



**REGULAR MEETING AGENDA  
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT  
HYBRID MEETING in person at**

**2661 Beach Rd.  
Watsonville, CA 95076**

**Saturday, March 11<sup>th</sup>, 2023 9:00 a.m.**

**And via ZOOM**

**Join Zoom Meeting**

**<https://us02web.zoom.us/j/82232811149?pwd=WWlvcUkwQlBpb1hULzIEUEV4UXV5UT09>**

**Meeting ID: 822 3281 1149**

**Passcode: 608360**

**Phone in: +1 669 900 9128 US**

**If you have any questions please contact the District Clerk at [pdghad@gmail.com](mailto:pdghad@gmail.com)**

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

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**Roll Call**

**John Cullen, President  
David Ferrari, Vice-President  
Raphael Kraw, Treasurer**

**Michael Butner, Director  
Patrick Dobbins, Director  
Sarah Mansergh, Clerk**

**B. MEMBER COMMENTS**

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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**

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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.

**1. 2023 Meeting Dates**

May 20<sup>th</sup>, 2023

June 3<sup>rd</sup>, 2023

August 5<sup>th</sup>, 2023

October 7<sup>th</sup>, 2023

December 9<sup>th</sup>, 2023

**2. Form 700s are due April 3rd**

**D. CONSENT CALENDAR**

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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 meeting minutes from December 10<sup>th</sup>, 2022

**E. TREASURER'S REPORT**

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2. Financial Reports
  - Financial Report through January 2023
  - Warrant listing

**F. MEETING reports**

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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**

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4. ITEM- Update on County application for grading permit
  - a. Board report
  - b. Public comment
  - c. Board discussion
  - d. Board action /direction

5. ITEM-Review and consider insurance renewals
  - a. Board report
  - b. Public comment
  - c. Board discussion

d. Board action /direction

6. ITEM-Consider obtaining bids for new auditing firms

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

7. ITEM-Consider moving part of Zone 1 operating funds into a money market account

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

## **H. DIRECTORS COMMENTS AND CONCERNS**

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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**

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The next Meeting of the Board of Directors is scheduled for May 20<sup>th</sup>, 2023, at 9:00 a.m. online via Zoom and, if possible, 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.

# PDGHAD

**REGULAR MEETING MINUTES  
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT  
VIRTUAL MEETING via ZOOM**

**Governor Newsom through CA Executive Order N-33-20 (issued on March 19<sup>th</sup>, 2020) issued a shelter-in-place order for the State of California. The order was further strengthened by the County of Santa Cruz Health Officer Order issued on March 31<sup>st</sup>, 2020 which discourages residents from traveling (even between their own properties) for non-essential reasons. CA Executive Order N-25-20 allows for modifications to the Brown Act ensuring that public meetings can continue under this order through telephone or video conferencing.**

**Saturday, December 10<sup>th</sup>, 2022 9:00 a.m.**

**Join Zoom Meeting**

**<https://us02web.zoom.us/j/82031765731?pwd=TLJwb2tqUUtOd1hGczFsK0s2TXFGOT09>**

**Meeting ID: 820 3176 5731**

**Passcode: 522813**

**Phone in: +1 669 900 9128 US**

**See below the agenda for how to download Zoom for a computer or smartphone (both audio and video available) or to participate via dial-in telephone (audio only). Also, please review the etiquette guidelines and reminders. If you have any questions please contact the District Clerk at [pdghad@gmail.com](mailto:pdghad@gmail.com)**

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

**Roll Call**

**John Cullen, President-present  
David Ferrari, Vice-President-present  
Raphael Kraw, Treasurer-present**

**Michael Butner, Director-present  
Patrick Dobbins, Director-present  
Sarah Mansergh, Clerk-present**

**Michael Rodriquez (attorney), Dan Peluso (engineer), Drew Lanza (PDA Board)**

**B. MEMBER COMMENTS**

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## 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.

### 1. 2023 Meeting Dates

March 4<sup>th</sup>, 2023

May 6<sup>th</sup>, 2023-update to May 20<sup>th</sup>, 2023

June 3<sup>rd</sup>, 2023

August 5<sup>th</sup>, 2023

October 7<sup>th</sup>, 2023

December 9<sup>th</sup>, 2023

## 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 meeting minutes from December 10<sup>th</sup>, 2022

David Ferrari moves to approve the meeting minutes from Dec. 10<sup>th</sup>, 2022. Raphael Kraw seconds. Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

## E. TREASURER'S REPORT

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### 2. Financial Reports

- Financial Report through November 2022
- Warrant listing

provided an overview of financials. No major updates/expenditures.

## F. MEETING reports

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### 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.

No meetings were attended.

## G. NEW BUSINESS

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### 4. ITEM-Resolution to continue teleconference meetings

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

Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

5. ITEM- Update on County application for grading permit

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

Dan Peluso gave an overview of the current status of the permit application. 90% plans have been submitted and rock volume calculations updated.

6. ITEM-Review and accept Audit FY 2021 2022

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

Patrick Dobbins moves to accept the audit for FY 2021/2022. David Ferrari seconds. Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

7. ITEM-Resolution to continue Line of Credit with Santa Cruz County Bank

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

David Ferrari moves to approve the continuation of the line of credit with SCCB. Michael Butner seconds. Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

8. ITEM-Consider renewing agreement with Graniterock for holding rocks in reserve

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

Raphael Kraw moves to approve the renewal of the agreement with Graniterock as presented. Michael Butner seconds. Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

9. ITEM-Update on new Brown Act Rules regarding teleconferencing

- a. Board report
- b. Public comment

- c. Board discussion
- d. Board action /direction

Michael Rodriquez gave an overview of the new rules for future meetings. Emergency declaration will likely be rescinded by the next meeting. So future meetings will require an on-site quorum, justification for remote participation and a procedural set-up during the meeting to allow for the remote participant.

10. ITEM-Consider purchasing conference webcam-like OWL Labs with 360 viewing and microphone.

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

David Ferrari moves to approve the purchase of the OWL Labs videoconferencing camera. Raphael Kraw seconds. Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

11. ITEM-Consider 6 month free membership with CSDA-California Special District Association

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

Raphael Kraw moves to approve the free membership with the CSDA. David Ferrari seconds. Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

Clerk will review and provide an overview of usefulness.

12. ITEM-Insurance renewals will be in March-direct staff on completing applications and getting quotes for D&O and Liability policies.

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

Raphael Kraw directs the clerk to continue with applications to receive quotes for insurance renewals with KBK Insurance. Michael Butner seconds. Roll call vote: John Cullen-aye, David Ferrari-aye, Raphael Kraw-aye, Michael Butner-aye, Patrick Dobbins-aye. All approve.

## **H. DIRECTORS COMMENTS AND CONCERNS**

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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**

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DRAFT



# Pajaro Dunes Geologic Hazard Abatement District

## Balance Sheet

As of January 31, 2023

Jan 31, 23

### ASSETS

#### Current Assets

##### Checking/Savings

100000 · SCCB Zone 1 - 3957	209,040
100001 · SCCB Zone 2 - 3965	42,811
100002 · SCCB Z1 Emerg - 1877	665,632
100003 · SCCB LTD- 0208	49,278
100004 · SCCB Bond Holding	<u>259,173</u>

**Total Checking/Savings** 1,225,934

##### Accounts Receivable

120000 · Assessments Receivable	<u>214,362</u>
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**Total Accounts Receivable** 214,362

##### Other Current Assets

121500 · Prepaid Insurance	6,915
121600 · Prepaid Expenses	<u>1,000</u>

**Total Other Current Assets** 7,915

**Total Current Assets** 1,448,211

#### Fixed Assets

150000 · Riverwall	3,000,000
160000 · Accumulated Depreciation	<u>-1,808,331</u>

**Total Fixed Assets** 1,191,669

**TOTAL ASSETS** 2,639,880

### LIABILITIES & EQUITY

#### Liabilities

##### Current Liabilities

##### Accounts Payable

200000 · Accounts Payable	<u>-7,698</u>
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**Total Accounts Payable** -7,698

##### Other Current Liabilities

220000 · Accrued Interest	<u>20,466</u>
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**Total Other Current Liabilities** 20,466

**Total Current Liabilities** 12,768

##### Long Term Liabilities

285000 · Bonds Payable Z2	910,000
286000 · Bonds Payable Discount Z2	-52,250
286500 · Amort. Bond Discount Z2	<u>37,255</u>

**Total Long Term Liabilities** 895,005

**Total Liabilities** 907,773

#### Equity

30000 · Opening Balance Equity 608,448

32000 · Retained Earnings 1,128,731

Net Income -5,073

**Total Equity** 1,732,106

**TOTAL LIABILITIES & EQUITY** 2,639,879

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

# Pajaro Dunes Geologic Hazard Abatement District

## Profit & Loss Budget vs. Actual

July 2022 through January 2023

Zone 1

	Jul '22 - Jan 23	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410000 · Assessment Income	91,931	91,931		100%
<b>Total Income</b>	<u>91,931</u>	<u>91,931</u>		<u>100%</u>
<b>Expense</b>				
610155 · Postage and Mailings	36	961	-925	4%
610156 · Election Costs		2,719	-2,719	
61510 · Advertising		549	-549	
615115 · Office Expense		300	-300	
615140 · Audit Expense	9,000	10,984	-1,984	82%
61518 · Clerk		5,382	-5,382	
615415 · Accounting	8,750	14,772	-6,022	59%
615416 · Assessment Admin. Expense	2,720	10,788	-8,068	25%
615617 · Website Maintenance		961	-961	
615655 · Dues		550	-550	
615656 · Board/Clerk Education		2,417	-2,417	
616500 · Legal Fees	2,080	11,534	-9,454	18%
619010 · Technical Consulting Costs	47,661	75,850	-28,189	63%
628500 · Insurance Expense	5,492	9,612	-4,120	57%
629030 · SBA Repayment to PHA Z2				
629900 · Bond Fee Expense				
650000 · Bank Service Charges				
750000 · Depreciation Expense Z2				
<b>Total Expense</b>	<u>75,739</u>	<u>147,379</u>	<u>-71,640</u>	<u>51%</u>
<b>Net Ordinary Income</b>	<u>16,192</u>	<u>-55,448</u>	<u>71,640</u>	<u>-29%</u>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
410070 · Interest & Penalty Income	29	29	0	100%
<b>Total Other Income</b>	<u>29</u>	<u>29</u>	<u>0</u>	<u>100%</u>
<b>Other Expense</b>				
855000 · Interest Expense				
955500 · Interest Bond Discount				
<b>Total Other Expense</b>	<u></u>	<u></u>	<u></u>	<u></u>
<b>Net Other Income</b>	<u>29</u>	<u>29</u>	<u>0</u>	<u>100%</u>
<b>Net Income</b>	<u><u>16,221</u></u>	<u><u>-55,419</u></u>	<u><u>71,640</u></u>	<u><u>-29%</u></u>

# Pajaro Dunes Geologic Hazard Abatement District

## Profit & Loss Budget vs. Actual

July 2022 through January 2023

Zone 2

	Jul '22 - Jan 23	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410000 · Assessment Income	122,294	122,294	0	100%
<b>Total Income</b>	<u>122,294</u>	<u>122,294</u>	<u>0</u>	<u>100%</u>
<b>Expense</b>				
610155 · Postage and Mailings				
610156 · Election Costs				
61510 · Advertising				
615115 · Office Expense				
615140 · Audit Expense				
61518 · Clerk				
615415 · Accounting				
615416 · Assessment Admin. Expense	212	1,141	-929	19%
615617 · Website Maintenance				
615655 · Dues				
615656 · Board/Clerk Education		1,664	-1,664	
616500 · Legal Fees				
619010 · Technical Consulting Costs				
628500 · Insurance Expense				
629030 · SBA Repayment to PHA Z2	54,166	54,166		100%
629900 · Bond Fee Expense		697	-697	
650000 · Bank Service Charges		321	-321	
750000 · Depreciation Expense Z2	58,331	58,331		100%
<b>Total Expense</b>	<u>112,709</u>	<u>116,320</u>	<u>-3,611</u>	<u>97%</u>
<b>Net Ordinary Income</b>	9,585	5,974	3,611	160%
<b>Other Income/Expense</b>				
<b>Other Income</b>				
410070 · Interest & Penalty Income	220	88	132	250%
<b>Total Other Income</b>	<u>220</u>	<u>88</u>	<u>132</u>	<u>250%</u>
<b>Other Expense</b>				
855000 · Interest Expense	29,881	29,881		100%
955500 · Interest Bond Discount	1,218	1,218		100%
<b>Total Other Expense</b>	<u>31,099</u>	<u>31,099</u>		<u>100%</u>
<b>Net Other Income</b>	<u>-30,879</u>	<u>-31,011</u>	<u>132</u>	<u>100%</u>
<b>Net Income</b>	<u><u>-21,294</u></u>	<u><u>-25,037</u></u>	<u><u>3,743</u></u>	<u><u>85%</u></u>

# Pajaro Dunes Geologic Hazard Abatement District

## Profit & Loss Budget vs. Actual

July 2022 through January 2023

	TOTAL			
	Jul '22 - Jan 23	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410000 · Assessment Income	214,225	214,225	0	100%
<b>Total Income</b>	214,225	214,225	0	100%
<b>Expense</b>				
610155 · Postage and Mailings	36	961	-925	4%
610156 · Election Costs		2,719	-2,719	
61510 · Advertising		549	-549	
615115 · Office Expense		300	-300	
615140 · Audit Expense	9,000	10,984	-1,984	82%
61518 · Clerk		5,382	-5,382	
615415 · Accounting	8,750	14,772	-6,022	59%
615416 · Assessment Admin. Expense	2,932	11,929	-8,997	25%
615617 · Website Maintenance		961	-961	
615655 · Dues		550	-550	
615656 · Board/Clerk Education		4,081	-4,081	
616500 · Legal Fees	2,080	11,534	-9,454	18%
619010 · Technical Consulting Costs	47,661	75,850	-28,189	63%
628500 · Insurance Expense	5,492	9,612	-4,120	57%
629030 · SBA Repayment to PHA Z2	54,166	54,166		100%
629900 · Bond Fee Expense		697	-697	
650000 · Bank Service Charges		321	-321	
750000 · Depreciation Expense Z2	58,331	58,331		100%
<b>Total Expense</b>	188,448	263,699	-75,251	71%
<b>Net Ordinary Income</b>	25,777	-49,474	75,251	-52%
<b>Other Income/Expense</b>				
<b>Other Income</b>				
410070 · Interest & Penalty Income	249	117	132	213%
<b>Total Other Income</b>	249	117	132	213%
<b>Other Expense</b>				
855000 · Interest Expense	29,881	29,881		100%
955500 · Interest Bond Discount	1,218	1,218		100%
<b>Total Other Expense</b>	31,099	31,099		100%
<b>Net Other Income</b>	-30,850	-30,982	132	100%
<b>Net Income</b>	-5,073	-80,456	75,383	6%

# Pajaro Dunes Geologic Hazard Abatement District

## Bank Account Activity

As of January 31, 2023

Type	Date	Num	Name	Debit	Credit	Balance
<b>100000 - SCCB Zone 1 - 3957</b>						<b>249,938.44</b>
Bill Pmt -Check	11/21/2022	1454	Cal Engineering & Geology		21,318.75	228,619.69
Bill Pmt -Check	11/21/2022	1455	Hutchinson & Bloodgood		9,000.00	219,619.69
Bill Pmt -Check	11/21/2022	1456	Jarvis Fay LLP		540.00	219,079.69
Bill Pmt -Check	11/21/2022	1457	Wendy L. Cumming, CPA		4,104.99	214,974.70
Bill Pmt -Check	01/19/2023	1460	Cal Engineering & Geology		2,616.25	212,358.45
Bill Pmt -Check	01/19/2023	1459	Jarvis Fay LLP		1,000.00	211,358.45
Bill Pmt -Check	01/19/2023	1458	Wendy L. Cumming, CPA		2,318.75	209,039.70
Total 100000 - SCCB Zone 1 - 3957				0.00	40,898.74	209,039.70
<b>100001 - SCCB Zone 2 - 3965</b>						<b>73,763.40</b>
Bill Pmt -Check	11/21/2022	1378	Pelican Home Owner's Association		15,476.00	58,287.40
Bill Pmt -Check	01/19/2023	1379	Pelican Home Owner's Association		15,476.00	42,811.40
Total 100001 - SCCB Zone 2 - 3965				0.00	30,952.00	42,811.40
<b>100002 - SCCB Z1 Emerg - 1877</b>						<b>665,632.19</b>
Total 100002 - SCCB Z1 Emerg - 1877						665,632.19
<b>100003 - SCCB LTD- 0208</b>						<b>49,265.68</b>
Deposit	11/30/2022			4.05		49,269.73
Deposit	12/31/2022			4.18		49,273.91
Deposit	01/31/2023			4.19		49,278.10
Total 100003 - SCCB LTD- 0208				12.42	0.00	49,278.10
<b>100004 - SCCB Bond Holding</b>						<b>259,075.02</b>
Deposit	11/30/2022			31.94		259,106.96
Deposit	12/31/2022			33.01		259,139.97
Deposit	01/31/2023			33.02		259,172.99
Total 100004 - SCCB Bond Holding				97.97	0.00	259,172.99
<b>TOTAL</b>				<b>110.39</b>	<b>71,850.74</b>	<b>1,225,934.38</b>

## Commercial Insurance Quote Proposal

**To:** KBK Insurance Agency  
**Contact Name:** Sondra Carter  
**Contact Email:**  
**Contact Phone:** (831) 724-1085

**From:** MJ Hall & Company Inc (Napa, CA)  
**Address:** 3270 Silverado Trl Napa CA 94558-1424  
**Contact Name:** Sonya Hannon  
**Contact Email:** Sonya.hannon@mjhall.com  
**Contact Phone:**  
**License #:** 0488901

**Underwritten By:** SCOTTSDALE INSURANCE COMPANY

**A.M. Best rated A+ (Superior), FSC XV**

**Commission:** 10.00%

**Minimum Earned:** 25%

**Minimum and Advance  
Premium:**

100%

These terms are valid for 60 days from MARCH 06,2023. Our quote may differ from the terms requested. Please review the quote carefully.

If the policy is cancelled at the insured's request, including non-payment of premium, there will be a minimum earned premium retained by us. If a policy or inspection fee is applicable to this policy, the fees are fully earned. No flat cancellations.

At the close of each audit period, we will compute the earned premium for that period. If the earned premium is greater than the advance premium paid, an audit premium will be due. There will be no returned premium upon Audit if the estimated exposure is less than shown, unless the Minimum and Advance Premium is less than 100%.

<b>Applicant Name:</b>	PAJARO DUNES GEOLOGIC HAZARD
<b>Proposed Policy Period:</b>	03/29/2023 To 03/29/2024
<b>Quote Number:</b>	QT-02653412
<b>Agent Reference Number:</b>	65215.05
<b>Renewal of #:</b>	CPS7541477

### Premium Summary

LIABILITY	\$2,500 MP	
PROPERTY	\$300 MP	
<b>Sub Total Premium:</b>	<b>\$2,800</b>	
Broker Fee	\$200.00	
Surplus Lines Tax	\$84.00	
Stamp Fee	\$5.04	
<b>Grand Total:</b>	<b>\$3,089.04</b>	<b>+\$250.00 KBK Fee Total Cost \$3,339.04</b>

**Terrorism:** Terrorism coverage can be purchased for an additional premium of \$140.00 plus applicable taxes and fees. Signed acceptance/rejection required at binding.

#### Subject to following terms and conditions:

- IN ORDER TO BIND WE REQUIRE:
  - [X ] Written request to bind;
  - [X ] Signed Terrorism Notice form (accepting or rejecting TRIA);
  - [X ] Signed D-1 (California Surplus Lines Notice)
  - [X ] SL-2 (California Diligent Search Affidavit);
  - [X ] Signed Acords 125-126-140

- WARRANT:  
Hand Held Fire Extinguishers; Currently Tagged

## Commercial Liability Coverage

	Limits
General Aggregate	\$3,000,000
Products/Completed Operations Aggregate	EXCLUDED
Personal and Advertising Injury	EXCLUDED
Per Occurrence	\$3,000,000
Damage to Premises Rented to You	\$100,000
Medical Payments	\$5,000
Deductible	\$0 BI/PD/PA PER CLAIMANT

### Liability Rating Classifications and Premium

Loc #/ Bldg #	Program / ISO	Class Code	Description	Exposure	Prem / Prod Rate	Prem / Prod Premium
<b>2661 BEACH RD WATSONVILLE CA 95076</b>						
1 / 1	IF	49451	VACANT LAND - OTHER THAN NOT-FOR-PROFIT+	1 / PER ACRE/EACH	\$4.86 INCL	\$5 INCL
1 / 1	A1	61225	BUILDINGS OR PREMISES - OFFICE - PREMISES OCCUPIED BY EMPLOYEES OF THE INSURED - NOT-FOR-PROFIT ONLY+	500 / PER 1000 SQ FT/AREA	\$150.00 INCL	\$75 INCL

† + PRODUCTS/COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT

### Commercial Liability Additional Insureds

Coverage Description	Form	Premium Basis	Number of A/I's	Premium
ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES	CG 20 11	NO CHARGE	1	INCLUDED
SANTA CRUZ COUNTY BANK 720 FRONT STREET SANTA CRUZ CA 95060 UNITED STATES				

Final Liability Premium:

**\$2,500 MP**

## Commercial Property Coverage

### Property Rating Classifications and Premium

2661 BEACH RD WATSONVILLE CA 95076 SANTA CRUZ							
Loc # / Bldg #	Program / ISO / Class Code / Description	Construction	PC	Year Built	Wind / Hail	Wind/Hail Ded	
1 / 1	A1 – 0702 – OFFICES	FRAME	04	1978	WITH WIND		
Coverage	Cause of Loss	Valuation	Coinsurance	AOP Ded	Limit	Rate	Premium
BPP	SPECIAL EX-THEFT	RC	90%	\$1,000	\$10,000	0.42	\$42

### Commercial Property Additional Interests

Loc # / Bldg #	Coverage Description	Form
1 / 1	ADDITIONAL INSURED - BUILDING OWNER	CP1219
	1. SANTA CRUZ COUNTY BANK 720 FRONT ST SANTA CRUZ CA 95060 UNITED STATES	

**Final Property Premium:**

**\$300 MP**



## Forms and Endorsements

### Common Policy

IL N 018 01-22 CALIFORNIA FRAUD STATEMENT  
NOTS0623CA 01-20 NOTICE TO CALIFORNIA INSURED  
NOTX0178CW 03-16 CLAIM REPORTING INFORMATION  
NOTX0423CW 12-20 POLICYHOLDER DISCLOSURE - NOTICE OF TERRORISM INSURANCE COVERAGE  
UTS-COVPG 03-21 COVER PAGE  
OPS-D-1-0117 01-21 COMMON POLICY DECLARATIONS  
UTS-126L 10-93 SCHEDULE OF TAXES, SURCHARGES OR FEES  
UTS-SP-2 12-95 SCHEDULE OF FORMS AND ENDORSEMENTS  
UTS-SP-3 08-96 SCHEDULE OF LOCATIONS  
IL 00 17 11-98 COMMON POLICY CONDITIONS  
IL 01 02 02-20 CALIFORNIA CHANGES-ACTUAL CASH VALUE  
IL 09 53 01-15 EXCLUSION OF CERTIFIED ACTS OF TERRORISM  
UTS-253-CA 01-97 AMENDATORY ENDORSEMENT-CALIFORNIA  
UTS-490 11-18 TOTAL OR CONSTRUCTIVE TOTAL LOSS PROVISION  
UTS-496 06-19 MINIMUM EARNED CANCELLATION PREMIUM  
UTS-9g 06-22 SERVICE OF SUIT CLAUSE

### Commercial Liability

CLS-SD-1L 08-01 COMMERCIAL GENERAL LIABILITY COVERAGE PART SUPPLEMENTAL DECLARATIONS  
CLS-SP-1L 10-93 COMMERCIAL GENERAL LIABILITY COVERAGE PART EXTENSION OF SUPPLEMENTAL DECLARATIONS  
CG 00 01 04-13 COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
CG 20 11 12-19 ADDITIONAL INSURED-MANAGERS OR LESSORS OF PREMISES  
CG 21 06 05-14 EXCLUSION-ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY-WITH LIMITED BODILY INJURY EXCEPTION  
CG 21 16 04-13 EXCLUSION-DESIGNATED PROFESSIONAL SERVICES  
CG 21 38 11-85 EXCLUSION-PERSONAL AND ADVERTISING INJURY  
CG 21 39 10-93 CONTRACTUAL LIABILITY LIMITATION  
CG 21 47 12-07 EMPLOYMENT-RELATED PRACTICES EXCLUSION  
CG 21 49 09-99 TOTAL POLLUTION EXCLUSION ENDORSEMENT  
CG 21 67 12-04 FUNGI OR BACTERIA EXCLUSION  
CG 21 73 01-15 EXCLUSION OF CERTIFIED ACTS OF TERRORISM  
CG 32 34 01-05 CALIFORNIA CHANGES  
CG 40 12 12-19 EXCLUSION - ALL HAZARDS IN CONNECTION WITH AN ELECTRONIC SMOKING DEVICE, ITS VAPOR, COMPONENT PARTS, EQUIPMENT AND ACCESSORIES  
CG 40 15 12-20 CANNABIS EXCLUSION WITH HEMP EXCEPTION

## Forms and Endorsements

GLS-100s 06-13 EXCLUSION-CONTRACTORS AND SUBCONTRACTORS

GLS-152s 08-16 AMENDMENT TO OTHER INSURANCE CONDITION

GLS-284s 05-17 LOGGING AND LUMBERING OPERATIONS EXCLUSION

GLS-341s 08-12 HYDRAULIC FRACTURING EXCLUSION

GLS-457s 10-14 AIRCRAFT EXCLUSION

GLS-475 08-17 TOTAL PRODUCTS EXCLUSION WITH DESIGNATED PREMISES LIMITATION

**Designated Premises** 2661 BEACH RD, WATSONVILLE, CA 95076

GLS-47s 10-07 MINIMUM AND ADVANCE PREMIUM ENDORSEMENT

GLS-628 12-21 TOTAL RESIDENTIAL CONSTRUCTION OPERATIONS EXCLUSION

GLS-74s 09-05 AMENDMENT OF CONDITIONS

IL 00 21 09-08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

UTS-267g 05-98 LEAD CONTAMINATION EXCLUSION

UTS-301g 11-05 EARTH OR LAND MOVEMENT EXCLUSION

UTS-365s 02-09 AMENDMENT OF NONPAYMENT CANCELLATION CONDITION

UTS-428g 11-12 PREMIUM AUDIT

UTS-610 06-22 ASBESTOS EXCLUSION

UTS-611 07-22 EXCLUSION—BIOMETRIC INFORMATION

UTS-74g 08-95 PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION

### Commercial Property

CPS-SD-1-0219 01-21 COMMERCIAL PROPERTY COVERAGE PART SUPPLEMENTAL DECLARATIONS

CP 00 10 10-12 BUILDING AND PERSONAL PROPERTY COVERAGE FORM

CP 00 90 07-88 COMMERCIAL PROPERTY CONDITIONS

CP 01 40 07-06 EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

CP 02 99 06-07 CANCELLATION CHANGES

CP 04 11 09-17 PROTECTIVE SAFEGUARDS

1 1 P-9 SMOKE DETECTORS, HAND HELD FIRE EXTINGUISHERS

CP 04 49 02-20 CALIFORNIA CHANGES-REPLACEMENT COST

CP 10 30 09-17 CAUSES OF LOSS-SPECIAL FORM

CP 10 33 10-12 THEFT EXCLUSION

CP 10 75 12-20 CYBER INCIDENT EXCLUSION

CP 12 19 06-07 ADDITIONAL INSURED-BUILDING OWNER



Sondra Carter  
KBK Insurance Agency  
1006 Freedom Boulevard  
Watsonville, CA 95076

Feb 15, 2023

Re: Pajaro Dunes Geologic Hazard Abatement District, Ref# 11038044-A  
Proposed Effective 3/12/2023 to 3/12/2024

Dear Sondra:

We are pleased to confirm the attached quotation for **Public Officials Management & Employment Practices Liability** being offered with **Indian Harbor Insurance Company**. This carrier is **Non-Admitted** in the state of **CA**. Please note that this quotation is based on the coverage, terms and conditions as stated in the attached quotation, which may be different from those requested in your original submission. As you are the representative of the Insured, it is incumbent upon you to review the terms of this quotation carefully with your Insured, and reconcile any differences from the terms requested in the original submission. CRC Insurance Services, Inc. disclaims any responsibility for your failure to reconcile with the Insured any differences between the terms quoted as per the attached and those terms originally requested. The attached quotation may not be bound without a fully executed CRC brokerage agreement.

**NOTE: The Insurance Carrier indicated in this quotation reserves the right, at its sole discretion, to amend or withdraw this quotation if it becomes aware of any new, corrected or updated information that is believed to be a material change and consequently would change the original underwriting decision.**

Should coverage be elected as quoted per the attached, Premium and Commission are as follows:

<b>Premium:</b>	<b>\$13,175.00</b>
Broker Fee	\$250.00
Policy Fee	\$245.00
Surplus Lines Tax	\$402.60
Stamping Office Fee	\$24.16

**Grand Total: \$14,096.76 +\$250 KBK Fee Total Cost \$14,346.76**

**Commission: 10%**

**MEP: 25%**

**Broker Fees & Policy Fees are Fully Earned at Binding**

**NOTE: If insured is located outside your resident state, you must hold appropriate non-resident license prior to binding.**

**If Non Admitted the following applies:**

**California Tax Filings are the responsibility of: ( ) Your Agency ( ) CRC**

Upon requesting quotes and/or placement for the coverage listed herein, the producing retail broker hereby confirms that he/she has performed any and all diligent searches, as may be required by statute, for coverage through licensed carriers or other means of placement, and as necessary maintain proof of declination. Where allowed by governing statutes, "diligent effort" may not require an actual physical search and declination on each risk, but may be based on the retail producing broker's own experience, opinion and overall knowledge of acceptability in the admitted marketplace.

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CRC is compensated in a variety of ways, including commissions and fees paid by insurance companies and fees paid by clients. Some insurance companies pay brokers supplemental commissions (sometimes referred to as "contingent commissions" or "incentive commissions"), which is compensation that is based on a broker's performance with that carrier. These supplemental commissions may be based on volume, profitability, retention, growth or other measures. Even if a contingent commission agreement exists with a carrier, we recognize that our responsibility is to promote the best interests of the policyholder in the selection of an insurance company. For more information on CRC's compensation, please contact your CRC broker.

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### **Financing Insurance Premiums**

Premium financing budgets insurance payments and improves liquidity for other business objectives: working capital, business growth, business expansion.

If your clients choose to pay their insurance in monthly installments, it's fast and easy with AFCO Credit Corporation, which is an affiliate of CRC, providing premium financing solutions for companies across the United States.

You can learn more about how premium financing works and how it can expand your relationship with your clients by emailing [afcodirect@afco.com](mailto:afcodirect@afco.com); or call toll-free **877-317-6437**, option 1. Additional information is available at <https://www.afco.com/partners/crc.html>.

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Sincerely,

Pete Thrasher

PThrasher@crcgroup.com

11038044

## **IMPORTANT NOTICE:**

- 1. The insurance policy that you are applying to purchase is being issued by an insurer that is not licensed by the State of California. These companies are called "nonadmitted" or "surplus line" insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or "surplus line" broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website [www.insurance.ca.gov](http://www.insurance.ca.gov). Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC's internet website at [www.naic.org](http://www.naic.org). The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state's department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: [https://naic.org/state\\_web\\_map.htm](https://naic.org/state_web_map.htm).**

6. **For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.**
  
7. **California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: [www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm](http://www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm).**
  
8. **If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.**

**Date:** \_\_\_\_\_

**Insured:** \_\_\_\_\_

**D-1 (Effective January 1, 2020)**

**IMPORTANT NOTICE:**

**The insurance policy that you have purchased is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**

**The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**

**The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**

**The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website [www.insurance.ca.gov](http://www.insurance.ca.gov). Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC's internet website at [www.naic.org](http://www.naic.org). The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**

**Foreign insurers should be licensed by a state in the United States and you may contact that state's department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: [https://naic.org/state\\_web\\_map.htm](https://naic.org/state_web_map.htm).**

**For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on**

**the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or “surplus line” broker to obtain more information about that insurer.**

**California maintains a “List of Approved Surplus Line Insurers (LASLI).” Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance:**





**Professional  
Governmental  
Underwriters, LLC**

**The Authority.**

DBA: PGB Insurance Agency CA License #: 0F65220

4870 Sadler Road, Suite 102  
Glen Allen, VA 23060 [www.pgui.com](http://www.pgui.com)

**25+** YEARS  
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## Public Officials Management & Employment Practices Liability

DBA: PGB Insurance Agency CA license #: 0F65220

**Date:** 02/15/2023

**To:** Yolanda P. Hernandez  
CRC - San Francisco  
**Email:** [yhernandez@crcswett.com](mailto:yhernandez@crcswett.com)

**Proposed Insured:** Pajaro Dunes Geologic Hazard Abatement District  
c/o Sarah Mansergh 134 Landis Avenue  
Freedom, CA 95019

**Application #:** POL0952899-04-REN

Thank you very much for your submission. Based upon the information received and subject to the limitations outlined below, we are pleased to offer the following:

### QUOTATION

**Coverage:** See coverage form PGU POL 2001 (04/2017) for terms, conditions and limitations

**Form:** Claims Made

**Retro Date:** None - Full Prior Acts

**Insurer Information:** Indian Harbor Insurance Company  
A member of the AXA XL Group of Companies  
Best Rating: A XV  
Surplus Lines Insurer

**Filings / Taxes:** PGU Not Responsible For Tax Filings

**Commission:** 10%

**Quotation / Indication valid until:** 3/12/2023

If we are offering coverage on a surplus lines basis, the agent is responsible for handling of filings unless we note otherwise on this quotation. If we have provided terms using bid specifications or an application other than ours, the quote is subject to change pending review of a completed and signed PGU application.

# Public Officials Management & Employment Practices Liability

**Proposed Insured:** Pajaro Dunes Geologic Hazard Abatement District

<b>Terms</b>	<b>Limits</b>	<b>Retentions</b> each claim including LAE	<b>Premium</b>
Public Officials Management	\$1,000,000	\$10,000	\$6,555.00
Employment Practices Liability	\$1,000,000	\$25,000	Included
Policy Aggregate	\$1,000,000		
Non-Monetary Coverage - Defense Only	\$50,000	\$10,000	Included
Non-Monetary Coverage - Defense Only Aggregate	\$100,000		
Crisis Management	\$25,000	\$5,000	Included
<b>Features/Enhancements</b>			
Punitive Damages		See Retentions Above	Included
Personal Injury		See Retentions Above	Included
Third Party Wrongful Acts		See Retentions Above	Included
Back Pay / Front Pay		See Retentions Above	Included
Loss of Earnings		See Retentions Above	Included
<b>Optional Increased Limits</b>			
	2,000,000 CSL		\$2,120.00
	3,000,000 CSL		\$1,500.00
	4,000,000 CSL		\$1,500.00
	5,000,000 CSL		\$1,500.00
<b>Premium, Fees and Taxes</b>			
	<b>Total Premium:</b>		\$13,175.00
	<b>Policy Fee :</b>		\$245.00
	<b>Total Cost:</b>		\$13,420.00
<b>Comments:</b>			
By purchasing this coverage, you will have the opportunity to register for our PGU Employer Resource Center that provides unlimited, specific, documented, and confidential advice from employment law attorneys. It also provides on-line training courses, including sexual harassment prevention, available for both supervisors and employees. As well as, on-line tools; a state-specific employee handbook builder, forms, posters, news, and more.			

**Proposed Insured:** Pajaro Dunes Geologic Hazard Abatement District

**SUBJECTIVITIES - WE MUST BE PROVIDED WITH THESE ITEMS BEFORE COVERAGE CAN BE BOUND:**

Deadly Weapon Protection Insurance is available through Professional Governmental Underwriters, Inc. Please contact your underwriter if you are interested in additional information about this new product.

**Reminders:**

A written request is required to bind coverage.

Backdating of coverage is not allowed.

See attached Coverage Features attachment for additional information.

Limits, retentions, terms and conditions quoted do not necessarily match those requested.

This proposal contains a brief outline of coverages to be included in any policy that may be issued in the future.

This is only a summary and the Terms and Conditions of any policy will take precedence over any proposal.

Minimum Earned Premium is the GREATER of \$1,500 or 25% of annual premium.

We will not cancel flat after inception date.

Engineering Fee is non-refundable.

**Applicable Forms:** (Other forms may apply. Consult Underwriter for details.)

PN CA 02 01 17	Import Information to Policyholders - California
PN CA 05 01 17	Notice to Policyholder - California Surplus Lines Notice
PN CA 05 01 20	Notice to Policyholder - California Surplus Lines Important Notice
PGU POL 2000 08 19	Public Officials and Employment Practices Liability Declarations
IL MP 9104 0314 IHIC 03 14	In Witness
PGU 2002 04 17	Schedule of Policy Forms and Endorsements
PGU POL 2001 04 17	Public Officials and Employment Practices Liability Insurance Policy
PGU 1052 (POL) 04 17	Minimum Earned Premium Upon Cancellation
PGU 1133 01 22	US Professional Indemnity - Cyber Exclusion
XL-CASOP 11 10	Service of Process
PN CW 01 01 22	Notice to Policyholders - Fraud Notice
PN CW 02 01 19	Notice to Policyholders - Privacy Policy
PN CW 05 05 19	Notice to Policyholders - U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")