



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**

California Environmental Protection Agency

1001 "I" Street

Sierra Hearing Room, 2nd Floor

Sacramento, CA 95814

May 26, 2011

PANEL MEMBERS

Barry Broad
Acting Chair

Sonia Fernandez
Member

Barton Florence
Member

Janine Montoya
Member

Edward Rendon
Member

Janice Roberts
Acting Vice-Chair

Sam Rodriguez
Member

Michael Webb
Member

Executive Staff

Brian McMahon
Executive Director

Maureen Reilly
General Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Barry Broad, Acting Chair, called the meeting to order at 9:41 a.m.

II. ROLL CALL

Present

Barry Broad
Sonia Fernandez
Janine Montoya
Edward Rendon
Janice Roberts
Sam Rodriguez

Absent

Bart Florence
Michael Webb

Executive Staff Present

Brian McMahon, Executive Director
Maureen Reilly, General Counsel

III. AGENDA

ACTION: Mr. Rendon moved and Ms. Montoya seconded the motion that the Panel approve the Agenda.

Motion carried, 6 – 0.

IV. MINUTES

ACTION: Ms. Roberts moved and Ms. Fernandez seconded the motion that the Panel approve the Minutes from the April 29, 2011 Panel meeting.

Motion carried, 6 – 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Brian McMahon, Executive Director, said due to the timing of the receipt of funds to the program this year, we have had to compress project development activities over a short amount of time.

He thanked the applicants for submitting their materials to ETP in a timely fashion and also thanked the regional office managers, the regional office analysts, and the Contract Review Unit for their efforts in getting all of these projects to the Panel today.

Mr. McMahon said that staff is committed to leaving no project behind this year. All of the Healthcare Initiative Proposals, Multiple-Employer Proposals, and Job Creation Proposals will get to the Panel by the June meeting. Due to the limitations on travel for state employees, three regional office managers have joined the meeting by conference call and are available to assist with any questions the Panel may have. They include Creighton Chan from the Foster City Regional Office; Diana Torres from the San Diego Regional Office; and Wally Aguilar from the North Hollywood Regional Office. David Guzman, Chief of Operations and Rosa Hernandez, Manager of the Sacramento Regional Office, will present all of the projects before the Panel.

Mr. McMahon said in the budget for the current year, we have seen growth in collections above the projection number received from the Employment Development Department (EDD) in September 2010. With approximately 98% of the revenues collected for the year, staff received a firm number from EDD last Friday that reflects a collection of approximately \$10 million more than the projection we received at the beginning of the Fiscal Year (FY). We are now projecting that we will have approximately \$52.4 million in revenue collected from the Employment Training Tax (ETT). This is up from the \$42.3 million that we had as our original estimate. This is the first time in the last three years that we have not had to consider drastic cut-backs in the ETP program.

Mr. McMahon referred to the Fund Status Report distributed to the Panel that reflects the additional revenue amount. The top line reflects \$52.4 million in collections from the ETT. The subtractions include other appropriations of funds that are transferred before we receive a specific appropriation amount to the ETP program. The amount disencumbered from projects this year is now approximately \$4.3 million, resulting in approximately \$54.8 million available for program operations. ETP administration is at \$8.7 million, down from previous years at approximately \$9.1 million. Those savings are achieved largely through staff reductions, salary savings, and other operating cost reductions. The \$1.1 mil Pro Rata figure is a charge levied against ETP's funds every year by the Department of Finance to cover costs associated with central control agencies such as the Department of Finance, the Department of Personnel Administration, and the Legislature. There is a large liability for prior year contracts of \$28.5 million, largely due to the fact we have experienced three years of declining revenue in the program, and each year we have been drawing dollars out of encumbrances. This will be the first year where we can begin to significantly reverse that trend.

After today's projects are approved, the remaining balance available will be \$5.1 million. There is approximately \$1.6 million anticipated for the June Panel meeting, which would result in approximately \$3 million remaining. It is our intention to shift the for-profit Healthcare Initiative projects that are eligible for the core program to that program, and to use these funds for those projects. We would then begin to increase the encumbrance rate in projects so that we significantly reduce the prior year contract liabilities and have more funds available for projects in the next FY. The Workforce Investment Act 15% monies, which fund the Healthcare Initiative projects, reflect a demand of \$4.5 million greater than the available funds in the projects. Staff will bring to the Panel 51 projects totaling a demand of approximately \$12.1 million for that program. We will likely take a pooled approach at the end of June, similar to last year,

determining the total demand of the Healthcare Initiative projects and making an across-the-board reduction. The for-profit hospitals that can be moved over to core program dollars will significantly reduce the amount of reduction in non-profit proposals. There is approximately \$1.09 million available in the AB118 monies available to the program that will carry over into the next year. It is expected we will have approximately \$4 million available in the next FY for the AB118 program. Mr. McMahon addressed the extra collection of program funds this year. We will propose raising the encumbrance level up to 38% for all projects approved this year. He said this has a very significant impact on the carry-over liabilities for next year.

Mr. McMahon said staff will contact all of the for-profits applicants that are before the Panel today and those proposed for the June Panel meeting, to discuss the feasibility of their project moving into core program dollars. It will not be a mandatory shift, but there are advantages for the Healthcare Initiative in general. It frees up funds for the non-profit hospitals, and there are significant benefits for the for-profit proposals since they will not have a reduction below the cap of \$250,000 for single facilities and \$400,000 for multiple facility projects. A longer project term is also available. They will not have the possibility of a federal audit that may be the case with WIA 15% funds. He said there may be some issues to address with the support costs and some occupations of lower-paid healthcare professionals not being eligible. For instance, certain CNAs and medical assistants have wages that are below our core program allowance. Staff will explore possibilities to keep funding levels as they are, and occupations that could conceivably be adjusted to eliminate the wage-related issues.

When staff developed a Healthcare Initiative, we instituted allowances from the standard program similar to Critical Proposals to allow for more flexibility. He said the Panel may need to make some allowances to allow those projects to shift over. Not all projects may require the allowances, but some proposals may need the reduction in the wage level under Standard Employment Training (SET) wages to allow them to reach a lower wage level. He said it may also be necessary to make some changes around the High Unemployment Area (HUA) reduction in wages due to issues in terms of total hours. He said these are all allowances we currently provide in Critical Proposals, and we would like to shift them into the review of the for-profit proposals. He said all contractors that have for-profit facilities will be contacted by staff to begin the evaluation process.

Mr. McMahon said ETP's budget for the 2011-12 FY remains intact as introduced by the Governor. ETP was not subject to discussion in the May Revise, and we are not on the agenda for the Budget Subcommittee Review process. We expect the program to end the next FY in a similar position to this year, in terms of revenue collected. Since there will be fewer prior year contract liabilities and no pent-up pipeline, we expect to return to a more regular schedule of project review. At the June meeting, staff will present recommendations to the Panel as to the size of projects, whether caps will be necessary on single-employer or multiple-employer agreements, and discuss opening the application process for the 2011-12 year.

In terms of special fund categories, AB118 will carry over funds and staff will be aggressively working with our stakeholders, community colleges, economic development corporations, local workforce investment boards, and other industry-specific groups to generate projects that fit the narrow curriculum requirements of the Alternative Fuel and Vehicle Technology Program. There are two AB118 projects before the Panel today, and staff expects approximately four to six additional AB118 projects at the June meeting.

Mr. McMahon referred to the Legislative Update Memo distributed to the Panel. He said all of the bills that had some impact on ETP are not progressing through the Legislature at this time. They may resume movement, but at this point they all are being held.

VI. MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM

Mr. McMahon asked for a motion to delegate in event of loss of quorum, authorizing the Executive Director in conjunction with the Panel Chair or Vice Chair, to approve projects.

ACTION: Ms. Montoya moved and Mr. Rendon seconded the motion to delegate in event of loss of quorum.

Motion carried, 6 – 0.

VII. MOTION TO ADOPT CONSENT CALENDAR PROJECTS/ACTION

Mr. McMahon asked for a motion to adopt Consent Calendar Items #1 through #3.

California Council for Excellence	\$29,440
Sheet Metal & Air Conditioning Apprenticeship & Journeymen Joint Training Fund of San Diego.....	\$65,916
Sierra Business Council	\$41,060

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of Consent Calendar Items #1 through #3.

Motion carried, 6 – 0.

VIII. MOTION TO DELEGATE UI CODE SECTION 10209(d)

Mr. McMahon announced that this agenda item is no longer necessary and did not require any action.

X. REPORT OF GENERAL COUNSEL

Maureen Reilly, General Counsel, reported that one Delegation Order for small business projects was approved by the Chair and the Executive Director. She said 17 projects were approved in May. She referred to the Delegation Order Tab in the Panel Packet and said this information is also posted on the ETP website.

Ms. Reilly said there is a push to ensure we reach all small businesses that have submitted timely applications before the end of this FY. It is expected that two or three additional delegation orders will be adopted between now and the end of June. The Fund Status Report and the Legislative Memo will be accessible on the ETP website under the Panel Packets Tab after today's meeting.

XI. REVIEW AND ACTION ON PROPOSALS

Single Employer Proposals

Edwards Lifesciences LLC

David Guzman, Chief of Operations, presented a Job Creation Proposal for Edwards Lifesciences LLC (Edwards), in the amount of \$299,880. Edwards is in the science of heart valves and hemodynamic monitoring. Headquartered in Irvine, the company focuses on medical technologies that address large and growing patient populations in which there are significant unmet clinical needs, such as structural heart disease and critical care monitoring. The company's offerings include tissue replacement heart valves and valve repair products, hemodynamic monitoring devices, as well as technologies that facilitate on-pump cardiac surgery procedures through smaller incisions. Edwards develops new investigative technologies designed for the non-surgical replacement of heart valves and is also developing a blood glucose monitoring system for the hospital environment.

Mr. Guzman introduced Leigh Volkland, National Director of State Government Affairs and Sue Reed, Director of Leadership Development.

Mr. Rodriguez asked about worker recruitment. Ms. Volkland said their assembly workers are from the general community and they offer outreach at various functions. Mr. Rodriguez asked if they recruit from community colleges. Ms. Volkland answered no, not necessarily, and said most of their employees do not require a degree. She said their engineers are recruited from universities as they require a Bachelors Degree. Mr. Rodriguez said there are two or three community colleges in Irvine with bio science programs and asked if they recruit from those colleges. Ms. Volkland said no, not for their assembly population and they get most of their employees from the general population.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Job Creation Proposal for Edwards in the amount of \$299,880.

Motion carried, 6 – 0.

Kohl's Department Stores, Inc.

Mr. Guzman presented a Job Creation Proposal for Kohl's Department Stores, Inc. (Kohl's), in the amount of \$297,000. Kohl's E-Commerce Fulfillment Center (EFC) is not a retail sales operation; rather, workers at the center process sales that are placed online. When Kohl's began operating this facility in June 2010, it was filling orders using a manual process. However, to remain competitive in the marketplace and keep operating costs low, Kohl's is upgrading the facility with an automated conveyor and picking system that will allow the facility to increase its output of completed orders from the Kohl's website.

Mr. Guzman introduced Joseph Malloy, Tax Manager/Finance.

Mr. Broad asked how many employees will receive the state minimum wage. Mr. Malloy did not have the exact number of employees that would receive minimum wage and said an average wage was provided in the ETP 130. Mr. Broad said the company had provided a wage range of \$10.57 to \$20.00 per hour. He asked if Mr. Malloy would agree to nobody receiving less than

\$10.57 per hour. Mr. Malloy agreed and said nobody will be paid less than \$10.57 per hour. Mr. Broad said if you are applying the \$3.39 per hour to meet the post-retention wage, nobody is earning below the \$10.57 per hour, is that correct? Mr. Malloy said that is correct.

Ms. Roberts asked if this proposal is also to expand the warehouse. She said 250 employees is a large number of employees, especially since they are moving to automation. She said that automation typically requires one worker to run the entire system and asked what the other 250 will be trained in. Mr. Malloy said the facility opened in June 2010, that it has been very much a manual process, and they have 250 employees there now. He said their E-Commerce business is growing at approximately 35% to 45% per year, and this is the second such facility they have in the United States. They have two facilities to deliver product to their customers ordered through the kohls.com website. Those 250 employees will be working to meet the demand of the dot.com business. Ms. Roberts asked if the 250 employees are warehouse workers and if they will be trained on computers for E-Commerce versus manual labor. Mr. Malloy said it is a fulfillment center so they will work to deliver product to the customer. There will be a wide variety of the typical warehouse-type activities and they will also work to cross-train employees to provide customer service. He said they have a warehouse management system that they must understand in order to deliver the product to the customer and provide good customer service. Ms. Roberts questioned doubling the amount of their employees since they are now moving to automation.

Mr. Broad said he understood this, since the Teamsters work in warehouses and they have done this for many years; layoffs are occurring because the employers are moving to automation and require minimal employees. Mr. Malloy said even though they are moving to an automated system it requires a trained workforce and understanding of the technology. Ms. Roberts said if you do not hire 250 individuals, you will not receive the funds. Mr. Malloy said they plan to hire an additional 300 individuals most likely before the end of the summer.

Mr. Rodriguez asked if the company had experienced any layoffs within the last five years. Mr. Malloy said no, they have not had any layoffs at corporate, store locations, or E-Commerce. Mr. Rodriguez asked if expansion is part of their five-year plan in the San Bernardino area. Mr. Malloy said he believes that as operations increase, they will likely add more employees, which is part of their long-range plan. He said they also operate two distribution facilities in California; one in Patterson and one in San Bernardino. He said they are adding approximately 30 to 40 stores per year and remodeling 80 to 100 stores per year. He said all of these activities are indicative of expansion in their business. Mr. Rodriguez asked who they view as some of their main competitors. Mr. Malloy said some of their main competitors are JC Penney, Target, and Macys.

ACTION: Mr. Rodriguez moved and Ms. Roberts seconded approval of the Job Creation Proposal for Kohl's in the amount of \$297,000, with the agreement that no employees will receive less than \$10.57 per hour.

Motion carried, 6 – 0.

Tropicana Manufacturing Company, Inc.

Mr. Guzman presented a Proposal for Tropicana Manufacturing Company, Inc. (Tropicana), in the amount of \$182,250. Tropicana distributes a line of fresh juices, blended juices, and

smoothies. There are 175 workers at the City of Industry facility, making Dole and Tropicana juices for retailers, wholesales, and education systems worldwide. This site is the sole manufacturer of Naked Juice, a line of premium fruit juices and smoothies. The growth of Naked Juice manufacturing is the focus of this training proposal.

Ms. Roberts recused herself from review, discussion, and action on the Tropicana Proposal.

Mr. Guzman introduced Wendy Aguilar, Human Resources.

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Ms. Fernandez seconded approval of the Proposal for Tropicana in the amount of \$182,250.

Motion carried, 5 – 0 – 1 (Ms. Roberts recused).

The Wine Group, Inc.

Rosa Hernandez, Manager of the Sacramento Regional Office, presented a Proposal for The Wine Group, Inc. (Wine Group), in the amount of \$213,462. The company operates 13 wineries throughout the world, producing 56 million cases of wine in the U.S. It is well known for brands such as Corbett Canyon, Glen Ellen, Big House, and Franzia. The company also represents the Inglenook and Almaden brands, which it purchased from Constellation Brands in 2008. The company employs 889 Californians in Alameda, Fresno, Kern, Madera, Monterey, San Joaquin, and Tulare counties.

Ms. Hernandez introduced Rebecca Wells, Training Administrator.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Proposal for Wine Group in the amount of \$213,462.

Motion carried, 6 – 0.

Operating Engineers and Northern California Surveyors Pre-Apprentice, Apprentice, and Journeyman Affirmative Action Training Fund

Ms. Hernandez presented a Proposal for Operating Engineers and Northern California Surveyors Pre-Apprentice, Apprentice, and Journeyman Affirmative Action Training Fund (NCSJAC), in the amount of \$168,300. NCSJAC is a joint labor-management committee founded jointly by the Operating Engineers Local Union 3 and the California and Nevada Civil Engineers and Land Surveyors Association, Inc. It is governed by a 12-member board: six designated by the union and six selected by the employers. The primary function of the NCSJAC is to provide up-to-date industry skills training and secure high-quality job opportunities for surveyors. The participating employers are surveying, engineering, and/or construction contractors. The trainees are field and construction surveyors, who are members of Operating Engineers Local Union 3.

Ms. Hernandez announced that the company representative was not present at the meeting.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Montoya seconded approval of the Proposal for NCSJAC in the amount of \$168,300.

Motion carried, 6 – 0.

Peterson Holding Company

Ms. Hernandez presented a Job Creation Proposal for Peterson Holding Company (PHC), in the amount of \$202,500. PHC provides administration, accounting, human resources, environmental, health and safety, continuous improvement programs, and employee training for its subsidiaries. PHC maintains a corporate training center, Peterson University, which provides training for all Peterson employees.

Ms. Hernandez introduced Mace Gjerman, Technical Training Manager.

Ms. Roberts asked if the ThinkBIG Technician Internship Program is for the technical aspect of their business to repair vehicles or if it will also include sales staff. Mr. Gjerman said ThinkBIG is for the technicians that maintain and repair the Caterpillar products they sell. Ms. Roberts asked how many of the 75 individuals will receive this training. Mr. Gjerman said approximately 8 to 20 individuals will receive the training. He said they have a training center called Peterson University, and he is the Director of Peterson Holding Training Center. He said they train technical staff there also, and the ThinkBIG Technician Internship Program is only one small segment of how they recruit new technicians.

Mr. Rodriguez asked if the executive director of Peterson University has forecasted growth in the next couple of years. Mr. Gjerman answered in the affirmative. Mr. Rodriguez asked where the growth will be and if they plan to return in the future for additional ETP funds. Mr. Gjerman said they hope to, especially with the start of Peterson Trucks taking over the Internet truck franchise from Monterey to the Oregon border. By the end of the year, they hope to open two more stores and possibly will have a hiring need next year.

Ms. Roberts asked if they are affiliated with Peterbuilt trucks. Mr. Gjerman said no, Peterbuilt is a competitor.

ACTION: Mr. Rodriguez moved and Ms. Fernandez seconded approval of the Job Creation Proposal for PHC in the amount of \$202,500.

Motion carried, 6 – 0.

Multiple-Employer Contractor Proposals

QPE Technical Institute, Inc.

Mr. Guzman presented a Proposal for QPE Technical Institute, Inc. (QPE), in the amount of \$178,707. QPE is a private for-profit postsecondary education facility that provides manufacturing skills training for Southern California employers. QPE provides customized,

job-specific technology training in the areas of Computer Numerical Control (CNC) Machining, Computer-Aided Design and Computer-Aided Manufacturing (CAD/CAM) Programming, Dimensional Metrology, and advanced production techniques relating to the machining industry. Participating employers are all manufacturers that come from a variety of industries including aerospace, aircraft, computer technology, medical fields and electronics.

Mr. Guzman introduced Michael Marek, President.

Ms. Roberts noted their prior ETP-funded projects were not very successful and they are now requesting a reduced funding amount. Mr. Marek said they are now targeting the small businesses. He said in the prior ETP proposal, a large company experienced layoffs which significantly impacted their prior performance. Ms. Roberts asked what QPE stands for. Mr. Marek said it stands for Quality Plus Enterprises. Ms. Roberts asked if they plan to administer the proposal themselves this time around. Mr. Marek agreed, yes.

ACTION: Mr. Rendon moved and Ms. Montoya seconded approval of the Proposal for QPE in the amount of \$178,707.

Motion carried, 6 – 0.

Westech College

Mr. Guzman presented a Proposal for Westech College, in the amount of \$399,198. Westech College is an accredited private vocational school with training facilities in Ontario, Irvine, Carson, Moreno Valley, and Victorville. Westech College specializes in Computer-Aided Design and Drafting (CADD) training.

Mr. Guzman introduced Barry Maleki, President and Steve Duscha, Consultant.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Montoya seconded approval of the Proposal for Westech College in the amount of \$399,198.

Motion carried, 6 – 0.

Brand Consulting Group LLC dba Brand College

Mr. Guzman presented a Proposal for Brand Consulting Group LLC dba Brand College (Brand College), in the amount of \$359,877. Brand College is a training agency that provides Information Technology (IT) courses designed to help IT professionals and businesses succeed in today's technology-driven environment. Brand College is dedicated to facilitating the development of highly qualified professionals trained to design, implement, and maintain information systems.

Mr. Guzman introduced Debbie Ruiz, Director.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the proposal for Brand College in the amount of \$359,877.

Motion carried, 6 – 0.

Riviera, Inc. dba The Enterprise U

Mr. Guzman presented a Proposal for Riviera, Inc. dba The Enterprise U (The Enterprise U), in the amount of \$398,270. The Enterprise U helps companies, governments, and individuals acquire and sustain a competitive advantage through learning. The Enterprise U's primary customers consist of private companies in manufacturing, entertainment, technology, utilities, logistics, and biotechnology.

Mr. Guzman introduced Winny Ho, Executive Director.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded approval of the Proposal for Enterprise U in the amount of \$398,270.

Motion carried, 6 – 0.

RWM Fiber Optics, Inc.

Mr. Guzman presented a Proposal for RWM Fiber Optics, Inc. (RWM), in the amount of \$399,970. RWM is a training agency that offers telecommunications training courses to the public. Its student population is primarily comprised of unemployed individuals who lack education, work experience, communication skills or economic resources. Individuals arrive at the training agency through various program referrals such as WIA/WorkSource Centers, the Employment Development Department, and the City of Los Angeles Youth and Family Centers. Referrals also come from advertisements placed in papers and direct mailings targeted to the unemployed.

Mr. Guzman introduced Walter Spires, Technical Services.

Mr. Rodriguez asked if they provide workers to the cable industry and if so, which companies. Mr. Spires said yes, they provide workers to the cable industry and employers such as Time Warner, Direct TV, Dish Network, local cable companies, phone companies, satellite companies and wireless cell phone providers. Mr. Rodriguez asked if all of the companies mentioned are satisfied customers. Mr. Spires said they are satisfied employers. Mr. Rodriguez asked if Time Warner has the largest footprint in the area. Mr. Spires said yes, Time Warner as far as it is a cable provider, but that there is also a very large AT&T base. He said they also work closely with Direct TV and Dish Network. Mr. Rodriguez asked if they would be willing to submit a letter, not for this proposal but when convenient, from a satisfied customer or customers regarding the great work that you do. He asked if they could also identify some of the specific occupations that they view as having the greatest need in the economy. Mr. Spires agreed to provide the letter.

Ms. Roberts asked if the prior ETP contract included unemployed individuals with multiple barriers. Mr. Spires said the previous contract included new-hires with multiple barriers. Ms. Roberts said that typically it is difficult to place those individuals, and the contracts commonly are not completed; but that they did a great job on their prior contract. Mr. Spires said their last contract had a 91% completion rate, but he agreed that new-hires are difficult. He said individuals with multiple barriers generally have a lack of education, proper certification, and a skill set in that industry, and those are obstacles that they are able to overcome with training.

Mr. McMahon commended the company for undertaking the most difficult type of project and for achieving success in the ETP program. He asked if he believes that they have a strong commitment from employers to hire. Mr. Spires said yes, they meet with employers quarterly and discuss technology changes and upcoming projects; and twice a year they modify their curriculum to match what skill sets the employers need based on the contracts they are bidding and their workflow.

Ms. Fernandez asked if they keep statistics for the individuals that complete their training program and how long they remain employed with the companies they partner with. Mr. Spires said they track retention for a one-year period and at times they can track longer through success stories or letters. Ms. Fernandez asked how long their training program is. Mr. Spires said the training program ranges between 120 to 240 hours since individuals have varied skill sets. He said people may have work experience in the industry, but no relevant certification; so overall it includes 240 hours, but it is case-by-case. Ms. Fernandez asked, if someone has difficulty in their program, do they offer assistance through the process so they do not fall out of the system? Mr. Spires said yes, absolutely.

Ms. Montoya commended the program and said it is an excellent example of how ETP funds could be used to benefit the state and individuals.

ACTION: Ms. Fernandez moved and Ms. Montoya seconded approval of the Proposal for RWM in the amount of \$399,970.

Motion carried, 6 – 0.

California Chamber of Commerce

Ms. Hernandez presented a Proposal for California Chamber of Commerce (Cal Chamber), in the amount of \$340,076. Cal Chamber has been working with California businesses for over 100 years as a non-profit voluntary membership organization comprised of over 16,250 members worldwide and 15,000 within California. According to Cal Chamber representatives, over 72% of the current employer member base is comprised of small businesses with fewer than 100 employees. Members of the Board of Directors are elected by Cal Chamber members, who are ranking executives in their organizations and represent many of the state's leading firms and industries, as well as the small business segment.

Ms. Hernandez introduced Richard Lovisolo, Vice President of Sales and Anne Ervin, representing Incentive Advisors.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Proposal for Cal Chamber in the amount of \$340,076.

Motion carried, 6 – 0.

Regional Technical Training Center

Ms. Hernandez presented a New Hire Proposal for Regional Technical Training Center (RTTC), in the amount of \$275,000. RTTC is a private, post-secondary and vocational school that specializes in developing and providing customized training programs for California employers. RTTC works with industry, education, government, and the community to provide skills training and job placements in industries including: environmental technician (green jobs), biotechnology, field service technician, allied health (pharmacy techs, medical insurance coder) customer service, law office technology, and hazardous materials.

Ms. Hernandez introduced Bernard Ashcraft, Chief Executive Officer.

Mr. Broad asked about the expected number of individuals that will be trained and retained in their current contract. Mr. Ashcraft said above 80% is expected. Mr. Broad said he is cautious since there are high training costs and he will look carefully at their retention levels and training wages.

Ms. Roberts asked how many veterans were included in the prior proposal. Mr. Ashcraft said 20% were veterans in their last proposal and they hope to increase that number this year. Ms. Roberts asked out of the 20%, how many of the veterans were able to fulfill their portion of the training. Mr. Ashcraft said they all completed the training and were placed in jobs. He said veterans tend to be the best trainees. Ms. Roberts said at the last Panel meeting, there were some issues with veteran-related proposals and she was also concerned with their retention rate and the high cost of training. She said it was wonderful to hear they are getting the veterans into the workforce.

Mr. Rodriguez asked where they recruit their veterans from. Mr. Ashcraft said most of the veterans are recruited from the EDD office and they work with the veteran specialist for the area. Mr. Rodriguez asked for the total number of veterans the specialist has in his case load. Mr. Ashcraft was unsure of the exact number but said they attract quite a few veterans. He said he is a veteran, so he understands how to do that. Mr. Rodriguez asked if they are competing with others who are also training veterans that are returning to the workforce. Mr. Ashcraft was unaware of any other competition.

Ms. Fernandez said as a veteran herself, she wanted to congratulate the company on training and putting veterans to work. She asked if anyone visits the military bases to encourage them to enroll in their training program. Mr. Ashcraft said yes, absolutely.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the New Hire Proposal for RTTC in the amount of \$275,000.

Motion carried, 6 – 0.

Healthcare Initiative Proposals

Bakersfield Memorial Hospital

Ms. Hernandez presented a Healthcare Initiative Proposal for Bakersfield Memorial Hospital (BMH), in the amount of \$133,056. Located in Kern County, BMH is a full-service, acute care facility with 430 licensed beds and 1,400 full-time employees on staff. Its services include 24-hour emergency services; heart and vascular services; imaging; laboratory; orthopedic; palliative care; pharmacy; physical and occupational therapies; general medical/surgical care; intensive/critical care; respiratory therapy; skilled nursing unit; stroke center; women's services (the birthing center, newborn nursery, level II NICU, family education classes); children's services (pediatric program); wound care and hyperbaric services.

Ms. Hernandez introduced Greg Rouleau, Senior Director of Nursing Operations.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for BMH in the amount of \$133,056.

Motion carried, 6 – 0.

Barton Healthcare System

Ms. Hernandez presented a Healthcare Initiative Proposal for Barton Healthcare System (Barton Healthcare), in the amount of \$132,750. 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 in Carson City, Nevada. A major provider of Barton Healthcare services is Barton Memorial Hospital, a rural 119 licensed-bed acute care and skilled nursing facility located in South Lake Tahoe. Barton Healthcare employs 160 full-time registered nurses and licensed vocational nurses.

Ms. Hernandez introduced Amber Tanaka, Director of Education.

Ms. Roberts asked about prior performance and internal processes for this proposal. Ms. Tanaka said there are several things that would be different this time around. She said the number of people that they are allowed to train has increased due to allowing some allied health professions into the training pool. She said they are no longer experiencing layoffs, so it is a great time for them to have a modest new-graduate program. She said their last proposal was brought to them by a consultant before they even approached ETP, who convinced their leadership to request the utmost amount of money in the proposal. Several months into the proposal, they realized the consultant was not looking out for their best interest and therefore they continued on their own. In this proposal, she has personally written the application and it is now in line with their training goals and is more modest.

Mr. Rodriguez asked if she identified the consultant to the ETP regional office manager. Ms. Tanaka said yes, she believes they are aware of who the consultant is. Mr. Rodriguez asked if

their training challenges are with the instructors teaching the trainees and if they have enough instructors. Ms. Tanaka said no, their training challenges are to attract and retain a workforce and also to be able to fund training projects. She said they are largely focusing on electronic medical records training, which is consolidating approximately ten software systems into one combined software system.

Mr. McMahon pointed out to the Panel, that due to the limited funds available under the Healthcare Initiative, those healthcare facilities that had a project last year received an additional 15% reduction in the project size as a form of substantial contribution.

Mr. Broad said he was very disturbed to hear the representative's story about the consultant.

ACTION: Ms. Montoya moved and Mr. Rodriguez seconded approval of the Healthcare Initiative Proposal for Barton Healthcare in the amount of \$132,750.

Motion carried, 6 – 0.

Casa Colina Centers of Rehabilitation, Inc.

Ms. Hernandez presented a Healthcare Initiative Proposal for Casa Colina Centers of Rehabilitation, Inc. (Casa Colina), in the amount of \$249,480. Casa Colina is a 68-bed acute rehabilitation hospital located in Pomona. Its mission is to provide individuals the opportunity to maximize their medical recovery and rehabilitation potential. The services at Casa Colina provide a collaborative team approach for the care and recovery of its patients. Physicians work closely with nurses, therapists, and other allied medical professionals. Casa Colina provides a variety of services such as acute rehabilitation, outpatient care, ventilator weaning, children's services, adult day health care, transitional care, and surgery center. The center's specialized programs have earned a national reputation for treating neurological and orthopedic conditions, and providing a continuum of medical and rehabilitative care for brain injury, stroke, spinal cord injury, and orthopedic injury and disease.

Ms. Hernandez introduced JoAnn Schultz, Director of Education and Paul Johnson, representing the California Training Coalition.

Mr. Broad asked about the difference between a rehabilitation hospital and a regular hospital, and if they are under a different licensing category. Ms. Schultz said no, they are both under acute care. She said with their move to acute care, there are still a few things they do not do at this time. She said they are adding the new building which will house 31 beds, 6 ICU, and 2 surgical suites, which will complete their addition for rehabilitation. Their patients are required to complete 3 hours of rehabilitation daily with their OT, PT, and speech therapist. Mr. Broad asked if there are individuals that have a medical condition that requires relatively long-term care and acute care rehabilitation. Ms. Schulz said yes, they often require more than just rehabilitation services.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for Casa Colina in the amount of \$249,480.

Motion carried, 6 – 0.

Catholic Healthcare West dba Glendale Memorial Hospital and Health Center and Catholic Healthcare West dba Mercy Hospitals of Bakersfield

Ms. Hernandez presented a Healthcare Initiative Proposal for Catholic Healthcare West dba Glendale Memorial Hospital and Health Center (Glendale Memorial), in the amount of \$133,200. Glendale Memorial serves the Glendale community with 344 licensed beds and 1,300 full-time employees. Glendale Memorial's services include a heart center, cancer services, colorectal surgery institute, diabetes center, breast center, orthopedic services, surgical services, outpatient laboratory, physical therapy, senior services, women services, and a wound care center.

Ms. Hernandez introduced Kristin Anderson, Senior Healthcare Recruiter Human Resources and Jill Haley, Director of Nursing Finance/Operations.

Mr. Broad asked if there is anything different in this proposal than the last CHW proposal. Ms. Hernandez said no, they are the same. Mr. Broad asked if there is another CHW hospital proposal. Ms. Hernandez said there is one more CHW hospital under Tab #21, Mercy Hospitals of Bakersfield. Mr. Broad suggested the Panel consider both Tabs #20 and Tabs #21 in one motion.

There were no questions from Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of two Healthcare Initiative Proposals for Tab #20 Catholic Healthcare West dba Glendale Memorial Hospital and Health Center in the amount of \$133,200 and Tab #21 Catholic Healthcare West dba Mercy Hospitals of Bakersfield, in the amount of \$133,200.

Motion carried, 6 – 0.

Mr. Rodriguez departed the meeting at 11:09 a.m. and was not present for the remainder of votes.

Catholic Healthcare West dba Mercy Hospitals of Bakersfield

This proposal was approved by the Panel along with the prior proposal, Tab #20 Catholic Healthcare West dba Glendale Memorial Hospital and Health Center.

CHHP Management, LLC dba Community Hospital of Huntington Park

Mr. Guzman presented a Healthcare Initiative Proposal for CHHP Management, LLC dba Community Hospital of Huntington Park (CHHP), in the amount of \$79,650. CHHP is a for-profit 81-bed general medical and surgical hospital accredited by the Healthcare Facility Accreditation Program. The hospital has provided services to the Huntington Park area including the cities of Walnut Park, Vernon, Florence-Graham, Maywood, Bell, Cudahy, South Gate, and Bell Gardens. CHHP provides outpatient and inpatient services including: pediatric care, specialized emergency room, telemetry, ICU, and surgical services as well as all ancillary

services which include radiology, laboratory, cardio/pulmonary and physical therapy. As an acute hospital, CHHP provides medical treatment for both brief and long-term illnesses.

Mr. Guzman introduced Carmelo James, Chief Nursing Officer.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Montoya seconded approval of CHHP in the amount of \$79,650.

Motion carried, 5 – 0.

Children's Hospital & Research Center at Oakland

Mr. Guzman presented a Healthcare Initiative Proposal for Children's Hospital & Research Center at Oakland (Children's Hospital Oakland), in the amount of \$249,678. Children's Hospital Oakland is a private non-profit, full-service regional pediatric hospital with 191 licensed beds. The hospital employs 633 full time Registered Nurses (RNs) and 70 full time Licensed Vocational Nurses. It is the largest healthcare provider for primary care and specialty care for children in Alameda, Contra Costa, and Solano Counties and provides outpatient care in 30 specialty and subspecialty areas. It is also a teaching hospital. The hospital is designated a Level-1 Pediatric Trauma Center. Located in Oakland, it serves one of the most diverse communities in the country, with approximately 71% of patients receiving MediCal.

Mr. Guzman introduced Mari Ikeda, Director Staff Education & Development and Human Resource Compliance and Adam Davis, Community Health and Research Navigator.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Montoya seconded approval of the Healthcare Initiative Proposal for Children's Hospital Oakland in the amount of \$249,678.

Motion carried, 5 – 0.

Children's Hospital Los Angeles

Mr. Guzman presented a Healthcare Initiative Proposal for Children's Hospital Los Angeles (Children's Hospital LA), in the amount of \$249,912. Children's Hospital LA is a 286-bed academic and pediatric medical center with more than medical specialty and subspecialty areas. These specialties include cardiothoracic, neonatal, and pediatric ICU, hematology and oncology, bone marrow transplant, infectious diseases, general pediatrics, and various medical and surgical units. It is acknowledged globally for its leadership in pediatric and adolescent health and is one of America's premier teaching hospitals. The facility has 3,639 full time employees, of which 928 are Registered Nurses (RNs) and 38 are Licensed Vocational Nurses (LVNs). An additional 131 RNs work in management, lead, and non-staff roles.

Mr. Guzman introduced Jessica Klaristenfeld, Manager of Versant RN Residency in Pediatrics.

Mr. Broad asked why their turnover rate is higher compared to other healthcare proposals. Ms. Klaristenfeld said 12% is a facility turnover rate and new-graduate nurse turnover is 5.8%.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for Children’s Hospital LA in the amount of \$249,912.

Motion carried, 5 – 0.

Children’s Hospital of Orange County

Mr. Guzman presented a Healthcare Initiative Proposal for Children’s Hospital of Orange County (CHOC), in the amount of \$399,600. CHOC and its affiliate, Children’s Hospital of Orange County at Mission (CHOC at Mission), are hospital facilities that specialize exclusively in medical care for children in the areas of intensive care, oncology, neonatal, cardiology, surgical, neuroscience, medical transport services, and more. CHOC is the parent hospital to CHOC at Mission. CHOC’s main facility, located in Orange, is a 238-bed acute-care hospital serving the children of Orange County. It has 1,961 full-time employees, of whom 483 are RNs. CHOC at Mission is located on the fifth floor only of Mission Hospital in Mission Viejo. This is considered a “hospital within a hospital” because only those employees who work on the fifth floor are CHOC at Mission employees. This floor is designated as the pediatric wing and it has 48-beds, 118 full-time employees, of whom 84 are RNs.

Mr. Guzman introduced Nancy Kraus, Director of Clinical Excellence and Chief Nursing Officer and Cindi Null, Coordinator of Programs, Department of Clinical Education and Professional Development.

Ms. Roberts asked about where they recruit their nurse graduates. Ms. Kraus stated that they receive applicants from many colleges such as Soledad College, Golden West College, UC Irvine University, Cal State Fullerton, UCLA, and San Diego County.

Mr. Broad asked why their turnover rate is 20%. Ms. Kraus said their turnover is not 20% and that was on their original application. She said their house-wide turnover rate is 10.37% and turnover at CHOC Children’s Admission is 5.4%. She said 10% is facility-wide and unrelated to the new-hires because new graduates are very excited to have a job. She said they received 1,000 applications for 22 positions recently, and the turnover house-wide is due to the economy and high cost of living in Orange County.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for CHOC in the amount of \$399,600.

Motion carried, 5 – 0.

Citrus Valley Health Partners, Inc.

Mr. Guzman presented a Healthcare Initiative Proposal for Citrus Valley Health Partners, Inc. (CVHP), in the amount of \$398,520. CVHP is a non-profit healthcare organization that serves a community of nearly one million residents throughout the San Gabriel Valley. As noted above, CVHP operates three general acute care hospitals, a hospice facility, and professional home

healthcare services. Each of the CVHP locations participating in this proposal provides service to a distinct geographic community and operates independently to best serve the demographics of the area. Each facility offers specialty services tailored to its patient population. All locations combined, CVHP employs 1,330 Registered Nurses (RNs).

Mr. Guzman introduced Lourdes Salandanan, Corporate Director of Education.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for CVHP in the amount of \$398,520.

Motion carried, 5 – 0.

HealthSouth Corporation dba HealthSouth Bakersfield Rehabilitation Hospital

Ms. Hernandez presented a Healthcare Initiative Proposal for HealthSouth Corporation dba HealthSouth Bakersfield Rehabilitation Hospital (HS Bakersfield), in the amount of \$248,148. HS Bakersfield is a 60-bed facility and HS Tustin is a 48 bed facility. Both hospitals offer comprehensive inpatient and outpatient rehabilitation services for patients with catastrophic injuries, neurological conditions, orthopedic surgeries, and with cardiac and pulmonary issues. Together, these hospitals are staffed by 253 nurses and allied medical professionals.

Ms. Hernandez introduced Sandra Hegland, CEO.

Ms. Hegland addressed why they only earned 64% on their prior contract, and she said this time they hope it will be much different. She said they have combined with their Tustin Hospital in this proposal. In addition, since both hospitals have rehabilitation, they have a large therapy staff. She said they are very excited to include their occupational, physical and speech therapists in this training since most of those are new-graduates, and acute rehabilitation is a specialty requiring months of training.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Healthcare Initiative Proposal for HS Bakersfield in the amount of \$248,148.

Motion carried, 5 – 0.

Hoag Memorial Hospital Presbyterian

Ms. Hernandez presented a Healthcare Initiative Proposal for Hoag Memorial Hospital Presbyterian (Hoag), in the amount of \$399,600. Hoag is a regional provider of healthcare in Orange County that treats nearly 30,000 inpatients and 350,000 outpatients annually, on a non-denominational basis. Hoag consists of two acute-care hospitals: Hoag Hospital Newport Beach and Hoag Hospital Irvine. Both hospitals are designated magnet hospitals by the American Nurses Credentialing Center. Hoag offers a comprehensive mix of health care services including Centers of Excellence in cancer, heart and vascular, neurosciences and women's health.

Ms. Hernandez introduced Judy Bethe, Program Manager of Nursing Education/Quality Improvement.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for Hoag in the amount of \$399,600.

Motion carried, 5 – 0.

Jewish Vocational and Career Counseling Services

Ms. Hernandez presented a Healthcare initiative Proposal for Jewish Vocational and Career Counseling Service (JVS), in the amount of \$398,040. JVS operates a wide range of employment programs, providing more than 5,000 people annually in the Bay Area with training, job placement, career counseling and case management services. Its specialized vocational programs help unemployed and underemployed people to find, retain, and advance in jobs in the healthcare, business services, and non-profit industry sectors.

Ms. Hernandez introduced Jocelyn Gottlieb, Interim Director of Planning and Program Development and Deborah Dobin, Sr. Manager of Healthcare Programs.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Healthcare Initiative Proposal for JVS in the amount of \$398,040.

Motion carried, 5 – 0.

Lucile Salter Packard Children's Hospital at Stanford

Ms. Hernandez presented a Healthcare Initiative Proposal for Lucile Salter Packard Children's Hospital at Stanford (LPCH), in the amount of \$249,750. LPCH has 280 licensed beds, 900 registered nurses (RNs), and 2,400 full-time employees. LPCH is a non-profit hospital devoted entirely to the care of babies, children, adolescents and expectant mothers. Its mission is to serve its communities as a pediatric and obstetric hospital that advances family-centered care, fosters innovation, translates discoveries, educates health care providers and leaders, and advocates on behalf of children and expectant mothers.

Ms. Hernandez said the Committee for Recognition for Nursing Achievement (CRONA) represents the nurses in this project. The hospital representatives are aware that training shall not be offered until the union letter of support from CRONA is submitted to ETP.

Ms. Hernandez introduced Amy Nichols, Associate Professor Coordinator, MSN Cohort Program.

Ms. Roberts noted the hospital's low turnover rate of 1% and said it is the lowest of all of the hospitals. Mr. Broad asked if their union is unique to nursing. Ms. Nichols said yes, the union is

the Committee for Recognition for Nursing Achievement (CRONA), a union between Stanford and Lucile Packard.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for LPCH in the amount of \$249,750.

Motion carried, 5 – 0.

Marin General Hospital

Ms. Hernandez presented a Healthcare Initiative Proposal for Marin General Hospital (Marin General), in the amount of \$249,912. Marin General, located in Greenbrae is Marin County's largest acute-care health facility with 235 licensed beds. It was formerly a member of the Sutter Health System but it transitioned to an independent district hospital in July 2010. Marin General is now privately held, non-profit acute care hospital and surgical center accredited by the Joint Commission on Accreditation of Healthcare Organizations. Marin General operates the Marin Cancer Institute, the Haynes Cardiovascular Institute, the Surgery Center of Marin, the Brain & Spine Institute and the Center for Integrative Health and Wellness which provides holistic care within the hospital setting. Other services include adult psychiatric care, a level III trauma center, a family birthing center, neonatal intensive care, pediatrics and a cardiac catheterization and electrophysiology laboratories. It is also a certified Chest Pain Center and Stroke Center of Excellence. All services are offered at the hospital facility in Greenbrae.

Ms. Hernandez introduced Kellie Allen, Clinical Education Specialist.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Healthcare Initiative Proposal for Marin General in the amount of \$249,912.

Motion carried, 5 – 0.

Marshall Medical Center

Ms. Hernandez presented a Healthcare Initiative Proposal for Marshall Medical Center (Marshall Medical), in the amount of \$229,680. Services include emergency/urgent care, intensive/critical care, primary care, pediatric care, cardiology, comprehensive cancer diagnosis, OB/GYN, neurology, orthopedic services, respiratory care, inpatient and outpatient surgery, home health care, laboratory, diagnostic and imaging services, medical/surgical services, rehabilitation (including speech, physical and occupational therapy, and cardiac rehabilitation), sleep disorder, diabetes, palliative care, transitional care and nutrition. Marshall Medical Hospital operates the only 24-hour Emergency Department and Level III Trauma Services in the area, handling more than 21,000 patient visits a year.

Ms. Hernandez introduced Cindy Rice, Vice President of Clinical Nursing Services.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for Marshall Medical in the amount of \$229,680.

Motion carried, 5 – 0.

Methodist Hospital of Southern California

Mr. Guzman presented a Healthcare Initiative Proposal for Methodist Hospital of Southern California (Methodist), in the amount of \$249,642. Methodist Hospital has a tradition of over 100 years of service to the Los Angeles community. What started out as a five-bed facility in 1903 now provides full-service care to patients at its 460-bed facility and employs 1,524 full-time staff which includes 444 Registered Nurses (RN) and 35 Licensed Vocational Nurses (LVN). The hospital operates on a non-denominational basis.

Mr. Guzman introduced Jamie Eisenberg, Director of Education.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for Methodist in the amount of \$249,642.

Motion carried, 5 – 0.

Olympia Health Care, LLC dba Olympia Medical Center

Mr. Guzman presented a Healthcare Initiative Proposal for Olympia Health Care, LLC dba Olympia Medical Center (Olympia), in the amount of \$249,480. Olympia is an acute care hospital with a licensed bed capacity of 204, located in the heart of West Los Angeles. Olympia's services include comprehensive inpatient and outpatient programs; a 24-hour emergency care center with 16 beds; complete on-site laboratory; and a radiology department. The hospital's specialty programs include Digestive Disease Institute; geriatric health; wound management and hyperbaric; spine care & research; Memory Institute; reflections; rehabilitation; Sports Medicine Institute; and general surgical services.

Mr. Guzman introduced Mae Averion, Manager of Department of Education.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Healthcare Initiative Proposal for Olympia in the amount of \$249,480.

Motion carried, 5 – 0.

Palmdale Regional Medical Center and Universal Health Services of Rancho Springs, Inc., dba Southwest Healthcare System

Mr. Guzman presented a Healthcare Initiative Proposal for Palmdale Regional Medical Center (PRMC), in the amount of \$199,260. PRMC provides outpatient services (laboratory, diagnostic

imaging, surgery, bariatric program, wound care, hyperbaric, and occupational/physical therapy) and inpatient services (medical/surgical; telemetry; joint, spine and surgical; intensive care/cardiac care; emergency services; gastrointestinal laboratory; cardiac catheterization; surgery and post anesthesia care). An expansion project currently underway will add or enlarge intensive care; medical surgical; joint, spine and surgical; OB services; and transform telemetry into the cardiac unit.

Mr. Guzman introduced Sara Marton, Director of Education.

Ms. Roberts asked who will administer this proposal. Ms. Marton said she is the primary administrator of this proposal.

The company representative for Universal Health Services of Rancho Springs, Inc., dba Southwest Healthcare System (Tab #41) approached the podium and said in order to expedite matters, the hospital she represents is part of this same corporation. Mr. Broad asked the Panel to consider Tabs #35 and #41 for approval in one motion.

ACTION: Ms. Montoya moved and Mr. Rendon seconded approval of two Healthcare Initiative Proposals. Tab #35 Palmdale Regional Medical Center (PRMC) in the amount of \$199,260 and Tab #41 Universal Health Services of Rancho Springs, Inc., dba Southwest Healthcare System (Southwest Healthcare) in the amount of \$200,700.

Motion carried, 5 – 0.

Providence Health System Southern California dba Providence Tarzana Medical Center

Mr. Guzman presented a Healthcare Initiative Proposal for Providence Health System-Southern California dba Providence Tarzana Medical Center (Providence Tarzana), in the amount of \$248,400. Providence Tarzana is an acute care, non-profit facility providing full service healthcare in the San Fernando Valley. The 245-bed capacity hospital offers specialty services including: transfusion-free surgeries and medical procedures, heart and vascular care, a diabetes care center, orthopedic and oncology, emergency services, senior services and women's health and maternity care. In addition, Providence Tarzana has one of the largest neonatal intensive care units in the Valley and holds a California Children's Services surgery certification.

Mr. Guzman introduced Phyllis Bushart, Chief Operating Officer and Chief Nursing Officer.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for Providence Tarzana in the amount of \$248,400.

Motion carried, 5 – 0.

Redwoods Community College District

Ms. Hernandez presented a Healthcare Initiative Proposal for Redwoods Community College District (College of the Redwoods), in the amount of \$386,370. Founded in 1964, College of the

Redwoods is a two-year public community college. The main campus is located in Eureka, with satellite campuses in Crescent City and Fort Bragg as well as instructional sites in McKinleyville, Eureka Downtown, Arcata, and Hoopa. College of the Redwoods is accredited by the Western Association of Schools and Colleges. College of the Redwoods' offers many degrees and certificates, including Registered Nurse (RN) and Licensed Vocational Nurse (LVN). The RN and LVN training programs are further accredited by the California Board of Registered Nursing and the California Board of Vocation Nursing & Psychiatric Technicians, respectively.

Ms. Hernandez introduced Julia Peterson, Director of Business Training Center.

Ms. Roberts asked about the wage range of \$20.00 to \$48.00 per hour for Registered Nurses. Ms. Peterson said the range is a combination of the three different facilities. She said that since one of the facilities has a slightly lower pay scale than the other, it affected the wage range.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Healthcare Initiative Proposal for College of the Redwoods in the amount of \$386,370.

Motion carried, 5 – 0.

Sharp Healthcare

Ms. Hernandez presented a Healthcare Initiative Proposal for Sharp Healthcare (Sharp), in the amount of \$399,600. Located in San Diego County, Sharp is an integrated regional health care delivery system that offers services in the areas of cardiology, oncology, surgical services, diabetes, endoscopy, mental health, home care, neurology, women's health, and more. The Sharp Healthcare system consists of seven hospitals, three of which are included in this proposal: Sharp Memorial Hospital, Sharp Mary Birch Hospital for Women and Newborns, and Sharp Mesa Vista Hospital. Sharp Memorial Hospital provides a wide range of services including heart care, cancer treatment, orthopedics, rehabilitation, robotic surgery, multi-organ transplantation, trauma care, and other medical services. Sharp Mary Birch Hospital for Women and Newborns specializes in medical care for women and Sharp Mesa Vista Hospital is focused on psychiatric care.

Ms. Hernandez introduced Ann Pumpian, Senior Vice President and Chief Financial Officer and Rosanne Ketter-Hanna, Director of Critical Care.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for Sharp in the amount of \$399,600.

Motion carried, 5 – 0.

SJCH Foundation dba San Joaquin Community Hospital

Ms. Hernandez presented a Healthcare Initiative Proposal for SJCH Foundation dba San Joaquin Community Hospital (San Joaquin Hospital), in the amount of \$89,640. San Joaquin Hospital provides cardiovascular services including cardiac rehabilitation, coronary interventions, cardiac surgery, electrophysiology, and vascular intervention; and its radiology services include nuclear medicine, computed tomography, magnetic resonance imaging, single

photo emission and computerized tomography. The hospital includes a 24-hour emergency department, a surgical and medical intensive care unit, cardiac-cath lab, a family birth center, home care services, infusion services, bariatric services, oncology, a GI laboratory, a medical/surgical pediatric unit, general surgery unit, post anesthesia recovery unit, ambulatory care, and a special pre and post operative care/unit.

Ms. Hernandez introduced Jeanell Guenther, Director of Education & Training.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for San Joaquin Hospital in the amount of \$89,640.

Motion carried, 5 – 0.

Southern California Presbyterian Homes dba be.group

Ms. Hernandez presented a Healthcare Initiative Proposal for Southern California Presbyterian Homes dba be.group (SCPH), in the amount of \$398,736. SCPH, a non-profit organization, provides housing and healthcare through continuing care, residential living, assisted living, and home and community based services. SCPH primarily serves seniors and other individuals who require long-term, supporting care, on a nondenominational basis. SCPH operates over 35 locations throughout California. However, the focus of this proposal is to train nurses and allied medical professionals from ten facilities which specialize in long-term care and dementia care.

Ms. Hernandez introduced Linda Pacheco, Director of Organizational Development.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Montoya seconded approval of the Healthcare Initiative Proposal for SCPH in the amount of \$398,736.

Motion carried, 5 – 0.

Universal Health Services of Rancho Springs, Inc., dba Southwest Healthcare System

This proposal was approved earlier in the agenda along with Tab #35, Palmdale Regional Medical Center.

Valley Presbyterian Hospital

Mr. Guzman presented a Healthcare Initiative Proposal for Valley Presbyterian Hospital (VPH), in the amount of \$249,696. VPH is an independent, private, non-profit full service, acute care hospital with 350 licensed beds offering healthcare services in obstetrics, general surgery, diagnostics, critical care, cardiology, vascular, emergency, rehabilitation, medical/surgical, pediatrics, diabetes, orthopedics, maternal & child health, and oncology. The hospital delivers senior services appropriate for the local Hispanic population and operates several on-site clinics

within its service area to address the needs of low income and Medical populations. VPH is a certified STEMI receiving center and has applied for stroke certification.

Mr. Guzman introduced Jennifer Castaldo, Assistant Chief Nursing Officer.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Healthcare Initiative Proposal for VPH in the amount of \$249,696.

Motion carried, 5 – 0.

Verdugo Hills Hospital

Mr. Guzman presented a Healthcare Initiative Proposal for Verdugo Hills Hospital (Verdugo Hills), in the amount of \$249,318. Verdugo Hills is a full service, independent, not-for-profit, general acute care hospital located in the foothills of La Canada, Flintridge and the Crescenta Valley serving the 376,000 residents of these communities. The hospital provides a full range of medical and surgical services with 158 beds. Services include 24/7 emergency care, transitional care, general surgery, telemetry, intensive care, orthopedics, obstetrics, cardiac rehabilitation, critical care, gastroenterology, gero-psychiatric care, women's services, an international medical travel program, laboratory services, medical imaging, physical medicine and rehabilitation, telemedicine, wound care, family birth center, outpatient surgery, and diagnostic testing.

Mr. Guzman introduced Paul Celuch, Vice President of Human Resources & Support Services.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Montoya seconded approval of the Healthcare Initiative Proposal for Verdugo Hills in the amount of \$249,318.

Motion carried, 5 – 0.

AB118 Proposals

National Semiconductor Corporation

Mr. Guzman presented an AB118 Proposal for National Semiconductor Corporation (National), in the amount of \$499,968. National designs, manufactures, and markets high-performance analog intensive Integrated Circuits (IC) which improves performance in electronic systems. National's products are ideally situated for the electronic vehicle manufacturing industry because they enable the vehicles to consume less power, extend battery life, and generate less heat.

Mr. Guzman introduced Arjun Israni, Director of Business Process and National Semiconductor University and Phillip Herrera, Consultant.

Mr. Broad reminded the Panel that the AB118 proposal curriculums have been vetted by the California Energy Commission.

Ms. Roberts asked about the battery disposal process. Mr. Israni was not familiar with the battery disposal process as they supply the systems and the components for the battery, and that the battery is supplied by a different source.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the AB118 Proposal for National in the amount of \$499,968.

Motion carried, 5 – 0.

Tesla Motors, Inc.

Mr. Guzman presented an AB118 Proposal for Tesla Motors, Inc. (Tesla), in the amount of \$756,000. Tesla is currently the only domestic producer of highway capable, long range electric vehicles (EVs) and EV power trains in the United States today. Since 2008, with the launch of the Tesla Roadster, a high-performance, zero emissions two-seat vehicle with 245 miles of range on a single charge, Tesla has continued to improve its technology. The company's ultimate goal is to manufacture a high quality, mass market EV at an affordable price for consumers.

Mr. Guzman introduced James Chen, Director of Public Policy and Associate General Counsel.

Mr. Chen addressed Ms. Robert's previous question regarding battery recycling. Mr. Chen said they received a Department of Energy loan that consisted of two parts. He said the first portion, the majority, was for their Model S production and the other portion was for power trains which includes the batteries. Mr. Chen said the lithium ion technology in the Tesla packs is still highly useable at the end of the vehicle life. By the time the battery pack reduces to a state of charge which is no longer suitable for vehicle use, there is still 70% to 80% of charge capability left in the battery. He said it is still much too valuable simply to landfill or dispose of, and they have considered partnering with other companies who are looking to purchase batteries for stationary storage capabilities or back-up power for power plants or utilities. Even when the battery does get down to the end of its complete useful life and is no longer able to hold a charge, the components in their battery, none of which are listed as hazardous constituents, are highly recyclable. Therefore, 80% to 90% of that battery is recycled and the components are pulled out of it and re-used in other applications and the rest is disposed of in an ordinary landfill. Ms. Roberts said it would be a great incentive to sell your cars with a guarantee that if the battery goes dead, you will buy that battery back for a set amount of money. She said she would feel more comfortable about purchasing a battery car if she knew that she would not have to dispose of the battery and incur a large fee to do so. Mr. Chen said it was funny that she should mention that, because as they move into higher production levels, they are looking exactly at that topic.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the AB118 Proposal for Tesla in the amount of \$756,000.

Motion carried, 5 – 0.

XII. PUBLIC COMMENTS

There were no public comments.

XIII. PUBLIC MEETING ADJOURNS

ACTION: Mr. Rendon moved and Ms. Fernandez seconded meeting adjournment at 12:01 p.m.

Motion carried, 5 – 0.