

California Seismic Safety Commission

Minutes of Teleconference Meeting

August 15, 2017

I. CALL TO ORDER AND ROLL CALL

Vice-Chair Tracy Johnson called the meeting to order at 10:04 A.M.

Vice-Chair Tracy Johnson	Chairman Michael Gardner (ABSENT)
Christina Curry (for Mark Ghilarducci)	Anthony Cannella (ABSENT)
Ryan Arba (for Mark Ghilarducci)	Mia Marvelli (ABSENT)
Randall Goodwin	Kit Miyamoto (ABSENT)
Elizabeth Hess (for Ken Cooley)	David Rabbitt (ABSENT)
Jorge Menesis	
Ian Parkinson	
Cindy Silva	
Timothy Strack	
Fuad Sweiss	
Andy Tran	
Ed Valenzuela	
Chet Widom	
Ivan Wong	

II. CHAIRMAN'S REMARKS

Vice-Chair Johnson noted that there were two items on the special meeting agenda, the HayWired Scenario design plan and statewide engagement campaign, followed by a brief discussion on the *Homeowner's Guide to Earthquake Safety*.

Comments or Questions from the Commissioners

No comments or questions from the Commissioners

Comments or Questions from the Public

Not comments or questions from the Commissioners

III. HAYWIRED SCENARIO – DESIGN, PLAN AND PREPARE A STATEWIDE ENGAGEMENT CAMPAIGN

Vice-Chair Johnson noted the Agency's PowerPoint presentation describes a statewide public engagement campaign for the HayWired scenario. She invited Deputy Secretary Lynn Von Koch-Liebert, Business, Consumer Services, and Housing Agency, to discuss some of the challenges facing the HayWired scenario and proposing a solution.

Deputy Secretary Von Koch-Liebert noted that she made a presentation to the Commission at its July meeting about the proposed public engagement campaign and the Commission's possible role. She observed that the HayWired scenario has been a priority project for Secretary Podesta, and she expressed her appreciation to the Commission for its assistance. She said she now wanted to discuss and present a procurement solution for the Commission's approval.

Deputy Secretary Von Koch-Liebert provided a PowerPoint presentation about the HayWired scenario, a hypothetical earthquake sequence that is being used to understand the hazards of the San Francisco Bay region. She said research has been done in a traditional fashion on geological vulnerabilities, but the HayWired scenario research will do something unique in producing a volume that looks at the social and economic impacts of the earthquake. She noted that this research will pertain to personal life safety and security as well as economic impacts, and how businesses in the Bay Area and California will be affected by a disruption of a major event that would impact life services, transportation, the Internet, and other important lifelines. Deputy Secretary Von Koch-Liebert observed that the outcome of the HayWired scenario will be a tremendous amount of publicity and top-level research.

Deputy Secretary Von Koch-Liebert suggested taking advantage of the opportunity to leverage the publicity to amplify and reinvigorate existing seismic preparedness information from state and federal organizations.

Deputy Secretary Von Koch-Liebert noted there is also an opportunity to add to the existing body of knowledge and some state-recommended actions businesses can take to increase their post-earthquake resiliency and business continuity. She pointed out that new materials specifically geared to businesses can augment existing seismic information.

Deputy Secretary Von Koch-Liebert said a third opportunity is actual, measurable improvements in private-sector seismic preparedness, a goal of the awareness campaign and the post-earthquake business resiliency challenge that will be developed as part of the campaign.

Deputy Secretary Von Koch-Liebert commented that the biggest challenge will be to disseminate the research produced through the HayWired partnership in a way that laypeople can understand. She noted there is currently no process within the HayWired partnership for establishing, creating, and distributing policy recommendations. She explained that the USGS is not a political body, and its role is limited to producing science and facts, not policy recommendations.

Deputy Secretary Von Koch-Liebert said there are numerous partners, but not a clear central

body for publishing information. She cautioned that without some central body, there is a risk of publishing inconsistent information and responses to media. To address these issues, the Agency recommends engaging a consultant or contractor to coordinate the HayWired partnership through its public information officers. The consultant/contractor, will work with all the research partners to create business-focused policy recommendations, and to design and implement a compelling public engagement campaign to raise awareness of issues and policy recommendations that can be put forward statewide.

Deputy Secretary Von Koch-Liebert provided an overview of the phased contracting arrangement. She said the situation is complicated because it involves multiple sources of funding, including research funds from the Commission and contributions from public and private partners to support the public engagement campaign. She stated that the dual nature of the funding track led to the idea of a Phase I and Phase II.

Deputy Secretary Von Koch-Liebert explained that Phase I would be the design and plan phase, a four-month period, and end products would be a stand-alone body of branding material, toolkits and materials to be used by the partners, and all of the planning necessary to launch the public engagement campaign as well as the business resiliency challenge. She clarified that the Commission would be responsible for hiring the consultant.

Deputy Secretary Von Koch-Liebert advised that the Request for Quote (RFQ) has been designed with a base award for four months, and then priced options for Phase II, covering another eight months. She noted that having the same contractor for both phases would be easier from a continuity perspective and keep costs under control because pricing for Phase II could be negotiated in advance. She recommended a firm, fixed monthly price, not including scalability, advertisement purchases, or costs beyond the labor and equipment. Deputy Secretary Von Koch-Liebert stated that a Phase III is also envisioned to help translate the research into actions, and the outcome of the first two phases will determine the size and scope of that effort.

Deputy Secretary Von Koch-Liebert reviewed the proposed scope of work the Seismic Safety Commission funds would cover. She drew attention to the list of deliverables and their descriptions, and noted that they include all the preliminary work to set up the campaign for implementation. She said the branding process entails creating the imagery, names, and logos that are recognizable and deliver consistent messaging. She described the proposed toolkits for partners, including a micro-website focused on the HayWired scenario, with downloadable materials, stickers, flyers, brochures, and customizable documents partners can use as they disseminate the policy recommendations to their constituencies around the state. Deputy Secretary Von Koch-Liebert noted that a third major product is the plan for the public engagement campaign, a written plan that sets out timelines and activities that need to be completed to promote the HayWired scenario earthquake on April 18, 2018, as well as defining messaging and target audiences. Deputy Secretary Von Koch-Liebert said a very important deliverable is the business resiliency recommendations themselves, as informed by the research on social and economic impacts. She noted that the contractor would need to work with the HayWired partners to garner key recommendations from the research and translate those into clear actions for businesses.

Deputy Secretary Von Koch-Liebert stated that another important task is planning the business resiliency challenge, which would entail writing the plan; outlining how the challenge will be designed, promoted, and amplified; and creating all the imagery in toolkits that will support the challenge. Deputy Secretary Von Koch-Liebert said the final deliverable will be determining how to incorporate the research information into post-earthquake resources.

Deputy Secretary Von Koch-Liebert reviewed the proposed timeline, procurement structure, partners, and funding sources for each component of the project. She described the contracting process and requested Commission approval of the Phase I funding proposal. She said that if the Commission approves the procurement, the Agency will send the RFQ to pre-identified small businesses with marketing and public engagement qualifications. She stated that eight small businesses have already expressed interest in receiving the RFQ. Deputy Secretary Von Koch-Liebert said the current plans call for a contractor to be in place by the end of September.

Deputy Secretary Von Koch-Liebert said the request is for up to \$100,000 from the Commission research fund for Phase I, authorization to release the solicitation to small business contractors, and creation of a subcommittee to evaluate the proposals at the beginning of September.

Comments or Questions from the Commissioners

Vice-Chair Johnson thanked Deputy Secretary Von Koch-Liebert for her presentation. She noted that the Commission recognizes the importance and value of the HayWired scenario, and she expressed support for using research funds to support this project. She also pointed out that this undertaking will require the Commission to commit staff and resources to fulfill its management responsibilities.

Commissioner Cindy Silva commented that the RFQ will be circulated to a limited pool and will require a short turnaround, so it may receive only a few responses. She inquired who was the target audience for the public engagement campaign, is it the business community or the public at large as well as businesses. Deputy Secretary Von Koch-Liebert clarified that the campaign will involve a two-pronged effort, one prong focused on increasing awareness of risks, and one providing actions that can be taken to increase resiliency, and businesses will be given information on resources that may be available from their community or local government organizations. Commissioner Silva asked if there would be campaign materials targeting individual members of the public. Deputy Secretary Von Koch-Liebert said there are several excellent existing campaigns that target individuals, so this project focuses on the business environment.

Deputy Secretary Von Koch-Liebert noted that USGS has already released some materials publicizing the April 18 event, identifying local risks, and then discussing what can be done by government agencies and individuals. She said the HayWired scenario partner group currently has 60 entity partners. Commissioner Silva asked about the size and composition of the stakeholders who should have input on the deliverables and moving that process along. She advocated assembling a group of no larger than 15 people at a time. Deputy Secretary Von Koch-Liebert observed that having a partner base of 60 entities is great in terms of a democratic

process for bringing everyone to the table, but it also presents difficult challenges in terms of coordinating and controlling information, and synchronizing its release to maximize the impact of the research that has been done.

Deputy Secretary Von Koch-Liebert said these proposals fill a void by putting a contracting mechanism in place that creates the organizational structure and high-level messaging to control the input. She explained that there are subcommittees within the HayWired partner organizations, with one subcommittee focused on communications that she and the Agency's Deputy Secretary of Communications co-chair.

Commissioner Silva asked if the RFQ pertains to both Phase One and Phase II. Deputy Secretary Von Koch-Liebert said contractors are being asked to provide a price for Phase I as a base and Phase II as an option.

Commissioner Sweiss thanked Deputy Secretary Von Koch-Liebert for her helpful presentation. He said that in his work for the City of Oakland and the City of San Francisco, he was familiar with government agencies issuing a Request for Qualifications (RFQ) and Request for Proposals (RFP). He noted that under the RFQ, consultants submit documentation so they can be prequalified before submitting a proposal, while the RFP includes an evaluation of qualifications, with a price to be negotiated later. He indicated that there may be a state or federal law that prohibits an issuing agency asking for a price during the RFP or RFQ process, and price cannot be used as a factor in selecting the firm to be hired. Commissioner Sweiss said bidders should undergo an evaluation, and the price has to be submitted in a separate envelope, so consultants are prequalified and ranked, and then a price is negotiated with the highest ranked consultant.

Commissioner Sweiss observed that the scope of work is not consistent on a month-to-month basis, and rather than a fixed monthly rate, the consultant can charge different amounts each month. He suggested asking consultants to commit in their proposals to completing the required scope of work within the budget allocated, but he cautioned against asking consultants to submit a price in their proposals. He also recommends asking consultants to submit a list of professionals and their qualifications who will be working on the project, as well as the hourly rate for each.

Commissioner Sweiss remarked that the RFP seems to be following a very tight timeline, and proposed relaxing the schedule a bit to allow more time to do a thorough job.

Deputy Secretary Von Koch-Liebert thanked Commissioner Sweiss for his comments. In response, she noted that the procurement model in this contract uses the small business restricted categorization, and that procurement model is much easier and more streamlined than a less restricted process. She stated that the Agency is working with the Department of General Services, and this was the model recommended. She said this model does include the price as a factor in the evaluation, with an assigned weight of 30 percent. Deputy Secretary Von Koch-Liebert advised that she was hesitant to change the procurement model, as it had already been vetted and prequalified with the Department of General Services, the agency ultimately responsible to approve the overall project.

Commissioner Goodwin said he understood the importance of expediting Phase I to get this project going, but the plans for Phase II were not as clear. He asked Deputy Secretary Von Koch-Liebert to explain the goals and deliverables for Phase II in more detail, as well as the expectations for local jurisdictions.

Deputy Secretary Von Koch-Liebert noted that in Phase I, the contract would be awarded, and the contractor would be responsible for developing a concrete work plan for the first four months, spelling out deliverables, including detailed plans for how the campaign will be run, and timelines. She said the features of Phase II will be more clearly defined after the detailed campaign plans have been created. She commented the HayWired scenario partners have broad ideas about what they want to achieve, which should be targeted, what the end goals of the campaign will be, and the approximate size and scale of the campaign itself. Deputy Secretary Von Koch-Liebert noted the purpose of the first phase is to bring in an expert to write the campaign in Phase I, and then Phase II would be the implementation of that campaign. She emphasized that an important aspect of Phase II will be disseminating helpful information about steps building owners and businesses can take to mitigate their risks, and encouraging owners to explore these options.

Commissioner Goodwin asked if the Commission could approve funding for Phase I now, but defer approval of Phase II funding until more of the details of that effort have been fleshed out. Deputy Secretary Von Koch-Liebert advised that the Agency suggests creating a subcommittee of two commissioners, one Commission staff member, and one Agency staff person to make strategy and funding decisions for Phase II. She added that she had planned to bring this recommendation to the Commission at its September meeting.

Commissioner Parkinson said the questions raised by fellow commissioners helped answer some of his, and he expressed his appreciation for the diversity of expertise provided by the Commission. He noted that the Commission has a very small staff, and he expressed concern about the staff's capacity to manage this project effectively.

Deputy Secretary Von Koch-Liebert talked about how the structure of the contract helps alleviate some of that concern. She explained that requesting a firm, fixed price with an action plan greatly reduces the day-to-day workload of the Commission staff. She noted this model has fewer decision points, and the contractor should monitor the hours and resources expended.

Executive Director McCarthy said he reviewed workload projections and would be discussing them in detail at the workshop session before the September meeting in Riverside. He advised that the Phase I portion can be handled, but the Commission will need to look at the workload required to handle the portion beyond Phase I. He added that the situation will be clearer once the scope of Phase II has been defined.

Mr. McCarthy expressed support for approving the proposal to get the project up and running. He noted that most of the work will be done by the contractor, but the Commission will have oversight responsibility. He recommended revisiting the workload projections for Phase II after Phase I gets underway.

Mr. McCarthy said the Commission will be discussing workload projections in more detail in September. He noted there are a couple of new partnership projects the Commission will also be considering. He suggested deferring a decision on Phase II until more information is available.

Commissioner Tran asked if there was any value to Phase I if Phase II cannot be completed due to lack of funding or other issues. Deputy Secretary Von Koch-Liebert stated that this possibility was taken into consideration when designing the phases, so the project was structured to provide a complete set of usable products and communication guidance for partners to disseminate to their constituents, as well as a plan and all of the building blocks necessary for implementation.

Vice-Chair Johnson asked if any Phase II funds had already been guaranteed. Deputy Secretary Von Koch-Liebert reported that she was in preliminary discussions with potential sponsor, but there is currently no mechanism to collect funds. Vice-Chair Johnson stated that she felt a bit uneasy moving forward with Phase I without knowing the full scope and budget needed for Phase II. She noted that looking for contributors will be an important step. Deputy Secretary Von Koch-Liebert estimated that the total baseline cost of the project at \$300,000, plus a 10 percent fee going to a 501(c)(3) organization.

Commissioner Valenzuela said he shared Commissioner Parkinson's concerns about staffing. He expressed interest in finding out more about the staffing needs for Phase II, and he asked if this would be discussed in the September workshop session. He pointed out that if the Commission's analysis shows the Commission will need more help, that help might not always be available.

Deputy Secretary Von Koch-Liebert said that by September 13, the subcommittee will have met to review proposals, and a proposed contractor will have been selected. Legislative Director Salina Valencia clarified that the Commission would be approving the contractor at the September 14 Commission meeting. Deputy Secretary Von Koch-Liebert noted that the subcommittee will have a recommendation for a proposal that will provide more information about the level of effort required for Phase II.

Commissioner Valenzuela asked what effect the \$100,000 Commission contribution will have on the Commission's overall budget. Mr. McCarthy explained that the Commission has a separate research fund with a current balance of approximately \$2.8 million.

Commissioner Silva recommended some modifications to the procurement and RFQ process to ensure the best possible responses. In particular, she recommended clarifying that a public information campaign will be held to promote the event on April 18; changing the scoring system to de-emphasize cost and place a heavier weight on expertise and experience. She noted that this will ensure the best candidates and minimize the amount of skill-based oversight by the Commission staff; providing options other than month to month for billing and payment phasing. Commissioner Silva predicted that it will be difficult to get bids on Phase II until there is a more detailed plan. Deputy Secretary Von Koch-Liebert said all those issues can be addressed in the proposal.

Comments or Questions from the Public

Not comments or questions from the Commissioners

MOTION: Commissioner Strack suggested approving the project so it can move forward, and then discussing more of the details and implementation plans in September.

ACTION: Commissioner Strack made a motion, seconded by Commissioner Goodwin, that:

The Commission approve the \$100,000 funding for Phase I of the HayWired scenario public engagement campaign project, with the understanding that the entire project will be extensively reviewed at the September meeting.

* Motion carried, 13 – 0.

Deputy Secretary Von Koch-Liebert recommended establishing a subcommittee to evaluate the proposals, and then a second subcommittee to provide oversight in Phase II.

Vice-Chair Johnson appointed herself and Commissioner Strack to serve on a subcommittee to review proposals. Mr. McCarthy advised that Salina Valencia, SSC Legislative Director will be the project manager working with the subcommittee.

Deputy Secretary Von Koch-Liebert thanked Commissioners for their review and feedback. She noted that a comments and dialogue will improve the proposal, and she said she looked forward to seeing the Commission again in September.

IV. HOMEOWNER'S GUIDE TO EARTHQUAKE SAFETY

Vice-Chair Johnson asked Commissioners Wong, Goodwin, and Silva to serve on an ad hoc committee to work with the staff to make revisions to the *Homeowner's Guide to Earthquake Safety*, and all three agreed.

Mr. McCarthy said Mr. Fred Turner would present the latest revisions to the Commission at the September meeting. He recommended that the Commission authorize the staff to use some of the Commission's research funds to help with editing of the document. He reminded Commissioners that the purpose of the *Guide* is to comply with statutory disclosure requirements to notify buyers of potential weaknesses in single-family dwellings. Mr. McCarthy noted that the current version also includes information on other topics, and he welcomed feedback from commissioners about whether anything should be eliminated or shortened.

Comments or Questions from the Commissioners

No comments or questions from the Commissioners

Comments or Questions from the Public

Not comments or questions from the Commissioners

V. PUBLIC COMMENT

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

VI. MISCELLANEOUS & GOOD OF THE MEETING

There were no items brought to the Commission's attention.

Vice-Chair Johnson noted that the September workshop meeting agenda will include a review of workload projections and discussion of the Commission's involvement in managing Phase I.

Mr. McCarthy remarked that the workshop provides an opportunity to present new ideas, and he encouraged Commissioners to think about the direction of the Commission and the types of projects Commissioners would like to fund.

VII. ADJOURN

There being no further business, Vice-Chair Johnson thanked commissioners and staff for participating, and the meeting was adjourned at 11:44 a.m.