



Meeting of the Board of Directors

Friday, December 12, 2008

10 a.m. to 3 p.m.

The Stockton Grand Hotel - Delta Ballroom

2323 Grand Canal Blvd

Stockton, CA 95207

Meeting Minutes

Present: Lee Andersen, Frank Bigelow, Andrew Chesley, Fritz Grupe, Coke Hallowell, Barry Hibbard, William Ing (Representing Secretary Kim Belshé), Farrell Jackson, Secretary A.G. Kawamura, Terry Lightfoot (Representing Corwin Harper), Luisa Medina, Michael Navarro, Leroy Ornellas, David Quackenbush, Paul Saldaña, Ray Watson, Pete Weber, Jeff Wyly (Representing Secretary Victoria Bradshaw)

Staff: David Hosley, Ashley Swearengin

I. Convene Meeting & Introductory Remarks

Deputy Chair Grupe called to order at 10:20 a.m. the meeting of the Board of Directors of the California Partnership for the San Joaquin Valley (Partnership). Mr. Grupe thanked participating legislative representatives for their attendance and participation.

II. Self-Introductions

Members of the board introduced themselves followed by the introduction of the public.

III. Review and Approval of Minutes

Mr. Saldaña moved to approve the September 13, 2008, minutes as presented; Ms. Hallowell seconded the motion. The motion passed unanimously.

IV. Follow-up Items from September Meeting

Ms. Swearengin provided an update on open items from the September Board Meeting. The PreK-12 work group held a conference call with Assistant Secretary Vince Stewart to further plans for the work group to implement leading-edge programs in the Valley in support of the Governor's Committee report. The continuing State budget crisis and the vacancy of the Secretary Position are impeding progress in the long-term plans. Assistant Secretary Stewart is committed to participating in the Exemplary Practices workshop and to continued support of the work group's activities.

Ms. Swearengin reported that the Partnership supported Tulare County in its application for rural water project funding through the Environmental Protection Agency (EPA). An announcement on the status of those applications is expected from the EPA in January. Ms. Swearengin extended the Partnership's thanks to Sarge Green and Jim Tischer of the Water Work Group for their support of Tulare County's applications.

Secretary Chrisman, Ms. McPeak and Mr. Watson are working on an Agricultural Water Presentation that reflects the critical connection between water and agriculture. This presentation will be used as part of the outreach effort to the Legislature and other constituents for water bond support.

Ms. Swearingin directed the Board's attention to the Legislative Concepts Overview and Recommendations in the Board packet. Details and key recommendations from this report will be discussed during the 2009 Goals session of this meeting.

V. Priority Work Group Updates

Transportation:

Mr. Bigelow commented that passage of the High Speed Rail (HSR) bill is exciting; the next Transportation challenge is ensuring that the HSR implementation meets the Valley's needs and goals. Mr. Bigelow also noted that the San Joaquin Valley (SJV) Blueprint Regional Advisory Committee (BRAC) adopted Alternative C, highest intensity use.

Mr. Bigelow advised that the Transportation Work Group is now focusing on updating its goals and priorities to focus on the most important current issues. Highway 99 Goods Movement is critical and is the next priority for the work group. The Surface Transportation Assistance Act (STAA) of 1982 established, among other things, truck width and length limits for trucks traveling on Interstate and regional highways and roadways. This rule was rarely enforced for many years but is now being pursued by the California Highway Patrol (CHP) and local jurisdictions due to the impact of larger and longer trucks operating on roads not designated as (T) truck routes. Newer, longer trucks cannot travel between Inter- and intrastate highways and approved facilities without being cited for T route violations. This new issue is to be tackled urgently in 2009 because the multiple citations and fines for local and regional trucking companies can exceed their profits; companies can lose contracts in one day due to enforcements and their inability to comply with STAA regulations. One of the more visible impacts is the turning radius of the new 53-foot trucks which cannot easily negotiate turns at rural intersections designed for 40-foot trucks. Mr. Hosley suggested this as an opportunity for private/public partnerships to help pay for costs to correct roadways and intersections that cannot be traversed. The CHP has informed the work group and trucking companies of their intent to continue enforcement of STAA; the work group is working on a recommendation for the Board to help mitigate this issue.

Secretary Kawamura asked if there is possibility of a concession from CHP on time of day for deliveries or if the enforcement is more due to the impact of trucks on the infrastructure. Secretary Kawamura further asked if an organized group met with Secretary Bonner to discuss this issue. Mr. Bigelow replied that industry reps have devoted great energy to the issue including meeting with Secretary Bonner. This issue has historically been handled leniently by CHP with a small percentage of trucks being impacted.

Mr. Grupe commented that this enforcement has the potential to impact both greenfield and brownfield development by limiting access to brownfield areas. Mr. Grupe observed that a new grocery store is going into a small downtown area that hasn't had one in over 50 years; this ruling has the potential to inhibit such development because suppliers will be unable to access it.

Mr. Chesley commented that this is a serious issue; as fleets are updated the average vehicle size has increased and now approximately 78% of trucks are impacted. In addition to impacting brownfield development opportunities these larger trucks represent a substantial safety issue in areas designed for the smaller vehicles.

Mr. Hosley observed that in addition to legislative intervention to alleviate enforcement, funding will be necessary to mitigate the necessary infrastructure changes to accommodate the larger vehicles. Budget constraints make it difficult for local and regional government to fund infrastructure retrofit; the work group is investigating alternate funding sources.

Mr. Bigelow reiterated that the work group is working on a mitigation recommendation to bring to the Board.

Secretary Kawamura asked the Partnership to keep Dave Pegos (dpegos@cdfa.ca.gov) in his department apprised of this issue; they have a good working relationship with the CHP.

Mr. Hosley advised that on January 26, 2009 there will be a Blueprint summit in Fresno where the BRAC recommendation (Alternative C) will be reviewed. This will be an open meeting and will solicit "clicker" input from the anticipated 700 attendees to select alternative solutions.

Prop 1A Update:

Carrie Pourvahidi with the High-Speed Rail Authority (HSRA) thanked the Partnership for its vigorous support of AB 3034. Ms. Pourvahidi specifically mentioned the efforts of Mr. Weber, Mr. Bigelow and the Transportation Work Group as being instrumental in the efforts toward the bill's success. Next steps in the HSR implementation process are filing the notices of intent to prepare Environmental Impact Review (EIR) and Environmental Impact Statement (EIS) for the Bakersfield area for testing high speed trains. The HSRA is committed to include all impacted communities in the implementation planning to ensure they meet the community desires. Ms. Pourvahidi handed out copies of the California High-Speed Business Plan dated November 2008; the plan will be updated regularly with progress on scoping and alignment alternatives and will be available online at www.cahighspeedrail.ca.gov/

Ms. Swearingin asked what advice the HSRA would give to regions and communities to be best prepared to work with the Authority and to be at the front of the line to advance the High Speed Rail. Ms. Pourvahidi responded that involvement of community and regional planning organizations in the environmental assessment process will be critical to finding the best alignment of HSR trains and communities. This assessment process will begin in the new calendar year.

Mr. Weber asked what portions of the project might get a jump-start based on possible economic stimulus funding and how to position the Valley at the head of the line for Federal funding.

Ms. Pourvahidi indicated that the best approach is to assemble a comprehensive menu of projects that are construction ready with which the Governor and the Presidential Transition Team can tap into the stimulus package. An example of shovel-ready projects would include grade separation work. This is an opportunity for communities to identify those projects that could benefit HSR, and vice-versa.

Mr. Andersen asked if the Merced-to-Bakersfield route plan includes a staging or maintenance facility that would ultimately become the central maintenance facility for the Valley. Ms. Pourvahidi responded that the plan includes both a staging and maintenance facility because both will be necessary for the testing of high speed trains and later for ongoing maintenance. Mr. Andersen inquired as to the decision-making process about the location of that facility. Ms. Pourvahidi indicated the decision will depend on the environmental studies as it requires a large site and facility as well as operational considerations such as proximity to tracks.

Mr. Saldaña asked about the status of planning for a station in the Kings/Tulare area. Ms. Pourvahidi responded that the alternatives developed through the EIR/EIS process will be brought to the public scoping meetings.

Mr. Chesley commented that the Altamont Working Group has already begun the environmental work. The Regional Policy Council and the Councils of Government (COGs) will be going to Washington, DC, February 24-27, 2009 to promote and argue for Valley issues; support of HSR will be a significant component of that trip.

Mr. Weber suggested the One Voice trip agenda be expanded to include other Partnership considerations that would benefit from discussion with the new Administration.

Secretary Kawamura asked if a decision has been made on type of equipment; dual rail or monorail, and whether particular vendors and manufacturers have been determined. Ms. Pourvahidi replied that steel-wheel-on-steel-rail technology is decided, based partially on capitalizing on existing rail services such as the Bay Area and Los Angeles/Anaheim areas. Maglev technology was considered and eliminated since the high-speed train service will need to share tracks with existing services. Maglev technology requires separate and distinct guideway configurations that would preclude the sharing of rail infrastructure and be limited in its ability to share existing rail right-of-way.

Water:

Secretary Kawamura opened the water update with a slide presentation reflecting the devastated water resource conditions around the state; drought stress is opening the door for invasive native as well as non-native species. Secretary Kawamura commented that this compelling story is also an opportunity to learn from the crisis of others. Australia is experiencing an eight year drought with 50% collapse in their agriculture; the impact on the SJV, indeed the world, to lose 50% of the SJV crops is unthinkable. Australia is undertaking a huge effort to retrain and repatriate their agricultural workers to urban areas including public programs to “get them off the dole”. Secretary Kawamura further noted that it is critical to get the infrastructure in place to support flexibility with water in order to protect the environment and the region. Global climate change and changing weather patterns will create unpredictable weather which will mean unpredictable crops.

Secretary Kawamura advised that the Ag Vision process is coming to an end but shows converging lines of effort. The biggest concern of the Ag Vision continues to be the lack of inclusion of agriculture in other planning and visioning processes. For example, the Delta Vision does not include statements addressing the value of agriculture to the state economy and the interrelationship of water and agriculture.

Mr. Weber commented that this is a compelling presentation and asked how the Partnership can help get this story into the public awareness. Secretary Kawamura replied that the message is moving forward with the Delta Vision and with UC Davis public education seminars to educate on sustainability and flexibility.

Ms. Medina echoed Mr. Weber’s comments; driving past San Luis Reservoir was an eye-opening illustration of the impact of the drought. Ms. Medina recommended that the Partnership revisit this issue in relation to its goals and to the significant impact of water shortage on this Valley. The impact is being seen already on the Westside with crops not being planted and with saltwater incursion a real issue.

Mr. Navarro echoed and supported the prior comments and reiterated that public awareness is a very important part of the Partnership’s work. The general public does not understand or appreciate the complexity of this issue.

Mr. Bigelow stated that seeing the pictures puts the issue into context. The Central Valley Project funded and helped build those water storage facilities, mostly with agriculture in mind; those storage resources are now being tapped for multiple uses including agriculture. The Partnership Summit keynote speaker made it clear that the Valley needs more storage; as long there are competing infrastructure demands this issue will exist. This is no longer a “maybe”, the Valley needs to tap Economic Stimulus and redevelopment funds to support building more water storage and access to it with clearly defined priorities of use.

Mr. Watson commented that trying to convince the metropolitan population, which controls the legislature, that agriculture is not big business making lots of money using cheap water is a challenge. Other uses of water permeate our economy including food processing and

preparation. To manufacture two slices of bread requires 120 gallons of water; producing newspapers consumes hundreds of gallons of water every day. Lifestyle choices such as landscaping and swimming pools impact and are impacted by water use.

Mr. Watson announced the Water Work Group has reached a benchmark with a completed draft SJV Integrated Water Management Plan (IRWMP) framework. This framework is to be submitted to the Dept of Water Resources (DWR) by end of December; an executive summary of the framework is included in handouts provided to the board. The entire document can be viewed at: www.californiawater.org. The water group is seeking input from Board and other stakeholder groups. This is not a plan; it is the framework for gathering and assembling the millions of details relevant to all water issues in the SJV. Mr. Watson extended his, and the Board's, thanks to Jim Tischer, Sarge Green and Dave Zoldoske of the California Water Institute (CWI) who are administering the IRWMP process and who provided outstanding displays and packet inclusions showing watersheds in SJV and those Valley areas appropriate for subsurface water storage. It is a huge accomplishment to get the level of involvement experienced with this effort; 90% of the geography is now under an IRWMP strategy with local and regional focus on pertinent issues. Across the SJV are several hundred entities involved and participating in the gathering and integration of information into a plan to solve our water needs.

Mr. Watson continued that ultimately the group plans to analyze current conditions: water sources and uses; identify problems relative to supplies, quality and systems; then envision profiles in 50 years (population growth, industry evolution and density) to assess impacts, needs and uses. Reliance on sources such as the California Aqueduct will be lessened; reliance will have to shift to conservation, reclamation and desalinization. The result of this analysis will be to identify appropriate water management practices and infrastructure to meet those predicted needs in 50 years. The plan framework will require tweaking but will come to the Partnership in early 2009 for approval. Mr. Watson confirmed that there is active engagement in the Valley communities with people working together better and better. One issue with the San Joaquin Delta (Delta) is a key part of the strategy; it provides 25-30% of the water for 25 million people). The technical committee is working on solution proposals for the Delta with 90-95% agreed upon. Key people who are impacted in their livelihood and their businesses must sit down talk about the tough issues to reasonably solve the other 5%.

Secretary Kawamura advised that in a wet year we lose 21 million acre feet per year out the Delta; dry years see 6 million acre feet lost. It is imperative to come up with the best way to capture and store that water when the rains do come. Kern County is losing \$100 million in crop revenues in 2008; California is losing just under \$600 million for the state; this is the beginning of the collapse of the agricultural economy. Secretary Kawamura urged the Partnership to stay engaged with this issue to ensure that every county in the SJV agrees on the solution to the Delta problem. Secretary Kawamura thanked Mr. Grupe for his efforts to keep bringing people to the table with their issues and concerns and for staying engaged in the process to come up with some reasonable solution.

Mr. Tischer reported that the water plan is now in its second version; a third version will go out to the general public for input. The final version will ultimately come to the Partnership with a request for affirmation and approval at the March Board meeting. The Federal Bureau of Reclamation has no water for 2009 and the State agency has only about 15%; the body public has to know this is serious business. Mr. Tischer concluded that the Water Institute will complete its deliverable for the seed grant as committed and thanked Secretary Kawamura, Mr. Addington and the Business Council for their support.

Secretary Kawamura stated that the concept of water abundance needs to include renewable energy as a component, an "energy shed" to compliment the watershed. Low cost, dependable energy can support water abundance; there is potential for enormous strides in agriculture and

food processing when water at the right cost is made available across the state. California doesn't have so much a water problem as a salt problem. Great technologies are on the shelf and converging to help address these challenges, e.g. water desalinization using low-cost energy, to focus on the energy efficiency and renewability. An example of technology convergence is that 75% of the water used by the Kingdom of Jordan is desalinized.

Mr. Saldaña recommended a Partnership conference call to review the water framework document when it is available in February in order to streamline the March Board meeting by identifying and addressing questions in advance.

Ms. Swearengin asked what happens when the DWR approves the document. Mr. Tischer responded that the Partnership is the control authority on this document; this is a recommendation not a formal IRWMP document.

Mr. Tischer continued that once finalized, the benefits of this document are that the eight counties have a firm, common vision on the water policy consistent with the strategic plan for water; the Valley is tracking along as a united entity, moving forward on the original six recommendations from the star cluster in the document. The document further sets the stage for the Water Work Group or a successor organization to move forward with a valley-wide IRWMP in order to get funding/bond monies from DWR.

Mr. Bigelow reiterated that the individual IRWMPs (San Joaquin, Kern and Fresno counties) can apply for Proposition 84 funds independently; this document ties together the eight counties in a coordinated fashion in order to solicit funding from the major source.

Ms. Swearengin asked what is necessary to get where each county agrees on a Delta solution; what can the Partnership do to support this effort.

Mr. Watson responded that there is agreement on points of ecology and sustainability (levees); still in discussion is pumping and its impact on fish; excess flow and issues of capacity to capture and move the water to surface reservoirs and subsurface storage; and the necessary infrastructure not just in the Delta but across the Valley.

Mr. Grupe commented that without agreement of all participants on policy it will be hard to get the legislature to go along, although water is very high on the Governor's agenda. The 5% in disagreement (delivery system and peripheral canal) may end up in court without agreement amongst the constituents. Storage has agreement; underground water recharge has support of environmentalists; surface storage is in discussion.

Secretary Kawamura advised that December 16, 2008, is the last public meeting of the Delta Group Advisory Committee chaired by Senator Isenberg with closing of public comment. The advisory committee will submit a final Delta Vision; to have Partnership endorsement of that plan will carry great weight. This issue extends well beyond the borders of California, other countries, such as Japan, that depend on California for food supplies are putting in support comments. Partnership support of that final doc will be critical.

Mr. Watson commented that there is still certain distrust of the Delta Vision document but the WWG is hoping to use that document as framework for final discussions with key players to determine their yes/no/maybe response. So many studies and analyses have been conducted over the years. The Delta Vision group has done a good job of pulling all this together into a document that will provide a consolidated framework for final discussions to engage political and economic interest dialogues about the remaining contended issues.

Mr. Watson further commented that the 6th largest water flow in the State is the effluent water flow out of the Los Angeles water treatment plant. Only 4% of the water in the San Joaquin/Sacramento Delta is being used by agriculture; the challenge is to determine how to meet everyone's needs.

Mr. Grupe commented that the Partnership had recommended seven items to the Governor to get started on water issues and suggested the Board review and take action on those items.

Air Quality:

Mr. Weber commented that like the Water WG, the Air Quality Work Group (AQWG) brought together a broad coalition of Valley stakeholders. Prior to the coalition the dialogue was mostly finger-pointing. Now there is 100% agreement on the sources of the problem with about 95% agreement on the solutions. Neither 100% agreement nor a comprehensive approach is necessary to make incremental progress on that 95%.

The AQWG has been involved in helping pass landmark regulations such as the indirect source rule and the off-road equipment rule as well as provided education outreach. The AQWG has provided an effective environmental justice program through a seed grant with the Maddy Institute. There have been good outcomes in the three environmental justice communities of focus (Avenal, Arvin and Parlier) with lots of progress with incentive funding.

Accelerated attainment of Federal Standards will require \$22 million/year; to date the AQWG has achieved potential access to about \$170 million/year from 8 different sources (some already being accessed like Prop 1A at \$150 million); others are approved at the Federal level but need to go through the annual authorization process (e.g. EQIP at 25 million/year). AB2522 was approved and signed by the Governor with the Partnership's strong support. Although the bill authorizes the Air District to access increased Valley DMV fees the District has not yet initiated the process.

Mr. Weber continued, last year, the incentive funding target was aimed at securing \$200 million/year through federal, state and local sources. The bad news is that this number as gone up because of the expectations required of the trucking industry so the target may now be approximately \$300 million/year.

Mr. Weber commented that the trucking industry is being affected by some of the issues Mr. Bigelow spoke about, but there is also the issue of the economy. A lot of trucks are sitting idle due to state of economy. Mr. Weber predicted two things happening in the New Year: 1) Passage of AB 32 which will require major expenditures, and 2) the ARB Truck Rule which was under discussion at ARB. If passed, the Truck Rule will add significantly to the compliance burden of the trucking industry. The first version of the rule was submitted last year and was deficient; the second version was an improvement, but still needed work. The third version is the version being considered today by the ARB and is better. Mr. Weber described his work with owners of truck fleets and ARB to try to demonstrate how truck fleets will be able to afford the required conversions. As of early December none were sure how they would be able to survive. The answer from ARB is that truckers will have to pass cost along to consumers. The average rate increase for a trucking business is 3.4%; the rule would require an increase of over 8%.

Mr. Navarro commented that exemption for one group causes others to have to carry more of the burden. Any truck that comes into California has to comply with air quality standards but the newness of interstate carriers minimizes their compliance impact.

Mr. Grupe asked what impact the truck rule has on those older, rarely used vehicles that never leave the farm. Mr. Weber responded that there are two exemptions; one for those trucks that

operate on farms and never leave, another for trucks that travel less than a certain number of miles per year.

VI. Public Comment

Dr. Masumoto announced that plans are well under way for "Exemplary Practices in Education: Achievement Gains in Our San Joaquin Valley," a regional conference to be held at California State University, Fresno, on Jan. 13, 2009. The conference is designed for San Joaquin Valley leaders in PreK-12, higher education, business and communities interested in improving PreK-12 Education. Conference sessions will be organized into strands that mirror elements in the work group plan and include topics ranging from English Learners to Post Secondary Pursuits, PreK, Data Systems, Computer Literacy, Reading and Math, Teacher and Administrator Training Initiatives, and Community Collaboratives and Partnerships in Education. Dr. Masumoto encouraged all Partnership Board members and interested parties to attend. Detailed information and registration materials for the conference are available at www.csufresno.edu/cveli/conference.

VII. Report from the Secretariat

Ms. Swearingin reported numerous Partnership Board vacancies including the Secretary of Education and the Secretary of Labor, representatives from Fresno, Tulare, Kings and Merced Counties and the civic position vacated by Mr. Podesto. Tulare County has already submitted a recommendation, and in Kings County the process is underway. The Governor will appoint a new chair; two regional consortia Board seats are awaiting appointment once Mr. Quackenbush and Mr. Chesley are confirmed. It is unlikely these vacancies will be addressed by end of the year so early next year the Secretariat will push to fill the seats.

Ms. Swearingin advised that the Secretariat met with Secretary Bradshaw to request a renewed Executive Order to sustain the Partnership and is under the impression that will happen. The Partnership Board and work group staff is funded at least through June 2009; with funds that have been conserved and support from Fresno State, operations may be able to extend several months beyond June 2009.

The Seed Grant contracts expire on December 31, 2008 with details included in the Board binder; all expect to have met their deliverables and expended the full \$2.5 million in funding. Ms. Medina asked about the policy on extensions and what happens to unexpended funds. Ms. Furtado responded that the Business Transportation and Housing Agency (BT&H) did not approve any extension requests and that all funds are anticipated to be expended prior to December 31. Ms. Furtado further commented that invoicing often lags the actual expenditure, sometimes by several months, but the work groups report all funds will be expended.

Mr. Saldaña inquired of the \$2.5 million requested for extension of the Partnership, how much will cover seed grants. Ms. Swearingin responded that the first priority is to fund the Secretariat core staff and Board, then the work group and then seed grants. Mr. Weber noted that \$900,000 of the first funding covered seed grants.

Ms. Swearingin referred members to the Board binders for the quarterly work group reports and the Communications and Legislative Affairs update. Ms. Swearingin spoke of the positive reaction to the new Maddy Forum radio program produced by Executive Director Mark Keppler and Partnership Director of Communications Mike Lukens.

2009 Goals

Mr. Grupe asked Secretary Kawamura what the Partnership can do to help the legislature and Governor save jobs and stimulate new employment.

Secretary Kawamura responded that all the economies in the state need support. Although the 2007-2008 production levels in agriculture were exceptional, it is important to recognize where other natural strengths are (e.g. tourism) and create opportunities in all those categories. The

current budget deficit places the entire state in uncharted waters; it is unknown what happens if the legislature and the Governor cannot agree on a solution set. Secretary Kawamura encouraged the Partnership to pursue funding beyond the State government arena; as was found with the Ag Vision process there are a lot of Non-Governmental Organizations (NGOs) from which funding should be available. Secretary Kawamura encouraged the Partnership to create a comprehensive list of projects which can be shared with Labor, BT&H and the Governor's office, projects that are *ready to go* and can attract capital.

Mr. Weber stated that given the Obama administration's position on clean energy and the Valley's rich opportunities for clean energy projects provides an opportunity to propose a demonstration project in the Valley that extends some of the Obama imperatives. Mr. Weber inquired as to the possibility of a meeting with proposed Energy Secretary Steve Chu to discuss such a demonstration project before Dr. Chu leaves for Washington. Secretary Kawamura recommended that the Partnership ask for such a meeting. In a dual sense such a meeting would open doors across the country for venture capital folks to see that the Valley is poised and ready.

Mr. Grupe stated that funding is a critical issue for all Valley initiatives. Thirty percent of all lending institutions are anticipated to fail; economists expect to see much of the remaining Federal bailout monies used for 2009 bank consolidations, not private capitalization or consumer lending. It will take several years to overcome the foreclosure problem in the homebuilding industry; commercial construction is also being impacted with capital constraints. Mr. Grupe further commented that without capitalization, construction stops; cities rely on construction permits for funding; local funding failures trickle up to the State where there is already a huge deficit, further exacerbating the local and regional shortfall.

Clean Energy

Mr. Weber commented that it is imperative to save existing jobs first and then stimulate new job opportunities by identifying what low-hanging fruit exists. Mr. Navarro observed that there is a lot of global focus on renewable energy and development of those resources and suggested the Partnership pursue leading that movement in order to promote and create new "green" industry for the Valley. Mr. Weber observed that the Valley has many viable projects in the areas of clean energy, infrastructure improvements and clean air if given funding support.

Public Works/Infrastructure

Mr. Weber recommended compiling a comprehensive list all the projects in every county that are shovel-ready: anything related to infrastructure so we can advocate for those projects as part of the Federal Economic Stimulus. Each county is anticipated to pursue its own, but the Partnership can also push a collective agenda across political jurisdictions.

Ms. Swearingin commented that the CCEDC is compiling a similar list and proposed to coordinate through Mr. Saldaña for a comprehensive list.

Mr. Chesley confirmed that the COGs' immediate priority is saving and creating jobs; region-wide are creating similar project lists trying to get everyone to a common level of readiness: project ready, contracting ready, contractors ready with sufficient capacity to accommodate the work. COGs are encouraging their constituents to compile lists of 120- 180- and 365-day projects and getting them as ready to go as possible. Project expediting will be critical to taking advantage of economic stimulus so communities must be aggressive in production of the lists.

Mr. Grupe asked if there are functions or entities likely to impede progress with the projects; many cities and the state cannot get a contract through the process within 120 days. Ms. Swearingin suggested a Partnership call to Secretary Bonner might help identify ways to streamline the process. Mr. Chesley responded that Will Kempton, Department of Transportation

(DOT) is working to identify points of bottleneck; 180 days is probably the most realistic window to get a contract executed. Mr. Grupe recommended that Secretary Chrisman be included in the conference call with Secretary Bonner.

Mr. Jackson interjected that not all counties are able to self-help and suggested regional help to fund counties that don't have the money to get projects shovel-ready.

Mr. Weber asked how much flexibility the State will have in criteria for economic stimulus project selection. Mr. Chesley responded that the criteria are all speculation right now. There is not a single Economic Stimulus Package but fourteen different bills. Mr. Chesley further commented that meeting environmental requirements is challenging and are hoping for some concessions that would allow environmental requirements to be accommodated later in the process.

Mr. Andersen asked if California will be represented at the table for economic stimulus funding. Mr. Chesley responded in the affirmative, with Senator Boxer as chair of public works. The challenge is for Congress to get an economic stimulus package moving that works for everyone, with a system for dealing with the complex process.

Food Stamps

Mr. Weber referred to the post-summit discussion about the use of food stamps. According to the representative from USDA Region 9, California's uptake is very low – only 46% utilization - leaving about \$670 million unclaimed. Due to the continuing economic spiral Mr. Weber urged the Partnership to address this shortfall with some urgency.

Education

Mr. Weber observed that impacts of the economic crisis are predicted to result in cuts to education and recommended the Partnership take a position on categoricals and flexibility in dealing with them. Mr. Andersen commented that community colleges are being impacted by increased enrollment due to unemployment further highlighting the criticality of protecting funding for community colleges, workforce development and workforce preparation program funding.

Transportation

Mr. Weber continued that it is vital for the Partnership to engage vigorously with the HSR environmental review to maintain firsthand knowledge of the project status and to pursue local support and employment opportunities. Goods movement and local/regional truck issues also need Partnership support.

Air Quality

Mr. Weber acknowledged the importance of submitting to Senator Boxer for reintroduction of the Federal Air Quality Empowerment Zone legislation.

Long-range Goals

Mr. Weber commented that these topics are all near-term efforts to create or protect employment opportunities. A critical priority for the Valley remains water as well as pursuit of the UC Merced Medical School opportunity lest that initiative fall behind UC Riverside's parallel effort.

Mr. Hosley suggested each work group develop a list of goals, identifying those critical few on which the Partnership should focus. Once compiled, this list should be reviewed and prioritized by the Executive Committee, then communicated broadly across the Partnership and its constituents to ensure consistency and commonality of vision and goals.

Mr. Grupe recommended that Mr. Weber review and synthesize the list work group goals in preparation for the Executive Committee conference call. Ms. Swearingin suggested that the

Secretariat collect and consolidate the recommendations and forward them to Mr. Weber. Please submit goals and recommendations to Melanie Allen at meallen@csufresno.edu

Mr. Hosley further recommended the Partnership investigate funding sources beyond state and federal government and put itself into competition for those resources.

VIII. Annual Summit and Report

Mr. Hosley asked all Board members to review the Annual Report and provide feedback regarding any corrections or updates. Mr. Hosley further observed that a summary of comments on the Summit evaluations indicated the public felt it was a good day and a good meeting, but were disappointed about the extensive state of the hotel's renovation activities.

IX. Adjournment

Ms. Swearengin commented that this is her last Board meeting serving as the Partnership Secretariat. Ms. Swearengin stated that part of her inspiration for running for Mayor of Fresno is her strong belief in the Partnership and what it does. Ms. Swearengin's successor as Director of OCED at California State University, Fresno, is Mike Dozier who has 25 years in the field of Economic Development, 17 of those years in Clovis, and is well respected and supported around the San Joaquin Valley.

Mr. Grupe thanked Ms. Swearengin for her support of the Valley and the Partnership, leading the group in a round of appreciative applause.

The next regularly scheduled board meeting of the Partnership is scheduled for March 13, 2009 at Harris Ranch Inn in Fresno County. Co-Chair Grupe provided closing remarks and at 1:49 pm adjourned the board meeting of the California Partnership for the San Joaquin Valley.