



**REGULAR MEETING AGENDA
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT
MEADOW ROOM, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076**

**John Cullen will be attending remotely from:
300 Beacon Ridge Lane, Walnut Creek Ca. 94597**

Saturday, April 14, 2018 9:00 a.m.

A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE

Roll Call

Bob Moore, President, **present**
Robert Allen, Vice-President, **present**
John Cullen, Secretary, **present**

David Ferrari, Community Liaison, **present**
Jim Griffin, Director, **present**
Sarah Mansergh, Clerk, **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. 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.

- Update on PDA meeting of March 10th, 2018
- Meeting Calendar 2018
June 9th (Special Meeting, ballot count) **8am**,
Regular Meetings: August 11th, November 10th, and December 8th.

Bob Moore-I believe everyone is in receipt of the letter from the PDA board endorsing the assessment election.

D. 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 February 10, 2018 and March 10, 2018

Rob A. motion to approve minutes from previous meetings. Jim G. second All approve

E. TREASURER'S REPORT

2. Financial Reports
 - Financial Report through March 31, 2018
 - Warrant listing

Wendy-notable changes-we had a couple of loan payments on our outstanding loans. Both Zone 1 and Zone 2 are within regular budget. We are under budget by \$400.

John C Rob A second all approve

F. MEETING reports

3. 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.

G. NEW BUSINESS

4. ITEM – Update on 2018 assessment election mailings and procedures and reading of correspondence received through April 9, 2018

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

Sarah-updated on election set-up-mailing,
Bob M-The board can not really endorse the approval of this measure.
Mike-clarify

5. ITEM – Consider hiring Lynn Myers and colleague to act as an independent count for the ballots.

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

Wendy-I can act as a reference if there are any questions. She is up to date on the procedures and weighting needs of this

Rob A-move to engage Lynn Myers David F. All approve.

6. ITEM – Information and Q&A session about the 2018 assessment election.

- a. Board report
- b. Open for public questions and comments

c. Board responses

Bob M-We are currently insolvent and we are seeking funds to strengthen our budget to allow us to proceed forward with some of the soft costs for discussions with the Coastal Commission, County of Santa Cruz and others. We need to reapply for our permit with Coastal Commission. We also need to reopen discussions with County. At this point we have some work to do on working with the County geologist ever since the riverwall was built.

If we can get all of the permits in order we can proceed with another assessment to fortify the seawall under the homes that are under threat. We could also remove the rocks from the beach and hopefully eliminate the penalties that have accrued \$800,000 so far. The County has said we can discuss deferring.

Marta Dias-I heard an estimate of \$1.5 million for the costs of the repairs as proposed and \$200,00 to remove the rocks.

Rob A. We don't have any current estimates from anyone that offers an idea of costs for the rock removal and the costs for larger repairs.

Bob M-depending on how deep the rocks are they may be under water so the costs would be higher.

Rob A-Are the numbers in the Exhibit A the total or just the incremental increase. So will the amount actually go down before this assessment goes on the rolls?

Wendy-The numbers in the paperwork are the incremental increase. So one of the loans will be finished in March 2019.

Bryan M-Can we discuss how we are going to approach the County and get things moving forward. Strategy? **Rusty A.** may have caused some issues in the past?

Bob M. –He made a deal with the Coastal commission for the riverwall but did not approach the County to include them in the discussion. That upset the county geologist. Since then meetings have been contentious. **Zach F.** is a supervisor in our district who has come and visited. We really need to go to a higher authority with the County, above the geologist. We also did an economic assessment of impact of PD on local economy. We need to flush out where we can find a champion to move this forward.

Mike-We need to flush out what the costs will be to work with the County. Working with the County is partially dependent on a successful assessment.

Bob M-I think part of the problem is they think we are still looking to do the full \$30 million sheet pile wall.

Mike-The County in our last discussions did seem to be stuck on the larger project no matter how many times we tried to explain the new project proposal. They have also made several requests for reports-wave run, sea level rise. Etc.

Steve-I'm bothered there seems to be such a large disconnect with the County and us down here.

Mike-Yes, the frustration is felt. We have sent several letters and e-mails. Short of camping out we need to find another entry to discussions. –like the Coastal Commission.

Bryan-Can we argue with the county that there is some liability inherent in them not returning our calls.

David F-there is probably a strategy to move forward with some question

Marta Dias-There is a precedent-back during large storms of 1999. Pajaro legally pursued holding the County accountable for not permitting the repairs along the river.

John C-2 points-The board of supervisors (appointed us as board of GHAD) may be an avenue since they may assume liability with not addressing our concerns. 2nd-Moving forward work with the County Administrator and sit down and explain and work with them to move forward.

Mike-If the Coastal Commission tries to impose fees we can use the County's failure to respond as a defense.

Steve-Can I suggest that the board put together a letter, signed by all to send to homeowners that we are not hearing back from the County and the difficulties moving forward with the lack of communication.

Jim G-We are powerless without the support of the community. So we need to find out if this community is in support of this or are we just a district of houses.

Steve-I still think it would be helpful to reach out to the homeowners community.

Mike-We are kind of stuck because we don't have . We need to reach out and be given

Homeowners-clarification of the project. There are rocks out there and you are going to remove them and then put something else in its place?

Bob M-There are about 7 places where the seawall is greater than a 1:1 slope and houses are at risk. ARUP has suggested that we regrade the seawall at a 1:1 and go in and remove the rocks that are on State Parks land.

Rob-A-We would use the rocks that are within the State Parks land and use those to redo the grade. And to move forward we need a permit from the Coastal Commission but we need a permit from the County which presents the catch 22.

Jim G-We need some specification before we can obtain those permits

Jack I-How did the rocks migrate?

Bob M-We had an emergency (2002-2003) and they put the rocks out and some of them fell off and migrated due to storms etc. We also have a stockpile of rocks with Granite Rock.

John Kohler-A couple of questions. There seems that over time there is a reduction in the assessment and then the administrative costs would make up the majority of the budget and our assessment would go down. Have you done a 5 year estimate of what the costs would be? Isn't there a portion of our current assessment that will be going away after we pay off loans. When would that be removed from our assessments? This move seems to institutionalize a budget moving forward. Am I correct in this assumption? Has the PDA board given us a loan?

Mike-Each year we will approve the budget for the year. We have a current institutionalized budget of around \$50,000. This new election will bring the budget up to current costs. The PDA has approved moving forward with getting a letter of credit of \$300,000 as cosigners.

David F-We did made perfectly clear that the line of credit is for emergencies only and that seemed to help with the endorsement.

Bob M-Because of the structure of the agreement if the assessment election fails the PDA would be responsible for paying back the line of credit. And a sunset in October 2018 for the line of credit.

John K-I do want to make a comment about the seemingly disproportionate allocation of costs. Has the board made any efforts to reassess that allocation.

Bob M-Arup came back and said they don't do allocation for assessments. Arup was claiming they may need to withdraw if homeowners insist a new allocation. I readdressed Arup and asked that they utilize the current allocations and . We would have to do another benefit assessment-at a cost of \$150,000-200,000 from Woods Hole.

Rob A-Woods Hole is an internationally recognized institution that does this. It may be best to move forward and look for other options that would help us reassess our current allocation. I don't know what the outcome would be. There is some information in the Arup study about vulnerabilities to other homeowners.

Bryan-So if we receive info from Woods Hole and they come back with a different allocation what will we do with that information.

John K-I believe the GHAD is the only one that has a weighted set-up.

Marta Dias-So after GHAD has spent a lot of money on this process why don't we look at each of the front row homeowners getting their own catastrophic insurance. I think that would be cheaper and a compelling argument.

Mike-Insurance as an alternative to the GHAD-the County would take over the responsibility of maintaining the seawall and riverwall would go to the County and not to the individual homeowners. In disbanding and dissolving the GHAD the County would take on the responsibilities of the special district.

Mart Dias-Why wouldn't the responsibility just revert back to the individual homeowners?

John K-There was a seawall committee that looked at what they do in Texas with their coastal properties. They just do individual insurance and they just expect their homes to disappear. And the cost analysis comparing the 1.2 miles of replacement with individual insurance was less expensive for insurance at the time. But things have changed and we have no information analyzing the smaller repairs compared to insurance.

David F-I just bought my home and looked at flood insurance that equaled about \$11,000 a year.

Rob A-Since the GHAD has been formed this has changed responsibility and the County now is more involved and will be responsible.

Steve-I am wondering how much has been sent to the front row homeowners to encourage their vote since they have the majority vote in the weight. I also suggest that property values may increase if we can resolve this issue and relieve some of the uncertainty.

Jim G motion to adjourn and Rob A. seconds. All approve.

H. 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.

I. ADJOURNMENT

The next Meeting of the Board of Directors is scheduled for June 9, 2018, at 8:00 a.m. at the offices of the Pajaro Dunes Geologic Hazard Abatement District, Meadow Room, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076. Individuals who require special accommodations are requested to contact the District Clerk by calling (831) 761-7744, no less than 72 hours prior to the meeting or in the case of a Special Meeting, as soon as possible after the Agenda is posted. Copies of the agenda will be available 72 hours prior to the meeting and may be obtained by contacting the District at (831) 761-7744. All meetings are noticed and conducted in accordance with the Ralph M. Brown Act.

Attest:



Sarah Mansergh
Clerk of the Board
Pajaro Dunes Geologic Hazard
Abatement District