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CALIFORNIA STATE ALLOCATION BOARD
SCHOOL FACILITY PROGRAM REVIEW SUBCOMMITTEE
PUBLIC MEETING

STATE CAPITOL
ROOM 126
SACRAMENTO, CALIFORNIA 95814

DATE: TUESDAY, OCTOBER 1, 2013
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APPEARANCES

MEMBERS OF THE SUBCOMMITTEE PRESENT:

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

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
JUAN MIRELES, Deputy Executive Officer

P R O C E E D I N G S

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CHAIRPERSON BUCHANAN: Call the meeting to order of the Program Review Subcommittee, and just for informational purposes, could we take attendance.

MS. JONES: Sure.

CHAIRPERSON BUCHANAN: Okay.

MS. JONES: Assemblymember Buchanan.

CHAIRPERSON BUCHANAN: Here.

MS. JONES: Assemblymember Hagman.

ASSEMBLYMEMBER HAGMAN: Here.

MS. JONES: Esteban Almanza.

MR. ALMANZA: Here.

MS. JONES: Kathleen Moore.

MS. MOORE: Here.

MS. JONES: Cesar Diaz.

MR. DIAZ: Here.

MS. JONES: We have a Subcommittee.

CHAIRPERSON BUCHANAN: Right. And we also have Assemblymember Nazarian joining us today.

So we have basically two items on the agenda plus public comment, but we will actually take public comment on the agenda items at the time we're taking up that item on the agenda.

And the first is a discussion of a **statewide**

1 **facilities inventory system.**

2 MS. SILVERMAN: Yes. In that order, I just want
3 to give you a little update that we had planned on having a
4 projector that would accommodate us, but unfortunately, our
5 system is not functioning tonight.

6 CHAIRPERSON BUCHANAN: Okay.

7 MS. SILVERMAN: So we do have the handout. So the
8 presenters could walk us through the handout material.

9 CHAIRPERSON BUCHANAN: Okay.

10 MS. SILVERMAN: And I will turn it over to
11 Mr. Zian.

12 CHAIRPERSON BUCHANAN: Right.

13 MR. ZIAN: Okay. Good afternoon, Madam Chair,
14 members of the Subcommittee.

15 Previously, Subcommittee members have expressed
16 interest in exploring potential options for establishing a
17 statewide database for all public school facilities in
18 California. And to that end, we are here today to talk a
19 little about background on a prior attempt by California in
20 mid 1980s/early 1990s relative to the school facility
21 inventory and also to explore potential SFI models currently
22 in use in other states and currently in California.
23 There'll be the other presentations.

24 So a little bit of background on California's
25 first school facilities inventory: It was actually a

1 mandate by Assembly Bill 2743 that directed the State
2 Allocation Board and the OLA, which was the name of our
3 office at that point before it was changed statutorily, to
4 create an SFI database, a school facilities inventory
5 database.

6 And the purpose of the database as specified in
7 that law was to provide estimates of current and projected
8 funding needs for K-12 school facilities in construction and
9 modernization.

10 So the OLA performed the following tasks while
11 establishing this and trying to meet that mandate. First of
12 all, it prepared a feasibility study in 1986 and initially
13 contracted with BASIS/Arthur Young and Company to install
14 hardware, software, and custom develop the SFI database.

15 And from 1986 through 1991, the OLA collected
16 district facility data in three phases as follows. Phase I
17 was essentially district-related information, 12 general
18 questions such as, you know, number of school sites you have
19 and enrollment and that kind of stuff.

20 Phase II got a little bit more in depth and it was
21 16 site-related questions only, such as do you have baseball
22 diamonds and parking and, you know, those kinds of issues,
23 stadiums, and -- you know, what's on your site.

24 And then lastly in Phase III, districts were asked
25 29 very detailed questions about the buildings on the site

1 that had been identified on the site earlier. Actually,
2 there was no building information in Phase II, but the sites
3 identify the various schools and the sites.

4 So they asked information such as buildings, use,
5 dimensions, and specific building components and
6 characteristics of the building system. So it was very
7 detailed and that was the hardest part of the inventory,
8 getting that information.

9 So by 1991, the SFI database was up and running.
10 It was established and it had information for over a
11 thousand school districts -- general information and it had
12 more specific information on 7,000 school sites and 70,000
13 buildings.

14 The total cost to get us to that point early in
15 1990 was 1.1 million, using the equivalent of 3.2 personnel
16 years to create the database, maintain it, collect data, and
17 so forth. That's the silver lining.

18 The dark side of the lining was that there were
19 some issues with the data that we had in the database. And
20 so early in the 1990s, the OLA also the legislative analyst
21 and the Department of Finance began to note a couple areas
22 of concern.

23 The first one was that the SFI database did not
24 have complete school district data to provide reliable
25 estimates of the statewide facility needs. And this was as

1 a result of -- we had almost complete Phase I and Phase II
2 data. Remember, that was the general and the site specific
3 information -- but incomplete data related to the real meat
4 of the inventory which was Phase III.

5 We had only 700 districts' worth of information on
6 buildings and of that Phase III information that was a lot
7 more detailed, 10 percent of the sites, when we did a
8 cursory look, had -- you know, 10 percent of the sites
9 within those 700 districts had information missing.

10 Another area of major concern was that the data
11 that was provided by districts was not validated at the
12 time, just simply entered into the data system, and it
13 contained numerous errors.

14 And to -- well, to look at that a little closer,
15 the LAO did a cursory look at the data. It looked at a
16 sample of 37 school districts and found that the data on 62
17 percent of the sample was incorrect, so very high error
18 rate.

19 The OLA at that time tried to explain the main
20 reasons for the error rate and it was the voluntary nature
21 of the SFI and that no extra funding was provided to school
22 districts to provide that SFI data. The counterintuitive
23 design of the data collection instrument, it was very
24 complex, many pages, tended to confuse facilities people
25 working with it, and lastly, the existence of the SFI system

1 programming and data entry errors.

2 So due to these concerns, the OLA tried to have an
3 action plan to try to address that and attempted to review
4 and correct the incomplete data that had previously been
5 submitted.

6 Secondarily, the OLA looked at the Phase III
7 booklet, which was a multitude of pages and a lot of data
8 fields, streamlined it down to a one page form that
9 essentially asked for a count of the room types and the type
10 of rooms, the year the building was constructed, and gross
11 square footage.

12 In spite of these changes, the school districts
13 still lagged in providing the information to the OPSC. So
14 the data validation efforts essentially failed and a
15 complete database was never created. So ultimately the
16 funding for the first SFI endeavor was curtailed and that
17 was the end of it.

18 So moving onto -- the next area is what's out
19 there right now. And starting with California, California
20 does not have, as I've mentioned earlier, a comprehensive
21 school facility inventory. But what it does have is a very
22 high level but complete database of all the school facility
23 projects that have been funded since 1998. That's the close
24 to 35 billion in projects.

25 So all the grants that we provided, we can provide

1 general data on all those grants and what was provided in
2 those areas.

3 Beyond that, there's a smaller, more discrete
4 sample of information of that SFP on new construction
5 projects that have been funded since July of 2006. And
6 these projects -- in the PIW, there's a lot more
7 building-related information there. So we do have a subset,
8 but that's really what California has at this point absent
9 any other endeavor.

10 So looking at the rest of the U.S., upon a cursory
11 review of other states within the nation -- there are
12 obviously a lot of examples and different states have
13 different capabilities. But what was -- quickly jumped out
14 at me in looking at it in various searches was that
15 California was not alone in any way of not having a
16 comprehensive SFI or assessment system for its various
17 buildings, and actually that was kind of the commonality out
18 there in the nation.

19 There were three states that in the, you know,
20 cursory sample that really jumped out, that appeared to have
21 very robust systems in place, New York, Washington, and
22 Florida, and what I'd like to do is quickly highlight their
23 capabilities.

24 I won't spend any time on the chart on page 7.
25 It's self-explanatory. You can look at the three states'

1 database systems, what they have, and the similarities. You
2 can kind of at an eyeball see it very quickly.

3 But what I would like to do for right now for the
4 sake of time is highlight what I see as the trends in these
5 three states for the school facility inventories.

6 First and foremost, all three states have the
7 authority to mandate regular submittals of the SFI
8 information. Secondly, the school facility funding is
9 tied in all three states to providing the SFI information.
10 All three states have similar site, building, and building
11 system data in their SFIs. And all three states use
12 standard nomenclature.

13 So, you know, if you look at one school district
14 to the other, a classroom is a classroom is a classroom type
15 stuff, so they're not called different things. So it's all
16 apples and apples type comparison so you can, you know,
17 really look at the data and have a good understanding.

18 All three states require regular building
19 assessment data to be provided so that they can determine
20 rehabilitation and modernization needs and also all three
21 states validate the SFI data regularly.

22 So the information in these systems obviously can
23 get stale very quickly if it's not updated on a regular
24 basis.

25 And lastly, all three states will not provide any

1 funding without all of the aforementioned information that's
2 required. So it's tied to funding and that's how these
3 three states make theirs work.

4 I should quickly note that Washington is -- of
5 this sample here, probably had the best system overall --
6 SFI and building assessment that I could see. However, they
7 only have it for 40 percent of their school districts and
8 that's because it's tied to those districts that request
9 funding.

10 So Washington doesn't have a full SFI either but
11 only for the districts that have submitted for funding. So
12 they are looking at possibly having it statewide, but to
13 date, they're just looking at strategies for doing that.

14 So moving on then to considerations, should the
15 State want to look at and possibly create an SFI, there are
16 some areas that should be looked at.

17 The first would be what type of school facility
18 data does the State need. It gets into issues of how much
19 detail does the State really need.

20 We believe that most school districts do have this
21 data. They probably have a lot of discrete data, but how
22 much of that data does the State really need to make
23 decisions on an aggregate basis for the entire state.

24 Another area of consideration is how to capture
25 the data. I mean you can go anywhere from a web-based cloud

1 type system with standard nomenclature where the State's
2 kind of overseeing it to some kind of manual form that you
3 input data into and the State inputs it into a system, which
4 is more archaic, and there's other variations on the theme.
5 But that would be something to consider.

6 Another area would be how to minimize the cost to
7 avoid State-mandated costs associated with capturing the SFI
8 data. So again this kind of comes down to how much is done
9 at the local level and how much is done at the State level
10 and, you know, that would obviously be an area and a good
11 topic to discuss.

12 Another area is what agency should develop and
13 maintain the database. Should it be OLA -- not OLA, sorry.
14 That's a -- OPSC. That's who we are nowadays -- the OPSC,
15 DSA, CDE -- sorry. That was the comic relief for today --
16 and -- or should it be some variation on all three. I'm not
17 sure what the answer is there.

18 How should the data be updated? How often?
19 Should it be updated in the realtime, weekly, you know, some
20 kind of annual basis? I'm not sure, but I can tell you from
21 looking at the various states that had databases, it was a
22 mixed bag there too. There was no consistency.

23 And then how to ensure data integrity. Does the
24 new and updated data -- should it just be entered into the
25 system or should there be some test or validation before it

1 goes into the system or should it just be entered in and
2 maybe validated later.

3 Those are question areas that should be looked at.

4 So if an SFI is established, then the next
5 question would be should there be the next level which is a
6 school facility condition assessment also to augment what's
7 in that inventory, and if that is an area that wants to be
8 looked at, some considerations there would be how often
9 building condition assessments are necessary to determine
10 the need for renovation, repair, or useful life expectancies
11 of building systems.

12 And again more current data obviously allows for
13 better decision making with the powers that be.

14 How facility condition assessments -- how would
15 they be conducted. Should it be a standard statewide
16 protocol or a decentralized local assessment that could vary
17 in detail and scope from district to district. You know, we
18 have a thousand -- over a thousand of them in the state.

19 Who should perform the assessments? Should it be
20 school facility personnel, inspectors, architects,
21 engineers? The answer's probably yes to any one of those,
22 but, you know, we'd have to look at what makes the most
23 sense on a standardized type basis.

24 And then lastly, how to minimize the costs
25 associated with facility assessments. This would probably

1 require simplicity and some level of standardization to
2 accomplish that mission.

3 So just some areas for consideration. There may
4 be others, but at this point, that concludes my
5 presentation. Are there any questions?

6 CHAIRPERSON BUCHANAN: Assemblymember Hagman.

7 ASSEMBLYMEMBER HAGMAN: Thanks. My first question
8 is how much of this data does the State have already. It
9 may not be together, but between Department of Education --
10 we know where the kids are getting funded by -- per
11 district. We do have the State Architect that has some kind
12 of semblance of records somewhere. We do have our records
13 of people we funded.

14 How much of that pie, if we've got those databases
15 talking together, would be filled?

16 MR. ZIAN: I can tell you that a lot of the data
17 is there. DSA has all building plans. They have it, you
18 know, automated. CDE has a lot of the school district
19 information.

20 We have a lot of the projects that have been
21 funded. As far as whether or not the systems talk to each
22 other and whether there's consistency, I don't know.

23 ASSEMBLYMEMBER HAGMAN: I assume they don't right
24 now.

25 MR. ZIAN: I don't know about that.

1 ASSEMBLYMEMBER HAGMAN: But I'm trying to figure
2 out do you start grassroots and let's say they come with
3 this new program and somehow we incentivize all the schools
4 to do the right thing.

5 Do you start from scratch? Do you use what we
6 have for data as a backbone or a skeleton to start off with
7 first? Where would be the place for the most housing of
8 that data at -- to start off with?

9 Obviously, as policymakers, we'd like to have that
10 so we know what's going forward and the results of that
11 data, but I would assume most districts at this point would
12 probably have some kind of system that they're paying for
13 out of their budgets to kind of have maintenance and keep
14 all the records together as it is.

15 Granted it's not a standardized system. So I
16 think the difference between the '80s when technology wasn't
17 that rampant and now is probably most of the backbone's --
18 most of the administration systems need this to kind of
19 function anyway, to report how many kids they have per day
20 and all the rest of the stuff they have to do with the
21 education system.

22 So would that not end up statewide at least
23 hopefully save money if we have a system that they all can
24 utilize that would do all their needs, I guess. But I just
25 wondered, do we start it here or we start it down there? Do

1 we start from scratch? What's the thoughts on that?

2 MR. MIRELES: That's a good question,
3 Assemblymember, and I think that there are different ways
4 that the Subcommittee and the Board can consider as far as
5 what's useful from the data that's available. It's one
6 thing to have data in sets of plans, but extracting that
7 data and what kind of data and what do you get out is
8 something that will clearly need to be defined.

9 But that is something that we can take a look at
10 again if there's an interest in moving forward, what is
11 currently available, who has it, in what form, how can it be
12 extracted. Those are considerations that --

13 ASSEMBLYMEMBER HAGMAN: And would you suggest -- I
14 mean do you do a pilot project so see what available data is
15 out there in a couple of the random school districts. Do
16 you --

17 CHAIRPERSON BUCHANAN: We'll have an idea probably
18 by the time we finish this agenda item since we have several
19 districts who are going to present to us on what they're
20 currently doing.

21 ASSEMBLYMEMBER HAGMAN: Okay.

22 MR. ALMANZA: Assuming that the SFI effort that we
23 did, what, about 15 years ago -- assuming that had worked
24 and there was a low error rate and we had all this data,
25 what difference would it have made in our allocation

1 decisions? Would it have been -- incorporate somehow in --

2 MR. ZIAN: Well, I can --

3 MR. ALMANZA: -- the projects that we funded --

4 MR. ZIAN: I think there would have been more
5 discrete decisions made. A lot of the decisions that have
6 been made with the failure of the first SFI have been based
7 on our unfunded lists, frankly. I mean that's -- a lot of
8 it is how much do you have on your new construction list,
9 and whether or not that's a true indicator of the need out
10 there, I don't have a good answer for that, but I don't
11 believe it represents everything that's out there.

12 You know, and if there's program changes, then you
13 really don't know.

14 MR. ALMANZA: All right. But what difference
15 would it have made in regard to how this Board allocated
16 funds and the projects that got funded?

17 MR. MIRELES: In terms of the qualifying criteria
18 right now, it wouldn't make a difference because each
19 district has to apply independently and we evaluate each
20 district's funding request to see if they qualify under the
21 eligibility for a certain program.

22 Right now, the way the Greene Act is structured,
23 there is no statewide inventory that is needed in order to
24 award grants. We require individual district's information
25 for purposes of establishing eligibility, whether that's for

1 new construction, modernization, but there currently is not
2 a requirement that the State have a statewide inventory.

3 So we'd still need individual district's
4 information for purposes of establishing eligibility.

5 MR. ALMANZA: So it's information that would have
6 been nice to know but not required for allocating funding
7 for school facilities.

8 MR. MIRELES: Not under the current program.

9 CHAIRPERSON BUCHANAN: But it potentially could
10 lead to better decision making. I mean if you believe that
11 data is important for driving the decisions, you have to
12 have some data, and we have a state with a thousand school
13 districts, 10,000 students, roughly six and a half million
14 kids and when someone says to me, well, you know, we've
15 spent all this money in the last decade on our schools
16 taking care of or what is the need, I can't tell you how
17 many classrooms haven't been touched in 25 or 30 or 40
18 years.

19 I can't match up projected growth data with -- on
20 a regional basis because, as I told someone, you know, if I
21 have growth in Bakersfield and capacity in LA, I can't send
22 that child in Bakersfield to LA, so I still need to build
23 schools there.

24 And so, you know, where I sort of struggle with
25 and I think we'll have more information as the other

1 presenters are, I don't want the State to get in to being
2 responsible for what the condition is of every school in the
3 State of California.

4 I mean we still have school boards. We have local
5 school districts and I don't think we could ever make a good
6 decision to say, well, you know, we can't fund this school
7 because this school has greater need and that school may
8 not be ready to be funded and getting into those levels of
9 decisions.

10 I would hope that each district as it does a
11 facility analysis before it goes out for its own bond does
12 its own analysis based on need, certainly, you know, when I
13 talk to districts and I know that's what occurred in our
14 district. You know, if we had a school that hadn't been
15 modernized for 40 years, that certainly took priority over a
16 school that was five years old and something that was nice
17 to have.

18 So it's hard for me when someone says, well, you
19 know, what is your need or, you know, what do you need, you
20 can't answer that question.

21 And so I think having high level data just on the
22 numbers of schools, the numbers of classrooms, when the last
23 time they were either -- when they were built or the last
24 time they were modernized would give us some useful
25 information.

1 I myself don't see us getting down into management
2 type level decisions. I don't care about how many
3 electrical outlets you have. I don't care about when the
4 last time was you painted or whatever. Those are decisions
5 that the school districts have to have.

6 But in terms of our program, particularly if
7 you're going to divide -- if you have a bond and you're
8 going to divide a certain percentage into modernization, a
9 certain percentage into new construction or whatever, it'd
10 be nice to know, you know, okay, we're going to grow by so
11 many students. How are we going to manage that. You know,
12 what of that's infill; what of that is new developments
13 going in.

14 You know, we've got schools -- we always have some
15 schools that are going to be turning 25 years old or older.
16 You know, what is the need there.

17 So I don't think data is ever -- I don't think not
18 having data is -- you know, or the fact that you're going to
19 ask people to report data is a reason not to have it. We
20 just need to be sure that whatever we ask that it's at a
21 level where it's going to provide useful information to us
22 and we're not overburdening them with a reporting
23 requirement that ends up costing money and provides data to
24 us that we're really not going to use.

25 Some of that, you may use as school districts.

1 You now, there are certain -- there's information -- you may
2 want to know when you replaced the ballast last, you know,
3 in the lighting in your building. I don't really care on
4 that. Those are decisions you have to make locally.

5 ASSEMBLYMEMBER HAGMAN: Well, and I would go one
6 step further. I mean think about the policies. We're
7 talking about what we've done in the past and projections
8 for the future.

9 CHAIRPERSON BUCHANAN: Right.

10 ASSEMBLYMEMBER HAGMAN: What about current -- we
11 switch to the new Common Core next year. How many schools
12 are ready for that. I know we've given out some money for
13 that. How many are capable of even that?

14 CHAIRPERSON BUCHANAN: Yeah.

15 ASSEMBLYMEMBER HAGMAN: So if we go through the
16 Legislature and make these changes, you will have this
17 reporting out by next year, and three-quarters of our
18 schools don't have the capability of even doing it, then --

19 CHAIRPERSON BUCHANAN: Yeah, but --

20 ASSEMBLYMEMBER HAGMAN: -- you know, as the
21 framework to have that added on as we go forward.

22 CHAIRPERSON BUCHANAN: But the question there is
23 what -- I mean CDE's doing a study on that in terms of
24 preparedness for districts in terms of the number of
25 computers and technology and all that. So that you still

1 get back into the question we'll have to resolve is how much
2 data do we have just because we might need it or because --
3 you know, it gets to the core of the decision making that
4 we're doing so we can go to the Governor, go to the voters,
5 and say these are the demands we're going to have for new
6 construction or modernization.

7 MS. MOORE: I have a couple of items before we get
8 into the details of all these.

9 We did look at this -- this is one of the
10 recommendations of our infrastructure investment report that
11 we commissioned with U.C. Berkeley was for an inventory and
12 we took it further in looking at the implementation of that.

13 We brought together a group to say, well, what do
14 you think is that top level data that might be important to
15 the State to have and then how could local data feed into
16 that. And maybe the locals need a lot of more data at the
17 local level, but the high level data could roll up to the
18 State.

19 And I'll just provide you -- the last page of this
20 was the recommendations of our group. We worked with the
21 Council for Educational Facilities Planners International
22 and the -- a number of people that worked nationwide and I
23 would say that also on this datasheet, most of the data that
24 links to the CDF Code in the first grouping of these data
25 points is available in the CDF Code. So it doesn't

1 really -- it doesn't have to be entered by a school
2 district.

3 So as we talk about the conversation, you know,
4 here's a group of stakeholders that have looked at this
5 issue and what might be high level data that I think would
6 be effective for the State.

7 Secondarily, in terms of a possible pilot, we kind
8 of have had one already and that is that, you know, roughly
9 20 percent of our schools, the deciles one through three all
10 had to report to the OPSC on a school facilities needs
11 assessment that was done in response to Williams.

12 And it was a facility inventory. It estimated the
13 cost for five years to maintain functionality of school
14 buildings. It had the remaining life of major buildings and
15 it had a list of repairs for all deciles one through three
16 schools.

17 And OPSC shared their data with us. It
18 represented about roughly 2,000 schools of our 10,000 across
19 the state, so, you know, 20 percent, and that is a
20 possibility of looking at maybe a model as well to consider
21 as we move forward or at minimum, as Assemblymember Hagman
22 said, it's data that exists today about deciles one through
23 three schools that was taken at a certain point in time.
24 Might not -- might need updating and might not be relevant
25 to today, but we did go through this subsequent to the

1 1980's effort on school facilities needs assessment.

2 And then finally what I would say, having been a
3 part of that 1980s-1990s assessment, I think what we want to
4 have that will be most successful and I think one of the
5 lessons learned that we had at the district level from that
6 was what is the data being used for.

7 And I think there needs to be a partnership with
8 schools and the State in terms of the data that's necessary
9 for both parties to do their work. And that's why I said it
10 would be functional to have detailed data that rolls up to
11 higher level data at the State so that the locals, you know,
12 are -- and we're going to hear from three of -- two of them
13 today -- can roll up their data that they already have.

14 I think that would make a more successful program
15 than perhaps we had with the issues that were pointed out
16 already with the 1980's program, plus, you know, technology
17 has advanced exponentially since then. And I think it would
18 be -- you know, a web based system is -- would be so much
19 more easy for school districts to input data around.

20 So those are my initial comments.

21 MR. DIAZ: In looking at the other states when you
22 were comparing the budgetary structure, how they'd fund like
23 the pilot program in Washington and how are the other states
24 funding the inventory?

25 MR. ZIAN: Washington used timber revenue and

1 lease -- real estate lease revenue which flowed into the
2 general fund and then it was appropriated out of their
3 general fund. So essentially it's general fund money.

4 New York used general fund money too to the
5 education fund to fund this endeavor with SFI and
6 assessments, and I had an inquiry into Florida and I never
7 did hear back from them, but I'll let you know when I do
8 hear back from them. So I don't know their funding source.

9 MR. DIAZ: Sure. And then as a follow-up
10 questions and maybe Kathleen could help me with this.

11 MS. MOORE: Um-hmm.

12 MR. DIAZ: When they did the deciles one, two,
13 three and came up with 20 percent, do you know the estimated
14 costs that was?

15 MS. MOORE: There was apportioned 25 million back
16 in the day to run that program that went out to entities
17 that were making the assessment. I don't know the details
18 of it. I'm sure OPSC would have much greater knowledge of
19 that. I just remember the top level --

20 CHAIRPERSON BUCHANAN: Did all the schools report
21 or just those that wanted to participate in the program?

22 MS. MOORE: It was all deciles one through three.

23 MR. ZIAN: All deciles one through three.

24 CHAIRPERSON BUCHANAN: Okay.

25 MS. MOORE: The other thing I -- you know, in the

1 research that was done -- and maybe we'll hear later from
2 Dr. Vincent, there were 22 states that he found that had
3 assessments across the nation and I'm most -- I'm very
4 familiar with New Mexico and they have a hundred percent
5 required participation in theirs.

6 So it's another example out there together with
7 others that may be -- that we may be able to extrapolate
8 from.

9 CHAIRPERSON BUCHANAN: The big difference that I
10 find with California and other states is some of these
11 state's school systems aren't even as big as LAUSD. So it's
12 the information they're collecting is what a normal district
13 here collects.

14 So the question we have to ask ourselves is how do
15 we determine what should be collected at the site level for
16 their own decision making, which I think is partly a local
17 and what we need at the State level because, you know, the
18 State program is there to partner with locals, but it's not
19 there to replace the local contribution.

20 In fact, when you take a look at the last decade
21 plus, the State's provided about one-third of the money and
22 the rest has come from either developer fees or local bond
23 issues.

24 So we're not -- I mean this isn't a state where
25 the State's providing all the facility dollars and

1 prioritizing in that way and it's not a situation where the
2 State is directly involved.

3 We're a partner in it, so we've got to -- you
4 know, I think that information's useful, but we also have to
5 distinguish the fact that California is very different in
6 that regard.

7 MS. MOORE: Sure. I agree. It's going to have to
8 be able to work in our own state in our own culture. I know
9 we're always scaling different than other states --

10 CHAIRPERSON BUCHANAN: Right.

11 MS. MOORE: -- in California. So whatever the
12 problem is, we have to scale up because we have the most
13 population in the nation.

14 So that I think goes -- I think that's
15 appropriate.

16 CHAIRPERSON BUCHANAN: We scale up or we
17 decentralize down, one of the -- okay. So I think next on
18 the agenda are --

19 ASSEMBLYMEMBER NAZARIAN: Can I ask a couple of
20 questions?

21 CHAIRPERSON BUCHANAN: Sure. Yeah.

22 ASSEMBLYMEMBER NAZARIAN: And I don't know,
23 Kathleen, if you can chime in on this.

24 UNIDENTIFIED SPEAKER: Microphone.

25 ASSEMBLYMEMBER NAZARIAN: Sure. I thought I had

1 enough of a loud voice.

2 This is not meant to be rhetorical. I just want
3 to know for education purposes.

4 First of all, is there a cost -- and I'm assuming
5 mainly it'll be indirect costs or any type of costs
6 associated that would be burdened upon the State if we don't
7 have the information? You know, wrong decision making,
8 wrong allocation of funds to different districts, not
9 optimizing the needs in other places. So that's one.

10 And then if there is a cost, how would that
11 compare to the cost of gathering the information?

12 MS. SILVERMAN: No, there is no cost associated
13 with the decisions we made. I think Juan touched on
14 earlier, it's first come, first served based on your, you
15 know, eligibility requirements for the program.

16 So it's just we obviously had a limited amount of
17 dollars to allocate as a result of the bonds that have been
18 authorized by the voters. So there is no associated cost.

19 ASSEMBLYMEMBER NAZARIAN: But at some point, we're
20 offering dollars to the best -- to the most ready school
21 districts who are always advocating for dollars or trying to
22 get these -- benefit from these dollars for their districts
23 as opposed to some other smaller ones potentially that may
24 not be as well-heeled to be able to position themselves.

25 So at some point, what would that cost be to

1 the -- or would there be a cost for that? That's what
2 I'm --

3 CHAIRPERSON BUCHANAN: Well, the smaller -- I mean
4 when you look at the geographical distribution of dollars,
5 it certainly -- I mean we -- the charts we get, they don't
6 actually show a per student because you'll see like more
7 money going to LA, but then we know that's where, you know,
8 you expect more because there are so many more students.

9 So -- your question, though, is what's the cost of
10 having the data versus not having the data in terms of
11 making good decisions and we don't really know that and --

12 ASSEMBLYMEMBER NAZARIAN: I didn't want to ask it
13 that way because that would seem rhetorical and so I wanted
14 to actually know if there are --

15 CHAIRPERSON BUCHANAN: Right.

16 ASSEMBLYMEMBER NAZARIAN: I'm sure we can come up
17 with enough costs that indirectly --

18 CHAIRPERSON BUCHANAN: The real question I think
19 that at least we're struggling with today is what is the
20 needs -- you know, how many schools do we have, where are
21 they, how many new classrooms are we going to have to -- are
22 we going to add based on the best growth projections we
23 have, how many buildings are going to need to be modernized
24 so that we have, you know, adequate facilities for our
25 students, and then, you know, how do we -- assuming we have

1 a bond, how do we -- do we divide it up, you know, and how
2 do we get that balance between new construction and
3 modernization.

4 And then the question becomes, that we're not
5 tackling today, but I think that you're alluding to, is what
6 do you do in those areas where districts don't have the same
7 ability to pass bonds. I mean you could have an area where
8 your total bonding capacity might be a million dollars and
9 yet it costs much more than that to modernize a school. So
10 how do we take care of those districts in financial hardship
11 situations.

12 And, you know, those are great questions and we've
13 sort of, as we've met, I think have some consensus here in
14 terms of it will be nice to have some data so that as we go
15 forward -- because it probably won't be -- we probably won't
16 have it for this next bond, but as we go forward, we start
17 to collect it so that we can make better decisions overall.

18 I mean it's hard to believe in the State of
19 California we can't even tell you how many classrooms we
20 have, you know.

21 MS. MOORE: Or buildings.

22 CHAIRPERSON BUCHANAN: Or buildings. And -- you
23 know, and be able to answer some of those questions. And
24 where we struggle is if we agree we need it and we're trying
25 to kind of build consensus around it is what do we need.

1 I mean when you read the summary from the report,
2 it's a pretty good list here. It's a pretty high level,
3 simple list that was suggested in it, but how do we deal
4 with it in a way that we're not spending a lot of money for
5 data or reports that we're not going to use, but we get, you
6 know, enough information to make good decisions. And how do
7 we collect it.

8 So I think our thought has been that that should
9 be part of, you know, our -- any kind of recommendation we
10 have going forward. We're just trying to get our arms
11 around it. I don't know if that helps at all.

12 ASSEMBLYMEMBER NAZARIAN: Well, and the last
13 question -- and this is fairly basic and may be very naïve
14 on my part, but because I -- this is the first time I'm in
15 this Committee -- just interested to know.

16 I'm assuming every school district or every count
17 office of education has some form of -- varying level of
18 facilities management, whether it's one person such as a
19 small school district that is only -- facilities is just a
20 part of their portfolio of duties or something like LAUSD
21 where there's probably a whole building and staffers.

22 So how hard has it been to get information from
23 these folks who I would assume have exact information and
24 are there legislative opportunities to try to address that,
25 whether through a carrot or a stick approach?

1 MS. SILVERMAN: Well, yeah, I mean there are
2 levels of information, but it's not again required to be
3 submitted to the State. So I mean you're right they have it
4 at the county level or the local levels, but unfortunately
5 that information hasn't transcended to the State level.

6 So it's trying to create that bridge and trying to
7 create whatever -- what that next step is going to be is
8 really again something that we're presenting and see what
9 type of best practices being ushered out there in the field.

10 They could probably share with you to some extent
11 some of their examples of having -- extracting the data at
12 the local level and to what extent -- what type of
13 information they're collecting because what they have in
14 place may be different by using other systems.

15 So again I think it's key that you create some
16 uniform standards of what type of information you collect.
17 I mean to me that should be your base.

18 ASSEMBLYMEMBER HAGMAN: And then if you want to
19 get any more in depth is also besides the basic list here,
20 we don't know any of the status on the individual buildings
21 on your list. Okay. It was built in 1952, but do we know
22 it was remodeled two years ago into something completely
23 different.

24 I would definitely go with standardized naming,
25 classroom, classroom two, not have Jones Hall because you

1 don't know what Jones Hall means. And then what's the use.
2 You may have a brand new facility, but there's no students
3 there. But you have an application for crowding someplace
4 else. So you don't know the use -- the primary use.

5 I mean there's -- I would add to the basic
6 reports list to get any kind of useful consensus out of that
7 of what the needs would be in the future, but that's a good
8 start.

9 MS. MOORE: That's exactly the -- the purpose is
10 to kind of lay out something --

11 ASSEMBLYMEMBER HAGMAN: Yeah.

12 MS. MOORE: -- and then have -- you know,
13 everybody has ideas about how it would function better and I
14 think also, as Lisa said, having that standardization
15 perhaps at the local level too, that they -- you know, it's
16 the local data and they're using it that way, but that it
17 could roll up, so somehow it's standardized there so it
18 rolls up to us standardized.

19 I'll tell you we're also looking -- my colleagues
20 across the nation that are in my same position throughout
21 are looking at more national standards around this as well
22 so that we can report nationally, so that we can compare
23 nationally, which we've never been able to do.

24 And it's very difficult if you have all kinds of
25 different definitions for things, as you're pointing out,

1 Assemblymember Hagman. So we're looking at it as well.
2 Whether we'll get there, you know, in my lifetime, I don't
3 know, but I think we're now looking at that and trying to be
4 able to roll up data for potential federal funding if it
5 were ever to become available.

6 CHAIRPERSON BUCHANAN: Well --

7 ASSEMBLYMEMBER HAGMAN: Don't hold your breath.

8 CHAIRPERSON BUCHANAN: I won't keep my fingers --
9 I won't hold my breath on federal funding for facilities.
10 Common Core's a pretty bold move.

11 So can we move into the presentations then. Thank
12 you very much.

13 MS. SILVERMAN: So we have San Diego to present
14 their information.

15 MR. DULGEROFF: Good afternoon, Madam Chair,
16 members of the Subcommittee. My name's Lee Dulgeroff. I'm
17 the Executive Director of Facilities Planning and
18 Construction for San Diego Unified.

19 Due to our technical difficulties, I'll be walking
20 you through sort of PowerPoint that looks like this in front
21 of you. I apologize to the audience there. You might --
22 may be able to pull it up online.

23 San Diego Unified is one of the large urban
24 districts in the country. We're the second largest in the
25 State of California. We're also a very diverse district.

1 We represent some of the very poorest and the various
2 wealthiest neighborhoods in California. So we -- we're sort
3 of a microcosm of what you probably see out there throughout
4 the State.

5 We comprised of 28 percent English language
6 learners and 64.9 percent of our students are eligible for
7 free and reduced lunches. I'm on the first slide here.

8 Next slide. We have 208 district-owned sites
9 encompassing 2,382 acres, about 15 million square feet of
10 buildings. 3,817 buildings -- 1,500 of those are permanent
11 and 2,200 are portable buildings.

12 ASSEMBLYMEMBER HAGMAN: Just to stop you --
13 interrupt you there.

14 MR. DULGEROFF: Yeah.

15 ASSEMBLYMEMBER HAGMAN: This is the first time I
16 have any kind of consensus of how many portables could be in
17 a percentage-wise, I never would have guessed over
18 60 percent being portables.

19 MR. DULGEROFF: Yeah. We actually at one time had
20 3,000 in our inventory and we've been gradually --

21 CHAIRPERSON BUCHANAN: Are these the wheel-on
22 portables? Are they the relocatables? What kind of -- how
23 would you --

24 MR. DULGEROFF: They're -- the portable buildings
25 are generally -- most of the portable buildings are

1 permanent type buildings. They're built on a temporary
2 foundation, like a treated wood foundation over asphalt or
3 concrete, and they are connected to permanent utilities like
4 natural gas, water, sewer. They all have --

5 CHAIRPERSON BUCHANAN: Right. So are they ones
6 that have -- where you've built -- I mean do they have the
7 attachable roofs or how they in terms of --

8 MR. DULGEROFF: Most of the buildings were built
9 to a custom spec standard for San Diego Unified and they
10 were designed to be like a permanent building, but they're
11 on a raised foundation with the ramp. But they can be
12 relocated from site to site, but it's -- you know, DSA
13 certification --

14 CHAIRPERSON BUCHANAN: Right.

15 MR. DULGEROFF: -- process now that they have to
16 be tied into the fire alarm and -- really when you place a
17 portable building on a site, you're really -- the cost of
18 moving a portable building and recertifying with DSA is --

19 CHAIRPERSON BUCHANAN: You might as well build a
20 new one; right.

21 MR. DULGEROFF: May as well build, yeah. Exactly.
22 And we're very grateful for the Overcrowded Relief Grant
23 Program. That has been instrumental in us building new
24 permanent two-story buildings to replace a lot of these.

25 But we also have some -- you know, some of the

1 more typical portable buildings where they split in half and
2 you can transport them on the freeway there --

3 CHAIRPERSON BUCHANAN: Right. Mobile modular
4 type.

5 MR. DULGEROFF: Yeah, mobile modular. Yeah.

6 CHAIRPERSON BUCHANAN: So one quick question.
7 When you talk about permanent versus portable, what is the
8 ratio relative to the number of classrooms in each? I mean
9 are these permanent buildings, do they have an average of
10 ten classrooms or one classroom or -- portable buildings,
11 does each building represent its own classroom or how do
12 you --

13 MR. DULGEROFF: Oh, yeah. I don't have the exact
14 ratio, but I can tell you that most of our spaces are
15 permanent spaces. You know, these are large classroom
16 buildings that have --

17 CHAIRPERSON BUCHANAN: Right.

18 MR. DULGEROFF: -- you know, 10, 12, 15, 20 plus
19 classrooms in them. Many of them are two-story classroom
20 buildings. So when we have -- well, to give you an idea,
21 the district has 7,000 classrooms approximately.

22 So if you figure that 2,200 of the 7,000 are --

23 CHAIRPERSON BUCHANAN: Right.

24 MR. DULGEROFF: -- in portables, then that gives
25 you your ratio there.

1 CHAIRPERSON BUCHANAN: Okay.

2 MR. DULGEROFF: And the average age of our
3 buildings is --

4 CHAIRPERSON BUCHANAN: And could I ask one more
5 question?

6 MR. DULGEROFF: Sure.

7 CHAIRPERSON BUCHANAN: And how many portables have
8 you replaced in the last decade?

9 MR. DULGEROFF: About 5- or 600 of them have been
10 either demolished or replaced.

11 CHAIRPERSON BUCHANAN: All right. Okay.

12 MR. DULGEROFF: There was a time when the State
13 required 30 percent of the classrooms to be built --

14 CHAIRPERSON BUCHANAN: I remember. Yep.

15 MR. DULGEROFF: -- in portables and again this --
16 our district grew a lot during the baby boom and our growth
17 occurred all the way through the 2000 decade. And so we
18 were -- you were, it was difficult to keep up with the
19 growth and so we brought in a lot of portables and now
20 we're --

21 CHAIRPERSON BUCHANAN: And then class size
22 reduction came in and put even more --

23 MR. DULGEROFF: Exactly. We also had a single
24 session kindergarten where we had two sessions of
25 kindergarten and that also changed.

1 So -- and we really believe that permanent
2 buildings are the best environment for teaching and
3 learning. So that's why we're --

4 CHAIRPERSON BUCHANAN: Yeah. Right.

5 MR. DULGEROFF: And they also are much more
6 durable, easier to maintain, and are better in terms of --
7 they're greener in terms of utility usage.

8 CHAIRPERSON BUCHANAN: Yeah.

9 MR. DULGEROFF: Any more questions? Okay. The
10 next slide, this is just an overview of our facilities
11 inventory system.

12 So we use a software. We call the whole system
13 Computer Aided Facilities Management, but the software is
14 ARCHIBUS. We use Version 18. We're going to be upgrading
15 to Version 20. It's a client-server system with a SQL
16 backend database which means that it's pretty flexible in
17 terms of interoperability with other systems.

18 They offer a web central, web-based user
19 interface. So if you wanted to access that SQL data, you
20 can use it and either go client-server or you can get a
21 web-based interface for facilities planning. So if a site
22 wanted to see what their space utilization was, they could
23 do that.

24 The software integrates AutoCAD with the SQL
25 backend of ARCHIBUS and it also works with other databases.

1 We also have a very extensive CAD and paper plan
2 storage library. It's like a little mini warehouse and we
3 actually go up on a forklift to get to some of the
4 documents.

5 We started collecting the CAD files back in 1994.

6 Next slide gives you an indication of the level of
7 granularity of data that we collect. So every building
8 floor has its own drawing file -- okay -- in CAD and this is
9 one of our -- it was a user-defined decision on our part.
10 Other database structures, you don't have to do that.

11 You can see that the, you know, architects provide
12 us with an accurate floor plan in AutoCAD, and then -- and
13 by the way, these capabilities also extend to a BIM,
14 building information model, system called Revit which is
15 another ARCHIBUS tool, now architecture designing with 3D
16 objects and so you can -- the same information is available
17 and tied in through that.

18 AutoCAD and ARCHIBUS allow the data to be
19 synchronized between AutoCAD file and ARCHIBUS database. So
20 we have 30,000 room records that include rooms -- not just
21 classrooms but stairwells, mechanical rooms, MDF rooms,
22 support spaces, offices, hallways, closets, any space that's
23 contained by walls and a roof including lunch shade
24 structures that have roofs.

25 So, for example, we could do a report on the

1 number of mechanical rooms and lunch cart shelters. We
2 have -- there are four data-driven fields that are linked
3 between our database and the AutoCAD and the room code type
4 category and room area and then there's 33 static hard entry
5 fields that give you all the data.

6 So if you look at this graphic here, you can see
7 like, for example, you see LTH, little theater, or
8 auditorium 1. It is the first auditorium in that building.
9 Electrical room 1. It breaks it down. The foyer is FOY1.

10 So -- and how this data gets collected is we --
11 you know, you can either get it through an AutoCAD with
12 poly-lined rooms and you just -- you create link and then a
13 person has to enter the room description or how it's going
14 to be used, but -- and then if you didn't have an AutoCAD
15 file, you could actually poly-line a flat -- you could
16 basically scan a flat file and create the same type of
17 document from a hard copy.

18 What we -- and then every year, we'd send out --
19 we use this for space utilization planning. So every year,
20 we send out a -- we track the usage of every -- of the
21 classrooms and how they're being used and we send out a
22 survey to each school site and ask them to update the
23 utilization so we know where the first, second, third grade
24 classrooms, for example, are located in a particular
25 school -- which rooms they are located in.

1 The next slide gives you an idea of how this
2 information is used. Obviously, my office, Facilities
3 Planning and Construction, uses this information, but we
4 also have a school choice office. We have a demographics
5 group that deals with demographics. So we're looking at
6 enrollment versus capacity all the time.

7 Charter schools, we have some -- a number of
8 charter schools located on district sites and so information
9 is used for charter school location, for example, change --
10 for when you're trying to figure out changes in school
11 boundaries, so again enrollment versus capacity.

12 Our maintenance and operations group uses it.
13 Custodial operations, for cleaning requirements. School
14 police services, they use the room designation for emergency
15 first responder planning.

16 Department of Homeland Security actually has our
17 data and they use it for their purposes. Risk management in
18 terms of property insurance, you need -- it's important to
19 have the square footages correctly.

20 And also I just want to draw your attention to
21 pictures on this slide. These are -- this is an example of
22 sort of two other purposes. One is a college career tech
23 ed, CTE project that was funded by this group. Our Hoover's
24 Green Construction Technologies building, so for planning
25 those types of buildings. Also the lower picture is a

1 picture of our classroom technology initiative. So we have
2 one of the largest technology initiatives in the State -- or
3 in the country actually -- where we've provided classroom
4 technology to our classrooms.

5 It's important to know where those classrooms
6 exist, how many there are, and what grades they're being
7 utilized when you're rolling out classroom technology.

8 So moving onto -- any questions on the -- the
9 Facility Condition Assessments, the next slide, and these
10 are real photos of our schools here. You can see -- most of
11 the deterioration that you see in schools is not in places
12 you -- you know, it's underground. It's in the walls.

13 Actually that blue portable restroom building was
14 actually recently demolished, but that gives you an idea of
15 sometimes -- some of the types of facilities that exist out
16 there.

17 It's our policy to collect facility condition data
18 on a five-year cycle and this also represent -- these
19 updates are incorporated into our major repair and
20 replacement plan which I'll get into.

21 We use architect and engineering teams with
22 various disciplines to document and quantify the condition
23 and life cycle of the major building systems.

24 We use an industry standard uniform Unifomat II
25 for estimating. So all our estimates are standardized.

1 We also create -- we have a priority system to
2 help plan our maintenance and our major repair and
3 renovation projects. We use factors like safety and code
4 compliance, asset preservation to prioritize our projects.

5 We've done -- completed 74 campuses using this
6 model, comprising 7.8 million square feet and we also are
7 able to take this data and -- in order to -- we extrapolate
8 this data to create a district-wide assessment and we
9 have -- because we have schools of similar age and building
10 type. So the data can be extrapolated across --
11 district-wide and you'll see some of our district-wide
12 projections in a couple slides.

13 And we also do -- conduct Williams assessment --
14 we incorporate that data.

15 Next slide: So Facility Condition Index, some of
16 you may be familiar with this. This is a numerical rating
17 system. It's a standardized system across the -- it's a
18 worldwide standard.

19 It's basically the ratio of the cost of repairs
20 divided by the current replacement value of the building and
21 if you -- there's an Association of Physical Plant
22 Administrators, APPA. They have guidelines and in their
23 estimation, an FCI of zero to 5 percent is considered good.
24 Between 6 and 10 is fair and 10 -- greater than 10 is poor.

25 Our current backlog or repair value district-wide

1 is about 1.1 billion on a current replacement value of
2 5.3 billion. So our FCI is about 20.1 percent
3 district-wide.

4 I can tell you that we're also a member of Council
5 of Great City Schools. So if you -- the nationwide backlog
6 is 542 billion according to the Council on a current
7 replacement value of 1.3 trillion. So the FCI of the entire
8 nation is about 40 percent. These are rough estimate
9 numbers -- nationwide numbers.

10 The -- next slide here. So how do you achieve
11 good condition. The problem is it's a moving target.

12 Building deterioration and inflation continue with
13 time. So you put money in and APPA estimates that 2 to
14 4 percent of CRV is the annual deterioration rate.

15 So if you just look at our -- just San Diego
16 Unified's current replacement value, that's about, you know,
17 a hundred million a year in deterioration and then we have
18 inflation that's impacting the backlog of 1.1 billion. So
19 that's another \$20 million.

20 And -- of course, the rates of deterioration
21 change with the amount of preventative maintenance and
22 repair that's being done, and that's really important.
23 Actually you get an increase in deterioration as you
24 decrease your maintenance spending. And then climate and
25 weather also have -- are big factors in building use.

1 CHAIRPERSON BUCHANAN: How do you come up with
2 your 5.3 billion? Believe it or not, that seems low to me
3 for 200 schools.

4 MR. DULGEROFF: It's about -- our total plan
5 replacement -- we're estimating about \$350 a square foot for
6 current replacement value. That's all costs -- hard and
7 soft costs. Yeah. So I mean that's -- and that's based on
8 a -- you know, what we're currently seeing the bid prices
9 for construction and the soft costs related to design for
10 schools.

11 Although -- and right now it seems like inflation
12 is holding pretty well. I mean we're doing -- it's actually
13 a great time to build and renovate, but if we go back to
14 2004 -- and I've been doing this for quite a while, there
15 were -- inflation was rampant and we were seeing
16 construction costs go up, you know --

17 CHAIRPERSON BUCHANAN: Oh, yeah. Double digit,
18 yeah.

19 MR. DULGEROFF: Yeah, double digit.

20 CHAIRPERSON BUCHANAN: I just -- when I divide
21 5.3 billion -- if you divide it by 200 schools, it comes up
22 with an average replacement of 26 million which just seems
23 low by the time you factor in your middle schools and high
24 schools.

25 ASSEMBLYMEMBER HAGMAN: And I'm also looking at --

1 I wish I could get all my projects for 350 a square foot.
2 I've been harping on that all last year. Nothing's been at
3 350 a square foot for the calculations I have so far. But
4 it should be less than that actually, but --

5 MR. DULGEROFF: You know, we just recently had a
6 new school bid and award in San Diego for about 22 and a
7 half million dollars. It's a 700 student school at
8 60,000 square feet. I don't know how that -- I don't know
9 what that translates to square foot for dollar cost, but --
10 yeah.

11 CHAIRPERSON BUCHANAN: What was it? 23 million --

12 MR. DULGEROFF: 22 and a half million dollars hard
13 construction.

14 CHAIRPERSON BUCHANAN: But that doesn't include --

15 MR. DULGEROFF: And that's not including soft
16 costs. So add another 25 percent --

17 CHAIRPERSON BUCHANAN: And that's how many square
18 feet?

19 MR. DULGEROFF: About 65,000 -- 60- to 65 -- say
20 62,000 I'd say.

21 CHAIRPERSON BUCHANAN: If it were 65,000, it's
22 346.

23 MR. DULGEROFF: Yeah.

24 CHAIRPERSON BUCHANAN: Yeah, but 300 -- that
25 doesn't sound -- but like I said, what seems -- I guess it

1 seems --

2 MR. DULGEROFF: It seems low to you.

3 CHAIRPERSON BUCHANAN: Yeah. I mean 26 million a
4 school if you were averaging in middle and high schools,
5 maybe it's because --

6 MR. DULGEROFF: Um-hmm. You're right and the high
7 schools and middle schools are more expensive to build.

8 CHAIRPERSON BUCHANAN: You can get up over a
9 hundred million in a high school.

10 MR. DULGEROFF: Yeah. And then -- yeah. Well,
11 and you also have to factor -- this is just buildings. So
12 it's not including land. So that doesn't add into the
13 calculation at all.

14 CHAIRPERSON BUCHANAN: Right.

15 MR. DULGEROFF: But you're right. Costs are going
16 up and -- you know, I -- when I talk to my colleagues in
17 other parts of the country, they think 350 is outrageous.
18 You know, they're actually -- Council of Great City Schools
19 uses the number of 204, you know, so -- that's a nationwide
20 number.

21 I know in Arizona or Nevada, you can build a lot
22 cheaper. San Diego is not -- is a pretty expensive place to
23 live and not -- and expensive place to build, yeah.

24 CHAIRPERSON BUCHANAN: Well, keep going.

25 MR. DULGEROFF: Okay. So wear and tear on school

1 buildings is relatively high because they -- they achieve a
2 lot of use, climate, weather. So it's important to
3 analyze -- in terms of developing a plan, analyzing all
4 these factors when determining how much funding you'll need
5 over time and then also factor in the district's own
6 maintenance and repair budgets.

7 One other thing that typically doesn't get thought
8 of in developing a plan is when you do an ancillary -- an
9 ADA upgrade of a restroom, for example. Typically you're
10 gutting a restroom.

11 So -- and that gets categorized in a different
12 way. It also eliminates all the backlog repair on that
13 facility. So sometimes those kinds of repair by replacement
14 often don't get calculated into these types of algorithms.

15 The next slide is -- it gives you an idea of what
16 our plan looks like, you know, from now until about 2032
17 when our bond proceeds for our two current bonds expire.

18 And -- so you can see right now, we're at a
19 20.1 FCI. By 2020, that gets reduced to about 10.4 and then
20 we're down to 6.1 in 12 years.

21 The total amount that we would need to expend to
22 achieve and maintain that 6 percent FCI from now until 2032
23 is about \$3.05 billion. Again inflation -- lots of things
24 can happen between now and then, but this gives you -- you
25 know, we develop these road maps to try to get from where we

1 are to a better overall facility condition.

2 CHAIRPERSON BUCHANAN: So could you talk a little
3 bit, since we're really talking about a data system, what
4 data do you collect?

5 MR. DULGEROFF: In terms of FCI?

6 CHAIRPERSON BUCHANAN: And how do you -- yeah, and
7 how --

8 MR. DULGEROFF: In terms of the -- we collect the
9 total cost of repair of all the major building systems. So
10 it's mechanical systems. It's all the -- we have architects
11 that look at the building, the building structure,
12 structural engineers. We have electrical specialists look
13 at the electrical systems, basically all the major
14 components to go into a building are --

15 CHAIRPERSON BUCHANAN: So you have all these in
16 your facilities database. You have the school. You have
17 the buildings. You have the usage. You have the type of
18 construction and then you have the more detailed information
19 for you so you know what kind of routine or major
20 maintenance that is going to come to -- or be required by
21 the site.

22 And that you use locally I guess to manage your
23 program.

24 MR. DULGEROFF: That's correct. Yeah.

25 CHAIRPERSON BUCHANAN: Okay.

1 MR. DULGEROFF: Yeah. We have -- we look at it
2 both from a space utilization standpoint as I mentioned
3 earlier with a -- as well as the --

4 CHAIRPERSON BUCHANAN: And the system you use is
5 a -- was that specifically -- I mean you gave us the name of
6 it here in terms of the --

7 MR. DULGEROFF: Uh-huh.

8 CHAIRPERSON BUCHANAN: But that is an
9 off-the-shelf system or is that an off-the-shelf that's
10 been customized for San Diego or --

11 MR. DULGEROFF: The ARCHIBUS system is an
12 off-the-shelf system and there are some, you know, user
13 decisions that you can make in terms of defining your data
14 fields --

15 CHAIRPERSON BUCHANAN: Right.

16 MR. DULGEROFF: -- that you're interested in
17 tracking, but it's an off-the-shelf product. We use other
18 software products. We have a computer-aided maintenance
19 management system called TMA that does all our work orders,
20 for example, and we also use software to track the costs of
21 building renovations and --

22 CHAIRPERSON BUCHANAN: So you've got the ARCHIBUS
23 system which is an off-the-shelf system and how long have
24 you been using that system?

25 MR. DULGEROFF: Since -- we've been using it

1 for -- about 13 -- 13 years, yeah.

2 CHAIRPERSON BUCHANAN: 13 years. And then -- and
3 so -- I don't know -- we probably wouldn't want quite the
4 same level of detail you have at the State level, but in
5 terms of the effort to get all your data input -- or at
6 least the high level data, number of schools, classrooms,
7 type of -- those things, how onerous is that?

8 MR. DULGEROFF: You know, it isn't -- if you set
9 it -- once you set the system up, which is -- you know,
10 that's an effort in itself, but actually loading the data
11 in -- so when you have a new facility come online like the
12 picture you saw in the slides, all -- it's a matter of
13 about -- about -- I'd say about a half an hour to an hour
14 of -- so we have a person who's dedicated -- they spend
15 probably throughout the entire year about half of an FTE
16 that just does this kind of data entry and the data entry
17 related to facility changes throughout the district.

18 Now, granted that's after the system's set up and
19 we've already got our library and everything. But whenever
20 a new building comes online, that's the first task. That
21 goes back to that person. They do that data entry. They
22 poly-line each of those rooms and they categorize all those
23 rooms. Get them into the system. Then it's done.

24 I mean we -- even a district our size doesn't have
25 that many new buildings coming online. It's not a -- you

1 know, it's not a --

2 CHAIRPERSON BUCHANAN: Right.

3 MR. DULGEROFF: -- 24 -- it's not a full-time job.
4 There are room changes and -- you know, so usage changes
5 that occur throughout -- from year to year from the school
6 district, so more -- you know, more kindergartners show up
7 one year and we have to change our usage allocation on a
8 particular elementary school because of that.

9 Well, those changes need -- are also incorporated,
10 but it's really -- you know, a half an FTE on our end and
11 maybe a -- on the -- I'd say less than a full FTE throughout
12 the district.

13 CHAIRPERSON BUCHANAN: And remind me, San Diego
14 has how many students? I know it's over a hundred --

15 MR. DULGEROFF: 130,000.

16 CHAIRPERSON BUCHANAN: 130,000. So -- which is --
17 any other questions?

18 MR. ALMANZA: Yeah. So you're the IT manager for
19 school district?

20 MR. DULGEROFF: No. I'm the Executive Director of
21 Facilities Planning and Construction, but I have a
22 background -- I have a master's degree in computer
23 information systems. So it's -- just something that --

24 MR. ALMANZA: So how would you envision the
25 inventory -- facility inventory system to account to account

1 for every single school building in the State of California?

2 MR. DULGEROFF: Well, I think there were a lot of
3 good suggestions that came -- you know, listening to the
4 discussions.

5 MR. ALMANZA: So if you were the one responsible
6 for that facility management data system, how would you
7 imagine that'd work?

8 MR. DULGEROFF: I think I would try to make a tool
9 that districts could access, you know, online statewide,
10 that they --

11 MR. ALMANZA: Not a school --

12 MR. DULGEROFF: -- that they could use -- that
13 would capture data that they would -- actually, it would be
14 beneficial to them. So it wouldn't just benefit the State,
15 but they could use it for their own planning purposes. And
16 that would be easier for them to buy into the system.

17 So the reason why we've done it ourselves is
18 because it was beneficial to us. We needed this information
19 to properly plan and utilize our facilities.

20 If -- you know, so a system that would allow a
21 district such as ours -- and you'll hear some other ones
22 that are really good following me --

23 MR. ALMANZA: Um-hmm.

24 MR. DULGEROFF: -- to tie in our existing data
25 into that system, but also a system that would allow the

1 smaller districts or the medium-size districts that maybe
2 don't have a sophisticated tool to utilize the data and make
3 it beneficial for them to show -- you know, that I would --
4 I think that would be the best kind of system, something
5 that allowed -- that had a web-based front end so that you
6 could enter the data that way.

7 That way it would be sort of universally
8 accessible, you know.

9 MR. ALMANZA: So you don't think it'll be that
10 hard to herd all of the thousand school districts into one
11 database?

12 MR. DULGEROFF: You know, I don't have the
13 experience on herding the -- I would imagine it's not going
14 to be easy. You have -- I mean I've worked with -- I try to
15 support other small districts that call and have questions
16 sometimes. I'm a member of CASH and other groups.

17 And there are districts where the superintendent's
18 wearing a lot of different hats and this is -- you know, I
19 would be concerned about adding one more responsibility to
20 that -- to those smaller districts.

21 So it has to be something that's pretty simple and
22 something that already -- that provides them with a tool to
23 help them -- provide a resource for them. I think that's --
24 that would be my --

25 CHAIRPERSON BUCHANAN: Well, half your school

1 districts have, what, 2,000 students or less. We have many
2 of these small districts that are -- you know, the
3 superintendent's also the principal or whatever.

4 MR. DULGEROFF: Right.

5 CHAIRPERSON BUCHANAN: I can't imagine it's that
6 hard if you have one or two schools to say we've got two
7 schools. I mean you could probably walk the campus. I
8 don't know, how many classrooms you have and how they're
9 being used. I mean it's -- I don't think you necessarily
10 have -- we're talking about having a real complex system.

11 I just -- I find it hard to believe that a
12 district can't report that.

13 MR. DULGEROFF: Yeah, and I think that probably
14 the reason why they don't have a system in place is because
15 they can name all the teachers in their district and they --

16 CHAIRPERSON BUCHANAN: That's exact -- that's
17 right.

18 MR. DULGEROFF: -- they know -- they probably can
19 name most of the students.

20 CHAIRPERSON BUCHANAN: Right. And they don't have
21 the same sort of --

22 MR. DULGEROFF: Yeah.

23 CHAIRPERSON BUCHANAN: They can tell you when the
24 heater was last replaced or whatever. But, you know, if
25 they're going to participate in a program, for us it's --

1 you know, it's useful to know how old our schools are.

2 ASSEMBLYMEMBER HAGMAN: Can I ask you -- since
3 you've been doing it for a long time now, 13 plus years. I
4 can imagine initially it took some manpower to put the data
5 in the system.

6 But since you got it ongoing, you say it takes you
7 maybe a full-time person a year to keep things going?

8 CHAIRPERSON BUCHANAN: Half-time.

9 ASSEMBLYMEMBER HAGMAN: You know, half-time a
10 district, quarter time at the school level. How much
11 time -- I would guess it probably saves in certain time
12 periods with planning and the other administrative duties
13 you have since you have the database at your disposal.
14 Would you say it would be a net gain or a net loss for you
15 with the database system that you utilize now as far as time
16 and resources?

17 MR. DULGEROFF: It's definitely a net gain. We
18 wouldn't do it if it wasn't. It saves -- there are so many
19 times that we get asked questions and it's not just asking
20 questions. It's not just media questions. It's trying to
21 figure out, you know, where our -- where empty spaces are,
22 how we can best utilize the facilities and -- so it's -- it
23 really is a timesaver in a lot of different areas,
24 everything from real estate to risk management to security
25 to -- I mean it touches a lot of different areas.

1 And so because of the time savings, it's well
2 worth it for us.

3 ASSEMBLYMEMBER HAGMAN: Thank you.

4 MS. MOORE: I just have a follow-up question on
5 the same thing. Do you utilize that data before your board
6 to make decisions on where you're going to spend facility
7 dollars?

8 MR. DULGEROFF: Yes. Yes. I mean we -- I bring
9 this facilities plan to the board every year, talk about our
10 maintenance plan and our capital facilities outlay and this
11 information -- we couldn't provide them with accurate
12 information to make decisions if we didn't have a lot of
13 this information.

14 MS. MOORE: And one other question and one
15 observation. It seems like it did take you 12 years to get
16 a good condition; right?

17 MR. DULGEROFF: Yes.

18 MS. MOORE: If I'm reading your information
19 correctly with quite an investment as well. So you
20 obviously were starting from a place that needed assistance
21 over time and it looks like you're also looking forward into
22 the future and what it takes to maintain that investment;
23 correct? Is that your 3 billion?

24 MR. DULGEROFF: That's correct. The 3 billion
25 is -- we've been very fortunate. We passed -- well, during

1 my tenure -- this is my third capital bond, but we have two
2 active local bonds, one \$2.1 billion bond and a \$2.8 billion
3 bond, and not all of the money -- some of the money's going
4 to classroom technology and a lot of different other areas,
5 but -- and growth, but, you know, a big chunk of it is
6 renovating and restoring our neighborhood schools.

7 And so that's what this plan sort of represents,
8 how to get those schools back to a good condition in all the
9 neighborhoods.

10 MS. MOORE: And my final question is just, wearing
11 your information systems hat, do you see a system -- have we
12 evolved to the place where systems can easily talk to one
13 another. And I guess the reason I ask the question if we
14 set up something at the State, do you see that you're able
15 to write a system that would then dump your information into
16 whatever that is or will that be a very necessary, important
17 link between a potential State inventory and the locals?

18 MR. DULGEROFF: We are at a place where it's
19 pretty easy to connect database systems, but it -- I mean in
20 other words, it can be done. It's not always as easy as you
21 think.

22 I mean we have a district-wide financial database
23 that ties into our facilities financial database and making
24 that connection was difficult. It's mapping fields. So
25 it's not -- it's possible, but it's not -- if you'd

1 standardize it across the State, I think -- and pick the
2 standard fields that you're looking for that can be mapped
3 and the districts can track the data that you're looking for
4 and those specific areas, I think it would be relatively
5 easy for districts like ours to send you -- to either send
6 updates, possibly even connect the databases realtime, but
7 certainly connecting using a flat file dump and mapping --

8 CHAIRPERSON BUCHANAN: Districts do some of that
9 in other areas now.

10 MR. DULGEROFF: Yeah. Yeah.

11 CHAIRPERSON BUCHANAN: Because I know we did on
12 some of the other reporting that we have to do, which
13 actually in some ways makes it easier.

14 I mean the other thing is I was thinking exactly
15 what Ms. Moore did in terms of going to your board and
16 saying this is our major maintenance plan. It's very easy
17 to say this is why we have the priorities and for a board
18 member, it makes it -- when they say, well, why is this
19 school getting money and ours isn't, it's because you can
20 say this school ten years older or whatever. These are the
21 needs compared to ours.

22 I would also think, though, when you're going out
23 to your community -- when you're dealing with your bond
24 oversight committee, you're going out to your community,
25 being armed with data and being able to demonstrate what we

1 have, a third of our schools are 30 years old or older or
2 whatever, it makes it much easier to communicate with the
3 editors of your local papers, you know, your chambers, your
4 community members in general so they understand exactly, you
5 know, why you're asking for dollars.

6 MR. DULGEROFF: You know, you hit the nail on the
7 head. It's precisely that. You know, when you're -- when
8 you have this many schools --

9 CHAIRPERSON BUCHANAN: Um-hmm.

10 MR. DULGEROFF: -- there's always someone says I
11 should be at the front of the line and if you have real data
12 to show exactly where you are in line in terms of facilities
13 condition, then you can -- the board -- and so we got our
14 board to support this worst first in terms of approaching --

15 CHAIRPERSON BUCHANAN: Right.

16 MR. DULGEROFF: -- you know, and so that really
17 helped because it eliminates a lot of the politics --

18 CHAIRPERSON BUCHANAN: Yeah.

19 MR. DULGEROFF: -- because, you know, our board
20 members represent subdistricts and --

21 CHAIRPERSON BUCHANAN: Yeah.

22 MR. DULGEROFF: And so, you know, that -- it
23 really helped and they all got behind that worst first
24 approach and it enabled -- solved a lot of those kinds of
25 discussions between, you know, one school and another.

1 CHAIRPERSON BUCHANAN: So we -- obviously, we need
2 to move on, but I guess I would just applaud what you're
3 doing and ask you at your convenience -- I don't know if we
4 have extra copies of this, but to take a look at what some
5 of the data items were suggested that we would include
6 because clearly we don't need the same level of detail you
7 do at the State level.

8 We're not trying to build that level of a
9 database, but we are trying to give us a very high level for
10 our decision making. If you could kind of take a look at
11 that and give us feedback at your convenience, you could
12 just send us an email or whatever is easiest for you, in
13 terms of, you know, any opinion you have about fields
14 similar to this where we would be collecting the data and
15 any problems it might have.

16 As I take a quick look and I look at yours, it
17 seems like it would be a simple upload for you, but I don't
18 know, but it would be great to any -- you know, just
19 feedback on that because again we're not making the
20 decisions at the level you are. We're making much higher
21 level decisions there.

22 ASSEMBLYMEMBER HAGMAN: What do you pay for the
23 licensing per year roughly?

24 MR. DULGEROFF: You know, I don't have the answer
25 to that, but I can certainly get back to you, Assemblymember

1 Hagman.

2 ASSEMBLYMEMBER HAGMAN: Okay. Thanks.

3 MR. DULGEROFF: And I could certainly -- I will
4 take a look at that.

5 CHAIRPERSON BUCHANAN: Yeah. That would be great.

6 MR. DULGEROFF: I'm happy to comment on that for
7 you.

8 CHAIRPERSON BUCHANAN: Wonderful. Thank you. Any
9 other questions? Well, I just want to thank you for coming
10 all the way up and thank you for your time and thank you for
11 sharing all this information.

12 MR. DULGEROFF: We really appreciate the work of
13 this group and we appreciate your advocacy for better school
14 facilities. Thank you.

15 CHAIRPERSON BUCHANAN: Great. Thank you. I think
16 we have -- is LA coming up now?

17 MS. SILVERMAN: Yeah.

18 CHAIRPERSON BUCHANAN: All right. So now we move
19 from one of the largest in the nation to the second largest
20 in the nation.

21 MR. FINSTAD: Good afternoon.

22 CHAIRPERSON BUCHANAN: Good afternoon.

23 MR. FINSTAD: I'm Roger Finstad. I'm the Director
24 of Facilities Maintenance and Operations for Los Angeles
25 School District. This is Bill Wherritt. He's Chief of

1 Staff for our facilities division.

2 MR. FINSTAD: I'll be the primary talker and when
3 I stumble, Mr. Wherritt will come to my rescue. Let me know
4 when you're ready.

5 MS. JONES: I'm just trying -- is that going to
6 work?

7 CHAIRPERSON BUCHANAN: The small mic is what
8 records your comments for us. So I think that's all
9 we're --

10 MR. FINSTAD: Are we ready? Well, thank you for
11 inviting us to come up here and allow me to talk to you
12 about a subject that I'm personally passionate about.

13 I've worked for the Los Angeles School District a
14 long time in their maintenance and operations department and
15 we've just embarked on a facilities condition assessment
16 program and it's -- we're in it for the first year. It's a
17 two-year effort and we're starting to see some very
18 important and valuable information come out of it, so --

19 As you noticed, I'm the Director of Maintenance
20 and Operations. I'm not the facilities executive.

21 I've crafted this program for a very specific
22 purpose for LA Unified. A lot of what we would talk about
23 is very similar to what our friends in San Diego mentioned.
24 We're building our system similarly.

25 But the scope and scale of LA Unified is huge.

1 We've had a big building program. We've added to our
2 inventory of classroom space probably about 15 percent and
3 in the last five years, our general funding for the support
4 of the repair of those facilities has been cut by
5 50 percent.

6 So for us to be able to articulate need, it's
7 critically important. It's easy to say yes, there's a lot
8 of things broken out there at the school district, so let's
9 talk about, you know, what the latest shining thing that we
10 should go out and pursue with our programs.

11 So this program condition assessment allows the
12 maintenance folks to come to the table and start to clearly
13 articulate what the needs are. And with that, I'd like to
14 just get into the presentation to show you the inventory
15 that we have in LA Unified.

16 We have 89 high schools, 87 middle schools, 540
17 elementary schools, 179 continuation schools, early ed
18 centers, things like that, over 12,700 buildings, 894
19 separate distinct sites, almost 71 million square feet.

20 The average age of our buildings is over 52 years
21 old. Our district encompasses 560 square miles and we touch
22 or fully encompass over 31 cities.

23 The next slide gives you a bit of a profile of the
24 square foot by building --

25 CHAIRPERSON BUCHANAN: Can I ask you one question?

1 When you say over 50 years old, that doesn't mean -- is that
2 from when they were built or when they were last updated?

3 MR. FINSTAD: When they were built.

4 CHAIRPERSON BUCHANAN: Okay.

5 MR. WHERRITT: And you'll see this next slide
6 actually does a good job of breaking that down a little bit.

7 CHAIRPERSON BUCHANAN: Right.

8 MR. FINSTAD: So you can see that we have a large
9 segment of our building population that's over 40 years old.

10 So our effort consists of focusing on validating
11 what we have at our sites both with the buildings, with the
12 spaces within those buildings, and then from the spaces, we
13 go in and assess the components within those spaces.

14 And what we're measuring is the remaining life
15 cycle for each of those components.

16 We use a CAFM system to upload our information
17 into. As was mentioned previously, CAFM is a
18 geo-referencing software system that allows us to make a
19 database out of our spaces and align it to all kinds of
20 mapping applications.

21 We'll be able to develop an FCI table by schools.
22 The information that we collect will be able to be used for
23 other efforts such as master planning, energy audits, things
24 like that.

25 And we're doing our survey with in-house staff

1 because we had local bond funds available and we were facing
2 a tremendous reduction in our in-house workers. We were
3 able to allocate the dollars to do this to keep these people
4 onboard, align their survey duties along with their trade
5 skills.

6 We've allocated \$13 million to do this. We expect
7 it to take about two years. We think that breaks down to
8 about 20 cents a square foot and we think that's a good
9 price for a level three facilities condition assessment
10 where we go into the actual space.

11 This is just how we've broken down our teams, when
12 you go to the next slide. And so the teams consist of seven
13 primary surveyors.

14 And so for each of those different color
15 geographic areas, these surveyors will go through each of
16 the schools within that area.

17 And then we have certain team members that go
18 district-wide just because their skill sets don't need to be
19 as broken down as far as the others.

20 In addition to these teams, we have six people
21 that provide data support and leadership. So we have about
22 60 people assigned to this effort.

23 MR. SAVIDGE: What are the hand graders?

24 MR. FINSTAD: Good question -- yeah, we get that
25 all the time. They do the asphalt installation.

1 MR. SAVIDGE: Okay.

2 MR. FINSTAD: So they're the, you know, grading
3 and paving type.

4 MR. SAVIDGE: Okay. Perfect.

5 MR. FINSTAD: So go to the next slide. This is
6 just -- this is an example of a school site and the
7 information that CAFM contains for us. So these align with,
8 you know, the plans that we have for the school sites.

9 And so we take those as our starting point and as
10 we go through the survey process, we validate, you know,
11 whether buildings are there or not and then the spaces
12 within the buildings.

13 CAFM is a great tool. It allows us to layer other
14 information on top of these plans for future purposes. We
15 do AHERA surveys. We know where our, say, asbestos
16 containing materials are, so we can -- for other planning
17 purposes, we can layer those locations on top of the CAFM
18 site plans.

19 Next slide is through our process, what we do is
20 then show through red lining the changes that we found when
21 we went out and surveyed the site. And in this case, you'll
22 see that we've identified additional spaces that were
23 contained in these buildings that weren't previously
24 identified.

25 The spaces are labeled both as far as their

1 function and also they have a unique number, so, you know,
2 we can always trace back to that particular space.

3 MS. MOORE: So are you saying like lots of storage
4 space was additionally created?

5 MR. FINSTAD: Yes. Well, to be honest, it was
6 probably missed in the original import of the planning. It
7 probably just did not go to that level. But there are cases
8 where, you know, classrooms have a wall built and so now
9 there's two rooms instead of one.

10 Next slide shows you the -- just a sample of the
11 information and again this is a particular building at a
12 particular school, but we validated, you know, where it's
13 at, the type of building it is, how it's being used, its
14 square footage, the year that it was constructed, and --

15 CHAIRPERSON BUCHANAN: So that portable was
16 constructed in 1953?

17 MR. FINSTAD: Yes.

18 CHAIRPERSON BUCHANAN: Okay.

19 ASSEMBLYMEMBER HAGMAN: Got good use out of that
20 portable.

21 MR. FINSTAD: Yes.

22 ASSEMBLYMEMBER HAGMAN: I'm looking on this and
23 the percentage left, so to speak. How do you gauge
24 percentage left of an exterior window or a grade or
25 something like that? I mean --

1 MR. FINSTAD: So yeah, that's a great question.

2 ASSEMBLYMEMBER HAGMAN: I mean how do you -- say
3 it's 25 percent or 75 percent or 90 percent or --

4 MR. FINSTAD: So I have that as a challenge
5 further on in the presentation. I can answer your question
6 now or if we go through it, I can --

7 ASSEMBLYMEMBER HAGMAN: No, no. I'll wait.

8 MR. FINSTAD: I can go into that in a little bit
9 of detail then.

10 So you can see that we've validated the site
11 attributes as well, the site acreage, how many permanent,
12 how many portable buildings, all the square footages, the
13 average age of these buildings, when the site opened.

14 When we survey, we are taking the component
15 information and putting it into the Uniformat to --
16 organization scheme which our friends in San Diego mentioned
17 as well. So that's a pretty universal way of cataloging
18 your information.

19 It falls within seven major group categories, but
20 then we take it all the way down to a sub-element category,
21 so we actually record each air conditioner and heater,
22 et cetera, in each and every classroom and space.

23 ASSEMBLYMEMBER HAGMAN: And do you -- I'm sorry.
24 Just another question. I hate to keep interrupting, but --
25 when you go through much detail -- I'm trying to remember --

1 I mean how accurate -- you have a large school district.
2 How easy is it to find in your files when's the last time
3 you put a new roof on a particular building, much less a
4 campus? You know, or when's the last time that air
5 conditioner's been worked on. Do you go back that far in
6 your records? Is there enough of those type of records to
7 assemble this kind of data when you're doing percentage left
8 and all?

9 MR. FINSTAD: So that's a great question and on an
10 ongoing basis, that's going to be a challenge to keep this
11 information current. So --

12 ASSEMBLYMEMBER HAGMAN: But even your initial
13 database, how accurate were your school district records to
14 figure that out?

15 MR. FINSTAD: For things like air conditioners and
16 any type of equipment that has an equipment label, we can
17 take the information from that and we will often be able to
18 get that pretty accurate.

19 Other systems, such as floors and as you mentioned
20 windows, that's going to be a challenge.

21 So the next slide just shows an example of what
22 our data collection screen looks like. And so we're really
23 high end at LA Unified. We put this information in an
24 Access database and this -- it's a customized screen and so
25 we limit, just for accuracy, the amount of information and

1 the variables that can be put in.

2 As we went through this effort, we were getting a
3 lot of outliers in the data and when we went back and
4 scrubbed it, did our quality control, we went back and were
5 able to make changes to the data entry screen to help cut
6 down on the types of errors we were getting.

7 But this information does not stay in the Access
8 database. It goes up into an Oracle database for larger
9 reporting purposes. This is simply for the data collection
10 effort.

11 Important for us to point out that we've
12 identified a library of 700 components. These are possible
13 components that can exist in the spaces and that's what we
14 are out there gauging the remaining service life for.

15 Next slide, this is just a sample of the kind of
16 reporting and the data that we have at the building level.
17 And so as you can see, we have a component ID, the name of
18 the component, its Unifomat information, the quantity, the
19 frequency, in this case, weighted average per remaining
20 service life and the buildings can have flooring in
21 different rooms, so we have to weigh the average of the
22 remaining service life when they cover more than one space.

23 And then the replacement cost, we use both RS
24 means (ph), but we also have a team of estimators on staff
25 at LA Unified so we can use the latest bidding information

1 as well to update our estimated costs.

2 And then the next slide is much greater detail and
3 also at the space level and so again identifying the
4 components as an example for a particular space. We can use
5 this information to, you know, get a fine target on types of
6 programs that we may want to go out and pursue.

7 Next page is an example of a survey sheet that our
8 surveyors will use as they go out. This particular one is
9 crafted for a room survey. They would normally have about
10 ten different survey sheets for each classroom that they
11 would go through and then they -- it's a pretty simple
12 process where they would identify the quantity of the
13 particular component and then they would assess the
14 remaining service life.

15 This sheet then gets turned over into a data input
16 process.

17 ASSEMBLYMEMBER HAGMAN: It's subjective -- there's
18 a lot of subjectivity in there too. So if we were going to
19 do a --

20 MR. FINSTAD: Sure.

21 ASSEMBLYMEMBER HAGMAN: -- standardized system,
22 the conclusion would be we would have to come up with some
23 kind of scale that would be somewhat universal and we
24 wouldn't probably want this much detail anyway. We'd
25 probably want a percentage of --

1 CHAIRPERSON BUCHANAN: No. I think we want the
2 high level data.

3 ASSEMBLYMEMBER HAGMAN: Yeah. They need --

4 CHAIRPERSON BUCHANAN: They need the detail.

5 ASSEMBLYMEMBER HAGMAN: Our system -- sorry. I'm
6 kind of jumping to conclusions.

7 But we would build a system that would be useful
8 to school districts that didn't have their own system like
9 this. They may want to have the modules that they could
10 reach, but we would not to analyze that kind of data.

11 But if you start comparing apples and apples, the
12 apples got to be defined the same way. So even if -- they
13 have the human error, looking at the window life of
14 75 percent, you know, may be different for each one of your
15 surveyors too.

16 MR. FINSTAD: As a policymaker, I think this is a
17 huge amount of data, but as a director, this is great stuff.
18 I, you know, like it very much.

19 And just -- to go to your point, we do weekly
20 trainings of our survey teams. And so what we've done is
21 created catalogs with photos and the conditions that we
22 assigned to those. We have it posted on a blog that these
23 teams can go and download the latest information and it can
24 show, you know, what the component name should be. It can
25 show, you know, this is a condition with, you know, a

1 certain remaining service life.

2 So we use these tools to help us standardize the
3 kind of information across the many teams of people.

4 MR. WHERRITT: It's actually interesting, one
5 thing that Roger had his team do as -- early in the data
6 collection effort, it started to become obvious that
7 different teams were faced with the same issue, Assemblyman
8 Hagman, that you just brought up.

9 You know, one person would say that this has
10 20 percent of its life left. Another person would say that
11 the same thing has 50 percent of its life left.

12 So he had each team go to the same building on a
13 different day and collect the same information on the same
14 components and then used that as a training tool to -- you
15 know, to --

16 MR. FINSTAD: Sit down --

17 MR. WHERRITT: -- consistency.

18 MR. FINSTAD: -- debrief all the team members, let
19 them show how each of them did it, and then have them go
20 forward from there, so we have a pretty robust --

21 ASSEMBLYMEMBER HAGMAN: And, Bill, what would you
22 say -- how would you grade that over for the whole -- if you
23 made a statewide system?

24 MR. SAVIDGE: Well, I'm not sure we're going to --
25 I think we want to set of uniform standards and criteria at

1 the State level too, but we want it to be at the very
2 highest level because that's really what's going to matter
3 for us.

4 But we have to try and get it as uniform and as
5 standard so that everyone can report up in the same type of
6 information and we'll probably have some of the same hiccups
7 as they had. We'll do training --

8 ASSEMBLYMEMBER HAGMAN: I'm just trying to see --
9 microphone, each time I ask so many different questions.
10 Just work on one --

11 MR. WHERRITT: It sounds like at a State level
12 you'll want information like what you see on slide 8, but
13 you'll also want to have some measure of the condition of
14 the facilities and that'll be the challenge to determine
15 exactly what makes sense.

16 CHAIRPERSON BUCHANAN: And I'm not sure we want
17 condition. I think we may want age. I mean using as a
18 proxy because if not, we have to have statewide training so
19 that everyone evaluated condition the same.

20 I think condition is something you need to deal
21 with locally, but we tend to have criteria. Because I -- I
22 mean we have to balance the -- what the -- whether or not we
23 want to create a whole nother level of bureaucracy on this
24 data when really most of what's done is at the local
25 discretion of the local superintendent and the local board.

1 I mean most of the money you get for maintenance,
2 you know, you make those decisions. More money is provided
3 through local bonds and developer fees than is provided by
4 the State. We want to be a partner, so I'm not sure we want
5 to create something that big at the State level.

6 But, you know, I do believe we need something so
7 we can --

8 ASSEMBLYMEMBER HAGMAN: I don't think -- the one
9 thing I would clarify, though, you can't just go by age
10 because -- 70 years old, but you just remodernized it ten
11 years ago, there may be 80 percent condition level, and you
12 built a building that was --

13 CHAIRPERSON BUCHANAN: Well --

14 ASSEMBLYMEMBER HAGMAN: -- poorly constructed and
15 falling apart and is 20 years old --

16 CHAIRPERSON BUCHANAN: But that's where if you
17 have a program and you say, okay, we provide modernization
18 funds every 25 years, at the local level, you've got to
19 decide what quality of construction you want because you
20 can't come back to the State and -- for 25 years.

21 ASSEMBLYMEMBER HAGMAN: Yeah. I think this needs
22 to be --

23 CHAIRPERSON BUCHANAN: We have to decide if we
24 want to have -- if we want to fund portables. We keep
25 having that discussion and then from there, I mean I don't

1 know how we get into a real detailed condition assessment in
2 every single district and compare one to the other. But --

3 ASSEMBLYMEMBER HAGMAN: I'm just remembering the
4 federal level when they had the A through F function. If we
5 could somehow get a very simplified system and say we only
6 have X amount of funds to go to modernization, we going to
7 attack all the D's in the State first before we move to C's
8 or B's.

9 CHAIRPERSON BUCHANAN: But then you're assuming
10 that at the local level they're going to pass bonds and
11 they're going to have the same priorities you do --

12 ASSEMBLYMEMBER HAGMAN: Yeah.

13 CHAIRPERSON BUCHANAN: -- and at the federal
14 level, they were just starting to roll it out and they
15 couldn't get all the information. And so -- and if you
16 create too big of a mandate, then you're not going to even
17 get anything through.

18 I mean -- like I said, right now we can't even
19 tell you how many buildings and classrooms and the age of
20 those that we have. So we better decide where we want to
21 start here.

22 ASSEMBLYMEMBER HAGMAN: How much does the license
23 fee cost a year? You're one of the biggest districts. I'm
24 just curious. Rough estimate.

25 MR. FINSTAD: For our CAFM system, I'm

1 guesstimating it's about \$70,000 a year and it depends on
2 how many users that we have, so --

3 ASSEMBLYMEMBER HAGMAN: Yeah. That's reasonable.
4 Thank you.

5 MR. FINSTAD: So going to slide 14, again talking
6 about, you know, how we're using and collecting the data.
7 We use Microsoft Access to actually collect it, house it
8 temporarily. We move it into an Oracle database.

9 That Oracle database, you know, we have
10 programmers. They go into the back end of these systems and
11 they can move data around and so it goes into CAFM. We have
12 a Maximo Work Order Management System and so we're able to
13 take this data any place that we want to go with it.

14 And the geo-referencing capability of CAFM allows
15 us to do -- for instance, we had to drill to find how many
16 classrooms were within 500 feet of freeway. We were able to
17 use our CAFM system to provide that kind of reporting for us
18 very simply.

19 As we talked about, the challenges in doing this,
20 the consistency and the accuracy of the survey teams was a
21 big one. We did this effort for about ten months and then
22 we stopped. We stopped for about a month and a half and we
23 went through exercises like Bill discussed.

24 We scrubbed the information. We looked for -- we
25 had outliers because we had lots of them and then we also

1 had to tackle the different assessment judgments of
2 individuals, but we think we have that well worked out at
3 this point.

4 The data, though, also changes over time, as was
5 pointed out. We continue to do work on our school sites and
6 so we have to have processes and we're in the process of
7 building those to capture when projects and repairs are
8 being done to those systems that we have in our inventory to
9 make sure that we keep that updated.

10 We're leveraging technology. We are making a
11 tablet application for the survey form that we just showed
12 you. We think that's going to give us a tremendous benefit
13 in the speed of doing these types of surveys at the school
14 sites, as well as again improving on the accuracy of the
15 information.

16 And we need to continue to be innovative.

17 The continuous training, the publication of
18 documentation so that all your team members have access to
19 it is critical. The social media and the blog sites have
20 worked really well for us, so --

21 MR. WHERRITT: That's actually gotten a lot of
22 activity interestingly, yeah.

23 ASSEMBLYMEMBER HAGMAN: And do you have much of
24 your -- I assume you have on-site maintenance, janitorial,
25 those type of service --

1 MR. FINSTAD: We have on site janitorial --

2 ASSEMBLYMEMBER HAGMAN: And they could probably
3 preliminary stuff for you as well. Probably not to -- well,
4 get in the nitty-gritty of electrical or plumbing, but they
5 could do a lot of the uploads I would think, just by on-site
6 personnel.

7 MR. FINSTAD: We -- yeah. No, and that's a good
8 point. We need to leverage -- I mean our resources are, you
9 know, diminished. So we have to leverage every place that
10 we can and site-based custodial staff where they can help
11 would certainly be ones that we would tap into.

12 So the benefits of doing this -- having updated
13 facilities data is important for a wide variety of reasons.
14 We have a whole nother part of LA Unified facilities that
15 does our master planning and we work very closely with that
16 group with this information so that they can see those
17 systems that have, say, five years or less of remaining
18 service life or those systems that are already in a critical
19 state.

20 And so as they do the master planning for our
21 projects, these can be incorporated easily into those
22 scopes.

23 Crafting a deferred maintenance plan, I'm
24 expanding our preventive maintenance programs with this
25 information. I believe it will have great application for

1 Prop. 39 and our energy audits because all the utility
2 consuming devices that we'll already have captured we can
3 hand off to our consultants that will be doing those energy
4 audits.

5 And then last, you know, again it was mentioned to
6 you the FCI table. So this is the industry standard. We've
7 provided a table for you that shows what -- for the 56
8 schools that we have completed this at -- which is all of
9 our high schools. It's about 25 percent of our acreage, but
10 it's 56 of our largest schools.

11 And they are probably the ones that are most
12 heavily used and are ones that are in the worst condition,
13 but this shows you what their FCI is today and what it will
14 turn into if no investments are made.

15 So obviously we have to continue to invest smartly
16 and try to get our facilities in good condition.

17 CHAIRPERSON BUCHANAN: Are there any other
18 questions?

19 So the real bottom line is both San Diego and
20 LAUSD, you use off-the-shelf software that you can customize
21 in terms of the reports you get or some of the labeling you
22 do. It's not where you went out and had your own custom
23 program.

24 ASSEMBLYMEMBER HAGMAN: And then I'll ask you the
25 same question as San Diego. Do you think after it's all

1 said and done it's going to save you money, cost you more,
2 save you time, cost you more?

3 MR. FINSTAD: So if I'm understanding the
4 question, first --

5 ASSEMBLYMEMBER HAGMAN: Is the pain worth the
6 gain, yeah.

7 MR. FINSTAD: Oh, absolutely. Just to be able to
8 articulate the need has been just a huge benefit for the M
9 and O part of the facilities organization.

10 ASSEMBLYMEMBER HAGMAN: And how many students you
11 have in LA Unified?

12 MR. FINSTAD: About 600,000.

13 MR. WHERRITT: And there's such competition over
14 the limited capital dollars that we have, you know.
15 Everyone is making an argument about why their need must be
16 funded first.

17 This type of data helps the right priorities get
18 funded, so --

19 ASSEMBLYMEMBER HAGMAN: So, Ms. Silverman, that's
20 1/100th of our state population, so that means you should
21 have this whole program for 700,000 or less.

22 CHAIRPERSON BUCHANAN: It's 10 percent of our
23 school-age population.

24 ASSEMBLYMEMBER HAGMAN: 600,000, 6 million -- no,
25 6.3 million, yeah. So you should be able to do it for 7 --

1 70,000 a year -- 700,000 a year. Easy. \$20 million
2 program.

3 CHAIRPERSON BUCHANAN: So -- I saw Ms. Moore push
4 her button.

5 MS. MOORE: I just have a quick question. Have
6 you had any researchers interested in as you increase your
7 facility condition index in your system? Again you seem to
8 be about the same place right now that San Diego is and
9 getting to a good condition in 2028. Are you are looking at
10 what impact that has on students' achievement?

11 MR. FINSTAD: We've started that conversation. We
12 had a doctoral fellow that worked for us over the summer and
13 she did good work in helping to assess this data and
14 actually craft part of this report.

15 And so we're in communication with her and there's
16 also others who have reached out to us with that very same
17 question. And so we're expecting that summer to start some
18 research into that very topic.

19 CHAIRPERSON BUCHANAN: Wasn't there a report put
20 out about a year ago that showed that in those schools where
21 you -- and I thought it was specific to LAUSD -- where you
22 had made the investments in upgrading facilities, that it
23 had a positive correlation with student achievement?

24 MR. FINSTAD: We did one in about 2003 I think it
25 was.

1 CHAIRPERSON BUCHANAN: 2003. I thought it was
2 more recent than that.

3 MS. MOORE: Yeah. We would be interested in -- as
4 you move forward and encourage you to partner with who those
5 people are that are doing that research because I think
6 it's --

7 MR. FINSTAD: It's really the \$64 million question
8 and I think all of us would think that if you have good
9 conditions around you, you will do better in school. So I
10 think -- yeah.

11 CHAIRPERSON BUCHANAN: And I have one last
12 question. So both of you have off-the-shelf systems and
13 picked the system you did for different reasons. About how
14 many systems are out there and are they all fairly standard?

15 I mean it seems like -- I mean if we were to do
16 something off the shelf at the State level -- and again I
17 don't think we want the detail you have here, but do you
18 have any idea how many are out there?

19 MR. WHERRITT: Well, I think it's important -- I
20 think the CAFM, Computer-Aided Facility Maintenance, is a
21 category of software and there are many softwares.

22 CHAIRPERSON BUCHANAN: Right.

23 MR. WHERRITT: I don't know how to quantify -- you
24 know, or I can't quantify how many there are.

25 I think what's important is the standard and it

1 was mentioned earlier, the Unifomat II standard for
2 collecting the data. Then it would be portable from one
3 system to another.

4 So I think that is really the important part, you
5 know, decide what information you want to collect at a State
6 level. Obviously, it's going to be somewhat high level
7 information, but make sure it's in a standard format. And
8 that Unifomat II standard is one that we know that the
9 Navy -- we visited the Navy and learned from their effort in
10 this same facility condition assessment program that they've
11 gone through and others -- you heard San Diego.

12 Many others nationwide are using the same
13 standards so

14 MR. ALMANZA:

15 CHAIRPERSON BUCHANAN: And could you maybe do the
16 same for us. San Diego's going to take a look at the
17 recommendations for a basic school facilities inventory
18 criteria that was provided and maybe give us any feedback or
19 comments on it.

20 It's very high level and again we're not looking
21 to do the kind of reporting you are, but if you could just
22 kind of give us any feedback on that, it would be greatly
23 appreciated.

24 Any other comments? I think we have one more
25 system we're going to get information on from the community

1 colleges and theirs is actually not an off-the-shelf system.

2 ASSEMBLYMEMBER HAGMAN: I'm just going to say -- I
3 would love to hear opposing side if people -- if anybody
4 doesn't want to do this.

5 CHAIRPERSON BUCHANAN: Well, we'll take comments
6 maybe after the next one.

7 MR. HARRIS: Well, good afternoon. My name is
8 Fred Harris. I'm the Assistant Vice Chancellor for College
9 Finance and Facilities Planning with the Chancellor's office
10 for the California Community College system.

11 I don't know about you, but I'm pleased that the
12 projector's not working because I'm tired of PowerPoints.
13 But I want to just use a couple of slides. I want to bounce
14 around a little bit in terms of talking to you about what
15 we've been able to achieve with our FUSION system.

16 But to be clear, I'm not here to sell FUSION.
17 We've heard a lot about outstanding databases and systems
18 that are out there.

19 I want to leave you with the message that as you
20 structure your system, the technology is providing now --
21 and this is more than just being in the cloud. Technology
22 is providing the means of interoperability for your data so
23 that it could be highly useful in a variety of ways.

24 And so with that in mind, I would just want to use
25 the first two slides of the presentation to introduce you to

1 community colleges in terms there are 72 districts, 112
2 colleges, 72 approved off-campus centers, and 23 separately
3 reported district offices, 24,398 acres of land, 5,281
4 buildings, 75.6 million square feet, 2.4 million students
5 annually, roughly 75 to 80 percent of the public higher
6 education students in the state, and roughly 25 percent of
7 the community college students in the country.

8 Our ten-year facilities needs are \$35.8 billion,
9 enrollment growth needs of 18.5 million new square feet,
10 27.3 million existing square feet needs to be modernized.
11 67 percent of our buildings over 25 years old. 46 percent
12 of our buildings are over 40 years old.

13 That's the end of the PowerPoint presentation.
14 All of that data comes from FUSION.

15 Relative to your table on page 7, a hundred
16 percent of our buildings have that kind of information and
17 that's what's -- we basically could have X's in all of the
18 boxes except for maybe the infrastructure between buildings.
19 That's an area that we're still developing and also floods
20 and earthquakes is not necessarily something we've solely
21 focused on in that particular way as Washington has.

22 But again FUSION is a system. It's roughly -- you
23 know, a hundred percent of our districts are using it. All
24 72 districts are using it. We're roughly the size of, as I
25 recall, LAUSD square footage wise, 2.4 million students.

1 The need for having a database is key for
2 policymakers at the State level, at the local board level,
3 and at the taxpayer level of why you're needing to make this
4 particular investment.

5 This particular tool that's been in existence
6 since the turn of the century has been helpful not only for
7 us to make an argument of what our needs are as a system, as
8 I briefly presented to you, but also it's created a
9 foundation, if I can use that word -- a structure for
10 districts to develop an argument locally for local bonds --
11 and the local bond since November 2000 with Prop. 30 -- the
12 previous Prop. 39.

13 Districts have been highly successful in passing
14 local bonds. 64 over 72 districts have passed one to three
15 local bonds. And, you know, there's probably close to
16 \$25 billion worth of local facility resources have been
17 provided in addition to the State funds since 2006.

18 There is a renaissance going on in the rebuilding
19 of our facilities, but again it's still a drop in the bucket
20 in terms of our need. And to be able to -- the reason why
21 it's important to have a database for us at the State level
22 is that we basically determine eligibility based on the
23 information that's in the system.

24 And so I would -- as you have your list that
25 you're asking people to look at, I would ask you what are

1 you going to do with that data. There's nothing worse to
2 ask for data that you don't use.

3 And so for us, we had ingrown -- in-house systems,
4 you know, before the turn of the century, the dark ages
5 of -- you know, we had a space inventory system and we had a
6 five-year plan system, and then we partnered -- and again
7 that's been the seeds of our success is that we collaborate
8 with public and private entities to basically fill in the
9 deficiencies that are many that our system has in terms of
10 what they can provide.

11 And so we seek partners in that regard. We
12 initially partnered with a company called 3DI which is now
13 Parsons and they provided us -- they had at that particular
14 time a gold standard for doing facilities assessments and
15 developing FCI scores that policymakers use.

16 And basically we were aiming to do a group
17 purchase of getting as many districts onboard to do that.

18 I came from, you know, the Senate Budget Committee
19 in this building over to there and so we tried to go through
20 the normal State processes to get funding for the system.

21 You know, the first year, I think we got money for
22 a strategic plan and then the next year a feasibility study
23 report, and then there was a budget crisis and things
24 crashed.

25 And so I realize that we probably wouldn't have a

1 system in place before my grandchildren are in college, if
2 then. And so I reached out to ten districts and said this
3 is the image of what we're looking for in terms of what we
4 wanting to do together. Not State imposing on you or just
5 only a local-only kind of focus. Something that could help
6 advocate and provide key data -- uniform data which is key
7 on a point that Mr. Savidge raised, in terms of having
8 uniform, consistent data around the State so that we can go
9 to policymakers and have the basis for making the argument
10 for our request.

11 And I think it's been -- I mean we've had 10-,
12 20-fold increase in funding at the State level, but more
13 importantly, local districts have been able to use that
14 formulation to whatever degree they can.

15 Real basics of terms of we have a team of
16 facilities assessors. There are two. One is -- again to
17 finish my other story. All of this is parked at our
18 foundation which is a 501(c)3, our official auxiliary for
19 our system, and basically I reached out to ten districts and
20 said, do you agree with this model of using what we're
21 getting from you but also expanding it with facilities
22 condition assessments, and, you know, if you do, I need
23 \$75,000 each from you.

24 And I was aiming to get ten districts to
25 contribute funds in that regard for all of our mutual

1 benefit, not just for the State benefit or their benefit,
2 for all of our benefit -- and eventually had 17 districts
3 contribute close to a million dollars.

4 So out of that million dollars, we've used roughly
5 750,000 of that in order to develop a real barebones system.
6 Again it's -- I could say it's off the shelf. It was off
7 our shelf. We had our space inventory system and five-year
8 plan system in-house, you know, as an MSDOS, you know,
9 radicular system, but it had the structure there.

10 We partnered with, you know, 3DI System for
11 assessment and other different components and came together
12 and that's where the word FUSION came from. The term Fred's
13 brain before didn't seem appropriate on a long-term basis to
14 name this.

15 So moving forward, districts basic -- we got a
16 hundred percent of the districts to participate both on the
17 assessment and a team -- these teams of assessors go out --
18 in order to get that consistent, they go out on a three-year
19 rotation, cycle throughout the State, to assess and reassess
20 the facilities and they're doing a level two facilities
21 assessment.

22 Do you need more detail than all of that? I don't
23 know. I think it's probably late and you're tired of
24 detail, but if you need more detail, there's folks in the
25 audience I can bring up to go into that.

1 But more importantly, we continue to partner with
2 folks and grow something not only because we believe that,
3 you know, community colleges being the lowest funded of the
4 four systems of education and again we're not bitter about
5 that, but, you know, in terms of, you know, the way that we
6 get the job done is partnering with folks.

7 And I would commend to you that the technology is
8 here now for you -- if you demand it as owners to be able to
9 ensure that interoperability and the terms of
10 interoperability that you want is web-services based. This
11 is more than just being in the cloud, but it's that ability
12 share data between systems and ensuring that your data is a
13 hundred percent and the systems that you're using are a
14 hundred percent open standards.

15 There's a lot of folks out there who say they have
16 open standards and maybe, you know, it's 10 percent open
17 standards or whatever, but, you know, the rest of it is
18 proprietary and you get lost and stuck in their garden like,
19 you know, the Google, Amazons, Apple type of thing.

20 You want to get out of that particular structure,
21 have that ability to share the data. You decide what data
22 you need. You've got lots of data locally and you've got
23 lots of capabilities out there, but you need to come up with
24 an understanding of what you need to use, what you're going
25 to use, and then have that roll up.

1 But when you have this web-services
2 connectability, then once one database gets updated, it
3 updates the other database. You also create layers of
4 information in order to provide, you know, value rich
5 decisions not only for facilities maintenance, planning, you
6 know, construction, but also for things such as class
7 scheduling.

8 There's a whole host of things. I think -- you
9 know, economic developing, forecasting, things that our
10 districts do. These are useful tools when you marry it with
11 an open standard system that we have for GIS and you bring
12 in Google maps, you bring in a whole host of things.

13 That capability's there, but you as owners have to
14 demand open standards -- 100 percent open standards. Don't
15 get lost in someone's garden. I think the term that's used
16 is, you know -- you know, kind of an ecosystem.

17 You want as open and web-services based ecosystem
18 as possible.

19 Now, you know, a key partner that we've been
20 dealing with, you know, in the last few years is ONUMA
21 Systems out of Pasadena that provides capacity with
22 middleware -- a BIM light. You don't want to get lost in
23 all the details of BIM, but the BIM light capability of
24 bringing all this tabular data into visual format so that
25 people can easily reconcile differences in the quality of

1 the data.

2 And, you know, we -- it just so happened it worked
3 out, but again as we reach out in our resource-constrained
4 environment, reached out to ONUMA Systems and over time
5 they've been working with us, and now they're beginning --
6 this month, they're offering their software free to our
7 districts because they see the value of what we're doing,
8 not only demonstrating this capacity of what the -- what a
9 system can really work for in the built environment, but
10 also it's useful -- I mean ONUMA Systems is doing work with
11 the Department of Defense, the Veterans Affairs, you know,
12 in terms of the Coast Guard -- showing that this is
13 possible.

14 So again if I leave you with anything else, you
15 want to have a system that's open so that you can have
16 strategic partners. We invite as many partners as possible.
17 That's why we're hoping that you have these kind of
18 standards because as you grow and develop best practices,
19 then we can incorporate them very easily and vice versa.

20 I know ONUMA Systems is working on a very
21 beginning basis right now with the State Architect to look
22 at their tracker system. And again this -- you know, I
23 think the State Architect gets into the folks that -- we've
24 talked to DGS -- you know understand that these things in a
25 resource-constrained environment -- we're past the luxury of

1 being able to have standalone systems that are all shiny.

2 We need to have this interoperability and it's
3 now. Your kids are using it now with applications on their
4 phones and maybe you're using it. I'm barely using some of
5 those myself, but that capability is there at a very low
6 cost.

7 So roughly \$750,000 of the million was what began
8 the process. Every district came onboard. We thought
9 initially that probably 10 percent of the districts a year
10 would be participating, but then, you know, I basically
11 suggested that, you know, I understand local control and
12 honor it and respect it and you too can choose not to
13 participate in all this, but you won't be eligible for State
14 dollars.

15 No one called my bluff, but, you know, everyone --
16 we got a hundred percent participation the first year,
17 which -- and also we provided -- we then had some scheduled
18 maintenance funds through the budget that we provided to
19 offset some of their costs to begin the process.

20 Roughly a million dollars a year, a hundred
21 percent of the districts since early 2000s are paying in
22 assessments to the foundation for support of this.

23 This is very barebones. We don't have any R and
24 D, so basically reaching out to as many strategic partners
25 who can play in this ecosystem, be they owners, or, you

1 know, on the private side who can enhance this system so
2 that again as I say, as you develop capabilities, that's are
3 R and D. We grow all of that.

4 So I leave you with the notion of FUSION is to me
5 an amazing shared success story for our system. As you get
6 into the details, everyone's going to have differences in
7 what their system should look like and that's fine. That's
8 data that they want to use.

9 Basically, make sure you have uniform data
10 throughout the State so that you can take advantage of this
11 interoperability and part of that process in terms of
12 collaboration is that we're more than willing to help in any
13 way we can in terms of helping that effort and -- because
14 it's not only going to help you, it's going to help us, and
15 it's going to help grow this notion of a very low cost
16 capability of having the kind of data that policymakers
17 demand to mean.

18 That was my PowerPoint.

19 CHAIRPERSON BUCHANAN: Very good. Are there any
20 questions?

21 MR. ALMANZA: Do the districts have their own
22 facility management system or --

23 MR. HARRIS: Yes.

24 MR. ALMANZA: -- that integrates into this?

25 MR. HARRIS: Yes and no. In terms of this is an

1 online web-based system, that was one of our things we
2 always wanted. And so we're increasing that
3 interoperability capability with the ONUMA interface.

4 I can't say a hundred percent all that's going to
5 be interoperable because maybe they're off-the-shelf stuff
6 isn't open standards.

7 But the data -- again, you want to own your data.
8 You want to be able to transport it wherever you go. You
9 don't want it to get lost in someone else's garden and then
10 at great cost, you have to recreate it elsewhere.

11 That's old news. That's not what is now. That's
12 not the future. That's what is now. But, you know, as for
13 the specifics --

14 CHAIRPERSON BUCHANAN: Most of your --

15 MR. HARRIS: -- that data is there. It's more
16 about the data than the systems.

17 CHAIRPERSON BUCHANAN: Right. Most of your
18 systems now -- your company's -- you own the data compared
19 to the old where, you know, you pay them all this money, but
20 if you want a report, you have to --

21 MR. HARRIS: Yeah. Yeah.

22 CHAIRPERSON BUCHANAN: -- big bucks. They --

23 MR. HARRIS: You have to pay the annual license,
24 you know, oh, my gosh.

25 CHAIRPERSON BUCHANAN: Well, not only that, but on

1 top of that, I mean the State's been through that with some
2 of the Enterprise software that we've had and all of a
3 sudden, you need a report or something changes and you've
4 got to wait two or three weeks and pay them big bucks to get
5 it. So it's -- I don't -- you know --

6 MR. HARRIS: I mean just as an example, you know,
7 the capability that technology's providing now -- and again
8 I'm at the level of -- you know, you can write applications
9 that are very low cost, low -- relatively low tech programs
10 to develop functionality once this database system is in
11 place.

12 Kimon Onuma with ONUMA Systems created a work
13 order system over a weekend, in terms of just through a
14 simple app in order to basically -- you can -- on your iPad,
15 iPhone, you know, laptop, or wherever you're at, as long as
16 you have Wi-Fi connectability, you know, you can get a work
17 order kind of concern coming from one of your constituents
18 in your organization and answer it wherever you're at.

19 So I like that idea being at home with my bunny
20 slippers at times. If I would be doing that -- I don't.
21 I'm not at that level, but anyway that's my suggestion to
22 all of you in terms of this is doable.

23 It doesn't -- you know, you have to decide what
24 you need and it's got to be something -- I would suggest an
25 integrated tool that could be beneficial also for the

1 districts.

2 But, you know, if that's too much for you to bite
3 off, so be it. You got to take the baby steps in order to
4 get the space inventory, get the assessment information,
5 because to me the ultimate customer is the taxpayer, what
6 are they willing to pay for.

7 And I know in terms of when I went to college, the
8 community college next to my campus was just being built
9 down in Stockton and I know when Stockton -- when San
10 Joaquin Delta came in with facilities request, I kind of go,
11 well, why do you need facilities. That's a new -- you have
12 new buildings. It turns out that was 40 years ago.

13 And they have the data to show, yes, we have
14 needs. And I know I've heard that story again and again
15 with districts when they do local bonds. Someone says why
16 do you need something for that building. They pull out
17 their binders. They have this information and it's in a
18 translatable form -- visual form for people to see at any
19 given level of policymaking. And again I count that as
20 taxpayer is important policymaker in all of this.

21 So thank you for your time.

22 MS. MOORE: I have a quick question. Do you have
23 an FCI?

24 MR. HARRIS: Yes, we do. That was the result
25 of -- the facilities condition assessments come up with an

1 FCI.

2 MS. MOORE: Do you fund based on that?

3 MR. HARRIS: We don't fund on that yet. We are
4 doing a blending of -- for modernization projects. That's
5 kind of our next step and then our -- in terms of based on
6 that.

7 MS. MOORE: Thank you.

8 CHAIRPERSON BUCHANAN: Could we ask you to do the
9 same thing, take a --

10 MR. HARRIS: Sure.

11 CHAIRPERSON BUCHANAN: Even though I know you're
12 community colleges and not --

13 MR. HARRIS: No, no. We'd love to.

14 CHAIRPERSON BUCHANAN: -- K-12, but could you take
15 a look at -- I can -- all right. Fred, Kathleen's -- that
16 report -- she could probably print them all off. That would
17 be great to get anything you have on that.

18 MR. HARRIS: And assume I can get back to you on
19 this; right? You don't want it right this moment?

20 CHAIRPERSON BUCHANAN: Yeah.

21 MR. HARRIS: Will do.

22 CHAIRPERSON BUCHANAN: Thank you so much for your
23 time. It's been a pleasure.

24 MR. HARRIS: Thank you.

25 CHAIRPERSON BUCHANAN: So I think we've -- that's

1 it for our presenters, right, on this? Is there any public
2 comment on this item before we move on?

3 MR. DIXON: Thank you, Madam Chair, Committee
4 members, Joe Dixon, Santa Ana Unified/CASH Chair.

5 CASH supports a statewide inventory of facilities
6 as well. As Mr. Zian indicated, since 1998, the State
7 already has really good information, good records on
8 permanent, portable, year built, et cetera.

9 We talked a little bit -- or you had presentations
10 on condition assessments and that would make sense. We
11 think that the funding model takes condition into account
12 and the prioritization of projects for funding at the State
13 level.

14 We heard from LA Unified and I like their
15 presentation, being a maintenance person myself, but their
16 cost to do their assessment was 20 cents a square foot. So
17 we know that's pretty expensive.

18 So here's what I'd like to offer. You know -- and
19 you've talked about it and I appreciate it and all of you
20 talked about it. Let's start with basic information.

21 And DSA has basic information of every school
22 building at least since the Field Act in the State of
23 California, and maybe that's where we start.

24 DSA also -- Division of State Architect has come
25 up with a box or a cloud system. That's a pretty neat way

1 to gather information as well.

2 So we think that would be a great start and then
3 we could build it from there. It could go out to every
4 school district. They could confirm whether it's accurate.
5 They could put in information of whatever you would request
6 as far as last time it was modernized, code compliance,
7 whatever it is that the State would require.

8 CHAIRPERSON BUCHANAN: Does DSA actually have that
9 information online or do they have the blueprints? Because
10 somehow it seems to me that if we were asking someone to go
11 through all the plans for all this, it might turn into a
12 monster.

13 MR. ALMANZA: Right. There's blueprints. It's
14 paper. There's thousands of boxes of paper.

15 CHAIRPERSON BUCHANAN: There's a big difference
16 between --

17 MR. DIXON: Well, if you get from us, it'll be
18 thousands of boxes of paper or it may not ever happen. You
19 know, it's --

20 CHAIRPERSON BUCHANAN: Well, some of it -- I mean
21 some of it, you may not know. I mean I remember how --
22 sometimes how we have problems with our older schools,
23 finding the as-builts for them, but at the same time, I
24 think if we're talking about how many buildings you have,
25 how many classrooms, it's probably not --

1 MR. DIXON: It's pretty -- from their AB300 list
2 that they sent out to districts, their information I think
3 at least it's a start. We could build from there and it's
4 available.

5 MS. MOORE: Joe, do you have an inventory of Santa
6 Ana schools?

7 MR. DIXON: We do and we did it similar to what LA
8 Unified did. We did it with our maintenance folks and we --
9 instead of having our maintenance people come up with the
10 condition, we used the old deferred maintenance longevity
11 list that's -- so we make assumptions that air conditioning,
12 for example, 18 years, needs to be replaced. So when it
13 hits 18 years, then we budget for it.

14 Painting of the exterior, 11 years, et cetera,
15 that's what we use as our base for assessment.

16 ASSEMBLYMEMBER HAGMAN: Let me jump on this, Joe,
17 too. You basically, on one hand, say you support the
18 database system, but we should do it up here, using the data
19 we have. Yet I want to hear from the school district who
20 can't afford not to do what they're doing right now and your
21 district and LA and San Diego where they're large enough
22 where they need to tracking system to maintenance their
23 dollars, which would be the complexity of -- you know, you
24 could say -- you could try to make the argument that larger
25 districts are costing time and effort to do it, but I don't

1 think you could function without that type of system locally
2 right now.

3 And the smaller ones, it shouldn't be that much to
4 add. So I'm trying to find out -- it sounds like there's an
5 impression we don't want to do this, it's going to cost us
6 money and resources, but I haven't heard anybody say it's
7 going to cost me. It seems to help their operations, help
8 their scheduling, help their presentations from a staff
9 level.

10 So do you have an example where it is a burdensome
11 versus a help?

12 MR. DIXON: Well, no. Actually, I think the
13 inventory would be good. I will say I did a little bit of
14 workup in the Central Valley area for a school district
15 where they just simply don't have the human resources to
16 know how to do it. It's just -- it's different. It's
17 tough.

18 But again is we started building it from basic
19 information, I think, you know, take the old 1A plans and
20 build from there perhaps, if we can't get it from DSA. I
21 think we need to ask them what it would take to do that.

22 You know, I think, Mr. Hagman, it'd be real
23 important to start and I think small districts, if we showed
24 them a model that was simple to start with, they could do
25 that.

1 CHAIRPERSON BUCHANAN: So when you talk about
2 condition assessment and funding --

3 MR. DIXON: Um-hmm.

4 CHAIRPERSON BUCHANAN: -- you know, I've asked
5 this question from a number of different people, whether
6 they're individual meetings or here.

7 One is what's been clear is you have to have some
8 common language and understanding of what causes a certain
9 item to be rated with Condition A versus Condition B or C or
10 whatever; right? And that's a pretty big task statewide in
11 a State as big as California.

12 But, two, our program is there to sort of be a
13 partner in the three-legged stool between developer fees --
14 right -- and local bonds and the State program. And we
15 provide roughly one-third of the money.

16 If we're not going to get into the taking over
17 responsibility for facilities, which I don't think we can
18 ever do in this State, certainly you want the schools that
19 are in the worst condition to be the ones that are
20 prioritized.

21 But I assume -- I mean that's what we did in our
22 district. I assume that in -- locally in school districts,
23 when they look towards their bonds or how they're going to
24 spend maintenance dollars or whatever, they're doing their
25 own assessment of needs. Is that not a good assumption?

1 I mean I would think they would be modernizing the
2 school that's 50 years old before they put more money into a
3 school that's 10 years old unless you have an imminent
4 safety problem in that school that hasn't been touched for
5 ten years.

6 MR. DIXON: Right. Well, capital facility
7 decisions have now taken a different -- there's prominence
8 there because the deferred maintenance program is gone.

9 CHAIRPERSON BUCHANAN: Well, I know, but
10 irrespective -- you know, whether you've got a little bit of
11 money or a lot of money, I assume that there's some decision
12 making going on with local districts. Maybe we need to
13 write a bill, but that -- where they are taking a look at
14 age and need as they prioritize their money.

15 Are you not doing that in Santa Ana?

16 MR. DIXON: Oh, no, no. We've had several --

17 CHAIRPERSON BUCHANAN: Right. I mean every
18 district I talk to, big and small, that's how they're making
19 that decision.

20 So when you talk about prioritizing State dollars,
21 if we are not in a position at the State level to take
22 responsibility and do our -- and spend, you know, the kind
23 of money that it would cost to do a condition assessment of
24 10,000 schools, you know, and then how do I not give your
25 school money because one in Curt's district is in worse

1 shape, maybe have to wait ten years until they pass the bond
2 or whatever, how -- I mean how do you -- if you're going to
3 take that into consideration, how do you see that working?

4 And do I -- so then do I wait till yours -- if
5 his -- if I can't fund yours because I'm waiting to fund
6 his, do I just let yours continue to deteriorate even though
7 the school may be 30 years old? How do you see that working
8 logistically at a practical level?

9 MR. DIXON: Well, I -- yeah. I think since 1998,
10 the SFP did a really good job. The districts would have to
11 come in as partners.

12 CHAIRPERSON BUCHANAN: Right.

13 MR. DIXON: And because the State's so big and
14 there's so many different conditions and politics and
15 demographics and -- you know, that -- it would be very
16 difficult for the State to base their funding on conditions
17 alone because maybe some district -- Santa Ana -- I can say
18 this about our school board.

19 They're rather sophisticated and they understand
20 taking care of assets, and so we've always been fully funded
21 for maintenance.

22 But maybe another district in Orange County --
23 another large district that I know pretty well, they
24 didn't -- they couldn't because they had some other
25 considerations that they had to care of.

1 So it'd be hard -- you know, should we be
2 penalized I suppose in Santa Ana -- if penalize is the right
3 word -- because we took really good care of our schools, you
4 know.

5 CHAIRPERSON BUCHANAN: Right. And to what extent
6 does the State get involved in saying, you know, you can't
7 spend the money on texts or whatever. I mean you've got
8 local decision making here in general. So to what extent
9 does the State get involved in imposing those decisions.

10 MS. MOORE: I'm wondering, I mean just hearing all
11 the conversation about condition and the local
12 accountability and local decision making, if there's a way
13 that -- and it appeared to me that everybody -- that major
14 districts are doing exactly what we're talking about.

15 They are reviewing their schools. They are
16 placing them into a facility condition indices and they are
17 ticking them off in that order.

18 And I think what I'm hearing too is at the State
19 level, maybe we don't want to be involved in that. But what
20 it appears to me is that's best practice. That is best
21 practice. That's best resource usage at the local level.

22 And maybe what we can do at the State level in
23 addition to getting that top level data is that we are
24 incentivizing best practice at the local level so that those
25 projects come up to the top of their list.

1 CHAIRPERSON BUCHANAN: What evidence do you have
2 the school boards are not taking a look at the condition of
3 all their facilities and making those decisions today?

4 MS. MOORE: I don't have evidence of that.

5 CHAIRPERSON BUCHANAN: I would say -- because I
6 would say that even in smaller districts when I look around,
7 I mean you don't -- I mean they're -- they go through a
8 process in terms of whether they're going to put a bond on
9 the ballot or where they're going to spend, you know, the
10 deferred maintenance dollars.

11 They go through a process where they are assessing
12 condition. So if we have evidence that they're not doing
13 that -- but I'm not --

14 MS. MOORE: What we do have evidence of is that
15 there are schools in the State that did not receive any
16 State funding. We have evidence of that.

17 CHAIRPERSON BUCHANAN: Right.

18 MS. MOORE: It's been brought forward to us by
19 staff. So I think there's an element there. And so why
20 didn't those schools get any funding --

21 CHAIRPERSON BUCHANAN: Yep.

22 MS. MOORE: -- from the State and I don't know if
23 they got it locally.

24 CHAIRPERSON BUCHANAN: Right. We don't know.
25 Could have been -- yeah.

1 MS. MOORE: So that to me is of interest because
2 that's an equity and parity issue and -- for all students in
3 our State.

4 Now, it's still local decision making.

5 CHAIRPERSON BUCHANAN: Right.

6 MS. MOORE: And I think what I've heard today is I
7 think it's in our best interest to provide that incentive
8 and if it -- I heard that maybe some smaller school
9 districts may not be doing this. I don't know. We didn't
10 hear from the Small School Districts Association, but maybe
11 we'll hear from some that have rural districts -- and
12 whether we need to assist those particular ones in being
13 able to provide these types of reports.

14 The other thing I heard is possibly an idea about
15 getting the ten largest districts together, seeing what
16 their data is and how we might as a State interact with what
17 they already have. There's the beginning of the building of
18 your system and, you know, our largest districts probably
19 represent, you know, anywhere between 17 and 25 percent of
20 all the students in the State.

21 CHAIRPERSON BUCHANAN: Well, and you have enough
22 small districts where, you know, if one or two school,
23 school districts where they may not participate for ten
24 years because if you're on a 25-year modernization project,
25 depending on where they are in the cycle, they may or may

1 not participate, and that's over half the districts in the
2 State of California.

3 Does anyone have any more questions for --

4 MR. DIXON: One quick comment on your LCFF. All
5 districts -- every school is required to at least be
6 inspected and made sure their schools meet the standard of
7 good repair. That is a requirement from the State
8 currently.

9 So at least we know they're getting inspected and
10 perhaps when they come in for State money, they would have
11 to have a public hearing and a board resolution that they
12 would take care of their schools to a certain standard and
13 they would have a condition index and --

14 CHAIRPERSON BUCHANAN: Well, yeah.

15 MR. DIXON: -- when they come in -- you know --

16 CHAIRPERSON BUCHANAN: I would question, having
17 been a board member, you still are weighing the general fund
18 side of the budget to the facilities side and for all of you
19 here who only are concerned with the facilities side, you
20 know, for me to make a commitment where I've got to spend 20
21 or 30 percent of my budget to maintain them to a certain
22 level, I would devastate the operational side.

23 So you've got to be very careful in terms of how
24 you're balancing all of that.

25 MR. DIXON: I agree --

1 MS. MOORE: But didn't we establish the level. We
2 said it's a level of good repair. I mean all districts are
3 under that now.

4 CHAIRPERSON BUCHANAN: How are you -- well, it
5 depends on how you define level of good repair.

6 ASSEMBLYMEMBER HAGMAN: Well, the walls and the
7 roof.

8 CHAIRPERSON BUCHANAN: Because if you're going to
9 maintain that -- if you just ask a district to put aside
10 1 percent of the value of its schools a year, I guarantee
11 you you would have a devastating impact on the general fund
12 side of the budget. We do not fund schools at that level.

13 MR. DIXON: Thank you.

14 MR. KITAGAWA: Good afternoon, Subcommittee
15 members. My name is Brandon Kitagawa. I'm with an
16 organization called Regional Asthma Management and
17 Prevention.

18 I'm here today in part to present you with some
19 comments from some public health organizations. I think
20 increasingly the public health community recognizes that the
21 policies that have the biggest impact on our health are not
22 made by health departments, but they're made in policy
23 committees like this one.

24 And I think, you know, we're likely to see greater
25 improvements in health when we look at all policy decisions

1 through the lens of health.

2 I think we're particularly encouraged by the
3 Subcommittee's careful review of the existing program, in
4 particular, today's discussion on assessment and the
5 questions of to what extent a quality assessment is involved
6 in that and I think some of the questions that were just
7 asked are really important ones and to try to figure out,
8 you know, how to do -- enact a State policy that will have
9 an impact on people's health.

10 And so how can we maximize that. And I think we
11 wanted to offer ourselves as a resource to help you figure
12 out the very questions that you're asking.

13 CHAIRPERSON BUCHANAN: Thank you.

14 MS. HANNAH: Good afternoon, Subcommittee members,
15 Madam Chair. I'm Jenny Hannah. I'm with the Kern County
16 Superintendent of Schools office from Bakersfield,
17 California, and I represent a County Office of Education as
18 well as 47 school districts ranging from 37,400 students to
19 smallest, 8 students.

20 And I'm going to compare myself to San Diego
21 because I think it's an interesting compare and contrast in
22 talking about how this relates to what the large school
23 districts do in comparison to what a group of -- a county
24 our size and the number of the school districts that we'll
25 be dealing with in terms of an inventory.

1 But we have 178,300 students in our county
2 compared to San Diego's 132,000 students.

3 We have 47 districts in that count and the number
4 of school sites that we have is 273 compared to 223 of San
5 Diego. So we're a little bigger than San Diego. Wow.

6 And so, you know, we obviously have a different
7 makeup and -- with regard to that. So we wouldn't have a
8 unified approach to an inventory.

9 County Offices don't have jurisdiction over the
10 school districts as many of you know. We're just in an
11 advisory role to our school districts.

12 I try to help facilitate -- offer services to our
13 districts when there's larger facilities needs because as
14 most of you know, in this kind of budget environment, many
15 of our districts have let go of facility staff and don't
16 have sophisticated folks. There just hasn't been the budget
17 to have folks onboard.

18 And so, you know, when I see these great inventory
19 practices that many of these folks have gone through, it's
20 pretty out of reach for most if not all of our school
21 districts. I can think of two who have inventories that are
22 that deep in --

23 ASSEMBLYMEMBER HAGMAN: Are you saying the
24 capability's not there or they don't have the software?

25 MS. HANNAH: I'm saying the capability of having

1 staff to input that kind of information.

2 All of our school districts know what they have.
3 Every one of them.

4 CHAIRPERSON BUCHANAN: And you understand that's
5 not what we're asking.

6 MS. HANNAH: Right.

7 ASSEMBLYMEMBER HAGMAN: Exactly. We're asking for
8 how many buildings --

9 MS. HANNAH: Right.

10 ASSEMBLYMEMBER HAGMAN: -- they have on a piece of
11 property.

12 MS. HANNAH: Right. And I applaud you for that
13 and I also applaud you and I'm appreciative to hear that we
14 now are talking about bifurcating inventory from condition
15 assessment.

16 Although I do agree at some point in time we will
17 be talking about condition assessment, at this point, if we
18 can keep the conversation directed toward -- you know, if we
19 want to know in California how many classrooms we have
20 statewide and we don't know in one basket where that
21 information is, let's try to figure it out.

22 Although I do -- I would like to say that if
23 there's a way to -- or if I could encourage you to consider
24 starting with what you do have available from the State
25 agencies, that probably would be extremely helpful to some

1 of the smaller school districts. You can start there at
2 least or come up with a simple form or something of that
3 nature -- would be really helpful.

4 Joe did mention that -- Joe Dixon mentioned the
5 good repair reporting that's required now with local funding
6 control, but County Office -- I've been doing Williams
7 inspections now for nine or ten years. I was just talking
8 to Brooks Allen about that, how long it's been, and the
9 Williams assessments, you know, every school's been required
10 to do those good repair reporting in their SARC report
11 cards.

12 Those have been required, although that's not
13 maybe an ideal tool globally for assessment totally, but it
14 is a form of assessment inventory and many schools have been
15 doing those.

16 So overall I think that, you know, as a County
17 Office we're in agreement that some form of inventory is
18 very important. I think that we all know that every
19 district or most districts are already doing that. It's
20 just how do you collect the information and how do you do it
21 in a way that doesn't require the district to do one more
22 form of reporting.

23 You know, align it with something else. It's with
24 the SARC, it's with good repair, you know, it's with
25 something else that they already have to do, so --

1 CHAIRPERSON BUCHANAN: Thank you. Do you have a
2 question?

3 ASSEMBLYMEMBER HAGMAN: Yeah. I'm just -- I'm
4 still kind of shocked by the -- a little bit -- okay.
5 You're a county board of education. You know how many
6 schools and how many students you have. You have to report
7 that almost on a day-to-day basis to get your funding for
8 ADA and all the rest of the things.

9 And you're saying that you can't as a county or a
10 school district go up and say, you know, I got 14 buildings
11 on this site, this is how many students we have, the stuff
12 we've been talking about, my roof's ten years old, my air
13 conditioning hasn't been replaced for 32 years. That's
14 beyond the capabilities of administration of each school
15 site?

16 MS. HANNAH: No, I'm not saying that reporting
17 that's beyond the condition of the school districts that we
18 have. What I'm saying is the sophisticated level of doing
19 anything as deep as what we saw in the presentations is
20 certainly well beyond what I know many of our school
21 districts are capable of doing.

22 What I understand -- most of those really
23 sophisticated facilities management programs require a
24 sophisticated staff to manage. You can't just do them once
25 and then leave them alone.

1 ASSEMBLYMEMBER HAGMAN: And the reason I bring it
2 up --

3 MS. HANNAH: Yes.

4 ASSEMBLYMEMBER HAGMAN: -- is not besides just
5 having an inventory, but we're also trying to figure out
6 need, so about some basic assessment --

7 MS. HANNAH: Um-hmm.

8 ASSEMBLYMEMBER HAGMAN: -- and I don't think it
9 goes beyond the age of ability, but some basic assessment
10 that we get an idea of what the liability may be for the
11 State, what time and when --

12 MS. HANNAH: Right.

13 CHAIRPERSON BUCHANAN: -- then it's not very good
14 data. So we don't need to know each window has 75 percent
15 of its life left.

16 MS. HANNAH: Right.

17 ASSEMBLYMEMBER HAGMAN: But we do need to know
18 that the building's 45 years old and hasn't been repaired
19 for 22 years. And I think that's the level -- and I just
20 want to make sure we're clear --

21 MS. HANNAH: Yeah.

22 ASSEMBLYMEMBER HAGMAN: -- that I'm looking for.
23 Now, the schools that -- I think it benefits everyone of
24 your districts, large or small to have that assessment on
25 their own so they could budget correctly.

1 MS. HANNAH: Right.

2 ASSEMBLYMEMBER HAGMAN: With all this local --
3 with the new funding, the school districts are going to have
4 to budget this stuff in on a long-term basis. Not year to
5 year, but they're going to have to look down the road for
6 both minor and major maintenance. Otherwise, they're going
7 to be in a world of hurt later.

8 I don't think we're asking you -- that they're not
9 going to have to do already in this assessment. So I just
10 wanted to just clarify that. Thank you.

11 MS. HANNAH: Yes.

12 CHAIRPERSON BUCHANAN: Any other questions? Thank
13 you.

14 MR. WILSON: Good afternoon, Madam Chair and
15 members of the Committee. My name is Sam Wilson. I'm the N
16 national K-12 operations leader and I'm here with my
17 colleague, Joe Clark. He's Vice President of Educational
18 Services for his company.

19 And together -- we sometimes work together and we
20 often compete against each other. So we're really here as
21 colleagues to just answer any questions and provide some
22 input.

23 Together our two firms have done 12 statewide
24 assessments for K-12 school -- you know, State operations
25 across the country. So that's a pretty significant body of

1 work.

2 Additionally, we've worked in all 50 states.
3 Myself personally and my team, we've been involved in one in
4 eight assessments and -- for one in eight public schools in
5 the country. So we've seen a real broad variety of best
6 practices and lessons learned and what works and doesn't
7 work.

8 So today, we're really here to talk about
9 statewide assessments and those come in just about many
10 forms as there are assessments. So every one of them are
11 pretty radically unique. They also have very different team
12 makeups and how they gather the data, how they process it,
13 the software tools they use, and the way that they involve
14 the districts is often quite different.

15 So in some of these, it's district reported. In
16 some of these, it's data collected by a professional team.
17 So there's a pretty wide range there.

18 We wanted to just highlight really three statewide
19 assessments because we believe it really spans the spectrum
20 of the types of assessments that we see across the country.

21 And one of those is the Commonwealth of
22 Massachusetts. So in 2006, the Commonwealth created the
23 Massachusetts School Building Authority which was spun off
24 from the Department of Education and they basically had no
25 inventory of their schools.

1 CHAIRPERSON BUCHANAN: Right.

2 MR. WILSON: We literally had to go to the website
3 and download the schools off the website.

4 So that assessment in in 2006 was about one and a
5 half cents per square foot and it turned into what I think
6 you're really talking about which is primarily a portfolio
7 inventory of all their schools.

8 They then came back in 2010 and redid that
9 assessment where they collected the need associated with
10 those schools really at four primary levels. They looked at
11 roofs, windows, HVAC, and boilers. So those were very
12 specific purposes and they used that to help justify and
13 validate the funding requests from districts in the
14 Commonwealth that applied for State reimbursed funding.

15 That second assessment was about 1.7 cents per
16 square foot.

17 We also wanted to talk to you a little bit about
18 Colorado where Joe's firm is involved.

19 MR. CLARK: In Colorado, in looked at 1,800
20 different schools across the state for a statewide space
21 inventory system. Included in that, we also looked at
22 education technology, preparation of 21st century schools.
23 We looked at educational suitability which is another
24 component, condition assessments, those kinds of things.

25 That study then drove funding through a grant

1 process where it required the individual districts to use
2 that data that was provided by the State -- I think
3 something that you're alluding to, how can we repurpose this
4 data and make it more valuable for districts -- and create a
5 facility master plan for submission to get that funding.

6 So the inventory system was really the starting
7 point in Colorado and then the assessments continued to
8 follow after that so they could build this portfolio of
9 information to submit their facility plans for funding.

10 MR. WILSON: The last one is Hawaii and that's I
11 believe the only State that's currently underway in a
12 statewide assessment right now and Hawaii's a little unique.
13 As you pointed out, that's a pretty small district. They've
14 got about 256 schools.

15 It is one, though, that it's a statewide district
16 and it's being driven by the Department of Education. So I
17 do think there's some parallels.

18 One of the interesting things there is that
19 they're also addressing 21st century schools in a very big
20 way in how they remodel their schools and modernize their
21 schools beyond just fixing the infrastructure they have, but
22 what they really think schools will be in the next five to
23 ten years and they're looking at public-private partnerships
24 to help them fund that. So there's some interesting
25 parallels.

1 Interestingly enough, while the Massachusetts
2 assessments were in the one and a half cent range, Hawaii is
3 a very expensive study because it involves extensive
4 community engagement and it's about 15 cents a foot.

5 So there's a pretty wide spectrum of what you can
6 do and how you go about that.

7 We really wanted to just address five kind of
8 suggestions if not lessons learned from that quickly and one
9 of those is as we've heard here today, it's really important
10 to define the level of detail and the types of inventory
11 that you're going to try to collect.

12 At some point, there's a gross square footage per
13 building which some of these sheets have highlighted. You
14 can also go to the room level. So when you talk about
15 ARCHIBUS and linkages to CAD and CAFM systems, that is a
16 very detailed assessment.

17 So it's really important to define that level and
18 understand how you're going to use that data in helping you
19 make that determination.

20 MR. CLARK: Approach methodologies -- we've heard
21 a lot of approaches from San Diego and LA that were pretty
22 sophisticated.

23 I think the Kern County Office of Education
24 representative that was just up here speaking about small
25 districts -- you know, my background, I spent seven years in

1 school districts. I spent seven years at the Department of
2 Education in the State of Washington, so I can give you some
3 background on that system if you'd like.

4 I spent a couple years at the U.S. Department of
5 Ed and one of the things that's really critical is the
6 collect versus submit component here.

7 If we collect this information, either in a model
8 like LA or San Diego's doing it with professionals in those
9 disciplines or we send assessors out into smaller districts
10 so that you have kind of that third-party objectivity versus
11 submit data where we build a form on a website and everybody
12 submits, the quality of your data we've learned improved
13 dramatically through the collection versus the submission
14 process.

15 And as you further tie that to funding, it's
16 amazing the differences in data that you'll get because of
17 the importance of that information.

18 Transparency versus accountability, we also want
19 to look at is the system really designed for accountability
20 or is it designed for transparency. Looked at some of the
21 fields that you've looked at. I think those are a good
22 starting point.

23 There may be some additional ones. There may be
24 some clarification on where the data's coming from that
25 you've already asked for in terms of your field definitions

1 here.

2 And then another point, ability versus capacity.
3 Really, I think when you have an LA Unified and you have a
4 San Diego, they've got a back in. They can import that to a
5 text limited file. They can import it up to a website. You
6 can use web services kind of like the FUSION folks were
7 talking about. Absolutely unbelievable.

8 Small district, 15, 20 buildings, someone's got to
9 sit down and bring all that data together.

10 That is where the benefit of inventory system like
11 this where it's very uniform, very concise, very specific,
12 but they don't have to create it on their own and then bring
13 that data forward. It's already defined for them.

14 ASSEMBLYMEMBER HAGMAN: You know, and forgive me,
15 gentlemen, but this more sounds like an RFP presentation --

16 CHAIRPERSON BUCHANAN: Right. Yeah.

17 ASSEMBLYMEMBER HAGMAN: -- than it does for an
18 informational hearing. I'm not --

19 MR. CLARK: I understand.

20 ASSEMBLYMEMBER HAGMAN: -- in that stage yet of
21 seeing which the best vendor is or what it should cost or
22 anything like that. We're trying to figure out the data
23 points for it.

24 But since you made a presentation like that, what
25 would you suspect if one of your firms did this what the

1 statewide costs would be?

2 MR. WILSON: Yeah, it just widely depends on what
3 you're trying to do. I don't think that you need anywhere
4 near a 15 cent a foot type of assessment. So my guess is it
5 should be down in the 1 to 2 cents a foot range because I
6 think you really need a very high level kind of look at it.

7 And what we're really trying to think about is how
8 you would structure this data.

9 CHAIRPERSON BUCHANAN: Right.

10 MR. WILSON: You know, one of the other
11 considerations is how you maintain this data going forward.
12 So if you collect this data, now you got to figure out do
13 the districts maintain that.

14 In the State of Arkansas, the districts maintain
15 that through a web interface on an annual basis. You know,
16 does the State maintain that? That's another consideration.

17 CHAIRPERSON BUCHANAN: My reaction was the same as
18 Assemblymember Hagman's. I -- we're not here to --

19 MR. CLARK: Understood.

20 CHAIRPERSON BUCHANAN: -- deal with vendors or
21 whatever. I mean I'm not going to elaborate on my comments,
22 but we're really we're here to hear what some of the
23 districts are doing. We're looking at, you know, whether or
24 not we move forward with requiring, you know, for the next
25 bond a high level system, so --

1 MR. CLARK: Yeah. Our intent was really strictly
2 to provide some other states that we've worked in and some
3 of the information.

4 CHAIRPERSON BUCHANAN: Right.

5 MR. CLARK: So we apologize --

6 CHAIRPERSON BUCHANAN: Yeah. And I've actually
7 looked into Massachusetts and Colorado, but again we're not
8 at that level of detail right now, so thank you.

9 MR. WILSON: Sure. Okay.

10 DR. VINCENT: Good afternoon. My name is Jeff
11 Vincent. I'm the Deputy Director of U.C. Berkeley's Center
12 for Cities and Schools.

13 I was the lead researcher and author on this
14 report that was referenced earlier, California State
15 Infrastructure Investments. Currently as a follow-up to
16 this, we're doing a nationwide study of nine states looking
17 at their standards on educational design and space as well
18 as looking at inventory and those kinds of things and their
19 funding programs.

20 I can tell you more about those nine states and
21 that will be out in the fall, but a lot of these states that
22 we're looking at, seven of them have condition assessments
23 and inventories.

24 What I want to do -- be very brief because I know
25 we all want to leave.

1 CHAIRPERSON BUCHANAN: We have one more item on
2 our agenda too, so --

3 DR. VINCENT: I will be even briefer.

4 CHAIRPERSON BUCHANAN: Right.

5 DR. VINCENT: But provide some of the lessons
6 learned that we are finding in the research on this and
7 we're doing detailed statutory and regulatory review of
8 these state as well as doing interviews of Kathleen Moore
9 and Lisa Silverman types in these other states. I mean
10 those positions.

11 One is that I'm glad to hear that we're kind of
12 here getting clear on our terminology, that is the
13 difference between a basic space inventory versus a
14 conditions assessment versus what we're starting to see in
15 some of these other states also which is what I would call
16 an educational suitability assessment and those are
17 long-term types of things. So it's good to see that.

18 As I previously have mentioned, these states
19 completely vary, absolutely, totally, but the important
20 thing is that what they collect and why they collect it is
21 explicitly tied to their funding approach, what they fund
22 and what they don't fund. There's a logic there.

23 Many of these states -- most of these nine that
24 we're looking at require this, particularly the basic
25 inventory and a few metrics on conditions assessment require

1 these, often annually, but require them in facility master
2 plans; right?

3 So they're not disconnected in this inventory.
4 They're actually inside of the plan and --

5 CHAIRPERSON BUCHANAN: And what level of facility
6 master plans do they do? Because I participated on dozens
7 of facility master plan committees, and, boy, you can
8 really --

9 DR. VINCENT: Right.

10 CHAIRPERSON BUCHANAN: -- even at very high level
11 conceptually, you could be in the weeds on them and spend
12 millions of dollars per site developing them.

13 DR. VINCENT: Absolutely. Absolutely.

14 CHAIRPERSON BUCHANAN: So what level --

15 DR. VINCENT: What it appears that there's a real
16 struggle in most states between what's required and what are
17 guidelines. Most of these states as we do have very
18 detailed guidelines, quote/unquote, of what should be
19 included in that plan and so there are specific metrics
20 around facility condition.

21 The other thing is that speaking with these
22 directors, you know, they caution about the often limited,
23 sort of ongoing dynamic usefulness of just a snapshot in
24 time. So their stress is like how does bubble up from the
25 local level.

1 And so with that, I would just kind of
2 summarize -- or end by making three suggestions based on
3 what I'm hearing. The nice thing is this kind of reiterates
4 a few things that have been said here.

5 One is I think we should keep it simple. I think
6 we should start with a basic inventory. I would agree with
7 Mr. Dixon's comments. Based on the forms that have been
8 turned in over the years within the School Facility Program
9 that if we wanted to and we took the data that DSA --
10 information that DSA -- it's not digitized unfortunately,
11 most of it -- at OPSC and CDE, we would probably have 60 to
12 80 percent of a statewide -- basic state inventory.

13 And what I've seen other states do is they do
14 that, put it up, they know it's not full and complete and
15 they say please fix it and people can log in and do that.

16 The second thing is I think that we should
17 absolutely be thinking about this as a State-local
18 partnership. I think that goes in line with the ethos of
19 the School Facilities Program and what you all are talking
20 about.

21 So primarily it would be used as a planning tool
22 for locals and the State should help support that,
23 particularly for these middle districts that would like to
24 be doing this but can't and then secondarily, to inform
25 State allocation.

1 And so this really, you know, doesn't mean that
2 the State lines up from one -- you know, from worst to best,
3 the facilities and takes down a list, but what it is -- what
4 we're seeing in Massachusetts and some of these other states
5 is that they're saying, oh, you're bringing this project for
6 modernization. Based on what we know about your conditions
7 assessments from a year or two or three ago, it makes sense
8 that this is on the list versus saying, oh, this is
9 something -- you have 15 other schools that rank, you know,
10 much more deficient on health and safety, so why are you
11 bringing this high school forward versus these other 12.

12 And states are able to kind of, you know, ask that
13 question of locals and they can respond, you know, retain
14 local control but allowing them to -- basically putting on
15 them to just justify why this project is going forward.

16 And I think too that -- you know, one of the
17 things that has struck me in this research and no one's
18 really said it here today, but there's a huge amount of
19 distrust between local districts and the State and vice
20 versa, et cetera, and I think that, you know, this is going
21 to work it local districts, quote/unquote, own their own
22 data. That is they believe it's valid and they're updating
23 on a regular basis.

24 CHAIRPERSON BUCHANAN: Well, if they're all doing
25 it consistently --

1 DR. VINCENT: Right.

2 CHAIRPERSON BUCHANAN: -- because if they're not,
3 then you've got an apples to oranges comparison.

4 DR. VINCENT: Exactly.

5 CHAIRPERSON BUCHANAN: And the one thing I know
6 about the State program is every district maximizes what it
7 can get from the State program for its own district.

8 DR. VINCENT: Sure.

9 CHAIRPERSON BUCHANAN: I mean it's -- so to say
10 you have a true apples to apples right now, you don't
11 necessarily have that.

12 DR. VINCENT: And ask the question, do we need an
13 apples to apples comparison because it really is determined
14 by what the funding approach is upon the future of the
15 School Facilities Program.

16 CHAIRPERSON BUCHANAN: Well, if you're going to
17 fund based on certain criteria, you would hope that that
18 criteria is used evenly. I guess --

19 DR. VINCENT: Right. I think that -- let me end.

20 CHAIRPERSON BUCHANAN: Right. Yeah.

21 DR. VINCENT: -- is that I think locals can
22 certify this, but let me end by saying that, you know, I
23 think that we should really think about situating this
24 within the new context of a local control funding formula
25 and particularly the local control accountability plans.

1 As was mentioned previously, the law states that
2 districts are going to have to show their plan and their
3 budget for maintaining good repair. It seems like we
4 should --

5 CHAIRPERSON BUCHANAN: Right.

6 DR. VINCENT: -- easily be able to embed, you
7 know, some basic --

8 CHAIRPERSON BUCHANAN: The intent of that, I
9 believe, though, is to not let districts off the hook for
10 having to provide some major maintenance.

11 I don't think -- I'm not sure the intent is to --
12 you know, anyone ever believed that right now you have to
13 commit 3 percent, right, of your budget towards -- mostly
14 it's been routine maintenance with districts.

15 So I think the intent with that was to make sure
16 you're still making the same effort, not necessarily to see
17 that 3 percent go to 20 percent. So I don't know where we
18 go with that.

19 But this is what I struggle with. Okay. If you
20 think about the local control funding formula -- okay -- the
21 Governor in his proposal said, look, we have a high
22 correlation between test scores and poverty, between test
23 scores and whether or not students are English language
24 learners.

25 He didn't say School District A, School

1 District B, you have the same population, but School
2 District A, you have an API of 850 and School District B,
3 you have an API of 650. So I'm going to give more to School
4 District B and less to School District A because getting
5 into that level would have been very, very difficult and,
6 you know, ideally you want to figure out -- School
7 District B probably should want to know what School
8 District A's doing, but he -- so instead he used a proxy
9 where you have that very high correlation and he said, okay,
10 for students that fall into -- qualify for free and reduced
11 lunch or are English language learners or are foster kids,
12 we are going to use that as a proxy related to overall
13 achievement and we're going to give those students -- we're
14 going to give districts 20 percent more for those students,
15 and if you get your population up to 70 percent, we're going
16 to give you an additional -- is it 50 or 70 percent for
17 those.

18 And so when you look at how the State program has
19 worked, we use age of schools as a proxy for when they need
20 to be modernized because in a State as big as California, to
21 try and get into exactly, you know, what kind of
22 construction you have on every school or, you know -- and
23 whether or not School A is in a little bit worse shape than
24 School B or whatever, it makes it difficult.

25 So we are -- so -- and the Governor wants us to

1 simplify. So the question is how do we -- just like with
2 the local control funding formula, what do we use as our
3 proxies or yardsticks to be able then to give these grants
4 to districts and then let them make local decisions.

5 And I -- and so you got to decide how complex you
6 want to get it or how simple you want it to be. And of
7 course, it's been sort of -- I mean the whole streamlining
8 that took place when Prop. 39 passed and the other
9 legislation was to go with a simpler approach and I don't
10 know how we balance the two.

11 I myself, you can hear from all my comments,
12 believe that probably, you know, we're going to have to
13 trust districts and boards to do these kinds of assessments,
14 but we're going to need a very -- a simpler approach at the
15 State level and hopefully incentivize some of the right
16 decisions.

17 But I don't know how we, you know, get too much in
18 the weeds without getting to the point where we spend so
19 much money administering we're taking away money from
20 projects that are really improving schools.

21 DR. VINCENT: I would agree. I'm glad you asked
22 the question. Maybe we should shift to the State funds
23 capital renewals and get outs of the process of funds --
24 capital. I don't know.

25 CHAIRPERSON BUCHANAN: Well, the State's -- yeah.

1 The State's not going to -- if anything, I mean if you read
2 the budget a year ago January, it was getting the State
3 completely out of the business.

4 DR. VINCENT: Right.

5 CHAIRPERSON BUCHANAN: So if anyone thinks that
6 the State's suddenly going to take on all of that, we're
7 not. So the question is how do we have a simple program
8 that helps incentivize locals to raise money and helps us
9 improve school.

10 DR. VINCENT: I completely agree. Thank you.

11 CHAIRPERSON BUCHANAN: Thank you.

12 MS. ALLEN: Good afternoon. Cathy Allen,
13 Sacramento City Unified School District. Just a couple of
14 comments and you've heard this over and over again, but I
15 will append to it.

16 The State agencies do have an awful lot of this
17 data already. I think we've kind of all acknowledged that.

18 One of my concerns, as we've gone around and
19 around on this, is the accuracy of the data. And it was
20 very interesting during Mr. Zian's presentation earlier
21 about back in the early '90s that we started this and then
22 we ended up with something that wasn't really usable and
23 that's just about the time I started getting into this
24 business.

25 So I had not heard that data before. So I'm very

1 concerned that we don't set up something that's going to
2 cause us to fail again. You know, it takes a lot of effort
3 as we've all mentioned to produce the data or report it.
4 Whether it's rolled up or rolled down, I want to make sure
5 that it's something that usable.

6 The other thing I'd like to say is that with the
7 data that the State agencies have -- and I go back to the
8 date we all got the AB300 list and, you know, we're all
9 looking for our schools to see, you know, if we're on it
10 and -- you know -- that was wrong was like, ooh, wow, we got
11 to fix that. It was very hard to fix.

12 So if we push all this data up and it's get tied
13 later on to a project at DSA, DSA says that's not what I've
14 got on my list, now I'm back down to trying to fix that
15 again versus if we start off with what they have and then
16 maybe we can fix it now, we might start with a little bit
17 cleaner plate.

18 So those are my only two comments.

19 ASSEMBLYMEMBER HAGMAN: Can I ask you, do you have
20 a database that you use right now for facilities
21 maintenance?

22 MS. ALLEN: We have a master plan and we have many
23 different databases. We don't have one full district-wide.
24 I have parts and pieces and some folks keep it on Excel,
25 some folks keep it on something else, but I don't have one

1 single database.

2 ASSEMBLYMEMBER HAGMAN: And I understand CASH is
3 pushing to use the State data -- talking points up here, but
4 we've heard from the same presentations that, oh, we
5 demolished this portable, we moved this one, we moved that
6 one, why would anyone think the DSA's plans of 38 plus years
7 ago would be any close to being accurate.

8 Why would you start off with -- on this talking
9 point that, you know, 30-, 40-year-old blueprints rolled up
10 in the DSA's thing would be close to anything but accurate
11 to start off, versus what you have currently in your
12 inventory that you probably have some kind of system to give
13 us a copy of.

14 MS. ALLEN: I think some of us would and most of
15 us probably wouldn't. So again it's a starting point. It
16 may not be the best starting point, but it is a starting
17 point and it is an agency that we have to consistently share
18 things with and -- I don't want to say prove things, but
19 verify -- we have to verify a lot of things with that
20 agency.

21 So again I go back to the day the AB300 list came
22 out and we were all very quick to want to fix things and it
23 was quite difficult, so --

24 CHAIRPERSON BUCHANAN: Well, my comment is this.
25 When I look at the list -- and obviously we can make more

1 reports or more copies or maybe if you email Ms. Moore, she
2 can send this to you, but I mean the information they're
3 asking for is modest and right now to be eligible, I mean if
4 you think of our eligibility system, we're supposed to be
5 matching up how many classrooms you have to how many
6 students you have and figuring out what capacity is.

7 I don't see -- in terms of this list, I don't see
8 where we're asking for that much more information. You
9 know, and at some point in time, I had someone at a high
10 level say, well, you know, we've spent all this money in the
11 last decade; have we caught up? Do we really still have
12 need.

13 And I can't tell you how many classrooms we have.
14 I can't tell you how many schools have. I can't tell you
15 how old they are. I don't want the detailed information
16 that San Diego and LA have, but in terms of Mr. Vincent's
17 comment, I mean it's -- you know, so the condition -- I
18 believe individual districts are going to have to take
19 responsibility for that.

20 But in terms of having some sort of space or
21 inventory there, I just fail to see how it's that
22 unreasonable and, you know, it's -- like I said, this is
23 not -- when you look at this, and maybe, you know, I would
24 suggest you take a look at it, it really is -- I think the
25 information is relatively modest and I don't see where --

1 again I agree with Mr. Hagman, having someone at DSA go
2 through blueprints that are maybe 30 years old, I just can't
3 see where that's a good use of anyone's time or money.

4 MS. ALLEN: Well, I mean to clarify I'm not saying
5 that it's unreasonable at all. We definitely want to
6 provide the data. We just want to make sure we provide the
7 right data and accurate data. So -- and I haven't the --

8 ASSEMBLYMEMBER HAGMAN: I mean the whole
9 concept -- and I guess I still have a hard time with this
10 when -- I guess this touching my last speaker with that --
11 this partnership is not trusted on both directions and we're
12 about to close our side of the partnership and say you're on
13 your own. Okay.

14 And we're trying -- we're on your side. We're
15 trying to make the case that this is a good partnership, we
16 need to go forward. But can anybody in any business
17 scenario say I'm going to go partner with you and not have
18 any data whatsoever to say I'm going to be venture
19 partnership with.

20 And for those school districts to say, well, I
21 don't want to give it to you, you have enough, it just
22 doesn't make any sense to me.

23 You know, there's -- most of the folks are saying
24 we're done, all the needs have been met, let's move on. And
25 we're trying to say, well, we believe there's more need.

1 But we don't have any data to share with them, the ones we
2 have to convince.

3 So we're reaching out to you saying look, come
4 help us with that data if you want to this program to
5 continue on in the future, not just the immediate need but
6 five years from now or so.

7 And to sit there and say, well, we don't trust the
8 State with that data, well, you may lose your business
9 partner very quickly.

10 CHAIRPERSON BUCHANAN: Do we have one more? Do
11 you have any more comments? Do you have comments to make?
12 Like I said, we have one more item to -- and, hopefully,
13 Curt doesn't have an early plane -- early flight.

14 MS. STEER: Good afternoon. Thank you so much for
15 letting me speak, Committee members and Committee Chair.

16 Heather Steer, Western Placer Unified School
17 District in Lincoln, California, about 30 minutes from here.

18 I've spoken to you guys before and actually since
19 I have the speaker, I was going to -- I was giggling when I
20 was looking at this picture, so I'm going to use your
21 reference here, Lee, but it's the picture right here of the
22 blue building, by the way, if this is what you're thinking
23 when you talk about the -- or the roll-on, I am 100 percent
24 behind you on that because that does not look like anything
25 I would ask for funding on.

1 So I just -- I wanted to point that out
2 separately.

3 But as far as it goes, it seems like there's been
4 a question -- and I finally had to get up -- of, you know,
5 we see a lot of -- now I've seen San Diego, LA Unified,
6 examples of other states and everybody's thinking the worse
7 about smaller school districts that really can't provide
8 that information and that's me.

9 So I thought it would probably be valuable for me
10 to get up.

11 CHAIRPERSON BUCHANAN: Let me just go over
12 again -- I'll just say --

13 MS. STEER: I don't have the list, so I don't
14 know.

15 CHAIRPERSON BUCHANAN: The list is really simple.
16 You CDS code, school name, school location, school type,
17 elementary, middle, high, grades, enrollment, area of site,
18 total area of buildings, number of buildings, status, site
19 energy use, which we could include that or not include it,
20 depending on the system.

21 And then for the building, you know, it's just the
22 building -- designation, building use, area, number of
23 stories, year built which I would say built slash renovated
24 because we want probably both, number of classrooms or
25 teaching stations, grade levels, and type of construction.

1 It's a very --

2 MS. STEER: I can get you about 50 percent of that
3 data.

4 CHAIRPERSON BUCHANAN: Well, then --

5 MS. STEER: And I'll tell you why because I know
6 you guys are probably curious as to know why.

7 We are an old rural district. We are the rural
8 district that exploded. It exploded without -- as many of
9 you, you don't necessarily have the funding for staff.
10 There was no facility staff until 2006.

11 CHAIRPERSON BUCHANAN: Well, can you give us an
12 example of the type of information you can't provide?

13 MS. STEER: That I cannot provide? When you talk
14 about total building areas, I -- when you say, you know,
15 30-year-old plans rolled up somewhere probably aren't going
16 to help you much, that's pretty much what I have if I can
17 find those.

18 You mentioned the example of the district you were
19 in, you know, good luck finding the original as-built on
20 buildings.

21 I have lots of renovations that I cannot find any
22 plans on. I don't know when they were last renovated. I
23 don't know when roofs last went on. Records were not kept
24 by old staff. It wasn't something they ever did.

25 Nothing is on pdf. Nothing is --

1 CHAIRPERSON BUCHANAN: Right. I could probably
2 walk most buildings and say they're 30 feet wide and however
3 many feet long.

4 MS. STEER: Well, I mean, you know, I could throw
5 a stab at it, but -- I mean, you know, I can shoot it with a
6 gun, but -- if I could qualify that.

7 When you say, well, we need to go out then and get
8 that information and you could probably walk it and you
9 probably could, but I'm a staff of one. I don't have any
10 staff to go out and I don't have any district money to hire
11 consultants or staff to go out to do that.

12 We have three maintenance workers for our entire
13 district and that includes grounds and all of our
14 maintenance. We don't have trades workers. So we have
15 three maintenance people. So I can't even ask the
16 maintenance department to go out and do that.

17 MS. MOORE: How do you file your projects with the
18 State?

19 MS. STEER: What do you mean?

20 MS. MOORE: Do you file projects with the State?

21 MS. STEER: Yes. We did in --

22 MS. MOORE: And who does that work?

23 MS. STEER: I have to do that work when we do it.

24 CHAIRPERSON BUCHANAN: How many schools do you
25 have?

1 MS. STEER: We have 11 and a school farm.

2 ASSEMBLYMEMBER HAGMAN: And for emergency planning
3 with your local police for insurance purposes, you have to
4 list your square footage for insurance. For giving reports
5 to a board member to say I need this much money to paint my
6 building, how do you do that without having some of this
7 information?

8 MS. STEER: Well, our inventory list that we have
9 on file is antiquated. We have a consider rollover. Every
10 single time we have to go through fixed assets and every
11 single time, I always put the question mark up. I guess, if
12 that's what we had before. I don't know.

13 We even had a lot of work -- when you talk about
14 removing portables. Well, if we -- if, you know, you guys
15 know when you removed portables or added them, I often
16 don't. In fact, we have portables that are giant question
17 marks. They don't even have numbers on them.

18 I'm trying to do closeouts on buildings that I
19 can't even find information.

20 CHAIRPERSON BUCHANAN: You know, I'd be willing to
21 bet you if I went into any of the schools in my district, I
22 could walk into the office and there would be a site plan of
23 the school that would tell me how many buildings -- I could
24 look at that and say how many buildings there are, add up
25 how many classrooms because we know what the classrooms are

1 because they do have to have, you know, the little dotted
2 lines to show where you go if you exit a building or
3 whatever.

4 So I would think most principals could tell you
5 how many buildings and how many classrooms they have and how
6 they're used.

7 MS. MOORE: I guess I would just ask as we move
8 through this issue and I think you can see that there is
9 support for an inventory is maybe turning it around to how
10 can it work for you.

11 So look at the list or go back and determine what
12 information that we may need at the State level to make good
13 decisions would also help you at the local level to make
14 good decisions and how can we work together to have
15 something that works both here and with you.

16 Completely understand you're a department of one.
17 So help us figure out how to make it work for districts like
18 you or LEAs like you so that it can -- you know, that we can
19 move forward with this issue.

20 MS. STEER: Well, and I don't think it's -- and I
21 don't want you to think I'm anti-inventory because I'm
22 actually a pro. I've always been a pro inventory. In fact,
23 I'm trying to -- I don't know how it's going to work --
24 integrate a little bit of that in a master plan update.

25 As you said, a lot of them are sheltered under a

1 master plan. So it's not going to be very specific, but
2 when I start getting comments of like -- and, you know, as
3 we talked about -- and I think -- we're bifurcating it,
4 bifurcating it from the assessment, I can walk down and go,
5 well, I've got five classrooms and they're usually about
6 960, but then I'm going to be getting you not exact date.

7 If I had a wish -- you know, if -- in fact, that
8 was actually one of the things I asked for when I first
9 started and nobody could provide them. I had to go to each
10 site and collect fire drill maps and they're not obviously
11 to scale.

12 So I did all that and I would love to be able to
13 walk into the office one day and have that information be
14 there and be able to get it. It's just -- I've already
15 started this very slow hill climb of trying to get as much
16 as I can.

17 From here forward or from when I started forward,
18 it's very easy, but it's the older stuff as you mentioned
19 that's hard.

20 It's almost like I want to just make sure that
21 we're -- as we go forward with this for districts like
22 myself or for, you know, even Sac City Unified when I heard
23 Cathy say she's got it on different -- various places and,
24 you know, trying to put that all together is that it's just
25 really a little bit more of --

1 CHAIRPERSON BUCHANAN: Well maybe --

2 MS. STEER: -- we're making sure we're making a
3 slow and reasonable time for it and that people have the
4 ability.

5 CHAIRPERSON BUCHANAN: Maybe rather -- maybe --
6 because I know that there's information that has to be
7 provided just to get eligibility to participate in the State
8 program, some of this stuff that we're talking about.

9 So maybe as Ms. Moore suggested, you can go back
10 and look at the information on this report if this were
11 where we were to start gathering information and think a
12 little bit about what would be involved if you did have to
13 provide that information.

14 MS. STEER: Um-hmm.

15 CHAIRPERSON BUCHANAN: That would be very helpful.

16 MS. STEER: Do you want me to -- and again I'd be
17 happy to do that.

18 CHAIRPERSON BUCHANAN: Yeah. Sure -- that'd be
19 great. You know, the more information we have, the better.
20 Thank you.

21 MS. STEER: Absolutely. Yeah. I'd love to do
22 that. I think --

23 MS. MOORE: I just wanted to also point out to the
24 Board members that on the school site information on the 11
25 items, actually one, two, three, four, five, six of them can

1 be linked to the CDS code.

2 CHAIRPERSON BUCHANAN: Right.

3 MS. MOORE: So the district wouldn't have to
4 say -- do anything.

5 CHAIRPERSON BUCHANAN: Right. Right.

6 MS. MOORE: They put their CDS code in and it
7 could auto populate that part.

8 CHAIRPERSON BUCHANAN: Right.

9 MS. MOORE: It's the other pieces that --

10 CHAIRPERSON BUCHANAN: Right. And some of the
11 information we probably have in our system.

12 MS. MOORE: Well, your year built/renovated, you
13 might be able to --

14 CHAIRPERSON BUCHANAN: That's right. Yeah, that's
15 exactly right.

16 MS. MOORE: -- pull from OPSC renovated.

17 CHAIRPERSON BUCHANAN: Right. Yes.

18 MS. MOORE: So that's that integration piece I
19 think a lot of people are talking about.

20 CHAIRPERSON BUCHANAN: And I understand that we
21 might be off by a year or two on something where someone
22 isn't sure, but over time, as you upgrade. But if you could
23 go back and take a look at this and give some thought, that
24 would be great.

25 And I want to wrap this up really soon because we

1 still have one more item and we've been here on this one --
2 we've been on this one for, what, three hours, but --

3 MR. GONZALES: Good afternoon. Richard Gonzales,
4 Capital Advisors.

5 To your list: Item 11, I don't see a need for it
6 right here at this point in time for --

7 CHAIRPERSON BUCHANAN: Right.

8 MR. GONZALES: -- for high elevation view. So
9 that would be my primary point.

10 MS. MOORE: We were just thinking about
11 Prop. 39 --

12 CHAIRPERSON BUCHANAN: Right. And then --

13 MS. MOORE: -- and you know, kind of
14 integration --

15 CHAIRPERSON BUCHANAN: -- and then there's
16 different Prop. 39 requirements and some districts may be on
17 a central system and have that or not, but I'm not --

18 MS. MOORE: Right.

19 CHAIRPERSON BUCHANAN: -- Prop. 11 [sic] isn't the
20 top of my priority list.

21 MR. GONZALES: Totally understand.

22 CHAIRPERSON BUCHANAN: This is just a list that
23 someone came up with.

24 MS. MOORE: And this -- right. This was a
25 group -- as I said, we gathered a group together at the

1 Department of Education because this was a recommendation in
2 the U.C. Berkeley report to try and begin the process. So
3 that -- it's a beginning process point.

4 MR. GONZALES: I want to parrot what others have
5 said and for that matter, what I see here, this list is a
6 good list. It's a great place to start. I think you've got
7 the workings for it.

8 There are issues -- one small issue that this
9 young lady just brought up. Prior to 1998, every
10 application that came into the State Allocation Board
11 through OPSC or OLA at the time had to have what's called
12 1A, 2A, and 3A drawings. Okay.

13 Since that has stopped being a requirement, most
14 districts are not even having those documents available.
15 They're not up to date.

16 I've had several cases where I've gone to try and
17 find out what's the age of this building, what's the age --
18 and some of these districts have very good -- what would be
19 perceived to be very good recordkeeping, files and plans and
20 all sorts of things.

21 And yet I still found buildings that I could not
22 find a true age to. All right. So that's one problem.

23 The other is sometimes these districts go out and
24 they modernization and it's a pot shot here, a pot shot
25 there. One project's just about the toilets. Or under the

1 old Lease-Purchase Program, there was a line of construction
2 you could only do classrooms up to that point and place and
3 sometimes that information gets lost over time and history
4 or you end up with little pockets within an existing
5 building of one room or another being modernized.

6 So the original year built, great. If you've got
7 years in which there was modernization in that building
8 without specifying the specific space maybe, then I think
9 that would be valuable.

10 CHAIRPERSON BUCHANAN: Thank you. And I'm sure if
11 we do end up moving forward, there will be discussion on --
12 I've got to move on. I've got to go to -- no. I need to go
13 to the next agenda item.

14 MR. DIXON: We support it. That's all.

15 CHAIRPERSON BUCHANAN: Good. I just -- I want to
16 move on. I want to thank everyone for your comments and for
17 your indulgence and I would like to move to the charter
18 school item here. Thank you.

19 MS. KAMPMEINERT: Okay. Barbara Kampmeinert with
20 the Office of Public School Construction.

21 For this item, the Office of Public School
22 Construction has put together some programs on the Charter
23 School Facilities Program. Since this is a follow-up
24 discussion, we don't have kind of detailed information about
25 how the program works, but this is a quick reminder.

1 The program operates with the preliminary
2 apportionment first for charter schools which reserves the
3 bond authority and then the program converts the project to
4 a final apportionment.

5 So I'm using the term conversion in these
6 statistics. When you see that, that means that the charter
7 school has taken the concept and moved it forward to where
8 they have State agency approvals and that's what a lot of
9 these statistics look at.

10 I'm actually going to start on page 28 of the
11 item, the second page. And on the top chart there, there's
12 just an overview of the status of the preliminary
13 apportionments in the program.

14 There were 81 preliminary apportionments and they
15 are in various stages right now. And right now, there are
16 still projects and filing rounds that are active; so not all
17 the projects have hit their statutory deadlines of four
18 years with a possible one-year extension.

19 So we still have 28 projects that are active in
20 the program. Of the preliminary apportionments, 34 have
21 already converted to a final apportionment and we have had
22 19 rescissions.

23 One thing to point out is the fiscal crises did
24 hit in the middle of the Charter School Facilities Program
25 and that did have an impact on the cash available to charter

1 schools, and since they don't have access to a lot of other
2 funding for their local match, many of the projects were
3 unable to move forward and so the State Allocation Board
4 took some actions to try to get the advance funding for
5 charter schools available during the time of the fiscal
6 crisis and placed them on the unfunded list.

7 So there were some hiccups in the timing of the
8 program.

9 So down at the bottom of page 28, we have
10 identified the timing to convert from preliminary to final
11 as being an average of 4.63 years, but that is with the
12 fiscal crisis. And then --

13 MS. MOORE: So then are you saying, Barbara, that
14 that was a good time frame then if everyone able -- they
15 were able to convert within that five years?

16 MS. KAMPMEINERT: People were still able to
17 convert even with the fiscal crisis coming and I think one
18 of the main places that -- we don't necessarily have true
19 outcome data on this program yet because it's still a little
20 bit early. Not all the projects have converted.

21 And then the last page of the item deals with the
22 specific circumstances that each filing round dealt with.
23 So we don't have a good clean filing round from start to
24 finish that didn't have some sort of environmental impact
25 that hit.

1 We had -- for instance, we had the fiscal crisis
2 hit which interfered with the ability for charter schools to
3 get the advance funds to move the projects forward within
4 the time frame.

5 With the round that was done with the bond funds
6 from Proposition 55, the program was structured so that
7 there were project caps on the amount of the preliminary
8 apportionment because there were many charter schools that
9 realized that the project caps were preventing the projects
10 from moving forward.

11 So there was a time period where people waited to
12 figure out what was going to happen and then the project
13 started moving again once the Board took action to make some
14 regulatory changes to make the amounts that charter schools
15 would receive more on par with what school districts would
16 receive. So there was a little hiccup in the timing there.

17 The latest filing round started when funds were
18 frozen and timelines were frozen, so things weren't even
19 counted. So it's really hard to measure if folks are coming
20 in within the four to five years.

21 So we tried to get at it a couple ways, but you
22 have to take into consideration the environmental factors as
23 well.

24 On page 29 and 30, what we've tried to do is look
25 at the types of charter projects and we've broken them down

1 a couple of different ways.

2 The pie chart on the top of page 29 shows the
3 projects that did convert, the successful conversions, and
4 what types of organizations converted the applications.

5 Now we're using terms like educational management
6 organization, independent charter school, dependent charter
7 school. These are loose terms. They're not strictly
8 defined, but they're sort of common working knowledge of who
9 these folks are.

10 But you'll see a breakdown. The district
11 dependent charter schools, you'll only see four. We didn't
12 have a lot of applications in the program from the district
13 dependent charter schools.

14 But with the EMOs and the independent charter
15 schools, it's about 50-50, about how they're converting.

16 And then most of the projects that have converted
17 so far have taken advantage of the full matching loan that
18 the State provides for the matching share requirement.

19 On page 30, we start to look at projects that
20 rescinded to see if there are any trends in there and that
21 pie chart at the top shows the breakdown of reasons why
22 projects rescinded.

23 Some of the highlights, we did have several
24 schools that received SFP funding through another source; so
25 they may not have converted under the Charter School

1 Facilities Program, but they were able to successfully work
2 with their local school district and participate in another
3 School Facility Program, so not necessarily a failure of the
4 project, just a switch in which bond source they were using.

5 We did have others that sought funding from an
6 outside source because it made more sense for the project.
7 On occasion, folks encountered good private financing
8 options that made more sense for the particular project.

9 And for those that were unable to meet program
10 requirements, for half that group, it was a desire to locate
11 the project outside of the area that had generated the
12 eligibility; so more of a choice as opposed to a stumbling
13 block potentially in the program requirements.

14 And then the other thing, we wanted to follow up
15 on some questions that came up on the January Board meeting
16 as to whether the distribution system that was outlined in
17 the statute for how the bond authority was spread with the
18 charter schools worked and also whether the inflator factor,
19 which is designed to account for the time lapse between the
20 preliminary apportionment and the final apportionment
21 worked.

22 And that data begins with the pie charts on
23 page 31 and 32.

24 And we've broken -- there are four categories in
25 statute that bond authority was intended to be spread

1 amongst different types of charter schools and the first one
2 was region and then the type of locale being urban, rural,
3 and suburban, also by grade level and school size.

4 And then as to those categories would be -- within
5 those categories, each project received preference points
6 for other things such as low income categories, nonprofit,
7 things like that.

8 So what we did notice in looking at these charts
9 if that we have a lot of urban projects and a lot of
10 Region 3 projects. And what we were able to tell from that
11 is that for the projects that applied those areas, there is
12 a heavy concentration of charter schools in Region 3.

13 Also a lot of the charter schools that applied
14 were in areas that had the high free and reduced lunch
15 percentages. So that's one of the reasons that you're
16 seeing a large portion of the charter school funding going
17 there.

18 CHAIRPERSON BUCHANAN: So I don't want to
19 interrupt entirely, but some of the charter school folks
20 have to leave at 5:00. So maybe what we can do -- I think
21 everyone's probably looked at this, maybe you could come up
22 and provide input, and, Barbara, I apologize, and then we'll
23 go to additional questions.

24 And I apologize. We didn't expect the last item
25 to go quite so long.

1 MS. CASTREJON: That's quite all right. Thank you
2 so much, Madam Chair and members of the Subcommittee. We do
3 apologize, but we have an avoidable conflict, but we'll do
4 our best to be very succinct and would be more than happy to
5 come back at your convenience to fill in additional detail.

6 What we really wanted to do today as succinctly as
7 possible was to give you a little bit of context of how the
8 state bond program fits into the variety of facility
9 solutions that are accessible to charter schools and how
10 that impacts charters differentially, especially in the
11 context of their life cycle.

12 Unlike district schools, of course, charters are
13 subject to renewal every five years and we have a
14 tremendously robust movement.

15 Even though the official figures aren't out right
16 now, we are looking at around 1,200 charter schools
17 operating as of '13-'14, enrolling close to 10 percent of
18 the State's public school students and close to about a half
19 a million students across the State.

20 And of those, interestingly, about 106 are new
21 this year. 650 or so are five years or more older and about
22 400 or so are ten years old and more, which does present a
23 variety of opportunities as well as challenges for schools
24 that are just starting out without any, if you will,
25 history, academic record, a provable track record of fiscal

1 responsibility, if you will, and different options become
2 available as they become more mature.

3 So right now, the landscape for charters is a
4 charter school just becomes first authorized, they literally
5 have only two functional options. One is to have access to
6 Prop. 39 which is of course the provision whereby a district
7 where the charter is located has the obligation to provide
8 recently equivalent facilities to the students in the
9 charter.

10 Within that option, the district only has
11 obligation to provide space for the students that reside
12 within the district, not the students that come outside
13 under the choice provisions and, therefore, the space
14 allocation is calculated accordingly.

15 The Prop. 39 agreements essentially are
16 year-to-year agreements and it's typically a choice that a
17 brand new charter school attempts to access on its first
18 authorization after it submits its charter petition prior to
19 the November 1st deadline.

20 Barring Prop. 39 options, the other options, of
21 course, leasing a private facility at fair market value
22 which can, of course, vary tremendously by location, not
23 only in terms of price but in terms of access and the
24 ability and the usability of the space as an educational
25 facility.

1 In order for a charter school, especially a very
2 young charter school, to pay for those private facilities,
3 they do have access to two programs. One is the SB740
4 program administered by the State and the Federal Facilities
5 Incentive Grant Program, but both of those really are very
6 specific in their targeting. They're really designed for
7 charter schools that are enrolling 70 percent and above of
8 free and reduced lunch students.

9 CHAIRPERSON BUCHANAN: That's changing next year;
10 right?

11 MS. CASTREJON: Yes -- but yes and thank you so
12 much for working with us on that issue. We do appreciate
13 that. That's incredibly important to expand that
14 eligibility.

15 The charter schools that access these funds do
16 not -- cannot then use these funds to pay for Prop. 39
17 enabled facilities.

18 If there's a thread to what we're trying to
19 accomplish here, it's to paint a picture of how the
20 interlocking and sometimes competing patchwork of facility
21 solutions interact in the charter space and provide an
22 opportunity for us to make the bond program more robust.

23 The more mature charters -- and again really only
24 the charter schools that have a demonstrated longevity,
25 usually after their second renewal often, may have access to

1 private financing options for -- to buy a facility, to build
2 a facility, to access a bond program in a more intentional
3 way.

4 For those programs, there does exist the State's
5 Credit Enhancement Grant Program, which funds debt service,
6 but it's an extremely small program right now. It is capped
7 right now at 1.5 million per project and the total pot of
8 money is 8.3 million. So you can imagine how very little
9 impact this particular solution has.

10 There are some issues again around how charters
11 are impacted as they -- in their quest for reasonable and
12 appropriate educational facilities.

13 We do not have independent bonding authority.
14 So -- and the fact of it is that even though districts can
15 include charters in their local bonds, it simply hasn't
16 translated into a natural material reality.

17 In 2012, for example, 98 bonds were put to the
18 voters; 84 of those passed; and of those, only 43 of those
19 districts that passed bonds have charters active within
20 their portfolio, only 2 explicitly included charters in
21 their bonds. And that would be San Diego and Eastside Union
22 High.

23 Of course, there are other challenges as well
24 because there aren't dedicated funding streams specific to
25 facilities outside of the grant which has the restrictions

1 that we mentioned earlier.

2 Charters essentially have to pay for their
3 facilities costs out of their general funds. And
4 interestingly, we've been very aggressively collecting data
5 from our charters across the State for a number of years,
6 but we were also pleased that recently, as part of a
7 multi-state, federally-funded survey, it confirmed our
8 findings that essentially charters right now are paying
9 anywhere in the range between 10 percent and 12 percent of
10 their general ADA to pay for their facilities costs and with
11 some outliers, as high as 30 percent or more.

12 MS. MOORE: Can you advise how much of your
13 general ADA comes from philanthropic donations?

14 MS. CASTREJON: It is somewhat uneven in terms of
15 the kinds of schools. Certainly there are some standalone
16 schools that are very well supported by philanthropy.
17 Certainly some of the more prominent charter management
18 organizations do enjoy some philanthropic support, but we
19 have indexed that overall statewide at an average about 10
20 to 12 percent across the State with huge variations.

21 MS. MOORE: The same percentage. As a member of
22 the California School Finance Authority Board, we see, as
23 they come forward for their fiscal soundness, that there
24 seems to be tremendous contributions --

25 MS. CASTREJON: Um-hmm.

1 MS. MOORE: -- of private sources.

2 MS. CASTREJON: Sure. And like I said, it's
3 fairly unevenly distributed.

4 Certainly a rural charter school has as many
5 differences with an urban CMO school as a traditional public
6 school -- rural school has with an urban in Los Angeles, for
7 example, or another urban district.

8 Let's talk specifically about the program itself.
9 Obviously, this is really -- our long-term objective should
10 be to encourage as many charter schools to get out of
11 permanent tenancy and to have access to long-term facility
12 solutions that are adequate, that are adequate to the
13 educational program and conducive to good learning.

14 CHAIRPERSON BUCHANAN: So would you include in
15 that long term then to be in schools that meet the Field Act
16 and the -- you know, engineering requirements of traditional
17 schools?

18 MS. CASTREJON: Well, certainly if you're building
19 schools with bond money, that is something that the charters
20 would want to adhere to.

21 Certainly because of the varying impacts of cost,
22 location, and life cycle, building your own facility
23 certainly requires a tremendous amount of obligation on the
24 part of the charter and we are absolutely committed to
25 vetting them for financial soundness, frankly, as well as

1 academic performance since charters live or die by that.

2 CHAIRPERSON BUCHANAN: Well, I know, but I'm
3 meaning when you're talking about --

4 MS. CASTREJON: Um-hmm.

5 CHAIRPERSON BUCHANAN: -- that that's the
6 long-term goal, I mean if State money goes into a building
7 and for some reason the charter ceases to operate and that
8 reverts to the district, it seems to me you want to have a
9 usable school at the end and not something a district can't
10 use.

11 MS. CASTREJON: Absolutely. Absolutely.

12 In terms of the challenges that we have right now
13 and certainly charters because of the high cost of
14 construction and the long-term debt obligations, that
15 doesn't always match up with the renewal cycles.

16 Certainly the matching share is an ongoing
17 challenge to come up with that high of an amount to finance
18 over the long term.

19 Again whatever they're paying back -- using to pay
20 back those capital costs are -- do come still out of their
21 ADA and their general fund.

22 In the financial soundness process, I would
23 completely agree that a very rigorous process is
24 necessary -- is actually right now somewhat more burdensome
25 than it needs to be and streamlining would be a good

1 opportunity for charters to make better use of the program.

2 The facilities use agreements, sometimes --

3 MS. MOORE: Can you just --

4 MS. CASTREJON: Yes.

5 MS. MOORE: -- elaborate what is it that is
6 onerous in that process. I mean again sitting on that
7 board, seeing the projects come forward, we believe it's
8 been a very essential part of ensuring that we're funding
9 schools that do have the opportunity for the long haul.

10 So what is it about that that is needing
11 attention?

12 MS. CASTREJON: Well, so, I think one of the
13 things that we hear the most from charter schools as we've
14 been hearing today from districts themselves as well is that
15 facilities and financing does require a very specific skill
16 set and expertise.

17 The guidance that we believe that can be given in
18 advance to charter schools to be better prepared to
19 undertake the kind of rigor that the process takes and being
20 very specific around timelines and forms of evidence that
21 the schools can give can certainly be -- would be very
22 helpful.

23 MS. MOORE: So technical support.

24 MS. CASTREJON: Absolutely.

25 MS. MOORE: Okay.

1 MS. CASTREJON: And streamlining of timelines and
2 guidance for sure.

3 I'm going to jump straight through to the four
4 elements that we would love to see improved on the State
5 bond program that should be an important component for
6 charter schools to make better use of these opportunities
7 and still good judicious use of public funds.

8 We certainly believe in proportionality that
9 can -- both in terms of how the bonds are obligated and in
10 their use in creating equitable solutions for everyone.

11 Streamlining as we discussed just now, the program
12 is somewhat complicated. Additional technical assistance
13 and clarification in advance, support for schools would be
14 very helpful.

15 The increased use of tools to best utilize
16 existing school space. We know, of course, that that
17 continues to be a challenge just on inventory and in
18 understanding, what exactly exists with districts that help
19 incent their inclusion of charter schools.

20 Right now, we do have incentives for charters to
21 use district facilities. We'd love to incentivize districts
22 to give surplus facilities to charters in a way that will
23 help alleviate some of the Prop. 39 pressures and at the
24 same time make better use of the existing facilities, so
25 additional monies and flexibility for the use of rehab

1 monies, for example, would be really, really helpful.

2 And of course, as much as we can use the variety
3 of vehicles to encourage collaboration -- we certainly
4 legislate love. We know that.

5 But insofar as we can create incentives and
6 carrots to sweeten the marriage proposal, that would
7 certainly be an incredibly helpful opportunity for charters
8 as well.

9 And, of course, the inclusion of charters in local
10 bonds would ultimately be fantastic.

11 And I just realized that you don't know who I am.
12 My name is Myrna Castrejon with the California Charter
13 Schools Association.

14 CHAIRPERSON BUCHANAN: So one of the things I'm
15 trying to deal with is, you know, in terms of the program
16 now, I mean some of what we're talking about deals with
17 potentially a new bond and other doesn't.

18 So right now, we've had somewhat of a bifurcation
19 of funds.

20 MS. CASTREJON: Um-hmm.

21 CHAIRPERSON BUCHANAN: I assume that you
22 continue -- would continue to support some sort of
23 bifurcation.

24 MS. CASTREJON: Absolutely.

25 CHAIRPERSON BUCHANAN: Right. Now, right now, you

1 can use the charter funds to rehabilitate a school. So I
2 assume that -- I mean when you talk about incentivizing
3 districts, if a charter can apply for --

4 MS. CASTREJON: Sure.

5 CHAIRPERSON BUCHANAN: -- funding to rehabilitate,
6 then that's a capability you have right now.

7 MS. CASTREJON: We do have it now. Absolutely.

8 CHAIRPERSON BUCHANAN: Right.

9 MS. CASTREJON: But we continue to, for example,
10 to incentivize -- offer preference points, be very specific
11 around the expectation of alleviating Prop. 39 pressures,
12 essentially making those options maybe not contingent but
13 certainly --

14 CHAIRPERSON BUCHANAN: So out of the --

15 MS. CASTREJON: -- integrated.

16 CHAIRPERSON BUCHANAN: Out of the charter school
17 pot.

18 MS. CASTREJON: Yes.

19 CHAIRPERSON BUCHANAN: Okay.

20 MS. MOORE: Are we -- go ahead.

21 ASSEMBLYMEMBER HAGMAN: Well, I was just going to
22 say my concern with that is as charters have to get renewed
23 every five years, there has to be some kind of incentive for
24 the school district to keep you at that physical location
25 and not to move you around, to spend the charter school

1 money on the school site and then say four years later or
2 two years, your charter expires, we'll renew you, but we
3 really want that facility, so I'm going to move you over
4 here. And all of a sudden, all the -- stay with you.

5 So there has to be some kind of --

6 MS. CASTREJON: Absolutely.

7 CHAIRPERSON BUCHANAN: And I'd like to know how
8 often that happens because if a district does that, it's got
9 to find another site for you. So I mean how often do you
10 end up -- I mean I would think that would be a very --

11 MS. CASTREJON: It does happen. You're right, but
12 it happens rarely. It's a huge disruption.

13 CHAIRPERSON BUCHANAN: It is the exception or --
14 yeah.

15 MS. CASTREJON: It certainly happens more on --
16 locations, for example, or on -- or charters that are just
17 beginning and put in a Prop. 39 request and they have growth
18 projections. The district can only accommodate on a
19 year-to-year basis.

20 CHAIRPERSON BUCHANAN: Right. But then you're
21 going to plan accordingly and I can see --

22 MS. CASTREJON: Absolutely.

23 CHAIRPERSON BUCHANAN: -- locations. But in terms
24 of you giving an entire school to a charter and -- I mean I
25 just don't see where districts --

1 MR. MIRELES: Madam Chair, I think there are some
2 protections in statute.

3 CHAIRPERSON BUCHANAN: Right.

4 MR. MIRELES: If the State bond funds go towards
5 charter schools --

6 CHAIRPERSON BUCHANAN: Right.

7 MR. MIRELES: -- the charter school can use it
8 until they no longer need it.

9 CHAIRPERSON BUCHANAN: Right.

10 MR. MIRELES: But that are some provisions in
11 statute that require that if they no longer use it that it
12 goes to another successive charter school. If there are no
13 other available, then the district can take ownership.

14 But there are some protections in statute
15 currently. Again this is just for the ones that receive
16 State bond funds. So the school district can't remove the
17 charter school from the facilities if the State provided
18 State bond funds.

19 CHAIRPERSON BUCHANAN: Right. And I don't see
20 where it would be in the interest -- I mean like I said, if
21 I -- I mean politically I can't imagine being on a school
22 board and getting -- and I can understand how -- okay, you
23 want to get started next year, this is all the space we have
24 next year. We're going to have to work on a more permanent
25 solution.

1 But I just don't see where it -- where that ends
2 up being a true issue over --

3 MS. CASTREJON: Certainly with the bond program,
4 we unfortunately don't have the critical mass of evidence of
5 successful projects where we could point to, you know, one
6 or another trend on how districts and charters behave
7 because it certainly -- it's just not something that we've
8 been able to access at the kind of level where we'd be able
9 to provide history.

10 But I believe your instincts are right.

11 CHAIRPERSON BUCHANAN: So again we've got -- you
12 support having a bifurcated amount. We've talked before
13 where we have -- I mean we didn't even know what -- if we
14 get a bond through, what it's going to look like, period.

15 So to -- and we've also had as hard a time
16 identifying your need as other needs.

17 MS. CASTREJON: Absolutely.

18 CHAIRPERSON BUCHANAN: Because ultimately the goal
19 should be to make sure every school is adequate. And you do
20 talk about some unique challenges that charter schools face.
21 Is there anything --

22 ASSEMBLYMEMBER HAGMAN: I have a question too. I
23 mean when you talk about local bond funding, it's going to
24 be difficult to convince school districts to do that. I
25 just don't see what their incentive -- you know, maybe some

1 brownie points for us, but, you know, what's going to make
2 them want to do that and since it makes it very difficult,
3 Madam Chair, for the charters to get matching funds and we
4 do have the loan program, is there a better way of doing
5 that so we could speed up the process of getting this money
6 and getting schools built basically?

7 MS. CASTREJON: Absolutely. Absolutely. And
8 insofar as we can provide incentives for districts to behave
9 differently when it comes to local bonds, that would
10 certainly be incredibly helpful.

11 It is a hard case to make and so far we haven't
12 been particularly successful which is why we've been --

13 CHAIRPERSON BUCHANAN: Right.

14 MS. CASTREJON: -- urging that conversation.

15 CHAIRPERSON BUCHANAN: And it's not just the
16 districts. It's what voters will support in that
17 district --

18 MS. CASTREJON: Absolutely.

19 CHAIRPERSON BUCHANAN: -- and it's a very -- you
20 know, complicated.

21 MS. CASTREJON: It's a tricky issue.

22 MS. MOORE: My comment on the -- we had the
23 separate pot, but we also had separate rules around that and
24 partially that was to give charters more time particularly
25 because they didn't have the ability to acquire land in

1 quite the same manner that local education agencies or
2 school districts do.

3 But I also know from our work in our office that
4 some of those deadlines moved projects along.

5 MS. CASTREJON: Yes.

6 MS. MOORE: And that's why I was really curious,
7 Barbara, when Barbara was talking about the average time.
8 We -- it was five years that we had.

9 I mean can we shorten that to get those schools
10 moving faster but still be sensitive to the issues that
11 charters face in acquiring land and building schools.

12 I like the deadlines. I think they move the
13 projects along. And so that's one area I'd be curious your
14 input on.

15 MS. CASTREJON: Absolutely. I don't have any more
16 specific items to add on that. Certainly how the charters
17 themselves have navigated the hurdles around timelines
18 varies based on the project, but coupling the issue of
19 longevity and in the kind of access that the schools have in
20 a more predictable, timely way would definitely help
21 charters get better access and, frankly, just have
22 awareness.

23 I mean we do -- I do believe that a lot of it just
24 seems daunting when you're also, you know, worried about
25 renewals and enrollment and growth and managing your

1 temporary facility solutions, but it is often a process --
2 very daunting for a small nonprofit, you know, board of
3 folks who take on with a long view on projects that frankly
4 are predicated on a window that is 30 years plus.

5 CHAIRPERSON BUCHANAN: So is there -- I know
6 you've had to sit through the whole last presentation, but
7 when we had San Bernardino County, they talked about their
8 districts going from a school with eight employees to San
9 Bernardino with 37,000.

10 So, you know, you think about half your school
11 districts being -- I used to think it was a thousand or
12 less, but someone said 2,000 or fewer students that we have
13 the same challenges.

14 And I don't know what -- and that's what I'm
15 saying it's right or -- but I don't know to what extent --
16 whether in traditional school districts where there can be
17 more support from the counties or whether, you know, you are
18 charter organization.

19 But it seems to me that it's a challenge that's
20 faced throughout the State if you have, you know, a small
21 school district.

22 I mean when you go to LAUSD, I mean even though
23 they have more resources, if you probably spread over it
24 over the students, they're probably not spending any more
25 per student. I mean their resource -- their challenge is

1 daunting at the other end. They have so many, they have a
2 hard time --

3 MS. CASTREJON: Absolutely. Well, scale changes
4 everything, for sure.

5 CHAIRPERSON BUCHANAN: -- getting it -- so I don't
6 know -- do you have any other ideas in terms of how -- I
7 mean we -- you can't take over the planning, so do we sort
8 of deal with that?

9 MS. CASTREJON: Well, certainly the collective
10 work of our own association and we do have dedicated
11 facility staff as well as a number of organizations that do
12 offer technical assistance and support specifically on
13 accessing of facilities.

14 It's a small, highly, highly qualified and
15 rarified under a skill set group of folks, but they do exist
16 and we do the best we can to aggregate the challenges and to
17 help people navigate the process.

18 I don't know ultimately how we fix the issue of
19 staffing, but insofar as the streamlining and
20 predictability, if you will, and access can be improved,
21 that will help with the capacity problem but will probably
22 never be completely overcome.

23 ASSEMBLYMEMBER HAGMAN: You know, and sometimes
24 when you're doing planning, to save a buck is worth as much
25 as making the dollar.

1 MS. CASTREJON: Absolutely.

2 ASSEMBLYMEMBER HAGMAN: And if there's unused
3 assets out there that we could somehow incentivize and not
4 to have to spend bond money to build something new --

5 CHAIRPERSON BUCHANAN: Well --

6 ASSEMBLYMEMBER HAGMAN: -- it's worth -- you know,
7 if it cost me 20 percent to incentivize a district to let a
8 vacant site be utilized, it saves 80 percent, you know, of
9 the building costs and a heck of a lot of timing and
10 processing and things like that.

11 So as much as -- you know, staff gives us
12 suggestions or from school districts, I know there's both a
13 capital or facilities argument for not sharing sometimes and
14 there's also an operations that they have to worry about as
15 far as pulling students out of that district.

16 Both those are two huge barriers to charters to
17 get their feet on the ground.

18 CHAIRPERSON BUCHANAN: Well, the recent budget --

19 ASSEMBLYMEMBER HAGMAN: And if we can incentivize
20 and make it a win-win somehow --

21 CHAIRPERSON BUCHANAN: Yeah. The recent budget is
22 trying to require just that. You have, you know, unused
23 facilities.

24 MS. CASTREJON: Um-hmm. The surplus property,
25 absolutely.

1 ASSEMBLYMEMBER HAGMAN: It goes back to trying to
2 figure out if they're there or not.

3 MS. CASTREJON: Yeah. That's exactly right.

4 CHAIRPERSON BUCHANAN: That's exactly right.

5 MS. CASTREJON: We look forward to coming up with
6 some -- better story line after that's implemented.

7 CHAIRPERSON BUCHANAN: Yeah, we're trying.

8 Well, I'm sure this is a continuing conversation
9 that's going to continue. So we'll just keep talking. I
10 appreciate your input. I don't know if anyone in the
11 audience has any comments.

12 I know -- I understand your issues. I just don't
13 know what all the solutions are.

14 MS. CASTREJON: Well, we thank you for the
15 opportunity to come and --

16 CHAIRPERSON BUCHANAN: Yeah. Sure.

17 MS. CASTREJON: -- certainly as more questions
18 emerge or if there are things that you'd like us to research
19 further --

20 CHAIRPERSON BUCHANAN: We'll probably have to talk
21 some more. I mean, like I said, it's clear that charters
22 have to be part of the next bond.

23 Some of the barriers, I don't know if the bond in
24 itself, you know, can resolve that. But we'll keep talking
25 and thank you very much for your patience. I know you had

1 to leave at 5:00 and it's ten after 5:00 so --

2 MS. CASTREJON: I did. Thank you very much for
3 the opportunity.

4 CHAIRPERSON BUCHANAN: Thank you very much. So --
5 public comment -- we also took public comment. The intent
6 was to take it at the end of each item -- any public comment
7 on the charter schools issue?

8 If not, then I just want to thank staff for all
9 your work that you continue to do on this. It's kind of
10 like we're bombarded with information, but it's all good to
11 think about all of it.

12 MS. MOORE: -- next meeting --

13 CHAIRPERSON BUCHANAN: Well, we're working on
14 scheduling the next meeting.

15 MS. SILVERMAN: We're working on scheduling that
16 meeting. We're trying to -- for the October 23rd between
17 3:00 and -- yeah -- or the 24th which is a Thursday.

18 MS. MOORE: So for those following us, the
19 possibility of the 23rd or the 24th for the --

20 MS. SILVERMAN: That's correct. Yeah.

21 CHAIRPERSON BUCHANAN: Right. Yeah. Thank you
22 very much. We're adjourned.

23 (Whereupon, at 5:10 p.m. the proceedings were recessed.)

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REPORTER'S CERTIFICATE

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) ss.
COUNTY OF SACRAMENTO)

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