

COUNTY OF NEVADA
STATE OF CALIFORNIA
BOARD OF SUPERVISORS



Dan Miller
Supervisor, 3rd District
Email: dan.miller@co.nevada.ca.us

January 2, 2020

Attn: CA 02 (Kyle Williams)
#10000389
Sentry Select Insurance Company
1800 North Point Drive
Stevens Point, WI 54481
1-800-473-6879

**RE: Non-Renewal Notice for Timothy P. DeMartini DBA DeMartini RV Sales Commercial Auto;
Policy Number 2561299007**

Dear Agent Williams:

On December 24, 2019, Timothy DeMartini contacted my office regarding the Non-Renewal Notice of insurance coverage for Commercial Auto Policy 2561299007 from Sentry Select Insurance Company on October 9, 2019 for his commercial business DBA DeMartini RV Sales. Specifically, the Non-Renewal Notice notified Mr. DeMartini that his policy was not being renewed for "Unacceptable exposure due to wildfire risk" that included risk analysis backup documentation generated by Corelogic, Inc. RiskMeter.

Specifically, the risk analysis identified a risk threat of 71 for 625 Idaho Maryland Road and 76 for 1305 East Main Street in Grass Valley, CA 95945. The maps provided show the properties are located in 61-80 and 81-100 wildfire risk areas, respectively. However, when cross-compared to California Public Utilities Commission (CPUC) State-wide Fire Map (Developed under CPUC Rulemaking 15-05-006 and adopted by the CPUC's Safety and Enforcement Division in January 2018 and updated in January 2019), neither properties are located in Tier 2 Elevated Wildfire Threat or Tier 3 Extreme Wildfire Threat Areas, but instead are located in Tier 1 Non-Fuel Areas. Additionally, the RiskMeter maps show the properties rated as 81-100 Wildfire Risk areas surrounded by less severe areas, which raises questions on the legitimacy of the risk evaluation.

Moreover, on December 30, 2019 the City of Grass Valley Fire Chief Mark Buttron conducted an exterior defensible space fire safety inspection at 625 Idaho Maryland Road and 1305 East Main Street locations and found both locations to be in compliance with California Fire Code 2016 Edition, as amended by the City of Grass Valley, Grass Valley Municipal Code Article II, §8.16.200 Vegetation Management and Yard Debris Removal. Grass Valley Fire Chief Buttron submitted a Letter of Concern to the California Department of Insurance on December 30, 2019 (attached hereto) outlining Mr. DeMartini has reinforced his defensible space at 625 Idaho Maryland Road by providing 100' or more clearance with his neighbors and installing noncombustible driving surfaces throughout the property. Moreover, there is no vegetation at the 1305 East Main Street location and both properties have an ISO

950 Maidu Avenue, Suite 200, Nevada City CA 95959-8617
phone: 530.265.1480 | fax: 530. 265.9836 | toll free: 888.785.1480 | email: bdofsupervisors@co.nevada.ca.us
website: <http://www.mynevadacounty.com/nc/bos/>

rating of 3, per the Grass valley Fire Department. Chief Buttron further explains that there are fire hydrants near both properties and that the City of Grass Valley's Fire Department response includes Cal Fire and use of Cal Fire aircraft from the Grass Valley Air Attack Base approximately ½ mile from both properties.

While wildfire is a new normal in California and in Wildland Urban Interface (WUI) areas, the loss of insurance has a dramatic impact on our community and the economy, especially to large commercial employers. I fully recognize that private insurance carriers have a fiduciary responsibility to balance risk exposure with policy coverages offered to ensure not only the profitability of any given portfolio but also the solvency of the organization. I myself am an insurance broker and understand the industry well. However, given the above referenced concerns and relevant factors, the risk modeling used to justify the termination of Mr. DeMartini's commercial policy raises significant concerns that the evaluation did not adequately account for other relevant facts and that the risk of wildfire exposure may be less than determined. DeMartini RV Sales is a large employer for our rural area, with 35-40 employees. The loss of commercial insurance will have a significant impact on our community. Moreover, the Non-Renewal Notice issued to Mr. DeMartini referenced the California FAIR Plan Association as a viable alternative; however, Mr. DeMartini's Insurance coverage requires at least approximately \$15 million in special commercial auto coverage, whereas the CA FAIR Plan Association currently only offers approximately \$1.5 Million of coverage— wholly inadequate.

Therefore, in an effort to prevent the loss of business in our County and devastating impact to our community, I respectfully request that Sentry Select Insurance Company re-evaluate its decision to issue a Non-Renewal Notice of insurance coverage for Commercial Auto Policy 2561299007 for Timothy DeMartini DBA DeMartini RV Sales.

Should you have any questions, please do not hesitate to contact me. Thank you in advance for your consideration.

Sincerely,



Dan Miller
District III Supervisor

cc:
Timothy DeMartini
City of Grass Valley
CA Department of Insurance
CA Senate Committee on Insurance
CA Assembly Insurance Committee
Rural County Representatives of California
California State Association of Counties

Office of the Fire Marshal

City of Grass Valley Fire Department
125 East Main Street
Grass Valley, CA 95945
(530) 274-4380



December 30, 2019

Quintin Johnson
Associate Insurance Compliance Officer
Department of Insurance
Consumer Services and Marketing Conduct Branch
300 South Spring Street
Los Angeles, CA 90013

RE: Tim DeMartini
Demartini RV Sales
625 Idaho Maryland Road
Grass Valley, CA 95945

Mr. Johnson,

On December 27, 2019, the City of Grass Valley was informed of a non-renewal notice from Sentry Select Insurance for two commercial properties within the City of Grass Valley owned by Mr. De Martini. The California Public Utility Commission Fire Map excludes either property from a Tier 2 Elevated or Tier 3 Extreme fire threat, which contradicts the maps provided by Sentry Select Insurance for the DeMartini properties located at 625 Idaho Maryland Road and 1305 East Main Street in Grass Valley. An exterior defensible space fire safety inspection was performed today, December 30, 2019, at the properties located at 625 Idaho Maryland Road and 1305 East Main Street in Grass Valley. There are no violations of the *California Fire Code 2016 Edition*, as amended by the *City of Grass Valley, Grass Valley Municipal Code Article II, Section 8.16.200 Vegetation Management and Yard Debris Removal* and/or the jurisdiction of the *Grass Valley City Fire Department. (ISO Class III)*. Additionally, Mr. DeMartini has further reinforced his defensible space at 625 Idaho Maryland Road by providing 100' or more of clearance with his neighbor and installing noncombustible driving surfaces throughout the property; there is no vegetation at 1305 East Main. There are fire hydrants near both properties, 625 Idaho Maryland Road has two fire hydrants located on the property within the facility. The City of Grass Valley response to vegetation fires includes Cal Fire and use of Cal Fire aircraft from the Grass Valley Air Attack Base .5 air miles from the properties; a Fire Station is located within a half (0.5) mile of 1305 East Main Street and 1.7 miles from 625 Idaho Maryland Road.

I ask that you consider this additional information and review Mr. DeMartini's file with Sentry Select Insurance. I am available to speak with you or agents of Sentry Select to clarify any of the details provided in this letter.

Sincerely,



Mark Buttron

Fire Chief

Grass Valley Fire Department

Nevada City Fire Department

125 E. Main Street | Grass Valley, CA 95945

Phone: (530) 274-4380 | Fax (530) 271-0812

E-mail: markb@cityofgrassvalley.com