



Meeting of the Board of Directors

Friday, June 12, 2009

10 a.m. to 3 p.m.

DoubleTree Hotel

Modesto, California

DRAFT Meeting Minutes

Present: James Aleru, Lee Andersen, Will Brown (representing Secretary Kawamura), Andy Chesley, Vito Chiesa, Mike Chrisman, Sid Craighead, Robert Gore (representing the office of Governor Schwarzenegger), Fritz Grupe, Coke Hallowell, Corwin Harper, Barry Hibbard, Farrell Jackson, Brent Jamison (representing Secretary Aguiar), Sunne McPeak, Luisa Medina, Mike Nelson, Leroy Ornellas, Rich Ortega, Pete Parra, Nicole Parra, Jeff Rowe, Secretary Glen Thomas, Jason Vega (representing Mr. Quackenbush), Gene Voiland, Pete Weber, Laretta Wild (representing Secretary Belshé), Greg Woodard, Jeff Wyly (representing Acting Secretary Hoffner)

Staff: Mike Dozier, David Hosley

I. Convene Meeting & Introductory Remarks

Chair Chrisman called to order at 10:14 a.m. the meeting of the Board of Directors of the California Partnership for the San Joaquin Valley (Partnership). Chair Chrisman welcomed all participants and acknowledged the presence of Carole Whiteside, former Modesto mayor, former Great Valley Center President and Work Group Consultant for Land Use, Agriculture & Housing Work Group.

I. Self-Introductions

Members of the board introduced themselves.

II. Review and Approval of Minutes

Mr. Weber moved to accept, as provided, the minutes from the March 13, 2009, Board meeting; the motion was seconded by Mr. Ortega.

III. Blueprint Implementation Process

Mr. Hibbard announced that the Blueprint Implementation Process has completed the initial three-year phase and funding is being pursued for a fourth year. Phase 1 of the Blueprint process was determining the visions and values of the eight San Joaquin Valley counties. Each county conducted an outreach session to identify local values to determine what was important. In Phase 2, the participants developed goals, objectives and performance measures against those values. Phase 3 involved the evaluation of “what if” growth scenarios for each county.

Looking forward to the year 2050, the Blueprint process is intended to help develop a regional vision that will be used to guide growth in the San Joaquin Valley. The process involves the integration of transportation, housing, land use, economic development, and the environment to produce a preferred growth scenario to the year 2050.

Next steps address working with local agencies to integrate Blueprint principles into general plans. More information is available at: <http://www.valleyblueprint.org/>.

On April 1, 2009, all of the counties met and adopted the recommended common growth principles (provided in Board packets).

Mr. Hibbard noted that the Partnership's Land Use, Agriculture and Housing Work Group echoes the Blueprint vision and defines "world class community" as one that attracts jobs, has connectivity to labor and is one where the best and brightest don't have to leave the community in order to be challenged. In view of this strong common image for the Valley, it is important that the Partnership determine its ongoing role in the Blueprint process and beyond. It is important to avoid the natural temptation toward "business as usual" and continue the collaborative effort to get land use, planning and transportation to work together to create sustainable communities.

Mr. Weber asked what the impact would be of the Partnership disengaging with the Blueprint effort. Mr. Chrisman followed with the question as to whether the COGs had provided any input as to their perspective on any future role of the Partnership. If they have not voiced an opinion, it would be helpful for the COGs to advise how the Partnership can add value to their efforts moving forward.

Mr. Grupe noted that he spent two years working with the Urban Land Institute (<http://www.uli.org/>) on Putting the Pieces Together: State Actions to Encourage Smart Growth Practices in California. That experience working with multiple cities/counties raises concern about the potential for resistance if the Partnership is perceived as trying to tell communities how to do their planning.

Ms. Whiteside cited the Blueprint as an opportunity for communities to be supportive of the elective process. It would be inopportune for the Partnership not to be involved; an appropriate role would be one of encouragement and support without any hint of regulation or enforcement. Mr. Hosley added that there is great value in the Partnership and other organizations making sure the COGs are supported in their efforts toward a Valleywide Blueprint.

Mr. Chesley commented that two and a half months ago, the Regional Policy Council (Council) adopted a Blueprint for the entire Valley; the tough part now is the implementation. The Council is developing a toolbox to help local jurisdictions voluntarily implement the Blueprint. That toolbox has elements that will assist the many communities, from Avenal to Madera to Fresno; but their plans won't all be the same. They will make different choices through policies, general plan implementation and even grant funding; as an example, community development grant applications include a question on regional planning. A key portion of the success seen in Sacramento and San Diego is that the weight is being borne not only by the agencies but the combined group of interests that have the gravitas and weight to carry the initiative forward. Mr. Chesley recommended the Partnership ask on a regular basis how the Blueprint is being implemented and where it's possible to draw on the weight and influence of the Partnership to help implement with 8032 and SB375, the Blueprint is a key component to successful response to those bills.

Mr. Jackson agreed that it is not the Partnership's responsibility to implement but absolutely should provide support. The City of Oakdale is in the process of updating its general plan; Mr. Jackson suggested letting the Council take the lead, with the Partnership available for support of the process.

Mr. Weber concurred, commenting that the Land Use, Agriculture and Housing Work Group should provide regular updates on implementation; the Partnership should be available if called upon for support, especially in parts of the Valley where there may be difficulty in moving forward.

Mr. Hibbard thanked the board for the discussion and committed to moving forward appropriately.

IV. Work Group Report – Water Management Planning

Mr. Voiland stated that the agenda for this topic included an action item (Resolution) that is no longer an action item. Over the course of nearly two years, the Water Work Group has participated in numerous meetings on water supply and water issues; all eight counties have agreed on a number of actions which are put forth in several resolutions supported by the Partnership. The Water Work Group has accomplished a lot and the Partnership has been instrumental in communicating what the real issues are. The charge of the Partnership is to come up with an Integrated Regional Water Management Plan (IRWMP) by developing regional IRWMPs which would then be integrated into an overall Valleywide WMP. That integration across eight counties is the challenge. The water issue has existed for more than 50 years; it is complex, contentious, conflicting and concerning. The elephant in the room is the peripheral canal and the disagreement over whether it is a good or bad thing. This fundamental disagreement impairs consensus, and an important aspect of the Partnership is trust building. This 50-plus-year-old issue is going to take time to resolve; if we put out a fuzzy resolution, it's not a good one. The Water Work Group is not going to give up; but the consensus and the resolution are simply not there yet. There are many different opinions as to what an IRWMP is, so at present there is no resolution to propose.

Mr. Tischer noted that bringing the finalized IRWMP framework was the expected outcome of the seed grant. As of Friday, June 12, 2009, that contract element does not meet the consensus approval of the organization so the deliverable remains un-met. Mr. Tischer confirmed that the Water Work Group will continue to move forward toward a consensus agreement.

Mr. Tischer interjected a caution that rather than focus on a peripheral canal, there are 400 other projects totaling about \$4 billion related to water throughout the Valley that will improve the water quality, supply and availability. Rather than just focus on the peripheral project (not included in the \$4 billion), this group should celebrate these other accomplishments. Mr. Tischer concluded with the comment that the peripheral canal tends to “suck the air out of the room” on water policy dialogue; there are other things that can improve water quality and availability as evidenced by this extensive list.

Mr. Chrisman acknowledged that like all the issues the Partnership deals with, the goal here is to get as close to consensus as we possibly can. The work done by Mr. Grupe, Mr. Voiland, Mr. Green, Mr. Watson and Mr. Tischer, plus many others, has accomplished a great deal. This one outstanding issue will require more work and effort. When the governor issued the Delta Vision executive order in 2006, it laid out a 2.5 year communication plan/process to look at water issues; that process will continue. All bills currently in the legislature came out of that initial effort and began an informed debate among policy makers in Sacramento. A great deal has happened since then: Southern California stepped up with additional storage, regional water banks have been established and regional water management plans are being worked on.

The fact that we're still talking and are committed to making things work warrants compliments to the Board, the Water Work Group, and all participants in the process.

Public introductions Chair Chrisman invited members of the audience to introduce themselves.

V. Work Group Report – Progress of the PreK-12 Education Work Group

Dr. Buster introduced himself and Dr. Masumoto and welcomed Secretary Glen Thomas who has pledged his support to the efforts of the PreK-12 Education Work Group and the Partnership. Dr. Buster stated that funding for the Partnership and work groups has been uncertain and the important work must go on; the PreK-12 Education Work Group is actively seeking ways to fund its efforts without financial support from the governor. Dr. Buster assured the board of the work group's full commitment to continue working with Dr. Andersen and all eight County Offices of

Education Superintendents to fulfill the intent of the goals of the Partnership. There is clear recognition across the eight counties that improving public schools throughout the Valley is critical to improving quality of life in the Valley, as evidenced by the very successful conference last year to highlight the work of Valley schools.

Dr. Masumoto reiterated the success of the January 2009 first Valleywide Exemplary Practices Conference held at California State University, Fresno. Because of the outstanding support from all the Valley Offices of Education in designing the curriculum and soliciting participation, the Merced County Office of Education tag-teamed to provide a Pre-Kindergarten workshop. With 300-plus participants, the conference featured two outstanding keynote speakers who really know what education is about and could share with Valley educators what exemplary practices and quality education are.

The [2nd Annual CVELI Exemplary Practices in Education Conference](#) on Jan. 20, 2010, will focus on the other end of the education spectrum—grades 6 to 16. The State Center Community Consortium is a key sponsor of the event; the Higher Education and Workforce Development Work Group is invited to be part of event. The keynote is well-known speaker Bill Daggett <http://www.daggett.com/aboutdaggett.html>. Bill's message has to do with rigor, relevance and relationship as keys to enhancing student success and improving school systems through the examination of curriculum, instruction and assessment. Dr. Masumoto handed out a Save-the-Date flyer with a request that all participants place on their own calendars and share with other educators and potential sponsors for the event.

Dr. Buster noted that the Central Valley Educational Leadership Institute (CVELI) works to align its programs with the goals of the Partnership PreK-12 Education Work Group. One element of Valley education is the difficulty districts have identifying potential superintendents for Valley schools, so they are developing a Superintendents' Academy. In response to a request last year asking all current superintendents to nominate potential superintendent candidates, there are 44 people signed up for 7-week Superintendent course; thanks to business sponsors the participant costs were reduced from \$2,000 to \$500 for each attendee. CVELI is also talking to California State University, Long Beach, about developing collaborative programs.

Further examples of school districts identifying key problems and then working together to target resolutions through research based, quantitatively measured programs are the upcoming workshops on professional learning communities with Rick and Becky DuFour (<http://go.solution-tree.com/PLC/>). A key component of building learning communities is the development of collaborative models to increase student achievement. Working with Sanger Unified to bring these world-class speakers to the region, CVELI was able to secure the DuFours for April 2010 at a per-attendee charge of \$200. Dr. Buster pointed out the value of this presentation as evidenced by the advance registration. Against a maximum enrollment of 600, 462 people have already signed up for next year without any advance publicity. In closing, Dr. Buster invited all Board members to participate as the guest of CVELI in any of the 2009-2010 program offerings as outlined in flyers provided to each member.

Mr. Chrisman asked if the PreK-12 Education Work Group is getting what it needs from the Partnership. Dr. Buster replied that support has been somewhat fluid but the group never felt a lack of intended support. The addition of PreK to the mix created a learning experience for the group, with a need to increase its visibility across the community. Dr. Masumoto added her opinion that the Partnership support has been significant. At least five of the eight superintendents meet regularly, with the other three connecting with their contiguous counties. Overall, it has been extremely helpful to be able to interface with all of the county offices and to see all of them work closely together, very positively.

Dr. Andersen interjected his opinion that the Partnership has done a great job of providing support in a groundbreaking effort for regional coordination which will continue to get better and provide positive results for the eight counties. Dr. Andersen directly thanked Mr. Weber for his

efforts to help bridge the gap between the original work plan and what the work group considers realistically possible as far as regional coordination. Dr. Andersen stated he is encouraged by the appointment of Dr. Thomas who comes from the Valley and has recently had responsibility for statewide coordination as the executive director for the California County Superintendents Education Services Association, the statewide network of California's 58 county superintendents of schools.

Dr. Thomas noted that the Valley school districts have so much in common with each other there is a natural alignment that is not necessarily felt in other areas. Increasing growth, the challenges of English-learners, recruiting and training the next generation of academic leaders, turning around troubled schools, regional data systems and better linkage of PreK are demands placed on every Valley school district. The state has 11 educational regions; Dr. Thomas asserted his belief that more programs should be moved away from Sacramento down to the local regions, and the Partnership is a natural model against which to morph the educational regions into collaborative units.

Mr. Weber interjected that it would benefit the newer board members to provide an explanation of the priority areas identified by the PreK-12 Education Work Group. Those are: Pre-K, English as a Second Language, Career Technical Education, Data Systems and increasing college rates.

Mr. Parra asked if, given the possibility of stimulus funds, the region and the Partnership are coming together to make applications in support of the work of the education community.

Dr. Andersen responded that information about application-based funding from the stimulus package is just rolling out. The superintendents are monitoring opportunities on a daily basis and are poised to pursue any money that can take advantage of regional projects.

Mr. Parra asked if support letters from the Partnership would help the superintendents in pursuit of these projects. Dr. Andersen confirmed that it would and confirmed his belief that the communication structure of the Partnership is set up to provide very quick turnaround.

Secretary Thomas committed to providing the same kind of support through the Governor's Office. There is funding for Head Start programs from Health and Human Services (HHS) to work on education quality; there are Head Start programs up and down the Valley that can benefit. Title 1 Special Education funding can be used to backfill; the next round of funding will lend itself to regional applications; guidelines are expected in early July.

Dr. Buster stated that Dr. Masumoto is the only paid employee of the PreK-12 Education Work Group; they are watching stimulus fund opportunities closely. Given the funding cuts for next year, each county office has contributed toward support of that role. Dr. Buster thanked the work group and the board for their diligence and support.

Chair Chrisman thanked Dr. Buster and Dr. Masumoto for their presentation and noted that education will always be a high priority of the Partnership.

VI. In Depth Work Group Report

Advanced Communications

Mr. Hosley opened his report by noting that June 12, 2009, marks the single largest transfer of technology in our history with transition from analog to digital television. The telecommunications spectrum being relinquished by the analog signals will be available for auction which will generate revenue for the government as well as enhance the ability of the private sector to serve the telecommunications market. Some of that spectrum will be given over to law enforcement and homeland security.

Mr. Hosley reminded the group that the charge of the Advanced Communications Services Work Group is to facilitate deployment and utility of advanced communications systems across the Valley to those who want it and declared himself very optimistic with what is happening with telecommunications and broadband here.

The digital divide has greatly impacted quality of life for a great portion of the San Joaquin Valley. Access to the Internet has become critical for education, business communications and social networking. The Valley previously had a problem with access to broadband but is now past 95% penetration of access; this is not just the big guys, smaller vendors are lighting up smaller communities, although the foothill areas are impacted by lack of line of site opportunity. The focus of the Advanced Communications Services Work Group is naturally shifting to training because of the percentage of the populace that doesn't know how to use a computer.

Through the Pixley Connect project, telecommunication access, education and training was brought to the underserved, predominantly Spanish-speaking community of Pixley, Calif. Pixley residents have received computer literacy training; local youth have been trained to become local technical support experts and on June 30, 2009, will graduate with knowledge of computer maintenance including assembly and disassembly. These graduates are serving as volunteer information technology resources within the community. This is the tip of the iceberg; we are currently training hundreds but need to expand that to thousands in order to address the older, less mobile, less available populace.

June 30, 2009, will be the graduation day for the "Digital Connectors," a class of teenagers who are trained in computer maintenance including assembly and disassembly. These teenagers are becoming a volunteer information technology force in the community, gaining valuable work experience while improving quality of life in the community, connecting with distant family via camera.

Local programs are currently training hundreds of people in computer literacy; it is important to understand how to expand that to thousands to address the needs of the older, less mobile, less available population. The Hispanic community has suffered historically from a digital divide, a gap that is rapidly closing. We all have a stake in closing the divide since that is the workforce of the future. As we work to develop green jobs and new jobs we also need to deliver the skilled workforce to support those jobs.

The Advanced Communications Services Work Group meets again on August 20 to continue work in this area, with plans to meet in October with the PreK-12 Education Work Group to discuss how to collaborate and accelerate the program through alignment with schools and curricula.

Ms. Medina agreed there is the need to close the digital divide and asked if there are other partners or community players who are looking to do similar programs in partnership with schools and/or the adult community. Mr. Hosley responded that they partner with One Economy which is quite taken with the Digital Connectors. One Economy is pursuing stimulus funding and will likely partner with them on that pursuit.

Mr. Hosley continued that there are many community-based organizations trying to partner to address multifaceted issues, e.g., computer literacy joins forces with obesity and nutrition counseling and training.

Ms. Medina suggested the Partnership consider this one of those issues to look at from a regional perspective to determine how to further the cause.

Ms. McPeak noted the timeliness of Mr. Hosley's request for an update to the Partnership from the California Emerging Technology Fund (CETF). CETF has the mission of closing the digital divide for California; not just getting the infrastructure and technology out but also its adoption, access and use.

Only four percent of California does not have Internet access. But that four percent represents 1.4 million people and 44,000 square miles of geography which is equivalent in area to the state of Maine that is currently not being served. Beyond that four percent, 55% of California (17 million people) is not online with high-speed connection, 15 million of whom are in urban core areas; larger than Illinois. The San Joaquin Valley has 53% adoption, ahead of Los Angeles County with 48% and which is Ground Zero for the digital divide. CETF has a relatively small budget of \$60 million; so it cannot build the infrastructure but is instead working to persuade and motivate the private sector to build it, and then stimulate adoption and use. Ms. McPeak confirmed CETF's commitment to seek ways to increase its investment in the region, go after American Recovery and Reinvestment Act (ARRA) stimulus dollars, and help keep the Partnership going.

Ms. McPeak pointed out a significant success for the Partnership and CETF through the Valley Telehealth Partnership. On Wednesday, June 17, 2009, UC Merced will demonstrate the first of its six initial Telehealth sites being connected; ultimately the state-wide program will network over 1,000 sites. The success of this program illustrates the point that nobody adopts technology if it is not relevant to their lives. The conundrum faced by CETF and the Partnership is the faster the speed, the faster the adoption. As soon as this—and other—networks get going, there will be a need to increase the speed. That is why CETF continues to push for major mobility corridors such as Highway 99 to accommodate telecom/data mobility needs. Last week Governor Schwarzenegger signed Executive Order S-06-09, known as the Digital Literacy Executive Order, which helped put \$600,000 into the community of Firebaugh and will transform the entire community. <http://gov.ca.gov/executive-order/12393/> Digital literacy dollars are being directed not merely to deployment of technology but to its adoption and success through programs such as Enhancing Education Through Technology (<http://www.cde.ca.gov/ls/et/ft/eett.asp>) and the statewide awareness campaign *GetConnected!* that launched June 11 in multiple languages (<http://getconnectedtoday.com/>).

Mr. Parra asked what efforts are being made to coordinate with local organizations such as farm worker education and training agencies, rural health clinics and sources of ARRA stimulus money.

Mr. Hosley responded that the next task is to populate the little communities; make the Digital Connectors model no longer a pilot.

Mr. Vega interjected that the Central Valley Health Network (CVHN) is also working to break the digital divide, using grants from Kaiser Permanente and the U.S. Department of Agriculture to connect providers. Direct benefits of these connections include providers saving on staff continuing education expenses by reducing travel requirements and in creating professional networks that are otherwise constrained by distance. An additional benefit is the large video screens which provide educational opportunities in areas where resources are limited, such as in nutrition. There is a shortage of registered dietitians; by connecting digitally, these limited resources can effectively reach a wider audience. CVHN is seeking ARRA stimulus funds to assist them in linking 124 health centers across the Valley.

Mr. Hosley directed the Board to the Great Valley Center publication which explains the Valley Telehealth Partnership study. (http://www.greatvalley.org/artman2/publish/othergvcpub/pub_Valley_Telehealth_Partnership_Tel_emedicine_Readiness.aspx)

Chair Chrisman thanked Mr. Hosley and Ms. McPeak for their report and continued efforts on behalf of the Valley.

Energy

Mr. Johnson opened his presentation by recalling that two years ago in June 2007 the San Joaquin Valley Clean Energy Organization (SJVCEO) work group asked for and received Partnership support and concurrence to proceed with its work proposal. Goals of the SJVCEO included creation of a plan and infrastructure to promote clean energy development, increase efficiency in the management and use of water, and developing cutting-edge demonstration projects. SJVCEO focal efforts addressed seeking for the Valley an increased share of dollars for investment in energy efficiency and clean energy and opportunities to develop core projects in representative parts of the region. SJVCEO is now incorporated as a 501 c3 nonprofit and is fully on the road to being self-sustaining. **Slide link here: [PRESENTATIONS\SJVCEO Update 061209.pptm](#)**

SJVCEO has honed in on energy funding opportunities through the ARRA stimulus program. The nationwide \$3.2 billion Energy Efficiency and Conservation Block Grant Program includes funding for green workforce development and efficiency retrofits and clean energy systems for both residential and nonresidential buildings. In the Valley, seven cities and two counties will be receiving direct money. Smaller jurisdictions will compete for \$226 million of available funding through the California Energy Commission (CEC) State Energy Program. SJVCEO has been asked to be part of a committee to work on how those funds should be directed.

Mr. Fisher provided an update on the Energy Work Group, outlining objectives, activities and accomplishments including completion of the task to establish an affiliation with CalStart and help them get the word out to the interested public. CalStart is set up on the Great Valley Center main web site and the Energy Work Group web page. **Slide link here: [PRESENTATIONS\Energy WG Update 061209.pptm](#)**

Transportation

Mr. Smalley reported that the San Joaquin Valley's eight Councils of Government (COGs) are working well together, as evidenced by joint efforts on the TIGER grant. This is the first time a regional group has come together and reached consensus on a project, the object of which is the widening of Highway 99. Great things are happening despite the current economic challenges.

A proposal is before the Board to transfer responsibilities for the Transportation Work Group from the Great Valley Center to the COG directors, effective July 1, 2009. Mr. Parra moved to support the transition; seconded simultaneously by several.

Mr. Nelson was joined by Carrie Pourvahidi of the California High-Speed Rail Authority (HSRA) to provide an update on high-speed rail (HSR). Ms. Pourvahidi acknowledged there had been a discrepancy between Senator Lowenthal and the department of finance on interpretation of some of the language; Mr. Nelson advised that a strongly worded letter had been prepared but the offending language had been removed. Ms. Pourvahidi recommended the letter still go forward.

Updating on ARRA funding for rail, Ms. Pourvahidi advised there are multiple project tracks which would benefit from stimulus funds. ARRA Track 1 projects are those that are shovel-ready, projects like grade separations that could move forward as local jurisdiction projects if funded.

Track 2 is corridor projects of which there are two in progress: Los Angeles to Anaheim (LA-Anaheim), which is being funded locally, and CalTrain, San Francisco to San Jose (SF-SJ) which could potentially meet the requirements for ARRA fund obligation by September 2012.

The Valley component of HSR includes the proposed maintenance facility. Progress is being made in identification of an appropriate site; next steps include gaining rights of way, grading and facility construction, all of which may be appropriate for ARRA funds. The current imperative is to perform the project environmental work (EIR/EIS) and the alternatives analysis which will depend on budgetary funding for the ongoing contractors' work.

Mr. Weber explained that the HSRA project list has \$8 billion against which to apply for ARRA funding.

Stimulus funding may require a match which may be an advantage because HSRA already has the committed bond funding. There are projects that qualify in the SF-SJ and LA-Anaheim corridors which will siphon off both the ARRA and bond funds. Having the Valley get only the maintenance facility isn't the right answer; the first and most important leg of the HSR system has got to be in the Valley because it's the only place we can test the trains at 220 mph.

Ms. Pourvahidi pointed out the two other segments are not HSR segments; they are lower speed and will require the Valley's HSR to feed into them. As far as siphoning off bond funding, Ms. Pourvahidi did not anticipate the \$8 billion of the bond measure being totally devoted to the other two.

Mr. Weber suggested a formal request for meeting of HSRA, RPC and Partnership reps to talk about what will go into the stimulus grant application. Ms. Pourvahidi supported such a meeting but noted the application process is working through CalTrans; HSRA is submitting through them into a united application through the Governor's Office.

Mr. Voiland asked if building the maintenance facility before the railroad is appropriate use of the money.

Ms. Pourvahidi pointed out the acquisition of site, facility and environmental studies takes longer than putting in the tracks.

Mr. Chesley commented this is a key issue in terms of the Valley getting the backbone of the HSR system. Getting the maintenance facility built is critical; for the Altamont Commuter Express (ACE) to get a maintenance facility has taken over 10 years. Those urban corridors are relatively quick results; the Valley is worried, knowing the \$9 billion isn't enough to build the entire HSR system and are still quite a ways away from demonstrating an ability to actually build it. Mr. Chesley asked how confident the HSRA is in their ability to pull together a financial picture that assures the Valley we can get the backbone built.

Ms. Pourvahidi pointed out several private entities anxious to partner (Siemens, Virgin) but which are concerned about being burned (Florida, Texas) but must get past the environmental clearances; and the Legislature is not embracing the project as much as we need them to. Ms. Pourvahidi asked Partnership members to speak with their Legislative representatives to make them understand the importance of HSR to the Valley.

In closing, Ms. Pourvahidi introduced Carrie Bowman who is assigned to be the HSRA eyes and ears on the ground in Fresno.

Air Quality

Mr. Weber presented the Air Quality update, opening his remarks with the observation that the slow economy is having a positive impact on Valley air quality because of the reduction in goods movement and its attendant pollution.

The most important issue at hand in air quality improvement is technology and implementation; replacement of all trucks in the Valley could have significant impact on air quality. Proposition 1B, approved by voters in November 2007, was understood to provide \$250 million but the state cannot issue the bonds, so a huge number of applications for vehicle replacement are not being funded. When the money finally does flow, a large number of those who submitted applications won't be able to afford to take the money because the maximum amount from 1B is \$50,000. A new 2010 model standard Volvo truck is \$130,000 which puts the \$80,000 burden on the owner. Mr. Weber noted that he has reviewed the financials of eight trucking operations and concludes they are in serious straits.

Mr. Ornellas interjected that he and Supervisor Nelson are both on the San Joaquin Valley Air Pollution Control District (Air District) Board. Commenting on the issue of trucks and the \$50,000 cap, Mr. Ornellas noted that Volvo trucks have no resale value after being used up; that \$50,000 is almost a liability for truckers because it is a taxable incident up to 20%.

Mr. Weber revealed that 40% of the trucks in the United States did not register last year because they are not running. Trucking financials are shredded, the credit crunch is impacting lenders' willingness to finance and the regulations passed by the California Air Resources Board (CARB) are leading toward a truck-wreck scenario. Part of the budget deal struck at the state included deferring for two years the requirements for offshore equipment requirements but it is unclear if/how this will impact the truck rule. The companies most affected will be the medium-sized fleets. There are opportunities for some segments such as agriculture to get some time line waivers, and the large companies should be okay. The people getting squeezed are in the middle, the small fleets and owner-operators.

Further examples of economic impacts include the lack of funding through the Indirect Source Rule (ISR) which was expected to generate \$20 million per year in support of air quality mitigation. The economic downturn has resulted in virtually no development which, in turn, generates no funds.

AB 2522, the Air District Department of Motor Vehicles increase, has the potential to generate \$60 million for the Valley but implementation is pending determination by the state.

Environmental Quality Incentives Program (EQIP) program for farm equipment is minimally affected by the downturn; generating about \$15 million/year it is expected to continue without adverse impact.

Mr. Weber noted there is good news in the fact of stimulus funding becoming available. The Air District has submitted seven \$10 million applications under Diesel Emissions Reduction Act (DERA) and expects to be awarded some of those.

A positive impact of the economic downturn is a reduction in ground pollutant levels.

Robert Gore of the Governor's Office is part of a biogas digester task force looking at digester customer-generators. The Air Quality Work Group, working with Mr. Gore's task force, is seeking demonstration projects to address some of the financial structure issues required to invest in technology that is leading edge. On the topic of digesters, there is tension between the objectives of AB 32, which requires reduction of California's greenhouse gas emissions by 25 percent by 2020, and actual air quality. In the interest of reducing greenhouse gases, dairy farmers are encouraged to install biogas digesters. Yet placing digesters into only 250 mid-sized dairies would generate about 5 tons/day of additional NOX, which basically wipes out the gains from the air quality mitigation; the Air District will not allow them to fire up. This is exemplary of well-intentioned but conflicting programs and mandates that need to be resolved; the government creates opportunity with conflicting roadblocks. The issues have been raised to the offices of senators Feinstein and Boxer, but the Valley needs to be more vocal about the conflicts.

Ms. McPeak asked if there is possible resolution to this conflict and if the Partnership is working on it. Mr. Weber replied in the affirmative; there is opportunity for resolution and the Partnership is engaged.

Mr. Chrisman asked if there is an answer to these issues without expensive and/or polluting technologies.

Mr. Weber responded that a number of solutions are being developed but none is far enough along for general use and all are expensive. One project with Gallo is leading edge; Gallo has

the capacity to get it done, most others don't. The regulatory environment is so counter to getting this done. SJVCEO wants to put forward a proposal for high-success demonstration projects to help illustrate benefits to overcome regulatory and financial road blocks.

Chrisman commented that support of such success demonstrations seems like a good role for the Partnership to play.

Mr. Gore advised that the digester task force is meeting next week with California Environmental Protection Agency (Cal/EPA), and others to work with the U.S. Environmental Protection Agency (EPA) on formulating an Ag Air Quality Zone. This presents an opportunity ripe for structural and technological innovation.

Continuing with positive notes, Mr. Weber noted good progress on Senator Boxer's bill, reintroduced this year, to create an Air Quality Empowerment Zone for the Valley which could become a vehicle to replace the earmark vehicle as a source of funding. Senator Boxer will seek an authorization of \$20 million for the Valley.

In the area of consumer education, the Healthy Air Living program is restarted and the group is working to address wildfire management in terms of deferring controlled or allowable burns to times of year most likely to minimize Valley air quality.

VII. Report from the Secretariat

Regional Economic Recovery Work Plan (RERWP)

Mr. Dozier opened his report by recognizing Nicole Parra for her efforts to support the Partnership in developing the Valley's Regional Economic Recovery Work Plan (RERWP). Noting there was some initial confusion that lingered to the end, Mr. Dozier clarified that the RERWP is neither a funding source nor a grant application process. At the end of February, the Partnership was noticed by Business, Transportation and Housing Agency (BTH) to compile a list of projects from the eight Valley counties and prepare a draft plan that would identify projects against which the state could solicit ARRA stimulus monies, especially in the areas of infrastructure, transportation and workforce development. The list expanded to include water, energy and air quality because of their importance to the Valley. The draft plan required projects to be submitted by March 18, 2009. Cities, counties and other agencies submitted over 4,000 projects in the categories of transportation, housing, infrastructure, water, economic development, workforce development and several that were miscellaneous. That list was ultimately refined to 2,400 projects, totaling about \$9.3 billion with a 10-page supporting document. The list for each category was vetted, but not prioritized in any way, by the appropriate Partnership work group. Without the Partnership organization in place, it would have been extremely difficult to get this assignment handled by the one-month deadline. BTH Secretary Bonner and his staff were complimentary of the draft plan but unsure how to single out any projects for specific advocating so asked for highlights based on discrete criteria such as those that are regional in scope with multijurisdictional support. Secretary Bonner also wanted to include those projects that crossed or combined project categories, e.g., air quality, transportation and economic development.

The original lists were returned to the submitters to identify those projects that complied; the result was a list of 26 highlighted projects which was later amended to include the Angiola project, bringing the total to 27 with a combined value of \$10 billion. Following submittal, the Partnership Secretariat staff held three regional meetings to review the plan and highlighted list in Modesto, Fresno and Bakersfield.

This process resulted in a number of benefits, especially in the demonstration of the regional collaboration and value of the Partnership. The final product is extremely high quality because of the manner in which the cities, counties, organizations and work groups joined forces to provide good projects. A side benefit of the list is that it provided a needs' assessment across the Valley. This was a voluntary project for the participants; but one big benefit is the bonus points provided

through the Proposition 1C Housing bond as a result of being included on the regional list. The highlighted part of the plan is not “the plan”; those highlighted projects were to provide ammunition for BTH to illustrate the Valley’s need for the ARRA funding.

The Partnership is willing to send letters of support for any project on the list applying for grants or other funds.

Mr. Grupe commented that he was aware of some confusion in his community about the overall process and the definition of “highlighting” project.

Mr. Chesley extended kudos to the Secretariat, the Office of Community & Economic Development (OCED), for pulling off the project so well. He continued by commenting that any communication issues regarding the economic stimulus are definitely a joint failing; the Secretariat was challenged to receive, assimilate and then communicate to a broad constituency a process that was developing on the fly. Even if there were some who didn’t understand the purpose of the activity, or the nature of a highlighted project, Mr. Chesley noted that the Valley now has a comprehensive list of projects and concluded his comments by saying it is impressive that the Partnership was able to create a process, a model and a final product as quickly and as thoroughly as was done.

Mr. Dozier clarified that the concept of highlighted projects evolved after the draft plan; it was a way to articulate the cross-jurisdictional, multidiscipline projects.

Mr. Grupe suggested the COG directors be sure to clarify to their respective cities and counties what happened in order to prevent the Partnership losing credibility. Ms. Parra interjected that there is also ongoing dialogue between BTH and the White House to help update the outline and guidance.

Partnership Funding

Mr. Weber opened the discussion by reminding the Board that the Partnership runs out of state funding on June 30, 2009. Governor Schwarzenegger put \$2 million into his 2009 budget request which passed the Assembly but was killed in the Senate. The current state budget situation is worse than ugly and it is unlikely the Partnership will receive any state funding. At the last Board meeting, Mr. Gore recommended possible funding of the Partnership through the Workforce Investment Act of the ARRA. Mr. Weber noted that Mr. Gore is an invaluable asset who has advocated for the Partnership inside the horseshoe and assisted in developing a submission for the Partnership to propose a new workforce model for California.

In describing the submission and proposal, Mr. Weber outlined the following project deliverables:

- Articulation of education curriculum focused on strategic industry sectors from middle school through university with complete alignment of curriculum, from beginning to end.
- Integration of ROP, CTE, Adult Education, community college and state university prerequisites and curricula; the UC Merced School of Engineering receives more applications through community colleges than directly from high schools.
- Digital Literacy program launch to address challenges expressed by employers; possibly some matching funds from CETF to gain NTIA funding.
- Expanded programs for English Language Learners.
- Creation of Entrepreneurship Development centers.
- Align those efforts and relate them back to green jobs.

Mr. Weber observed that too often when people think of workforce development it is in the context of workforce investment board (WIB), which is more of a second-chance system. This proposal intends to do it right the first time; to define “green jobs” in the Valley and develop the strategic plan for preparing the workforce to support it. If funded to the extent requested, this program may be an opportunity to fund work groups in the areas of agribusiness, advanced manufacturing, water technology, supply chain management and logistics.

Mr. Parra noted that Workforce Investment Act (WIA) money comes from the 15 percent discretionary fund and asked if there are any restrictions on the WIA money that would limit any of the Partnership's current activities such as networking with the legislature, elected officials and other agencies. Mr. Weber responded that there are not any of which he is aware. Mr. Parra cautioned the Board to look carefully at all activities before entering into the WIA arena.

Ms. McPeak echoed Mr. Parra's caution since any WIA restrictions would flow down to the Partnership. Secretary Bradshaw is sensitive to the need for a mixture of funds in the Partnership to be able to support the diversity of activities that take place here. Backing away from advocacy, there is the need to recognize the flexibility and fundability of money needs to support the straight-faced test. The kind of approach that has been worked out by Mr. Gore and Mr. Weber and presented to the Administration for that discretionary funding is emblematic of the kind of diligence the Partnership must continue to exercise.

Mr. Gore concurred with Ms. McPeak's comments, noting that he and Mr. Weber have worked very hard on this proposal and believes it to be a good funding mechanism. Details will be worked out once the budget is done. The proposal looks good because it's a diversity of funding streams that will help to keep the Partnership viable. Mr. Gore also expressed his thanks to Alan Autry for his support and letters.

Mr. Gore advised the participants that the Board of Agriculture held a drought hearing in Fresno and planned another meeting in Mendota on June 24, 10am to 3pm at Mendota High School.

Government Affairs Committee

Ms. McPeak moved to ratify the recommendations of Ms. Medina and as presented; Mr. Weber and Mr. Craighead seconded simultaneously.

Annual Report

Mr. Hosley asked for Executive Committee input on future requirements for a Partnership annual meeting and annual report since June 30 ends the requirement for the annual report as has previously been done. While there is value in providing an annual report to document accomplishments and progress toward goals, the cost can be prohibitive. The report historically provided by the Great Valley Center cost approximately \$20,000 to produce and was labor-intensive; it was difficult to get the work groups to provide content appropriate for compilation into an annual report. In asking what would be appropriate for the Partnership moving forward, Mr. Hosley suggested several alternatives for the annual report to ensure continued reporting and maintenance of the image and reputation of the Partnership. Alternatives included:

- Modify and reduce the format to about 20 pages, using the Great Valley Center annual report as a template
(http://www.greatvalley.org/artman2/publish/othergvcpub/pub_2008_Annual_Report_Mapping_the_Future.aspx)
- Continue with the current format and size; raise funds for production through sponsorships
- Abandon the printed version and publish only via web site

Mr. Parra commented that the annual report is a valuable tool for monitoring and reporting progress toward Partnership goals.

Mr. Chrisman agreed with Mr. Parra's comment and proposed that a major portion of the annual report be done online. Mr. Hosley noted that the Great Valley Center is willing to contribute and participate in the Partnership annual report but would like to be compensated for its participation.

Mr. Andersen interjected that the annual report is useful as both a reference and a leave-behind. Having a PowerPoint template would be very useful with work group segments bulleted that parallel the content of the annual report. Mr. Andersen inquired as to the possibility of corporate

support for the annual report; perhaps the work groups can solicit support from their respective constituents.

Mr. Hosley concluded by noting the Board is united in a desire for an annual report; future versions do not need to be as detailed as in the past and will require efficiency in data collection during the year.

Annual Meeting

Mr. Hosley introduced the topic of an annual meeting by asking if there is value in proposing a different content or structure than has been presented in past years. At the last meeting, Mr. Dozier floated the idea of a possible “one voice” kind of meeting in Sacramento; spending time with our elected officials to discuss Partnership topics. Other suggestions included:

A format similar to the past but combine the quarterly board and annual meeting into a 1-day conference in the south Valley, with breakouts in the late morning or afternoon for presentations from the work groups. Mr. Hosley noted that the cost for this kind of a forum is about \$30,000. One way to defray costs would be to charge participants more than in past, or solicit sponsorship for the meeting.

Mr. Hosley advised that the Great Valley Center is willing to host the meeting at their facility in Modesto.

Mr. Weber commented that a significant challenge is communicating out all the Partnership’s activities and accomplishments. Mr. Weber suggested maintaining the two-day format but modifying the events to combine the annual meeting with the board meeting in a one-day event, and to use the second day for informational meetings with Legislators in Sacramento. Ms. Parra suggested moving the event from December to October, holding it at a central location on a Friday, and inviting legislative committee chairs to participate in the annual meeting with a two-hour window for the Valley delegation.

Mr. Grupe noted that people are really focused now on what is important to them; cities and counties are concerned about budgets. Mr. Grupe suggested a forum to assist them with the budgeting process; local officials are wondering what others are doing and whether there are things happening in private industry that would help in the public sector.

Ms. Parra advised that August 15 through September 15 is an optimal window of legislator availability and suggested a meeting at the end of October rather than December. Ms. Parra highly recommended this year doing the annual meeting in a central location on a Friday to guarantee a lock on legislators’ time and get commitment from the Valley delegation to invite key committee chairs including those from the Bay Area and Los Angeles to engage with and understand the Partnership.

Mr. Dozier concluded that there are no disagreements with the recommendations presented; the Secretariat will move forward with recommendations and develop a proposal.

Mr. Harper suggested this is a time to be provocative and have a collective discussion including the Partnership, California Forward and Great Valley Center. Mr. Harper indicated a willingness to contribute to a meeting of a broader constituency than simply the Partnership. Mr. Weber moved to expand the annual meeting constituency; the motion was seconded by several.

UC Merced Medical School

Ms. Medina provided an update on the resolution in support of the UC Merced Medical School (UCMMS) reminding the board that with the initial proposal for UCMMS, Congressmen Cardoza and Costa sought a broad base of support across the Valley to encourage policy makers to support funding for the UCMMS; from this effort came the Valley Coalition for UC Merced Medical School. The Valley Coalition is committed to bringing a UC medical school to the San Joaquin

Valley that will serve the region by increasing the number of physicians practicing in the area, expanding higher education opportunities for Valley students and serving as an economic engine. The Valley Coalition, assisted by the Rios Company, will begin holding a series of education and information meetings in July. Ms. Medina asked for Partnership support of these nine meetings, one in each Valley county and in Mariposa County, and was echoed by board members Quackenbush and Weber. Board member DeeDee D'Adamo is also a key member of the Valley Coalition along with Bryn Forhan who attended this meeting. Katie Stevens of the Secretariat was asked to send out an email reminding Partnership Board and general membership of these meetings and asking for participation.

California Forward

Mr. Weber announced that Board members McPeak and Voiland also serve on the board of California Forward (<http://www.caforward.org/>). Mr. Voiland commented that there was a big message sent by the voters on the five failed propositions. California Forward is a bipartisan organization trying to define good governance for the state. Unfortunately, the state government is now in the Intensive Care Unit; it might not matter what the long-term governance is. In the preceding three weeks, California Forward held three meetings to try to recommend fiscal and process reforms, working to gain consensus and influence the outcome. The organization is trying to take something long-term and thoughtful and respond to an immediate crisis with a proposal that makes sense across the disparate positions of the organization.

Ms. McPeak commented that the crisis is so big that the opportunity for major reform is great. The reform discussion centers around how to get the power back to the people; get to a culture of accountability and outcomes and common sense government. Therein lies opportunity because local governments are being constantly raided, creating a need to get dedicated revenue streams to local government outside general funds.

California Forward tapped Mr. Weber to write a document on regional economies; this is the seminal document in the country as to how regional economies are the unit for global competition. Ms. McPeak suggested it would be helpful for California Forward to hear the Partnership story from its founders and to get an update on how the Partnership is doing against its planned outcomes. When contemplating de-evolution economy from broad scale to regional, there first must be a plan. The proposed revenue stream for regional collaboration, as distinguished from regional government, is an increment in the growth in revenue; accelerated economic growth.

Ms. McPeak continued, speaking of the constitutional convention as something she had not previously supported but now recommends joining forces. Government is the structure by which we achieve governance, which is exercise of the collective will of the people. Centralized decision making in Sacramento is the antithesis of being agile and responsive; it is time to put before the voters a peoples' call for a constitutional convention.

Mr. Voiland noted that the Bay Area Council speaks about a constitutional convention as "Plan B"; Plan A is to try to get the legislature and the Administration to get the budget done.

Mr. Weber posited a best estimate that going through a constitutional amendment process would result in changes by 2013 or 2014. A constitutional convention and California Forward are not necessarily in opposition to each other; even if the recommendations by California Forward are not sufficient to affect change, the individual issues can be addressed for reform.

Mr. Chrisman pointed out the importance of this discussion; it will take involvement across organizations and constituencies to collectively fix what is not working.

VIII. Public and Board Comment

Mr. Chrisman interjected a request that future Partnership meeting agendas include public comment at the beginning as well as at the end of the day.

Mr. Fred Van Vleck introduced himself as the Assistant Superintendent of Business Services at Ceres Unified School District, with his comments as an end agency of the RERWP. Mr. Van Vleck confirmed that the process was rushed, but noted that the communication and opportunity was there for agencies to submit applications and even revise their applications to meet the evolving requirements. The Ceres Unified application was based on energy and solar power; getting some renewable energy components into local agencies and schools can have a direct impact on the economy through construction jobs and teaching jobs saved. Mr. Van Vleck thanked the Partnership for its role in supporting this endeavor.

In concluding the meeting, Mr. Chrisman commented that he feels positive about the Partnership's progression, alignment and collaboration; it is gratifying to see how far the organization has come and has, so far, accomplished.

Mr. Jackson interjected a comment appreciating the way Chair Chrisman keeps the meeting on track and moving.

IX. Adjournment

The next regularly scheduled board meeting of the Partnership is planned for September 11, 2009 in Tulare County (**Note: the September meeting was rescheduled for October 22 to coincide with the 2009 Annual Summit on October 23**). Chair Chrisman provided closing remarks and at 3:22pm adjourned the board meeting of the California Partnership for the San Joaquin Valley.