



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

**Saturday, June 13, 2015 9:00 a.m.**

**Start time 9:00**

**A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE**

---

**Roll Call**

|   |                                |
|---|--------------------------------|
| Bill Lyons (H40) President                | Jim Griffin (Director)(P9)     |
| Bob Moore (P45) Vice President            | David Bower (Director)(P48)    |
| Wendy Cumming, Clerk/Accountant/Secretary | Raul Deju (Board Member Elect) |

**B. PRESENTATIONS**

---

- a. Oath of Office for newly elected Board Member

Clerk administered the Oath of Office to Raul Deju

**C. PRESIDENT’S REMARKS**

---

The President will use this opportunity to inform the public of issues affecting the District and other items of a general nature not otherwise provided for on this agenda.

- Emergency Response Plan update
- ARUP California Coastal Commission submittals

President Lyons commented that the Emergency Response update is being worked on by clerk and Carol Turley. Also, the District’s engineer has submitted an application to the CCC and a response has been received where more information is being requested.

**D. 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.

Member Comment:

No Comments

## **E. PUBLIC HEARING**

---

1. ITEM – Public Hearing on the preliminary budget of the Pajaro Dunes Geologic Hazard Abatement District for the fiscal year July 1, 2015 to June 30, 2016.

- a. Staff report
- b. Open Public Hearing
- c. Close Public Hearing
- d. Board discussion
- e. Board action

Accountant gave a brief presentation on the preliminary budget should the 218 fail. No action was taken.

## **F. CONSENT CALENDAR**

---

All matters listed on the Consent Calendar are considered to be routine by the Board of Directors and will be enacted by one motion at the appropriate time. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the Consent Calendar and will be considered separately.

2. Approval of minutes February 14, and March 14, 2015

Motion to accept minutes by David Bower second by Bob Moore, approved by all except Raul Deju who was not a member at the time of the meetings.

## **G. TREASURER'S REPORT**

---

3. Financial Reports
  - Eleven Month Period Ended May 31, 2015
  - Warrant listing
  - Accept reports by motion

Clerk gave a brief presentation.

Motion by Bob Moore, seconded by Jim Griffin, approved by all.

## **H. COMMITTEE REPORTS**

---

4. Finance and Budget Committee (Bill Lyons/Wendy Cumming)
5. Community Membership and Relations Committee (Bill Lyons/Bob Moore)
6. Seawall Application and Repair Committee (Jim Griffin/David Bower)
7. Meetings attended by Directors at District expense since the last meeting of the Board (per AB1234 requirements). Such reports may be made orally or in writing.

No meetings.

## I. NEW BUSINESS

---

### 8. ITEM – Proposed Assessment Election for Increased Zone 1 and Zone 2 Annual Administrative and Operating Budgets.

Staff report provided by President Bill Lyons. President Lyons provided a brief history on the District in that the primary purpose of the GHAD to manage the Sea wall and River wall. The Board members receive no compensation, there are five board members. He gave a run down on the board members experience.

President Lyons discussed the series of meetings that have taken place prior to the June 13<sup>th</sup> meeting providing membership opportunity to express their concerns. The budget being proposed is a maximum budget that will be reviewed and considered each year and the annual budget will not exceed this amount in any given year. The allocation formula will remain the same as the District is under now. A firewall will be set up to protect the reserve fund for the purposes in which it has been established. President Lyons gave an overview of the cost allocations and examples of the breakdown on the budget as it would impact row 1, 2, Cypress, back rows (3/4/5). President Lyons explained that through this budget the District would get the services of a CPA, attorney, clerk, etc.

President Lyons explained that comments will be received by the membership and the clerk will write down the comments and the board will determine which comments will be addressed.

Director Raul Deju made comments regarding the value of the properties at the District and that protecting the Seawall assists in keeping the values of the properties up. Raul explained that the long-term debt of the GHAD will be paid down by 2019. His suggestion is that when we do budget the District should try to minimize the fiscal impact to the District.

a.) Consider adopting a Resolution Appointing Engineer of Record, Accepting Engineer's Report for the Fiscal Year 2015-2016 Assessment Election and Declaring Intention to authorize and Levy an Assessment for Administrative and Operating Budgets for Zones 1 and 2

- a. Staff report
- b. Public comment
- c. Board discussion
- d. Board action

Mike Rodriguez gave a staff report on the engineer's report, which provides a means for calculating the 218 budgets. The Resolutions require the approval by the property owners. The members will have a 45 day period to cast their vote. At the Meeting on August 1<sup>st</sup>, 2015, the membership can provide their vote. The meeting will open and then close for a count of the votes, and then reopened to receive the vote count. The ballots will be counted by an individual independent of the District. If the vote does pass the District will submit the assessments to the County of Santa Cruz. The 218 process requires a President's report which is also the same information as the Engineer's report.

Member Comments:

Member Stacey Stillman – Stacey said there is a divide in the membership since 1999 and the scope of the repair has vastly changed. She commented that the special benefit does not benefit the homes that are directly impacted.

Jeff Dunn, Engineer, commented that the seawall repair is not a part of this election. The special benefit is to develop over a period of time to build funds should an episode arise.

David Bower commented that the seawall repair is not individually divided. The maintenance and repair benefit the District as a whole.

Jeff Dunn, stated that if the wall fails it could have impacts on not just row 1, but could impact rows 2, 3, and 4.

Tony Silvera (H22) asked about the existing rock on the state property, and the engineer's report that has a statement of "if economical". Tony asked Jeff Dunn to take a look at the language. Engineer will address this language in the report as this will be more than likely have to be done.

Steve Erickson had questions for the engineer regarding the foundation at some of the front row homes. Steve asked about the weighting of the ballots, and if that was how the count would be done. Which staff responded that was the case.

Member John Kohler asked if the board has taken a look on how the District benefits the members over the long term. President Lyons commented that there have been several committees, and long with a series of changes in the board, the financial impact of the District has been taken into consideration. John stated that should there be a 5 million dollar repair, that cost should be allocated to those directly impacted by the repair. John felt that a good hard look at the impact be done.

Per Raul Deju he stated that a good hard look has been done.

Board Discussion:

Bob Moore commented that the discussion should be made to move forward with the election.

Jim Griffin commented that the longer the District waits the more costly it might be for the District.

David Bower commented on why the District is trying to acquire a cash reserve as opposed to a credit line reserve. The current credit line expires in 2016 and we likely will not be able to increase that line should the District need it. He is not in favor of credit lines to fund emergency funding.

President Bill Lyons stated that there are several new homeowners in the group. He gave a brief history on the cost of the seawall repair was around 18 to 30 million dollars. The new board brought on a new engineer and the project went from 18 to 30 million down to around 2 million for the hard costs.

Motion to approve the resolution 02-2015 by Jim Griffin seconded by Bob Moore, approved by all.

b.) Consider adopting a Resolution of Accepting the President's Report on the Fiscal Year 2015-2016 Assessment Election

- a. Staff report
- b. Public comment
- c. Board discussion
- d. Board action

Richard Jadrich asked for a brief summary of the 218 process. Mike Rodriguez provided the brief summary of the 218 process. Jeff Dunn explained that the voting allocation mirror the property allocation.

There was more discussion regarding the long-term repair, in which Mike Rodriguez explained that this 218 process does not cover the long-term repairs to the seawall, only the operating and reserve budget.

Motion to accept resolution to accept the president's report on the fiscal year 2015-2016 assessment election 03-2015 First by David Bower seconded by Raul Deju, approved by all.

c.) Consider adopting a Resolution of Approval of Balloting Procedures for Voting in the Proposed Assessment for the Zone 1 and 2 Annual Administrative and Operating Budget

- a. Staff report
- b. Public comment
- c. Board discussion
- d. Board action

Motion to accept resolution 04-2015 approving balloting procedures for voting in the proposed assessment for zone 1 and 2 annual administrative and operating budget, first by Bob Moore seconded by Raul Deju, approved by all.

d.) Consider adopting a Resolution to Approve Ballots for the Zone 1 and 2 Administrative and Operating Budget Election for Fiscal Year 2015-2016

- a. Staff report
- b. Public comment
- c. Board discussion
- d. Board action

Motion to approve resolution 05-2015, approving ballots for Zones 1 and 2, Administrative and Operating budget election for fiscal year 2015-2016, first by Raul Deju seconded by David Bower, approved by all.

e.) Consider adopting a Resolution to Approve Notice of Assessment Balloting and Public Hearing for Zone 1 and 2 Assessment Balloting Procedure.

- a. Staff report
- b. Public comment
- c. Board discussion
- d. Board action

Motion to approve resolution 06-2015 to approve notice of assessment balloting and public hearing for zone 1 and 2 assessment balloting procedures first by Raul Deju, seconded by David Bower, approved by all.

#### **J. DIRECTORS COMMENTS AND CONCERNS**

---

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.

#### **K. ADJOURNMENT**

---

Motion to adjourn by Raul Deju seconded by David Bower

There being no further business to come before the Board, the meeting was adjourned at 10:46 a.m.

Attest: *wendy cumming*  
Wendy Cumming  
Clerk of the Board  
Pajaro Dunes Geologic Hazard  
Abatement District.