



State Of California

SEISMIC SAFETY COMMISSION

Arnold Schwarzenegger, Governor



Lawrence Klein
*Utilities
Chairman*

Dr. Lucy Jones
Seismology

Hon. Richard Alarcon
State Senate

Chris Modrzejewski
Senate Representative

Hon. Mark Church
*County Supervisor
Local Government*

Dr. Bruce Clark
Geology

Hon. Carol Liu
State Assembly

Donald Manning
Assembly Representative

Celestine Palmer
Insurance

Daniel Shapiro
Structural Engineering

Keith Wheeler
Emergency Services

Gary McGavin
Architectural Planning

Jeff Sedivec
Fire Protection

Dennis Mileti
(Social Services)

Arul Arulmoli
(Soils Engineer)

Richard McCarthy
Executive Director

1755 Creekside Oaks
Drive, Suite 100
Sacramento, CA
95833-3637

Seismic Safety Commission
Minutes of Meeting
February 9, 2006
John Ferraro City Council Chambers
200 North Spring Street, 3rd Floor
Los Angeles, California

Members Participating

Lawrence T. Klein, Chair
Kandiah (Arul) Arulmoli
Bruce Clark
Lucy Jones
Don Manning
Gary McGavin
Dennis Mileti (arr. 9:32 a.m.)
Celestine Palmer
Daniel Shapiro
Keith Wheeler (arr. 9:16 a.m.)

Members Absent

Senator Richard Alarcon/Chris Modrzejewski
Jeff Sedivec, Vice Chair
Mark Church

Staff Participating

Richard McCarthy, Executive Director
Karen Cogan, Executive Assistant
Robert Anderson, Staff Geologist
Henry Reyes, Staff Structural Engineer
Henry Sepulveda, Director of Legislation
Fred Turner, Senior Structural Engineer

I. CALL TO ORDER/ROLL CALL

Commission Chairman Lawrence Klein called the meeting of the Seismic Safety Commission to order at 9:02 a.m. Executive Assistant Karen Cogan called the roll and confirmed the presence of a quorum.

II. INTRODUCTION AND WELCOME

Mr. Maurice Suh, Deputy Mayor for Public Safety, City of Los Angeles, welcomed the Commission to Los Angeles. He thanked the Commission for working so diligently to improve seismic safety in California. Mr. Suh said Los Angeles has an all-hazards model for emergency preparation, and he discussed some of the city's recent preparedness activities.

Chairman Klein thanked Mr. Suh and the City of Los Angeles for hosting the meeting.

CHAIRMAN'S REMARKS

Chairman Klein expressed the Commission's thanks to Ms. Nicole Bernson, City of Los Angeles, for helping to arrange the meeting. He introduced and welcomed former Commissioners Pat Snyder, Jim Slosson, and Hal Bernson.

IV. 35th ANNIVERSARY OF SYLMAR EARTHQUAKE, FEBRUARY 9, 1971

Advances in Earthquake Hazard Assessment

Commissioner Lucy Jones commended the City of Los Angeles for its efforts to recognize and mitigate seismic risks. She noted the damage caused by the 1971 Sylmar earthquake exposed weaknesses in the state's hospitals, freeways, and dams, and significant progress has been made in all those areas.

Commissioner Jones announced that the U.S. Geological Survey (USGS) will be launching a new natural hazards initiative featuring a demonstration project in Southern California over the next several years. She noted California has about 7 percent of the nation's population, but more than half of the seismic risk in the U.S., with more than 300 earthquake faults. She said losses from earthquakes in California average about \$3 billion per year. In addition, Commissioner Jones observed, hazards from wildfires, debris flows, landslides, and floods are increasing because of the expanding wildland-urban interface as development takes place. She emphasized the serious economic and social impacts from disasters, as well as their catastrophic effect on environment and wildlife habitats.

Dr. Tom Jordan, Director, Southern California Earthquake Center (SCEC), gave a briefing on the current state of earthquake prediction. He commented that there has been considerable progress in rapid information deployment since the 1971 Sylmar earthquake, and scientists can now predict the locations and frequency of earthquakes, as well as their ground motions and effects, but not when they will occur. He discussed the distinction between scientific predictions and useful predictions. He noted there has been significant progress in long-term predictions, or changes over decades, but not so much in intermediate and short-term predictions.

Dr. Ken Hudnut, USGS, talked about recent advances in the area of rapid assessment of building damage. He agreed with comments made by previous speakers about significant business losses and disruption caused by earthquakes in California. He noted that even moderate seismic events can damage existing high-rise buildings.

Mr. Andrew Adelman, Department of Building and Safety, City of Los Angeles, estimated the maximum occupancy of most high-rise buildings at about 100 people per floor.

Mr. Adelman presented a report on how the city of Los Angeles has applied research to building safety. He provided an overview of the Department of Building and Safety's workload. He drew attention to his written materials for a summary of Los Angeles' mandatory and voluntary seismic retrofit programs and their current status.

Mr. Adelman reported that Los Angeles is experiencing a new boom in construction, with 58 new high-rise buildings, ranging from 10 to 58 stories, either proposed or under construction. He expressed concern that California still uses the 1997 version of the Uniform Building Code, which was based on 1992 and 1993 technology. He said some of the new high-rise projects entail unusual shapes, large areas of winders, and use of nonlinear dynamic analysis, and the outdated code provisions may be

inadequate to address some of these unique design issues.

Mr. Adelman encouraged all residents to do what they can to protect their own lives and property by installing gas shut-off valves, bracing cripple walls, and strapping water heaters.

Chairman Klein thanked Commissioner Jones, Dr. Jordan, Dr. Hudnut, and Mr. Adelman for their presentations.

Advances in Earthquake Engineering

Mr. Nabih Youssef, Nabih Youssef & Associates, provided an overview of the current state of earthquake engineering practice. He talked about lessons learned from past earthquakes and how new developments in earth sciences have been applied to engineering.

Professor John Wallace, UCLA Pacific Earthquake Engineering Research (PEER) Center, explained and discussed advances in wall and concrete detailing, reinforced concrete columns, beams and column joints, and ductile lateral force-resisting systems. He said the move from prescriptive to performance-based codes has resulted in significant progress for new buildings. He acknowledged that existing buildings were still a problem.

Mr. Jon Heintz, Applied Technology Council (ATC), talked about the future of performance-based design. He said ATC's goal is to provide the link between research and practice, and the organization is very active in the area of codes and standards. Mr. Heintz explained the background and major concepts behind FEMA 356, the retrofit standard for existing buildings.

Chairman Klein thanked Mr. Youssef, Professor Wallace, and Mr. Heintz for their information.

Partnerships and New Directions in Emergency Management

Executive Director Richard McCarthy noted that the legislature has required the Seismic Safety Commission to be actively engaged in partnerships and collaborations for years and emphasized the importance of these relationships in improving emergency management and loss reduction actions.

Mr. Le Val Lund, Business and Industry Council on Emergency Preparedness and Planning (BICEPP), explained that BICEPP was formed in 1983 as a nonprofit corporation for the purpose of disseminating information, fostering cooperation, and coordinating activities for better preparedness, planning, and response. He said the group started with about 80 businesses as members, a number that has grown to about 300 today.

Mr. George Dickson, Seismic Warning Systems, discussed his company's patented earthquake warning systems to help prevent property damage and save lives. He explained that his company spent ten years developing and testing the technology, and there are currently 30 installations, mostly in fire stations. Mr. Dickson stated that since the systems were introduced, there have been no false positive alarms, and all five of the most significant recent seismic events were detected. He reported that 49 more systems will be installed soon, and about 300 other customers are in negotiations.

Mr. Dickson introduced Mr. Scott Nebenzahl, Director of Governmental Affairs, and invited him to discuss challenges and ways the Seismic Safety Commission can help.

Mr. Nebenzahl noted that earthquake early warning systems are not a new concept, but technology has finally caught up with the ideas. He said funding, politics, and fear of liability are major obstacles

preventing more people from using the warning systems, and most school bond funds and grant funds are restricted to a very narrow range of uses. He welcomed the Commission's assistance in supporting a regional early alert system in the future, educating the public, advocating local code mandates, working to insert appropriate language in school bond measures, coordinating activities with stakeholders involved in the state's transportation network and infrastructure, collaborating and sponsoring end user and industry stakeholder round tables.

Commissioner Jones welcomed and introduced Ms. Constance Perrett, Los Angeles County Office of Emergency Management.

Ms. Perrett provided an overview of improvements made in emergency management since the 1971 Sylmar earthquake. She noted substantial progress has been made in public awareness and in building codes.

Ms. Perrett reported that Los Angeles County Social Services and the Red Cross began working closely together in 1987 to train shelter workers, experience that turned out to be quite valuable in responding to the Whittier Narrows earthquake in 1987 and the Northridge earthquake in 1994. She noted that Los Angeles County has developed stronger communication with the cities within its jurisdictions, liaisons with other agencies, and much stronger public education and awareness campaigns. She emphasized that the Northridge earthquake was not a catastrophic event, and Los Angeles needs to be ready for much more serious earthquakes.

Chairman Klein thanked Mr. Lund, Mr. Dickson, and Ms. Perrett for their presentations.

At 12:00 noon, the meeting was recessed for lunch. Chairman Klein reconvened the meeting at 1:30 p.m.

V. REPORT BY ATTORNEY GENERAL'S OFFICE ON CRAF SETTLEMENT

Ms. Sonja Berndt, Deputy Attorney General, provided an update on the status of the California Research and Assistance Fund (CRAF) settlement. She noted this fund was established as a charitable corporation in 1999 using insurance company settlement funds resulting from Northridge earthquake claims. With the departure of former Insurance Commissioner Chuck Quackenbush and the subsequent investigation, the state discovered the corporation had been improperly managed and that funds had been diverted. A restraining order and preliminary injunction were issued to freeze the money pending resolution of these issues.

Ms. Berndt said participants in the lawsuit first thought about undoing the CRAF settlement, but when the court found the agreements valid, the directors decided to settle, the corporation was dissolved, and a receiver was appointed in March 2005 to oversee distribution of the funds. The parties agreed to give the remaining funds to the Seismic Safety Commission for earthquake education and research projects. Ms. Berndt advised that the current fund balance is a bit less than \$6.5 million.

Ms. Berndt described the next steps in the receivership process. She said that before the funds are released, creditors have a four-month period in which to submit claims, which are then accepted, rejected, or negotiated by the receiver. The Attorney General's Office would become involved if creditors litigate their claims. Ms. Berndt stated that her office was aware of three potential claims totaling less than \$100,000, and one larger claim from Disaster-Ready pertaining to ownership of copyrights for certain materials.

Ms. Berndt advised that the parties had worried that the CRAF's notorious history might result in loss of its tax-exempt status. She reported that the Franchise Tax Board recently confirmed the entity's tax-exempt status, and the IRS is expected to issue a similar ruling soon. Ms. Berndt said the receiver expects that creditor claims will be resolved so the receivership can close by the end of 2006.

Commissioner Shapiro asked who will define and interpret what kind of projects constitute education and research eligible for funding. Ms. Berndt replied that the Attorney General's Office and Seismic Safety Commission will work together to define and interpret the terms of the agreement. She added that the Attorney General does not consider this an overly technical issue, but experts can be consulted if needed.

Chairman Klein thanked Ms. Berndt for the update.

ACTION: No action required.

VI. EXECUTIVE DIRECTOR'S REPORT

April Meeting Agenda

Mr. McCarthy drew attention to the draft agenda for the Commission's April meeting in San Francisco. He also noted that Commissioner Mileti had provided a list of topics for public discussion. He suggested that the Commission provide direction as to how the agenda should be organized and what items to include.

Response Letter to State and Consumer Services Agency

Mr. McCarthy invited commissioners' comments and suggestions on the proposed response letter. He noted many of the comments were taken unedited from the last meeting. Chairman Klein proposed leaving the text as written, and other commissioners agreed. Mr. McCarthy said the staff will revise the draft and correct a couple typographical errors.

Mr. McCarthy reported that he received a phone message at lunch indicated the California congressional delegation sent a letter to Governor Schwarzenegger and the Assembly Speaker expressing support for continued funding of the Seismic Safety Commission.

Status of Contract with PERI

Mr. McCarthy informed the Commission that a \$10,000 contract was executed to pay for development of a seismic safety timeline for the April meeting. He added that he was very impressed with a sample timeline.

Status of Commission Review of SFPUC Water Delivery System Retrofit

Mr. McCarthy noted the Commission will be discussing the scope of its review at the March meeting.

Status of FEMA Appeal

Mr. McCarthy said the Commission submitted additional expense documentation and was awaiting news from OES.

Budget

Mr. McCarthy noted the staff's budget numbers match those provided by the state accounting service.

VII. LEGISLATION REPORT

Visits with Legislators

Mr. Henry Sepulveda reported that five commissioners participated in meetings with legislators in January. He noted Commission representatives attended 44 meetings in three days, and very good feedback was received. He thanked Commissioners Clark, Klein, McGavin, Mileti, and Shapiro for their efforts. Mr. Sepulveda added that the staff will be following up on some specific items.

Pending Legislation

Mr. Sepulveda referred to his written summary of legislation of interest to the Commission. He said new bills will continue to be introduced until the end of February, and he promised to keep the Commission posted.

Mr. Sepulveda noted that AB 350 (Matthews) had been dropped. He drew attention to AB 1561 (Umberg), allowing removal of commission and board members for attendance problems.

Mr. Sepulveda said AB 1783 articulates the intent of funding infrastructure projects with bonds in 2006 and 2010; AB 1831 (Jones) proposes \$2.23 billion bond for high-risk state buildings; and SB 491 (Ducheny) is a retrofit bond bill for public and nonprofit hospitals. He noted AB 1934 (Hancock) establishes a seismic upgrade grant program for public schools.

Placeholder Bills for Commission Funding

Mr. Sepulveda provided two proposed placeholder bills. He noted the first, printed on green paper, consists of technical provisions now, but it can be amended to incorporate appropriate funding language. He recommended approving the bill and requesting that Senator Alquist introduce it by the end of February.

ACTION: Commissioner Jones made a motion, seconded by Commissioner Palmer, that:

The Commission authorize introduction of the placeholder bill as proposed.

* Motion carried, 10 - 0.

VIII. COMMITTEE REPORTS

There were no committee reports.

IX. PUBLIC COMMENT

There were no members of the public who wished to address the Commission.

X. MISCELLANEOUS & GOOD OF MEETING

There were no other matters brought to the Commission's attention.

XI. ADJOURN

There being no further business, the meeting was adjourned at 2:38 p.m.

Sue Celli
Office Manager

Approved by:

Richard McCarthy
Executive Director