mr. Hagman.
22 ASSEMBLY MEMBER HAGMAN: Mr. Chair, if I'm not
23 mistaken by going through this yesterday, there weren't
24 definite timelines. There weren't guidance lines for these?
25 Weren't they -- they try to get the process done in an X

1 amount a period of time. Would the school districts have
2 the opportunity to have a chance to have their staff look at
3 it and review this, to do -- even if it wasn't exactly in
4 five days -- two weeks, but just kind of like trying to set
5 guidelines down to get the process moving.
6 They have some benchmarks. If you're two months
7 into it and you're only in step two, that means you're
8 falling behind. Is that -- is my understanding correct or
9 no?
10 MR. MIRELES: It is -- and also -- just to also
11 point out that the process right now would require that we
12 send notification to the district within 70 days of
13 receiving the appeal. There we would let the district know
14 what the final recommendation by the OPSC would be. We
15 would give them ten days to review and respond to the OPSC
16 before it actually goes to the Board.
17 So there is an opportunity for us to relay our
18 position to the district. They have an opportunity to
19 review our position and then respond accordingly.
20 Again this is before it actually gets to the
21 agenda.
22 CHAIRPERSON REYES: Ms. Moore.
23 MS. MOORE: As I understand the Option 1, the
24 wording in the request for postponement says an approval or
25 disapproval shall be communicated in writing to the party

1 seeking postponement no more than five working days. So to
2 me that's a shall. There's no flexibility there.
3 And I -- and if that is the case, then what you're
4 suggesting, Senator, is to give the districts more time, I
5 would recommend that we remove that sentence from the
6 Option 1 to do what you're asking.
7 SENATOR LOWENTHAL: That would meet my objection
8 or my concern. It's just that they have an adequate time
9 and the opportunity and that would certainly do it.
10 MS. MOORE: Okay.
11 MR. HARVEY: If I may, while I have no objection
12 to that change, I want to make sure I understand what we
13 were told about our obligation to get this report in their
14 hand timely so that that five days becomes reasonable.
15 Do we have another shall in here that says this
16 staff report, which districts should have the right to
17 review and comment on, is going to be received well in
18 advance of when this five-day clock would become effective?
19 I need more understanding. I mean I --
20 SENATOR LOWENTHAL: I don't believe they get that
21 until after we receive that which is on the Thursday or
22 Friday, you know, before the --
23 MS. KAMPMIENERT: Typically we do send a letter to
24 school districts that outlines the basic staff position and
25 there's very little difference between the letter that goes

1 to districts and what ultimately ends up in the staff
2 report.
3 It's a different format. It outlines where OPSC
4 is coming from so there should be no surprises when the item
5 actually hits the agenda.
6 But, Senator Lowenthal, you're correct in that the
7 actual staff report goes to Board members first and it's
8 posted the Wednesday before the meeting. So -- but the
9 letter to the district goes out in advance of that and the
10 timeline that we've presented on Attachment B reflects sort
11 of a worst case scenario because if we receive an appeal
12 somewhere earlier in the Board cycle process, it might be
13 further away from the actual date where we're publishing the
14 agenda items.
15 So the -- but the 70 days is the minimum point at
16 which they would receive it.
17 CHAIRPERSON REYES: Ms. Buchanan.
18 ASSEMBLY MEMBER BUCHANAN: Yes. Maybe I'm missing
19 something, but it says any request for postponement by the
20 school district shall be in written form addressed to the
21 Chair and Vice Chair and shall include a statement of the
22 reasons supporting the postponement. It doesn't say that
23 has to be done within five days.
24 It says that we will get back to the district
25 within five days letter them know whether or not we've

1 approved it or haven't approved it.
2 MS. MOORE: Where are you reading from, Senator?
3 SENATOR HANCOCK: Page 152 on Option 1, the staff
4 analysis.
5 MS. MOORE: Will look for a request for
6 postponement --
7 ASSEMBLY MEMBER BUCHANAN: Right.
8 MS. MOORE: -- second sentence.
9 ASSEMBLY MEMBER BUCHANAN: Right. And approval or
10 disapproval, right, shall be communicated in writing.
11 That's our getting back to the district; correct? Or --
12 that's not the district -- that's not the time frame we're
13 giving the district to get to us. That's when we have to
14 get back to the district as to whether or not --
15 MS. MOORE: Oh, maybe you're right.
16 ASSEMBLY MEMBER BUCHANAN: So I -- you know --
17 SENATOR LOWENTHAL: What I don't understand is --
18 ASSEMBLY MEMBER BUCHANAN: What I'm wondering
19 is --
20 SENATOR LOWENTHAL: -- they do not get that --
21 ASSEMBLY MEMBER BUCHANAN: Right.
22 SENATOR LOWENTHAL: -- regardless -- they do not
23 get that report -- the actual report --
24 ASSEMBLY MEMBER BUCHANAN: Right.
25 SENATOR LOWENTHAL: -- until just before the Board

1 meeting that they --
2 ASSEMBLY MEMBER BUCHANAN: Right.
3 SENATOR LOWENTHAL: -- have to appeal it to. That
4 doesn't make any sense since they have to respond.
5 ASSEMBLY MEMBER BUCHANAN: I'm not saying it does.
6 I'm just saying that that sentence that we --
7 SENATOR LOWENTHAL: That's right.
8 ASSEMBLY MEMBER BUCHANAN: -- talked about taking
9 out --
10 CHAIRPERSON REYES: Doesn't take care --
11 ASSEMBLY MEMBER BUCHANAN: -- doesn't pertain to
12 the district. It pertains to us.
13 SENATOR LOWENTHAL: That is true.
14 ASSEMBLY MEMBER BUCHANAN: So what I'm
15 wondering -- I don't know if this has to be approved today
16 or if we should take a little bit time to try and work this
17 out with some thought --
18 SENATOR LOWENTHAL: Right. I agree with you --
19 ASSEMBLY MEMBER BUCHANAN: -- in terms of what
20 really makes sense.
21 CHAIRPERSON REYES: Tom.
22 MR. DUFFY: Members, Tom Duffy -- Mr. Chairman,
23 Tom Duffy for CASH. I like what you just said,
24 Ms. Buchanan. This is a very important item that the Board
25 has focused on through the Subcommittee and it's something

1 we've talked about for months last year with a separate
2 entity away from the Board and that was the expert work
3 group.
4 So I think what you said, Ms. Buchanan, is really
5 the right thing to do, to make sure that the timing works
6 here, if there have been issues before with the Board -- and
7 this isn't being critical of staff. Your staff has a lot of
8 work to do and there are fewer people there.
9 But frequently time frames really collapse coming
10 close to a Board meeting. If a district has an issue and
11 learns what the determination of staff is, they need to be
12 able to respond appropriately analyzing that and they need
13 some time to do it.
14 So I think a review -- I don't know that this is
15 imperative to take care of this item today, but if there
16 would be a review of that time frame and if we could
17 dialogue, Mr. Chair, maybe with your staff about this.
18 CHAIRPERSON REYES: So let me understand the
19 process because is a Rules Subcommittee that put this
20 together. So my understanding would be that this would be
21 done in an open forum and people would come in and tell us
22 what is wrong -- would tell the Subcommittee their view of
23 this.
24 SENATOR HANCOCK: That's what happened.
25 CHAIRPERSON REYES: Okay. So the Subcommittee's

1 aware of Option 1 and that is what the Subcommittee came
2 forward; right? And so we're not -- and Senator Lowenthal
3 raises an issue with the timing.
4 SENATOR LOWENTHAL: That's right. That's all I --
5 CHAIRPERSON REYES: That's fine. Does the
6 Subcommittee members concur with the Senator? And I don't
7 know who the members are, so I don't want to appoint names,
8 but is there an agreement with the Subcommittee members
9 that, yes, this needs to be take back to the Committee to be
10 looked at.
11 I presume that folks -- constituent groups that
12 are impacted by this participated in the open setting and I
13 would like to think that their input was accepted.
14 SENATOR HANCOCK: That is exactly what happened,
15 Mr. Reyes. And Scott Harvey and Julia Brownley and Jean
16 Fuller, who's no longer on the SAB --
17 CHAIRPERSON REYES: We'll blame on Ms. Fuller.
18 Thank you.
19 SENATOR HANCOCK: No, it wasn't her fault. We're
20 the Committee members. I was the Chair.
21 SENATOR LOWENTHAL: Blame it on Julia Brownley.
22 SENATOR HANCOCK: I personally think what we did
23 was fine. I was going to move approval with simply taking
24 Attachment B in that very first one -- make clear that we're
25 talking about five working days because that can be so

1 important if we run up against a weekend. But just on that
2 very, very helpful Attachment B chart.
3 But honestly I would be happy to incorporate
4 Senator Lowenthal's suggestion. I don't think we need
5 another Committee meeting. I think it could simply come
6 back to us for approval at our -- at the next Board meeting.
7 CHAIRPERSON REYES: I'm not quite clear what
8 Senator Lowenthal's suggestion is at this point.
9 SENATOR LOWENTHAL: Right. I'm just saying --
10 CHAIRPERSON REYES: I heard his concern but not
11 the answer.
12 SENATOR LOWENTHAL: No. I think the answer is
13 that timing and whatever I -- that school districts have an
14 appropriate -- after they see the report --
15 CHAIRPERSON REYES: Um-hmm.
16 SENATOR LOWENTHAL: -- that they have a -- that
17 they can respond to it. Not that that report follows their
18 appeal, you know, from -- that they have an appropriate
19 time. I don't want to specify the date or the time. I
20 think they could -- staff could come with that.
21 I think it was just an oversight in terms of what
22 took place. It is not -- I don't think it needs a major
23 issue, you know, but you have to have the ability to people
24 to have communication and to have reports that are received
25 in time so the Board -- that a local district can make

1 that --
2 CHAIRPERSON REYES: Well, I --
3 SENATOR LOWENTHAL: And that's not true now.
4 CHAIRPERSON REYES: Okay. So right now, the
5 Option 1 proposed leaves a hole at this point. Mr. Mireles,
6 you look like you wanted to say something --
7 MR. MIRELES: Oh, no. I just wanted to
8 acknowledge the Senator's concern and what we meant was, you
9 know, during the 70 days, we're going to send a letter to
10 the district with our position, but it's not the action
11 item --
12 CHAIRPERSON REYES: Okay.
13 MR. MIRELES: -- and the item will be within five
14 days and it's going to be five days before the Board and
15 given the district enough time to respond. We understand
16 the Senator's concerns.
17 CHAIRPERSON REYES: Ms. Buchanan.
18 ASSEMBLY MEMBER BUCHANAN: And I want to clarify
19 because maybe I'm confused as well is the district doesn't
20 have to -- if the district's response is will you please
21 pull this from the agenda because we need time to prepare
22 for the hearing, we're not asking the district to
23 necessarily do all the work to be able to present that at
24 the hearing. All they need to do is respond to us to say we
25 would like this pulled from March's agenda and put on

April's agenda because we disagree with the findings and we would like time to prepare.

So they just really need time to -- so that we know they see it and they can ask that it be pulled.

SENATOR LOWENTHAL: That's right.

CHAIRPERSON REYES: Okay. So what I'm hearing right now is that we take no action on this, send it back to staff to clarify because I don't -- I'm not hearing what the -- Senator Hancock.

SENATOR HANCOCK: Okay. So, Senator Lowenthal, do you have an amendment to propose because I'm very happy to move adoption of Recommendation No. 1 with just the addition of working, modifying days before five on the Attachment B.

MR. HARVEY: Second.

CHAIRPERSON REYES: I'm -- I want to see what the amendment looks like.

ASSEMBLY MEMBER HAGMAN: We need the amendment first.

CHAIRPERSON REYES: I'm not ready to --

MR. HARVEY: I thought the amendment was to direct staff to bring it back here.

ASSEMBLY MEMBER BUCHANAN: Or the Committee or whatever. I don't know.

CHAIRPERSON REYES: Yeah. I'm not ready to move the item without knowing what the language will look like.

1 SENATOR LOWENTHAL: I would just like to lay it
2 over. I would -- to lay it over --
3 CHAIRPERSON REYES: Okay. That -- I'm okay with
4 that too.
5 SENATOR LOWENTHAL: -- one month and to have staff
6 come back with language that's clear. That's right. Right
7 now it's just not clear.
8 CHAIRPERSON REYES: Okay.
9 ASSEMBLY MEMBER HAGMAN: May I ask, Mr. Chair,
10 what's good for the school boards? What do you think the
11 proper amount of timing would be just to give the staff some
12 direction to put it in there. How many weeks, how many days
13 would a district be feasible to say hey, this is the final
14 report. You have two weeks, 30 days?
15 SENATOR LOWENTHAL: Maybe Mr. Duffy and school
16 districts can respond to --
17 ASSEMBLY MEMBER HAGMAN: Because you leave it open
18 ended like this, you're going to have more questions when it
19 comes back.
20 MS. MOORE: One comment is that -- it's kind of
21 confusing, but maybe if we understand it we can help
22 better -- better give the direction.
23 The sentence, it says an approval or disapproval
24 shall be communicated in writing to the party seeking
25 postponement no later than five working days before the

1 hearing.
2 That approval or disapproval is of the request for
3 postponement.
4 ASSEMBLY MEMBER BUCHANAN: Right.
5 MS. MOORE: So in essence a district will be told
6 five days before the hearing whether the staff and the
7 Board -- whether the staff approves their request for
8 postponement.
9 ASSEMBLY MEMBER BUCHANAN: Right.
10 MS. MOORE: That's the problem area because
11 sometimes the actual item is not available at that time. So
12 how --
13 SENATOR LOWENTHAL: They have the time --
14 MS. MOORE: -- how can they know -- I think what
15 the concern is how can they know what they're asking for
16 postponement? Is that the correct understanding?
17 CHAIRPERSON REYES: That's the issue.
18 SENATOR LOWENTHAL: That's my -- that was my
19 understanding.
20 MS. MOORE: So to fix that, you remove the request
21 for postponement --
22 SENATOR LOWENTHAL: That sentence.
23 MS. MOORE: -- which in answering your question
24 would be you can ask a district to postpone up until the
25 time -- you know, till the time of the meeting unless you

1 want to put a cap on that and say maybe one day before the
2 meeting or two days before the meeting, you have to ask for
3 that --
4 SENATOR LOWENTHAL: So if you eliminate that
5 sentence, that allows that to happen.
6 ASSEMBLY MEMBER BUCHANAN: Well, you have to make
7 it clear though that we will automatically grant that
8 postponement as well, in the regulations then, don't you?
9 So you're not --
10 CHAIRPERSON REYES: Well, are these regulations or
11 just administrative procedures?
12 ASSEMBLY MEMBER BUCHANAN: Yeah. I mean -- excuse
13 me. The appeal. I mean it -- because what you're really
14 saying is if a district asks that the appeal be delayed to a
15 subsequent Board meeting that we're going to grant it.
16 So -- right?
17 SENATOR LOWENTHAL: I could like wait a month.
18 You know, I mean just to get the language just right. I
19 just think that we have to have a fair process and right now
20 it's obviously -- right.
21 ASSEMBLY MEMBER BROWNLEY: We're requesting for
22 postponement.
23 SENATOR LOWENTHAL: Just the --
24 CHAIRPERSON REYES: Let's postpone the item.
25 Okay.

1 MR. HARVEY: Did you give five days' notice.
2 CHAIRPERSON REYES: So is there any other public
3 comment on this issue?
4 MS. FERRERA: Chair and members, Anna Ferrara on
5 behalf or the County School Facilities Consortium.
6 Along those same lines, you know, it says letter
7 which means U.S. Postal Service. We're just concerned --
8 our members are concerned about electronic or some other way
9 of letting districts know because sometimes mail gets
10 delayed or lost and so in this month, perhaps maybe we can
11 take a look at that issue as well. Thank you.
12 CHAIRPERSON REYES: Thank you. Anybody else?
13 Okay. So we'll take note of those comments.
14 Thank you.
15 Next tab.
16 MR. MIRELES: Tab 11 is a **Report** to seek the
17 Board's direction on how to handle projects that are
18 received by the OPSC before the general site regulations are
19 approved by the Office of Administrative Law.
20 The Board did approve regulations in June of last
21 year to extend the general site allowances for one year.
22 However, they are currently going through the public comment
23 period. We're expecting that they be approved in May of
24 this year.
25 So this creates a time period between January and

1 approximately May that we may receive -- actually we already
2 have three applications that we've received requesting
3 general site.
4 So what staff has done is created three options
5 for the Board to consider in how to handle these projects
6 with an emphasis that they do receive the general site
7 allowance.
8 Option 1 is basically to process the applications
9 to the Board based on the received date without the grant
10 but leaving them open so that when the regulations do become
11 effective, we give them the additional allowance.
12 Option 2 is to request that districts withdraw
13 their application submittal and resubmit once the
14 regulations become effective so that they can get the
15 benefit of the grant.
16 And then Option 3 is to hold these applications
17 until the regulations become effective.
18 ASSEMBLY MEMBER HAGMAN: Mr. Chair, I'll move
19 Option 1.
20 ASSEMBLY MEMBER BROWNLEY: Second.
21 ASSEMBLY MEMBER BUCHANAN: Second.
22 CHAIRPERSON REYES: Good. Thank you. Any
23 comments from the Board? It's been moved and seconded. Any
24 comments from the public?
25 And I'll advise you that you have full support of

1 the Board in Option 1 at this point. We've been fully
2 educated on the issue, so it's at your risk that you speak.
3 MR. DUFFY: Mr. Chairman -- it seems like I always
4 risk when I speak at this rostrum. We're in support of the
5 staff recommendation as well. We think that that's the
6 appropriate way to handle this item.
7 I wanted to note for you that this -- and I know I
8 spoke about this and wrote to you, Mr. Chairman and members
9 of the Board, last month about this.
10 But this is an item that has come back to the
11 Board over and over again and it goes back to 2006 --
12 CHAIRPERSON REYES: We have the history, really.
13 MR. DUFFY: Yeah. And you've got it.
14 CHAIRPERSON REYES: We're there.
15 MR. DUFFY: This -- the point is simply this, that
16 we would urge you to adopt what's being proposed but also to
17 agendize for discussion yet again permanently including the
18 general site allowance as part of the School Facility
19 Program because that was the original intent.
20 Thank you very much.
21 CHAIRPERSON REYES: Thank you. Okay. All in
22 favor say aye.
23 (Ayes)
24 CHAIRPERSON REYES: Opposed? Abstentions? Ayes
25 have it. Thank you. Next item.

1 MS. SILVERMAN: We have 12. Tab 12 is just to go
2 over the **workload** for the Board, is we actually lay out
3 every month is the 90-day workload and on page 166, it's
4 just a reflection of what's moving forward in April, those
5 items that are action items and the discussion items and the
6 standard reports.
7 And then page 167 and 168 is just a reflection of
8 what's moving forward for May and June. With that, I'm
9 open --
10 CHAIRPERSON REYES: I have Ms. Moore and I have
11 Mr. Harvey and then I have Senator Lowenthal. I'm sorry. I
12 see your light, sir. Apologize. Ms. Moore.
13 MS. MOORE: I would like to request that the
14 Project Information Worksheet be placed on the working -- on
15 the workload list at the discretion of the Chair for future
16 consideration -- be disgusted.
17 It was brought before us last time during public
18 comment and I've received two or three letters concerning it
19 and I believe that we should have a full discussion of the
20 issue.
21 CHAIRPERSON REYES: Okay. Thank you.
22 MR. HARVEY: Similarly, I would request the
23 Chair's consideration of aggressively placing the seismic
24 matter on the appropriate agenda perhaps in May.
25 SENATOR HANCOCK: Thank you.

1 CHAIRPERSON REYES: Okay. Okay. Anybody else?
2 Comments from the public? Thank you. Next tab.
3 The State Allocation Board meetings, dates. Do
4 you want to go through that, Ms. Silverman?
5 MS. SILVERMAN: We can wrap up.
6 CHAIRPERSON REYES: We can wrap up? Okay. It's
7 all informational stuff.
8 MS. MOORE: I think you've beat Cynthia Bryant's
9 record.
10 CHAIRPERSON REYES: You know, I just -- we just
11 held the general membership of the Golden 1 Credit Union and
12 I did it in 30 minutes. It is a record.
13 So we will go into close session to discuss a
14 personnel matter and then we'll come back in and wrap it up
15 and report briefly what we talk about. Thank you.
16 (Whereupon at 5:10 p.m., the open meeting was recessed
17 for the closed session and resumed as follows at 5:43 p.m.)
18 CHAIRPERSON REYES: Okay. We're back in. We're
19 coming out of a closed session and we're dealing with -- at
20 the closed session, the Assistant Executive Officer position
21 was discussed and we have -- we're going to reopen, but
22 before we do that, we're going to change the duty statement
23 and we invite the group to provide written input to the
24 Subcommittee which I'm the Chair, so just send it to 1145
25 Finance and I'll make sure the other two members get their

1 appropriate copies of the duty statement.
2 It is a position that reports to the Board, so
3 it's going to be the Board decision what the duty statement
4 will be, but I just want to report out that that's kind of
5 where we are. Thank you.
6 Any public comment?
7 Meeting adjourned. Thank you.
8 (Whereupon, at 5:44 p.m. the proceedings were recessed.)
9 ---oOo---
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
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 State
11 Allocation Board, Public Meeting, were duly reported and
12 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
17 April 3, 2011.
18
19 _____
20 Mary C. Clark
AAERT CERT*D-214
21 Certified Electronic Court
Reporter and Transcriber
22
23
24
25