



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

**David Ferarri will be teleconferencing in from secondary location:  
Embassy Suites Sacramento Riverfront Promenade, 100 Capitol Mall, Sacramento CA 94010  
For specific room location please inquire at the front desk**

**Saturday, November 11, 2017 9:00 a.m.**

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

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**Roll Call**

Bob Moore, President **not present**  
Jim Griffin, Director **present**  
John Cullen, Director **present**

David Ferrari, Director **present**  
Robert Allen, Director **present**  
Sarah Mansergh, Clerk **present**

**Also present Carol T. and Mike R.**

**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.

- Rob Allen oath of office
- Review of Directors term dates and election dates
- Meeting Calendar:  
December 9<sup>th</sup>, 2017  
Confirm 2018 Meeting Dates: February 10<sup>th</sup>, April 14<sup>th</sup>, May 12<sup>th</sup>, August 11<sup>th</sup>, November 10<sup>th</sup>, and December 8<sup>th</sup>.

**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 minutes August 12, 2017 and September 16, 2017

John C. makes motion for approval, David F seconds. All approve and minutes approved.

## **E. TREASURER'S REPORT**

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2. Financial Reports
  - Financial Report July 1st-October 31<sup>st</sup>, 2017
  - Warrant listing

Jim G. makes motion for approval, John C. seconds. All approve and motion passes.

## **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 attended

## **G. NEW BUSINESS**

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4. ITEM – Consider accepting PDGHAD's audited financial statements as of June 30,2017

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

Wendy states no surprises in the audit but would like more time to review for final and suggests accepting draft. Move final audit approval to next meeting.

Rob moves to accept draft and review final at next meeting. All agree and motion passes.

5. ITEM – Review job descriptions, seek nominations and appoint additional board officers: vice-president, treasurer and discuss new suggested roles: secretary and community liaison.

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

David F. is interested in community liaison position, John C. is interested in the secretary position and Rob A. is interested in Vice-President.

Motion to approve these officers by Jim G, second by Rob A. All in favor and motion passes.

6. ITEM – Designate additional signers for PDGHAD bank accounts.

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

How often is this needed? Wendy suggests removing Wendy from the account and add 2-3 other signers. David F., Rob A. volunteer.

John C. moves to remove Wendy from the accounts and to add David Ferrari and Rob Allen as additional signors. All approve and motion passes.

Wendy has additional thoughts about this and has suggested adding the clerk (Sarah Mansergh) to the account to create some continuity.

John Cullen moves to amend this decision and add Sarah Mansergh as a signer, Rob Allen seconds. All in favor and motion is amended and approved.

7. ITEM – Discuss creating a resolution (updating Resolution 2016-02) authorizing additional board members to be able to approve and make expenditures in case of emergencies.

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

Rob moves to retain the old resolution. John seconds. All in favor so no new resolution is needed.

8. ITEM – Consider a resolution (Resolution 2017-02) authorizing the Board President to establish a line of credit for up to \$600,000 in collaboration with the Pajaro Dunes Association.

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

Discussion and clarification of what is needed from PDA.

Mike clarifies the PDA needs to verify that they can show the bank that they can recoup the funds. We will be collecting the assessment funds over several years so PDA needs to understand that they will be named on the credit for several years until funds are filled.

Could we wait to seek line of credit after we get the assessment election passed?

Rob says to move with expedience and ensure funds are available sooner-for this winter season

Wendy- Will having the line of credit add a disincentive to homeowners because of the weighted distribution of assessments?

Carol-only ability to get money from the PDA is equitable distribution between all homeowners. So paying back the loan would be assessed equally between homeowners.

Rob-If we did nothing then who would pay for this and how would we get repairs made? That is the fear. PDA may act but could only assess equally etc.

Jim-should provide a sunset provision for the line of credit and PDA

Wendy-as you collect funds you could have the line of credit be decreased.

Mike-we can make suggestions to the bank and requests about the structure of the line of credit.

Rob-suggests start at 600K and remains until we begin to collect taxes. And the amount of PDA's exposure diminishes until we have collected the full amount.

John C-suggest Bob Moore sends a letter that is updated

David- The letter doesn't need to be changed but we can discuss. And could attend the meeting

John C moves to adopt the resolution approving moving forward with a line of credit, Rob A. seconds. All in favor and motion is passed.

Jim has side discussion about concerns about risks to river wall.

Pelicans has funds of \$130,000 for repairs and maintenance.

Rob-does this clarification need to be included in the 218 process. General consensus is to include this in all documentation moving forward-the current 218 reassessment will just be for Zone 1

## 9. ITEM – Review draft of engineer's report for 218 assessment process

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

Mike-Update reference to fiscal year, took out the names and made it a bit briefer.

Wendy-These numbers are the maximum plus CPI. So would not necessarily assess for Zone 2 until their funds are depleted.

Jim-How do the general admin expenses feed into this part? Will most of the funds for these expenses come from Zone 1? Yes Should Zone 2 be included in this budget at all?

Mike-can we just remove Zone 2 from voting in the reserve. This may be clearer to exclude them so we can simplify the ballots and voting structure. General consensus is that it would be best to remove Zone 2 repair funds from the budget and the vote.

Vote for general and administration budget weighted? Yes it is.

Discussion closed. Will direct ARUP to finalize the engineers report with updated budget numbers.

10. ITEM- Review draft of budget details for 218 assessment process

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

Wendy provides overview-broke out the clerk and accountant positions, budget went down about \$12,000 but keep in mind this is the maximum for each category so are these still appropriate numbers?

David-how many times have these been examined? Why would we change if they have already been reviewed?

John- How did the \$175000 a year come about? Going to a cap of \$600,000 was based on? Inspections have been done in the past?

Wendy-historically this number seemed to be comfortable for a regular emergency.

Carol-originally \$500,000 based on the engineer's assessment of a largish emergency situation. Suggesting in the budget to add more routine inspections.

Rob-If we are successful in obtaining permit from State Parks to remove the rocks from the beach. Does this budget include monies to retrieve those rocks to remove the rocks and make sure fine won't be assessed.

This is for emergencies so there is nothing in the budget to pay for that. The funds for long term costs would be another 218 assessment election process.

How are we paying for ARUP's services. Do we need to add a line for additional engineer of record work.

Consensus is to add this as a line item.

Could be billed to go to meetings, add some research time.

Wendy-will move the \$12,000 from savings and put it as a line item for engineers.

Closed discussion.

11. ITEM – Review draft timeline for 218 assessment process

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

Mike described the process reflecting what was in the document.

John C-How do we prepare the homeowners for this. Do we have separate meetings for homeowners so we can field questions.

Yes, we can certainly add a special meeting to cover questions.

Let's have some materials ready for December meeting to present this to the homeowners in attendance. This will be a good opportunity to describe the process.

Mike-there was a large visual of budget and the difference between what you pay now and what you will be paying.

Jim-Be prepared for it not to pass? What was the issue.

Mike-that was due to an error in the engineer's report that had Zone 2 paying more.

Rob-their analysis suggested that the 85-10-5 split in the allocation of costs is appropriate.

John C-just need to be prepared to answer questions about the split.

Discussion closed.

John C-motion to adjourn. Jim G. seconds. All in favor and meeting is adjourned.

## **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 Regular Meeting of the Board of Directors is scheduled for December 9, 2017, at 9:00 a.m. at the offices of the Pajaro Dunes Geologic Hazard Abatement District, Meadow Room, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076. Individuals who require special accommodations are requested to contact the District Clerk by calling (831) 761-7744, no less than 72 hours prior to the meeting or in the case of a Special Meeting, as soon as possible after the Agenda is posted. Copies of the agenda will be available 72 hours prior to the meeting and may be obtained by contacting the District at (831) 761-7744. All meetings are noticed and conducted in accordance with the Ralph M. Brown Act.

Attest:



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