

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

**Tuesday, May 16, 2017
1:00 p.m.**

Location: Governor's Office of Emergency Services (Cal OES)
3650 Shriver Avenue MPR1
Mather, 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
Sheri Aguirre, Managing Director
Danny Marshall, Secretary
Seth Merewitz, CRMP Counsel
Tim Richison, Treasurer
Jacqueline Ball

Also Present:

No members of the public addressed the Board.

1. Call to order and member roll call.

Mr. Ziemer called the meeting to order at 1:09 p.m. A quorum was achieved.

2. Consideration and Acceptance of Notice of Appointment.

Mr. Ziemer welcomed new Board member Grace Koch to the CRMP Governing Board and asked her to introduce herself.

Mr. Ziemer asked to include the official Notice of Appointment in the permanent record (Exhibit 1).

3. Consideration and approval of the minutes of the January 17, 2017, CRMP Governing Board Meeting.

MOTION: Mr. Dyce moved approval of the January 17, 2017, California Residential Mitigation Program Governing Board Meeting Minutes as presented. Ms. Curry seconded. Motion carried unanimously.

4. CRMP Executive Director Janiele Maffei will present her executive report.

Janiele Maffei, the CRMP Executive Director, updated the Board on the CEA's mitigation projects:

Legislation

HR 1691 – the Earthquake Mitigation Incentive and Tax Parity Act of 2017 was introduced by Paul Cook and Mike Thompson to exclude earthquake mitigation incentives from being taxed at the federal level.

Guideline Development

ATC 110 Prestandard – the prescriptive drawings have been completed for the cripple wall type of housing vulnerability for up to four feet. The project is now 18 months in. Drawings for the three housing vulnerability types is expected by the end of the three-year project.

Research

PEER Cripple Wall Research Project – the Pacific Earthquake Engineering Research Institute (PEER) at UC Berkeley is the project technical leader contracted to research the cost to repair cripple wall home damage to inform policyholders and may afford the CEA the opportunity to increase the hazard reduction discount.

Education

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

FEMA P-50

- Federal Emergency Management Agency (FEMA) P-50 – the document that the CRMP helped develop to provide a simplified seismic assessment for single-family dwellings to point out vulnerabilities and what homeowners can do about them.
- QuakeGrade – an app 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. QuakeGrade was rolled out at the CREIA conference last week. The prescriptive drawings for the ATC 110 Prestandard will be added to this app once they are completed.

5. Ms. Maffei will present updates to the CRMP Business Plan for board approval.

Ms. Maffei presented the proposed revisions to the annual update of the CRMP Business Plan, which was included in the meeting packet.

MOTION: Ms. Curry moved approval of the proposed revisions to the 2017 California Residential Mitigation Program Business Plan as presented. Mr. Dyce seconded. Motion carried unanimously.

6. CRMP Treasurer Tim Richison will present a financial report.

Tim Richison, the CRMP Treasurer, provided an overview, accompanied by a slide presentation, of the CRMP financial information for the 2016 yearend and the first quarter 2017 budgets. He stated the auditor is currently reviewing the 2016 financial statements and will present their findings at the next CRMP Board meeting.

7. Mr. Richison will present an insurance update.

Mr. Richison reviewed the Summary of Insurance Coverage, which was included in the meeting packet. He stated the Cyber Insurance is based upon the number of records and is held by the CEA. He stated the effective date will be moved to August to be in line with the other policies and to give time for him and Seth Merewitz, the CRMP Counsel, to review the Cyber policy to verify that there is enough coverage for the number of records and see if there are ways to improve it to ensure adequate protection for the organization.

8. CRMP Managing Director Sheri Aguirre will present an update on the Earthquake Brace + Bolt and the Napa Brace + Bolt programs.

Ms. Aguirre stated staff is working to close out the 2016 Earthquake Brace + Bolt (EBB) program. The target wrap-up date is May 31st. She stated fifty homeowners dropped out at the end of the program last year, even though they had permits. She reviewed the 2017 EBB Registration chart and provided an overview, accompanied by a slide presentation, of the 2016 EBB and Napa program retrofit numbers and the 2017 projected retrofit numbers, cities, and ZIP codes. She stated 4,000 registrants were accepted into the program yesterday and the 1,760 registrants on the wait list will be accepted into the program on July 5th. The goal is for these retrofits to be completed by the end of the year and the paperwork to be completed by the end of September of 2018.

Ms. Aguirre stated the 2017 annual EBB program rules updates include the definitions of receipt and the eight-month process, and the addition of a rule that there is no double-dipping with another retrofit program, the addition of a rule to the privacy policy to allow the CRMP to share information with cities to ensure that the EBB rules are being adhered to.

Mr. Marshall asked staff to put the EBB program rules updates on future agendas. He asked if there is randomness somewhere in the EBB program acceptance process. Ms. Aguirre stated a random selection process occurred when entire cities were not brought in.

Mr. Ziemer asked if Mr. Marshall is looking for more randomness or a process that is repeatable. Mr. Marshall stated the selection process has aspects of randomness in certain areas, but judgement has also been applied to achieve certain results. He stated the need to ensure that a description of the selection process is part of public information.

Mr. Ziemer asked to include the 2017 EBB Registration handout in the permanent record (Exhibit 2).

9. Ms. Maffei will present for Board approval 2018 EBB ZIP Codes, based on Board-adopted protocols.

Ms. Maffei stated ZIP codes are chosen based on their expected ground shaking. She discussed slides of USGS maps of the EBB ZIP code areas since the 2014 pilot, close-ups of selected areas, and the ZIP code area proximities to the regional fault systems. She stated the intent to file for FEMA Mitigation Grant funds for geographically separate locations such as Santa Rosa, San Pablo, and Richmond.

Mr. Marshall asked if there are opportunities for different retrofit technologies. Ms. Maffei stated an engineer could design a different solution but it would be more expensive.

Ms. Curry asked if extra work is required to be done to the homes in order to participate in the grant program. Ms. Maffei stated they would need to introduce a new footing because there is nothing to bolt to currently.

Ms. Curry asked if staff looked at companion programs to make this more feasible for homeowners. Ms. Maffei stated she and Ms. Aguirre have discussed different options. The economy lends itself to a less expensive retrofit and the marking, advertising, and grass roots efforts need to encourage individuals to mitigate the foundations.

Ms. Curry stated Cal OES can look into opportunities that might exist for those communities to access companion programs. She asked about the housing stock in northwest areas such as Del Norte, Crescent City, Mendocino, and Humboldt and if they have as much risk as Eureka. Ms. Maffei stated it has yet to be finalized. One of the things they do is look at the populations to get a sense for the number of at-risk houses.

Ms. Aguirre stated expanding to these new areas is more challenging because a contractor pool has yet to be set up.

Ms. Curry asked why FEMA funding is sought for these areas, given that FEMA has more stringent requirements, which makes it more difficult. Ms. Aguirre stated tweaking the model and casting a broader net in Humboldt County are things to consider. Ms. Maffei stated that part of the state is geographically and economically different; tweaking the program for the post and pier houses may be appropriate. There are not many post and pier houses in the rest of the ZIP codes throughout the state but they are common in the northern, rainy part of the state.

Mr. Dyce stated it would be a major expense to pour a new foundation in that area. Ms. Maffei agreed and stated, even with the prescriptive plans, shoring the house would be expensive, but those houses are extremely vulnerable.

Mr. Ziemer stated this agenda item is to approve the 2018 EBB ZIP codes. Ms. Maffei stated the reason she has not given the Board a list of the ZIP codes is that the ZIP codes found on Google Earth and Maps are not accurate. She asked the Board to approve the ZIP codes based on the cities included in the slide presentation.

Ms. Curry asked how many ZIP codes are represented in the slides. Ms. Maffei stated there are 38 plus 5 additional ZIP codes for Los Angeles. The 2018 ZIP codes include 12 new cities and 5 new ZIP codes in Los Angeles.

MOTION: Mr. Dyce moved approval of the addition of 12 new cities and 5 new ZIP codes in Los Angeles for the 2018 program as presented. Ms. Curry seconded. Motion carried unanimously.

Mr. Ziemer asked to include the names of the cities and the ZIP codes associated with them in the permanent record (Exhibit 3). He asked that the Board review this exhibit at the next meeting.

10. Ms. Aguirre will present a proposal to adopt a quarterly meeting schedule and a revised 2017 Governing Board Meeting calendar for approval.

Ms. Aguirre proposed moving to a quarterly meeting schedule beginning in 2018. She suggested keeping the September 12, 2017, meeting, but moving the November meeting to December so the Board can approve the operating budget for 2018. She also stated the meeting materials for future meetings will be sent electronically.

MOTION: Ms. Curry moved adoption of a quarterly meeting schedule, approval of the revised 2017 Governing Board meeting calendar, and the electronic dissemination of the meeting materials as presented. Mr. Dyce 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 2:30 p.m.