



Meeting of the Board of Directors

Friday, November 9, 2007

10:30 a.m. to 3 p.m.

Wine and Roses

Lodi

Meeting Minutes

Present: Secretary Linda Adams, James Aleru, Jim Bourgart (Representing Secretary Bonner), Regina Brown-Wilson (Representing Secretary Long), Secretary Mike Chrisman, Chair Connie Conway, DeeDee D'Adamo, George Gomes (Representing Secretary A.G. Kawamura), Barbara Goodwin, Dr. Frank Gornick, Fritz Grupe, Coke Hallowell, Barry Hibbard, Douglas Hoffner (Representing Secretary Victoria Bradshaw), William Ing (Representing Secretary Kim Belshe), Farrell Jackson, Kirk Lindsey, Sunne McPeak, Luisa Medina, Mike Navarro, Leroy Ornellas, Gary Podesto, Jeff Rowe, Fred Ruiz, Lorraine Salazar, Paul Saldana, Gene Voiland, Ray Watson, Pete Weber, Georgeanne White (Representing Alan Autry).

Officials: Assemblyman Juan Arambula, Vince Ross (Representing Congressman Jim Costa)

Guests: Corwin Harper (representing the Hospital Council), Dr. Lee Andersen (representing the county superintendents of education)

Staff: Ashley Swearengin

I. Convene Meeting

Chair Conway and Deputy Chair Chrisman called to order at 10:43 a.m. the meeting of the Board of Directors of the California Partnership for the San Joaquin Valley (Partnership).

II. Introductory Remarks

Chair Conway announced that the Governor recently appointed Jeff Rowe as a "regional consortium" board member representing the Central California Workforce Collaborative. The following members have been recommended to the Governor's Appointments Unit for the Partnership board as regional consortia board members and attended the board meeting as guests: Corwin Harper, Kaiser Permanente Modesto Medical Center (representing the Hospital Council of Northern and Central California) and Lee Andersen, Superintendent, Merced County Office of Education (representing the San Joaquin Valley County Superintendents of Schools Consortium). Chair Conway welcomed all three to the board meeting and thanked them for their interest in the Partnership.

Board members introduced themselves followed by the introduction of the members of the public.

III. Review and Approval of Minutes

Mr. Lindsey moved to approve the August 10, 2007, minutes. Ms. Medina seconded the motion. The motion was passed unanimously.

IV. Transportation – Highway 99

Malcolm Dougherty, Caltrans, provided an update on the Highway 99 business plan, funding and next steps. Mr. Dougherty reviewed the tasks associated with the scope of work and elaborated on task 1 – establishing a project team. This task along with an updated business plan is estimated for completion by July 2008.

Mr. Dougherty continued to discuss the interstate designation process. He has requested reaffirmation from his team and their stakeholders to move forward with the interstate designation. A concept proposal to the Federal Highway Administration (FHWA) has been drafted. Caltrans is considering the direction (North to South, or South to North) of implementing the designation. Once consensus has been reached, the data and engineering will take seven to eight months before a submittal of the first segment can be turned in to the FHWA.

In an effort to act regionally, Caltrans is attempting to coordinate State Transportation Improvement (STIP) and Inter-regional Improvement Program (IIP) funds to move Highway 99 forward. Mr. Dougherty stated the business plan is not expected to be ready for the 2008 cycle of STIP funding.

Andrew Chesley, San Joaquin Council of Governments, reviewed a list of follow-up items resulting from the Highway 99 special session held on November 9. The following is not an extensive list: Develop a strategy on federal reauthorization and attempt an earmark process; investigate a financing mechanism for Highway 99; compile a matrix of Highway 99 funding and; re-establish the San Joaquin Valley as a fourth corridor in the goods movement action plan.

Mr. Chesley reviewed the Regional Transportation Planning Agency (RTPA) Trade Corridor Projects “hot list.” These are five projects adopted by the Regional Policy Council. The hot list is a great opportunity to advocate for the San Joaquin Valley and Transportation Capital Improvement Program (TCIP) funds. The San Joaquin Valley has attempted to integrate the hot list with the Northern California trade corridor list of projects, acknowledging that a partner is needed. At this time, four of the five hot list projects are on the Northern California trade corridor list.

Mr. Bourgart provided the board with background on TCIF, one year after Proposition 1B. In September, Secretary Bonner asked the California Transportation Commission (CTC) for acceleration in determining criteria, with a target completion date of December 2007. Mr. Bourgart indicated that all of the project lists add up to more than 150% of available funding. Secretary Bonner has been instrumental in providing leadership on the establishment of criteria for selecting projects.

Ms. Goodwin requested that the Partnership advocate for the hot list. Ms. McPeak added that further discussion is necessary regarding the corridor and a carefully planned strategic monitoring system. Mr. Weber supported Ms. Goodwin’s comments regarding partnering with the Bay Area and proposed that the Partnership reaffirm Highway 99’s

status as one of the four corridors. Barbara Goodwin moved that the Partnership support the tier 1 projects on the hot list and communicate that support to the Governor and the CTC, as well as partnering agencies in alignment with the San Joaquin Valley. Mr. Saldana seconded the motion. The motion was passed unanimously.

V. Water Quality, Supply and Reliability

Mr. Watson reviewed the work group activities following the August approval to support a comprehensive water package. The work group met twice, and representatives have been traveling throughout the region to continue the effort. Agreement has been reached on several items. Equal weight to the protection of the Delta estuary is important. It is recognized that southern counties must have sufficient water to sustain quality of life; and additional storage is necessary. Increasing both underground and aboveground storage also is important for the Integrated Regional Water Map Plan (IRWMP). Currently, the work group is exploring environmental issues and water quality, reliability and conveyance.

The California Water Institute (CWI) is making progress on the IRWMP; however, it is not completed because of the complex nature of the San Joaquin Valley's geographic and political entities. It is clear that funds cannot be disbursed from the bonds without participation in the IRWMP. Mr. Ornellas stated it is important to understand that this is a San Joaquin Valley effort; that the North recognizes the South requires a reliable source of water; and that the South recognizes the importance of the Delta. He acknowledged that some progress has been made but that there is much work to be done.

Mr. Watson reiterated that the CWI is standing by ready to assist any organization needing assistance on their part of the plan.

Ms. McPeak recognized Deputy Chair Grupe for facilitating the process and all those who contributed to this unprecedented opportunity for the water community to come together for a solution.

Transportation: Mr. Weber requested that Vince Ross with Congressman Costa's office give an update on transportation. Mr. Ross indicated that two High-Speed Rail (HSR) bills were introduced which will create full funding grant agreements to fund HSR projects. Those bills have not yet been assigned numbers.

Board Engagement: Mr. Voiland referred the board to the result of a recent survey. The theme taken from this survey is positive and resulted in a change in the format of the board agenda. Collectively, the board survey indicated that key issues for the Valley are being understood and much is being accomplished. An effort to shorten the length of board meetings and reports highlighting important points is the focus of format changes.

Ms. Swearingin stated that changes have been implemented while maintaining focus on the three top priorities of the board: air quality, water and transportation. She indicated that UC Merced Medical Center, and the issues of methamphetamine also are high priorities of the board. Previously, the three top priorities have been discussed in great detail. Today, the discussion will focus on Health and Human Services. The intention is

to allow for an opportunity to circle back to these priorities as action items develop. The February board meeting will focus on K-12 Education.

Ms. Swearingin stated that maintaining a comprehensive and short agenda format must include remaining updated on all 10 work groups. Ms. Swearingin suggested that based on the review of the quarterly reports, the remaining seven work groups are available to field questions from the board.

Mr. Voiland suggested that the board become more engaged in the work groups. He recommended that board members begin talking to local community members and groups about the work of the Partnership, speaking as a Valley. A survey was distributed to board members.

Ms. Goodwin requested talking points for board members so they are consistent when speaking about the Partnership. Mr. Lindsey commented that he would like to better understand the linkages between each work group. Dr. Andersen outlined an example of how K-12 is naturally in alignment with Higher Education as well as Health Care. In addition, he indicated each work group is regularly represented at each of the work group's meetings. Mr. Navarro suggested that a meeting of all the work group conveners would be appropriate. Deputy Chair Grupe restated the importance of integrating on all subjects and speaking with one voice. Ms. McPeak agreed that an investment of time is necessary to become current on the many aspects of the work of the Partnership. She believes that involvement in the work groups is vital, and the next tier of leaders in the San Joaquin Valley needs to become engaged in the Partnership. Ms. McPeak appreciates the format of having work groups convene the day prior to the board meeting. Ms. McPeak commented that seven of the eight cabinet secretaries are represented; that is to be commended.

Mr. Ruiz inquired about the Partnership's role when working with groups that aren't able to collaborate on their own. Secretary Chrisman suggested that the Partnership's role was a necessity in those situations and recommended a board process for working out differences.

Mr. Weber was pleased at the degree the Partnership has impacted in collaboration and benefits for the San Joaquin Valley, including the efforts on HSR, the Hot List, the Water Resolution and the signing of the San Joaquin Valley Clean Energy Organization Memorandum of Understanding. Because there is a considerable amount of content, Mr. Weber suggested a need to conduct training sessions for new board members, allowing them to become current on Partnership work prior to their first board meeting.

Ms. Salazar commented that there is a need to remain focused on demonstrating results. Support and outreach may assist in ensuring perpetuity for the Partnership in statute.

Lunch Break

Assemblyman Arambula stated the health care reform issue is gaining momentum and that a bill is currently in print. The water discussions also are fluid; many are re-engaging in finding common ground. He believes that a comprehensive package is unfolding; the goal is to come to agreement so two competing ballot measures do not

exist. Assemblyman Arambula stated that any efforts toward the year of education may be postponed because the state deficit is projected to be \$10 billion. He offered to circulate a letter from the Valley delegation restating that Highway 99 should be considered a corridor and included in the Goods Movement Action Plan. Assemblyman Arambula closed by stating that he would like to report on Emerging Domestic Markets when more information is available. This is a private equity group convening to present recommendations by January. The opportunity is to increase investment in the San Joaquin Valley from organizations such as CalPERS and the public pension system as well as increase investment incentives.

VI. Health and Human Services (HHS) – In-Depth Report

Health Goals: Mr. Navarro introduced the health care portion of the HHS Work Group, the Central Valley Health Policy Institute (CVHPI) at California State University, Fresno. He reviewed the five goals and 12 objectives that CVHPI leadership is addressing and sought board engagement and comments.

Dr. John Capitman with CVHPI announced that health care in the San Joaquin Valley is failing in all areas of both prevention and providing an equitable system. There is no appropriate access, information or support. A CVHPI's goal relates to recruiting health and medical professionals and addressing the needs of the uninsured. For many areas in the San Joaquin Valley, physical resources do not exist. This absence of appropriate medical services has spurred the Health Enterprise Zone (HEZ). The HEZ is similar to empowerment zones for economic development, incentivizing organizations to bring in the necessary health providers. Work is under way, with all eight counties exploring the HEZ concept. The issues for a medical practice include startup costs and the inability to make good wages in the communities not being served. Partnership involvement in these discussions was requested.

Dr. Capitman referenced CVHPI's *Health Reform 2007 Impact on the Valley*. This policy brief is an analysis of the numerous bills proposing to address the health care crisis. Although there are many components of the various proposals to be built upon, at best, the needs of the San Joaquin Valley would only be partially addressed in the collective proposals. No component covers the shortage of medical professionals, nor does one cover the uninsured/illegal temporary or seasonal population. Mental health and integration for the elderly with long-term care needs are not addressed. These are all very specific challenges for the San Joaquin Valley. Dr. Capitman requested that instead of waiting for the implementation of a deficient federal/state program, the Partnership should assist in developing a regional consensus for addressing these issues.

Mr. Navarro restated that the San Joaquin Valley has unique circumstances; attracting health care resources is critical, especially in rural communities where the percentage of seasonal workers and families below the poverty line are highest. Dr. Capitman estimated that it would take one to two years before anything was in place.

Deputy Chair Grupe suggested that action be taken immediately. He suggested that perhaps legislation could focus on the San Joaquin Valley separate from the state averages. Dr. Capitman will report back to the board at the February meeting with a scope of work for developing a regional approach to health care challenges in the San Joaquin Valley. Dr. Gornick requested knowledge of any precedent in regions receiving

special designations. Dr. Capitman spoke of an example in social services but was not aware of any others. Assemblyman Arambula suggested that the Partnership weigh in on proposed reforms currently set aside for floor discussions. The language can be changed because it does not address the unique needs of the San Joaquin Valley. Mr. Weber recommended that the Partnership prepare a document pointing out the issues for our region and forward it to Valley legislators before November 26. Mr. Navarro stated that an updated work plan and long-term issues will be discussed at the February board meeting.

Human Services Goals: Ms. Medina introduced the human services portion of the HHS Work Group, led by the Social Work Evaluation, Research and Training Institute (SWERT) at California State University, Fresno. She discussed SWERT's three goals: continuum of care for methamphetamine, proactive foster care prevention and relative placement and alternative evaluation methods for competitive bidding.

Methamphetamine Continuum of Care: Dr. Virginia Rondero Hernandez with SWERT discussed the Regional Advisory Council and requested assistance with finding advisors in San Joaquin and Stanislaus counties. Getting local community members to discuss the methamphetamine issues is a regionwide outreach and engagement effort. This series of discussions will better inform the group for more effective discussions with policy makers. Plans are currently under way for a legislative roundtable meeting in March 2008. The Meth Advisory Council convenes in Visalia on December 14.

Dr. Hernandez commented on the Seed Grant awarded by the Partnership which funds the production of a continuum of care model for treatment and recovery. Deputy Chair Grupe requested any information on a location that has successfully dealt with the traumatic impact of methamphetamines. Models focusing their strategy on prevention and education from Montana and Oregon were discussed. Ms. McPeak addressed the need for law enforcement to be in the discussions, which Dr. Hernandez assured is the case.

Foster Care Prevention: Juanita Fiorello discussed the connection between substance abuse and foster care, indicating that 75 percent to 90 percent of children in foster care are a result of substance abuse. One challenge is that a child under three years can be taken away in six months; however, a substance abuser can take up to 18 months until treatment is effective. SWERT is working on a comprehensive matrix of issues and current efforts to address those issues.

Competitive Application Process: Currently the process is managed through the state. Ms. Fiorello spoke of a perception that the San Joaquin Valley is not resourced to compete for funding. SWERT is currently evaluating the methods and determining changes that will weigh the socio-economic factors when determining a score. A stakeholder group will convene. The challenge is obtaining the criteria and information from the state regarding the current scoring methods.

Mr. Lindsey suggested that the frustration stems from not having a seat at the table and being able to understand the criteria, which would allow the San Joaquin Valley to write the best grants. He suggested that the San Joaquin Valley have representatives on the committees where decisions are being made in these matters.

Nursing Education Consortium Update: Pilar De La Cruz-Reyes provided the board with a progress update. In addition, Ms. De La Cruz-Reyes discussed the completion of the first online course. She spoke of the shortage of nurses in the San Joaquin Valley. The recent Request for Proposals (RFP) for a computerized clinical placement system was not successful and will be revised for a new RFP. A challenge with the work on a distance learning program is ensuring that faculty can properly operate simulation equipment.

Mr. Ing indicated that the Governor has established a Nurse Education Task Force, and the Nursing Education Consortium is featured in that task force. Ms. D'Adamo suggested that on the state side there is an appointments opportunity on the Governor's Web site to provide San Joaquin Valley representation at the table. However, on the federal side, there is no such system in place.

VII. Land Use, Agriculture and Housing Work Group (LUAH)

Mr. Hibbard stated that "green" is dominating construction. This should provide opportunities for sustainable communities. He reviewed the foundation for the LUAH, the blueprint process. Until this process is completed, there will not be a lot of action items.

Rollie Smith with Housing and Urban Development summarized the work group's goal #6 and stated that the Strategic Action Plan called for the creation of an affordable housing trust. Mr. Smith requested approval of a 501(c)(3) nonprofit organization. He reviewed the background, estimating meetings with approximately 30 cities and the introduction of AB1129. This put the San Joaquin Valley on the housing table. Through SB586 (Dutton) funding is set aside for housing trusts with \$17 million for new trusts. Mr. Smith stated the need to educate local cities and do one project at a time.

Mr. Smith outlined the risks involved with this request, including exposure by associating the Partnership with a nonprofit and competition with other movements around housing trust. He suggested that various cities are in support of the trust, as well as most of the COGs'.

Ms. Goodwin requested clarification regarding membership, inquiring who is intended to pay dues. Mr. Smith indicated that is not entirely clear. His anticipation was to establish the organization and appoint a board; then the board would set policy and approve the bylaws and articles of incorporation. Mr. Weber indicated that the executive committee supported the approval of the housing trust. Mr. Weber moved to authorize the establishment of the affordable housing trust. Ms. Medina seconded the motion. Mr. Lindsey objected to lending the Partnership name to an organization if some of the previous questions did not solicit qualified answers. Mr. Smith went on to say that he anticipates a series of grants and housing trust funds. He assured the board that the organization would not incur any debt without having funds available. Mr. Weber amended his motion to approve of the establishment of the affordable housing trust in concept and allow for the creation of a board of directors, bringing it back to the Partnership in February for the next level of authorization. Ms. Medina seconded the amended motion. The amended motion was passed unanimously.

Marjie Kirn with the Blueprint Regional Advisory Committee provided an update on the blueprint planning process and demonstrated new technologies being used in the development of priorities for the regional vision.

VIII. Work Group Review

A report was provided in the board package to cover the work group review.

IX. Report from the Secretariat

Ms. Swearingin indicated that the board package contained an update on communications, a legislative overview and a listing of 2008 board meeting dates and locations.

X. Public Comment

Marvin Dean announced that the Kern Minority Contractor Association will hold a regional conference and business development expo in Bakersfield on January 10 and 11. The event is designed to bring together public agencies; prime contractors; and minority, women-owned, disabled veteran and small/disadvantaged business enterprises throughout the Valley to discuss how to do business with each other and learn about future public sector projects. A Partnership representative will be made available to kick off the conference. Mr. Dean also requested that the Partnership provide information for a booth at the event and assist in broadcasting information about the event. Chair Conway said that assistance in those three areas would be provided.

Stan Santos informed the board that he would like to make a more formal presentation regarding legislation that is now in process to address the digital divide. Ms. Swearingin recommended that Mr. Santos coordinate a presentation with the Advanced Communication Services Work Group through Barbara Patrick.

Other

Dr. Gornick requested that Ms. Swearingin provide a presentation template for board members for working with other groups.

Mr. Lindsey reiterated the need to have San Joaquin Valley representatives at the table. He offered to advocate the Valley's position to have HSR go over the Altamont Pass; however, it is necessary for all eight counties to be on the same page. Ms. Swearingin will provide the executive committee with a strongly worded letter to address this situation.

Adjournment

Chair Conway provided closing remarks and at 3:55 p.m. adjourned the meeting of the California Partnership for the San Joaquin Valley.