# COUNTY OFFICE FACILITY PLANNERS MEETING UPDATE OCTOBER 2017

# UPCOMING EVENTS

# CASH October Workshops

The Challenge of Navigating the Newly Added Complexities to the School Facility Program 10/3/17, Fresno 10/5/17, San Diego

#### **CASH Fall Conference**

October 19-20, 2017 The Duke Hotel, Newport Beach (formerly the Fairmont Newport Beach)

# CASH October/ November Workshops

Significant Changes Affecting School Facility Projects 10/26/17, Redding 11/2/17, Sonoma

# Save the Date! CASH 39<sup>th</sup> Annual Conference

February 26-28, 2018 Hyatt Regency Hotel/Sacramento Convention Center

# **UPDATE**

#### **Proposition 51 Update**

Sell School Bonds Press Activity

CASH is continuing to spread the message that planned bond sales are insufficient to meet the current school facilities need. After a successful *Sell School Bonds* press conference in Sacramento on August 23, 2017, several newspaper articles and letters to the editor have been published on this issue. More regional opinion pieces and editorials are planned over the next few months, to highlight the need in local communities and the projects that have been filed and await state funds. If bonds continue to be sold at the current rate, it would take over ten years to fund the projects that have already been submitted to the Office of Public School Construction (OPSC), worth about \$2.5 billion. CASH believes this is contrary to the will of the voters in passing Proposition 51, and we continue to push for increasing the speed and size of future school bond sales.

# SAB Apportionments and Priority Funding Round

On August 29, 2017, the state conducted a \$2.5 billion bond sale for various general obligation bonds, including \$510 million for school construction projects. On September 6, the State Allocation Board (SAB) approved apportionments for 131 projects at 68 school districts worth \$433.3 million.

The next Priority Funding round opens on November 8, 2017, and requests to participate must be received by December 7, 2017. In order to participate in the Priority Funding round, projects must have already received an unfunded approval from the SAB. Projects that submit valid Priority Funding requests during this time are eligible for an apportionment from January 1, 2018 to June 30, 2018.

#### SFP Local Audits: Development of Content for K-12 Audit Guide

Work is underway to implement provisions of budget trailer bill AB 99, which shifts School Facility Program (SFP) audit functions from the state level to the local level. Content will be added to the K-12 Annual Audit Guide to provide guidance to schools and their auditors. The proposed content will be developed by an audit advisory committee headed by the State Controller's Office, which will submit recommendations to the Education Audit Appeals Panel (EAAP) for consideration in early 2018. The new requirements should be approved by the EAAP for placement in the Audit Guide adopted for FY 2018-19. CASH is conducting a series of four workshops at the end of September and beginning of October to solicit feedback from our members on this issue.

#### Legislative Update

The Legislature met their final deadline for the year, adjourning in the early morning hours of September 16, 2017 after debating a number of significant issues over the prior weeks. The Governor now has until midnight on October 15 to sign or veto bills sent to him at the end of the session.

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This year, the most significant school facilities issues were dealt with in the budget trailer bill process, including AB 99 (local audits for SFP projects), SB 96 (modifications to the Department of Industrial Relations prevailing wage monitoring program), and AB 111 (increases Division of the State Architect filing fees for structural plan review).

Below is an update on a selection of bills that were adopted by the Legislature in the final days of session and are awaiting the Governor's action. *Join us at the CASH Fall Conference on October 20 for a more detailed review of facilities legislation and policy issues debated in 2017.* 

## AB 203 (O'Donnell) - School Facility Program Streamlining

This bill aims to streamline the SFP application review and approval process, in direct response to concerns raised by the Governor regarding the program's complexity. CASH supports the bill, which requires the California Department of Education (CDE) and OPSC to develop regulations to provide schools with "flexibility in the design of school facilities." It also requires CDE to develop strategies to assist small school districts with technical assistance on school construction and funding. Lastly, the bill requires DSA, CDE, and OPSC to collaborate on a report to the Legislature by July 1, 2018, exploring the feasibility of one application or a common application number across all three agencies, and common software for project submittals. Department of Finance issued an "oppose" position on the bill late in the Legislative session, causing the author to amend the bill in hopes of gaining the Governor's support. DOF's oppose position was rooted in two main points: the proposed adjustments to the SFP would violate the January 1, 2015 statutory program lock in the Proposition 51 bond language, and CDE does not have authority to develop stand-alone regulations to administer the SFP, only OPSC does. Amendments were taken to address these concerns. The Legislature passed AB 203, and it is unknown at this time whether the Governor plans to sign or veto the bill.

CASH is urging our members to send a brief letter of support on AB 203 to the Governor, encouraging his signature on the bill. More information can be found at: www.cashfacilitiesnews.org.

#### SB 418 (Hernandez) - Skilled Workforce Exemption

This bill is sponsored by Building Trades and CASH has a support position. The bill aims to provide some relief to the challenge that schools face in complying with new skilled workforce provisions. Specifically, the bill exempts a number of trades from the increasing skilled workforce apprenticeship percentages for Design-Build and Lease-Leaseback projects. These trades are still required to maintain the 30% apprenticeship graduation threshold currently in effect. The exempted trades include: acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or water proofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher. The bill is on the Governor's desk, awaiting his action.

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## AB 746 (Gonzalez-Fletcher) - Lead/Water

Drinking water quality in schools and the potential presence of elevated lead levels became an issue of concern in California and other states. Many bills were introduced in the Legislature this year, each taking a different approach to addressing the issue; however, the last bill standing is AB 746 (Gonzalez Fletcher). The bill is currently on the Governor's desk, and it is expected that he will sign it. Throughout the legislative process, CASH and other education organizations supported providing information and resources to school districts to ensure that their drinking water does not have an elevated lead content (example: "Train, Test, Tell" – USEPA's "3Ts for Reducing Lead in Drinking Water and Childcare Facilities"). This education coalition opposed proposals that would have unnecessarily added cost and complication for school districts. As a result of this discussion, the bill has been significantly amended to reflect school district concerns.

The following is a summary of the major provisions of AB 746 (Gonzalez Fletcher):

- Requires community water systems that serve a school or preschool with a building constructed before January 1, 2010 to test for lead in the potable water system of the school site before January 1, 2019.
- Requires the community water system to report its findings to the school site, and if lead levels exceed a certain level, to test a water sample from the point in which the school site connects to the community water system's supply network.
- Requires schools, if lead levels exceed the specified level at a school site, to notify parents and guardians of the pupils who attend the school site.
- Requires schools to take immediate steps to make inoperable and shut down all fountains and faucets where the excess lead levels may exist.
- Requires a community water system to prepare a sampling plan for each school site where lead sampling is required.

This is an issue that school facilities and maintenance departments will continue to face. The updated CASH Facilities Inspection Tool (FIT) Guidebook will include references to this issue, this new legislation, and provide resources for assistance. Currently, community water systems are required to offer free lead testing of potable water at schools, and the Drinking Water for Schools Grant Program makes \$9.5 million available for schools to improve access to, and improve the quality of water in public schools.

# AB 541 (Allen) - Storm Water and Schools

This bill requires the State Water Resources Control Board (SWRCB) and the Division of the State Architect (DSA), in consultation with regional water quality control boards, to recommend Best Design and Use Practices for storm water for schools (including grounds). The bill requires the SWRCB to submit these recommendations to the Governor and the Legislature on or before January 1, 2019, and requires the Department of Education (CDE) to post the recommendations on their website.

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This bill does not create new requirements, but instead requires the appropriate state (and local) agencies to coordinate to create Best Management Practices for storm water management for schools going forward. This is key because the SWRCB's Municipal Permit will be re-adopted by 2019, and unlike the previous Municipal Permit will regulate schools. This bill is intended to develop the regulatory framework in advance of being "designed" under the SWRCB's Municipal Permit. AB 541 is currently on the Governor's desk.

#### **Upcoming Networking Mixers**

Join your fellow school facility professionals at a CASH Networking Mixer! These mixers are open to all school facilities professionals, no RSVP required.

#### Sacramento - Zocalo

Thursday, October 12, 2017 | 6:00 p.m. – 9:00 p.m. 1801 Capitol Avenue, Sacramento, CA Sponsored by: ACCO Engineered Systems | Cumming | LP Consulting Engineers | Miyamoto International | Nacht & Lewis | XL Construction

#### Long Beach - Ballast Point

Thursday, October 26, 2017 | 4:30 p.m. – 6:30 p.m. 110 N Marina Drive, Long Beach, CA Sponsored by: AFE Sports | Envise | McCarthy Building Companies, Inc.

Questions about the CASH Networking Mixers? Please contact Mike Vail at (949) 498-8993 or <a href="majority10.546">mgvailsanclemente@sbcglobal.net</a>.

For the latest updates on important matters affecting school facilities, be sure to check the *CASH Register* news website, www.cashfacilitiesnews.org.

CASH is on Facebook! Click the Facebook link on the CASH homepage to connect with us. You can also follow us on Twitter at @CASHFacilities.