

*As approved by the CRMP Governing Board on Tuesday, January 30, 2018.*

**CALIFORNIA EARTHQUAKE AUTHORITY  
CALIFORNIA RESIDENTIAL MITIGATION PROGRAM  
GOVERNING BOARD MEETING  
MINUTES**

**Tuesday, November 14, 2017  
1:00 p.m.**

Location: California Earthquake Authority  
801 K Street  
10<sup>th</sup> Floor, Main Conference Room  
Sacramento, California

Members of the California Residential Mitigation Program (CRMP) Governing Board in attendance:

Mitch Ziemer, Chair, Insurance Director, California Earthquake Authority (CEA)  
Christina Curry, Vice Chair, Deputy Director, California Office of Emergency Services (Cal OES)  
Dan Dyce, Consultant, CEA  
Grace Koch, Chief Deputy Director, Cal OES

Members of the CRMP Staff in attendance:

Janiele Maffei, Executive Director  
Danny Marshall, Secretary  
Seth Merewitz, CRMP Counsel  
Tim Richison, Treasurer  
Mark Grissom, Customer Service Manager  
Jacqueline Ball

Also Present:

Bill Rosenberger, CPA, Partner, JLK Rosenberger Certified Public Accountants

**1. Call to order and member roll call.**

Mr. Ziemer called the meeting to order at 1:00 p.m. A quorum was achieved.

**2. Consideration and approval of the minutes of the May 16, 2017, CRMP Governing Board Meeting.**

Mr. Dyce stated the word “marking” should be “marketing” in the third paragraph on page 6.

**MOTION:** Mr. Dyce moved approval of the May 16, 2017, California Residential Mitigation Program Governing Board Meeting Minutes as corrected. Ms. Curry seconded. Motion carried unanimously.

### **3. CRMP Executive Director Janiele Maffei will present her executive report.**

Janiele Maffei, CRMP Executive Director, stated Sheri Aguirre, Managing Director, has accepted another position. She stated Ms. Aguirre did an amazing job at the CEA and will be missed. She wished Ms. Aguirre all the best in her new position.

Ms. Maffei updated the Board on the CEA's mitigation projects:

#### Guideline Development

ATC 110 Prestandard – the project will be completed in the summer of 2018 and rolled out in 2019. She noted that the plan set being developed does not stop at four feet but is full-story height, which will eliminate the need to have an engineered design for many homeowners.

#### Research

PEER Cripple Wall Research Project – the Pacific Earthquake Engineering Research Institute (PEER) at UC Berkeley to quantify the reduction in damage between retrofitted and unretrofitted houses. The three-year project began last year.

#### Education

End-to-End Mitigation – mitigation information will soon be posted on the CEA website.

#### FEMA P-50

- Federal Emergency Management Agency (FEMA) P-50 – a simplified assessment tool with ATC 110 language that can be used by home inspectors to score homes based on hazard location and structural components that includes ways to improve that score.
- QuakeGrade – an app with automated calculations that allows licensed contractors, registered engineers, and California Real Estate Inspectors Association (CREIA) professionals to access FEMA P-50 information by handheld device or computer for their clients. CREIA plans to train their home inspectors in the QuakeGrade app.

Mr. Dyce asked about the response from realtors and lenders on QuakeGrade. Ms. Maffei stated realtors, lenders, and home inspectors are interested in this in a positive way, especially in high hazard locations. She suggested approaching real estate organizations to increase awareness of the tools to assist homeowners.

### **4. Ms. Maffei will present an update on the FEMA Application 4305, Earthquake Brace + Bolt Program Rules and Earthquake Brace + Bolt Programs.**

Ms. Maffei provided an overview, accompanied by a slide presentation, of the 2016 through 2018 EBB programs, the Napa EBB program, and the 2018/19 FEMA Hazard Mitigation Grant application.

Danny Marshall, the CRMP Secretary, asked if the cities on the presentation slide are included in the grant application to FEMA. Ms. Maffei stated there are 85 ZIP Codes listed in the application. The application asked for approximate locations for flexibility.

Ms. Curry noted that Del Norte and Humboldt Counties were not on the presentation slides. Ms. Maffei stated they were counties with extremely low participation rates and will require a different marketing approach.

Ms. Curry asked about Napa and Sonoma Counties. Ms. Curry stated the program is already in Napa County and will continue, but the plan for Sonoma County is to wait for them to recover from the recent fires before approaching them with this program.

Ms. Curry stated Mendocino County also was hit by fires but is on the list. She stated, due to the housing crisis, anything that can be done to make the current housing stock safer is a good thing. She suggested confirming that Sonoma would be too overwhelmed to embrace the program.

Ms. Curry asked for an update on the EBB program for CEA-insured homeowners. Mark Grissom, Customer Service Manager, stated 63 are paid, 30 to 40 are in the permitting process, and 96 are accepted but have not moved forward. Ms. Maffei stated alternative delivery methods and changes in the hazard reduction discount in the future may increase interest in the program.

**5. CRMP Treasurer Tim Richison will present a report on the Audit of CRMP Annual Financial Statements (2016).**

Bill Rosenberger, CPA, Partner, JLK Rosenberger Certified Public Accountants, provided an overview, accompanied by a slide presentation, of the audit scope and timing, auditor's report, areas of emphasis, and communication with corporate governance of the 2016 Audit Results. He stated the audit has been completed, was a clean audit, and is under budget.

**6. Mr. Richison will present a financial update.**

Mr. Richison provided an overview, accompanied by a slide presentation, of the CRMP financial information as of September 30, 2017. He stated the Napa EBB program went over budget due to additional legal services fees and website costs.

Ms. Maffei referred to the Home Inspection Services category of the budget and noted that inspectors are doing spot inspections throughout the EBB ZIP Codes but have yet to invoice the CRMP.

Mr. Ziemer requested consistency of either reporting the remaining budget or percentage of the budget used. Mr. Richison stated that was an oversight. He assured that all financial documents will be presented consistently in the future.

**7. Mr. Richison will present for Board approval the CRMP Proposed 2018 Budget.**

Mr. Richison provided an overview, accompanied by a slide presentation, of the CRMP 2018 budget. He stated the proposed total revenue was intentionally left blank. Monies necessary to expend what is in this budget have been allocated by the CEA Board and have yet to be transferred. He noted that the proposed expenses are less than the 2017 budget based on actual expenditures in 2017.

Mr. Ziemer asked if a transfer will be requested at the next CEA Governing Board meeting. Mr. Richison stated the funds have already been approved and are transferred as necessary. He stated he transferred \$1 million from the Loss Mitigation Fund to the CRMP today.

**MOTION:** Ms. Koch moved approval of the proposed 2018 CRMP Budget as presented. Mr. Dyce seconded. Motion carried unanimously.

**8. Mr. Richison will present an insurance update.**

Mr. Richison provided an overview, accompanied by a slide presentation, of the CRMP insurance coverage. He stated he would be happy to provide Board members with the policies for their review.

Mr. Ziemer asked if the umbrella policies had limits. Mr. Richison stated they do; if they did not, they would be much more expensive.

Ms. Curry stated asked about cyber security. Mr. Richison stated it is under the CEA security umbrella. He stated security preventions were upgraded this year.

**9. Mr. Richison will present for Board approval an amendment of the Financial Audit Contract.**

Mr. Richison stated the contract for JLK Rosenberger ended at the time of the CEA audit. He proposed extending that contract for two years.

Mr. Dyce asked for input from legal counsel. Seth Merewitz, CRMP Counsel, stated the original procurement was a five-year period, which has now ended. The CRMP has the authority to extend the contract.

Ms. Curry stated it is not a no-cost extension.

Ms. Koch asked if funds were already available in the contract to cover the extension.

Mr. Richison stated the contract is per year. This year's bill was for \$38,000. He stated the need for JLK Rosenberger to agree to maintain the \$38,000 charge for the next two years.

Mr. Merewitz stated the funds are already projected in the budget. The proposal is to extend the contract period two additional years.

**MOTION:** Ms. Curry moved approval to amend the financial audit contract for JLK Rosenberger to audit the 2017 and 2018 financial statements. Ms. Koch seconded. Motion carried unanimously.

**10. Ms. Maffei will present for Board approval a proposed 2018 Governing Board Meeting calendar.**

Ms. Maffei presented the proposed the 2018 CRMP Governing Board meeting calendar.

**MOTION:** Mr. Dyce moved to approve the 2018 CRMP Governing Board meeting calendar as presented. Ms. Curry seconded. Motion carried unanimously.

**11. Public comment on items that do not appear on this agenda and public requests that those matters be placed on a future agenda.**

There were no questions or comments from the public.

**12. Adjournment.**

There being no further business, the meeting was adjourned at 2:14 p.m.