

## **Item 1**

### **Proposed Minutes**

#### **COMMISSION ON STATE MANDATES**

Location of Meeting: Room 447  
State Capitol, Sacramento, California  
March 24, 2017

Present: Member Eraina Ortega, Chairperson  
Representative of the Director of the Department of Finance  
Member Richard Chivaro, Vice Chairperson  
Representative of the State Controller  
Member Mark Hariri  
Representative of the State Treasurer  
Member Sarah Olsen  
Public Member  
Member Don Saylor  
County Supervisor

Absent: Member Ken Alex  
Representative of the Director of the Office of Planning and Research  
Member Carmen Ramirez  
City Council Member

*NOTE: The transcript for this hearing is attached. These minutes are designed to be read in conjunction with the transcript.*

#### **CALL TO ORDER AND ROLL CALL**

Chairperson Ortega called the meeting to order at 10:01 a.m. Executive Director Heather Halsey called the roll.

#### **APPROVAL OF MINUTES**

Member Saylor made a motion to adopt the minutes. With a second by Member Hariri, the January 27, 2017 hearing minutes were adopted by a vote of 4-0.

#### **PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA**

The Chairperson asked if there was any public comment. There was no response.

#### **HEARINGS AND DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, CHAPTER 2.5, ARTICLE 7 (GOV. CODE, § 17551, 17557, 17559, and 17570) (action)**

Executive Director Heather Halsey swore in the parties and witnesses participating in the hearing.

**APPEAL OF EXECUTIVE DIRECTOR DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 1181.1(c) (info/action)**

Item 2      Appeal of Executive Director Decisions

Executive Director Halsey stated that there were no appeals to consider for this hearing.

**INCORRECT REDUCTION CLAIM**

Item 3      *Health Fee Elimination*, 09-4206-I-25

Former Education Code Section 72246 (Renumbered as 76355)

Statutes 1984, Chapter 1 (1983-1984 2nd Ex. Sess.) (AB2X 1);  
and Statutes 1987, Chapter 1118 (AB 2336)

Fiscal Years: 2002-2003, 2003-2004, 2004-2005, 2005-2006, and  
2006-2007

Yosemite Community College District, Claimant

Executive Director Heather Halsey stated that the claimant notified Commission staff that they would not be appearing at this hearing.

Chief Legal Counsel Camille Shelton presented this item and recommended that the Commission deny this Incorrect Reduction Claim.

Parties were represented as follows: Jim Spano and Ken Howell, representing the State Controller's Office.

Following discussion among the Commission members, staff, and parties, Member Saylor made a motion to adopt the staff recommendation. With a second by Member Olsen, the motion to partially approve this Incorrect Reduction Claim was adopted by a vote of 4-0.

**HEARINGS ON COUNTY APPLICATIONS FOR FINDINGS OF SIGNIFICANT FINANCIAL DISTRESS PURSUANT TO WELFARE AND INSTITUTIONS CODE SECTION 17000.6 AND CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 6.5 (info/action)**

Item 4      Assignment of County Application to Commission, a Hearing Panel of One or More Members of the Commission, or to a Hearing Officer

No applications were filed.

**STAFF REPORTS**

Item 5      Legislative Update (info)

Program Analyst Kerry Ortman presented this item.

Item 6      Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar (info)

Chief Legal Counsel Camille Shelton presented this item.

Item 7      Executive Director: Budget, Workload Update, and Tentative Agenda Items for the May and July 2017 Meetings (info)

Executive Director Heather Halsey presented this item and reported on the Commission's budget.

Member Chivaro joined the meeting.

Executive Director Halsey reported on the Commission's pending caseload.

**CLOSED EXECUTIVE SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 11126 AND 11126.2 (info/action)**

**A. PENDING LITIGATION**

To confer with and receive advice from legal counsel, for consideration and action, as necessary and appropriate, upon the following matters pursuant to Government Code section 11126(e)(1):

**Trial Courts:**

1. *County of Los Angeles v. Commission on State Mandates, State Controller's Office*  
Los Angeles County Superior Court, Case No. BS166734  
[*Handicapped and Disabled Students IRC*, 13-4282-I-06]
2. *County of Los Angeles v. Commission on State Mandates, State Controller's Office*  
Los Angeles County Superior Court, Case No. BS166735  
[*Handicapped and Disabled Students II IRC*, 12-0240-I-01]
3. *County of Los Angeles v. Commission on State Mandates, State Controller's Office*  
Los Angeles County Superior Court, Case No. BS167447  
[*Seriously Emotionally Disturbed Pupils IRC*, 12-9705-I-04]

**Courts of Appeal:**

1. *State of California Department of Finance, State Water Resources Control Board, and California Regional Water Quality Board, San Diego Region v. Commission on State Mandates and County of San Diego, et al.* (petition and cross-petition)  
Third District Court of Appeal, Case No. C070357  
Sacramento County Superior Court Case No. 34-2010-80000604  
[*Discharge of Stormwater Runoff*, Order No. R9-207-000 (07-TC-09), California Regional Water Control Board, San Diego Region Order No. R9-2007-001, NPDES No. CAS0108758, Parts D.1.d.(7)-(8), D.1.g., D.3.a.(3), D.3.a.(5), D.5, E.2.f, E.2.g,F.1, F.2, F.3, I.1, I.2, I.5, J.3.a.(3)(c) iv-vii & x-xv, and L]
2. *Coast Community College District, et al. v. Commission on State Mandates*,  
Third District Court of Appeal, Case No. C080349  
Sacramento County Superior Court, Case No. 34-2014-80001842  
[*Minimum Conditions for State Aid*, 02-TC-25/02-TC-31  
(Education Code Sections 66721, 66721.5, 66722, 66722.5, 66731, 66732, 66736, 66737, 66738, 66740, 66741, 66742, 66743, 70901, 70901.5, 70902, 71027, 78015, 78016, 78211.5, 78212, 78213, 78214, 78215, 78216, 87482.6, and 87482.7; Statutes 1975, Chapter 802; Statutes 1976, Chapters 275, 783, 1010, and 1176; Statutes 1977, Chapters 36 and 967; Statutes 1979, Chapters 797 and 977; Statutes 1980, Chapter 910; Statutes 1981, Chapters 470 and 891; Statutes 1982, Chapters 1117 and 1329; Statutes 1983, Chapters 143 and 537; Statutes 1984, Chapter 1371; Statutes 1986, Chapter 1467;

Statutes 1988, Chapters 973 and 1514; Statutes 1990, Chapters 1372 and 1667; Statutes 1991, Chapters 1038, 1188, and 1198; Statutes 1995, Chapters 493 and 758; Statutes 1998, Chapter 365, 914, and 1023; Statutes 1999, Chapter 587; Statutes 2000, Chapter 187; and Statutes 2002, Chapter 1169; California Code of Regulations, Title 5, Sections 51000, 51002, 51004, 51006, 51008, 51012, 51014, 51016, 51018, 51020, 51021, 51022, 51023, 51023.5, 51023.7, 51024, 51025, 51027, 51100, 51102, 53200, 53202, 53203, 53204, 53207, 53300, 53301, 53302, 53308, 53309, 53310, 53311, 53312, 53314, 54626, 54805, 55000, 55000.5, 55001, 55002, 55002.5, 55004, 55005, 55006, 55100, 55130, 55150, 55160, 55170, 55182, 55200, 55201, 55202, 55205, 55207, 55209, 55211, 55213, 55215, 55217, 55219, 55300, 55316, 55316.5, 55320, 55321, 55322, 55340, 55350, 55401, 55402, 55403, 55404, 55500, 55502, 55510, 55512, 55514, 55516, 55518, 55520, 55521, 55522, 55523, 55524, 55525, 55526, 55530, 55532, 55534, 55600, 55601, 55602, 55602.5, 55603, 55605, 55607, 55620, 55630, 55750, 55751, 55752, 55753, 55753.5, 55753.7, 55754, 55755, 55756, 55756.5, 55757, 55758, 55758.5, 55759, 55760, 55761, 55762, 55763, 55764, 55765, 55800, 55800.5, 55801, 55805, 55805.5, 55806, 55807, 55808, 55809, 55825, 55827, 55828, 55829, 55830, 55831, 58102, 58104, 58106, 58107, 58108, 59404, and 59410; Handbook of Accreditation and Policy Manual, Accrediting Commission for Community and Junior Colleges (Summer 2002); and “Program and Course Approval Handbook” Chancellor’s Office California Community Colleges (September 2001).]

3. *Paradise Irrigation District, et al. v. Commission on State Mandates, Department of Finance, and Department of Water Resources*  
Third District Court of Appeal, Case No. C081929  
Sacramento County Superior Court, Case No. 34-2015-80002016  
[*Water Conservation* (10-TC-12/12-TC-01, adopted December 5, 2014), Water Code Division 6, Part 2.55 [sections 10608-10608.64] and Part 2.8 [sections 10800-10853] as added by Statutes 2009-2010, 7th Extraordinary Session, Chapter 4 California Code of Regulations, Title 23, Division 2, Chapter 5.1, Article 2, Sections 597-597.4; Register 2012, No. 28.]
4. *California School Board Association (CSBA) v. State of California et al.*  
First District Court of Appeal, Case No. A148606  
Alameda County Superior Court, Case No. RG11554698  
[2010-2011 Budget Trailer Bills; Education Code sections 42238.24 and 56523]
5. *State of California Department of Finance, State Water Resources Control Board, and California Regional Water Quality Control Board, Los Angeles Region v. Commission on State Mandates and County of Los Angeles, et al* (petition and cross-petition)  
Second District Court of Appeal, Case No. B237153, ***on Remand from California Supreme Court, Case No. S214855***  
Los Angeles County Superior Court, Case No. BS130730  
[*Municipal Storm Water and Urban Runoff Discharges*, 03-TC-04, 03-TC-19, 03-TC-20, and 03-TC-21, Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Parts 4C2a., 4C2b, 4E & 4Fc3]

California Supreme Court:

1. *Counties of San Diego, Los Angeles, San Bernardino, Orange, and Sacramento v. Commission on State Mandates, et al.*  
California Supreme Court, Case No. S239907  
Fourth District Court of Appeal, Division One, Case No. D068657  
San Diego County Superior Court, Case No. 37-2014-00005050-CU-WM-CTL  
[Mandate Redetermination, *Sexually Violent Predators*, (12-MR-01, CSM-4509);  
Welfare and Institutions Code Sections 6601, 6602, 6603, 6604, 6605, and 6608; Statutes  
1995, Chapter 762 (SB 1143); Statutes 1995, Chapter 763 (AB 888); Statutes 1996,  
Chapter 4 (AB 1496) As modified by Proposition 83, General Election, November 7,  
2006]

To confer with and receive advice from legal counsel, for consideration and action, as necessary and appropriate, upon the following matter pursuant to Government Code section 11126(e)(2):

Based on existing facts and circumstances, there is a specific matter which presents a significant exposure to litigation against the Commission on State Mandates, its members or staff.

**B. PERSONNEL**

To confer on personnel matters pursuant to Government Code section 11126(a).

The Commission adjourned into closed executive session at 10:12 a.m., pursuant to Government Code section 11126(e), to confer with and receive advice from legal counsel for consideration and action, as necessary and appropriate, upon the pending litigation listed on the published notice and agenda; and to confer with and receive advice from legal counsel regarding potential litigation; and to confer on personnel matters pursuant to Government Code section 11126(a)(1).

**RECOVENE IN PUBLIC SESSION  
REPORT FROM CLOSED EXECUTIVE SESSION**

At 10:22 a.m., Chairperson Ortega reconvened in open session, and reported that the Commission met in closed executive session pursuant to Government Code section 11126(e)(2) to confer with and receive advice from legal counsel for consideration and action, as necessary and appropriate, upon the pending litigation listed on the public notice and agenda, and to confer with and receive advice from legal counsel regarding potential litigation, and, pursuant to Government Code section 11126(a)(1) to confer on personnel matters.

**ADJOURNMENT**

Hearing no further business, Chairperson Ortega adjourned the meeting at 10:22 a.m.

Heather Halsey  
Executive Director

**RECEIVED**

**ORIGINAL**

**APR 13 2017**

**COMMISSION ON  
STATE MANDATES**

**PUBLIC MEETING**

**COMMISSION ON STATE MANDATES**



**TIME: 10:00 a.m.**

**DATE: Friday, March 24, 2017**

**PLACE: State Capitol, Room 447  
Sacramento, California**



**REPORTER'S TRANSCRIPT OF PROCEEDINGS**



Reported by:

Daniel P. Feldhaus

California Certified Shorthand Reporter #6949

Registered Diplomate Reporter, Certified Realtime Reporter

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A P P E A R A N C E S

COMMISSIONERS PRESENT

ERAINA ORTEGA  
Representative for MICHAEL COHEN, Director  
Department of Finance  
(Chair of the Commission)

RICHARD CHIVARO  
Representative for BETTY T. YEE  
State Controller  
(Vice Chair of the Commission)

MARK HARIRI  
Representative for JOHN CHIANG  
State Treasurer

SARAH OLSEN  
Public Member

DON SAYLOR  
Yolo County Supervisor  
Local Agency Member



PARTICIPATING COMMISSION STAFF PRESENT

HEATHER A. HALSEY  
Executive Director  
(Item 6)

HEIDI PALCHIK  
Assistant Executive Director

KERRY ORTMAN  
Program Analyst  
(Item 4)

CAMILLE N. SHELTON  
Chief Legal Counsel  
(Item 3 and Item 5)



A P P E A R A N C E S

PUBLIC TESTIMONY

**Appearing Re Item 3:**

For State Controller's Office:

JIM L. SPANO  
Chief, Mandated Cost Audits Bureau  
Division of Audits  
State Controller's Office  
3301 C Street, Suite 725  
Sacramento, California 95816

KEN HOWELL  
Audit Manager  
Division of Audits  
State Controller's Office  
3301 C Street, Suite 725  
Sacramento, California 95816



# ERRATA SHEET

[illegible]

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1 BE IT REMEMBERED that on Friday, March 24, 2017,  
2 commencing at the hour of 10:01 a.m., thereof, at the  
3 State Capitol, Room 447, Sacramento, California, before  
4 me, DANIEL P. FELDHAUS, CSR #6949, RDR and CRR, the  
5 following proceedings were held:

6 

7 CHAIR ORTEGA: Good morning, everyone.

8 I'm going to call to order the March 24<sup>th</sup> meeting of  
9 the Commission on State Mandates.

10 Please call the roll.

11 MS. HALSEY: Mr. Chivaro?

12 *(No response)*

13 MS. HALSEY: Mr. Hariri?

14 MEMBER HARIRI: Aye.

15 MS. HALSEY: Ms. Olsen?

16 MEMBER OLSEN: Here.

17 MS. HALSEY: Ms. Ortega?

18 CHAIR ORTEGA: Here.

19 MS. HALSEY: Mr. Saylor?

20 MEMBER SAYLOR: Aye, here.

21 MS. HALSEY: Ms. Ramirez notified staff that she  
22 will not be able to attend the meeting today due to an  
23 unavoidable scheduling conflict. And Mr. Alex notified  
24 staff this morning that he is sick and so will also be  
25 unable to attend.

**Commission on State Mandates – March 24, 2017**

1 CHAIR ORTEGA: Thank you very much.

2 We do have a quorum, so we'll go ahead and get  
3 started with the minutes from January 27<sup>th</sup>.

4 Any comments on the minutes?

5 *(No response)*

6 CHAIR ORTEGA: Seeing none, is there a motion?

7 MEMBER SAYLOR: Move approval.

8 CHAIR ORTEGA: Moved by Mr. Saylor.

9 MEMBER HARIRI: Second.

10 CHAIR ORTEGA: Second by Mr. Hariri.

11 All in favor of adoption of the minutes, please say  
12 "aye."

13 *(A chorus of "ayes" was heard.)*

14 CHAIR ORTEGA: Approved unanimously.

15 MS. HALSEY: And now we will take up public comment  
16 for matters not on the agenda. Please note that the  
17 Commission cannot take action on items not on the agenda;  
18 however, it can schedule issues raised by the public for  
19 consideration at future meetings.

20 CHAIR ORTEGA: Okay, any public comment?

21 *(No response)*

22 CHAIR ORTEGA: Seeing none, we'll move on.

23 MS. HALSEY: There are no items on consent this  
24 morning.

25 So let's go ahead and move to the Article 7 portion

1 of the hearing.

2 Will the parties and witnesses for Item 3 please  
3 rise?

4 *(Parties/witnesses stood to be sworn or affirmed.)*

5 MS. HALSEY: Do you solemnly swear or affirm that  
6 the testimony which you are about to give is true and  
7 correct, based on your personal knowledge, information,  
8 or belief?

9 *(A chorus of affirmative responses was heard.)*

10 MS. HALSEY: Thank you.

11 Item 2 is reserved for appeals of Executive Director  
12 decisions; and there are no appeals to consider for this  
13 hearing.

14 Chief Legal Counsel Camille Shelton will present  
15 Item 3, an incorrect reduction claim on *Health Fee*  
16 *Elimination*.

17 The claimant notified Commission staff that they  
18 will not be appearing at this hearing.

19 CHAIR ORTEGA: Okay.

20 MS. SHELTON: Good morning. This incorrect  
21 reduction claim is based on reductions made by the  
22 Controller under the *Health Fee Elimination Program* for  
23 fiscal years 2002-2003 through 2006-2007.

24 Staff finds that the audit of the first two fiscal-  
25 year reimbursement claims was timely. Staff further

1 finds that the reductions are correct as a matter of law  
2 and not arbitrary, capricious, or entirely lacking in  
3 evidentiary support. Staff recommends that the  
4 Commission adopt the proposed decision to deny the IRC.

5 Will the parties and witnesses please state your  
6 names for the record?

7 MR. SPANO: Jim Spano, State Controller's Office,  
8 Division of Audits.

9 MR. HOWELL: Ken Howell, State Controller's Office,  
10 Division of Audits.

11 CHAIR ORTEGA: Okay, any questions from the board on  
12 Item 3?

13 MEMBER SAYLOR: Is there any witness from the  
14 claimant?

15 MS. HALSEY: No. The claimant informed us that they  
16 will not be attending the hearing.

17 MEMBER SAYLOR: Okay. Did they concur -- did they  
18 indicate whether they concur with the recommendation?

19 MS. HALSEY: They don't concur; and they don't want  
20 to put any more resources into this matter.

21 MEMBER SAYLOR: I see.

22 So my only question really is about the timing of  
23 the transfer of funds to Yosemite Community College  
24 District -- is that what it is? -- I think the issue in  
25 contention is whether the audit was conducted in a timely

1 manner, and the funds for 2002-2003 were not transferred  
2 until 2006. Is that right?

3 Did not receive any payment for -- yes, it says,  
4 "Funds were -- the claim was submitted and the funds were  
5 transferred in October of 2006"?

6 MS. HALSEY: For the statute of limitations, yes.  
7 The claimant received no payment; and, therefore, the  
8 statute doesn't begin to run. I think that's what you're  
9 asking.

10 MEMBER SAYLOR: Right. So they didn't receive -- so  
11 the statute says that since they didn't receive the  
12 payment until 2006, but it was for -- why was there such  
13 a delay?

14 MS. SHELTON: The State didn't provide any  
15 appropriation for the program.

16 MEMBER SAYLOR: Okay. Is that the contention of the  
17 community college, that the funds should have been in  
18 place in 2002 and weren't, and so the audit should have  
19 been tied to that year?

20 MS. SHELTON: Well, they're making the argument that  
21 the plain language in 17558.5 that allows for a delay of  
22 the initiation of an audit based on when an appropriation  
23 is made, is too vague because they don't know.

24 MEMBER SAYLOR: Right.

25 MS. SHELTON: I mean, the State was not every year

1 making appropriations for mandated programs; and so they  
2 were claiming that could go on forever. The problem is,  
3 you need to go to the Legislature to get an amendment for  
4 a fix on that.

5 But the plain language applies. And there was  
6 evidence in the record of a payment being made in October  
7 of 2006, which does delay the time for the Controller to  
8 audit.

9 MEMBER SAYLOR: Right. That's accurate.

10 MS. SHELTON: Yes.

11 CHAIR ORTEGA: Okay, any additional questions?

12 *(No response)*

13 CHAIR ORTEGA: Any public comment on this item?

14 *(No response)*

15 CHAIR ORTEGA: All right, seeing none, is there a  
16 motion?

17 MEMBER SAYLOR: Move approval.

18 MEMBER OLSEN: I'll second.

19 CHAIR ORTEGA: Moved by Mr. Saylor, second by  
20 Ms. Olsen.

21 And this is to adopt the staff recommendation?

22 MEMBER SAYLOR: Correct.

23 MS. HALSEY: Mr. Chivaro?

24 *(No response)*

25 MS. HALSEY: Mr. Hariri?

**Commission on State Mandates – March 24, 2017**

1 MEMBER HARIRI: Aye.

2 MS. HALSEY: Ms. Olsen?

3 MEMBER OLSEN: Aye.

4 MS. HALSEY: Ms. Ortega?

5 CHAIR ORTEGA: Aye.

6 MS. HALSEY: Mr. Saylor?

7 MEMBER SAYLOR: Aye.

8 CHAIR ORTEGA: Motion passes.

9 Legislative update?

10 MS. HALSEY: Item 4 is reserved for county  
11 applications for a finding of significant financial  
12 distress or SB 1033 applications. No SB 1033  
13 applications have been filed.

14 Program Analyst Kerry Ortman will present Item 5,  
15 the Legislative Update.

16 MS. ORTMAN: Good morning. I have only one bill to  
17 report on this morning, AB 268, State Mandates.

18 This bill was introduced by Assembly Member Waldron  
19 on February 1<sup>st</sup>, 2017. The bill proposes technical,  
20 non-substantive changes to Government Code section 17552,  
21 which currently addresses the process by which local  
22 agencies or school districts may claim reimbursement for  
23 state-mandated costs. AB 268 appears to be a spot bill,  
24 but could be amended in the future to propose substantive  
25 changes.

1           According to the author's office, they currently  
2           have no intent to pursue changes to the mandates process  
3           with this bill.

4           That's it.

5           CHAIR ORTEGA: Okay, any questions?

6           *(No response)*

7           CHAIR ORTEGA: All right, Item 6.

8           MS. HALSEY: Chief Legal Counsel Camille Shelton  
9           will present Item 6, the Chief Legal Counsel Report.

10          MS. SHELTON: We have one new filing by the County  
11          of Los Angeles. They are challenging the Commission's  
12          decision in *Seriously Emotionally Disturbed Pupils*  
13          incorrect reduction claim.

14          CHAIR ORTEGA: I'm sure we all remember that  
15          hearing.

16          Do you have any questions?

17          *(No response)*

18          CHAIR ORTEGA: No comments?

19          *(No response)*

20          CHAIR ORTEGA: No?

21          MS. HALSEY: Then Item 7 is the Executive Director's  
22          Report.

23          The Commission's budget is set for hearing in the  
24          Senate Budget Subcommittee 4 on March 30<sup>th</sup> and in the  
25          Assembly Budget Subcommittee 4 on April 18<sup>th</sup>.

1           The Commission's budget, as proposed by the  
2           Governor, is \$2,192,000, which is slightly higher than  
3           the current year, to account for general salary increases  
4           approved by the Legislature and unavoidable increases in  
5           operating costs.

6           My report has listed out the mandated programs  
7           proposed to be funded and suspended in the Governor's  
8           budget; and those are in my report if you are interested  
9           in looking at them.

10          There was one interesting item, though, which is for  
11          *ICAN, the Interagency Child Abuse and Neglect*  
12          *Investigation Reports*. That program is proposed for  
13          suspension but is also proposed to be funded through an  
14          optional block grant.

15          Generally, local agency mandates were funded through  
16          the Commission's budget. However, the Governor's  
17          proposed budget makes \$4 million available in county  
18          optional block-grant funding through the Department of  
19          Social Services for allocation to local agencies to fund  
20          the reimbursable activities under ICAN.

21          *(Mr. Chivaro entered the meeting room.)*

22          MS. HALSEY: Local governments that receive the  
23          block-grant funding are not eligible to claim cost under  
24          Section 17560 of the Government Code for any costs  
25          associated with the program. And the Department of

1 Social Services is working in consultation with CSAC to  
2 develop an allocation methodology for distributing those  
3 funds to participating counties.

4 And that's what I have on budget.

5 Then for workload, after this hearing, we have  
6 15 test claims, all but one of which are regarding the  
7 *National Pollutant Discharge Elimination System*, or  
8 *NPDES, Permits*; and one parameters and guidelines; and  
9 one statewide cost estimate, also regarding *NPDES Permits*  
10 is pending.

11 In addition, we have one parameters and guidelines  
12 amendment on inactive status pending the outcome in the  
13 *CSBA* litigation, which is now in the First District Court  
14 of Appeal.

15 And finally, we have 16 IRCs remaining.

16 As of today, the Commission staff expects to  
17 complete all currently pending test claims and IRCs by  
18 approximately the September 2018 Commission hearing,  
19 depending on staffing and other workload.

20 For the test claims on *Stormwater*, that's what  
21 everyone is working on now, and that's one of the reasons  
22 why this hearing is so light. There are a number of very  
23 complex issues. The records are huge and growing.

24 Just for an example, we needed some additional  
25 evidence on one issue for one claim; and we just received

1 a 40,000-page supplement to the record for one of the  
2 items that's being currently worked on. So that's the  
3 kind of stuff we're dealing with, where that will take  
4 staff every bit of all day just to make sure that the  
5 filing is legible and that all the pages are complete,  
6 let alone to understand the substance of what's in it.

7 So it's kind of like trudging through the mud. You  
8 know, a slow slog. But we are making progress.

9 And I expect to have, hopefully, at least one or  
10 more of these set for July.

11 And that's all I have.

12 MEMBER OLSEN: It's too bad they don't come in an  
13 audible version. We commuters in L.A., that's how we get  
14 our reading taken care of.

15 CHAIR ORTEGA: And I just wanted to commend staff on  
16 the IRCs. I remember when I first started chairing the  
17 board and how many there were; and to have it down to  
18 16 is incredible and great work. So I really appreciate  
19 that.

20 I think that's it, right, for our regular items.

21 Please note for the record that Mr. Chivaro has  
22 joined us.

23 So the Commission will meet in closed executive  
24 session pursuant to Government Code section 11126(e) to  
25 confer with and receive advice from legal counsel for

1 consideration and action, as necessary and appropriate,  
2 upon the pending litigation listed on the published  
3 notice and agenda; and to confer with and receive advice  
4 from legal counsel regarding potential litigation.

5 The Commission will also confer on personnel matters  
6 pursuant to Government Code section 11126(a)(1).

7 We will reconvene in open session in probably  
8 five minutes.

9 Thank you, everyone.

10 *(The Commission met in closed executive session*  
11 *from 10:12 a.m. to 10:22)*

12 CHAIR ORTEGA: We're going to reconvene in public  
13 session.

14 The Commission met in closed executive session  
15 pursuant to Government Code section 11126(e)(2), to  
16 confer with and receive advice from legal counsel for  
17 consideration and action, as necessary and appropriate,  
18 upon the pending litigation listed on the published  
19 notice and agenda; and to confer with and receive advice  
20 from legal counsel regarding potential litigation; and  
21 pursuant to Government Code section 11126(a)(1), to  
22 confer on personnel matters.

23 And I don't see any public comment.

24 So with no further business, we will be adjourned.

25 *(The Commission meeting concluded at 10:22 a.m.)*

REPORTER'S CERTIFICATE

I hereby certify:

That the foregoing proceedings were duly reported by me at the time and place herein specified; and

That the proceedings were reported by me, a duly certified shorthand reporter and a disinterested person, and was thereafter transcribed into typewriting by computer-aided transcription.

*In witness whereof*, I have hereunto set my hand on the 12<sup>th</sup> day of April 2017.



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Daniel P. Feldhaus  
California CSR #6949  
Registered Diplomate Reporter  
Certified Realtime Reporter