

Questions that came up at 8-12-17 Board Meeting concerning study session topics

Emergency Action Plan

From PDA Staff

- 1) How do they determine an emergency?
- 2) Key signs to look for? Criteria? Thresholds?
- 3) Who pays if a mistake is made when implementing an emergency?
- 4) What kind of documentation should we keep?
- 5) Would really appreciate a guidance document from PDGHAD

General questions

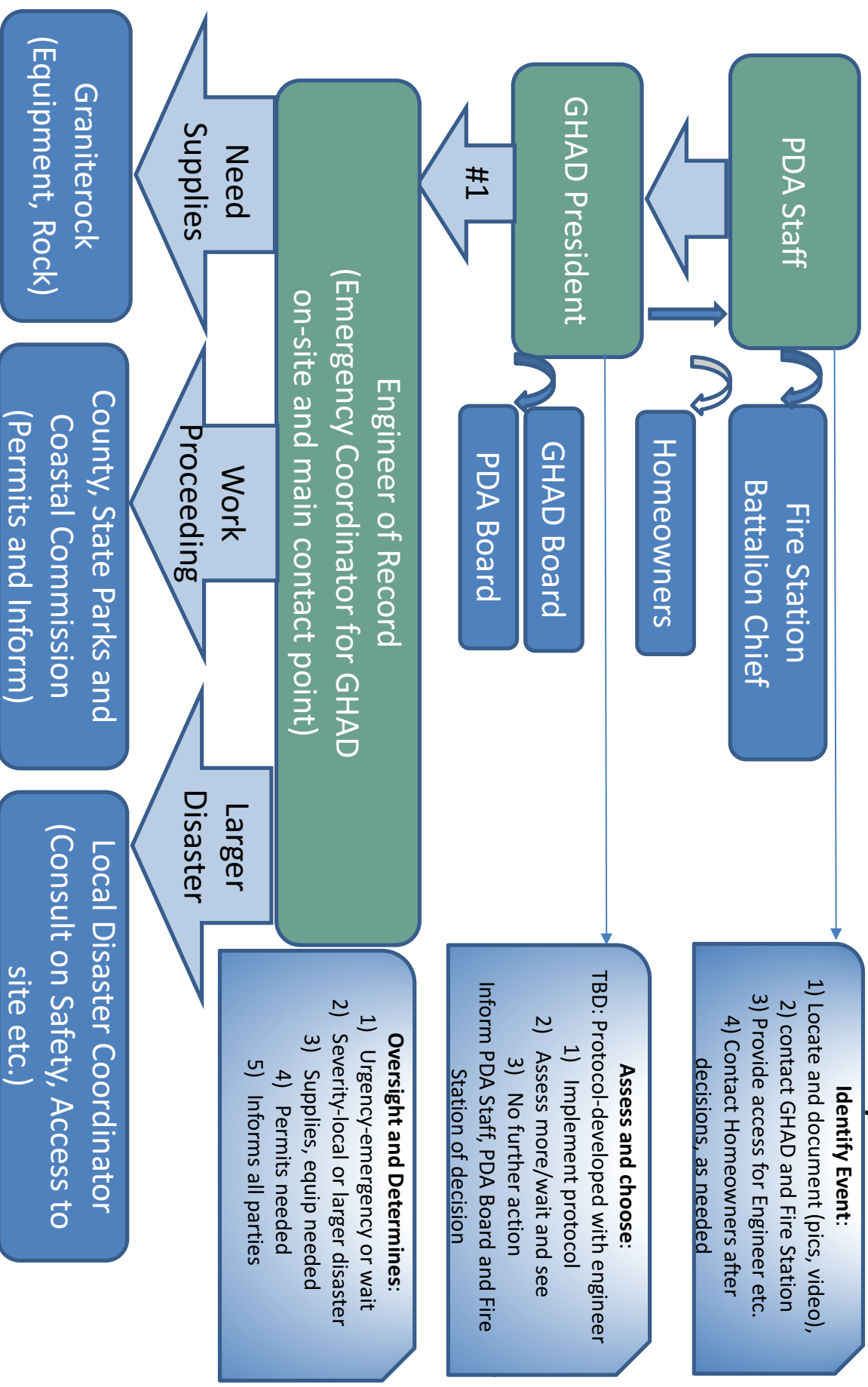
- 1) How does fit into larger disaster planning? Earthquakes, floods etc.
- 2) Where do homeowners fall on the communication chart?
- 3) Any other agencies that need to be contacted...Coastal Commission, County etc.?
- 4) Where do the decision points lie in this plan?

Assessments and Engineer's Report

- 1) How do they determine the cost sharing breakdown for each unit?
- 2) What additional information does Jeff need to complete the document?
- 3) Would FEMA ever be responsible for emergency's here? There should be a document concerning this because GHAD has been billed for that research.
- 4) Background Info from other engineer reports. How different is this newest updated report?
- 5) What is involved in the assessment process?
- 6) What final documentation do we need to move forward with an assessment election?

These questions are just a part of the discussion and will get the session started but the board will be utilizing this time with the engineer to address other questions concerning these topics and how the engineering team fits into the GHADs operations.

Contact Tree



**BOARD OF DIRECTORS
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

**Resolution Authorizing the Board President/Vice President to Make Emergency
Expenditures, Subject to Subsequent Board Ratification**

Resolution No. 02-2016

WHEREAS, as is set forth in the Pajaro Dunes Geologic Hazard Abatement District ("District) Plan of Control, the District was formed for the purpose of inspecting, maintaining and repairing the revetment seawall and riverwall located within the District, both of which serve to protect life, homes and property from the hazards of river erosion, coastal erosion and coastal flooding; and

WHEREAS, the District's Board is particularly concerned with the District's ability to carry out the aforesaid duties on an emergency basis; and

WHEREAS, the District has already taken steps to facilitate emergency response to hazards represented by natural causes, such as severe storms and earthquakes, including but not limited to the development of an Emergency Response Plan, which includes a recommended process to mobilize contractor assistance in emergencies, execution of a contract for professional Services with Arup North America, Ltd, as Engineer of Record, to provide general engineering services and to respond to and provide direction and supervision of emergency service responses, and execution of a contract with Granite Construction to perform actual emergency repairs; and

WHEREAS, while in most cases public entities such as the District must go through a formal bidding processing for procuring contract services for public works projects like repairs to the revetment seawall and riverwall, provisions in the Public Contract Code allow for formal contacting to be dispensed with upon a finding made by an entity's board, usually at a special meeting, when an emergency situation exists; and

WHEREAS, due to unique circumstances concerning the District, such as the fact that members of the District's Board may not be in residence within the District for varying significant periods of time, or the fact that limited access to the District may make it difficult or impossible to return to the District on an expedited basis during an emergency, the Board's ability to call and hold a special meeting during emergency conditions, even by electronic means, may be hampered; and

WHEREAS, in order to facilitate an adequate and timely response to emergency circumstances, vital to the protection of public health and safety as well as public property, the Board desires to authorize the Board President, or in his absence, the Vice President, with the authority to expend a limited specified amount of District funds for emergency services until the District's Board as a whole can meet and respond to emergency needs.

NOW THEREFORE, BE IT RESOLVED by the Board of the Pajaro Dunes Geologic Hazard Abatement District that the Board President, or in his absence the Vice President, is authorized to approve and make expenditures for contractual services in an emergency situation, without bidding, in an amount not to exceed \$75,000.00. Said limited authority is subject to the following conditions.

1. The Board President/Vice President must first attempt to call for an emergency meeting of the Board subject to the provisions of the Ralph M. Brown Act (Government Code Sections 54950-54963). All such efforts shall be documented.
2. The Board President/Vice President, in coordination with the District's Engineer of Record and contract construction company, may authorize the immediate expenditure of not more than \$75,000.00 for work to be performed necessary to protect life, health and property within the District during an emergency, without compliance with competitive bidding procedures. For purposes of this resolution, "emergency" shall be defined as "a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services." All expenditures shall be documented in writing.
3. As soon thereafter as possible, the District shall hold a meeting (regular, special or emergency) in accordance with the Ralph M. Brown Act, to take action as necessary to declare an emergency and authorize expenditures in accordance with Public Contract Code Sections 1102, 20168, and 22050, and shall place any and all actions and expenditures taken in accordance with the authority granted herein before the Board for consideration for retroactive approval.
4. The authority granted by the resolution shall not relieve the President/Vice President from any and all obligations to coordinate District emergency responses with any other entity having jurisdiction over District activities in such circumstances.

PASSED AND ADOPTED by the Board of Directors of the Pajaro Dunes Geologic Hazard Abatement District of the County of Santa Cruz, State of California, this 12th day of December, 2015, by the following vote:

AYES: Directors: Bill Lyons, Jim Griffin, Bob Moore, David Bower, Raul Deju
NOES: None
ABSENT: None
ABSTAIN: None



President Bill Lyons, Board of Directors

ATTEST 
Wendy Cumming, Clerk of the Board

Pajaro Dunes Geologic Hazard
Abatement District

Pajaro Dunes

Engineer's Report

Final | June 9, 2015

This report takes into account the particular instructions and requirements of our client.

It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.




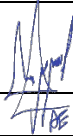


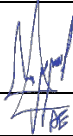
Job number 217563-00

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Document Verification

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| Document ref | | 217563-00 | | | | | |
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| | | Name | Arash Erfani | R. Jeffrey Dunn | R. Jeffrey Dunn | | |
| | | Signature |  |  |  | | |
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| Signature |  |  |  | | | | |
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| | | Signature | | | | | |

Issue Document Verification with Document



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ENGINEER'S REPORT
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT
FISCAL YEAR 2015/16

The undersigned submits this Engineer's Report as directed by the Board of the Pajaro Dunes Geologic Hazard Abatement District (PDGHAD) pursuant to Section 54703 et seq. of the California Government Code. This report provides updated assessment amounts that will be the subject of a 2015/16 assessment election. The assessment is comprised of two components: 1) An assessment to cover the annual administrative and operating expenses of the District, including but not limited to office expenses, insurance, costs for professional services, legal fees, and fees and costs for permits, and, 2) A "Capital Repair and Expense Reserve" to establish and maintain a stable source of funding to pay for the cost of unanticipated and/or emergency maintenance and repair of the rock revetment seawall (Zone 1) and sheet pile river wall (Zone 2).

The improvements and administrative/operating costs which are the subject of this report are briefly described on the Section 1. This Report includes five parts, as follows:

- a. Description of the improvements to be maintained and annual District administrative and operating costs.
- b. An estimate of the cost for unanticipated/emergency maintenance and repair of the improvements and District administrative and operating costs.
- c. An assessment of the estimated cost to maintain or repair the improvements and District administrative and operating costs for each benefited parcel of land within the assessment district.
- d. A statement of the method by which the amount is proposed to be assessed against each parcel.
- e. A diagram showing all of the parcels of real property within this assessment district.

This detailed Engineer's Report was prepared under Article XIII D of the California Constitution by R. Jeffrey Dunn, Principal at Arup, a registered professional engineer licensed by the State of California.



R. Jeffrey Dunn, PhD, PE, GE, DGE
Principal

June 9, 2015

Date

1 Description of Improvements and District Administrative and Operating Expenses

The content of this Section of the Engineer's Report, and all following sections is being submitted pursuant to Article XIII D, Section of the California Constitution.

Plans and a description of work for the improvements to be maintained or repaired and the District's administrative and operating expenses are described in this section. The cost estimation presented in this report addresses unanticipated costs necessary to maintain and repair the rock revetment seawall (Zone 1) and steel sheet pile river wall (Zone 2) located at the Pajaro Dunes community in Watsonville, California, due to conditions that may arise prior to the time that the District is able to plan, obtain approval, finance and and implement a comprehensive repair plan for such structures. Cost estimates also include the District's anticipated administrative and operating expenses for regular and routine operations of the District.

The improvements include an approximately 6,000 feet long seawall on the ocean side of the development, comprised of approximately 110,000 tons of riprap, that was installed between 1986 and 1988. The rock revetment has been partially damaged on a number of storm events by coastal erosion, during relatively severe winter storms such as occurred in 2003 and in 2004. Following each damaging storm event, emergency repairs were implemented in the form of placing riprap in selected areas along the revetment.

The other major improvement is a steel sheet pile river wall approximately 715 feet long which was constructed adjacent to the Pelican Point condominiums along the Pajaro River.

District administrative and operating expenses include costs for office operations, (such as printing and mailings, office supplies, insurance, and website maintenance), professional services (such as those necessary for the District accountant, clerk, and legal counsel), assessment calculations, District elections, board and clerk training, and annual inspections of the improvements referenced above.

2 Cost Estimate

An estimate of the costs to maintain and repair the improvements is described in this section. An assessment election is being conducted in part to establish a "Capital Repair Cost/Expenses and Reserve Fund for unanticipated, non-routine maintenance and repair of the seawall (Zone 1) and river wall (Zone 2) at the Pajaro Dunes development. The current costs that are being contemplated for future assessments for repairs of existing damage to the seawall are not part of this process. Elements of the costs include, but are not necessarily limited to:

emergency inspections in the event of damage or threat of damage, such as due to coastal erosion; emergency response measures, such as temporary placement of riprap at the toe of the seawall; and maintenance and repairs of the seawall and river wall. The amount of the Reserve Fund is based in on estimates of inspection and repair costs provided by Arup

Additionally, the proposed assessment seeks funding to cover the annual administrative and operating expenses of the District necessary for day--to-day operations of the District. Cost estimates were based on District administration and operating costs in preceding years. Table 1 presents the estimated cost of maintenance or repairs for the improvements and District administrative and operating costs.

It is worth noting that The Capital Repair Cost/Expenses and Reserve Fund will be capped at \$500,000. Once the fund reaches \$500,000, no new assessment will be collected in subsequent years for said fund unless and until the funds are used for their stated purpose. The Fund will also be kept in a separate account from other District funds.

Table 1 Estimated Cost of Improvements Maintenance and Repairs and District Administrative and Operating Costs

| Expenditure Projections | Budget | | Fiscal Year | |
|--|-------------------|-----------------|-------------------|-----------------|
| | Zone 1 | Zone 2 | Zone 1 | Zone 2 |
| Category 1: General and Administrative Expenses | | | | |
| Total Category 1: | \$ 27,225 | \$ - | \$ 27,225 | \$ - |
| Category 2: Professional Services | | | | |
| Total Category 2: | \$ 74,650 | \$ 2,640 | \$ 74,650 | \$ 2,640 |
| Category 3: Special District Compliance Costs | | | | |
| Total Category 3: | \$ 4,675 | \$ - | \$ 4,675 | \$ - |
| Category 4: Annual Inspections | | | | |
| Seawall and River Wall Annual Inspection | \$ 24,450 | \$ 550 | \$ 24,450 | \$ 550 |
| Total Category 4: | \$ 24,450 | \$ 550 | \$ 24,450 | \$ 550 |
| Category 5: Capital Repair Expenses and Reserve | | | | |
| Capital Repair Costs/Expenses and Reserve | \$ 175,000 | \$ 4,360 | \$ 175,000 | \$ 4,360 |
| Total Category 5: | \$ 175,000 | \$ 4,360 | \$ 175,000 | \$ 4,360 |
| Total Proposed Budget: | \$ 306,000 | \$ 7,550 | \$ 306,000 | \$ 7,550 |
| <small>*Assessments will be subject to a 2.6% annual increase and a 1% County collection fee. 2.6% is based on a ten year average for the Consumer Price Index, All Bay Area Urban Consumers **Regarding the reserve fund unused monies will be set aside for future emergency events and corresponding expenses. The goal is to maintain a minimum of \$500,000 for such events and expenses.</small> | | | | |

3 Cost Allocation

This section presents the assessments for costs to each benefited parcel of land within the assessment district. A list of the names of the owners and Assessor's Parcel Numbers for the individual lots and condominiums at the development is shown in Table 2. If approved, the lien date for the described assessments will be that prescribed by the law.

Table 2 Summary of Annual Assessments – Fiscal Year 2015/16

| Assessment Roll (Fiscal Year 2015/16) | | | | |
|--|-------------|--------------------------------|---------------------------------|-------------------------------------|
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Annual Payment⁽¹⁾ |
| Houses | | | | |
| Mr and Mrs Mano Murthy | H 1 | 052-281-05 | 0.00968 | \$2,962.00 |
| Mr and Mrs Roger Moore | H 2 | 052-281-06 | 0.00991 | \$3,032.30 |
| Mr and Mrs Brian Mullin | H 3 | 052-281-07 | 0.00991 | \$3,032.30 |
| Mr and Mrs George Kelly | H 4 | 052-281-08 | 0.01198 | \$3,665.05 |
| Kathleen Kendall FitzGerald | H 5 | 052-281-09 | 0.00998 | \$3,053.70 |
| Mr and Mrs Mike Tennyson | H 6 | 052-281-10 | 0.00991 | \$3,032.30 |
| Mrs Anne Irwin | H 7 | 052-281-11 | 0.01062 | \$3,249.33 |
| Mr and Mrs Bill Chisholm | H 8 | 052-281-12 | 0.00921 | \$2,818.33 |
| Mr Laurence Spitters | H 9 | 052-281-13 | 0.00921 | \$2,818.33 |
| Mrs Susan Ellis/Mr Mark Linton | H 10 | 052-281-14 | 0.00991 | \$3,032.30 |
| Mr and Mrs Conrad Wiederhold | H 11 | 052-281-15 | 0.01062 | \$3,249.33 |
| Mr and Mrs John Miller | H 12 | 052-281-16 | 0.01133 | \$3,466.36 |
| Mr and Mrs Anton Swanson | H 13 | 052-281-17 | 0.01091 | \$3,337.98 |
| Mrs Laurie Maurer Shelton Revocable Trust | H 14 | 052-281-18 | 0.01247 | \$3,814.84 |
| Mr and Mrs Oliver Johnson | H 15 | 052-281-19 | 0.01416 | \$4,334.48 |
| Mr and Mrs John Lundell | H 16 | 052-281-20 | 0.00172 | \$524.72 |
| Mr and Mrs James Shook | H 17 | 052-281-21 | 0.00094 | \$288.63 |
| Mr and Mrs Andrew Lanza | H 18 | 052-281-22 | 0.00172 | \$524.72 |
| Mr and Mrs Antonio Dias | H 19 | 052-281-24 | 0.00172 | \$524.72 |
| Mr and Mrs Kirsh Panu | H 20 | 052-281-25 | 0.00172 | \$524.72 |
| Mr and Mrs Karim Salma | H 21 | 052-281-26 | 0.00094 | \$288.63 |
| Mr and Mrs Tony Silveria | H 22 | 052-281-27 | 0.00094 | \$288.63 |
| Mr and Mrs William Holmes | H 23 | 052-281-28 | 0.00094 | \$288.63 |
| Mrs Bobbie Meyer | H 24 | 052-281-29 | 0.00094 | \$288.63 |
| Mr Frank Manocchio, et al | H 25 | 052-281-30 | 0.00094 | \$288.63 |
| Mrs Jody Mortensen | H 26 | 052-281-32 | 0.00094 | \$288.63 |
| Dr and Mrs Stephen Taylor | H 27 | 052-281-33 | 0.00094 | \$288.63 |
| Mr and Mrs William Johnson | H 28 | 052-281-34 | 0.00172 | \$524.72 |
| Mr. Fritz Koepke | H 29 | 052-281-39 | 0.00094 | \$288.63 |
| Mrs Ingrid Dittmann | H 30 | 052-281-38 | 0.00094 | \$288.63 |
| Mr and Mrs William Cook | H 31 | 052-281-37 | 0.00094 | \$288.63 |
| Mrs Carol Espinosa, Trustee | H 32 | 052-281-36 | 0.00172 | \$524.72 |
| Mr and Mrs Peter Myers | H 33 | 052-281-35 | 0.00172 | \$524.72 |
| Mr Steve Erickson | H 34 | 052-281-02 | 0.00094 | \$288.63 |
| Mrs Rose Nunes | H 35 | 052-281-03 | 0.00094 | \$288.63 |
| Mr David Lamberson | H 36 | 052-281-04 | 0.00172 | \$524.72 |
| Mr and Mrs Tom Forest | H 37 | 052-291-17 | 0.00172 | \$524.72 |
| Mr and Mrs Robert Sabsowitz | H 38 | 052-291-01 | 0.00172 | \$524.72 |
| Mr Robert Gallagher | H 39 | 052-291-02 | 0.00172 | \$524.72 |
| Mrs Lynne Lyons Bogetti | H 40 | 052-291-03 | 0.00850 | \$2,601.30 |
| Mr and Mrs John Kohler | H 41 | 052-291-04 | 0.00850 | \$2,601.30 |
| Mr and Mrs Greg Gaskin | H 42 | 052-291-05 | 0.00850 | \$2,601.30 |
| Mr and Mrs Henry Robinson | H 43 | 052-291-06 | 0.00850 | \$2,601.30 |

| Assessment Roll (Fiscal Year 2015/16) | | | | |
|--|------|-------------------------|--------------------------|-------------------------------|
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Annual Payment ⁽¹⁾ |
| Mr and Mrs Gary Morgan, et al | H 44 | 052-291-07 | 0.00850 | \$2,601.30 |
| Dougherty Family Trust | H 45 | 052-291-08 | 0.00850 | \$2,601.30 |
| Sulin-Jante II c/o Mrs Janine Falasco | H 46 | 052-291-09 | 0.00850 | \$2,601.30 |
| Mrs Karen Moncovich | H 47 | 052-291-10 | 0.00850 | \$2,601.30 |
| Dr and Mrs Milton Righetti | H 48 | 052-291-11 | 0.00850 | \$2,601.30 |
| Mr and Mrs Herbert Moore | H 49 | 052-291-12 | 0.00172 | \$524.72 |
| Mr George Kraw | H 50 | 052-291-13 | 0.00172 | \$524.72 |
| Mr and Mrs Robert Scranton. | H 51 | 052-291-14 | 0.00172 | \$524.72 |
| Dr Clifford Tschetter | H 52 | 052-291-16 | 0.00172 | \$524.72 |
| Mr and Mrs Edwin Bungo | H 53 | 052-291-15 | 0.00094 | \$288.63 |
| Mr and Mrs David Thorburn | H 54 | 052-601-11 | 0.00949 | \$2,903.92 |
| Mr Robert Grimm | H 55 | 052-601-10 | 0.00850 | \$2,601.30 |
| Mr Mrs Fred Chilton | H 56 | 052-601-09 | 0.00921 | \$2,818.33 |
| Mr and Mrs John Hennessey | H 57 | 052-601-08 | 0.01006 | \$3,078.16 |
| Dr Daniel Martin | H 58 | 052-601-07 | 0.00989 | \$3,026.19 |
| Ms Kathy Kolder | H 59 | 052-301-15 | 0.00992 | \$3,035.36 |
| Cannestra Investments, Laura Cannestra | H 60 | 052-301-16 | 0.00992 | \$3,035.36 |
| Mr and Mrs Thomas J Wilson | H 61 | 052-301-02 | 0.00172 | \$524.72 |
| Mens Wearhouse, Inc. | H 62 | 052-301-03 | 0.00172 | \$524.72 |
| Mr and Mrs Doug Ellam | H 63 | 052-601-02 | 0.00172 | \$524.72 |
| Dr and Mrs Gary Gray | H 64 | 052-601-03 | 0.00172 | \$524.72 |
| Mrs Dianne McDonnell | H 65 | 052-601-04 | 0.00094 | \$288.63 |
| Mrs. Heidi Lemos | H 66 | 052-601-05 | 0.00094 | \$288.63 |
| Mr and Mrs Guy Kawasaki | H 67 | 052-601-06 | 0.00172 | \$524.72 |
| Mr Seth Mitchner | H 68 | 052-291-20 | 0.00850 | \$2,601.30 |
| Mr and Mrs Jerry Brown | H 69 | 052-291-21 | 0.00850 | \$2,601.30 |
| Mr William Owen | H 70 | 052-291-22 | 0.00850 | \$2,601.30 |
| Mrs Ricky Warriner | H71 | 052-291-24 | 0.00850 | \$2,601.30 |
| Mr and Mrs Donald Yakel, Jr. | H 72 | 052-291-25 | 0.00850 | \$2,601.30 |
| Mr and Mrs Barron Wesenberg | H 73 | 052-291-26 | 0.00850 | \$2,601.30 |
| Mrs Laura Tietz | H 74 | 052-291-27 | 0.00850 | \$2,601.30 |
| Mr and Mrs George Liddle | H 75 | 052-291-29 | 0.00850 | \$2,601.30 |
| Mr and Mrs Barry Posner | H 76 | 052-291-30 | 0.00850 | \$2,601.30 |
| Mr and Mrs Lin Krebs | H 77 | 052-291-31 | 0.00850 | \$2,601.30 |
| Mrs Jean Locke | H 78 | 052-291-32 | 0.00850 | \$2,601.30 |
| Mrs Ricky Warriner | H 79 | 052-291-34 | 0.00850 | \$2,601.30 |
| Mr and Mrs Noel Fenton | H 80 | 052-291-35 | 0.00850 | \$2,601.30 |
| Mr and Mrs Peter Myers | H 81 | 052-292-01 | 0.00172 | \$524.72 |
| Mrs Barbara Rotondo | H 82 | 052-292-02 | 0.00172 | \$524.72 |
| Mrs Suzanne Small | H 83 | 052-292-03 | 0.00172 | \$524.72 |
| Mr and Mrs John Blackie | H 84 | 052-292-04 | 0.00172 | \$524.72 |
| Dr and Mrs Anthony Allegretti | H 85 | 052-292-05 | 0.00172 | \$524.72 |
| Mr and Mrs Richard Jadrich | H 86 | 052-292-06 | 0.00172 | \$524.72 |
| Mr Wayne Krill | H 87 | 052-292-07 | 0.00172 | \$524.72 |
| Mr and Mrs Stanley Cohen | H 88 | 052-292-08 | 0.00172 | \$524.72 |

| Assessment Roll (Fiscal Year 2015/16) | | | | |
|---------------------------------------|-------|-------------------------|--------------------------|-------------------------------|
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Annual Payment ⁽¹⁾ |
| Dr and Mrs Keh-Chi Tsai | H 89 | 052-292-09 | 0.00172 | \$524.72 |
| Mr and Mrs Robert Johnson | H 90 | 052-321-01 | 0.01034 | \$3,163.75 |
| Michael Gen and Amy E. Schuerman-Gen | H 91 | 052-321-02 | 0.00906 | \$2,772.48 |
| Mr and Mrs George Santana | H 92 | 052-321-03 | 0.01048 | \$3,206.54 |
| Mr and Mrs David Welch | H 93 | 052-321-04 | 0.00878 | \$2,686.89 |
| Mr and Mrs Peter Frazier | H 94 | 052-321-05 | 0.01034 | \$3,163.75 |
| Collin Richardson | H 95 | 052-321-06 | 0.00977 | \$2,989.51 |
| Mr and Mrs Robert Allen | H 96 | 052-321-07 | 0.00991 | \$3,032.30 |
| Mr and Mrs Thomas O'Connell | H 97 | 052-321-08 | 0.00991 | \$3,032.30 |
| Mrs Maximina Traynor | H 98 | 052-321-09 | 0.00887 | \$2,714.40 |
| Mrs Doris Smith | H 99 | 052-321-10 | 0.00906 | \$2,772.48 |
| Mr and Mrs David Peoples | H 100 | 052-321-11 | 0.00991 | \$3,032.30 |
| Mr Mark Chandler | H 101 | 052-321-12 | 0.00999 | \$3,056.76 |
| Mr and Mrs Andrew Kahr | H 102 | 052-321-13 | 0.00917 | \$2,806.10 |
| Mr and Mrs Steve Divine | H 103 | 052-321-14 | 0.00935 | \$2,861.13 |
| Dr and Mrs Alvin Janklow | H 104 | 052-321-15 | 0.00991 | \$3,032.30 |
| Mr Jon Freeman | H 105 | 052-321-16 | 0.01020 | \$3,120.95 |
| Mr and Mrs Joseph Campos | H 106 | 052-321-17 | 0.00935 | \$2,861.13 |
| Mr and Mrs Kenneth Paige | H 107 | 052-321-18 | 0.00878 | \$2,686.89 |
| Mr and Mrs Joseph Paige | H 108 | 052-321-19 | 0.00172 | \$524.72 |
| Mr and Mrs Roy Lave | H 109 | 052-321-20 | 0.00172 | \$524.72 |
| Mrs Patricia da Silva | H 110 | 052-321-21 | 0.00172 | \$524.72 |
| Mr and Mrs Bryan Friedman | H 111 | 052-321-22 | 0.00172 | \$524.72 |
| Mr and Mrs Arthur Carmichael | H 112 | 052-321-23 | 0.00172 | \$524.72 |
| Mr Michael Mote/Susan Hoffman | H 113 | 052-321-24 | 0.00094 | \$288.63 |
| Mr Mark Chandler | H 114 | 052-321-25 | 0.00172 | \$524.72 |
| Mr and Mrs William Polley | H 115 | 052-321-26 | 0.00172 | \$524.72 |
| Mr Anthony Marquez | H 116 | 052-321-27 | 0.00172 | \$524.72 |
| Mr Alfio Ragonesi | H 117 | 052-321-28 | 0.00172 | \$524.72 |
| Mr and Mrs Robert Jack, et al | H 118 | 052-321-29 | 0.00172 | \$524.72 |
| Mr and Mrs William Goodman | H 119 | 052-321-30 | 0.00172 | \$524.72 |
| Mr and Mrs Steve Beck, et al | H 120 | 052-321-31 | 0.00172 | \$524.72 |
| Mr and Mrs Thomas Kelly | H 121 | 052-321-32 | 0.00172 | \$524.72 |
| McQueen Family | H 122 | 052-321-33 | 0.00094 | \$288.63 |
| Mr and Mrs William Goodman | H 123 | 052-321-34 | 0.00094 | \$288.63 |
| Mrs Meredith Jones | H 124 | 052-321-35 | 0.00094 | \$288.63 |
| Mr and Mrs Norman Kawano | H 125 | 052-321-36 | 0.00094 | \$288.63 |
| Mr and Mrs Tom Foy | H 126 | 052-321-37 | 0.00094 | \$288.63 |
| Mr and Mrs Jack Feinstein | H 127 | 052-321-38 | 0.00094 | \$288.63 |
| Mr and Mrs Allen Hammond | H 128 | 052-321-39 | 0.00094 | \$288.63 |
| Mr and Mrs Joseph Baylis | H 129 | 052-321-40 | 0.00094 | \$288.63 |
| Mr and Mrs Peter Myers | H 33 | 052-321-41 | 0.00094 | \$288.63 |
| Mr and Mrs Patrick Dobbins | H 131 | 052-321-42 | 0.00094 | \$288.63 |
| Mrs Lee Burress Duboc | H 132 | 052-321-43 | 0.00094 | \$288.63 |
| Mr and Mrs Peter Haunschild | H 133 | 052-321-50 | 0.00094 | \$288.63 |

| Assessment Roll (Fiscal Year 2015/16) | | | | |
|--|-------------|----------------------------------|---------------------------------|-------------------------------------|
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Annual Payment⁽¹⁾ |
| Mr James Mikus/Janet Mahoney | H 134 | 052-321-49 | 0.00094 | \$288.63 |
| Ms Caroline Rodgers | H 135 | 052-321-48 | 0.00094 | \$288.63 |
| Mr and Mrs James Carlson | H 136 | 052-321-47 | 0.00094 | \$288.63 |
| Dr Lorraine Nelson | H 137 | 052-321-46 | 0.00094 | \$288.63 |
| Mr Mrs Richard Bilodeau, Jr | H 138 | 052-321-45 | 0.00094 | \$288.63 |
| Mr and Mrs Charles Whittenburg | H 139 | 052-321-44 | 0.00094 | \$288.63 |
| Mr and Mrs Wally Spycher | H 140 | 052-591-07 | 0.00850 | \$2,601.30 |
| Ms Barb Demere, LLC | H 141 | 052-591-08 | 0.00903 | \$2,763.31 |
| Ms Barb Demere, LLC | H 142 | 052-591-06 | 0.00172 | \$524.72 |
| Pajaro Dunes Rental Agency | H 143 | 052-591-05 | 0.00172 | \$524.72 |
| Mr John Arrillaga | H 144 | 052-301-70 | 0.01712 | \$5,239.28 |
| Mr John Arrillaga | H 145 | 052-301-69 | 0.00993 | \$3,038.42 |
| Mr and Mrs Kent Stephens et al | H 146 | 052-301-68 | 0.00977 | \$2,989.51 |
| Pajaro Dunes Association | H 147 | Common area taxable | 0.00094 | \$288.63 |
| Pajaro Dunes Association | H 148 | Common area pay direct to PDGHAD | 0.00094 | \$288.63 |
| Pajaro Dunes Association | H 149 | Common area pay direct to PDGHAD | 0.00094 | \$288.63 |
| Pajaro Dunes Association | H 150 | Common area pay direct to PDGHAD | 0.00094 | \$288.63 |
| Pajaro Dunes Association | H 151 | Common area pay direct to PDGHAD | 0.00094 | \$288.63 |
| Pajaro Dunes Association | H | Stairs | 0.02530 | \$7,741.80 |
| Cypress Grove Townhomes | | | | |
| Mr and Mrs Gary Birlem | CY 1 | 052-301-49 | 0.00515 | \$1,575.23 |
| Mr and Mrs Leslie Smith Trustee | CY 2 | 052-301-48 | 0.00515 | \$1,575.23 |
| Mr and Mrs Donald Stewart, et al | CY 3 | 052-301-47 | 0.00515 | \$1,575.23 |
| Dr and Mrs Raul Deju | CY 4 | 052-301-46 | 0.00515 | \$1,575.23 |
| Mr Gary Lennen and Ms Loan Hoang | CY 5 | 052-301-45 | 0.00515 | \$1,575.23 |
| Mrs Margaret A. Erickson | CY 6 | 052-301-44 | 0.00515 | \$1,575.23 |
| Mr Winn Emert | CY 7 | 052-301-43 | 0.00515 | \$1,575.23 |
| Pajaro Dunes Rental Agency | CY 8 | 052-301-42 | 0.00515 | \$1,575.23 |
| Pajaro Dunes Rental Agency | CY 9 | 052-301-41 | 0.00515 | \$1,575.23 |
| Pajaro Dunes Rental Agency | CY 10 | 052-301-40 | 0.00515 | \$1,575.23 |
| Mr and Mrs Milo Gates | CY 11 | 052-301-38 | 0.00515 | \$1,575.23 |
| Mr and Mrs Peter Visendi | CY 12 | 052-301-37 | 0.00515 | \$1,575.23 |
| Mr and Mrs Knoel Owen | CY 13 | 052-301-36 | 0.00515 | \$1,575.23 |
| Mr and Mrs Springsteel | CY 14 | 052-301-31 | 0.00515 | \$1,575.23 |
| Mrs Ruby Fujimoto | CY 15 | 052-301-30 | 0.00515 | \$1,575.23 |
| Ms Myra Reinhard | CY 16 | 052-301-29 | 0.00515 | \$1,575.23 |
| Mrs. Melinda E Maxfield | CY 17 | 052-301-28 | 0.00515 | \$1,575.23 |
| Mrs. Mary Lyons | CY 18 | 052-301-34 | 0.00515 | \$1,575.23 |

| Assessment Roll (Fiscal Year 2015/16) | | | | | | |
|---------------------------------------|-------|-------------------------|--------------------------|-------------------------------|-----------------------|-------------------------------------|
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Annual Payment ⁽¹⁾ | | |
| Mr and Mrs Frank Finelli | CY 19 | 052-301-33 | 0.00515 | \$1,575.23 | | |
| Dr and Mrs Kent Hobert | CY 20 | 052-301-26 | 0.00515 | \$1,575.23 | | |
| Mr and Mrs Gordon Berke | CY 21 | 052-301-25 | 0.00515 | \$1,575.23 | | |
| Mr and Mrs John Midgley | CY 22 | 052-301-24 | 0.00515 | \$1,575.23 | | |
| Mr and Mrs Richard Kelley | CY 23 | 052-301-23 | 0.00515 | \$1,575.23 | | |
| Assessment Roll (Fiscal Year 2015/16) | | | | | | |
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Zone 1 Annual Payment | Zone 2 Annual Payment | Total Annual Payment ⁽¹⁾ |
| Pelican Point Condominiums | | | | | | |
| Mr and Mrs David Yonan | P 1 | 052-341-10 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Paul Kommer | P 2 | 052-341-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Cheryl Hinchman C/O Pelican 3 | P 3 | 052-341-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Ann Watkins | P 4 | 052-341-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Jim Russell | P 5 | 052-341-05 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Chuck Schmit | P 6 | 052-341-06 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Hardin Jones, et al | P 7 | 052-341-07 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Mark Klenk | P 8 | 052-341-08 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs James Griffin | P 9 | 052-341-09 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Steve Brock | P 10 | 052-352-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Clay Judd | P 11 | 052-352-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Gerald Hanson | P 12 | 052-352-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Jane Walters | P 13 | 052-352-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Michael Flynn | P 14 | 052-362-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Mark Wehmann | P 15 | 052-362-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Margery Linvill | P 16 | 052-362-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Kincho Law/Mrs Mary Cheuk | P 17 | 052-362-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs George Viscovich | P 18 | 052-362-05 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Kenneth Bone | P 19 | 052-362-06 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Ted Thomas | P 20 | 052-362-07 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Rob Witthaus | P 21 | 052-342-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Arthur Rangel | P 22 | 052-342-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Ralph Pica | P 23 | 052-342-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Robert Altick | P 24 | 052-342-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs D Nishimine | P 25 | 052-343-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Patrick Waite | P 26 | 052-343-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs R Andrighetto | P 27 | 052-343-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Robert Marx | P 28 | 052-343-05 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Ms Nancy A. Bilicich | P 29 | 052-343-06 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Joyce Phillips | P 30 | 052-343-07 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Mark Dudley | P 31 | 052-343-08 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Aloys Fischer | P 32 | 052-343-09 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Ivo Bolsens /Martine Peetermans | P 33 | 052-351-26 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Paul DeBettencourt | P 34 | 052-351-11 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Daniel Domingo | P 35 | 052-343-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |

| Assessment Roll (Fiscal Year 2015/16) | | | | | | |
|--|------|-------------------------------|--------------------------------|-----------------------------|-----------------------------|---|
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Zone 1 Annual Payment | Zone 2 Annual Payment | Total Annual Payment ⁽¹⁾ |
| Mrs Marcia Douglass | P 36 | 052-351-22 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Laurie Seiden | P 37 | 052-351-25 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Philip D. Gonsalves | P 38 | 052-351-24 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Stephen Dawkins | P 39 | 052-351-12 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Shaheyar Nezaraty | P 40 | 052-351-13 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Dr Rita Lechleitner | P 41 | 052-363-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Michael O'Toole | P 42 | 052-363-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Dennis Odell | P 43 | 052-363-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Mary O'Byrne & Mr Scott Donahay | P 44 | 052-363-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Robert Moore | P 45 | 052-363-05 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Charles Hawkins | P 46 | 052-363-06 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Christopher Lee | P 47 | 052-363-07 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs David Bower | P 48 | 052-363-08 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Dave Bricker | P 49 | 052-344-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Ajit Danapani | P 50 | 052-344-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Del Riesenhuber | P 51 | 052-344-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Ms Laurel Benedetti, Trustee | P 52 | 052-344-05 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Ms Celina Acevedo | P 53 | 052-344-06 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Michael Tate | P 54 | 052-344-07 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Eiskamp Trust | P 55 | 052-344-08 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Glen Arnold | P 56 | 052-344-09 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Wayne Fourney | P 57 | 052-353-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Robert Verity | P 58 | 052-353-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Mrs Thomas Kelly | P 59 | 052-344-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Larson FLP | P 60 | 052-353-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Ms Sandra Farnsworth, et al | P 61 | 052-353-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Brigid Barron | P 62 | 052-353-05 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Michael Self | P 63 | 052-353-06 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Lynn O'neal | P 64 | 052-353-07 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Edwin Aiken | P 65 | 052-361-27 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Stephen Mezzanotte | P 66 | 052-361-28 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Ms Mary L Berner | P 67 | 052-361-15 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Pat Hellman | P 68 | 052-361-16 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Joseph Campione | P 69 | 052-361-17 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Ms Lana Miu Trustee | P 70 | 052-361-18 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mrs Stephanie Mooers | P 71 | 052-361-19 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Adriani | P 72 | 052-361-20 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr John Hart | P 73 | 052-345-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Jozef Kneppers | P 74 | 052-345-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs John Pastrone | P 75 | 052-345-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Michael Brodsky et al | P 76 | 052-345-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Jack Harris | P 77 | 052-354-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Paul Wirfel | P 78 | 052-354-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Andrew D'Arrigo | P 79 | 052-354-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Peter Bekey | P 80 | 052-354-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |

| Assessment Roll (Fiscal Year 2015/16) | | | | | | |
|---|------|-------------------------|--------------------------|-----------------------|-----------------------|-------------------------------------|
| Name of Owner | Unit | Assessors Parcel Number | Zone 1 Allocation Factor | Zone 1 Annual Payment | Zone 2 Annual Payment | Total Annual Payment ⁽¹⁾ |
| Mrs Pamela Koziar | P 81 | 052-364-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Gordon Kovacevich | P 82 | 052-364-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs R Montgomery, et al | P 83 | 052-364-03 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Stuart Schlitt | P 84 | 052-364-04 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs Ralph Adams Jr | P 85 | 052-332-01 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr Charles Sieloff and Mrs Sally Dudley | P 86 | 052-332-02 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Mr and Mrs William Goodman | P 87 | 052-321-34 | 0.00117 | \$358.06 | \$86.32 | \$444.38 |
| Pajaro Dunes Association | P | Stairs | 0.00532 | \$1,627.61 | \$40.01 | \$1,667.62 |

⁽¹⁾ Assessments subject to 1% County Collection Fee in addition to listed amounts

4 Cost Allocation Method

All costs associated with the maintenance and operation of the Pajaro Dunes Geologic Hazards Abatement District improvements including general and administrative expenses, professional services, special district compliance costs, annual inspections, and capital repair expenses and reserve, shall be spread to all parcels on a prorate development unit basis.

The improvements to be maintained and operated as a result of the formation of the Pajaro Dunes Geologic Hazards Abatement District are in existence. All such improvements have been installed within or in areas in close proximity to the developed residential lots and condominiums.

As a result of the foregoing, the developed residential lots will receive 100% of the special benefits of the operation and maintenance of sea wall and river wall. These special benefits include enhanced neighborhood health and safety, and improved quality of life, generated when the rock revetment seawall and steel sheet pile river wall provide protection against erosion from ocean and wave action and flood and erosion protection against flows within the Pajaro River and are in place, operable, safe and are maintained. Maintenance of the seawall and river wall will provide beautification, protection of improved property, enhanced comfort and increase the desirability of the immediate surroundings of the residential units in the District.

A statement of the method by which we determined the amount proposed to be assessed against each parcel is described in this section. The cost allocation among various members of the PDGHAD was established when the District was created by the County Board of Supervisors on October 27, 1998. In the cost-allocation scheme the major groups, Houses, Pelican Point Condominiums, and Cypress Grove Townhouses, share the costs based on the length of the seawall in the front of their respective areas. Per this cost-allocation scheme, in Zone 1 the cost shares for the Houses are 75.45%, Cypress Grove Townhouses are 11.84%, Pelican Point Condominiums are 10.18%, and the Association for the stairways is

2.53%. In Zone 2 the cost shares for Pelican Point and the Association for the stairways are 99.47% and 0.53%, respectively. Both the Association and Pelican Point have assessments that include costs from both Zones 1 and 2.

Since the Pelican Point and Cypress Grove groups are condominium associations, they each share their portions of the costs equally among their members. In Zone 1 of the portion allocated to the houses, the front-row houses pay 85%, the second-row houses pay 10%, and the back-row houses pay 5%. In addition, the shares for the front-row houses vary by a factor of two-to-one, depending on the width of the lot. The estimated GHAD budget by benefit categories are presented in Table 3.

In summary, based on the foregoing, this Engineer's Report makes the following findings:

- i. The attached tables for Zones 1 and 2 correctly state the proportionate special benefit derived by each identified parcel in relationship to the total cost of services.
- ii. No assessment is imposed on any parcel which exceeds the reasonable cost of the proportional benefit conferred on that parcel.
- iii. The only benefits assessed are special and any general benefits have been excluded.
- iv. No parcel owned by any governmental agency, the state of California or the United States receives any special benefit from the proposed assessment.

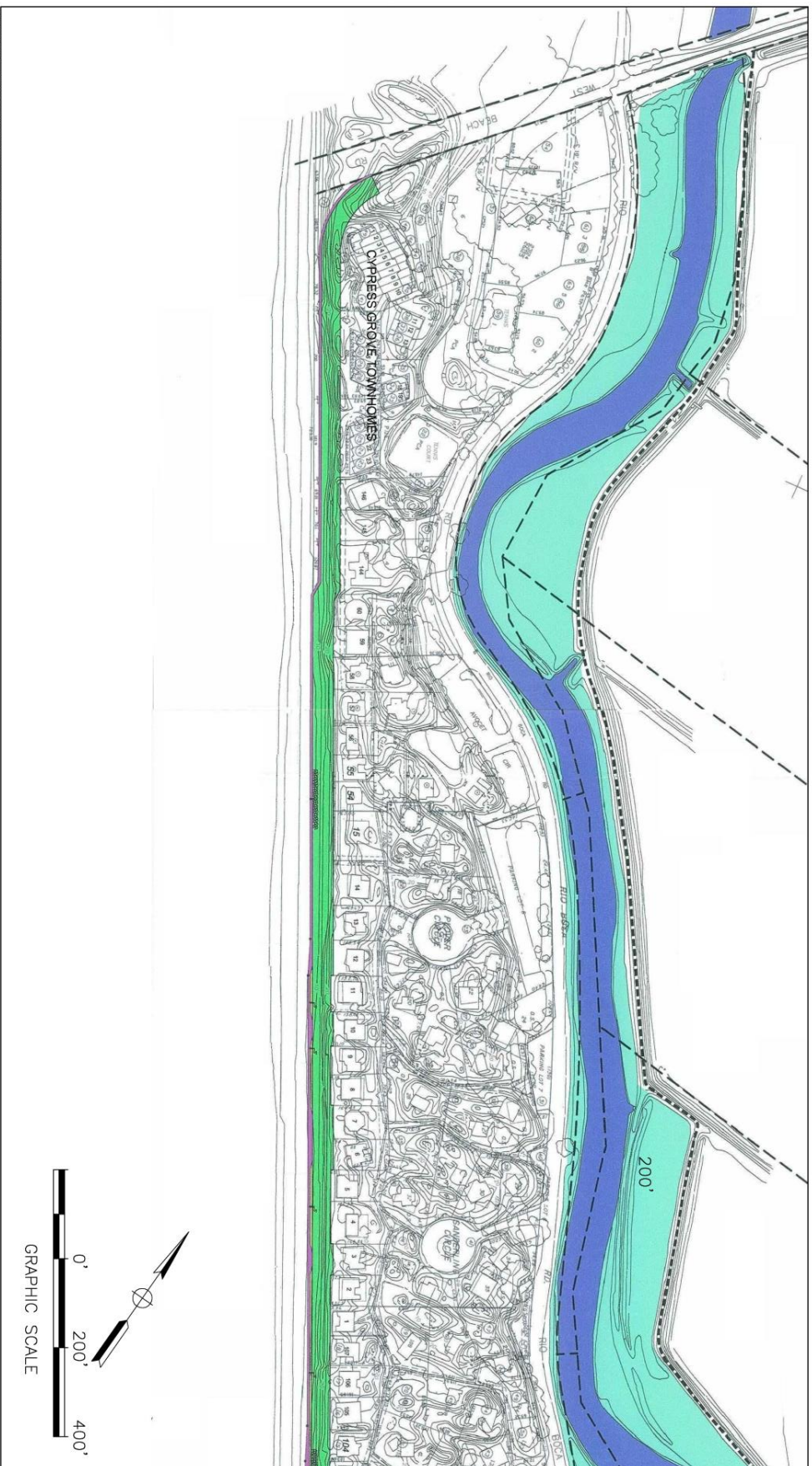
Table 3 Proposed GHAD Budget by Benefit Categories

| Category | Proportional Benefit | Assessment Amount | No. of Units | Annual Payment | Monthly Payment |
|----------------------------|----------------------|----------------------|--------------|------------------------------|----------------------|
| Zone 1 | | | | | |
| Row 1 Houses | 64.133% | \$ 196,243.92 | 67 | \$2,601.30 to \$5,239.28 | \$216.78 to \$436.61 |
| Row 2 Houses | 7.545% | \$ 23,087.70 | 44 | \$ 524.72 | \$ 43.73 |
| Row 3, 4 & 5 Houses | 3.773% | \$ 11,545.38 | 40 | \$ 288.63 | \$ 24.05 |
| Cypress Grove Townhomes | 11.84% | \$ 36,230.40 | 23 | \$ 1,575.23 | \$ 131.27 |
| Pelican Point Condominiums | 10.18% | \$ 31,150.80 | 87 | \$ 358.06 | \$ 29.84 |
| PDA Stairs | 2.53% | \$ 7,741.80 | 1 | \$ 7,741.80 | \$ 645.15 |
| Zone 1 Total: | | \$ 306,000.00 | 262 | Zone 1 Annual Budget: | \$ 306,000.00 |
| Zone 2 | | | | | |
| Pelican Point Condominiums | 99.47% | \$ 7,509.99 | 87 | \$ 86.32 | \$ 7.19 |
| PDA Stairs | 0.53% | \$ 40.01 | 1 | \$ 40.01 | \$ 3.33 |
| Zone 2 Total: | | \$ 7,550.00 | 88 | Zone 2 Annual Budget: | \$ 7,550.00 |

5 Parcels Map

All of the parcels of real property within this assessment district, including the major groups, Houses, Pelican Point Condominiums, and Cypress Grove Townhomes are presented in Figures 1 and 2.

Figures

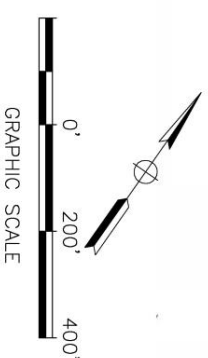


SOURCE: HARO, KASUNICH AND ASSOCIATES, INC., 2008

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217563-00 | Final | June 9, 2015 | Arup North America Ltd

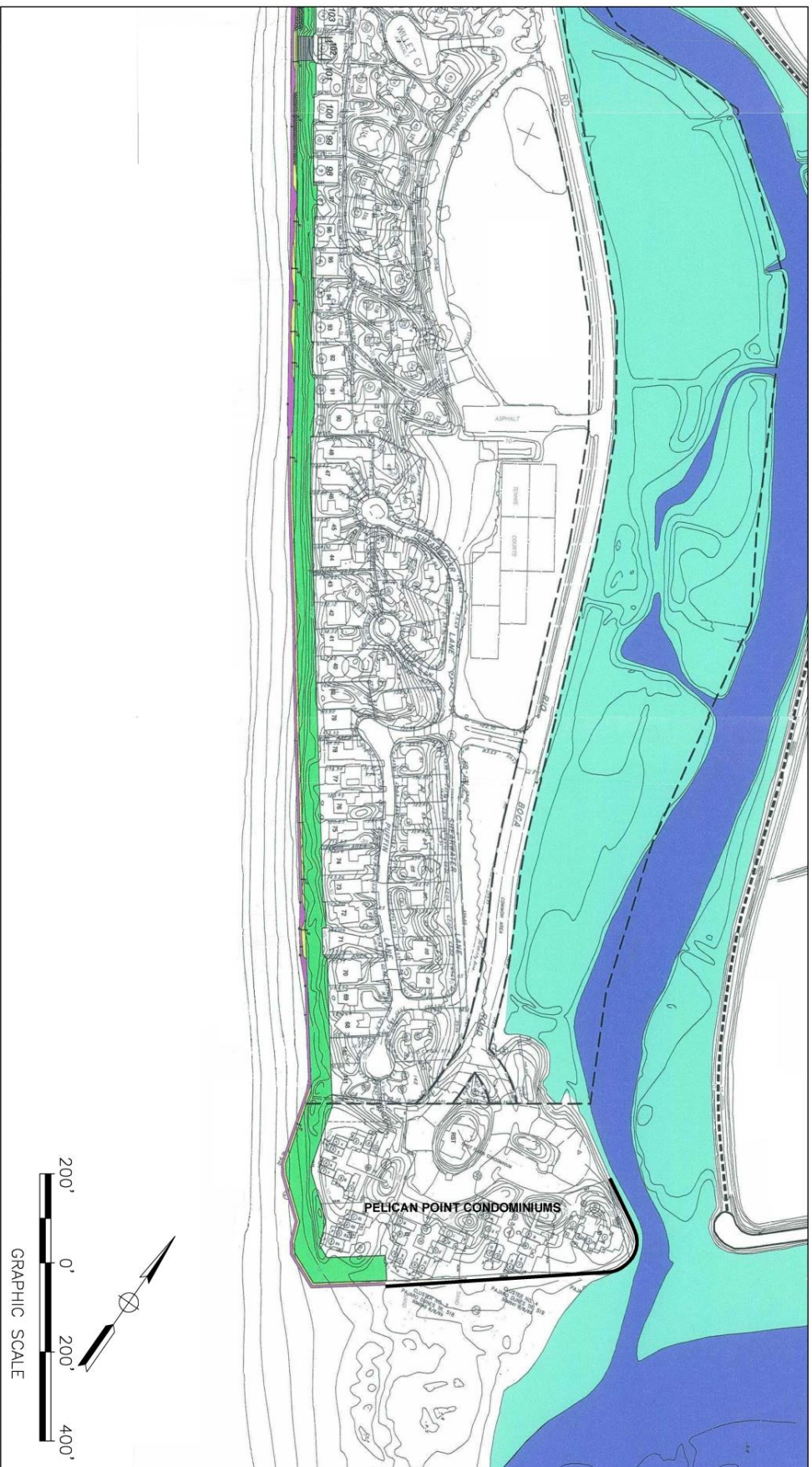
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PROJECT PROPERTIES - NORTH SIDE
Pajaro Dunes Rock Revetment
Engineer's Report
Pajaro Dunes GI-RAD
Watsonville, California

June 2015
ARUP

FIGURE 1



SOURCE: HARO, KASINICH AND ASSOCIATES, INC., 2008

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June 2015
ARUP
PROJECT PROPERTIES - SOUTH SIDE
Pajaro Dunes Rock Revetment
Engineer's Report
Pajaro Dunes GHAD
Watsonville, California

FIGURE 2

**BOARD OF DIRECTORS
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

**Resolution to Approve Notice of Assessment Balloting
and Public Hearing for 2015 for Zone 1 and Zone 2 Assessment Ballot Proceedings**

RESOLUTION No. 06 - 2015

WHEREAS, the Board of the Pajaro Dunes Geologic Hazard Assessment District (“Pajaro Dunes GHAD” or “District”) is proposing to conduct proceedings for the levy and assessment of a new annual assessment for Zone 1 and 2 for District Administrative and Operating Budget costs; and

WHEREAS, Article XIII, Section 4 of the California Constitution (Proposition 218) requires that proposed assessments for the Pajaro Dunes GHAD be put to a vote of property owners within the District; and

WHEREAS, State law requires that the property owners within the District be sent a notice of the proposed assessments and the date of a public hearing to hear protests and count ballots.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the Pajaro Dunes GHAD hereby approves the “Notice of Assessment Balloting and Public Hearing for the 2015 Assessment Election For Zone 1 of the Pajaro Dunes Geologic Hazard Abatement District,” attached hereto as Exhibit “A,” and directs the District Clerk to mail the document to each property owner in Zone 1 along with the official ballot, and instructs the District Clerk to file a copy of the document in the official records of the District.

BE IT FURTHER RESOLVED, that the Board of Directors of the Pajaro Dunes GHAD hereby approves the “Notice of Assessment Balloting and Public Hearing for the 2015 Assessment Election for Zone 2 of the Pajaro Dunes Geologic Hazard Abatement District,” attached hereto as Exhibit “B,” and directs the District Clerk to mail the document to each property owner in Zone 2 along with the official ballot, and instructs the District Clerk to file a copy of the document in the official records of the District.

BE IT FURTHER RESOLVED that if the proposed assessment is approved by a majority of the weighted ballots submitted, at or before the Public Hearing on August 1, 2015, the District Clerk is hereby directed to submit a list of member names, parcel numbers and assessments to the County Auditor/Controller in a timely manner so the assessment can be collected as part of the Santa Cruz County property tax bills for Fiscal Year 2015-2016.

PASSED AND ADOPTED by the Board of Directors of the Pajaro Dunes Geologic Hazard Abatement District of the County of Santa Cruz, State of California, this 13th day of June 2015, by the following vote:

AYES: Directors _____

NOES: Directors _____

ABSENT: Directors _____

ABSTAIN: Directors _____

President, Board of Directors

ATTEST: _____
Clerk of the Board

EXHIBIT A

NOTICE OF ASSESSMENT BALLOTING AND PUBLIC HEARING FOR THE 2015 ASSESSMENT ELECTION For Zone 1 of the Pajaro Dunes Geologic Hazard Abatement District

Introduction

Zone 1* of the Pajaro Dunes Geologic Hazard Abatement District (“GHAD”) was formed in October 1998 to maintain the rock revetment seawall. The seawall was designed to reduce damage due to coastal erosion and coastal flooding from a 30-year storm event. While the initial construction costs for the seawall were paid by the front-row lot owners, the Pelican Condominium owners and Cypress Townhouse owners, Zone 1 of the GHAD has assumed responsibility for maintaining and repairing the seawall, to the extent that District property owners approve funding for such maintenance and repair activities. The affairs of the GHAD are managed by a five-person Board of Directors, which currently includes Bill Lyons, Bob Moore, Jim Griffin, David Bower, and Board Member Elect Raul Deju.

On June 13, 2015, the GHAD Board held a public hearing and adopted a Resolution of Intention to approve and levy a new assessment for the District’s Administrative and Operating Budget for Zone 1, subject to an annual Cost of Living Increase. The proposed Zone 1 budget for 2015-2016, which covers annual District administrative and operating expenses, including but not limited to office expenses, insurance, cost for professional services, legal fees and annual seawall and river wall inspections, as well as the establishment of a “Capital Repair and Expense Reserve” for the purpose of maintaining a stable source of funding to pay for the cost of unanticipated and/or emergency maintenance and repair of the seawall and river wall, is \$306,000. The Reserve Fund will be capped at \$500,000, so once said amount is collected, annual assessments in Zone 1 should be reduced until such funds are depleted for unanticipated/emergency use and there is a need to replenish Reserve Funds. The Reserve Funds will be held in a separate bank account.

This notice has been developed as a result of Public Resources Code requirements and as a consequence of the passage of Proposition 218, a statewide Constitutional initiative, which was approved by the voters at the November 5, 1996 general election. Proposition 218 added Article XIII D to the California Constitution, and that Article requires that all new or increased assessments in any special district must be approved by a weighted majority vote of the property owners within the district. The votes are weighted in proportion to the size of the assessment.

* The GHAD consists of two zones, Zone 1, which is responsible for maintenance of the seawall and consists of all members of the District, and Zone 2, which consists of all Pelican Condominium owners and is responsible for maintenance and repair of the river wall.

Assessment Ballot

Enclosed with this public notice is an assessment ballot for Zone 1, which you, as the property owner, can complete and return to the District Clerk at the address provided in this notice. The balloting procedures are discussed below.

Background Information

The current assessments to cover the administrative and operating costs of Zone 1 were approved in the Fiscal Year 2000 assessment election and have been periodically increased by an annual Cost-of-Living Adjustment (COLA), based on the Bay Area, All Urban Consumers, Consumer Price Index, as approved in that earlier election. The maximum assessment for the budget for administrative and operating costs, subject to the COLA, was set at \$56,000. The proposed Fiscal Year 2015-16 Administrative and Operating Budget for Zone 1 is \$306,000.

Purpose of Fiscal Year 2015-2016 Assessment Election

The District is seeking approval of a new assessment in Zone 1 to cover the District's annual administrative and operating expenses, including but not limited to office expenses, insurance, costs for professional services (accounting, clerk and legal) and annual seawall inspection fees. The Administrative and Operations Budget also covers, for the first time, a "Capital Repair and Expense Reserve" that will be used to pay for the unanticipated and/or emergency maintenance and repair of the rock revetment seawall and sheet pile river wall. Such work may need to be performed prior to the time the comprehensive repair work the District is proposing for the seawall is processed, approved and undertaken. As was noted above, the Reserve Fund will be capped at \$500,000, and once this cap is reached, future Reserve Fund related assessment will be deferred until the Fund reserves are used for emergency or unanticipated maintenance or repairs. The Reserve Fund will be kept in a separate bank account from other District funds.

Amount and Duration of the Increased Assessments

The increase in assessments to cover the District's Administrative and Operating Cost Budget would be initiated by submitting an amended assessment roll to the County in August 2015 and would show up on your property tax bill in the following December. The increased tax revenues would be available to the District the following March.

The new assessments, as calculated by the District's consulting engineer R. Jeffrey Dunn (as detailed below) are set forth in the Table attached hereto as Exhibit A. Assessments would be subject to collection on an annual basis. The assessment will continue until the Board takes action to either cease collecting assessments or until the assessment is replaced with a modified assessment. As noted above, it is anticipated that the amount of the assessment will be reduced once the District has collected funds necessary to reach the \$500,000 cap on the Capital Repair and Expense Reserve portion of the Administrative and Operations Budget.

The Zone 1 Fiscal Year 2015-2016 Administrative and Operating Budget for Zone 1 has been preliminarily approved at \$306,000.

How the Assessments are Calculated

The District has obtained an Engineer's Report from R. Jeffrey Dunn of Arup North America, Ltd., a civil engineer certified by the State of California, which allocates the increased costs to all properties in the District in proportion to the benefit received. Similar information concerning the proposed assessment contained in the "President's Report" was adopted by the Board on June 13, 2015. A copy of the Engineer's Report and/or the President's Report may be obtained from the District's Clerk, Wendy Cumming, at 831-761-7744. The schedule for allocating costs was adopted by the Board for the initial assessment election in 1999 and is described below.

For Zone 1, all costs for the seawall are allocated between the house owners, the Cypress Townhouse owners and the Pelican Condominium owners in proportion to the length of the seawall in front of those respective properties. All members of the Cypress Project and the Pelican Project share equally the costs of the seawall in front of their respective project areas. For the house owners, the basis for the allocation is property proximity to the ocean hazard (85% to front-row houses, 10% to second-row houses and 5% to back-row houses) and, for front-row lots, the width of the oceanfront parcels.

Summary of Majority Protest/Assessment Balloting Procedures

Under the terms of Article XIII D of the California Constitution, every owner of a parcel of real property proposed to be assessed is entitled to cast an assessment ballot either in favor of or protesting the assessment. Enclosed with this notice is a Zone 1 assessment ballot, which contains information obtained from the Santa Cruz County Assessor's Office regarding the parcel of property you own.

As noted above, the District is seeking your approval of a new assessment with an annual cost of living adjustment to fund the Administrative and Operation Budget for Zone 1. Assessed funds will be used to support District Operations, including costs associated with legal and accounting services, increased insurance coverage, state mandated compliance expenses, website maintenance, Board training, mailings, annual seawall and river wall inspections, and a contingency reserve fund for future emergency seawall and river wall maintenance and repairs. If checked "yes," the enclosed Zone 1 ballot will authorize the Board to levy a new assessment to cover the costs of these administrative and operational matters.

Completed assessment ballots should be mailed or delivered to Wendy Cumming, District Clerk, at 2661 Beach Road, Watsonville, California 95076. Ballots may also be delivered at the meeting on August 1, 2015, but must be received prior to the close of the public hearing. At a public hearing of protests scheduled for 9:00 a.m. on August 1, 2015, the assessment ballots will be tabulated, with ballots being weighted in proportion to the amount of the proposed assessment relative to the total of all assessments, and the results will be announced; provided that, if the Board needs more time to count assessment ballots, it may delay the announcement to a later meeting at a specified date. If the weighted assessment ballots in opposition to the proposed

assessment exceed weighted assessment ballots in support, there will be a “majority protest,” and the Board may not impose the proposed assessment.

Public Meetings

The District Board held a public hearing on June 13, 2015 to take action on the proposed assessment election. The District will hold another public hearing at a GHAD Board meeting on August 1, 2015 at 9:00 a.m. in the District Board Room at Pajaro Dunes, 2661 Beach Road, Watsonville, California. The Board will hear assessment protests and accept assessment ballots at that hearing. All interested persons are encouraged to attend the hearing and to speak or submit written comments about the proposed assessments.

Questions or Further Information

If you have any questions about the assessment election, please contact William Lyons, the District Board President, at Pajaro Dunes, 2661 Beach Road, Watsonville, CA, 95076, or fax him at 831-728-0235, or contact the District Clerk, Wendy Cumming, at 831-761-7744.

Additional Background Information

Please Refer to the Board Meeting Packet from the August

<http://pdghad.org/wp-content/uploads/2015/06/PDGHAD-Board-Pack-June-13-2015-A.pdf>

and Part B

<http://pdghad.org/wp-content/uploads/2015/06/PDGHAD-Board-Pack-June-13-2015-B.pdf>

There are multiple documents in this packet that were created as communications with homeowners and resolutions to increase the yearly operating budget to create a reserve of \$500,000 to have funds available for emergencies.