MINUTES
State Allocation Board
July 27, 2005

Upon notice duly given, the monthly meeting of the State Allocation Board was held in Room 4203 of the California State Capitol in Sacramento, California on July 27, 2005 at 2:00 p.m.

Members of the Board present were as follows:

- Anne Sheehan, Chief Deputy Director, Policy, Department of Finance, designated alternate for Thomas Campbell, Director, Department of Finance
- Rob Cook, Deputy Director, Interagency Support Division, Department of General Services, designated alternate for Ron Joseph, Director, Department of General Services
- Kathleen Moore, Director, School Facilities Planning Division, California Department of Education, designated representative for Jack O'Connell, Superintendent of Public Instruction
- Rosario Girard, President and CEO, Phoenix Construction Services, Inc., appointee of Arnold Schwarzenegger, Governor of the State of California
- Senator Bob Margett
- Senator Alan Lowenthal
- Assembly Member Alan Nakanishi
- Assembly Member Gene Mullin

Members of the Board absent were as follows:

- Senator Jack Scott
- Assembly Member Jackie Goldberg

Representatives of the State Allocation Board (SAB) were as follows:

Luisa M. Park, Executive Officer
Mavonne Garrity, Assistant Executive Officer

Representatives of the Department of General Services, Office of Public School Construction (OPSC), were as follows:

Luisa M. Park, Executive Officer
Lori Morgan, Deputy Executive Officer

Representative of the Department of General Services, Office of Legal Services, was as follows:

Garry Ness, Assistant Chief Counsel

With a quorum present, Anne Sheehan, Chair, called the meeting to order at 2:07 p.m.

PRIOR MINUTES

A motion was made and carried to approve the Minutes for the June 22, 2005 SAB meeting with a request from Senator Margett that the minutes reflect his concern regarding the Tracy Joint Unified request for reimbursement pertaining to the disposition of two State Relocatable Classrooms. Senator Margett stated that the moving contractor should be responsible for the disposition of these buildings, thus making it an insurance issue.

Additionally, Assembly Member Gene Mullin abstained from voting on the minutes from the June 22 Board meeting.

EXECUTIVE OFFICER'S STATEMENT

The Executive Officer advised the Board that:

- The East Side Union High School District has dismissed the cross-complaint against the SAB and the OPSC. However, the lawsuit filed by the East Side Teachers' Union is still pending; and
- The Budget Act provides $183.5 million during the 2005/2006 fiscal year for the Emergency Repair Program (ERP) to reimburse school districts for the cost of repairs to mitigate health and safety hazards at the Williams Settlement schools. Staff is currently processing applications for the ERP.

CONSENT ITEMS

In considering this item, the Board approved the consent calendar as presented. Ms. Kathleen Moore abstained from voting on all Elk Grove Unified School District items, but approved all others.

FINANCIAL REPORTS

Status of Funds

The Board accepted the Status of Funds report as presented.

ADMINISTRATIVE COSTS FOR FISCAL YEAR 2005/2006

In considering this item, the Board approved the recommendations of staff to reserve a total of $15,703,000 for administrative costs in fiscal year 2005/2006.

SPECIAL CONSENT ITEMS

Deferred Maintenance Program - Extreme Hardship Project Time Extension

In considering this item, the Board approved the staff's recommendation.

School Facility Program – Substantial Progress Time Extensions

In considering this item, the Board approved the staff's recommendations.
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Temecula Valley Unified/Riverside 22/75192-00-34

In considering this item, the Board approved the staff's recommendations.

Eureka City Unified/Humboldt 58/75515-00-01

In considering this item, the Board approved the staff's recommendations.

San Dieguito Union High/San Diego 51/68346-00-01

In considering this item, the Board approved the staff's recommendations.

Tamalpais Union High/Marin 58/65482-00-01

In considering this item, the Board approved the staff's recommendations.

Natomas Unified/Sacramento 58/75283-00-01

In considering this item, the Board approved the staff's recommendations.

Hemet Unified/Riverside 50/67082-00-09

This item was withdrawn.

School Facility Program Joint-Use Projects

In considering this item, the Board approved the staff's recommendation.

SPECIALS/APPEALS

Requests for Reimbursement of New Construction Projects

This item was withdrawn at the request of the districts.

Centinela Valley Union High/Los Angeles 50/64352-00-00

This item was withdrawn at the request of the District.

State Relocatable Classroom Program

In considering this item, the Board approved staff recommendation #1 to authorize the expenditure and encumbrance of approximately $6.0 million for relocation expenses, setup costs and other related expenses from lease revenues in the State School Building Aid Fund. However, the Board ultimately held over further discussion and action on the remaining four recommendations until the August SAB meeting.

REGULATIONS/POLICY

Small High School Program Funding

In considering this item, the Board approved the staff's recommendations to adopt the proposed regulations, begin the regulatory process and authorize the OPSC to file the regulations with the Office of Administrative Law (OAL).

REPORTS

Career Technical Education (CTE) Report

Mr. Jim Aschwanden, representing the Vocational Alliance of California, and Mr. Tom Duffy, representing the Coalition for Adequate School Housing (CASH), addressed the Board regarding proof of district compliance with CTE requirements.

In considering this item, the Board requested that OPSC staff work with the California Department of Education and the vocational education advocates to determine an acceptable procedure for ensuring compliance with CTE requirements.

CLOSED SESSION

The closed session was withdrawn.

INFORMATION/REFERENCE

Remaining Board Meeting Dates for the Calendar Year 2005

The Board concluded that the September 28, 2005 meeting would be held at 11:00 am.

School Facility Program Workload List - Applications Received Through July 1, 2005

Facility Hardship/Rehabilitation Approvals Without Funding List as of June 22, 2005

ADJOURNMENT

There being no further business to come before the Board, the Chair adjourned the meeting at 2:45 p.m.

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LUISA M. PARK, Executive Officer