AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 4:15 p.m., Tuesday, March 17, 1998
Auditorium

James H. Gray, Chair
Ralph R. Pesqueira, Vice Chair
Roland E. Arnall
Ronald L. Cedillos
Jim Considine
Robert G. Foster
Bernard Goldstein
Laurence K. Gould, Jr.
William Hauck
Maridel Moulton
Joan Otomo-Corgel
Michael D. Stennis

Consent Item
Approval of Minutes of Meeting of January 27, 1998

Discussion Items
1. 1997-98 Legislative Report No. 9, Action

2. Education Bond Act: Endorsement by Board of Trustees, Action
MINUTES OF MEETING OF
COMMITTEE ON GOVERNMENTAL RELATIONS

Trustees of The California State University
Glenn S. Dumke Conference Center
400 Golden Shore
Long Beach, California

January 27, 1998

Members Present
James H. Gray, Chair
Ralph R. Pesqueira, Vice Chair
Jim Considine
Martha C. Fallgatter, Chairman of the Board, ex officio
Robert G. Foster
Bernard Goldstein
Laurence K. Gould, Jr.
Maridel Moulton
Joan Otomo-Corgel

Members Absent
Ronald L. Cedillos
William Hauck
Michael D. Stennis

Other Trustees Present
William D. Campbell
Eric C. Mitchell
Alice S. Petrossian
Ali C. Razi
Anthony M. Vitti
Stanley T. Wang

Chancellor’s Office Staff
June M. Cooper, Senior Vice Chancellor and Interim Chief of Staff
Charles W. Lindahl, Interim Senior Vice Chancellor, Academic Affairs
Richard P. West, Senior Vice Chancellor, Business and Finance
Douglas X. Patiño, Vice Chancellor, University Advancement
Christine Helwick, General Counsel
Samuel A. Strafaci, Interim Senior Director, Human Resources
Karen Yelverton, Chief Professional Officer, Governmental Affairs

Others Present
Barry Munitz, Immediate Past Chancellor
Charles B. Reed, Chancellor Designate
Chair Gray called the meeting to order at 3:45 p.m.

Approval of Minutes
The minutes of November 11, 1997, were approved.

1997-98 Legislative Report No. 8
Chair Gray asked Ms. Karen Yelverton, chief professional officer, governmental affairs, to present the item.

Ms. Yelverton said that the report includes CSU’s recommendations on sponsored legislation for the 1998 session for the board’s consideration. She briefly reviewed the implications of the changing leadership in the legislature due to its being an election year, and the possible effects of these pending transitions to the CSU.

Ms. Yelverton observed that two issues are generating considerable discussion at this time: K-12 education reform and bonds. On the bond side, Ms. Yelverton reported there is a seven billion dollar proposal by the Wilson administration that includes a substantial amount for K-12 and higher education. She noted that the CSU is working with the K-12 community and the other segments of higher education to include 1.5 billion dollars of that amount for higher education. (This amount would be .5 billion dollars above the original recommendation.) Ms. Yelverton stated that it is the governor’s hope to make a deal on bonds so that an education bond may be placed on the June ballot. Other areas of anticipated activity include the distinct possibility of a tax reduction, or tax cut proposal; and considerable debate on healthcare issues.

Ms. Yelverton presented three proposals for inclusion in the Trustees’ 1998 Legislative Program.

The first, a management flexibility bill, would explore options for the investment of special funds and would permit CSU to transfer dollars among funds for cash flow operational purposes. It would also allow campuses and the system to purchase property in a timely manner when opportunities for such purchases arise. Ted Lempert, chair of the Assembly Higher Education Committee, has been approached to author this legislation with the hope that Brooks Firestone will partner with him.

The second proposal regards streamlining the capital outlay process. The bill would increase the CSU’s authority to utilize a design/build process and unit price contracts for the purpose of streamlining projects on the campuses.

The third proposal concerns the Camarillo site and would explore a special district proposal recommended by a task force led by Richard West and Russ Gould of Metropolitan West. It would endeavor to provide flexibility in negotiations regarding the site and in working with members of the local community.
Chair Gray inquired about management efficiency and who would be the investing entity for funds outside the state treasury. Mr. West replied that Metropolitan West has been contracted by the trustees to oversee and manage this responsibility.

The committee recommended adoption of the proposed resolution (Rgr 01-98-01).

**Adjournment**

The meeting adjourned at 4:00 p.m.
BRIEF

Action Item

Agenda Item 1
March 17-18, 1998

COMMITTEE ON GOVERNMENTAL RELATIONS

1997-98 Legislative Report No. 9

Presentation By
Karen Yelverton, Chief Professional Officer
Governmental Affairs

Summary
This item contains a status report on the Trustees’ Legislative Program for 1997-98.

Recommended Action
Adoption of the resolution.
2
Agenda Item 1
March 17-18, 1998

COMMITTEE ON GOVERNMENTAL RELATIONS

1997-98 Legislative Report No. 9

Date: 2/12/98

1. 1997-98 Legislative Program Status Report

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<thead>
<tr>
<th>BILL</th>
<th>Author-Subject</th>
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<tbody>
<tr>
<td></td>
<td>Higher Education Bond Acts</td>
</tr>
<tr>
<td>AB 40</td>
<td>(Mazzoni) Educational Facilities</td>
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<tr>
<td></td>
<td>X</td>
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<tr>
<td>SB 12</td>
<td>(O'Connell) Educational Facilities</td>
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As of the above date, negotiations continued to take place between the legislative leadership and the Wilson administration on the contents of an education bond package. The bills at left were amended in late January to remove all dollar amounts so that they could pass from their house of origin prior to the 1/31 deadline, while several additional bond vehicles remain with the Conference Committee on School Facilities Finance as discussions continue.

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<tr>
<th>BILL</th>
<th>Author-Subject</th>
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<tr>
<td></td>
<td>(Alpert) Capital Outlay: Authority to Utilize Unit Price Contracts/Authority to Permit Alternative Forms of Design Build</td>
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<tr>
<td></td>
<td>(O'Connell) Camarillo Special Authority Education Development District</td>
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<td></td>
<td>CSU Management Efficiency:</td>
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<tr>
<td></td>
<td>• Investment of Funds Outside State Treasury</td>
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<td></td>
<td>• Acquisition of Real Property for State University Use</td>
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<td>• Special Fund Loans</td>
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Legislative language for the proposals indicated at left has been submitted to Legislative Counsel; assignment of bill numbers pending. Where known, the author of the bill is indicated.

Policy—That committee which evaluates policy implications of bills (e.g., Education, Judiciary, Retirement, etc.).

X – Indicates Action Taken
Adoption of the following resolution is recommended:

**RESOLVED,** By the Board of Trustees of The California State University, that the 1997-98 Legislative Report No. 9 is adopted.
COMMITTEE ON GOVERNMENTAL RELATIONS

Education Bond Act: Endorsement by Board of Trustees

Presentation By
Karen L. Yelverton, Chief Professional Officer
Governmental Affairs

Summary
From time to time, the Committee on Governmental Relations reviews statewide ballot measures for their implications for the California State University. This item contains a resolution expressing support for an education bond act appearing on the June Primary Ballot with the expectation that such a bond will have been approved by the legislature and governor by the date of the meeting of the Board of Trustees.

Recommended Action
Approval of the resolution.
ITEM

2
Agenda Item 2
March 17-18, 1998

COMMITTEE ON GOVERNMENTAL RELATIONS

Education Bond Act: Endorsement by the Board of Trustees

Recommended Action
Should the trustees determine they wish to take a position on an education bond act appearing on the June 1998 Primary Ballot, the following recommendation is recommended: