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CALIFORNIA STATE ALLOCATION BOARD  
PUBLIC MEETING

STATE CAPITOL  
ROOM 437  
SACRAMENTO, CALIFORNIA 95814

DATE: WEDNESDAY, MARCH 20, 2013  
TIME: 4:05 P.M.

Reported By: Mary Clark Transcribing  
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APPEARANCES

MEMBERS OF THE BOARD PRESENT:

TOM DYER, Director of Legislation, Department of Finance,  
designated representative for Ana Matosantos, Director,  
Department of Finance

ESTEBAN ALMANZA, Chief Deputy Director, Department of General  
Services, designated representative for Fred Klass,  
Director, Department of General Services

CESAR DIAZ, Appointee of Edmund G. Brown, Jr., Governor of  
the State of California

KATHLEEN MOORE, Director, School Facilities Planning  
Division, California Department of Education, designated  
representative for Tom Torlakson, Superintendent of Public  
Instruction

SENATOR LONI HANCOCK

SENATOR MARK WYLAND

SENATOR CAROL LIU

ASSEMBLYMEMBER JOAN BUCHANAN

ASSEMBLYMEMBER CURT HAGMAN

ASSEMBLYMEMBER ADRIN NAZARIAN

REPRESENTATIVES OF THE STATE ALLOCATION BOARD PRESENT:

LISA SILVERMAN, Executive Officer  
BILL SAVIDGE, Assistant Executive Officer

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

LISA SILVERMAN, Executive Officer

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

JONETTE BANZON, Staff Counsel

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CHAIRPERSON DYER: Hello. It's a little bit after 4:00 o'clock and calling the State Allocation Board meeting to order, and to establish a quorum, Secretary, will you call the roll, please.

MS. JONES: Certainly. Senator Hancock.

SENATOR HANCOCK: Here.

MS. JONES: Senator Wyland.

Senator Liu.

Assemblymember Buchanan.

ASSEMBLYMEMBER BUCHANAN: Here.

MS. JONES: Assemblymember Hagman.

ASSEMBLYMEMBER HAGMAN: Here.

MS. JONES: Assemblymember Nazarian.

Esteban Almanza.

MR. ALMANZA: Here.

MS. JONES: Kathleen Moore.

MS. MOORE: Here.

MS. JONES: Cesar Diaz.

MR. DIAZ: Here.

MS. JONES: Tom Dyer.

CHAIRPERSON DYER: Here.

MS. JONES: We have a quorum.

CHAIRPERSON DYER: Thank you and just to set

1 things off, I would like to welcome the new members of the  
2 Allocation Board, Senator Liu and Assemblymember Nazarian,  
3 and also as a quick introduction, I'm new as well. My  
4 name's Tom Dyer. I'm the Legislative Director for the  
5 Department of Finance here on behalf of Director of the  
6 Department of Finance -- designee.

7 And at the outset, I'd like to request for any  
8 public comment at this point. If none -- yes. And so again  
9 just would like to welcome members Senator Liu and  
10 Assemblyman Nazarian to the Board. Thank you.

11 And next up is the **Minutes** on the agenda. Is  
12 there any public comment? Is there a motion?

13 ASSEMBLYMEMBER HAGMAN: So move.

14 ASSEMBLYMEMBER BUCHANAN: Second.

15 CHAIRPERSON DYER: Okay. And a vote on that or --

16 MS. JONES: You can either ask for an oral vote or  
17 a roll call.

18 CHAIRPERSON DYER: We'll do a roll call vote.

19 MS. JONES: Okay. Very good. Senator Hancock.

20 SENATOR HANCOCK: Aye.

21 MS. JONES: Senator Liu.

22 SENATOR LIU: Aye.

23 MS. JONES: Assemblymember Buchanan.

24 ASSEMBLYMEMBER BUCHANAN: Aye.

25 MS. JONES: Assemblymember Hagman.

1 ASSEMBLYMEMBER HAGMAN: Aye.

2 MS. JONES: Assemblymember Nazarian.

3 ASSEMBLYMEMBER NAZARIAN: Aye.

4 MS. JONES: Esteban Almanza.

5 MR. ALMANZA: Aye.

6 MS. JONES: Kathleen Moore.

7 MS. MOORE: Aye.

8 MS. JONES: Cesar Diaz.

9 MR. DIAZ: Aye.

10 MS. JONES: Tom Dyer. You don't need to vote.

11 CHAIRPERSON DYER: Okay. Thank you.

12 MS. JONES: Motion carries.

13 CHAIRPERSON DYER: Thank you. I just want to note  
14 that there were two sets of Minutes, the January 23rd of  
15 2013 and March 6, 2013. And -- yes.

16 MS. BANZON: And the members approved both of the  
17 Minutes; is that correct?

18 MS. JONES: Yes.

19 CHAIRPERSON DYER: Thank you. Next on the agenda  
20 is the **Executive Officer's Statement**.

21 MS. SILVERMAN: Hi. So we actually have several  
22 items to share with you tonight. And the first we wanted to  
23 share is the status of the fund releases that we've  
24 dispensed in December.

25 So in December, the Board took action and actually

1 appropriated over \$383 million and that represents 195  
2 projects. Although we do have some highlights for you to  
3 share in the Executive Officer's Statement, we did have a  
4 deadline that came and actually went. March 12th was the  
5 deadline and out of the 195 projects, we actually had all  
6 but three come in.

7           So it's again speaking to the success of the  
8 program and again we were actively outreaching to those  
9 districts. So we're happy to have these definitely positive  
10 results in that area.

11           The next item I wanted to share is the priorities  
12 in funding requests. There was actually an open filing  
13 period at the outset of the last Board and that ended on  
14 February 7th.

15           So we had over 266 projects come in that were  
16 activated and \$626 million in requests and those  
17 certifications are valid until June 30th.

18           The next item is the spring bond sale. We  
19 understand the Treasurer did execute a spring bond sale and  
20 we should have some notes to post next week. So we'll be  
21 highlighting that information to the Board members as far as  
22 how much of that general obligation bond sale will be going  
23 to the program.

24           CHAIRPERSON DYER: Yes.

25           MS. MOORE: Lisa, if we are going to receive a

1 portion of that bond sale, at what meeting are -- how  
2 quickly could we have that out to those -- that cash out to  
3 those that are on the list?

4 MS. SILVERMAN: Generally it takes staff about  
5 five, six weeks to execute all that because we have to  
6 execute the tax certifications with the Treasurer's office  
7 and line up where the cash is going to be married to the  
8 projects on the unfunded list. So we still have to receive  
9 the disbursements of the cash, whether or not it's going to  
10 be allocated to Proposition 1D, 47, 55.

11 And so once we figure out what those amounts are,  
12 then we can map that out with certification projects on the  
13 list.

14 MS. MOORE: So would that mean most likely May?

15 MS. SILVERMAN: It could be a May action item.

16 MS. MOORE: Okay.

17 MS. SILVERMAN: That's correct.

18 MS. MOORE: Great. Thanks.

19 MS. SILVERMAN: The next item I want to share is  
20 just an update on the nonparticipation item that's in  
21 priorities of funding. The Board did take action on the  
22 regulatory amendments and those amendments were approved on  
23 January 23rd.

24 And again the purpose of the regulations was to  
25 move forward with projects that haven't moved on the

1 unfunded list. And so once the regulations are in effect,  
2 basically then projects that haven't entered into a priority  
3 of funding round will -- basically they passed. They will  
4 not be allowed to stay on the unfunded list. They will  
5 actually be rescinded.

6 And so that -- actually the regulation package is  
7 in the Office of Administrative Law currently.

8 MS. MOORE: I have a question on that too.

9 CHAIRPERSON DYER: Yes, Ms. Moore.

10 MS. MOORE: So what is your estimate of which  
11 round of funding the regulations will be applicable to?

12 MS. SILVERMAN: It may be in effect as early as  
13 the next May -- May will be the new certification period.

14 MS. MOORE: Um-hmm.

15 MS. SILVERMAN: So it's likely that they could be  
16 in effect as early as the next bond sale in the fall. So  
17 technically projects that don't perfect in that area -- in  
18 that order could be as early as January 2014.

19 MS. MOORE: So for school districts that came in  
20 during this last round that just closed -- right?

21 MS. SILVERMAN: Right.

22 MS. MOORE: Those would not be affected --

23 MS. SILVERMAN: Correct.

24 MS. MOORE: -- by this. But most likely our next  
25 round of funding -- our next priority round would be

1 affected and districts would have one time that they  
2 don't -- that they get --

3 MS. SILVERMAN: Don't compete.

4 MS. MOORE: -- that they don't compete.

5 MS. SILVERMAN: Correct.

6 MS. MOORE: And then they must compete and they  
7 must perfect; correct?

8 MS. SILVERMAN: Correct.

9 MS. MOORE: And that districts are well aware of  
10 this change and that it will most likely happen with the  
11 next series; correct?

12 MS. SILVERMAN: That's correct.

13 MS. MOORE: Okay. Thank you.

14 MS. SILVERMAN: And we'll be having a series of  
15 outreach events and -- so that way we can rightfully show  
16 that communication on an ongoing basis so they understand  
17 the process.

18 MS. MOORE: Thank you.

19 MS. SILVERMAN: And again as I shared with you  
20 earlier, the next priority of funding round, as Ms. Moore  
21 mentioned, is May 8th and that will be active and open for a  
22 30-day process.

23 Districts who are currently on the unfunded list  
24 could activate that project and submit their certification  
25 by June 6th. And those certifications will be valid through

1 the end of December 31st of 2013.

2 A few more items to share. The Overcrowded Relief  
3 Grant actually had a filing period that just closed  
4 January 31st. We received ten applications worth  
5 \$74 million and a few of those projects did have a high  
6 performance grant component request to it and we'll be  
7 presenting those items at a future State Allocation Board  
8 meeting.

9 There is still an active round right now  
10 currently. There's a 12th funding circle round and that  
11 deadline is July 31st And so we are encouraging those  
12 districts that may the ability to submit an Overcrowded  
13 Relief Grant application to do so by July 31st.

14 We also wanted to share an enhancement that we  
15 have for tracking the mechanism on our website. Staff has  
16 been rigorously working with the State Architect on some  
17 internal enhancements for our website in the tracking  
18 mechanism.

19 So again it's supposed to be a little bit more  
20 easier to access and where the actual two different systems  
21 actually communicate better. The Division of State  
22 Architect has an external website communication and so does  
23 the Office of Public School Construction. So we're trying  
24 the make these systems marry with each other and much more  
25 easier and more -- digest as far as tracking your projects

1 online.

2           The last item I want to share is our upcoming  
3 event. It's a Program Review Subcommittee, being our  
4 schedules are pretty tight, we actually, with the Chair of  
5 the Committee, did request that the meeting be suspended in  
6 April and we will resume back on May 1st.

7           And that's I have.

8           CHAIRPERSON DYER: Thank you, Ms. Silverman. Is  
9 there any public comment?

10           Hearing none, next on the agenda is the **Consent**  
11 **Agenda.** Ms. Silverman.

12           MS. SILVERMAN: Consent is ready for your  
13 approval.

14           CHAIRPERSON DYER: Okay. Oh, and I would also  
15 like to suggest that we take Tab 8, for Somis Union  
16 Elementary as part of the Consent Calendar. Does anyone  
17 have an objection to that?

18           ASSEMBLYMEMBER BUCHANAN: Move approval.

19           MR. ALMANZA: Second.

20           CHAIRPERSON DYER: So moved. Okay. And we have a  
21 vote on that.

22           MS. JONES: Very good. Senator Hancock.

23           SENATOR HANCOCK: Aye.

24           MS. JONES: Senator Liu.

25           SENATOR LIU: Aye.

1 MS. JONES: Assemblymember Buchanan.

2 ASSEMBLYMEMBER BUCHANAN: Aye.

3 MS. JONES: Assemblymember Hagman.

4 ASSEMBLYMEMBER HAGMAN: Aye.

5 MS. JONES: Assemblymember Nazarian.

6 ASSEMBLYMEMBER NAZARIAN: Aye.

7 MS. JONES: Esteban Almanza.

8 MR. ALMANZA: Aye.

9 MS. JONES: Kathleen Moore.

10 MS. MOORE: Aye.

11 MS. JONES: Cesar Diaz.

12 MR. DIAZ: Aye.

13 MS. JONES: Tom Dyer.

14 CHAIRPERSON DYER: Aye.

15 MS. JONES: Thank you. Motion carries.

16 CHAIRPERSON DYER: Thank you.

17 MS. SILVERMAN: The **financial statements**, I want  
18 to address the Board on the amount of cash that we've been  
19 liquidating over the last month. And if you can turn to  
20 page 206 and a quite snapshot is at our last meeting, we've  
21 actually been sharing updates as far as how we've been  
22 liquidating in the various bond sales.

23 And so for the period ending February 28th on  
24 page 206, we have liquidated nearly \$81.9 million in the  
25 various bond categories and although I've given you an

1 update as far as everyone in the last December apportionment  
2 did come in with the exception of three, this is just  
3 reflective of a snapshot in time as of February 28th.

4 So as we come forward with our next Board meeting,  
5 we'll have the opportunity to share some updates that again  
6 most of the money has been disbursed as a result of December  
7 apportionment.

8 So if there's no questions, I can move onto a  
9 **Status of Funds.**

10 CHAIRPERSON DYER: Any questions? No. Please  
11 move on. Thank you.

12 MS. SILVERMAN: So the next category we want to  
13 share is basically giving the Board an update on our bond --  
14 what we have in our bond authorization.

15 On page 210, we summarize as far as how much bond  
16 authority we have left in the program. In Proposition 1D,  
17 the voters authorized \$7.3 billion in November 2006.

18 And with that, this month we're bringing forward  
19 some unfunded approvals in the various categories and so as  
20 a result, in the Proposition 1D category, we are authorizing  
21 over \$6.5 million in unfunded approvals and the various  
22 categories, two modernization -- two seismic projects will  
23 be moving forward.

24 And we also have some Overcrowded Relief Grants  
25 and some modernization projects and numerous construction

1 cost index adjustments as well.

2 So out of Proposition 1D, 29 projects are moving  
3 forward with unfunded approvals.

4 And then your middle category is your  
5 Proposition 55 bond authority. The voters initiated and  
6 approved \$10 billion and we are authorizing \$1.4 million in  
7 unfunded approval and again most of those approvals relate  
8 to the construction cost index adjustments.

9 And so in total of the active three bond  
10 categories, \$7.9 million are processed this month and that's  
11 37 approvals.

12 I also wanted to share with the Board, although  
13 we've had this activity of unfunded approvals because we've  
14 had bond authority, as we've shared in the past, we've  
15 reached that point where we were accepting applications up  
16 until October 31st and then the Board took action on those  
17 projects via the regulations.

18 If they didn't come in prior to that date, then  
19 those projects will be grandfathered in for true unfunded  
20 approvals. Although it's not listed because it's not going  
21 to be posted to your bond authorization, staff did process  
22 over 82 projects and that represents over \$110 million.

23 So that is actually -- if I can draw your  
24 attention on page 219. So again those are true unfunded  
25 approvals. They're not going to post to your bond

1 authorizations because we don't have additional bond  
2 authority.

3 So an accumulation on 219, we actually do share  
4 for the activity for March and in total we have processed  
5 accumulation of 156 true unfunded approval projects and that  
6 represents so far an accumulation of \$256.2 million.

7 So I will open up to any questions if we have any.

8 CHAIRPERSON DYER: Any public comment?

9 ASSEMBLYMEMBER HAGMAN: I must say you're getting  
10 fancier with your charts. Now they're 3D --

11 MS. SILVERMAN: They're very nice.

12 CHAIRPERSON DYER: Hearing none, thank you,  
13 Ms. Silverman, for that presentation. Next on the agenda  
14 under **Appeal** items is actually action item **Sierra-Plumas**  
15 **Joint Unified** seeking hardship status under  
16 Regulation 1859.81(c)(5).

17 And at this point, I would like to ask Senator  
18 Gaines if he would like to come up and speak to this item.

19 MR. HARDEMAN: I'm the Superintendent of Schools,  
20 Stan Hardeman.

21 CHAIRPERSON DYER: Thank you.

22 SENATOR GAINES: How are you doing?

23 CHAIRPERSON DYER: Good. Thank you, Senator.

24 SENATOR GAINES: Good. Thank you for this  
25 opportunity and, you know, we're here for the Sierra-Plumas

1 Unified School District and that's an application for  
2 financial hardship assistance.

3           And the district is requesting \$432,000 in  
4 financial hardship assistance which is needed to replace the  
5 roof at Loyalton High School. And to understand why this  
6 assistance is needed and why efforts to raise this revenue  
7 via a bond measure have been unsuccessful, one must consider  
8 the unique aspects of this area.

9           It is sparsely populated. It's a mountainous,  
10 rural area. It's not a main corridor or a thoroughfare or a  
11 destination. It has very few tourists. The entire  
12 population is 3,800 people. Median household income is  
13 \$38,000. The unemployment rate was over 20 percent in 2010.

14           One-third of the population is over age 65. The  
15 area shows no signs of recovering from the recession like  
16 other places in the state.

17           The district serves 380 pupils in two counties  
18 over 1,500 square miles. 46 percent of the students receive  
19 free and reduced lunch. Over 70 percent of the land is U.S.  
20 Forest Service which does not generate tax revenue and  
21 inhibits development, impacting the ability of the district  
22 to generate revenue.

23           Most of the nonfederal land is seasonal ranches  
24 owned by families for many generations. Ranchers make up a  
25 very small minority of the population and they're very few

1 and they're not wealthy ranches.

2           The district has declining enrollment. The  
3 district has a budget of \$5.5 million. Until this year,  
4 they received secure real school funding which is no longer  
5 available.

6           In spite of an intense effort, the district failed  
7 to pass a bond in 2010. Another attempt would cost \$125,000  
8 or more and would likely be unsuccessful.

9           The district is contributing over \$200,000 of  
10 their own funds to the project because some of the costs are  
11 disallowed under the state program.

12           And I had an opportunity to visit the school last  
13 year and they had plastic up on the ceilings throughout the  
14 school and it was just really a sad situation and to see  
15 those -- the kids not have ability to have kind of normal  
16 classroom environment was shocking.

17           So anything that you can do to help us out, we  
18 would really appreciate and let them hopefully move forward  
19 with a good safe and secure roof.

20           MR. HARDEMAN: May I have a moment to speak?

21           CHAIRPERSON DYER: Oh, absolutely.

22           MR. HARDEMAN: Thank you very much. I'm again  
23 Stan Hardeman. I am the Superintendent of the schools.  
24 I've worked in the Sierra-Plumas Joint Unified School  
25 District since the year 2000 and been Superintendent for

1 five years.

2           Thank you, Senator. I appreciate your comments.  
3 I mostly appreciate the fact he was able to come up and  
4 actually see the condition of the school. I really want to  
5 thank all of you for the opportunity to be able to present  
6 today and I really want to thank you for going over the  
7 reams of information that we've given you. I'm hoping that  
8 the information that you receive will give you the  
9 perspective and an understanding of the daunting task  
10 that -- you're going to have to excuse me. I'm actually  
11 going to get emotional. Can't help it. It's the way I've  
12 always been. Ask my board.

13           But the situation that we face is a really  
14 daunting one because I have a situation in which I am  
15 obligated to provide a safe, clean, orderly environment for  
16 my students.

17           That school as infested with black mold. We had  
18 to tear the entire interior out plus all the ductwork and we  
19 have since replaced it with plastic that is not only  
20 unsightly but it is also -- I consider it to be a major  
21 health risk because that roof still leaks. We're still  
22 faced with that situation.

23           The decision before you I think is whether we  
24 exerted reasonable effort to be able to try to fix this on  
25 our own. I would much rather not come to you folks and

1 appeal for this kind of money because I firmly believe that  
2 communities have to support their schools, not only with  
3 volunteers, but I really think that they have to step up and  
4 support them financially.

5 Our small community does. We have cut many, many  
6 programs that now are supported through crab feeds, golf  
7 tournaments, health and wellness activities. You name it,  
8 we do it and we raise a fair amount of money.

9 But we're at the point where I really have no  
10 solution for this roof. I don't know where else to go to be  
11 able to get the money.

12 The general obligation bond did fail in 2010. It  
13 failed for very specific reasons that haven't changed.  
14 Those barriers still exist there.

15 I would go out in an instant despite the fact that  
16 it was the hardest thing I've ever done in my life, I would  
17 do it in an instant if I thought I could get it to pass. It  
18 won't pass. There are way too many barriers for this to  
19 take place.

20 And it ends up being that I have to every morning  
21 face those kids as they walk into that classroom and they  
22 look at that ceiling. It's not acceptable. This does not  
23 provide our kids with a reasonable place to get educated and  
24 we have cut to the bone, folks.

25 I have cut everything you can think of. I cut

1 nurse, counseling, teachers, transportation, cafeteria,  
2 supervision. I got nothing left. This is it.

3           So I'm coming before you and appealing emotionally  
4 and I can't help it, but emotionally because this is all I  
5 have. I have no other place to go. I have to fix that  
6 roof. We actually are going tomorrow to present our plans  
7 where I assume they will get approved. I have to get it  
8 done.

9           What happens there because we're in a qualified  
10 status -- budget status is that I'm not able to borrow  
11 money. I -- parcel tax is unreasonable at this juncture. I  
12 really have no place to go.

13           So I'm asking you to take a look at this  
14 situation. Look at it in terms of what I have to provide  
15 for my students and the people in my community and I have to  
16 provide this kind of environment that allows them to  
17 perceive goals, to perceive visions that they have. I want  
18 to have parents to be able to come there, be proud of their  
19 school, the facilities they have.

20           We got great kids and we have a great community.  
21 So again I appreciate your consideration. Do you have any  
22 questions?

23           CHAIRPERSON DYER: Mr. Hardeman and Senator  
24 Gaines, thank you for the presentation. I'd just like at  
25 the outset, you know, from the Chair's perspective I can't

1 be supporting the district's request for financial hardship  
2 and the reason mainly why is, you know, we're confined by  
3 the language of this particular regulations 1859.81(c)(5)  
4 and the plain language of that regulation focuses on the  
5 reasonable efforts of the school districts.

6 An I'm definitely sympathetic to district's health  
7 and safety concerns with the roof and -- but, you know, the  
8 bottom line from the Chair's perspective is that  
9 regulation -- that language doesn't invite a consideration  
10 of those health and safety factors in the analysis.

11 And, you know, taking such considerations into  
12 that analysis leads to, you know, reading an exception into  
13 the regulation that doesn't exist.

14 And so purely focusing on looking at the  
15 district's efforts in light of other decisions from this  
16 Board in the past as well as the outlying statutes, there's  
17 not enough evidence from the Chair's perspective to meet  
18 that standard given that the last bond that was sought was  
19 in 2010. So today I can't vote for this item. Thank you.

20 And I'd like to open up to Assemblymember Hagman.

21 ASSEMBLYMEMBER HAGMAN: Thank you, Mr. Chair. I  
22 mean we're looking at two different things, need and whether  
23 we meet the legal requirements so we don't get ourselves in  
24 trouble with these guys over here. Okay.

25 So I'm going to ask you a few other questions.

1 First of all, what is the bonding capacity of the school  
2 limit right now -- or the district limit?

3 MR. HARDEMAN: I believe it's 12 million, the  
4 bonding capacity.

5 ASSEMBLYMEMBER HAGMAN: It has room to go up that  
6 much?

7 MR. HARDEMAN: Again, if you look at the nature of  
8 the valley, what happens with that is you have large  
9 landholdings. You have a sparse population with large  
10 landholdings that are surrounded by national forest.

11 And so although there's a \$12 million bonding  
12 capacity, it's unrealistic given the disparity of some of  
13 the holdings to pay back the bond.

14 ASSEMBLYMEMBER HAGMAN: Yeah, but you tried the  
15 bond back in 2010, what was the threshold?

16 MR. HARDEMAN: Well -- 37 percent no.

17 ASSEMBLYMEMBER HAGMAN: Well, then that means it  
18 would have passed. So it means 67 percent --

19 ASSEMBLYMEMBER BUCHANAN: 37 percent would have  
20 been 63.

21 ASSEMBLYMEMBER HAGMAN: 63. So --

22 MR. HARDEMAN: I have it here. I can tell you  
23 that --

24 ASSEMBLYMEMBER BUCHANAN: 63 yes or 63 no?

25 SENATOR GAINES: No.

1 ASSEMBLYMEMBER HAGMAN: Yeah. You said --

2 MR. HARDEMAN: If it was yes, trust me I wouldn't  
3 be here. I'd be moving on and getting a nice roof for the  
4 kids.

5 ASSEMBLYMEMBER HAGMAN: And Senator, you're  
6 familiar with your district up there.

7 SENATOR GAINES: Um-hmm.

8 ASSEMBLYMEMBER HAGMAN: We just had a pretty  
9 well-publicized statewide election -- statewide proposition  
10 bonds and overall the state passed 30 and 32 and some other  
11 ones. What was the district like numbers there? Do you  
12 remember what the -- do you have any idea what the breakdown  
13 was --

14 SENATOR GAINES: In this area?

15 ASSEMBLYMEMBER HAGMAN: For those --

16 SENATOR GAINES: My district?

17 ASSEMBLYMEMBER HAGMAN: Yeah.

18 SENATOR GAINES: I don't know. I'm sorry. I  
19 don't have the answer for that, but I've got -- my district  
20 is about the size of the state of West Virginia, so it's  
21 bigger than ten U.S. states, 26,000 plus square miles and  
22 there's -- I've got many rural areas with high unemployment.  
23 Siskiyou County is 15 and a half percent, for instance.

24 ASSEMBLYMEMBER HAGMAN: Um-hmm.

25 SENATOR GAINES: The town of Weed is 22 percent.

1 So this is -- and largely because a lot of this is  
2 government-owned land with low density and in a tough  
3 economic, it's just been a real challenge, so --

4 ASSEMBLYMEMBER HAGMAN: No. Right. I understand  
5 the situation. What I'm trying to say there's a legal  
6 threshold that we must feel comfortable as Board members  
7 that says that the school district has done everything in  
8 its capacity in that section that the Chair cited.

9 And generally that means -- way we look at it,  
10 what's the last couple years' effort the school district has  
11 done since it's been more than that in this district since  
12 they're trying to run it, you know, three or four years at  
13 this point. I'm trying to see if the efforts two years ago  
14 would have made a difference or last November, for example,  
15 and knowing that -- trying to determine what some of the --  
16 what your voters were like up there, you know, how were  
17 they -- if the school district did put something on, how  
18 likely that that would have been happening when they got  
19 defeated just two years prior at 67 percent.

20 I haven't had too many successful campaigns I'm  
21 aware of, you know, up and down state where you come back  
22 immediately next election cycle where you change that  
23 dramatically the voter outcome.

24 And so what I'm trying to say is that threshold  
25 met, you know, in the legal eyes that we have to do.

1           SENATOR GAINES: Sure.

2           ASSEMBLYMEMBER HAGMAN: And so the last thing  
3 is -- comment on, obviously this is -- got to be a sore spot  
4 and hopefully the counties and your parents there -- what  
5 kind of efforts have the county sups, have they helped at  
6 all, have the parents, you know, raised anything locally. I  
7 mean what other kind of efforts that kind of show toward  
8 that.

9           MR. HARDEMAN: I'm the County Sup. I'm it. I'm  
10 also the SELPA Director. I also run the -- you know, the  
11 curriculum council. I'm it. I run everything.

12           So one of the unique structure is that when you  
13 look at a very small district, it -- we had something called  
14 the economy of scale. I think that'll make sense to all of  
15 you -- is that when you start to make cuts, when you start  
16 to cut in our district 22 percent of our budget, when you  
17 have declining enrollment, when you lose over \$700,000 with  
18 secure rural schools to a five and a half million dollar  
19 budget, that -- those kind of cuts are severe, folks.

20           That means that I don't have any flexibility. I  
21 don't get to draw from another school to be able to have a  
22 nurse work a little bit more. I don't have a nurse. They're  
23 one.

24           Those kind of opportunities that are available to  
25 other schools, they're not available here because of the

1 cuts. We've gone through the most significant financial  
2 crisis in California schools' history.

3 Small school districts suffer the most. I didn't  
4 create this entity. Trust me. I wish I had \$10 million in  
5 my budget and I were moving along and doing this.

6 As far as -- have any of the structural barriers  
7 to passing a bond changed? They have not. You know, we  
8 lost our mill. The -- we used to have a thriving community.  
9 I used to have 800 kids at the school. My kids graduated  
10 from that school, went on to good U.C. colleges.

11 We're down to under 400. We have no viable  
12 industry. We have no tax base. We have no golf course.  
13 It's simply now there. It's predominant ranch land.  
14 That's -- and it's mostly just growing hay. It's seasonal.  
15 The weather's very cold up there, sometimes below 5 degrees.

16 Facilities take a beating. Our heating bills are  
17 extraordinary. We do present a very unique circumstance  
18 here that I think when you talk about did we provide  
19 reasonable effort to try to solve this on our own within a  
20 community, I believe that we did and our community does  
21 provide a great deal.

22 I don't have an athletic -- I have an athletic  
23 program, but I don't put a dime towards it. It's all  
24 supported by the people in the community.

25 ASSEMBLYMEMBER HAGMAN: And one last thing on your

1 multi-role capacity here. This is not a normal thing we  
2 look at, but I understand that this district has assets that  
3 you've been trying to liquidate.

4 MR. HARDEMAN: Yes. We have a school. It's  
5 called (indiscernible) Ridge. It's for sale for  
6 approximately \$740,000. It's been for sale for about six  
7 years. It's actually a beautiful site, but it is totally  
8 isolated. There are no services. We've just been unable to  
9 sell it. We continue to -- we actually have three abandoned  
10 schools that we've left. We've consolidated -- that we  
11 continue to put -- we simply have to maintain them.

12 As a point -- one that I like to pass on to  
13 people, what our school district got for deferred  
14 maintenance every year was \$25,000. Five separate  
15 facilities. This is -- and I'm not kidding. This is what  
16 we got. That is completely insufficient to address any  
17 major need.

18 You could save for ten years and still not be able  
19 to fix this roof.

20 ASSEMBLYMEMBER HAGMAN: And I understand the  
21 Chair's position on this too and I'm just going out to the  
22 Board members. I mean this is what appeal boards are for  
23 is -- is there something creative like we'll be willing to  
24 put a lien in case the economy ever comes back to sell the  
25 property, you know, to try to get some of that money back.

1           I know you want to sell it to do other  
2 improvements, but my understanding is you have to fix this  
3 roof. You got to take it out of the operations. If you  
4 become insolvent, it becomes a state problem anyway.

5           MR. HARDEMAN: Number one priority.

6           ASSEMBLYMEMBER HAGMAN: Is that an option? Is  
7 that even legal for us to do is to, you know, encumber some  
8 of the -- you know, not used assets right now, so if one  
9 sells a year from now, two years now, what happens when this  
10 program -- if we don't get bond authority in two years and  
11 they finally sell three years from now -- I don't have all  
12 the answers. I'm just wondering is there a way to try to --  
13 because to me I don't think -- they didn't put a bond out in  
14 the last election.

15           Seeing some of the numbers -- and that was kind of  
16 part of my job this last election cycle, look at those  
17 numbers. I don't think anything would have passed. You're  
18 not going to switch 17 percent, 18 percent of the vote in a  
19 short 24-month period of time in that kind of environment  
20 when the economy's upside down and you're actually losing --  
21 your counties are bleeding jobs in a bleeding economy. It's  
22 not something you can change people around say I want to do  
23 more. They want to do less because they conserve on their  
24 money.

25           So I just want to throw that out there, see if

1 there's any other support for that.

2 CHAIRPERSON DYER: Is -- Assemblymember Buchanan.

3 ASSEMBLYMEMBER BUCHANAN: Yeah. There's a part of  
4 me that really struggles with this because, you know, it is  
5 kind of gut wrenching when I listen to you describe your  
6 facilities.

7 At the same time, we've had numerous conversations  
8 in the budget -- in the Subcommittee that I'm chairing about  
9 financial hardship and, you know, facilities ultimately are  
10 the responsibility of schools.

11 And when one community doesn't step up, that means  
12 another community has to tax itself to pay for that  
13 community's facilities. And I think you can go all over the  
14 state. I mean when I was first elected to a school board in  
15 1990, parents paid for all the athletics.

16 You can look at Mount Diablo High School and it  
17 hasn't had counselors since 1991. I mean we're -- when you  
18 take a look at where you are even with some of those, you  
19 know, I mean you can go all over the state and see. We fund  
20 schools 49th in the nation and it shows everywhere you go.  
21 The deferred maintenance has never been adequate.

22 But two specific questions. Senator, did you say  
23 there are only 6,800 -- population of 6,800 in this -- in  
24 the --

25 SENATOR GAINES: 3,800.

1 ASSEMBLYMEMBER BUCHANAN: 3,800. So how does --  
2 how many voters are there in the district?

3 SENATOR GAINES: Half, 2,000 maybe at most?

4 MR. HARDEMAN: Any help?

5 SENATOR GAINES: Yeah.

6 ASSEMBLYMEMBER BUCHANAN: So how does it cost  
7 \$100,000 if you have 2,000 voters. I don't quite understand  
8 how an election can cost that much money. It seems to me  
9 you could do a mail only election for far less than that.  
10 Do you know where the \$100,000 figure came from for the  
11 election?

12 SENATOR GAINES: No, I don't. I don't have the  
13 actual figures in front of me.

14 ASSEMBLYMEMBER BUCHANAN: Yeah. Because I know in  
15 my district where there's probably 90,000 voters, it costs  
16 us about 120,000, so that doesn't quite make sense to me.

17 The other question I have is if you found the  
18 mold -- the black mold and had a school in this condition,  
19 why wouldn't you have gone out for election even if you  
20 didn't prevail because that would have enabled you to  
21 qualify for financial hardship grant.

22 I mean wouldn't it make sense to go back to your  
23 district and your voters, even if they say no, but give them  
24 the opportunity to say look, we need to step up and take  
25 care of this roof because we've got -- you know, the

1 conditions are much worse than we even thought?

2 MR. HARDEMAN: We did. That was what we presented  
3 to them with the original bond. In 2010, I already  
4 discovered there was black mold.

5 ASSEMBLYMEMBER BUCHANAN: And you got your  
6 facility hardship approval.

7 MR. HARDEMAN: Um-hmm.

8 ASSEMBLYMEMBER BUCHANAN: But if you would have  
9 gone out in 2012 for a bond --

10 MR. HARDEMAN: Um-hmm.

11 ASSEMBLYMEMBER BUCHANAN: -- you would have met  
12 the -- 2012 -- excuse me.

13 MS. MOORE: It has to be successful.

14 ASSEMBLYMEMBER BUCHANAN: Successful. That's  
15 right. You're right. Okay. Then I will back off that,  
16 so --

17 SENATOR GAINES: I do have a little information  
18 regarding your question on the cost. Now, it says that  
19 attempting another bond election would cost \$50,000 in legal  
20 fees, \$75,000 in bond issuance, in addition to a 4 to  
21 5 percent commission. So that looks like a hundred and --

22 ASSEMBLYMEMBER BUCHANAN: Those numbers don't make  
23 any --

24 SENATOR GAINES: -- twenty-five K.

25 ASSEMBLYMEMBER BUCHANAN: Those numbers don't make

1 any sense.

2 SENATOR GAINES: Well, that's what they're  
3 estimating for the next election. I --

4 ASSEMBLYMEMBER BUCHANAN: I'll move on and let  
5 some other members make comments.

6 CHAIRPERSON DYER: Any other comments?

7 MS. MOORE: I'll certainly make comment.

8 CHAIRPERSON DYER: Member Moore.

9 MS. MOORE: I think that the Board struggles with  
10 the issue of let's say parity on the requirements, although  
11 our regs say that we can consider other evidence of effort.

12 And we know from the educational standpoint that  
13 condition of schools contributes to student performance and  
14 it also contributes to the learning environment and to  
15 teacher retention and teacher satisfaction.

16 This is a very small, rural area. We have  
17 approved financial hardship for areas that may have passed  
18 bond measures, but they were at certain capacities and so  
19 they got a component of financial hardship from this Board  
20 that was -- that -- you know, that was relative to the need.

21 In our mind, you have made an effort. I think  
22 what the Board struggles with is rewarding an unsuccessful  
23 effort.

24 However, that being said, it does not appear that  
25 your circumstances are going to change and I think financial

1 hardship was put into place for -- and to be considered by  
2 the Board seriously for these types of circumstances. And  
3 while it's a hard one to swallow because it appears to  
4 reward communities that don't support their own schools, the  
5 ultimate sacrifice here are students and their learning  
6 environment and particularly, you know, 341 students.

7           That I think we care about as a state. So that's  
8 the predicament that the Board is in. We're willing to as  
9 the Department of Education to look at a solution that might  
10 help the district. In other circumstances, we have said we  
11 will pay for the design fees and go back out again.  
12 Probably not a very good financial risk for us and for you.

13           The other component as you mention is the land and  
14 we have conditioned other school districts -- not  
15 necessarily with financial hardship, but we had a district  
16 that abandoned a site and we said when you sell that site,  
17 we'll take our half. And this seems reasonable in this  
18 effort as well.

19           It would be the state essentially forwarding the  
20 funding -- that half and when you sell that site, you pay  
21 the state back and we would be willing to support that.

22           ASSEMBLYMEMBER HAGMAN: Just out of logistics,  
23 Ms. Moore -- I'm sorry. Does that mean that the state is  
24 going to be doing the loan then or does it still come from  
25 SAB or are you doing loan back to SAB or what happens when

1 they sell the property, does it go back to --

2 MS. MOORE: I don't think it's a loan. I think  
3 what -- it's a conditional approval.

4 ASSEMBLYMEMBER HAGMAN: Okay.

5 MS. MOORE: What we've done in the past is we have  
6 said you can take this action. If you sell that site and --  
7 in fact I think in other circumstances on site sales, we've  
8 said we want the staff to report back on an annual basis  
9 how's it going for the sale of that site.

10 You know, whether it would ever get sold, you  
11 know, remains to be a local community issue, but if it gets  
12 sold, the state get its reimbursement.

13 ASSEMBLYMEMBER HAGMAN: And, you know, most of the  
14 members of this Board know I've been working something like  
15 this for a while now trying to figure out how when the state  
16 becomes a partner.

17 Now this particular case is not one of those  
18 school sites. But if we advance money for a piece of land  
19 or throw in 50 percent on the school site, that a decade  
20 later or five or six years later, all of a sudden it's not  
21 needed. Currently since 1998, you don't get any of that  
22 money back.

23 And I would love to see a way to categorize those  
24 assets and then if they're used -- either sold or leased out  
25 or used for some other purpose besides what we gave them the

1 grant or funds for that the state is a percentage partner in  
2 that agreement. We should be getting part of that money  
3 back anyway.

4           So this is kind of an extension of that, not  
5 particularly this case. The school site wasn't with our  
6 funds to begin with, but it goes along that same kind of  
7 pragmatic thinking hopefully that this is a need.

8           If the economy was better up there, they probably  
9 would have sold the school site and they wouldn't be here.  
10 Hopefully the economy will come back one of these days and  
11 that land become much more valuable at a later point where  
12 you possibly could sell it.

13           I'm obviously willing to support some kind of  
14 arrangement like that.

15           SENATOR LIU: Can I get some clarity. So the  
16 Superintendent is -- I mean the Department of Education is  
17 willing to do this? There's --

18           MS. MOORE: Well, it's as our vote.

19           SENATOR LIU: Oh, as our vote. Okay.

20           MS. MOORE: As our vote where it's not the  
21 Department of Ed, it would be the State Allocation Board's  
22 funds and as our vote, we're willing to support some type of  
23 compromise that would assist this district in replacing its  
24 roof.

25           ASSEMBLYMEMBER HAGMAN: Well, let's make it

1 official. I'll make the motion to grant it based on  
2 whatever the amount, 450,000, and with the condition that  
3 the school district, if they sell one of the three abandon  
4 sites, would reimburse the State Allocation Board that  
5 450,000 and they give us a report by letter once a year.

6 MS. MOORE: Second.

7 ASSEMBLYMEMBER HAGMAN: And then you can have  
8 discussion on the --

9 SENATOR LIU: Can I ask just for clarification.

10 CHAIRPERSON DYER: Yes, Senator.

11 SENATOR LIU: Just on page 5 and according to the  
12 staff's report on the options, at the top of the page, it  
13 mentions that the total project is estimated to cost over a  
14 million dollars?

15 ASSEMBLYMEMBER BUCHANAN: 1.2 million.

16 MS. MOORE: They would have already gotten  
17 60 percent from the state.

18 SENATOR LIU: Oh, I see. Okay. All right.

19 Thank you.

20 CHAIRPERSON DYER: Any other public comments? I  
21 would like to put the motion to a vote, please.

22 MS. JONES: Senator Hancock.

23 SENATOR HANCOCK: No.

24 MS. JONES: Senator Wyland.

25 SENATOR WYLAND: Aye.

1 MS. JONES: Senator Liu.  
2 SENATOR LIU: No.  
3 MS. JONES: Assemblymember Buchanan.  
4 Assemblymember Hagman.  
5 ASSEMBLYMEMBER HAGMAN: Aye.  
6 MS. JONES: Assemblymember Nazarian.  
7 ASSEMBLYMEMBER NAZARIAN: Aye.  
8 MS. JONES: Esteban Almanza.  
9 MR. ALMANZA: No.  
10 MS. JONES: Kathleen Moore.  
11 MS. MOORE: Aye.  
12 MS. JONES: Cesar Diaz.  
13 MR. DIAZ: No.  
14 MS. JONES: Tom Dyer.  
15 CHAIRPERSON DYER: No.  
16 MS. JONES: Motion does not pass.  
17 SENATOR GAINES: Okay. If I could ask a question  
18 of the Board in terms of what steps the school district  
19 should take.  
20 CHAIRPERSON DYER: Senator, I'll open that up for  
21 any comment from -- Ms. Silverman.  
22 MS. SILVERMAN: Well, at this point in time, then  
23 the item has been dispensed and, you know, if you go ahead  
24 and -- your project for facility hardship still stands and  
25 it's been approved. So you have the ability to move that

1 forward.

2 MR. HARDEMAN: Okay. We will move forward with  
3 the project. I have no choice. Thank you. I do -- I'm  
4 totally disappointed.

5 I do want to say one thing though is I don't want  
6 to vilify that the people in our county again to understand  
7 the nature of that county, the number of retired people, the  
8 whole geographic split within the county, if you really  
9 looked at those sections of the county that actually  
10 supported and passed the bonds, that's where I have my  
11 largest concentration of students and parents. It actually  
12 passed in Downieville and in the little town of Loyalton.

13 That's where the parents reside. They're totally  
14 committed to our schools. We have good schools.

15 Again I appreciate the hard decision that you had  
16 to make. I can't help but to think that we'll probably back  
17 on the state's doorsteps because we are a qualified status.  
18 I genuinely don't have any solution for the fact that we  
19 just simply don't have enough money to appropriately run our  
20 district.

21 So again but I thank you very much.

22 SENATOR GAINES: I'd like to just ask the question  
23 now in earnest. If you have suggestions in terms of what we  
24 can do to resolve the problem, I would love to have that  
25 advice and I don't know in terms of procedurally what --

1 what is our next step? Does anybody have any suggestions in  
2 terms of how we resolve the issue?

3 CHAIRPERSON DYER: Yes. Ms. --

4 MS. BANZON: It's what our Executive Officer has  
5 noted, the appeal has been dispensed and that's -- what  
6 happens is the Board has made its decision. It cannot be  
7 brought forward because another board could not reverse a  
8 prior board's approval.

9 SENATOR GAINES: Okay. Okay.

10 MS. BANZON: So at this point in time, that's the  
11 end of the road.

12 SENATOR GAINES: Okay. So we just have to figure  
13 out our own process.

14 MS. BANZON: My apologies.

15 SENATOR GAINES: All right. Very well. Thank  
16 you.

17 MR. HARDEMAN: Thank you.

18 CHAIRPERSON DYER: Yes. Senator Hancock.

19 SENATOR HANCOCK: I would just say too this was a  
20 horrible situation and I am sure it was for you too.

21 MR. HARDEMAN: It still is.

22 SENATOR HANCOCK: It still is.

23 MR. HARDEMAN: It's not gone away.

24 SENATOR HANCOCK: And I feel very, very -- very  
25 sorry about that. My suggestion would be I think you need

1 to go out for another bond or see if there is a way of  
2 appealing to the people in the district including the ones  
3 that may not have children in public schools, about the fact  
4 that when we invest in our kids, we all do well and that  
5 \$400,000 -- I mean the amount of bond would be quite small  
6 and that quite honestly many of us represent districts with  
7 many poor people and you're right, the ones with -- they  
8 still step up to the plate and they pass bonds.

9           It's the anti-government rhetoric, the anti-tax  
10 rhetoric that creates an atmosphere where people think that  
11 if they don't have a kid in public school, they don't need  
12 to invest in their schools. And the two of you and other  
13 community leaders would have a huge emphasis on that.

14           So I just feel -- I felt -- as difficult as this  
15 was that if we don't take the local participation  
16 responsibility seriously, it undermines the entire bond  
17 program and the bond premise and there will be no reason for  
18 any other communities in similar circumstances to step up to  
19 the plate.

20           SENATOR GAINES: Okay. Well, thank you for your  
21 consideration. Appreciate it.

22           CHAIRPERSON DYER: Thank you.

23           MR. HARDEMAN: I do want to take one moment to  
24 thank all the members of OPSC in helping us through this  
25 project. They have been really, really helpful. Again I

1 don't have a facility person. I'm it and the communication  
2 and help and the guidance that we got were really  
3 exceptional and when we talk about, you know, poor  
4 government, this is not an example it. They're awesome  
5 people. Thank you.

6 CHAIRPERSON DYER: Thank you. Next on the agenda  
7 is the **High Performance Incentive Grants for facility**  
8 **hardship projects**, and I'd like to invite Ms. Barbara  
9 Kampmeindert, please, to speak on this. Thank you.

10 MS. KAMPMEINERT: Good afternoon. This item is  
11 asking the Board to consider a regulation change related to  
12 the High Performance Incentive Grant and the Facility  
13 Hardship Program and the Facility Hardship Program also  
14 includes the Seismic Mitigation Program.

15 The Facility Hardship Program provides funding for  
16 the minimum necessary work to correct health and safety  
17 issues and there are three methods of providing funding in  
18 this program.

19 There is the replacement of an entire school site,  
20 the replacement of some of the facilities on the site, or  
21 rehabilitation of a building.

22 Currently the regulations allow for the High  
23 Performance Incentive Grant to be added only in the case of  
24 an entire site replacement.

25 Today's item asks the Board if you would like to

1 extend -- to change regulations to extend High Performance  
2 Incentive Grants to the other two types of funding for  
3 facility hardships. And staff is recommending that the  
4 Board allow both the High Performance Base Incentive Grants  
5 and the High Performance Percentage Increase for all types  
6 of facility hardship projects that might qualify.

7           And if the Board approves the staff  
8 recommendation, we would return to a future meeting with  
9 conforming regulations. And I'd be happy to answer any  
10 specific questions related to the proposal.

11           CHAIRPERSON DYER: Thank you. Any comment or  
12 questions? Senator Hancock.

13           SENATOR HANCOCK: I think this is a very good move  
14 forward. I would move the item.

15           ASSEMBLYMEMBER BUCHANAN: Second.

16           CHAIRPERSON DYER: So moved and second. Any other  
17 comment or let's just proceed to a vote. Thank you.

18           MS. JONES: Senator Hancock.

19           SENATOR HANCOCK: Aye.

20           MS. JONES: Senator Wyland.

21           Senator Liu.

22           SENATOR LIU: Aye.

23           MS. JONES: Assemblymember Buchanan.

24           ASSEMBLYMEMBER BUCHANAN: Aye.

25           MS. JONES: Assemblymember Hagman.

1 ASSEMBLYMEMBER HAGMAN: Aye.

2 MS. JONES: Assemblymember Nazarian.

3 ASSEMBLYMEMBER NAZARIAN: Aye.

4 MS. JONES: Esteban Almanza.

5 MR. ALMANZA: Aye.

6 MS. JONES: Kathleen Moore.

7 MS. MOORE: Aye.

8 MS. JONES: Cesar Diaz.

9 MR. DIAZ: Aye.

10 MS. JONES: Tom Dyer.

11 CHAIRPERSON DYER: Aye.

12 MS. JONES: Motion carries.

13 SENATOR HANCOCK: Chairman.

14 CHAIRPERSON DYER: Yes, Senator Hancock.

15 SENATOR HANCOCK: On this item, I am wondering if

16 we could place it on the agenda for next month's meeting as

17 well and perhaps have staff come back to us with possible

18 additional options for accessing the high performance school

19 money for standalone projects or independent projects

20 because we still have more money in that account than we do

21 in our other accounts, if we could lower the threshold, for

22 instance, so that for a nominal modernization, we could add

23 a high performance element. I think that would be useful

24 and, you know, there might be other things that staff could

25 come up with that would enable us to get that money out the

1 door. So if we could just put it on the agenda with new  
2 recommendations. Thank you.

3 CHAIRPERSON DYER: Yes, Senator Hancock. Any  
4 comments on Senator Hancock's proposal? If none, does it  
5 require a vote? I don't see any objection. Okay. We'll go  
6 with that for next meeting. You're welcome.

7 Next up on the agenda is **State Allocation Board**  
8 **three-month workload**. Ms. Silverman, please.

9 MS. SILVERMAN: That information's actually listed  
10 in Tab 10 and basically just highlight to the Board the next  
11 three months' activities that we have on the agenda. So if  
12 there's any questions related to what's posted on the  
13 workload, I'd be happy to answer any questions related to  
14 that. And that's actually on page 259. I apologize.

15 CHAIRPERSON DYER: Yes, Ms. Moore.

16 MS. MOORE: We had talked about that we would look  
17 at every month and whether we would cancel meetings, you  
18 know. We were looking --

19 ASSEMBLYMEMBER BUCHANAN: Right.

20 MS. MOORE: -- at possibly meeting every other  
21 month. And I think that it -- it's really important to  
22 advise the public on that and we've kind of gone through  
23 that.

24 So I'm just wondering it did look like April was  
25 light. Have you all looked at a procedure for how you're

1 going to do that and how we can advise the public when we  
2 can cancel a meeting.

3 ASSEMBLYMEMBER BUCHANAN: I think we're still  
4 finalizing the exact dates, but we were going to set monthly  
5 dates and then meet like two weeks out and then post -- you  
6 know, issue --

7 MS. MOORE: A go/no go?

8 ASSEMBLYMEMBER BUCHANAN: -- a go/no go, but we  
9 wanted to at least keep it open so if we had a situation  
10 where we needed an approval to get a project going, we could  
11 at least have a quick consent meeting like we did last month  
12 so we're not holding up any individual project.

13 MS. MOORE: So for those that travel to these  
14 meetings, you can advise them that most likely two weeks out  
15 from the meeting, a decision will be made --

16 ASSEMBLYMEMBER BUCHANAN: Right.

17 MS. MOORE: -- and we'd advise them whether it was  
18 canceled or not?

19 ASSEMBLYMEMBER BUCHANAN: That's what I would  
20 think. I mean --

21 MS. MOORE: Okay.

22 ASSEMBLYMEMBER BUCHANAN: I mean if you recall  
23 when the people came to us, we were going to set meetings  
24 every other month or quarterly. They said, wait a minute,  
25 there might be something that comes up. So I don't speak

1 for the Chair, but when Pedro and I talked, we didn't want  
2 to like cancel next month's meeting this month until we were  
3 a couple weeks into it and had an idea as to whether or not  
4 something was going to come up.

5 ASSEMBLYMEMBER HAGMAN: And I would just comment,  
6 I think it's safe to say since next month is -- there's  
7 pretty much no agenda or a light agenda, the only reason why  
8 we would have anything was if you had an item on an  
9 emergency status appeal, funding type of thing.

10 ASSEMBLYMEMBER BUCHANAN: Right.

11 ASSEMBLYMEMBER HAGMAN: Otherwise we probably  
12 don't need to be here.

13 MS. MOORE: Okay.

14 ASSEMBLYMEMBER BUCHANAN: Right.

15 MS. MOORE: But just so that the public knows it  
16 looks like --

17 ASSEMBLYMEMBER BUCHANAN: Right.

18 MS. MOORE: -- two weeks beforehand, just like  
19 when we'd have to post the agenda --

20 ASSEMBLYMEMBER BUCHANAN: Right. That's exactly  
21 the plan.

22 MS. MOORE: -- that's the point at which they --  
23 because people make their airline --

24 ASSEMBLYMEMBER BUCHANAN: Right. Right.

25 MS. MOORE: -- reservations and those kinds of

1 things and we want to -- we don't want districts to have to  
2 expend --

3 ASSEMBLYMEMBER BUCHANAN: Right.

4 MS. MOORE: -- funding if they don't need to.

5 ASSEMBLYMEMBER BUCHANAN: But we were trying to be  
6 responsive to their request and have the date and like I  
7 said, at least give us a little bit of time to see if  
8 anything comes up.

9 MS. MOORE: That seems reasonable. Thank you.

10 ASSEMBLYMEMBER BUCHANAN: Thanks.

11 CHAIRPERSON DYER: Yeah, it's reasonable.

12 Ms. Silverman, any other --

13 MS. SILVERMAN: Yeah. That's exactly what we did  
14 for February. It was the Chair and Vice Chair did have that  
15 conversation and once they did make that decision, we did  
16 notify our customers right away and sent an email blast and  
17 posted it our website as well.

18 CHAIRPERSON DYER: Okay. Very good. Is that it  
19 for --

20 MS. SILVERMAN: That's it.

21 CHAIRPERSON DYER: All right. With that and if  
22 there's no other public comment, this meeting is adjourned.  
23 Thank you.

24 (Whereupon, at 4:58 p.m. the proceedings were recessed.)

25 REPORTER'S CERTIFICATE

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That I am a disinterested person to said action.

IN WITNESS WHEREOF, I have subscribed my name on April 2, 2013.

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