



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

Saturday, September 19, 2015 9:00 a.m.

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 (Director)(CY4)

All present

B. CLOSED SESSION

The Board will recess to closed session to confer with its attorney regarding litigation pursuant to Government Code Section 54956.9 (a); (d)(2) and is hereby of the opinion that a significant exposure to litigation exists.

Public comment limited to the identified closed session item will be accepted before the Board recesses.

C. 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.

Gary Grey asked to have his name corrected on the August 1, 2015 minutes.

Bob Scranton commented that the letter of potential litigation should be made public. Also, the failed ballot issues regarding the Pelican administrative costs should be fixed.

D. 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.

- El Niño, aka Godzilla, disaster preparedness
- PDA member concern

President Lyons commented as follows:

The El Nino threat has a potential for large storms coming in and the District has communicated with the engineer.

An issue regarding two homeowners was not a seawall issue. It appears that there had been a minor excavation. PDA has taken over and the GHAD is not involved.

Mary Paige commented that the District has contacted the engineer regarding the potential for an El Nino storm and she wanted to know what level of priority the District has. Bill Lyons commented that the engineer has stated that the District is a high priority. Mary wanted to know if the District has a backup. Raul Deju stated that the backup is Granite Rock.

E. 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.

1. Approval of minutes June 13, and August 1, 2015
2. Resolution reconfirming the engineer of record

Mary Paige had a question from the August 1st minutes, regarding the fine of \$75k per day for not moving the rocks on the beach. Per Bill Lyons the State Parks said if the District tries to get a permit to remove the rocks they will not levy a fine.

Motion for approval of the minutes by Raul Deju, seconded by David Bower, approved by all.

President Bill Lyons stated that the purpose of the resolution is to reconfirm ARUP as the engineer of record.

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

F. TREASURER'S REPORT

2. Financial Reports
 - Year Ended June 30, 2015
 - Warrant listing
 - Accept reports by motion

Martha Dias requested that the cost for purchase of emergency rocks, held at Granite Rock, should be an asset, and included as a footnote on the financial report.

Accountant Wendy Cumming gave a brief presentation on the financial report. David Bower asked when the debt will be paid off. Accountant Wendy Cumming gave the payoff dates on the debt.

Board requested that the rock be noted on the financial report.

Motion for approval by Raul Deju, second by Bob Moore, approved by all.

G. COMMITTEE REPORTS

3. Finance and Budget Committee (Bill Lyons/Wendy Cumming)
4. Community Membership and Relations Committee (Bill Lyons/Bob Moore)
5. Seawall Application and Repair Committee (Jim Griffin/David Bower)
6. 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 finance/budget meetings

Bill Lyons commented that there is a meeting scheduled for October 10th with various government officials including City of Watsonville for Community Membership and Relations Committee.

Seawall application – no meetings

No meetings attended by District director's at the District expense.

H. NEW BUSINESS

7. ITEM – Consider action on amending the District's application to the Coastal Commission for the seawall repair work.

- a. Board report – Director Deju
- b. Public comment
- c. Board discussion
- d. Board action

Report provided by Director Raul Deju. Per Mr. Deju the application to the Coastal Commission was submitted in 2014. The District received comments back from the CCC. In March of 2015, there was a revised revetment report. On the initial study in 2013/2014 the report concluded that none of the homes failed the fail factor established by the engineer.

Raul continued that rocks left on the State beach were in front of homes 97-103. The rocks should be moved to a repair spot under consideration. The emphasis that was not put on the repair report was the rocks that need to be move. The permit would be to move the rocks and to fix an area that from time to time requires repair. The area of repair would be for a section of the wall and not an individual homes/lot. Bottom line on the engineer's estimate for the cost of approximately \$890k, which does not include Coastal Commission mitigation requests. By doing this the District would eliminate any potential fines.

Per David Bower the State can at any moment provide a demand for payment on the \$75k daily penalty for the rocks on the State beach. As long as the District continues to work towards obtaining a permit for the rocks and the repairs, the fines should not be assessed. Once the rocks are moved the fine should go away.

Raul Deju stated that, barring any catastrophic event, the wall is doing its job. If there is any failure on the wall the District would fix the failed spot with the repair permit. By November 22, 2105, the District is required to submit another engineer report to the CCC. The report will address the ten questions by the CCC. The District wants to be responsive in removing the rocks.

A member commented regarding GHAD's responsibility for the rocks and asked if the District tried to negotiate property with the state. Board responded that this has been tried.

Mary Paige asked if the costs for the rock removal included the engineer costs. Per Raul Deju said yes.

Bill Lyons commented that it's very difficult to get a fixed cost and a time frame when there could be weather impacting the project. The Coastal Commission will determine the window of time for completing work.

Bill Lyons commented on the history of the board and that the old large project has been abandoned and the current board has shifted directions to maintenance and repair plan. The current engineer came in and said with an aggressive repair and maintenance plan can provide roughly 90% of the repair at approximately 10% of the cost.

Members had questions on how the repair work would be paid for. Raul Deju commented that the District would incur an assessment which has yet to be determined.

David Bower commented that realistically there would be an assessment election before July 1, 2016, for the funding to get on the County rolls.

Bill Lyons commented that the estimated costs do not included mitigation and it is important for the membership to know that until the mitigation is known, the District cannot come up with a total cost.

Steve Erikson thank Raul Deju for his presentation. Steve asked if the District has changed its strategy to benefit only 3 houses. Raul Deju commented that the permit is to cover a length of the wall and to move the rocks. Steve asked if the initial work will be in front of house 97-99 Raul stated that the initial work will be in front of the homes where the rock are.

David Bower said that the rocks happen to be near where the seawall repair is needed. The permit request is smaller, more focused, and undoing the rocks on the beach issue.

Raul Deju stated that the repair on the wall is not for the specific benefit for any particular home, but to repair a section of the wall.

Action taken was to direct Raul to continue working with ARUP to get the application approved with the CCC.

8. ITEM – Consider accepting proposal for audit services from Hutchinson and Bloodgood, for audit services for the fiscal year ended June 30, 2015.

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

Motion to obtain bids for the next fiscal year audit beginning in April 2016.

Motion for approval by David Bower, seconded by Jim Griffin, approved by all.

9. ITEM – Consider expenditure of an amount not to exceed \$5,000 as the District's pro rata share of the cost of an Economic Social Impact Study to be prepared by Kay Bowden

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

President Bill Lyons provided the board with a copy of the Economic Social Impact Study performed in 2009. The report was used in some of the seawall applications, and community relations, to demonstrate how important the District is to the community as a whole. President Lyons provided statistics on some of the benefits the District has provided to the community of the course of time.

Per President Lyons the North Association has committed funds towards the economic impact study. Also, the District's community affairs committee has recommended a pro rata cost distribution. The South Association is considering contributing to the new study. Pres. Lyons said that the report is helpful in the application for the CCC, and working with local agencies. Kay Bowden would coordinate the report development.

Raul stated that the report has an advantage to the District in working with the CCC, and that no more than \$5k be allocated to the project.

Motion to designate an amount not to exceed \$5,000 towards the cost of the Economic Impact Analysis. The GHAD and the PDA would each pay an amount equal to or less than that paid by the North Association.

Motion by for approval by David Bower, second by Raul Deju, approved by all.

I. 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.

J. ADJOURNMENT

Motion for adjournment by Raul Deju seconded by Bob Moore, approved by all.

There being no further business to come before the Board, the meeting was adjourned at 11:35 a.m.

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