

REQUEST FOR QUALIFICATIONS (RFQ):

Residential Retrofit Brace and Bolt (R2B2)

Program Administrator

CALIFORNIA EARTHQUAKE AUTHORITY: RFQ 02-10

July 2010

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I. SUMMARY OF KEY DATES

The following schedule is subject to modification by the California Earthquake Authority (CEA). ALL PROPOSERS must conform to this schedule or they will be removed from consideration. Inquiries regarding proposals must be submitted as stated in Section II.

July 1, 2010	Release Date, RFQ 02-10 (Advertisement runs first week of July)
July 1, 2010 through July 30, 2010	Question Period: Questions from potential proposers will be answered and posted, as received, on the CEA Web site.
August 30, 2010	Deadline for proposal submittals – must be received at the CEA office (fax is not acceptable) no later than 4:00 p.m. Pacific Time.
September 1, 2010 through September 15, 2010	Optional interview period – CEA, at its sole option, may interview some or all proposers if further information or explanation is needed.
October 15, 2010	Tentative date for award of contract.

All bids may be rejected whenever the CEA determines, in its sole discretion, that the bids received are not competitive, the cost is not reasonable, or the cost exceeds the amount expected. The CEA reserves the right to suspend or cancel this procurement process, without notice and at any time, if the CEA deems suspension or cancellation to be in its best interest.

II. CONTACT INFORMATION AND SUBMITTING INQUIRIES

Written questions regarding this proposal must be received at the office of the CEA no later than 4:00 p.m. Pacific Time on July 30, 2010. Questions can be submitted by email or fax, but if made by fax, a call to the number below is required alerting the CEA that a fax has been sent.

Answers to questions will be prepared and posted solely on the CEA Web site, www.EarthquakeAuthority.com. Answers to questions will be posted as they are generated in response to questions received.

The CEA requests that interested proposers who might have questions submit their questions as early in this RFQ process as possible. No individual answers will be provided; all answers will be provided to proposers and the public using the CEA Web site.

Email inquiries to: rfq02-10@calquake.com

FAX number: (916) 327-8270

Call the CEA at (877) 797-7300 during business hours (8:00 a.m. - 4:00 p.m. Pacific Time) to confirm receipt of fax.

NOTE: Delays in posting answers to questions posed by proposers, even if the delay is the fault of the CEA, will not extend the deadline by which proposals must be submitted.

III. PROPOSAL DELIVERY

The CEA must physically receive (fax or electronic delivery is not acceptable) all qualification proposals no later than 4:00 p.m. Pacific Time on August 30, 2010. **Five copies of the proposal must be submitted. The CEA will not be responsible for late delivery.**

Packages must be delivered by mail, delivery service, hand delivery, or other physical-delivery method to the following address and labeled as follows:

**California Earthquake Authority
801 K Street, Suite 1000
Sacramento CA, 95814
916-325-3800**

**Statement of Qualifications for
CEA RFQ 02-10**

Residential Retrofit Brace and Bolt Program Administrator

Any proposals received by the CEA after 4:00 p.m. Pacific Time on August 30, 2010 will be returned unopened, and the responder will not be entitled to participate in any way in this procurement process.

IV. BACKGROUND AND PURPOSE OF RFQ

CEA Background

Following the unprecedented losses from the 1994 Northridge earthquake, many insurance companies either stopped or severely restricted the selling of new homeowner insurance policies in California. This insurer response was largely due to requirements in state law that companies offer earthquake insurance when selling homeowners insurance. The magnitude of this market crisis was pointed out by a Department of Insurance study, which found that 93 percent of the normal homeowner insurance market was restricting or refusing the sale of new policies.

In response, the California Legislature created the California Earthquake Authority (CEA), a privately funded, publicly managed risk pool that now provides earthquake coverage for residential property throughout California. The CEA began writing earthquake policies on December 1, 1996.

A Governing Board composed of the Governor, the Treasurer, and the Insurance Commissioner oversees the CEA. The Speaker of the Assembly and the President Pro-Tempore of the Senate serve as non-voting members. The Governing Board is advised by an Advisory Panel consisting of consumer and insurance industry representatives. The Insurance Commissioner is an ex officio member of the Panel.

The CEA offers basic residential earthquake policies, as well as policies to condominium unit owners, mobilehome owners and renters. CEA policies are offered and serviced by participating carriers; the same carriers are responsible for claims adjustment and payment from available CEA funds.

The CEA's financial structure provides about \$10 billion in claim-paying capacity. The State of California's General Fund has no liability for CEA liabilities, including claim payments for earthquake losses.

Part of the CEA's enabling legislation required that the CEA Board annually set aside five percent of CEA's investment income (up to five million dollars) to be used for activities that mitigate against seismic risks of venerable residential structures in California. This includes programs to provide financial assistance to those who mitigate their homes against seismic risk.

The CEA now has approximately 820,000 policyholders; these are all residential risks with a homeowners, renters, or condominium policy of earthquake insurance.

Purpose of this RFQ

The CEA seeks to retain an administrator for a California state-wide Residential Retrofit Brace and Bolt (R2B2) seismic retrofit program. The administrative responsibilities include in part, screening applicants to ensure their residential structures qualify for this R2B2 program; tracking building contractors who are trained and qualified to perform residential brace and bolt retrofits; and, administering the processes associated with providing financial incentives to qualifying homeowners who complete the R2B2 upgrades to their houses.

V. MINIMUM PROPOSER QUALIFICATIONS

At a minimum, proposers must provide detailed information to establish their knowledge of and experience in the following:

1. California's vulnerable housing stock and residential seismic-retrofitting needs;
2. California building codes for residential seismic retrofitting, California retrofit plan sets, and the permitting and inspection process of local building department jurisdictions in California;
3. Familiarity with home-building contractor constituency and construction contractor training;
4. Ability to assemble, administer, and operate with a statewide infrastructure throughout California;
5. Statewide administration of a consumer financial-incentive program; and
6. Collection of data, payment of funds, and the reporting and record-keeping required when running statewide consumer financial-incentive programs and building-contractor programs, including contractor-training programs.

VI. SCOPE OF WORK

See Attachment B.

VII. TERM OF AGREEMENT

The successful proposer will be offered an opportunity to negotiate a written agreement with the CEA. The agreement will be effective on the date it is fully executed and will continue in effect for three years after that date, although the agreement may be sooner terminated in accordance with Agreement provisions. In the event of its early termination, the Agreement, in relevant part, will continue in effect until all outstanding work under the Agreement is completed and delivered to the CEA in a form acceptable to the CEA, and all compensation and expense reimbursement due and owing Contractor has been paid or otherwise accounted for. The agreement term may be extended for up to two additional years by mutual agreement of the parties. NOTE: All contractual provisions will be stated in the final, negotiated agreement; the foregoing is merely a general description of some operative provisions of the intended agreement.

VIII. PROJECT BUDGET AND FEES

The CEA is making an initial commitment of \$20 million dollars for this structural mitigation program. The CEA seeks to minimize program overhead and maximize its ability to structurally retrofit as many California homes as possible with the funds allotted for that purpose.

Fees and expenses for program administration should be included in the proposal.

IX. REQUIRED PROPOSAL FORMAT

Proposals must contain the following elements, in the following order:

1. A proposal transmittal letter, signed by a person authorized to bind the proposer contractually. The transmittal letter must include a statement that the proposer is willing to be bound by the contractual provisions described in Attachment A.
2. General information:
 - An overview of qualifications.
 - Length of time in business.
 - Business location(s).
 - Ownership information (private/public/parent or affiliate company(ies))
 - Management history, number of employees company-wide, professional history and educational qualifications of each person who would perform work on the CEA's behalf.
3. Names of the proposer's three largest projects (in terms of amounts billed) in the past five years, the dates those business relationships were established and ended, and a summary of the services provided those clients.
4. A description of any personal or business relationships, liabilities, or other factors that might become or constitute an apparent or actual conflict of interest in rendering services to the CEA.
5. A description of any pending litigation or regulatory proceedings to which the proposer is currently, or has been within the last three years, a party, or a representative of or a witness for a party, and a statement describing the nature the litigation or regulatory proceedings and how the proceedings could affect the proposer's ability to perform work on behalf of the CEA.
6. At least three references the CEA may contact that have been clients of the proposer within the past three years, including the name, address, and telephone number of the client, the name and title of the contact person, and a general description of the services provided to the client.
7. A schedule of the fees and expenses the proposer proposes to charge the CEA for the services called for in this RFQ.
8. If the proposer expects to use the services of one or more subcontractors to perform all or any part of the project work, the proposer should provide all the above information for each such subcontractor.

The proposal must be no more than 20 pages including attachments.

X. EVALUATION CRITERIA AND SCORING OF QUALIFICATIONS

- 60% Capability to provide required services –details should match up to the reference numbers in “Attachment B – Required Elements.”
- 20% Qualifications and experience of the proposer and of any personnel named in the proposal
- 20% Budget for services, including fees and expenses

Please note that the CEA reserves the right to contact any proposer between September 1, 2010, and September 15, 2010, if the CEA requires additional information, clarification, or explanation relating to a proposal. All proposers must include complete contact information for this period to facilitate any possible contact.

XI. ATTACHMENTS

Attachment A: CEA Standard Contract Terms

Attachment B: Required Elements of a Brace and Bolt Program

ATTACHMENT A - CEA STANDARD CONTRACT TERMS (SUMMARY)

The California Earthquake Authority (CEA) will require a form of written agreement with the proposer that contains the terms below. The contract will consist of the provisions described in this summary as well as provisions pertaining to any matter discussed or sought in this RFQ. This list is not exhaustive, and there will be additional operative provisions. The contract will include, but will not be limited to, the following provisions:

Indemnification

The contractor must indemnify, defend, and save harmless the CEA, the CEA Governing Board and Advisory Panel, and all officers, agents, and employees of the CEA, from and against any and all losses, costs, liabilities, damages or deficiencies, including interest, penalties, and attorney's fees, that (A) arise out of a breach by the contractor of any of its promises, warranties, or other obligations in this Agreement; or (B) are caused by or result from the contractor's acts or omissions that constitute bad faith, willful misfeasance, negligence, or reckless disregard of its duties under this Agreement.

Confidentiality

The contractor in the course of its duties will gain knowledge of claim, investment, financial, personal, personally identifiable, technical, accounting, and statistical information pertaining to the CEA, its Governing Board and Advisory Panel, its employees, contractors, vendors, agents, and its policyholders (collectively, the "Restricted Information"). All Restricted Information is strictly confidential unless the CEA expressly and specifically designates particular Restricted Information as non-confidential. The contractor must not disclose any Restricted Information, directly or indirectly, or use it publicly in any way that requires its disclosure, either during or any time after the term of this Agreement, without the CEA's advance written, specific permission.

Conflicts of Interest

1. Contractor's Conflict of Interest Warranty. Contractor warrants to CEA that no claimed, apparent, or actual conflict of interest exists on its part, or on the part of any principal, employee, contractor, or subcontractor, that would influence its (a) advice and recommendations to the CEA, (b) statements made about the CEA to any person or entity, (c) activities performed on behalf of the CEA, or (d) decisions taken or enacted on behalf of the CEA. As used in this paragraph, "CEA" includes and means the CEA Governing Board and each of its members, the CEA Advisory Panel and each of its members, and all CEA officers and employees, as well as the CEA, a public instrumentality of the State of California.
2. Contractor's Affirmative Duties to Disclose and Otherwise Address Conflicts of Interest. It is the parties' mutual intent and Agreement that the duty to disclose a conflict, whether a claimed, apparent, or actual conflict, is Contractor's sole, affirmative duty, and that Contractor's failure to identify and disclose such a conflict of interest is a material breach of this Agreement and a default justifying Agreement termination. The CEA, in its sole discretion, has the sole authority to determine at any time the import and significance of

Contractor's failure to identify and disclose any conflict of interest. Contractor must abide in good faith by any protocols developed by CEA before or during the term of this Agreement to identify, disclose, and address potential, apparent, and actual conflicts of interest. Contractor promises to provide the CEA with any requested information, documentation, and assurances, in writing if so requested, concerning any claimed, apparent, or actual conflict of interest that Staff may bring to its attention or that may otherwise arise and become known to either party.

3. Fair Political Practices Laws. Contractor must not directly or indirectly receive any personal benefit from information Contractor obtains from the CEA, or receives or provides on behalf of CEA. Contractor must disclose to CEA any personal investment or economic interest that may be enhanced or made more valuable by any recommendation made to, or activity undertaken on behalf of, the CEA. Contractor acknowledges that the CEA is subject to the provisions of the Fair Political Practices laws of California (Government Code Section 81000, et seq., and the regulations adopted under that law), and Contractor must comply with the requirements of that law and those regulations. If requested by CEA, designated personnel of Contractor will file with CEA a Statement of Economic Interests in compliance with CEA's conflict of interest code (please see California Code of Regulations, Title 5, Part III, Chapter 1, Section 22000, et seq.).

Records Retention

The contractor will keep accurate and appropriate records in connection with its performance of this Agreement and use reasonable efforts to ensure that books and records of any permitted subcontractors are accurately maintained as well. The records must be made available for inspection and copying by CEA or its representatives at any time, on reasonable prior notice and during normal business hours. The contractor must maintain its CEA-related records separate and distinct from the records that pertain to its other clients.

Drug Free Workplace Certification

The contractor will certify under penalty of perjury under the laws of the State of California that the contractor will comply, with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

Publishing a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).

Establishing a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:

- Dangers of drug abuse in the workplace
- Person's or organization's policy of maintaining a drug-free workplace and available counseling, rehabilitation, and employee assistance programs
- Penalties that may be imposed upon employees for drug abuse violations

Providing, as required by Government Code Section 8355(c), that every employee who works on the proposed contract:

- Receive a copy of the company's drug-free policy statement
- Will agree to abide by the terms of the company's statement as a condition of employment on the contract

Failure to comply with these requirements may result in suspension of payments under the contract or termination of the contract or both; and the contractor may be ineligible for award of any future contracts with the State if it is determined that the contractor made false certification, or violates the certifications by failing to carry out the above requirements.

Nondiscrimination Clause

During the performance of the contract, the contractor must not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave, and denial of pregnancy disability leave. The contractor must ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment.

Americans with Disabilities Act (ADA)

By signing the contract, the contractor assures the State that it complies with the ADA of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

Audit

1. During the performance of this Agreement and for three years after termination of this Agreement, Contractor will permit the State Auditor, the CEA and its authorized representatives, and such Contractors and specialists as CEA decides are needed, at all reasonable times during normal business hours, to inspect and copy at CEA's expense Contractor's books and records that relate to its performance of this Agreement.
2. Contractor is subject to examination and audit by the State Auditor, the CEA, and CEA's representatives during the term of this Agreement and for three years after final payment under this Agreement. An examination or audit will be confined to matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Contractor must cooperate fully with the State Auditor, CEA, and CEA's authorized representatives in connection with any examination or audit. All adjustments, payments, and reimbursements determined necessary by any examination or audit must be made promptly by the appropriate party to this Agreement.

Insurance Requirements

Contractor warrants that it carries or will obtain prior to commencing work in connection with this Agreement under adequate liability and other necessary insurance including such workers compensation insurance as contractor is required by law to maintain and promises to maintain that

insurance at levels acceptable to CEA at all times during the term of this Agreement. Contractor agrees that throughout the term of this Agreement it will maintain a liability insurance policy with limits of no less than one million dollars (\$1,000,000) per person and per occurrence providing coverage for all of Contractor's activities pursuant to this Agreement, and that CEA will be named in such policy as an additional named insured, with right to notice of nonpayment of premium or cancellation of the policy. Contractor will furnish satisfactory evidence of insurance coverage to CEA on request. By its signature on this Agreement, Contractor acknowledges its understanding of and Agreement to its classification as an independent contractor and not an employee of the CEA; by virtue of that independent contractor status, Contractor acknowledges that CEA has no obligation to provide workers' compensation insurance for Contractor or Contractor's employees.

Attachment B - Required Elements of a Brace and Bolt Program

Background:

The CEA seeks an entity that is qualified to administer a California Residential Retrofit Brace and Bolt Program (R2B2). The reasons for retaining a third party to run this R2B2 program are, in part:

1. To access technical expertise in the area of residential seismic retrofits.
2. To access administrative expertise in the implementation of a consumer-incentive program.
3. To access administrative expertise in the implementation of a contractor training program.

The CEA's mitigation efforts are funded in part by the CEA's Earthquake Loss Mitigation Fund, a partial description of which can be found in the California Insurance Code:

Section 10089.37. The board shall set aside in each calendar year an amount equal to 5 percent of investment income accruing on the authority's invested funds, or five million dollars (\$5,000,000), whichever is less, if deemed actuarially sound by a consulting actuary employed or hired by the authority, to be maintained as a subaccount in the California Earthquake Authority Fund. The authority shall use those funds to fund the establishment and operation of an Earthquake Loss Mitigation Fund. In the event a set-aside of mitigation-related funds may impair the actuarial soundness of the authority, the board may delay the implementation of this section. Any delay shall be reported to the Legislature and the commissioner and reported publicly.

Section 10089.38. Upon the development and implementation of an economical system satisfactory to the board and the commissioner to prevent misapplication of mitigation funds, the Earthquake Loss Mitigation Fund may be applied to supply grants and loans or loan guarantees to dwelling owners who wish to retrofit their homes to protect against earthquake damage.

The successful proposer will administer the R2B2 program for the purpose of reducing the vulnerability of single family residences to damage from earthquake shaking. The following elements will be the focus of the R2B2 program:

1. The cripple walls are reinforced to enable them to function as shear members, significantly protecting the house from collapsing;
2. The sill plates are bolted to the foundation, enabling the house to remain in place, rather than sliding off the foundation during an earthquake; and
3. If not already completed, the water heater must be properly strapped to reduce the likelihood of water and fire damage, and to protect the water supply.

The elements that the R2B2 Program must include are:

1. Develop and implement an R2B2 Web portal that presents the Residential Retrofit Program. (For all aspects of R2B2, develop and be prepared to use a back-up process to serve those without Internet access.) Include information about the portal as well as hosting arrangements.
2. This portal will be the primary entry point for all parts of the R2B2 program and will be used in part:
 - a. To educate homeowners on their options to structurally strengthen their home.
 - b. To inform about the funding (up to \$1,000 per household) that is available to encourage participation in enumerated retrofit activities.
 - c. To make available an online application form for those wishing to take advantage of the program.
 - d. To educate contractors about the R2B2 program and requirements.
 - e. To educate building-inspection authorities about the program and requirements.
 - f. To inform other interested constituents about the R2B2 program.
3. The successful proposer will seamlessly accept money the CEA makes available for the purpose of providing incentive funds to homeowners and others, as appropriate.
4. Must include ability to contract with administrative organizations such as a California statutory joint powers authority.

Contractors – This R2B2 program must include a process to screen and track retrofit contractors:

1. Promote an online retrofit-training program for contractors. It can be made available via delivery processes other than the Internet, but an online training program is suggested.
2. Track that contractors have completed specific training on how to properly perform residential retrofits that meet current residential-retrofit building codes. Contractors should be trained on how existing plan sets that meet or exceed the current retrofit building codes can represent acceptable retrofit methodology in the jurisdictions where the plan sets are in use.
3. Keep a list of trained contractors and make this available to consumer applicants online.
4. Before contractors are placed on the list, there is a process in place to collect and keep the following records. Each listed contractor must state and demonstrate the following throughout any period of eligibility to offer R2B2 services:
 - a. A current California contractor license in a field reasonably related to the above-described retrofit work on single-family dwellings.
 - b. A current construction bond that meets or exceeds the statutory requirement.
 - c. Workers' compensation insurance for all employees.
 - d. Have completed training on the current California building codes that apply to residential retrofits.
 - e. Personnel are trained on proper residential-retrofitting procedures.
 - f. Ability to interact with and educate the homeowner on what the R2B2 program offers and the documentation and administrative requirements of the R2B2 program.
 - g. Provide bids to homeowners in an approved format.
 - h. Agree to work within the local jurisdiction's building permitting and inspection process.

- i. Agree to provide required photo documentation of R2B2 retrofit projects.
5. Program designed so that homeowners select only trained contractors.
6. Promulgate standard contractual provisions, and if necessary inspect contractors' forms of contract, to ensure that any contract for R2B2 retrofit work is solely between homeowner and contractor.
7. Contractors must agree to provide to the homeowner all documentation necessary to apply for the R2B2 financial incentives upon completion of the retrofit work.
8. Contractors chosen by homeowners must document the retrofit process with photos that will be provided to the program administrator at project completion.
9. Contractors must complete the work according to all applicable retrofit codes and standards and participate in approval process by local jurisdiction's building-permit and inspection entity.
10. Program administrator must investigate complaints about any contractor and have a process for removing problem contractors from any list of approved program participants.

Building Inspection and Permitting Departments

1. The R2B2 program must include processes to allow local authorities to educate themselves online on program requirements.
2. The program should reinforce the latest retrofit building codes and stress the importance of proper inspections and sign-offs so homeowners can obtain and use the final, signed-off permit to qualify for the R2B2 subsidy.

Quality Assurance (QA)

1. This R2B2 program administrator must establish a quality-review process, whereby a certain number of completed retrofits are re-inspected by a qualified, independent third party to ensure that the R2B2 program requirements have been followed, the contractor has done appropriate work, and the building department has provided appropriate inspections and sign-offs.
2. The fees and expenses for the QA process must be included in the fee/expense estimate submitted by each proposer.

House Qualifications

1. Create a process for checking eligibility of homes to make sure they have an accessible crawl space to allow for the bracing of cripple walls and bolting sills to the foundation. In every case, the water heater will be checked to see that it is properly braced and secured; if it is not, this must be included in the retrofit plan. While an engineer is generally not required, engineered residential retrofits will qualify for this R2B2 program as well. (For example, shear-walling cripple walls that exceed four feet in height may require an engineer's expertise.)
2. For a house to qualify for R2B2, it must:
 - a. Be a single-family residence, of light-frame construction;
 - b. Have been built before 1979;
 - c. Have an unfinished basement (if the house has a basement);
 - d. Not have been previously retrofitted; and not any of the following
 - i. Lateral-force-resisting system using or containing poles or columns embedded in the ground (as in hillside homes).

- ii. Cripple-wall height exceeding 4 feet, as measured vertically at any point along the cripple wall unless an engineered retrofit plan is used.
- iii. Erected on a concrete slab-on-grade.
- iv. Dry rot in structural wood that would preclude a viable retrofit.
- v. Erected on or into sloping ground with a surface gradient steeper than 3-units horizontally to 1-unit vertically, as measured at any point.

Homeowner - This R2B2 must include a process so that a homeowner:

1. Has access to a Web portal (or published materials for those without Internet access) that lays out all R2B2 program features and requirements, including how to select a contractor and how to apply for R2B2 money.
2. Is able to identify and select trained retrofit contractors online.
3. Knows clearly that all agreements for retrofit work are made solely between the contractor and the homeowner and that the R2B2-program administrator and the CEA are never a party to the retrofit-work contract. The homeowner has the sole choice of which contractor will perform the R2B2 work and how much that contractor is paid.
4. Can download an example of a typical retrofit contract that they might receive from a contractor who is bidding for their retrofit job.
5. Can apply online for an R2B2 grant or can download an R2B2 grant application, to be later filed with the R2B2-program administrator.
6. Is clearly informed that they are eligible to receive an R2B2 financial incentive when they return to the program administrator:
 - a. A copy of a signed-off building permit, indicating completion of the work.
 - b. A copy of a final receipt from the retrofit contractor, showing the cost of retrofit work performed.
 - c. Photos of “before” condition and photos of “completed” retrofit work.
7. A homeowner may do the retrofit work themselves and qualify for a grant if they provide before-and-after pictures, a signed-off building department permit, and receipts for materials totaling at least the amount of the R2B2 financial incentive.
8. Only new retrofits begun after the R2B2 program starts, qualify for a financial incentive.
9. Allow signage to be placed in front lawn during retrofit in order to promote the R2B2 program and retrofits.

Demonstration retrofits

1. Immediately after the R2B2 program commences, five demonstration retrofits must be conducted in Southern California and five in Northern California.
2. The goal of the demonstration retrofits is to collect photographs and video interviews with homeowner, contractor, and building officials that can later be used to promote, publicize, and market the R2B2 program. This material may help create “media buzz” and generate publicity so others will sign up.

Reporting to the CEA:

Monthly reports to the CEA by the program administrator that detail the results of each element of the ongoing program, for example:

1. Number of applicants who have applied – by city and ZIP Code.
2. Number of applicants accepted.
3. Number of houses with retrofit work started.

4. Number of houses with completed retrofits, broken down by numbers of bolting, bracing, and water heaters strapped.
5. Number of contractors who have taken the R2B2 training.
6. Numbers of trained contractors, by city and ZIP Code, on the R2B2 contractor list.
7. Number of cities whose building inspection and permitting departments have completed the building inspector online training program.
8. Accounting of dollars spent.
9. Results of quality re-inspections and remedial actions, if any.
10. Other elements as requested by the CEA.

Risk Management – A process is in place so that:

1. No guarantees are to be offered to the homeowner or contractor by the program administrator or the CEA.
2. Homeowners ultimately make the selection of which contractor they use.
3. Homeowners are provided with information on how to check contractor licenses and required insurance, file complaints, and check referrals of any contractor they plan to hire.

At a minimum, the CEA envisions an R2B2 program proposal that addresses the above elements. The proposer may include additional elements or make a case for why an element is not necessary. The proposer must fully disclose and describe any parts of the proposed work that will be subcontracted to other qualified entities.