



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

Saturday, August 11th, 2018 9:00 a.m.

A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE

Roll Call

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

David Ferrari, Community Liaison
Jim Griffin, Director
Sarah Mansergh, Clerk

B. MEMBER COMMENTS

Matters under the jurisdiction of the Board and not on the posted agenda, may be addressed by members of the public before the Board for consideration. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Board of PDGHAD. Any person wishing to address the Board during the Member Comment period shall be permitted to be heard for up to 3 minutes, A) individuals may speak only once and B) the Board is unable to address any owner comments in depth, but may choose to direct the Clerk to follow-up on the matter for a future meeting.

C. PRESIDENT'S REMARKS

The President will use this opportunity to inform the public of issues affecting the District and other items of a general nature not otherwise provided for on this agenda.

- Meeting Calendar 2018

November 10th and December 8th

D. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine by the Board of Directors and will be enacted by one motion at the appropriate time. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the Consent Calendar and will be considered separately.

1. Approval of minutes June 9th, 2018

E. TREASURER’S REPORT

2. Financial Reports
 - Financial Report through June 30th, 2018
 - Warrant listing

F. MEETING reports

3. Meetings attended by Directors at District expense since the last meeting of the Board (per AB1234 requirements). Such reports may be made orally or in writing.

G. NEW BUSINESS

4. ITEM – Resolution to consider adoption of annual conflict of interest code
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action

5. ITEM – Resolution establishing a policy for the use of funds designated as “Zone 1 Capital Repair Expense and Reserve Fund”
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action

6. ITEM – Provide direction to Accountant for the establishment of a new reserve account for “Zone 1 Capital Repair Expense and Reserve Fund” with Santa Cruz County Bank.
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action

7. ITEM – Update on assessment rolls sent to the County for 2018/2019
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action

8. ITEM – Resolution to establish a line of credit for use as emergency funds until the “Zone 1 Capital Repair Expense and Reserve Fund” is funded.
 - a. Board report
 - b. Public comment
 - c. Board discussion
 - d. Board action

9. ITEM – Update on Board election process

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

10. ITEM – Strategy Session to discuss permits and procedures for seawall hazard abatement

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

H. DIRECTORS COMMENTS AND CONCERNS

Members of the Board of Directors may address items of concern at this time, and may request that items be placed on future agendas in accordance with the By-laws of the Board.

I. ADJOURNMENT

The next Meeting of the Board of Directors is scheduled for November 10, 2018, 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.

PDGHAD

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

Saturday, June 9th, 2018 8:00 a.m.

A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE

Roll Call

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

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

B. MEMBER COMMENTS

Matters under the jurisdiction of the Board and not on the posted agenda, may be addressed by members of the public before the Board for consideration. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Board of PDGHAD. Any person wishing to address the Board during the Member Comment period shall be permitted to be heard for up to 3 minutes, A) individuals may speak only once and B) the Board is unable to address any owner comments in depth, but may choose to direct the Clerk to follow-up on the matter for a future meeting.

C. PRESIDENT'S REMARKS

The President will use this opportunity to inform the public of issues affecting the District and other items of a general nature not otherwise provided for on this agenda.

- Update on fix of sinkhole near PDA stairs

Rob Allen gave update on a sinkhole that was 2.5x2.5x6' sized by the dunes between house 144 and 143 on the south side of the steps. It hadn't affected the integrity of the wall nor moved any of the rocks. It was about 6 feet on the inland side of the wall. Sam also verified-he backfilled the space to fill the air space-drainage rock, broken concrete and then sand was packed on top. The sand had just flowed through rocks. After the drainage rock was put into the hole they layered the area with bags filled with cut dune grasses, other rocks etc. to create more fill layers. This should act to slow any flow of water. Most likely cause was the old filter fabric has disintegrated in a few spaces.

- Meeting Calendar 2018

August 11th, November 10th, and December 8th.

D. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine by the Board of Directors and will be enacted by one motion at the appropriate time. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the Consent Calendar and will be considered separately.

1. Approval of minutes April 14, 2018

John C moves to approve with correction. Rob Allen seconds. All approve.

E. MEETING reports

2. 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.

None

F. NEW BUSINESS

3. ITEM – Consider a resolution ordering an election for board members to be held on November 6th, 2018 in the countywide election.

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

Sarah will send out an announcement with the letter announcing the vote tallies.

Some discussion about the election process-timeline and how. Timeline to submit candidacy from July 16th to August 10th.

John C moves to approve the resolution seconded by David Ferrari. All approve.

4. ITEM – Public hearing on 2018 assessment vote.

- a. Distribution of correspondence received as of June 9th, 2018
- b. Public comment
- c. Board discussion

PDGHAD did not receive any more correspondence about the 2018 assessment election.

Opened the public hearing at 8:32.

No comments were presented

Public hearing closed at 8:33

John C moved to close the public hearing David F. seconds. All approve

5. ITEM – Certification of assessment election count and final vote tally.
 - a. Board report
 - b. Open for public questions and comments
 - c. Board responses

Lynn Myers and Sara South present to conduct the vote tabulation. The vote count commenced at 8:35am in the Meadow Room which was accessible to the public during the entire time of the count. Wendy Cummings and Sarah Mansergh provided a second review of the vote tabulation. No discrepancies were noted and Lynn Myers certified the vote for both Zone 1 and Zone 2.

6. ITEM – Consider resolution declaring certified results and intent to levy assessments for fiscal year 2018-2019.
 - a. Board report
 - b. Open for public questions and comments
 - c. Board responses

Jim G moves to reconvene meeting, Rob A seconds. All approve. Meeting was reconvened at 9:45am. No public members arrived during the interim and no further protests were filed.

Assessment for Zone 1 has been approved with an 83% of weighted vote in support. Zone 2 was approved with 89% of votes in support.

Jim G moves to approve the resolution declaring the certification of the results and directing staff to move forward informing County of Santa Cruz of the new assessments. John C seconds. All approve.

7. ITEM –If necessary, consider alternative Fiscal Year 2018-2019 budgets.
 - a. Board report
 - b. Open for public questions and comments
 - c. Board responses

Rob A. moves to dismiss this item as it is unnecessary with the approval of the assessment vote John C seconds. All approve. Item 7 is dismissed.

Discussions ensued on additional information to include in the election results letter and next steps for the Board.

Suggestions for communication items with the mailing.

Describe how the emergency funds will be used. Letter to be reviewed by Bob M. John C. and Mike R. and Wendy C.

For the next meeting:

Resolution on the use of the reserve funds.

Loan documents.

Set up a meeting with Zach Friend-Bob M and David F.

Strategy session for next steps in application for seawall fixes.

Rob A moves to adjourn the meeting and David F seconds. All approve.

H. DIRECTORS COMMENTS AND CONCERNS

Members of the Board of Directors may address items of concern at this time, and may request that items be placed on future agendas in accordance with the By-laws of the Board.

I. ADJOURNMENT

The next Meeting of the Board of Directors is scheduled for August 11th, 2018, 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.

**CERTIFICATION OF ELECTION RESULTS
FOR THE FY 2018-2019 ASSESSMENT ELECTION
ZONE 1**

I, Lynn Myers, certify that the attached document is a full, true and correct statement of the results of the Fiscal Year 2018-2019 Assessment Balloting for the Annual Administrative and Operating Budget for Zone 1, as initiated by the Pajaro Dunes Geologic Hazard Abatement District Board of Directors on March 10, 2018. The ballots were counted and the voting was tabulated in an open setting after the completion of a noticed public hearing at The Meadow Room, 2661 Beach Road, Watsonville, CA, 95076, on June 9, 2018.



Lynn Myers

Date 6/9/18

RESULTS OF THE 2018 ASSESSMENT ELECTION FOR ZONE 1

6/9/18

Total

Weighted vote that voted yes .47355

Weighted vote that voted no .09868

Total weighted vote that voted .57

Fraction of weighted vote that voted yes

Results 82.75%

Fraction of weighted vote that voted no

Results 17.25%

Total possible weighted vote 100

TOTAL NUMBER YES VOTES 121


TOTAL NUMBER NO VOTES 25

TOTAL NUMBER VOTES 146

**CERTIFICATION OF ELECTION RESULTS
FOR THE FY 2018-2019 ASSESSMENT ELECTION**

ZONE 2

I, Lynn Myers, certify that the attached document is a full, true and correct statement of the results of the Fiscal Year 2018-2019 Assessment Balloting for the Annual Administrative and Operating Budget for Zone 2, as initiated by the Pajaro Dunes Geologic Hazard Abatement District Board of Directors on March 10, 2018. The ballots were counted and the voting was tabulated in an open setting after the completion of a noticed public hearing at The Meadow Room, 2661 Beach Road, Watsonville, CA, 95076, on June 9, 2018.



Lynn Myers

Date 6/9/18

218 Election Results for Zone 2
June 9, 2018

2/6/9/18

Total for Pelican - Zone 2					
	Number of yes votes	42			
	Number of no votes	5			
	Total number of votes	47			
	Approval Ratio	89.36%			
	Fraction of all owners voting yes	89.36% 48.28%			
	Fraction of all owners voting no	5.75%			
	Fraction of all owners voting	54.02%			

Pajaro Dunes Geologic Hazard Abatement District

Balance Sheet

As of June 30, 2018

Jun 30, 18

ASSETS

Current Assets

Checking/Savings

100000 · SCCB Zone 1 - 3957	18,830
100001 · SCCB Zone 2 - 3965	34,758
100003 · SCCB LTD- 0208	89,656
100400 · Union Bank Bond Holding	314,054

Total Checking/Savings 457,298

Accounts Receivable

120000 · Assessments Receivable	116,515
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Total Accounts Receivable 116,515

Other Current Assets

121500 · Prepaid Insurance	13,294
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Total Other Current Assets 13,294

Total Current Assets 587,107

Fixed Assets

150000 · Riverwall	3,000,000
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160000 · Accumulated Depreciation	<u>(1,349,996)</u>
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Total Fixed Assets 1,650,004

TOTAL ASSETS 2,237,111

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

200000 · Accounts Payable	3,109
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Total Accounts Payable 3,109

Other Current Liabilities

220000 · Accrued Interest	20,873
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255000 · Unearned Revenue	17,803
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Total Other Current Liabilities 38,676

Total Current Liabilities 41,786

Long Term Liabilities

260000 · NP SCCB (439k) Loan	59,752
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285000 · Bonds Payable Z2	1,315,000
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286000 · Bonds Payable Discount Z2	(52,250)
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286500 · Amort. Bond Discount Z2	27,685
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Total Long Term Liabilities 1,350,187

Total Liabilities 1,391,973

Equity

30000 · Opening Balance Equity	607,356
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32000 · Retained Earnings	203,353
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Net Income	34,429
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Total Equity 845,138

TOTAL LIABILITIES & EQUITY 2,237,111

Pajaro Dunes Geologic Hazard Abatement District
Profit & Loss Budget vs. Actual
 July 2017 through June 2018

	Zone 1				Zone 2			
	Jul '17 - Jun 18	Budget	\$ Over Budget	Jul '17 - Jun 18	Budget	\$ Over Budget		
Ordinary Income/Expense								
Income								
410000 · Assessment Income	143,868	143,879	(11)	244,211	237,093	7,118		
410050 · Assess. Income PDA Stairs	4,378	4,378		1,882	1,882			
Total Income	148,246	148,257	(11)	246,093	238,975	7,118		
Expense								
610155 · Postage and Mailings	1,210	1,313	(103)					
615140 · Audit Expense	7,500	7,983	(483)					
61518 · Clerk	5,149	5,040	109	1,622	2,719	(1,097)		
615415 · Accounting	17,814	18,150	(336)					
615416 · Assessment Admin. Expense	6,317	8,241	(1,924)	813	1,030	(217)		
615617 · Website Maintenance	628	3,183	(2,555)					
615650 · Officer Election	300	2,060	(1,760)					
615655 · Dues	167							
615656 · Board/Clerk Education		1,030	(1,030)					
616500 · Legal Fees	18,120	9,271	8,849					
619010 · Technical Consulting Costs	17,210							
628500 · Insurance Expense	12,996	13,391	(395)					
629030 · SBA Repayment to PHA Z2				92,856	92,856			
629900 · Bond Fee Expense				635	650	(15)		
650000 · Bank Service Charges				397				
750000 · Depreciation Expense Z2				99,996	100,000	(4)		
Total Expense	87,411	69,662	17,749	196,319	197,255	(936)		
Net Ordinary Income	60,835	78,595	(17,760)	49,774	41,720	8,054		
Other Income/Expense								
410070 · Interest & Penalty Income	1,878	50	1,828	337	150	187		
Total Other Income	1,878	50	1,828	337	150	187		
Other Expense								
855000 · Interest Expense	5,184	5,181	3	71,124	71,125	(1)		
955500 · Interest Bond Discount				2,088	2,088			
Total Other Expense	5,184	5,181	3	73,212	73,213	(1)		
Net Other Income	(3,306)	(5,131)	1,825	(72,875)	(73,063)	188		
Net Income	57,529	73,464	(15,935)	(23,101)	(31,343)	8,242		

Item 2 page 2

Pajaro Dunes Geologic Hazard Abatement District
Profit & Loss Budget vs. Actual
 July 2017 through June 2018

	TOTAL		
	Jul '17 - Jun 18	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
410000 · Assessment Income	388,079	380,972	7,107
410050 · Assess. Income PDA Stairs	6,260	6,260	
Total Income	394,339	387,232	7,107
Expense			
610155 · Postage and Mailings	1,210	1,313	(103)
615140 · Audit Expense	7,500	7,983	(483)
61518 · Clerk	6,771	7,759	(988)
615415 · Accounting	17,814	18,150	(336)
615416 · Assessment Admin. Expense	7,130	9,271	(2,141)
615617 · Website Maintenance	628	3,183	(2,555)
615650 · Officer Election	300	2,060	(1,760)
615655 · Dues	167		167
615656 · Board/Clerk Education		1,030	(1,030)
616500 · Legal Fees	18,120	9,271	8,849
619010 · Technical Consulting Costs	17,210		17,210
628500 · Insurance Expense	12,996	13,391	(395)
629030 · SBA Repayment to PHA Z2	92,856	92,856	
629900 · Bond Fee Expense	635	650	(15)
650000 · Bank Service Charges	397		397
750000 · Depreciation Expense Z2	99,996	100,000	(4)
Total Expense	283,730	266,917	16,813
Net Ordinary Income	110,609	120,315	(9,706)
Other Income/Expense			
Other Income			
410070 · Interest & Penalty Income	2,215	200	2,015
Total Other Income	2,215	200	2,015
Other Expense			
855000 · Interest Expense	76,308	76,306	2
955500 · Interest Bond Discount	2,088	2,088	
Total Other Expense	78,396	78,394	2
Net Other Income	(76,181)	(78,194)	2,013
Net Income	34,428	42,121	(7,693)

Pajaro Dunes Geologic Hazard Abatement District Bank Account Activity

As of June 30, 2018

Type	Date	Num	Name	Debit	Credit	Balance
100000 · SCCB Zone 1 - 3957						35,320.57
Bill Pmt -Check	04/13/2018	1322	Jarvis, Fay, Doport & Gibson, LLP		2,180.00	33,140.57
Bill Pmt -Check	04/13/2018	1323	Sarah Mansergh		2,593.11	30,547.46
Bill Pmt -Check	04/13/2018	1324	Wendy L. Cumming, CPA		2,311.65	28,235.81
Bill Pmt -Check	06/08/2018	1325	Jarvis, Fay, Doport & Gibson, LLP		6,460.00	21,775.81
Bill Pmt -Check	06/08/2018	1326	Lynn Myers		300.00	21,475.81
Bill Pmt -Check	06/08/2018	1327	Sarah Mansergh		423.11	21,052.70
Bill Pmt -Check	06/08/2018	1328	Wendy L. Cumming, CPA		2,268.75	18,783.95
Deposit	06/26/2018			46.51		18,830.46
Total 100000 · SCCB Zone 1 - 3957				46.51	16,536.62	18,830.46
100001 · SCCB Zone 2 - 3965						58,801.16
Bill Pmt -Check	04/13/2018	1285	Pelican Home Owner's Association		7,738.00	51,063.16
Bill Pmt -Check	04/13/2018	1286	Sarah Mansergh		209.95	50,853.21
Bill Pmt -Check	06/08/2018	1287	Pelican Home Owner's Association		15,476.00	35,377.21
Bill Pmt -Check	06/08/2018	1288	Sarah Mansergh		52.30	35,324.91
Bill Pmt -Check	06/08/2018	1289	Union Bank		635.00	34,689.91
Deposit	06/26/2018			68.21		34,758.12
Total 100001 · SCCB Zone 2 - 3965				68.21	24,111.25	34,758.12
100003 · SCCB LTD- 0208						89,622.52
Deposit	04/30/2018			11.05		89,633.57
Deposit	05/31/2018			11.42		89,644.99
Deposit	06/30/2018			11.05		89,656.04
Total 100003 · SCCB LTD- 0208				33.52	0.00	89,656.04
100400 · Union Bank Bond Holding						314,100.03
Check	04/30/2018				34.46	314,065.57
Deposit	04/30/2018			13.33		314,078.90
Check	05/31/2018				26.80	314,052.10
Deposit	05/31/2018			13.33		314,065.43
Check	06/30/2018				24.23	314,041.20
Deposit	06/30/2018			12.47		314,053.67
Total 100400 · Union Bank Bond Holding				39.13	85.49	314,053.67
TOTAL				187.37	40,733.36	457,298.29

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

Resolution Adopting Annual Conflict of Interest Code for 2018

RESOLUTION NO. 2018-08

WHEREAS, the Political Reform Act, Government Code Sections 81000, et. Seq., requires every State and local agency to adopt and promulgate a Conflict of Interest Code, and

WHEREAS, the Board has previously adopted a Conflict of Interest Code incorporating restrictions and regulations set forth in 2. Cal. Code of Regulations, Sections 18109 et seq.

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the Pajaro Dunes GHAD hereby adopts the Conflict of Interest Code, and all Tables appended thereto, copies of which are attached hereto as Exhibit "A" and by this reference incorporated herein, which shall henceforth constitute the Conflict of Interest Code for the Pajaro Dunes Geological Hazard Abatement District. In enacting this resolution, the Board hereby rescinds any previous resolution or Conflict Code adopted by this body. All persons holding designated positions identified in amended Table 2 shall file statements of economic interest pursuant to the Conflict of Interest Code.

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 11th day of August, 2018 by the following vote:

AYES: Directors _____
NOES: Directors _____
ABSENT: Directors _____
ABSTAIN: Directors _____

Robert Moore, President, Board of Directors

ATTEST: _____
Sarah Mansergh, Clerk of the Board

Exhibit A

CONFLICT OF INTEREST CODE FOR THE PAJARO DUNES GEOLOGICAL HAZARD ABATEMENT DISTRICT

The Political Reform Act, Government Code Section 81000, et. seq., requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Table 1 (Categories) and Table 2 (Designated Positions) in which members and employees are designated and disclosure categories are set forth, constitute the conflict of interest code of the Pajaro Dunes Geologic Hazard Abatement District.

Designated employees and directors shall file their statements of economic interest, as specified in this Code, with Pajaro Dunes Geologic Hazard Abatement District, who will thereafter make the statements available for public inspection and reproduction. (GOV. Section 81008). Statements for all designated employees will be retained by the Pajaro Dunes Geologic Hazard Abatement District.

**TABLE 1
CATEGORIES FOR
CONFLICT OF INTEREST CODES
FOR PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

- Category 1:** Officials and employees whose duties are broad and indefinable:
- Investments, business positions, and income from source located in or doing business in the jurisdiction.
- Interests in real property located in jurisdiction, including property located within a two mile radius of any property owned or used by the agency.
- Category 2:** Officials and employees whose duties involve contracting or purchasing:
- Investments, business positions, and sources of income of the type which:
- Provide services, supplies, materials, machinery or equipment of the type utilized by the agency.
- Category 3:** Agencies with regulatory powers:
- Investments, business positions, and sources of income of any type which:
- Are subject to the regulatory, permit or licensing authority of the agency.
- Category 4:** Designated employees whose decisions may affect real property interests:
- Investments, business positions and sources of income of the type which:
- Engage in land development, construction or the acquisition or sale of real property.
- Interests in real property located within the jurisdiction, including property located within a two-mile radius of any property owned or used by the agency.
- Category 5:** Agencies which Provide pooled self-insurance benefits:
- Interests in real property located within the jurisdiction, including property located within a two-mile radius of any property owned or

used by the agency.

Investment, business positions, and sources of income of the type which:

The agency is empowered to invest its funds.

Provide services, supplies, materials, machinery or equipment of the type utilized by the agency.

Engaged in the business of insurance including, but not limited to, insurance companies, carriers, holding companies, underwriters, brokers, solicitors, agents, adjusters, claims managers and actuaries.

Financial institutions including, but not limited to, banks, savings and loan associations and credit unions.

Have filed a claim, or have a claim pending, against the agency.

**TABLE 2
CATEGORIES FOR
DESIGNATED POSITIONS OF INTEREST CODES
FOR PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

<u>Designated Position</u>	<u>Disclosure Category</u>
Members of the Board of Directors	Categories 1, 2
Clerk	Categories 1, 2
General Counsel	Categories 1, 2
Consultants*	Categories 1, 2

* The definition of "Consultant" contained in 2 Cal. Code of Regs., Section 18701 (a)(2), and any amendment to said section duly adopted by the Fair Political Practices Commission, is incorporated herein by reference.

The Board of Directors may determine in writing that a particular consultant is hired to perform a range of duties that are limited in scope and thus not required to comply with disclosure requirements described in these categories. Such determination shall include a description of the consultant's duties, and based upon that description, a statement of the extent of the disclosure requirements. The Board shall direct that a copy of this determination be forwarded to the Fair Political Practices Commission. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

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

Resolution Establishing a Policy for the Use of Funds in the “Zone 1 Capital Repair Expense and Reserve Fund”

Resolution No. 2018-09

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; and

WHEREAS, on June 9th, 2018 a new assessment was approved by the majority of voters within the District which allows for the collection of funds for the establishment of a “Zone 1 Capital Repair Expense and Reserve Fund” to be used to pay for emergency repairs to the District seawall; and

WHEREAS, the new funds for the “Zone 1 Capital Repair Expense and Reserve Fund” will be collected over a series of years; and

WHEREAS, the District’s Board wants to clarify and establish guidelines for the use of the funds that will be available in the “Zone 1 Capital Repair Expense and Reserve Fund”;

NOW THEREFORE, BE IT RESOLVED that the Board of the Pajaro Dunes Geologic Hazard Abatement District states that:

- 1) The Board hereby adopts the Zone 1 Capital Repair Expense and Reserve Fund Policy, attached hereto as Exhibit A and by this reference incorporated herein, to provide guidelines and rules applicable to the expenditure of said funds.

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 11th day of August, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President Robert E. Moore, Board of Directors

ATTEST _____
Sarah Mansergh, Clerk of the Board

Exhibit A

BOARD OF DIRECTORS PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Zone 1 Capital Repair Expense and Reserve Fund Policy”

This Policy shall apply to the funds designated for use as “Zone 1 Capital Repair Expense and Reserve Fund”. The establishment of this fund was approved by a majority of homeowners in the 2018 assessment election certified on June 9th, 2018. The funds will be collected through property tax assessments for Zone 1 based on fiscal year budgets approved by the Pajaro Dunes Geologic Hazard Abatement District Board of Directors at a regular or special noticed meeting.

The Board of the Pajaro Dunes Geologic Hazard Abatement District hereby establishes the following guidelines and rules that shall be applied to the use of the Zone 1 Capital Repair Expense and Reserve Fund:

- 1) The “Zone 1 Capital Repair Expense and Reserve Fund” (Reserve Fund) shall be represented as a separate line item in fiscal year budgets.
- 2) The Reserve Fund shall be maintained in a separate bank account and funded from the property tax assessments collected by the Santa Cruz County Tax Collector.
- 3) The maximum amount of reserve funds that can be assessed in any given Fiscal Year shall be \$175,000.00, and the Reserve Fund will be capped at \$600,000. Once said cap is reached, annual assessments for the Reserve Fund shall be held in abeyance until such funds are depleted for unanticipated/emergency use and there is a need to replenish Reserve Funds.
- 4) The Reserve Fund was established to serve solely as a source of funding for unanticipated seawall repairs necessitated by events that may occur prior to the time comprehensive repairs and maintenance to the wall are planned, approved (both by the Board and other entities with jurisdiction over such matters) and financed.
- 5) Use of the funds from the Reserve Fund will require approval from the Board at a noticed regular or special meeting of the Board, except for emergency expenditures. In instances in which an emergency expenditure is authorized by less than a quorum of the Board, said action shall be considered for ratification at a duly noticed regular or special meeting as soon thereafter as possible.
- 6) This policy may be updated by Board action at a noticed regular or special meeting of the Board.

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

**Resolution Authorizing the Board President to Establish a Line of Credit for up to
\$600,000**

Resolution No. 2018-10

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; and

WHEREAS, on June 9th, 2018 a new assessment was approved by the majority of voters within the District which includes increased funds for operational expenses plus the establishment of a “Zone 1 Capital Repair Expense and Reserve Fund”; and

WHEREAS, the increased assessment will be collected the Santa Cruz tax collector through homeowner property tax bills starting with the 2018/2019 tax bill; and

WHEREAS, assessment funds will not be available from the County Assessor until March 2019; and

WHEREAS, the new funds for the “Zone 1 Capital Repair Expense and Reserve Fund” will be collected over a series of years; and

WHEREAS, the District’s Board is concerned with the District’s ability to fund the aforesaid duties should an emergency arise before assessment funds may be collected.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of the Pajaro Dunes Geologic Hazard Abatement District as follows :

- 1) The President of Pajaro Dunes Geologic Hazard Abatement District is authorized to pursue the establishment of a line of credit of up to \$600,000 on behalf of PDGHAD.
- 2) The line of credit may be drawn upon to fund emergency repairs of the seawall until such time as the “Zone 1 Capital Repair Expense and Reserve Fund” is established and fully funded.
- 3) The line of credit terms will be presented to the Board and may not exceed 10% interest nor a term of 10 years.
- 4) The Board may modify the terms of the line of credit in the future by action approval at a regular or special meeting.

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 11th day of August, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President Robert E. Moore, Board of Directors

ATTEST _____
Sarah Mansergh, Clerk of the Board