

*As approved by the Governing Board on Tuesday, February 8, 2022.*

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

**Tuesday, November 30, 2021  
1:00 p.m.**

1-323-886-4439; Conference ID Number 360 302 900#

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

Laurie Johnson, Chair, CRMP Governing Board  
Lori Nezhura, Vice Chair Appointee, Deputy Director, California Office of Emergency Services (Cal OES)  
Jim Lombard, CEA Appointee, CRMP Governing Board  
Alex Pal, Chief Legal Counsel, Cal OES

Members of the CRMP Staff in attendance:

Janiele Maffei, Executive Director, CRMP  
Jacqueline Ball, Executive Assistant  
Annde Ewertsen, Managing Director, CRMP  
Benjamin Kirwan, Treasurer, CRMP  
Seth Merewitz, Counsel, CRMP  
Tom Welsh, Secretary, CRMP

Also Present:

No members of the public addressed the Governing Board.

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

Chair Johnson called the meeting to order at 1:03 p.m. A quorum was achieved.

**2. Consideration and approval of the minutes of the August 31, 2021, Governing Board Meeting.**

**MOTION:** Mr. Lombard moved approval of the August 31, 2021, California Residential Mitigation Program Governing Board Meeting Minutes as presented. Ms. Nezhura seconded. Motion carried unanimously.

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

Janiele Maffei, CRMP Executive Director, updated the Governing Board on the CRMP and CEA mitigation interests and projects:

### Earthquake Brace + Bolt (EBB) and CEA Brace + Bolt (CEA BB) Retrofits to Date

- Retrofits strengthen four vulnerabilities: cripple wall, living-space-over garage, hillside house, and chimney.
- Over 16,000 retrofits have been completed to date.
- Registration period is from October 28<sup>th</sup> to December 9<sup>th</sup>.
  - Approximately 10,500 homeowners have registered to date.
- Supplementary grants for income-eligible homeowners have been included in this year's registration period. This grant provides 100 percent of the funds needed to help strengthen houses in disadvantaged communities.
  - Approximately 3,600 homeowners have registered for the supplementary grant to date.

### Legislative Efforts

- The Disaster Mitigation and Tax Parity Act is a bill that would make rebates that homeowners receive to make natural disaster mitigation improvements to their homes exempt from federal taxes.
- This bill includes earthquake, wildfire, and wind and is multi-state to make housing more resilient to natural disasters.
- The bill passed out of the House and is back in the Senate for reconciliation.

### Mean Retrofit Costs

Ms. Maffei stated retrofit data from the retrofits completed to date is being tracked by program, by pre-COVID, COVID, and quarter, and by year to establish the mean retrofit cost and to ensure that the retrofit grant is always relevant and is used to ensure that the Supplemental Grant Program funding can meet the needs of as many homeowners as possible. She deferred to Annde Ewertsen to provide details on the data tracking effort.

Annde Ewertsen, CRMP Managing Director, provided an overview, with a slide presentation, of the mean retrofit cost data, definitions, and data range. She showed bar charts for each area being tracked.

### Questions and Discussion

Mr. Pal asked about the extension. He asked how often the enrollment period was extended in the past and how that was determined.

Ms. Maffei stated this is the first time the enrollment period was extended. An event was scheduled in Southern California that was focused on EBB after the original closing date of the registration period. It was determined to extend the registration date for that reason.

Ms. Ewertsen added that resolving registration issues for EBB 2.0 was another reason for the extension.

Mr. Pal stated the need to be consistent in the future regarding requests for extension, such as a metric or standard.

**4. CRMP Treasurer Benjamin Kirwan will review the CRMP financial statements as of October 31, 2021.**

Benjamin Kirwan, CRMP Treasurer, provided an overview, with a slide presentation, of the CRMP financial information as of October 31, 2021. He noted that the Marketing Services/Program Education Line-Item expenditure on the Statement of Revenues, Expenditures, and Changes in Fund Balance Sheet was lower than initially budgeted. Part of the reason for this was the delay in getting the 4407 ESS and EBB Programs up and running. More has been budgeted for 2022 to adjust for this.

Questions and Discussion

Chair Johnson asked why the Software and Information Technology Support Line Item is low relative to budget.

Mr. Kirwan stated items were budgeted for in 2021 that will not be incurred until 2022 related to EBB 2.0 and software and information technology improvement.

**5. CRMP Treasurer Benjamin Kirwan will review the proposed CRMP 2022 Budget, for approval.**

Mr. Kirwan provided an overview, with a slide presentation, of the proposed CRMP 2022 budget. He noted that increased insurance rates have been factored into the 2022 budget.

**MOTION:** Mr. Pal moved approval of the California Residential Mitigation Program 2022 Budget. Mr. Lombard seconded. Motion carried unanimously.

**6. CRMP Managing Director Annde Ewertsen will present the CRMP Mitigation (Earthquake Brace + Bolt) update.**

Ms. Ewertsen provided an overview of the EBB staff efforts, CRMP and CEA Earthquake Brace + Bolt Programs by program cycle, retrofit funding type by year completed, future funding opportunities, EBB Program contractors, regional differences, engineered and non-engineered retrofits, and withdrawn applications and completion rates. She reviewed the statistics on the open registration, launch outreach, and cost savings. She stated 12,400 homeowners have registered to date and noted that more than one-third of all registrants have self-verified as income-eligible for the Supplemental Grant Program.

Ms. Ewertsen stated, due to continued COVID-related delays affecting program building departments and combined delays with the Federal Emergency Management Agency (FEMA) processing of applicant files, a Request for Extension will be submitted for the Hazard Mitigation Grant Program (HMGP) Disaster Recovery (DR) 4344 Grant no later than December 31, 2021.

**7. CRMP Managing Director Annde Ewertsen will present the status of the CRMP marketing services contract for consideration of new services contract and approval.**

Ms. Ewertsen provided an overview, with a slide presentation, of the background, analysis, justification, and options for the CRMP marketing services contract.

Staff Recommendation:

- Extend the current contract with Actum until June 30, 2022, and to proceed with an RFP-Q for marketing services for a firm to begin services on July 1, 2022.

## Questions and Discussion

Mr. Pal asked about the exigency for doing another sole-source contract with the same company for five months beginning February 1<sup>st</sup> versus beginning a solicitation now for a competitively-bid contract.

Ms. Ewertsen stated it would be difficult to put a competitively-bid contract in place by January 31<sup>st</sup>.

Mr. Pal asked what the harm is in having a gap for a month while the contract is being competitively bid.

Ms. Ewertsen stated the biggest concern is ensuring that a public relations and marketing firm is available should there be an earthquake or other major issue that may arise that requires a public relations response. A competitively-bid contract cannot be put in place by January 31<sup>st</sup>, although it is possible prior to July 1<sup>st</sup>.

Mr. Pal cautioned against diluting the emergency contract information just to keep a contractor in place versus soliciting a clean contract. He stated, regarding emergency exemptions, not having a public relations firm in place during an emergency is a more compelling argument for the newest extension versus the existing marketing materials or ad buys, as the presentation implied. He stated the need for clarity.

Seth Merewitz, Counsel, stated the options were reviewed and staff determined to put something in place immediately and then bring back a competitively-bid proposal as quickly as possible. He noted that the staff recommendation complies with existing policy, is an effort to balance several competing priorities, and is the best that can be done under this set of circumstances.

Mr. Pal suggested extending the contract but to include language that provides the ability to cancel it once a new competitively-bid vendor is in place.

**MOTION:** Mr. Pal moved approval of the staff recommendation to extend the current contract with Actum until June 30, 2022, with strong encouragement to proceed with the RFP-Q process for marketing services and to complete that process prior to the second meeting of the Governing Board in 2022. Ms. Nezhura seconded. Motion carried unanimously.

### **8. CRMP Managing Director Annde Ewertsen will present a new IT Data Services Agreement (sole-source contract) with CoreLogic Credco, LLC, for approval.**

Ms. Ewertsen provided an overview, with a slide presentation, of the background, analysis, and justification of the CoreLogic and DocuSign contracts.

Staff Recommendation:

- Ratify the contracts currently in place with CoreLogic and DocuSign for data services and signature authority required for compliance with FEMA grant requirements and income verification for the supplemental grant program.

**MOTION:** Mr. Lombard moved approval of the staff recommendation. Chair Johnson seconded. Motion carried unanimously.

**9. CRMP Managing Director Annde Ewertsen will present the proposed CRMP 2022 Governing Board meeting schedule, for approval.**

Chair Johnson asked for a motion to approve the proposed 2022 CRMP Governing Board meeting schedule, which was included in the meeting materials.

**MOTION:** Mr. Pal moved approval of the proposed 2022 CRMP Governing Board meeting schedule. Ms. Nezhura seconded. Motion carried unanimously.

**10. 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.

**11. Adjournment.**

There being no further business, the meeting was adjourned at 2:28 p.m.