



State Of California

ALFRED E. ALQUIST SEISMIC SAFETY COMMISSION

Arnold Schwarzenegger, Governor

Alfred E. Alquist Seismic Safety Commission
Minutes of Meeting and Staff Workshop
October 11, 2007
State Capitol, Room 437
Sacramento, California

Chief Don Parker
*Fire Protection
Chairman*

Hon. Mark Church
*Local Government
Vice-Chair*

.Gary McGavin, AIA
Architectural Planning

Dennis Mileti
Social Services

Hon. Elaine Alquist
State Senate

James Schwab
Senate Representative

Hon. Sam Blakeslee
State Assembly

Dr. Lucy Jones
Seismology

Arul Arulmoli
Soils Engineer

Andrew Adelman
City Building Official

Henry Renteria
*Office of Emergency
Services*

Grace Koch
OES Representative

David Thorman
State Architect

Dave Walls
*Building Standards
Commission*

Hon. Ken Cooley
Cities Government

Bill Chubb
Utilities

Sharron Leao
Emergency Services

Bradley Mitzelfelt
County Government

Ali Sadre
Structural Engineering

Michael Stevens
Insurance

Richard McCarthy
Executive Director

Members Participating

Gary McGavin, Chair
Dennis Mileti, Vice Chair
Andrew Adelman
Kandiah (Arul) Arulmoli
Jonathan Changus (arrived at 9:07 a.m.)
William Chubb
Mark Church (arrived at 9:10 a.m.)
Ken Cooley
Lucy Jones
Grace Koch
Sharon Leao
Brad Mitzelfelt (arrived at 9:20 a.m.)
Don Parker
Ali Sadre
James Schwab
Michael Stevens
David Thorman
David Walls (arrived at 9:07 a.m.)

Staff Present

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

I. CALL TO ORDER/ROLL CALL

Commission Chairman Gary McGavin called the meeting of the Alfred E. Alquist 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. CHAIRMAN'S REMARKS

Chairman McGavin welcomed recently appointed commissioners.

Chairman McGavin asked commissioners to submit their United Way donation forms to

the staff. He said the Governor's Office has established \$10 million as this year's goal, and he encouraged commissioners and staff to participate.

Chairman McGavin advised that the Commission's December 13 meeting would be held in Sacramento rather than San Francisco.

Chairman McGavin noted that the Nominating Committee will be proposing a new slate of Commission officers at the end of the meeting. He urged new commissioners to let the new chair know what committees they were interested in joining so committee assignments could be discussed at the December meeting.

Chairman McGavin asked Commissioner James Schwab to brief the Commission on the recent public service announcement released by Senator Elaine Alquist's office.

Commissioner Schwab advised that Senator Alquist disseminated a message the previous Thursday emphasizing what families, children, and parents need to know to better prepare for natural disasters.

Ms. Cogan informed the Commission that the Office of Emergency Services (OES) Website had a new feature that allows users to receive a personalized profile of natural hazards based on the address of a given site. She encouraged commissioners to visit the Website and convey their comments and suggestions to her.

Chairman McGavin announced that Commissioner Koch would be leaving OES after 19 years of service. He wished her well and said the Commission will miss her.

Commissioner Koch expressed her appreciation to the Commission. She said she enjoyed serving on the Commission and learned a great deal.

Commissioner Resolutions

Chairman McGavin drew attention to the proposed resolutions thanking and recognizing former Commissioners Bruce Clark, Larry Klein, Celestine Palmer, and Dan Shapiro for their service.

ACTION: Commissioner Andrew Adelman made a motion, seconded by Commissioner Lucy Jones, that:

The Commission approve the resolutions for departing commissioners.

* Motion carried, 17 - 0 (Commissioner Brad Mitzelfelt absent during voting).

III. APPROVAL OF AUGUST 9, 2007 MEETING MINUTES

ACTION: Commissioner Ken Cooley made a motion, seconded by Commissioner Don Parker, that:

The Commission approve the minutes of the August 9 meeting.

- * Motion carried, 16 - 0 - 1 (Chairman McGavin abstaining, Commissioner Mitzelfelt absent during voting).

IV. EXECUTIVE DIRECTOR'S REPORT

Budget

Executive Director Richard McCarthy reviewed the two budget summaries in the meeting packet. He said one report was prepared by Contracted Fiscal Services, the state accounting agency, and the other was a reconciliation provided by the staff. He observed that both documents are projecting a modest year-end surplus of \$10,000 to \$11,000. He noted that more detailed information will be available at the next meeting, and he welcomed suggestions from new commissioners about better ways to track and show budget expenditures.

Mr. McCarthy advised that the Commission will be overseeing 20 to 25 research projects in the future, a responsibility that will require accurate accounting. He said the Commission can charge 10 percent for its own administrative overhead expenses. He encouraged commissioners to think about whether the overhead should be allocated per project or charged on an annual basis.

FEMA Repayment

Mr. McCarthy reported that the Commission repaid \$45,000 of its debt to the Federal Emergency Management Agency in June, and there should be funds in this year's budget to make a second installment of \$70,000 to \$80,000 in December and a third payment before the end of the fiscal year, with any remaining amount paid off in July 2008. He noted that FEMA had already de-obligated the entire amount from OES and the Commission was reimbursing OES over time.

Chairman McGavin thanked Mr. McCarthy and the staff for their diligent advocacy on the Commission's behalf.

Investigative Teams to Japan

Mr. McCarthy recommended that the Commission consider sending two investigative teams to Japan to research issues of importance to California and lessons learned from Japan's recent 6.8 magnitude earthquake. He said the earthquake caused approximately \$12 billion in damage to key industries, parts suppliers, small businesses, and residences, and the world's largest nuclear power plant, located in Niigata, is still down as a result of the damage. Mr. McCarthy proposed forming one investigative team to look at economic impacts of the earthquake, and another later team to inspect the damaged nuclear reactor in Niigata.

Mr. McCarthy advised that the Commission has a \$95,000 earthquake investigations account that was established to fund such efforts. He noted the Commission has not activated the account since 1995.

Mr. McCarthy requested the Commission's authorization to send two investigative teams to Japan. He said the first team, looking at economic and social impacts, would include Rosario Marin, Secretary of the State and Consumer Services Agency; Kathleen Webb, the Governor's insurance advisor; a representative of the Los Angeles Science Center; other government representatives; and Commission staff. He noted that this team will focus on economic recovery, insurance, earthquake education and outreach, and social issues, and he drew attention to the proposed itinerary and travel schedule. He added that California already has a memorandum of understanding in place with Shizuoka Prefecture to exchange information. Mr. McCarthy suggested sending a second team, possibly in January, to inspect damage to the nuclear power plant. He said this team could include representatives from PG&E; the California Energy Commission; the San Onofre nuclear power plant; and staff members.

Mr. McCarthy stated that PG&E had already sent a team to the Niigata nuclear power plant. He noted that the Commission supported AB 1632, a bill authored by Assemblymember Blakeslee, calling for an investigation of the current safety of California's nuclear power plants and nuclear waste disposal. He advised that the Energy Commission will be holding workshops soon, and has hired a consultant to help prepare a report on nuclear power safety. He observed that a visit to the Niigata power plant would provide California with a rare opportunity to examine possible impacts and lessons learned from Japan's experience.

Mr. McCarthy recommended that the Commission authorize activation of the account and sending the first investigative team now, and approve the second team in concept. He said the staff can provide more details about the second team's schedule and itinerary at the December meeting.

Mr. McCarthy noted that Japan initiated a new earthquake warning system on October 1 of this year, and the Commission might want to examine if such a system is practical for California. He said implementing a warning system in California would require a feasibility study to determine what modifications could be made to the existing seismic network. Commissioner Jones reported that such a study was done in the 1980's, and the estimate at that time was \$1 billion. She expressed support for finding out what Japan has done and how their new warning system is used. She recommended coordinating this effort with the federal government.

ACTION: Commissioner Mark Church made a motion, seconded by Commissioner Jones, that:

The Commission authorize activation of the earthquake investigation account for the first trip, as proposed by the staff, and approve the second trip in concept.

Commissioner Cooley emphasized the importance of applying lessons learned in Japan to California. He noted there are many similarities between the East Bay and the area affected by the earthquake in Japan, and he recommended including someone on the first team with expertise in Bay Area issues like ports, water supply, and economic consequences. He observed that there may be lessons OES could learn in terms of recovery issues as well. Commissioner Cooley said he hoped the trip would result in higher visibility for seismic safety issues that could translate

into new policies and legislation. Mr. McCarthy agreed, and said the Commission's investigate trip to Turkey and Greece led to recommendations for legislative action.

* Motion carried, 18 - 0.

Western States Seismic Policy Council

Mr. McCarthy reported that he, as well as Commissioner Cooley and Commissioner David Walls, attended a meeting of the Western States Seismic Policy Council the previous week in Reno. He observed that other states are observing California as they struggle to obtain funding and enact legislation.

Commissioner Cooley said the meeting included interesting presentations on tsunamis hazards in Washington and the Wasatch front risk in Utah. He commented that other western states, including Nevada, have serious problems with unreinforced masonry buildings.

V. ATTORNEY GENERAL'S BRIEFING ON RESEARCH PROGRAM GUIDELINES

Mr. McCarthy introduced Mr. Matthew R. Campbell, Deputy Attorney General, and invited him to provide the Commission with some general information about oversight of the new research program.

Mr. Campbell provided an overview of the laws and regulations the Commission will need to follow in administering the research grant program. He discussed basic principles of open meeting laws, conflict of interest rules, and the exercise of due diligence and proper oversight of grant proposals.

Mr. McCarthy clarified that types of contracts the Commission can use to award funds. He said the Commission can enter into interagency agreements with government entities and public universities; sole-source contracts can be considered for qualifying private entities; and competitive bids can be sought from private firms.

Commissioner Jones asked how "research" would be defined. Mr. Campbell noted the term is not defined in the stipulated judgment, so a standard of reasonableness would apply. Mr. McCarthy noted that research funds might be appropriate for pilot projects testing education and outreach tools, but not for public campaigns or policy conferences.

Commissioner Adelman asked how the state Bagley-Keene Act was different from the Brown Act, which establishes open meeting rules for local jurisdictions. Mr. Campbell advised that the laws were comparable. He said the common points are publishing notices of meetings in advance, publishing agendas, holding meetings and deliberations in public, and no serial meetings. He noted any committee with more than two Commissioners as members is subject to open meeting requirements.

Mr. McCarthy commented that the Attorney General's Office will review and comment on every research project administered by the Commission, and there will be members of the Commission and the staff assigned to each project. He emphasized the need to plan for public meetings if three or more commissioners are assigned to the same group.

Mr. Campbell stated that the Charitable Trust Section of the Attorney General's Office will require the Seismic Safety Commission to submit annual reports regarding how the funds are used.

Chairman McGavin thanked Mr. Campbell for the briefing.

VI. BAY AREA EARTHQUAKE RETROFIT PROJECTS

Bay Area Rapid Transit (BART)

Mr. McCarthy noted that the Commission has been working with BART on its retrofit efforts. He said the Commission helped BART establish a review committee to provide independent advice and review of BART's plans, and Bay Area voters passed a \$980 million bond initiative in 2004 to launch the improvements. He invited Mr. Tom Horton, Group Manager of BART's Earthquake Safety Program, to provide an update.

Mr. Horton stated that BART acknowledges the increasing probability of major earthquakes in the Bay Area and is taking steps to reduce the risk of damage to its system. He showed overhead slides identifying major earthquake faults in the area. He discussed the funding sources and expenditures estimated for the \$1.3 billion retrofit program.

Mr. Horton said BART's uses two design criteria, depending on the importance of the components involved. The highest standard, he explained, is operability, or ensuring an ability to return to service shortly, and this standard applies to the tracks, equipment, and stations in the areas BART considers its system core. Outlying facilities are subject to a standard based on safety, or preventing collapse and protecting people from injury.

Chairman McGavin thanked Mr. Horton for his report.

Pacific Gas & Electric Company (PG&E)

Mr. Stu Nishenko, Senior Seismologist, PG&E, provided an overview of PG&E's territory and service area, PG&E's earthquake risk management policies, and definitions of acceptable risk. He discussed PG&E's seismic risk management implementation, which has entailed demolition of some facilities, seismic upgrades in others, asset transfers, and insurance. He talked about how PG&E has been able to modify and redesign its breakers, replace much of its pipelines, and strengthen its buildings to improve seismic performance.

Mr. Nishenko discussed the need to maintain post-earthquake service and communications. He showed slides depicting overhead views of the massive power blackout along the East Coast in 2003. He contrasted the seismic performance of the electrical system in Turkey, which had

redundancy and flexibility, and that in Taiwan, where services were transmitted and routed through one central distribution point. Mr. Nishenko showed a slide illustrating the restoration of electric service following the Northridge earthquake.

Chairman McGavin thanked Mr. Nishenko for his report.

California Department of Transportation

Chairman McGavin advised that a Caltrans representative was invited to speak but was unable to attend. He said Caltrans invited the Commission to tour the Bay Bridge retrofit project in conjunction with the Commission's December meeting, but the Commission will be meeting in Sacramento instead of San Francisco.

VII. LEGISLATIVE REPORT

Director of Legislative Affairs Larry Rillera reported that the Legislature adjourned on September 14, and the Governor had until October 14 to deal with all the bills passed during this legislative session. He said the Governor has already signed about 450 bills and vetoed 41, but there were about 450 still awaiting action.

Mr. Rillera noted that the Commission has been part of the State and Consumer Services Agency since January 1, 2007, and the Commission and Agency have developed a good relationship since then. He observed that having three new commissioners representing state agencies has been very valuable in policy debates, and he expressed his appreciation to the state representatives for their contributions.

Mr. Rillera drew attention to the charts showing the status of bills the Commission has been tracking. He reported that AB 319, which established a steering committee to develop a statewide tsunami program, was vetoed. He noted that SB 588, allowing community colleges to construct facilities based on standards similar to those of the California State University system, was not taken up for a vote, so this has become a two-year bill. Commissioner Koch advised that AB 38, calling for a merger of OES and the Department of Homeland Security, was also stalled, and the author plans to revise the provisions and bring it forward as a two-year bill.

Chairman McGavin thanked Mr. Rillera for the update.

VIII. RESEARCH PROGRAM PROJECTS

Field Act Building Performance Project

Chairman McGavin said the Commission issued a paper on the Field Act ten years ago, and recently completed another, both in response to attacks and attempts to undermine the Field Act. He noted the Commission held hearings that confirmed the value of the Field Act, but all parties recognized the need for better data quantifying the differences. With this in mind, the Commission expressed strong interest in using some of the \$6 million in research funds to encourage research projects that address this need. Chairman McGavin reported that the

Commission sent letters of interest to four entities, and one responded. After interviewing this candidate, the review committee and staff recommended awarding an 18-month contract to the Collaborative for Disaster Mitigation, led by Dr. Guna Selvaduray, to fund study of how public and non-public schools performed after significant earthquakes in California and elsewhere. Chairman McGavin offered to serve as the Commission's representative on the oversight group for this project.

Chairman McGavin said the \$350,000 contract will begin in January 2008 and includes a \$50,000 pass-through limitation.

ACTION: Commissioner Cooley made a motion, seconded by Commissioner Church, that:

The Commission approve the Interagency Contract with Collaborative for Disaster Mitigation as proposed.

* Motion carried, 18 - 0.

Household Mitigation and Preparedness Project

Commissioner Mileti reported that the household mitigation survey project got underway on September 10, and progress was already being made. He said the contractor summarized current knowledge in the field, compiled a catalogue of programs in California, and made recommendations for effective public education campaigns. He noted the Citizen Readiness Advisory Group will be holding a second meeting in Sacramento soon. He added that he would have a more detailed update in the future.

IX. NOMINATING COMMITTEE REPORT

Commissioner Jones reporting that the Nominating Committee was gratified that a number of commissioners were interested in serving as officers. She reported that Nominating Committee sent each candidate a questionnaire and provided further details about the time commitments and work expected of the chairperson. After considering the remaining pool, the Nominating Committee recommends electing Commissioner Parker chairman and Commissioner Church vice chairman. Commissioner Jones urged the new officers to meet with and make use of fellow commissioners who expressed interest in assisting.

Commissioners Parker and Church accepted the nomination.

Chairman McGavin solicited other nominations from the floor, but there were none.

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

The Commission close nominations for chair and vice chair.

* Motion carried, 18 - 0.

ACTION: Commissioner Adelman made a motion, seconded by Commissioner Cooley, that:
The Commission elect Commissioner Parker chair and Commissioner Church vice chair.

* Motion carried, 18 - 0.

Commissioner McGavin turned the gavel over to Commissioner Parker and asked him to chair the rest of the meeting.

Chairman Parker thanked commissioners for selecting him and pledged to do his best as Commission chair. He acknowledged the substantial time commitment entailed and welcomed assistance from commissioners.

Commissioner Church thanked the Commission for its support and said he looked forward to serving as vice chair. He said he was proud of the Commission's many accomplishments and looked forward to dealing with the challenges ahead.

Chairman Parker expressed his appreciation to the Nominating Committee and to retiring Chairman McGavin for his leadership during a difficult transition period for the Commission.

X. PUBLIC COMMENT

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

XI. MISCELLANEOUS & GOOD OF MEETING

Commissioners Schwab reported attending an OES disaster preparedness demonstration in Rough and Ready during August. He said California currently owns three field hospitals, one of which is the largest in the world.

Commissioner McGavin advised the Commission that as a result of a changes in the California State University's plan review process and recognition of underlying faults, the University plans to spend an estimated \$100 million to retrofit an administration building on his campus. He said the underlying fault at the building's site is not as risky as distant faults that could cause more shaking damage. He cautioned that the Commission needs to carefully weigh the implications of the advice it provides to state agencies.

XII. ADJOURN

There being no further business, Commissioner Jones made a motion, seconded by Commissioner McGavin, that the meeting be adjourned. The motion was carried unanimously and the meeting was adjourned at 12:16 p.m.

Sue Celli
Office Manager

Approved by:

Richard McCarthy
Executive Director