



**SPECIAL MEETING MINUTES
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT
Meadow Room, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076**

Saturday, January 17, 2015 2:00 p.m.

A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE

Roll Call

Bill Lyons (H40) President (present)	Jim Griffin (Director) (P9) (present)
Bob Moore (P45) Vice President (present)	David Bower (Director) (P48) (absence)
Wendy Cumming, Clerk/Accountant/Secretary (present)	

B. MEMBER COMMENTS

Matters under the jurisdiction of the Board and not on the posted agenda, may be addressed by members of the public before the Board for consideration. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Board of PDGHAD. Any person wishing to address the Board during the Member Comment period shall be permitted to be heard for up to 3 minutes, A) individuals may speak only once and B) the Board is unable to address any owner comments in depth, but may choose to direct the Clerk to follow-up on the matter for a future meeting.

C. PUBLIC HEARING

A Public Hearing for Consideration Resolutions Commencing the Process for A Ballot Election for New Assessments in District Zones 1 and 2 for the District's New Administrative and Operation Budgets.

This public hearing is a continuation of a public hearing that was opened and continued to this date by the Board at its meeting of January 10, 2015. The same public hearing has been opened, and comment received, at several previous meetings. President Bill Lyons will provide a brief summary of the draft budgets for proposed assessments, and thereafter, the hearing will be open for public/member comment. The Board may discuss and ask Staff questions concerning the budgets and involved assessment process, but will not be taking any formal action on this matter. After receipt of comment from members of the public and/or the Board, it is anticipated that the public hearing will be continued to the Board's next regular meeting, scheduled for February 14, 2015.

Comments:

President Bill Lyons –

Provided a brief history on the 218 process, including previous meetings. President Lyons stated that the graphs presented are draft only and today's meeting is a continuation for January 10th meeting. No action

will be taken today and will be brought back to the Board at the February 14, 2014, meeting. The general and administrative cost proposed to be allocated evenly between the 262 units. The cost proposed for the Clerk/Accountant and zone specific reserve and Operating costs for repairs and maintenance will be made based on the allocation that was done by the engineer. The future repair costs for the large repair project will also be allocated based on the allocation factors provided by the engineer.

The proposed budget for Zone 2, operating and reserve, takes in to account the approximate 100k that is in the Pelican Homeowners Association accounts for the riverwall repair and maintenance. Zone 2 budget for the operating and reserve is set at \$550 for the annual inspections. The \$5,000, for the reserve.

In prior meetings some members felt that the administrative assessments were too low, therefore the budget proposed was raised. Understanding that the proposed budget is a maximum, not what is expected be assessed every year, but will be evaluated annually at the time of budget to determine what the following year's costs will be, not to exceed the proposition 218 budget presently being proposed.

With respect to the large repair project Mr. Lyons gave a brief update on the permit status. The Engineers (ARUP) have identified approximately 16 lots that are in need of repair. The permit application is expected to cover the 16 lots, instead of going for permits each time the District is to engage in another phase of the repair process. By submitting one application, one permit, and if the environmental conditions allow, then the District might look to perform as work as possible, with the permit available.

The District is asking for a five year emergency permit.

Member Steve Brock questioned what the current administrative budget is. Clerk Wendy stated that the existing budget, excluding the clerk, is \$27,504, for both District's combined.

Member Mary Paige asked about the reserve funds on hand of 100k, we would need \$400k to come up with the \$500k of proposed reserves. Ms. Paige asked if the proposed repair cost for the 16 homes, were included in the operating reserve budget. Per Bill Lyons that repair costs for the 16 homes is not part of this 218 process.

Member Stacy Stillman explained that the budget proposed today, is only for operating and emergency repairs, not for the overall larger repair project.

Member Steve Brock questioned if the \$500k in the engineer's report for a historical riverwall cost was included in the budget. The board explained that the proposed budget did not anticipate building a reserve of \$500k, but only \$5k annually.

Member Steve Erickson stated that he had been to most meeting. Steve felt that the even allocation of administrative costs should be based on the engineers cost allocation, which should be followed. He felt that number of the cost are being shifted from the front row owners to the back row owners. Per Steve, the purpose of the GHAD is to benefit the front row owners. He stated that the front row should be based on the original allocation method.

Member, Dave Peoples, asked if the original seawall was to weather a long-term storm. Carol Turley stated that the original seawall was built to weather 30 year storm.

Member Peter Haunschuld stated before 1983, there wasn't a rockwall. The prior engineer said that the seawall had only diminished only 1%. He wants to stay within the cost allocation model provided by the engineer.

Member, Roger McGomery, stated that the annual costs should be divided equally by all the members.

President Lyons commented that the cost of mailing an envelope to any one unit is the same costs as it would be to all. The engineer allocation for the reserve and operating costs should be allocated on the engineer report.

Member, Stacey Stillman, commented with respect to the operating budget, the allocation should follow the same allocation as provided by the engineer report.

Member, Steve Brock, requested that careful tracking of the administrative costs not include soft costs. If soft costs such as legal and administration, are for the maintenance and repair, be tracked accordingly and not for the administrative budget.

D. DIRECTORS COMMENTS

Members of the Board of Directors may address items of concern at this time, and may request that items be placed on future agendas in accordance with the By-laws of the Board.

No comments were made

E. ADJOURNMENT

Motion to adjourn by Bob Moore seconded by Jim Griffin

There being no further business to come before the Board, the meeting was adjourned at 3:36 p.m.

Attest: _____

Wendy Cumming
Clerk of the Board
Pajaro Dunes Geologic Hazard
Abatement District.