



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**

Bank of America Building
University of California Center Sacramento
Conference Room LL3, Lower Level
1130 K Street
Sacramento, CA 95814
December 10, 2009

PANEL MEMBERS

Barry Broad
Acting Chair

Greg Campbell
Member

Barton Florence
Member

Scott Gordon
Member

Eloisa Klementich
Member

Janine Montoya
Member

Edward Rendon
Member

Janice Roberts
Acting Vice-Chair

Executive Staff

Brian McMahon
Executive Director

Maureen Reilly
General Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Barry Broad, Chairman, called the public Panel meeting to order at 9:34 a.m.

II. ROLL CALL

Members Present

Barry Broad
Bart Florence
Scott Gordon (arrived after initial roll call at 9:49 a.m.)
Karnig Kazarian (arrived after initial roll call at 10:19 a.m.)
Janine Montoya
Edward Rendon (arrived after initial roll call at 9:41 a.m.)
Janice Roberts
Rodney Wilson (on behalf of Greg Campbell)

Executive Staff Present

Brian McMahon, Executive Director
Maureen Reilly, General Counsel

III. AGENDA

ACTION: Ms. Roberts moved and Mr. Florence seconded the motion that the Panel approve the Agenda.

Motion carried, 5 – 0.

IV. MINUTES

ACTION: Ms. Roberts moved and Ms. Montoya seconded the motion that the Panel approve the Minutes from the October 23 meeting.

Motion carried, 5 – 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Brian McMahon, Executive Director, said today's meeting is the first meeting where the Panel will be reviewing projects for approval from a source of funding other than Employment

Training Tax generated monies. He said there are fourteen projects before the Panel today that have been submitted under the Non-Profit Nursing Skills Training Initiative and three Critical Proposals from the Biotechnology and Alternative Energy Sectors. The Critical Proposals are being funded from monies that were reserved at the Panel's September meeting.

Mr. McMahon said in the current year, ETP has now awarded all remaining funds that were reserved in September for Small Business Projects and Critical Proposals. He said the Fund Status Report included in the Panel Packet, indicates a zero balance remaining for new project funding. He said there is now some good news regarding standard program funding in the current year. \$3.4 million of the revenue shortfall that impacted our funding availability this year is now going to be allotted elsewhere within Labor & Workforce Development Agency. He said this results in \$3.4 million in funding being available for new projects in the current year, and with ETP's incremental encumbrance approach, leaves approximately \$9.2 million in new training awards. It is expected that these funds will be available to the program shortly, and staff is currently finalizing the details around these monies. He said the first priority for these funds will be projects in the pipeline; specifically, projects that have been referred by the ETP Regional Offices and remain unfunded due to the funding situation in the standard program. It is expected that with these new funds, mid-size and larger projects will come before the Panel, likely in February 2010. He said staff will consider small projects that have been funded under the Delegation Order, and will begin reviewing these projects earlier than the scheduled February Panel meeting.

Mr. McMahon addressed the Non-Profit Nursing Skills Initiative that the Panel is reviewing today. He said the ETP was initially appropriated \$3.2 million in 15% WIA discretionary funds that were augmented by the American Recovery Reinvestment Act (ARRA). When it became apparent, however, after going through the application cycle for this program that demand would significantly exceed the available funding, the Labor & Workforce Development Agency approved reallocating another \$2.4 million in 15% monies to this training initiative. He said this will result in \$5.6 million available to fund these projects. He said there continues to be more demand than available funds for these projects. He said there is not a significant increase in demand above available funding, but ETP will most likely need to reduce non-rural projects by some percentage. We are taking the same approach that we took in September and October with standard program monies, pooling all projects together and then coming up with an equitable formula for reducing the funding for these projects. He said in projects designated as rural by the rural assistance center, if they receive a reduction it will be very slight, if any reduction occurs at all; and he does not expect that any project would receive more than a 15% reduction in the overall cost. He said staff will determine what the specific percentage is, soon after staff completes the development process for the five remaining projects that will come before the Panel at its January 29 meeting. It is expected that we will have those numbers available within the next two weeks. He said the projects approved today will have their agreements developed shortly after this approval process, and the numbers that are placed in that agreement will reflect a small level of reduction. The amounts provided in the Panel Packets do not yet reflect any reductions.

Mr. McMahon said there are a number of special funding sources in addition to standard program funding. He said a partnership with the California Energy Commission will bring \$11 million to ETP. He said the first \$5 million is under a program called the Clean Energy

Workforce Training Program, also known as “CEWTP”. He said that a number of proposals have been submitted under the CEWTP initiative. Guidelines that are posted on the ETP website will give potential applicants an indication as to the types of projects that will qualify for these monies, and also provide examples of specific types of curriculum that both the California Energy Commission and the ETP are seeking. He said the first group of proposals under this initiative will begin to come to the Panel at the January 29 meeting. An additional number of projects are now being referred out to the regional offices for development.

Mr. McMahon said the second source of new funding comes from the California Energy Commission under Legislation AB118 that was approved in 2007. He said ETP will have an additional \$5 million for this program, but it is running on a slower path than the Clean Energy Workforce Training Program. He said it is expected that ETP will have final approval from the California Energy Commission in either January or February 2010. He said staff will move ahead in developing program guidelines for this initiative, and the guidelines will be very similar to the Clean Energy Workforce Training Program in terms of areas of adherence to the standard program, and areas of flexibility that will apply to these monies. He said the timeline that the California Energy Commission provided is March or April for the first group of projects to come before the Panel. He said guidelines posted will include a significant level of detail as to the types of projects, curriculum, and occupations involved in training.

Mr. McMahon said another source of additional funding comes from the Labor & Workforce Development Agency, using 15% Governor’s discretionary WIA dollars. Staff is coordinating the details with the Labor & Workforce Development Agency as to how these funds will be targeted. The initial concept for the monies would be to use them for new-hire projects and to extend flexibilities that we are proposing, with the California Energy Commission funds, in placement and retention.

Mr. McMahon said at the last meeting, staff discussed holding meetings every other month, beginning in January 2010. With new funding sources now available, it is likely there will be a January, February, April and May meeting, with a March meeting undetermined at this point. A high volume of projects is not expected at these meetings, and the meetings will likely be held at the ETP’s Sacramento office, 1100 J Street, on the 5th Floor, in the Sequoia Conference Room.

VI. REQUEST MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM/ACTION

ACTION: Mr. Rendon moved and Ms. Roberts seconded the delegation of authority to the Executive Director in consultation with the Chair or Vice Chair, for all matters under consideration.

Motion carried, 6 – 0.

VII. REQUEST MOTION TO DELEGATE AUTHORITY TO REDUCE FUNDING PROPORTIONATELY AS NECESSARY BASED ON WIA & ARRA AVAILABILITY

ACTION: Ms. Montoya moved and Ms. Roberts seconded the delegation of authority to the Executive Director and staff to reduce the amount of funding proportionately

by a fair allocation, so monies can be distributed based on availability of funds from WIA and ARRA.

Motion carried, 6 – 0.

Mr. Broad said the State budget is currently at approximately \$80 billion, down from approximately \$110 billion just a few years ago. He said when comparing the current year budget deficit and next year's projected budget, it is estimated that there will be a 25% reduction in the State budget. He said this reduction will require further cuts or taxes. He said this would change if there was a dramatic improvement in the State economy and tax revenues in the State are higher than anticipated. He said currently, the budget situation for California is pretty grim. Mr. Broad said, when the Governor proposes the budget for next year, he will not be proposing any transfer of Employment Training Tax funds to the Department of Social Services, as in previous years. He said the grim reality of a budget situation like ours, is that every dollar that is not nailed to the ground is going to be available for some other purpose, because at this point, after several years of very deep cuts, we are now going have to make draconian choices. He said that funding that is available to train workers could be the type of funding that could be grabbed up in a heartbeat. He said it is likely that ETP will have a substantial amount of its budget reduced and moved elsewhere in the next fiscal year. He said perhaps there will be other alternative sources of funding that will arrive for a second year in a row. He said the Federal Government is talking about further spending, and Congress is apparently discussing further stimulation of the economy to address the high unemployment rates that exist. He anticipates that there may be a training component to that, so there may be a silver lining in the otherwise fairly grim budget news.

VIII. REPORT OF GENERAL COUNSEL

Maureen Reilly, General Counsel, said there were two delegation orders for small business proposals under \$75,000, approved in the months of October and November, as shown in the Panel Packet tab under delegation order, and as posted on the ETP website under delegation order.

IX. REVIEW AND ACTION ON CRITICAL PROPOSALS

Amyris Biotechnologies, Inc.

Creighton Chan, Manager of the Foster City Regional Office, presented a Critical Proposal for Amyris Biotechnologies, Inc., (Amyris), in the amount of \$319,200. Amyris is a collaboration between ETP and numerous other entities, including the California Energy Commission, the Labor and Workforce Development Agency, the California Business Investment Services (CalBIS), the City of Emeryville, the East Bay Economic Development Alliance, the Housing and Community Development Agency, and Pacific Gas & Electric.

Mr. Chan introduced Julia Tran, Director of Human Resources.

Ms. Roberts said this is a great contract but she was concerned since this is their first proposal of almost \$400,000. She said inasmuch as there is not yet a formal training program in place, how is the training going to be administered. She said there is much detail,

and it is complicated to earn the funds. She asked about the systems and processes in place to ensure that the contract is successful. Ms. Tran said they have created an internal panel, and since they are a small company, they cannot hire a training director to perform that specific task. She said they decided to pull together cross-functional teams, through knowledge management teams, IT teams, and also the lead scientist within the biology realm. She said this will be the core group, including herself and another HR staff person that will oversee the process and the administration, to ensure they have the capability internally to manage the contract. Ms. Roberts stressed the importance of documentation and suggested she work closely with ETP staff to help them through some of the processes. Ms. Tran thanked Ms. Roberts for her counsel.

ACTION: Ms. Montoya moved and Ms. Roberts seconded approval of the Critical Proposal for Amyris in the amount of \$319,200.

Motion carried, 7 – 0.

Bayer HealthCare LLC

Mr. Chan presented a Critical Proposal for Bayer HealthCare LLC (Bayer HealthCare), in the amount of \$497,040. Bayer HealthCare is part of an economic development effort that involves numerous state and local agencies that include: the California Business Investment Services (CalBIS); the State of California Labor & Workforce Development Agency; the East Bay Economic Development Agency; the Cities of Berkeley, Oakland, and Emeryville; Pacific Gas and Electric; and the Housing and Community Development Department. All of these entities have worked collaboratively to retain Bayer HealthCare's biotechnology facilities and its employees in California. ETP funds will assist the company in expanding its operations in California and substantially reduce the possibility of outsourcing the production of the next generation of its proprietary drug for treatment of hemophilia.

Mr. Chan introduced Mark Roache, Director of Global Quality Management and Daniel Bishop, Training Manager of Site Programs.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the Critical Proposal for Bayer HealthCare in the amount of \$497,040.

Motion carried, 7 – 0.

Solyndra, Inc.

Mr. Chan presented a Critical Proposal for Solyndra, Inc. (Solyndra), in the amount of \$494,000. Solyndra is part of an economic development effort that involved numerous entities including: the U.S. Department of Energy; the Employment Development Department's California Business Investment Services (CalBIS); the Employment Training Panel; the City of Fremont Economic Development; the East Bay Economic Development Alliance; and Pacific Gas & Electric. The support and incentives offered by these various entities helped to ensure that Solyndra did not build its second manufacturing facility in another state.

Mr. Chan introduced Ben Bierman, Executive Vice President of Operations and Engineering and Jeanette Anderson, Director of Manufacturing.

Ms. Roberts asked if Solyndra has hired any NUMMI employees. Mr. Bierman said yes, they have already hired a few NUMMI workers and are continuing to see a steady stream of them. He believes Solyndra will hire a substantial number of NUMMI workers, as that has been the nature of the company, as they have hired individuals from several facility shutdowns.

ACTION: Mr. Gordon moved and Mr. Rendon seconded approval of the Critical Proposal for Solyndra in the amount of \$494,000.

Motion carried, 7 – 0.

Brian McMahon said he wished to recognize Diana Torres and Krista Campion from the San Diego Regional Office, and Creighton Chan and Teresa Teles from the Foster City Regional Office, for the conceptual design and process development for these proposals. These offices have significant expertise working in this sector.

Mr. McMahon said today there will be a slightly different approach in the way that the Panel will review the projects. He said since the focus is only on RN and LVN occupations, and because the curriculum is highly standardized around the existing medical skills training model, a master ETP 130 has been developed to provide an overview of the specifics of the projects to be reviewed today. He said there are shorter review documents for the individual projects that Creighton Chan and Diana Torres will present to the Panel. He said company representatives for each proposal will not be asked to approach the podium; however, if the Panel would like to ask questions of any of the applicants, representatives from each facility are present in the audience.

David Guzman, Chief of Operations, summarized the features of the Non-Profit Nursing Proposals. He said there are fourteen proposals in the Panel Packet that were developed under the Non-Profit Nursing Skills Training Program. He said this is the first in a series of new program funds that will be used from sources other than the Employment Training Tax. These are Federal funds from the Workforce Investment Act WIA and from the Governor's Discretionary 15% Allocation, augmented from the American Recovery & Reinvestment Act (ARRA) of 2009.

Mr. Guzman said the first fourteen proposals to be developed are in the Panel Packet, and an additional six proposals will come to the January Panel meeting. He said the proposals presented today total more than \$5.5 million, which clearly exceeds the amount of funding available. He said that once staff has the estimated amount of the January proposals and staff assigns each proposal a final developed amount, proposals will be reduced proportionately after giving some emphasis or incentive to the projects in the rural areas of the State.

Mr. Guzman said the Medical Skills Training Program projects include all of the skills included in the core program in past years. He said the curriculum itself, is a summary curriculum that includes all of the skills found in medical skills training programs in the past. He said the chief categories are the clinical preceptor and didactic training, and continuous improvement and

computer skills are also included. He said this training will be in facilities that were unreachable in the core program, since they are non-profit healthcare facilities, which do not pay into the Employment Training Tax.

Mr. Guzman said the occupations that will be trained are strictly Registered Nurses and Licensed Vocational Nurses. Of the fourteen projects that we have before you today, nine of the projects are located in high unemployment areas of the State, which is a feature of our core program, based on the state unemployment insurance rates. He said of the fourteen proposals, four are located in rural areas as designated by the rural assistance center, U.S. Department of Health & Human Services, and we will be giving those four locations a reduced reduction. He said Mr. Chan and Ms. Torres will both present seven proposals each. Mr. Chan will begin with Tabs #1 through #6 and then he'll move to Tab #14 and Ms. Torres will present the remainder of the projects.

Mr. Guzman noted that Catholic Healthcare West dba Mercy Hospitals of Bakersfield (Tab #2) and Bakersfield Memorial Hospital (Tab #7), are listed in the Agenda and Panel Packets for amounts indicative of stand-alone medical facilities. He said that staff discovered late in the process, that the two facilities in the City of Bakersfield are affiliated with the same large-scale healthcare organization. Under ETP guidelines published in September and approved by the Panel, those projects are limited to \$500,000 for all facilities. Both of these projects will be reduced to an amount up to \$250,000 each, for a total overall cap of no more than \$500,000.

Mr. Broad asked what would happen if one of the projects did not earn the full project amount. Mr. McMahon said both of these projects will be encumbered 100% and if the funds are not earned they will return to the Labor & Workforce Development Agency and to the processes they use for unspent WIA funds.

Creighton Chan thanked Teresa Teles of the Foster City Regional Office and Krista Champion of the San Diego Regional Office for all of their work on the nurse projects and the development of a manual and checklist for the ETP monitors.

X. REVIEW AND ACTION ON NON-PROFIT NURSING PROPOSALS

Barton Healthcare System

Creighton Chan, Manager of the Foster City Regional Office, presented a Non-Profit Nursing Proposal for Barton Healthcare System, in the amount of \$495,720. Barton Healthcare is comprised of two medical centers, several medical practices, outpatient clinics, an urgent care facility, and a skilled nursing facility providing services in the South Lake Tahoe area, Carson Valley, and Carson City, Nevada. Barton Healthcare's major provider of services is Barton Memorial Hospital, a rural 119 licensed bed acute care hospital and skilled nursing facility located in South Lake Tahoe.

Catholic Healthcare West dba Mercy Hospitals of Bakersfield

Mr. Chan presented a Non-Profit Nursing Proposal for Catholic Healthcare West dba Mercy Hospitals of Bakersfield, in the amount of \$499,608. Mercy Hospitals has two hospitals in Bakersfield, with a total of 267 acute-care beds.

Community Hospital of the Monterey Peninsula

Mr. Chan presented a Non-Profit Nursing Proposal for Community Hospital of the Monterey Peninsula, in the amount of \$499,950. Community Hospital is a full-service community healthcare provider with 205 licensed acute-care hospital beds and 28 skilled-nursing beds. It serves the Monterey Peninsula and surrounding communities through a main hospital, (outpatient care, laboratories, a mental health clinic, a short-term skilled nursing care, and hospice), and associated facilities which are all located in the City of Monterey.

Kaiser Foundation Hospitals, Inc., Northern California Region

Mr. Chan presented a Non-Profit Nursing Proposal for Kaiser Foundation Hospitals, Inc., Northern California Region, in the amount of \$249,300. Kaiser Foundation Hospitals is part of a network of corporate affiliates that include Kaiser Foundation Health Plans, Kaiser Foundation Hospitals, and Permanente Medical Groups.

Mr. Chan noted a correction on the first page of the ETP 130 under the Introduction. The second line states Kaiser Foundation Hospitals is seeking funding for nurse retraining at 17 hospitals, which should actually be 21 hospitals.

Lodi Memorial Hospital Association, Inc. dba Lodi Memorial Hospital

Mr. Chan presented a Non-Profit Nursing Proposal for Lodi Memorial Hospital Association, Inc. dba Lodi Memorial Hospital, in the amount of \$499,356. Lodi Memorial Hospital is located in San Joaquin County, and is an acute-care facility with 168 licensed beds.

Marshall Medical Center

Mr. Chan presented a Non-Profit Nursing Proposal for Marshall Medical Center, in the amount of \$89,676. Marshall Medical Center is located in El Dorado County, and is a full-service community hospital, with 105 licensed beds in Placerville and outpatient facilities in Cameron Park, El Dorado Hills, and Placerville.

North Central Counties Consortium (presented out-of-order)

Mr. Chan presented a Non-Profit Nursing Proposal for North Central Counties Consortium in the amount of \$49,680. This project will provide training assistance to Colusa Regional Medical Center, a non-profit hospital. North Central Counties Consortium, which operates Workforce Investment Act programs in Colusa, Glenn, Lake, Sutter, and Yuba Counties, will be the contractor and perform administrative functions for the hospital.

Mr. Chan said if the Panel has any questions on the seven proposals he presented, that representatives are present and available to answer any questions.

Ms. Roberts said that in the ETP 130 for Tab #14, North Central Counties Consortium, the amount of funding listed in the Introduction does not match the project program cost provided under the Training Plan Table. Mr. Chan said the amount given under the Introduction is incorrect and the correct amount is \$49,680. Mr. Guzman said the dollar amount will be corrected on the contract.

Mr. Broad said Tabs #1, #2, #3, #4, #5, #6, and #14, presented by Mr. Chan, will be considered and voted on individually. He said that as he calls each of the proposals for a vote, for the Panel to inform him if they have any questions.

Tab #1 - Barton Healthcare System (Voting Action)

There were no questions by the Panel.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the Non-Profit Nursing Proposal for Barton Healthcare System. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab # 2 – Catholic Healthcare West dba Mercy Hospitals of Bakersfield (Voting Action)

Mr. Broad noted that the dollar amount that we are voting on currently states \$499,608, but this proposal, Catholic Healthcare West dba Mercy Hospitals of Bakersfield, and Bakersfield Memorial Hospital, Tab #7, are under common ownership and will therefore be reduced to a total of \$250,000 per facility, for a combined amount of \$500,000.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Kazarian seconded approval of the Non-Profit Nursing Proposal for Mercy Hospitals of Bakersfield. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #3 – Community Hospital of the Monterey Peninsula (Voting Action)

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Non-Profit Nursing Proposal for Community Hospital of the Monterey Peninsula. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #4 – Kaiser Foundation Hospitals, Inc., Northern California Region (Voting Action)

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the Non-Profit Nursing Proposal for Kaiser Foundation Hospitals, Inc., Northern California Region. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #5 – Lodi Memorial Hospital Association, Inc., dba Lodi Memorial Hospital (Voting Action)

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the Non-Profit Nursing Proposal for Lodi Memorial Hospital Association, Inc., dba Lodi Memorial Hospital. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #6 – Marshall Medical Center (Voting Action)

There were no questions from the Panel.

ACTION: Mr. Kazarian moved and Ms. Montoya seconded approval of the Non-Profit Nursing Proposal for Marshall Medical Center. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #14 North Central Counties Consortium (Voting Action – Out-of-Order)

There were no questions from the Panel.

ACTION: Mr. Kazarian moved and Ms. Roberts seconded approval of the Non-Profit Nursing Proposal for North Central Counties Consortium. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Bakersfield Memorial Hospital

Diana Torres, Manager of the San Diego Regional Office, presented a Non-Profit Nursing Proposal for Bakersfield Memorial Hospital, in the amount of \$496,800. Bakersfield Memorial

Hospital is located in Kern County, and is a full-service, acute care facility with 403 licensed beds.

Central California Foundation for Health dba Delano Regional Medical Center

Ms. Torres presented a Non-Profit Nursing Proposal for Central California Foundation for Health dba Delano Regional Medical Center, in the amount of \$421,200. Delano Regional Medical Center is located in Kern County, and is an acute-care facility with 156 licensed beds.

Dameron Hospital Association

Ms. Torres presented a Non-Profit Nursing Proposal for Dameron Hospital Association, in the amount of \$489,600. Dameron Hospital is located in San Joaquin County, and is an acute-care facility with 202 licensed beds and 1,283 full-time employees on staff.

Kaiser Foundation Hospitals, Inc., Southern California Region

Ms. Torres presented a Non-Profit Nursing Proposal for Kaiser Foundation Hospitals, Inc., Southern California Region, in the amount of \$249,696. Kaiser Foundation Hospitals is headquartered in Oakland, and is part of a network of corporate affiliates that include Kaiser Foundation Health Plans, Kaiser Foundation Hospitals, and Permanente Medical Groups.

Saddleback Memorial Medical Center

Ms. Torres presented a Non-Profit Nursing Proposal for Saddleback Memorial Medical Center, in the amount of \$475,200. Saddleback Memorial has two facilities in Southern California in the cities of Laguna Hills and San Clemente, both of which are located 15 miles apart in Orange County. Saddleback Memorial is a general acute-care hospital licensed for 252 beds.

Sharp Healthcare

Ms. Torres presented a Non-Profit Nursing Proposal for Sharp Healthcare in the amount of \$494,064. Sharp Healthcare is comprised of seven private, non-profit hospitals, of which the following five hospitals are included in this proposal: Sharp Memorial Hospital, Sharp Mary Birch Hospital for Women, and Sharp Mesa Vista Psychiatric Specialty Hospital, all in San Diego; Sharp Chula Vista Regional Medical Center in Chula Vista; and Sharp Coronado Hospital in Coronado.

Sutter Medical Center of Santa Rosa

Ms. Torres presented a Non-Profit Nursing Proposal for Sutter Medical Center of Santa Rosa, in the amount of \$498,600. Sutter Medical is located in Santa Rosa and provides a broad range of comprehensive medical and surgical services, including 24-hour emergency care with a heliport, clinical laboratory and anatomical pathology services, advanced cardiovascular services including diagnostic and interventional cardiology, cardiac catheterization and cardiac surgery.

Tab #7 – Bakersfield Memorial Hospital (Voting Action)

Mr. Broad said this proposal has been reduced to a cap of \$250,000, as Bakersfield Memorial Hospital and Catholic Healthcare West dba Mercy Hospitals of Bakersfield, Tab #2, are under common ownership.

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the Non-Profit Nursing Proposal for Bakersfield Memorial Hospital. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #8 – Central California Foundation for Health dba Delano Regional Medical Center (Voting Action)

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the Non-Profit Nursing Proposal for Central California Foundation for Health dba Delano Regional Medical Center. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #9 – Dameron Hospital Association (Voting Action)

There were no questions from the Panel.

ACTION: Mr. Kazarian moved and Ms. Roberts seconded approval of the Non-Profit Nursing Proposal for Dameron Hospital Association. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #10 – Kaiser Foundation Hospitals, Inc. Southern California Region (Voting Action)

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Mr. Florence seconded approval of the Non-Profit Nursing Proposal for Kaiser Foundation Hospitals, Inc. Southern California Region. Note: See January 2010 minutes for final “approved amount” per

delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #11 – Saddleback Memorial Medical Center (Voting Action)

Ms. Roberts asked about the average cost of training for this proposal since it was almost twice the amount of any other facility at \$5,400 per trainee, versus \$2,500 in other proposals. Mr. McMahon said training is capped at 300 hours. Ms. Torres noted that on Page 2 of 2 in the ETP 130, this proposal has a higher average number of hours because of the break down of the number of newer nurses; there are 88 new graduate nurses. Ms. Roberts said it seemed high for that amount of trainees. Mr. Guzman said these are specialty care, newly graduated nurses, who will receive training in ICU, surgery, and labor delivery, which is fairly technical.

ACTION: Mr. Gordon moved and Mr. Rendon seconded approval of the Non-Profit Nursing Proposal for Saddleback Memorial Medical Center. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #12 – Sharp Healthcare (Voting Action)

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Montoya seconded approval of the Non-Profit Nursing Proposal for Sharp Healthcare. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Tab #13 – Sutter Medical Center of Santa Rosa (Voting Action)

Mr. Broad asked if there were any other Sutter affiliated hospitals being presented today. Mr. Guzman said no, there are not.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the Non-Profit Nursing Proposal for Sutter Medical Center of Santa Rosa. Note: See January 2010 minutes for final “approved amount” per delegation of authority to Executive Director and staff to reduce all proposals across-the-board as necessary based on availability of federal funds.

Motion carried, 8 – 0.

Mr. Rendon and Mr. Gordon departed the meeting at 10:44 a.m.

XI. REVIEW AND ACTION ON ANNUAL REPORT 2008-09

Michael Rice, Chief of ETP's Administration Division, presented the draft Annual Report for 2008-09. The Annual Report is required by the ETP enabling legislation to be submitted to the Legislature annually to address the prior fiscal year. He said the Annual Report describes the Panel's actions and accomplishments for FY 2008-09. He said the Panel took steps to maximize its resources to fulfill its mission and address priorities in the report year, which include: administrative actions to maximize resources; approved record number of projects; targeted marketing to key industries; support for economic development; serving small business; key initiatives; and implemented AB 2570.

Mr. Rice said there were 468 new contracts approved during the year, with 315 completed and 312 ongoing. He said total contract activity neared 1,095 contracts and approximately 203,721 trainees. Mr. Rice said the average cost-per-trainee was \$1,168. He said in targeting business and industry with the greatest impact on the California economy, 84% of approved funds went to priority industries, and 56% of approved funds went to manufacturing and other high-tech firms.

Mr. Rice reviewed some of the key actions and accomplishments during the report year:

- The Panel supported economic development in California approving \$9.8 million for projects aimed at business expansion and attraction, which resulted in the creation of thousands of new California jobs.
- The Panel continued to serve small business, with a 20% increase in small business contracts, the small business program, fast track process, and entrepreneurial training.
- Key initiatives and priorities include: clean/green technology; nurse and healthcare training; career technical education; high unemployment areas; and support for Central Valley and Northern Rural Counties.
- The Panel supported the following pilot programs: seasonal worker training; CNA to LVN nurse training program; medical skills training; ex-offender/at risk youth; and serving Veterans.

Mr. Rice said administrative actions taken to improve the program include a new management information system and website enhancements. Plans for the future include strategic planning and developing partnerships for alternate funding sources.

Mr. Rice asked the Panel if there were any questions, and he proposed the approval of the FY 2008-09 Annual Report, with direction to staff to incorporate any requested changes, and with delegation of authority to the Executive Director for final approval. There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Kazarian seconded approval of the 2008-09 Annual Report with direction to staff to incorporate any requested changes and delegation of authority to the Executive Director for final approval.

Motion carried, 6 – 0.

XII. PUBLIC COMMENTS

There were no public comments.

XIII. PUBLIC MEETING ADJOURNS

Mr. Broad adjourned the public portion of the meeting at 10:55 a.m.

XIV. CLOSED SESSION

Mr. Broad announced that the Panel would enter into a closed session and the Panel would be considered to be in recess until the closed session adjourns.