



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

Saturday, May 18th, 2018 8:30 a.m.

A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE

Roll Call

Robert Moore, President
John Cullen, Secretary
David Ferrari, Community Liaison

Jim Griffin, Director
Jack Feinstein, Director
Sarah Mansergh, Clerk

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.

- Tentative Meeting Calendar 2019
August 10th
November 9th
December 14th

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 April 13th, 2019

E. TREASURER’S REPORT

2. Financial Reports
 - Financial Report through March 30th, 2019
 - Warrant listing

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 – Resolution to approve new contract for engineering services and designating a new engineer of record.
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction
5. ITEM-Review 2018/2019 pending expenditures and funding of account with County for permitting process.
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction
6. ITEM – Review and finalize 2019/2020 Budget
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction

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 August 10th, 2019, at 9:00 a.m. at the offices of the Pajaro Dunes Geologic Hazard Abatement District, Board Room, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076. Individuals who require special accommodations are requested to contact the District Clerk by calling (831) 818-9253, 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. For copies of the agenda will be available 72 hours prior to the meeting and may be obtained by contacting the District agenda and board packet e-mail pdghad@gmail.org or (831) 761-7744. All meetings are noticed and conducted in accordance with the Ralph M. Brown Act.

PDGHAD

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

Saturday, April 13th, 2019 9:00 a.m.

A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE

Roll Call

Robert Moore, President-not present
John Cullen, Secretary-present
David Ferrari, Community Liaison-present

Jim Griffin, Director-present
Jack Feinstein, 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.

Steve Erickson encourages more advertising about meetings so more homeowners attend the meeting especially at the May 18th homeowners meeting.

Brian Mullins suggested investigating an environmental economist may help with the Board's future work.

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.

- Tentative Meeting Calendar 2019
May 18th -verify attendance start at 8:30am verify David's attendance
August 10th
November 9th
December 14th

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 2nd, 2019

Jack Feinstein moves to approve the minutes. Jim Griffins seconds. All approve.

E. TREASURER'S REPORT

2. Financial Reports
 - Financial Report through March 31st, 2019
 - Warrant listing

Wendy Cumming gave an update of the finances through March 31st.

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.

David Ferrari and John Cullen met with Dan Peluso to discuss review and update of engineering plans for maintenance of the seawall.

G. NEW BUSINESS

4. ITEM-Review accounting firm proposals for 2018/19 audit
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction

Wendy summarized the audit proposals for an audit for the fiscal year-to be completed in August. May want to consider a new firm just as good accounting practice.

Jack Feinstein moves to stay with Hutchinson and Bloodgood as the auditor. Jim Griffin seconds. All approve

Suggest bringing back proposals next year for review.

5. ITEM – Resolution to approve new contract for engineering services and designating a new engineer of record.
- a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction

Jim Griffins moves to adopt the resolution with modifications to appoint engineer of record and pending cost proposals. Jack Feinstein seconds. All approve

6. ITEM – Discussion about 2018/19 financial projections and preparation of 2019/2020 budget
- a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction

Items needing funding:

Permit costs

Engineer of record-time for review and update of plan and inspections.

Wendy-3% CPI for overall budget

Mike R-Can shift budget, function and operation as necessary in a posted meeting.

Requests for new budget -add permit line item, identify and shift funds to engineering and permitting. Suggest using \$24,000 for permitting fees from the seawall and residual funds.

Wendy will have a draft budget for 2019/20 including engineering work and permitting work we know is coming and recommendations for utilizing funds we have available.

7. ITEM – Update on Local Coastal Plan amendment process and meetings.
- a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction

Moved to Item 1-Carol gave a brief update on the Local Coastal Plan homeowners meeting (various HOA members). Planning Commission recommended the Board of Supervisors approve the plan suggested by County staff. If approved will move to the Coastal Commission- there are some sticky issues that CC staff interprets differently so may be sent back with comments.

Community Affairs committee (PDA) will be signatory on letter to be sent to the Board of Supervisors. John C requests the letter be shared with GHAD group for review. And notify homeowners so they can submit comments as well.

CA committee is coordinating a possible LiDAR aerial mapping of the coast and compare armored areas vs. unarmored in this unique environment.

John Cullen provided a clarification on difference between GHAD process vs the LCP. The County Planning Department looks forward to submission of updated maintenance plan and clarified that the plan does not need to replace the entire seawall. The plan will likely be CEQA exempt, and they provided recommendations on how to expedite the plan-update 2015 plan, reapply to the Coastal Commission, local expert/liaison on permitting process.

8. ITEM – Review and seek retroactive approval for insurance policy renewals
- a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action /direction

Jim Griffins moves to approve the retroactive approval of our insurance policies. Jack Feinstein 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.

Reviewed mission statement update Jim clarified the intent be used as a brief version stating the goals as a preamble to the

Directors will review the statement and will discuss at May 18th meeting.

I. ADJOURNMENT

The next Meeting of the Board of Directors is scheduled for May 18th, 2019, at 8:30 a.m. at the offices of the Pajaro Dunes Geologic Hazard Abatement District, Board Room, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076. Individuals who require special accommodations are requested to contact the District Clerk by calling (831) 818-9253, 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.

Pajaro Dunes Geologic Hazard Abatement District

Balance Sheet

As of April 30, 2019

Apr 30, 19

ASSETS

Current Assets

Checking/Savings

100000 · SCCB Zone 1 - 3957	164,645
100001 · SCCB Zone 2 - 3965	44,572
100003 · SCCB LTD- 0208	49,093
100400 · Union Bank Bond Holding	<u>304,794</u>

Total Checking/Savings 563,104

Accounts Receivable

120000 · Assessments Receivable	<u>173,387</u>
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Total Accounts Receivable 173,387

Other Current Assets

121500 · Prepaid Insurance	<u>17,858</u>
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Total Other Current Assets 17,858

Total Current Assets 754,348

Fixed Assets

150000 · Riverwall	3,000,000
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160000 · Accumulated Depreciation	<u>(1,433,330)</u>
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Total Fixed Assets 1,566,670

TOTAL ASSETS 2,321,018

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

200000 · Accounts Payable	<u>(4,623)</u>
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Total Accounts Payable (4,623)

Other Current Liabilities

220000 · Accrued Interest	13,150
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255000 · Unearned Revenue	<u>17,803</u>
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Total Other Current Liabilities 30,953

Total Current Liabilities 26,330

Long Term Liabilities

285000 · Bonds Payable Z2	1,240,000
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286000 · Bonds Payable Discount Z2	(52,250)
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286500 · Amort. Bond Discount Z2	<u>29,425</u>
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Total Long Term Liabilities 1,217,175

Total Liabilities 1,243,505

Equity

30000 · Opening Balance Equity	608,448
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32000 · Retained Earnings	242,054
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Net Income	<u>227,011</u>
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Total Equity 1,077,514

TOTAL LIABILITIES & EQUITY 2,321,018

Note ~ GHAD owns \$15k of rock that is stored at Granite Rock

Pajaro Dunes Geologic Hazard Abatement District
Profit & Loss Budget vs. Actual
 July 2018 through April 2019

	Zone 1			Zone 2			TOTAL		
	Jul '18 - Apr 19	Budget	\$ Over Budget	Jul '18 - Apr 19	Budget	\$ Over Budget	Jul '18 - Apr 19	Budget	\$ Over Budget
Ordinary Income/Expense									
Income									
410000 · Assessment Income	152,101	152,102	(1)	194,823	194,823		346,924	346,925	(1)
410020 · Emergency Reserve Fund	146,883	146,883	-				146,883	146,883	-
410050 · Assess. Income PDA Stairs	3,930	3,930		1,246	1,246	-	5,176	5,176	-
Total Income	302,914	302,915	(1)	196,069	196,069	-	498,983	498,984	(1)
Expense									
610155 · Postage and Mailings	360	4,500	(4,140)				360	4,500	(4,140)
61510 · Advertising		1,350	(1,350)					1,350	(1,350)
615115 · Office Expense	197	550	(353)	197			394	550	(156)
615140 · Audit Expense	7,900	10,000	(2,100)				7,900	10,000	(2,100)
61518 · Clerk	3,064	7,000	(3,936)	807	2,083	(1,276)	3,871	9,083	(5,212)
615415 · Accounting	7,995	15,263	(7,268)				7,995	15,263	(7,268)
615416 · Assessment Admin.	5,936	8,000	(2,064)	754	1,000	(246)	6,690	9,000	(2,310)
615617 · Website Maintenance	165	4,500	(4,335)				165	4,500	(4,335)
615650 · Officer Election	75	2,475	(2,400)				75	2,475	(2,400)
615655 · Dues		1,650	(1,650)					1,650	(1,650)
615656 · Board/Clerk Education		2,200	(2,200)					2,200	(2,200)
616500 · Legal Fees	12,680	15,000	(2,320)				12,680	15,000	(2,320)
617250 · Seawall Inspections		24,450	(24,450)					24,450	(24,450)
617255 · Permits	1,000						1,000		1,000
617350 · Riverwall inspection					550	(550)		550	(550)
619010 · Technical Consulting Costs		12,000	(12,000)					12,000	(12,000)
628500 · Insurance Expense	8,333	8,333	-				8,333	8,333	-
629030 · SBA Repayment to PHA Z2				77,380	77,380		77,380	77,380	
629900 · Bond Fee Expense				635		635	635		635
650000 · Bank Service Charges	9			342			351		351
750000 · Depreciation Expense Z2				83,330	83,330		83,330	83,330	
Total Expense	47,714	117,271	(69,557)	163,445	164,343	(898)	211,159	281,614	(70,455)
Net Ordinary Income	255,200	185,644	69,556	32,624	31,726	898	287,824	217,370	70,454
Other Income/Expense									
Other Income									
410070 · Interest & Penalty Income	568	42	526	477	125	352	1,045	167	878
Total Other Income	568	42	526	477	125	352	1,045	167	878
Other Expense									
855000 · Interest Expense	3,220	2,195	1,025	56,898	56,898		60,118	59,093	1,025
955500 · Interest Bond Discount				1,740	1,740		1,740	1,740	
Total Other Expense	3,220	2,195	1,025	58,638	58,638		61,858	60,833	1,025
Net Other Income	(2,652)	(2,153)	(499)	(58,161)	(58,513)	352	(60,813)	(60,666)	(147)
Net Income	252,548	183,491	69,057	(25,537)	(26,787)	1,250	227,011	156,704	70,307

Pajaro Dunes Geologic Hazard Abatement District

Bank Account Activity

As of May 13, 2019

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>
100000 · SCCB Zone 1 - 3957						168,085.07
Deposit	04/09/2019			180.11		168,265.18
Bill Pmt -Check	04/12/2019	1353	Jarvis, Fay, Doportto & Gibson, LLP		1,560.00	166,705.18
Bill Pmt -Check	04/12/2019	1354	Sarah Mansergh		739.83	165,965.35
Bill Pmt -Check	04/12/2019		Wendy L. Cumming, CPA	0.00		165,965.35
Bill Pmt -Check	04/12/2019	1356	Wendy L. Cumming, CPA		1,320.00	164,645.35
Total 100000 · SCCB Zone 1 - 3957				180.11	3,619.83	164,645.35
100001 · SCCB Zone 2 - 3965						130,204.37
Deposit	04/09/2019			130.65		130,335.02
Bill Pmt -Check	04/12/2019	1308	Pajaro Dunes Geologic Abatement District		77,816.77	52,518.25
Bill Pmt -Check	04/12/2019	1309	Pelican Home Owner's Association		7,738.00	44,780.25
Bill Pmt -Check	04/12/2019	1310	Sarah Mansergh		208.67	44,571.58
Total 100001 · SCCB Zone 2 - 3965				130.65	85,763.44	44,571.58
100003 · SCCB LTD- 0208						49,089.34
Deposit	04/30/2019			4.03		49,093.37
Total 100003 · SCCB LTD- 0208				4.03	0.00	49,093.37
100400 · Union Bank Bond Holding						227,001.74
Bill	04/08/2019		Pajaro Dunes Geologic Abatement District	77,816.77		304,818.51
Check	04/30/2019				35.52	304,782.99
Deposit	04/30/2019			10.59		304,793.58
Total 100400 · Union Bank Bond Holding				77,827.36	35.52	304,793.58
TOTAL				78,142.15	89,418.79	563,103.88



May 13, 2019

Sarah Mansergh, Clerk of the Board
Pajaro Dunes GHAD
2661 West Beach Rd., Bldg #1
Watsonville, California 95076

RE: Proposal for Geotechnical Engineering Review Services
Pajaro Dunes Seawall
Santa Cruz County, California

Dear Ms. Mansergh:

The Pajaro Dunes Geologic Hazard Abatement District (PD-GHAD) has requested Cal Engineering & Geology to perform review of previous GHAD documents and perform an annual inspection of the Pajaro Dunes Rock revetment (seawall). This engineering consultation was most recently being performed by Arup North America, Ltd. (Arup) and Mr. Dan Peluso was performing such services while employed by Arup between 2010 and 2014. We are therefore submitting herein this proposal to continue providing engineering services related to the existing seawall at the Pajaro Dunes residential community near Watsonville, California. Previous services included a condition assessment and inspection of the existing rock revetments and river wall protecting the Pajaro Dunes residential community. In addition, a repair scheme was prepared for distressed portions of the seawall.

During the past 6 to 8 weeks, we have obtained project records from Arup and the PDGHAD Board. In preparation of the cost estimates provided herein, we preliminarily reviewed Arup reports prepared for the Pajaro Dunes Geologic Hazard Assessment District (PDGHAD) between 2014 and 2019.

PROPOSED SCOPE OF WORK

We propose to complete the following tasks:

Initial Document Review – This will include review of available published and unpublished reports including previous documents prepared by Arup, concentrating on documents prepared between 2014 and 2019; as well as relevant supporting documents that have

been provided to us. The primary goal of this review is to become familiar with the progress of rock revetment assessment and repair permitting since 2014, and to prepare a summary of events and our review and a recommended series of “next steps”.

Site Reconnaissance and Annual Inspection – Site visit to observe current site conditions and to evaluate existing geologic information. This activity is intended to document the current condition of the seawall and hopefully detect changes since the last few inspections.

SCHEDULE

We can begin work immediately upon receipt of written authorization and anticipate that we can provide our review letter within two weeks of notice to proceed. The annual inspection can be completed within about 4 weeks following notice to proceed and completion of the review letter.

TERMS AND CONDITIONS

Cal Engineering & Geology will perform the described services on a Time and Expenses basis, with a Not-to-Exceed budget estimate for initial review of the documents received of \$4,000 based on a level of effort consisting of:

Initial Document Review

Senior Engineer	8 hrs @ \$195 per hour	\$1560
Principal Engineer	10 hrs @ \$235 per hour	\$2350
	reimbursable costs	\$ 80
	Subtotal	\$3990

Cal Engineering & Geology will perform the site reconnaissance and annual inspection services on a Time and Expenses basis, with a Not-to-Exceed budget estimate of \$6,600 based on a level of effort consisting of:

Site Reconnaissance and Annual Inspection

Principal	4 hrs @ \$235 per hour	\$1175
Senior Engineer	8 hrs @ \$195 per hour	\$1560
Project Engineer	24 hrs @ \$155 per hour	\$3720
	reimbursable costs	\$ 80
	Subtotal	\$6,535

EXECUTION

Our work will be completed in accordance with generally accepted geotechnical engineering practices and procedures. This standard is in lieu of all warranties either expressed or implied.

If the above scope of services and terms and conditions are acceptable to you, please sign the attached service agreement and return one copy of the entire proposal to our office. We look forward to working with you.

Sincerely,

CAL ENGINEERING & GEOLOGY, INC.

A handwritten signature in blue ink, appearing to read "Dan Peluso".

Dan Peluso, P.E., G.E.
Principal Engineer



SERVICE AGREEMENT

- 1. **Parties.** This Agreement is made this 13 day of May 2019 between Pajaro Dunes GHAD , subsequently referred to as "Client" and Cal Engineering & Geology, Inc. subsequently referred to as "CE&G".
- 2. **Project.** By joining in this Agreement, Client retains CE&G to provide consulting services in connection with Pajaro Dunes Seawall subsequently referred to as "Project." Client's relationship to Project is that of owner.
- 3. **Contract Documents.** The following documents further describe the scope and conditions of CE&G Services:
 Cover letter dated May 13, 2019
 Proposal dated May 13, 2019
 Schedule of Charges effective through December 31, 2019
 General Conditions (issue date: January 2017)
- 4. **Scope.** The scope of CE&G Services on Project is limited to the outlined "Scope of Services" in the attached Proposal dated May 13, 2019.
- 5. **General Conditions.** The attached General Conditions (issue date: January 2017) are made of part of and incorporated into this Service Agreement.
- 6. **Fee.** CE&G agrees to provide services under this Agreement on a time-and-materials not to exceed \$4000 for Initial Document Review and \$6600 for Annual Inspection.

If project requirements or conditions encountered indicate that the scope of services covered by this Agreement should be revised, an additional Service Agreement or written addendum to this Agreement shall be entered into to cover the revised scope and fee. Should Client authorize a revision in the scope of services without a revision to this Agreement, CE&G shall be compensated for services as they are actually performed. Client acknowledges receipt of the "General Conditions" and the "Schedule of Charges" effective through December 31, 2019.

Cal Engineering & Geology, Inc.

Client

By 

By _____

Title Principal Engineer

Title _____

License # GE2367

Date May 13, 2019

Date _____

1. **Professional Services.** These are “all-up” rates, and include direct salary cost, overhead, general and administrative costs not separately accounted for, and profit. They shall remain in effect through December 31, 2019. Ongoing work continuing beyond December 31, 2019 will be invoiced at the applicable new year’s rate.

Personnel	Rate
Principal Engineer/Geologist	\$235 per hour
Associate Engineer/Geologist	\$210 per hour
Senior Engineer/Geologist	\$195 per hour
Project Engineer/Geologist	\$155 per hour
Staff Engineer/Geologist	\$140 per hour
Technician (Straight rate prevailing wage)	\$125 per hour
Senior GIS/CADD Specialist	\$135 per hour
UAS Manager	\$150 per hour
Project Assistant	\$ 90 per hour
Administration/Clerical	\$ 80 per hour
Special Inspector (Straight rate prevailing wage)	\$130 per hour
Deposition/Court Testimony (minimum 4 hours)	\$390 per hour

Laboratory Tests	Fee
Concrete Compressive Strength Testing	\$ 38 per test
Moisture Content (ASTM D 2216)	\$ 22 per test
Moisture & Density (ASTM D 4318)	\$ 30 per test
Atterberg Limits (ASTM D 4318)	\$196 per test
Compaction Curve, 4" mold (ASTM D 1557)	\$249 per test
Compaction Curve, 6" mold (ASTM D 1557)	\$308 per test
Wash over #200 Sieve (ASTM D 1140)	\$ 69 per test
Sieve Analysis with #200 Wash (ASTM D 422)	\$143 per test
Sieve & Hydrometer (ASTM D 422)	\$223 per test

Reimbursables	Rate
Mileage	\$0.75 per mile
Nuclear Gauge	\$ 55 per day
Inclinometer	\$190 per day
Vane Shear Device	\$109 per day

2. **Travel Time.** Travel time will be charged at regular hourly rates, not to exceed eight (8) hours per day.
3. **Expenses.** All direct costs will be billed at actual cost plus 10%, unless there is explicit agreement otherwise. Direct costs include:
- Third party services – Fees for subcontracted third party services (including drilling and backhoe services, special consultant fees, permits, special equipment rental, overnight mail or messenger services and other similar project related costs)
 - Travel expenses, including airfares, hotel, meals, ground transportation, and miscellaneous expenses.
 - Reproduction costs, including photocopy, blueprints, graphics, photo prints or printing.
4. **Subconsultants.** To the extent that it becomes necessary to use subconsultants, Client will be invoiced at cost plus 10% to cover insurance liability and other overhead costs.
5. **Terms of Payment.** Billings are payable upon presentation and are past due thirty (30) days from invoice date. All services and other direct costs are invoiced on a monthly basis. A finance charge of 1.5% (one and one-half percent) per month, or the maximum amount allowed by law, will be charged on past due accounts. The amount of any excise, value added, sales, or gross receipts tax that may be imposed shall be added to the compensation described above. In the event that Client fails to pay within sixty (60) days of receipt of invoice, Client agrees that such non-payment will be considered a breach of this agreement. Client further agrees that any court and or legal fees incurred in order to collect payment for past due invoices shall be their responsibility.
6. **Accounting.** The cost of normal accounting services for invoicing has been considered in the overhead expense which is included in the above hourly rates. Additional requirements for invoice verification, such as copies of time sheets, detailed expense records, and supplemental daily work justification will be billed on an hourly basis.

1. **Payment.** Cal Engineering & Geology (CE&G) will submit progress invoices to Client at least as frequently as monthly and a final bill upon completion of the services. Each invoice is due on presentation and is past due thirty (30) days from invoice date. Client agrees to pay a finance charge equal to the maximum rate allowed by law on past due accounts.
2. **Workers' Compensation Insurance.** CE&G is protected by Workers' Compensation Insurance as required by applicable state law.
3. **General Liability Insurance Limitation.** CE&G is covered by general liability insurance for bodily injury and property damage arising directly from its negligent acts or omissions, with limits considered reasonable. Certificates of insurance shall be provided to Client upon written request. CE&G shall not be responsible for any loss, damage or liability beyond the amounts, limits and conditions of such insurance. CE&G shall not be responsible for any loss, damage or liability arising from any act or omission by Client, its agents, staff, other consultants, independent contractors, third parties or others working on the project over which CE&G has no supervision or control.
4. **Professional Liability Limitation.** In recognition of the relative risks and benefits of the Project to both the Client and CE&G, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of CE&G to the Client for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of CE&G to the Client shall not exceed \$50,000 or CE&G's total fee for services rendered on this Project, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.
5. **Standard of Care.** Services performed by CE&G under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. No warranty, expressed or implied, is made. CE&G's interpretations and recommendations will be based on the results of appropriate investigative work. The Client recognizes that conditions may change over time. CE&G will not be responsible for the interpretation or use by others of data developed by CE&G.
6. **Assignment.** Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement (including but not limited to monies that are due or monies that may be due) without the prior written consent of the other party. Subcontracting to subconsultants normally contemplated by CE&G shall not be considered an assignment for purposes of this Agreement.
7. **Job Site.** Client agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction, including safety of persons and property. Client further agrees to defend, indemnify and hold CE&G harmless from any and all liability, real or alleged, in connection with the performance of work on this project, except liability arising from the sole negligence or willful misconduct of CE&G.
8. **Right of Entry.** Client will furnish Right of Entry for CE&G to perform all necessary work. CE&G will operate with reasonable care to minimize damage to property. However, some damage is frequently unavoidable and the costs for repairing such damage is not included in the fee unless otherwise stated.
9. **Cooperation and Project Understanding.** Client will make available to CE&G all information regarding existing and proposed conditions at the site. The information shall include, but not be limited to, plot plans, topographic surveys, hydrographic data, and previous soils data including borings, field or laboratory tests, and written reports. Client will immediately transmit to CE&G any new information that becomes available or any changes in plans. CE&G shall not be liable for any incorrect advice, judgement, or decision based on any inaccurate information provided by Client, his agents, or other consultants.
10. **Termination.** This Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure of performance by the other party or if the Client suspends the work for more than three (3) months. In the event of termination, CE&G shall be paid for services performed prior to the termination notice date plus reasonable termination expenses, including the cost of completing analyses, records and reports necessary to document job status at time of termination.
11. **Notices.** Communications from the Client shall be to CE&G's designated project manager or to the principal in charge of the work. Verbal communications shall be confirmed in writing.
12. **Ownership of Instruments of Service.** All reports, drawings, specifications, computer files, field data, notes and other documents and instruments prepared by the CE&G as instruments of service shall remain the property of the CE&G. The CE&G shall retain all common law, statutory and other reserved rights, including the copyright thereto.
13. **Entire Agreement.** These General Conditions shall be used in combination with the Service Agreement, a Schedule of Charges, a proposal or a contract. These combined documents shall be the entire agreement and shall supersede any other agreement between Client and CE&G relating to the subject matter. In case of conflict or inconsistency between these General Conditions and any other contract documents, these General Conditions shall control.

PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT - ZONE 1

BUDGET FOR FOR THE FISCAL YEAR ENDED JUNE 30, 2020 ~ DRAFT

FUNDING SOURCES FOR ZONE 1

Property Assessments:	\$	287,087
From Members		278,608
From PDA for Stairways		8,479
Interest income		50
Total Revenue for Zone 1		<u>287,137</u>

Administrative and Operating Expenses

General and Administrative Expenses

Printing and mailings	\$	1,500
Communications and Website maintenance		1,500
Office Supplies		550
Advertising		500
Insurance		15,000
Membership Dues		500
Total General and Administrative Expenses		<u>19,550</u>

Professional Services

Legal Consultant		18,000
Contract costs for Assessment calculations		8,000
Audit Fees		10,000
Accountant Contract		18,000
Engineer Fees/County permit		25,512
Clerk Contract/Admin. & Outreach		8,400
Total Professional Services		<u>87,912</u>

Special District Compliance Costs

Elections		2,475
Board and Clerk Training		2,200
Total Special District Compliance Costs		<u>4,675</u>

Seawall Annual Inspection

		<u>-</u>
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Total Administrative and Operating Expenses		<u>112,137</u>
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Capital Repair Costs/Expenses and Reserve		<u>175,000</u>
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Total Administrative Budget Budgets		<u>287,137</u>
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Net Change in Fund Balance	\$	<u>-</u>
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PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT - ZONE 2

BUDGET FOR FOR THE FISCAL YEAR ENDED JUNE 30, 2020 ~ DRAFT

	<u>Current Year budget</u>
REVENUE FOR ZONE 2	
Property Assessments	236,547
Pelican	235,294
Total PDA for stairway	1,254
Interest	150
<i>Total Revenue for Zone 2</i>	<u><u>236,697</u></u>
EXPENDITURES FOR ZONE 2	
<i>Administrative Costs</i>	
Contract for Assessment Administration	1,039
Accountant/Clerk Contract	2,597
Bond Fee	635
Bank Service Charges	500
<i>Total Administrative Costs</i>	<u><u>4,770</u></u>
<i>Riverwall Inspection</i>	<u><u>-</u></u>
<i>Loan Payments</i>	
SBA Loan Payment	92,856
Payment on bond issue (82 members)	139,071
<i>Total loan payments</i>	<u><u>231,927</u></u>
<i>Total Expenditures for Zone 2</i>	<u><u>236,697</u></u>
Net Change in Fund Balance	<u><u>-</u></u>