



State Of California

ALFRED E. ALQUIST SEISMIC SAFETY COMMISSION



Arnold Schwarzenegger, Governor

Gary McGavin, AIA
*Architectural Planning
Chairman*

Dennis Mileti
*Social Services
Vice-Chair*

Lawrence Klein
Utilities

Dr. Lucy Jones
Seismology

Hon. Richard Alarcon
State Senate

Saeed Ali
Senate Representative

Hon. Mark Church
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

Jeff Sedivec
Fire Protection

Arul Arulmoli
Soils Engineer

Hon. Jim Wattenburger
County Government

Andrew Adelman
City Building Official

Richard McCarthy
Executive Director

Seismic Safety Commission
Minutes of Meeting and Staff Workshop
February 6, 2007

Wilshire Grand Hotel
930 Wilshire Boulevard, Los Angeles, California

Members Participating

Gary McGavin, Chair
Dennis Mileti, Vice Chair
Kandiah (Arul) Arulmoli
Bruce Clark
Lucy Jones
Lawrence T. Klein
Henry Renteria
Daniel Shapiro
David Thorman
David Walls
Keith Wheeler

Members Absent

Andrew Adelman
Senator Elaine Alquist
Mark Church
Celestine Palmer
Jeff Sedivec
James Wattenburger

Staff Present

Richard McCarthy, Executive Director
Karen Cogan, Executive Assistant
Robert Anderson, Staff Geologist
Henry Reyes, Staff Structural Engineer
Larry Rillera, Director of Legislative Affairs
Fred Turner, Senior Structural Engineer

I. CALL TO ORDER/ROLL CALL

Commission Chairman Gary McGavin called the meeting of the Seismic Safety Commission to order at 9:30 a.m. Executive Assistant Karen Cogan called the roll and confirmed the presence of a quorum.

II. CHAIRMAN'S REMARKS

Chairman McGavin welcomed Commissioner Henry Renteria, the new Office of Emergency Services representative on the Commission.

III. APPROVAL OF JANUARY 11, 2007 MEETING MINUTES

Chairman McGavin noted that both Commissioner Mark Church and Commissioner David Thorman should be listed as present at the January meeting.

Ms. Cogan said the staff found a minor typographical error that will be corrected.

ACTION: Commissioner Dennis Mileti made a motion, seconded by Commissioner Dan Shapiro, that:

The Commission approve the minutes of the January 11 meeting as amended..

* Motion carried, 11 - 0.

EXECUTIVE DIRECTOR'S REPORT

Budget

Executive Director Richard McCarthy noted that the Commission's funding arrangement through the Insurance Fund will expire on July 1, 2009, and a new funding source needs to be found well before then. He said Senator Elaine Alquist wrote a letter to the State and Consumer Services Agency asking for assistance in identifying a stable source of funds for the future. Mr. McCarthy added that the Commission will continue to work with Senator Alquist, Agency representatives, and the Governor's Office to resolve this issue.

Mr. McCarthy advised that there are three possible options: 1) a bill providing a permanent funding source for the Commission; 2) inclusion in the Governor's proposed budget for 2008-09, and/or 3) authorization for the Commission to seek its own funds.

Chairman McGavin emphasized the need to have a stable funding source in order to leverage grant funds and outside contributions. He recommended taking a proactive role now to put the necessary mechanisms in place.

Mr. McCarthy noted the Commission will be talking about funding in more detail as part of the afternoon workshop session.

Status of FEMA Appeal

Mr. McCarthy reported that the Commission is still awaiting information from the Federal Emergency Management Agency (FEMA) regarding the exact amount owed by the Commission.

Mr. McCarthy noted that Commissioner Renteria would be meeting with FEMA representatives in Washington the following week.

Insurance Department Annual Report

Mr. McCarthy noted that the Department of Insurance's annual assessment report was included in the meeting packet for informational purposes.

Fair Political Practices Commission (FPPC) Form 700

Mr. McCarthy reminded commissioners to complete their FPPC 700 forms and return them to the Commission office by March 23.

Spanish Yellow Pages

Ms. Cogan said the Bay Area Spanish Yellow Pages, including the three-page emergency instruction insert funded by the Commission, had just been distributed. She said a Los Angeles version will be published in the future, and the Commission will pay to include the insert in that publication as well.

Web Page

Mr. McCarthy reported that the Commission's Web site had 334,000 hits during the month of January, a high level of activity for a period with no major earthquakes.

CRAF Fund Status

Mr. McCarthy advised that the Commission is awaiting receipt of the California Research Assistance Fund (CRAF) balance of approximately \$6.8 million. He said the Franchise Tax Board determined that no state taxes are due on the transfer, and the IRS will be making its own determination after conducting a limited audit.

Mr. McCarthy noted the Governor's 2007-08 budget includes an authorization for the Commission to administer the CRAF funds to support research projects.

ACTION: No action required.

V. COMMITTEE REPORTS

Field Act White Paper

Staff Structural Engineer Henry Reyes presented a draft of the Field Act report with a new Executive Summary and welcomed comments and suggestions. He said that in response to increasing attacks on the Field Act in recent years, the Commission formed the Field Act Committee for the purpose of revisiting the Field Act, distinguishing myths and incorrect perceptions from truths, and identifying possible changes or revisions. Mr. Reyes noted that the Commission heard from 14 different speakers during its Field Act workshops and meetings.

Mr. Bob Olson, the Commission's consultant, explained that the principal objective of the Field Act report is to communicate with the Legislature by informing legislators about the key issues, providing background early in the legislative process, and offering resources for further advice. He said the Assembly and Senate Education Committees will be the first policy committees to hear new Field Act bills, and he recommended focusing on these committees as a first step. He suggested providing copies of the report to the staff members of the two policy committees as soon as the report is released.

Chairman McGavin thanked Mr. Reyes and Mr. Olson for their report.

PEER Review Report

Commissioner Kandiah Arulmoli introduced former Commissioner Linden Nishinaga, co-chair of the PEER Review Committee. He said the committee was tasked with reviewing the work of the Pacific Earthquake Engineering Research (PEER) Center to confirm that its research and products are of benefit to the state.

Commissioner Arulmoli noted that the PEER Center was founded in 1997 with funding from the National Science Foundation (NSF) and the State of California. He said the ten-year NSF funding arrangement will expire in July, 2007, and PEER needs to find other sources of funding to continue research and product delivery. Commissioner Arulmoli stated that the committee's review focused on PEER's activities from 2003 through 2006. He noted that most of PEER's projects pertain to performance-based engineering, a concept that can produce safer and better buildings. He reported that the committee found that the work of the PEER Center benefits the state and impacts the design of retrofit projects.

Chairman McGavin thanked Commissioner Arulmoli and Mr. Nishinaga for their report.

ACTION: No action required.

VI. ENDORSEMENT REQUEST - PEER TALL BUILDINGS PROJECT

Chairman McGavin invited Mr. Nicolino Delli Quadri, Chief, and Mr. Colin Kumabe, Senior Structural Engineer, Engineering Bureau, City of Los Angeles, to discuss the PEER Tall Buildings Project.

Mr. Delli Quadri asked for the Seismic Safety Commission's endorsement of the City of Los Angeles' plan to spend its Strong Motion Instrumentation Program (SMIP) funds to support the PEER Tall Buildings Project. He noted that under the SMIP enabling legislation, cities can spend 5 percent of the SMIP funds they collect for data utilization, seismic education, and damage assessment. Mr. Delli Quadri said contributing Los Angeles' portion, approximately \$180,000, to PEER for data utilization will result in guidelines that will ensure safer high-rise buildings.

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

The Commission endorse the request of the City of Los Angeles to use its portion of SMIP funds for the PEER Tall Buildings Project and offer to work with PEER in developing the project.

* Motion carried, 11 - 0.

Chairman McGavin thanked Mr. Delli Quadri and Mr. Kumabe and asked them to stay in touch with the Commission staff.

VII. LEGISLATIVE REPORT

Mr. Larry Rillera provided a summary of pending legislation of interest to the Commission. He said over 400 bills have been introduced so far during this legislative session, and the deadline for introducing new bills is late February. Mr. Rillera noted that his report includes the Assembly and Senate budget bills.

Chairman McGavin thanked Mr. Rillera for the update.

ACTION: No action required.

VIII. PUBLIC COMMENT

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

Chairman McGavin proposed starting the workshop portion of the agenda after a brief recess. The Commission took a short break, and Chairman McGavin reconvened the meeting at 11:10 a.m.

ACTION: No action required.

X. WORKSHOP (Out of Order)

Earthquake Grant Research Program - Topics

Mr. McCarthy noted that the Commission is waiting for the CRAF balance to be transferred. He said the Commission is proposing to spend \$2 million in the first one- to three-year grant cycle through either a memorandum of understanding (MOU) with a public agency or a request for proposals (RFP) from private entities.

Mr. McCarthy welcomed discussion from commissioners about research topics. He said possibilities include performance of Field Act buildings, a statewide preparedness survey, tracking progress on initiatives, the PEER Tall Buildings Project, an education curriculum packet for schools, tsunami wave buoys, Delta levee improvements, and nonstructural building contents.

At 12:14 p.m., the Commission recessed for lunch. Chairman McGavin reconvened the meeting at 1:30 p.m.

Chairman McGavin noted that Ms. Kathleen Webb, Mr. Bill Petak, Ms. Jeannie Perkins, Mr. Chris Poland, Mr. Paul Jennings, and Mr. Chris Rojahn were identified as possible additional committee members. He asked Commissioner Clark to contact those individuals and provide him with an updated proposed committee roster.

Mr. Anderson suggested that the Commission consider entering into an interagency agreement with the California Energy Commission to provide an experienced staff person to help manage the CRAF grant program. He noted this might be a better option than hiring a retired annuitant. Mr. McCarthy agreed that an interagency agreement might be a good idea.

Field Act Paper Release

Commissioner Thorman said he had a number of comments on the Executive Summary. He recommended highlighting positive points in the bulleted items rather than negatives. He suggested listing the benefits first, and then the issues. Commissioner Thorman noted that DSA will work with the Commission staff to condense and simplify the text regarding DSA's implementation of the Field Act.

Commissioner Thorman noted that DSA will incorporate a description of its project management team and the collaborative process, as well as a graphic showing the timeline for a typical project. Chairman McGavin suggested showing timelines for a variety of projects, including modernization, a relocatable, elementary and middle schools, and a high school.

Mr. McCarthy asked if the Commission would authorize dissemination of the draft report. After some discussion, commissioners indicated they preferred to send a brief letter before issuing the report.

As a next step, Chairman McGavin proposed writing a cover letter to the Legislature and continuing to refine the Field Act report. Mr. McCarthy said the document should be a one-page strong statement of the Commission's position to buy time to finalize the entire report. He recommended saying the Commission anticipates legislation to remove certain schools from the Field Act, stating that the Commission strongly opposes allowing any entities out of the Field Act, and noting that the Field Act saves the state money in the long run.

Commissioner Klein suggested that Chairman McGavin, Mr. McCarthy, and Mr. Rillera draft an interim letter to the Legislature immediately after this meeting.

Commission Funding

Mr. McCarthy encouraged the Commission to view fiscal management as a business would, thinking in terms of funding for Commission staff and operations, providing products and services internally and externally, and developing alliances and partnerships. He said SB 1278 and AB 1809 only provide a stop-gap source of funds for a limited time, and the Commission needs to be open to new opportunities.

Legislation - Policy Objectives and Strategy

Commissioner Shapiro suggested contacting some of the freshmen legislators who have an interest in seismic safety. Mr. Rillera said he planned to contact at least 12 of the 40 new legislators to introduce the Commission and enlist their support for seismic safety. He noted that even though there is considerable turnover in the Legislature, the staff people often remain, so it would be advantageous to cultivate good relationships with the staff members of the new legislators. Mr. Rillera recommended contacting the members of the minority caucus and their staff members as well.

Mr. McCarthy noted that targeting the Education Committees for the for the Field Act report is a new tactic for the Commission. He observed reaching decision-makers early in the committee process may avoid the need for staff and commissioner work later.

Workload Priorities

Mr. Rillera noted that the Commission's main priorities for the coming year will be issuance of the Field Act report and defense of the Field Act, the CRAF grant program, and finding a permanent source of funding. He said the Commission's budget change proposal for CRAF administration will be heard in March, and staffing and funding issues will be addressed then.

Mr. Rillera recommended that the Commission revisit the permanent funding issue with Agency representatives and enlist their help with this task. He suggested emphasizing the relationship between stable funding and the beneficial products and services the Commission provides for the state.

Reducing Number of Commission Meetings

Mr. McCarthy proposed reducing the number of Commission meetings and focusing more on committee work between meetings. He suggested moving the date of the April meeting forward and canceling the March meeting.

Mr. Anderson said the major agenda item for the March meeting is approval of the PEER report. After some discussion, commissioners agreed that the final report could be approved in a teleconference meeting on March 8.

Mr. McCarthy said the April meeting will be held in Lodi and will include a field trip to the Simpson Northwest Training Center, a retrofit training facility.

ACTION: No action required.

IX. MISCELLANEOUS & GOOD OF MEETING

Mr. Anderson noted a recent article in the *Sacramento Bee* indicated that the Rand Corporation now estimates the costs of hospital seismic retrofit work at \$110 billion, a substantial increase over the \$20 billion estimate five years ago. Commissioner Jones said she had a copy of the Rand report. Mr. McCarthy remarked that the Governor has said he wants to focus on the worst buildings first, but nurses and medical suppliers are opposed to this approach. Commissioner Jones observed that most of the worst buildings are in San Francisco and Los Angeles, so this prioritization would not significantly reduce the costs. She added that there are no guarantees that hospitals will remain functional after earthquakes.

Mr. Olson commented that many legislators tend to view the Hospital Seismic Safety Act as a political issue rather than a safety issue. He urged the Seismic Safety Commission to respond proactively.

Mr. Anderson said the California Earthquake Authority, California Geological Survey, and Seismic Safety Commission are working together on a multi-disciplinary research team, and he described some of the projects currently underway.

Commissioner Shapiro asked about the Mitigation Alternative Actions Worksheet in the meeting packet. Mr. McCarthy said the worksheet was provided by Mr. Turner for use as a tool in prioritizing projects.

ACTION: No action required.

XI. ADJOURN

There being no further business, the meeting was adjourned at 2:40 p.m.

Sue Celli
Office Manager

Approved by:

Richard McCarthy
Executive Director