

Abalone Cove Landslide Abatement District

P.O. Box 4351 – Palos Verdes Peninsula, CA 90274 - (310) 753-7117

MINUTES – July 10, 2023 Via Zoom

The Chairman, Gordon Leon, called the regularly scheduled meeting of the Board of Directors of the Abalone Cove Landslide Abatement District to order on Monday, July 10, 2023, at 5:30 pm. Mr. Barth assisted with the agenda as Mr. Leon was out of town.

Roll Call – Directors present – Leon, Barth, Miller and Gutierrez
Directors absent - Knight

Secretarial Matters –

1. The final date for payments of assessments was June 14, 2023 (the earlier date was June 6, 2023). I filed liens against 35 homeowners on July 7 for \$29,946.32. The total amount collected was \$230,484.30 which was showing on the Monthly Statement of Activity. The clerk checked into the amount collected and it was actually \$259,433.52. Late payments had not been shown on the statement. The total amount collected last year was \$184,236.33. Even with the extended payment time, I had at least 10 people call and say they forgot to pay and still wanted to pay. Also, most of the people who paid last year are the same ones who paid this year.
2. Quick Books was put on hold so that I could collect the assessments. I will order it ASAP.
3. I have gone over the figures for all of the properties and have changed almost everyone by a few sq. footages up or down. The sq. ft. of houses was correct on almost every one of the properties. I will get the revised list out to the board.
4. The LAIF Reserve Funds were used maybe once many years ago. So, this is really a reserve fund. The fund continues to collect interest at about \$700 per year.
5. The CD savings account has not been used, so it is really a reserve fund.
6. We were down to \$55,000 in the savings account in April 2023. If we opened another savings account, where would the funds come from? Is it just a problem with how we are labeling funds? I don't know if we can afford another savings account.
7. The monthly statement of financial activity for 2022-2023 has not been finalized. I still need to fill in some interest numbers. It will be available at the next meeting.
8. We don't have an election until 2024. I don't think we need to do a notice on July 15, 2023. Please let me know if this is not correct. It was confirmed that this is correct.

Consent Calendar

Approval of the Agenda

Approval of the minutes of June 12, 2023

A motion was made by Mr. Barth to accept the consent calendar. The motion was seconded by Ms. Gutierrez.

The vote was: Ayes: Leon, Barth, Miller and Gutierrez
The motion passed by the above vote.

(Amended) Maintenance & Operations Warrant Register – July 10, 2023

A **motion** was made by Mr. Barth and seconded by Ms. Gutierrez that the (Amended) Maintenance & Operations Warrant Register, Warrants No. 1 through 4 in the total amount of \$13,348.87 as summarized on the warrant register, be approved for payment.

1. Sandy Marshall – July 2023	1,400.00 (#2390)
2. S. C. Edison Co. billings - estimate	2,500.00 (#2391)
3. Gordon Leon – reimb. parts re: leak at Fairchilds	268.91 (#2392)
4. Coastal Construction – time & materials Wells #6,#8,#11,#2,#3	9,179.96 (#2393)
Total	\$13,348.87

The vote was: Ayes: Leon, Barth, Miller and Gutierrez
The motion passed by the above vote.

Continued Business

1. **Community Liaison, PBCA, RPV – Colleen Miller** – She was happy that we have 31 friends at the Zoom meeting tonight. The PBCA had a list of updates, but she relinquished her time so that discussion could follow on the wells.
2. **Maintenance, Drilling, and Operational Report - Gordon Leon** – He presented his operations report. They installed a system bypass in order to service the system without a shut down. Thanks to Henrick for information on a Y the filter to protect the meter. They have done a temporary repair on the drain line on the Fairchilds lot. It is on a list to do a replacement.
Wells #2 and #3 had pumps replaced.
Well #6 pump failed thanks to a ground squirrel who put dirt into the well and the pump jammed. The well company is scheduled to remove the debris.
We still need to apply for a permit on Well #10. We are now spending approximately \$500/month to run this well.
Wells #1-7 pumped 150,000 gal/day and that had a positive impact on the landslide. We added wells up to #20 and that got up to 250,000 gal/day. But these wells #8-#20 didn't add as much effectiveness as the first 7 wells.
Mr. Leon explained his graph. Discussion followed on Well #2 and Well #5.
Ms. Gutierrez asked about Well #5 which was installed in the early 80's per Scott Kerwin. It was never used as a dewatering well, only a monitoring well. When it was measured 2 years ago there was no water – there was another well drilled nearby that does pump.

3. Geology Issues – Scott Kerwin with WSP USA Environment

Scott finished his information for the facilities plan. Sometime next week he will do an update on the facilities plan. He added 2 monitoring wells on the York Property which will be handy to monitor wells up in that area. He located the original #14 well on York's property.

4. Financial Report, Governance, Legal, Accounting, Elections, Reserve Study and Certification – Michael Barth

– He was looking at the budget and we have reserves of \$436,000. We'll need a big chunk of those in years forward. Most of these funds are in Bank of America which does not pay much interest. We may need to go to another fund where we could invest and receive a higher yield. Mr. Barth can check on this, but he is very busy with a case in July, but he can work on this more in August.

Regarding the grant, the most important facts he learned this week in discussions with representatives of the State of California and the City, is that with a federal grant, the problem is that it's going to be a long review and funding process, probably three years. Recent discussions show - #1 we need to change the letter of intent that we have the grant be under the name of ACLAD instead of the City; and #2 the information we included was incorrect. We included the four city wells and the discharge line. We think the pipe under PV Dr. S is leaking and it needs to be lined. The discharge line drips and the water goes back into the ground. We need to restructure what we will do with the FEMA funds. We need a projection of what to do in 2023, 2024 and 2025. Gordon is working on getting volunteers to assist with well drilling.

Questions: #1. Are we moving forward with the grant request? #2. \$23,750 is the risk money. 3. We need to tell our grant writers very quickly what our projects are. He recommends a small committee to work on long-range plans to show projects we need to do in three years. Our budget for a well is \$150,000. Ara Mihranian suggested using \$200,000 due to extra costs because of using city workers. A question to Scott Kerwin was where he would suggest new wells. He doesn't have anything specific, but he felt we should stick to the original active landslide area. Mr. Mihranian wanted to add to the conversation that the FEMA grant is an annual cycle. Different grants can be applied for. He encourages the district to pursue these grant funds. Cal OES helps the city put the application together and then they submit it to FEMA. The August date is fluid. Do what we think is attainable, and we can always apply next year.

Mr. Barth has spoken to Meagan with Cal OES. She's working with the Santiago District, and it has the same issues as ACLAD. Therefore, our Hazardous Mitigation Plan is the state plan, so we are covered. We need to be under somebody's hazardous mitigation plan. There is a concern about being able to secure the grant without having finished our certification process.

Mr. Barth reconnected with the law firm that was advising ACLAD three years ago and we were basically fired for a while because we were not getting anywhere with our plan of control or certification. He went back to them because he had a series of questions that he needed answers to regarding the grant applications. They were very helpful in giving him the information and what Mr. Barth would like to do now is run the document by the attorneys and see if this is going to work as a plan of control.

Mr. Barth - regarding the election, the clerk pointed out that the next election will not be until 2024, so our first action will be in July 2024 when we put out our notice of having the election and invite people to submit their applications to run.

Mr. Barth - regarding the accounting. He reports that it is just the beginning of the fiscal year, we have not spent a lot, so we are in good shape at the moment. He does expect that the board will make their decisions regarding how we will be spending our money and we will probably be spending a decent amount of money.

Mr. Barth - regarding a reserve study, he has spoken to the attorneys up north and they will give us some leads as to who can do a reserve study. Mr. Kerwin suggests that the purpose of the reserves is to settle the problems that we have, and he would consider what is going on now as being worthy of the reserves. Mr. Barth says that we need to establish the uses of our reserves and we need a specific plan to use our reserve funds. The board has never said what the reserves are for. We need to have a specific reserve account dealing with the replacement of our infrastructure, which are the pipes and pumps and redrilling. We need to ask our contractors to tell us what it would cost to replace all our discharge lines; what it would cost to replace our wells and what it would cost with regard to new pumps, because this is really what a reserve study for us would be. To do it as a state agency, we need to have someone who is official and who can put their seal of approval on it.

Kent Attridge asked why we don't use our reserve funds to drill more wells due to the current landslide moving. Mr. Barth stated that the wells we want to drill are city wells. We should not be applying for grants for the city wells. The city council has a pretty good idea of the necessity of slowing down this landslide. We all have a good idea of the necessity of slowing the landslide.

Mr. Mihranian wanted to clarify pulling the city's dewatering wells out of the grant. He didn't want to confuse the grant with a city and a district. The district should just focus on what the district is responsible for. He reiterated that the district has sent the city a letter requesting, per the agreement in place, the funding for the 4 dewatering wells. They are working on that and may be taking it to the city council August 1st, so they are following up on ACLAD's request.

Per Mr. Barth, there are at least two agreements between the City and ACLAD regarding these issues. It is clear that we can propose to the city certain maintenance items that have to be done to the wells and the city has to decide if they are going to fund the wells. We have sent a letter to the city (January 2023 by Mr. Tootle) and asked for the funds. We have explained what has to be done, so the city has the information. We should wait and see what is on the city's agenda and see what is going to happen. Then if that is not going to happen, we can discuss advancing the funds to the city and then the city repaying us; or the city just says no and then there is the option of the city just handing us the wells and then we can decide what to do.

Mr. Barth is still trying to understand how the finances would work regarding the grant. He and Jim Knight vetted the contract price, and it includes the grant itself and all the sub applications that are necessary. But there are also some other agencies that will probably be charging us a fee.

Mr. Barth **moved** that we have a budget of up to \$35,000 for contractors for the grant application. Ms. Gutierrez seconded the motion.

The vote was: Ayes: Leon, Barth, Miller, and Gutierrez
The motion passed by the above vote.

5. Well water monitoring program data– Jim Knight - no report here at this time.

New Business - Review Plan of Action – The plan of control was discussed. Mr. Barth has spoken with a representative from the GHAD's that he has spoken to before. He ran into a lot of questions that he could not answer regarding the grant.

Mr. Mihranian would like to use the document he provided in March, the draft document from Robert Stone. He would like to have the district accept this by resolution and then he will take it to the council so they can affirm it because the council formed the district, so they need to adopt this by resolution as the document that should have been adopted back in 1980 when the district was formed.

Mr. Barth asked the attorneys if we could amend our plan of control, which they said that we could. He would like to ask the board what changes they would like to see in the plan of control and then make sure those changes would help us meet our goals and then we would draft up an outline of what we wanted in our amended plan of control. We could have our council write up the amendment so that we would have the city plan of control certified and then we would be able to amend it so ACLAD's responsibilities would be clearer.

It was suggested that ACLAD have a special meeting to discuss the 1980 Plan of Control and adopt it by resolution, so that Mr. Mihranian can put it on the city agenda for August 15th. A special meeting for July 24, 2023, was planned to adopt the original plan of control. Colleen will send out all the versions of the plans that she has.

Information Items – none at the time.

Audience Items – the recent landslides in RHE were discussed. Lisa Gladstone says that we are dealing with a really dangerous situation. She reported that Janice Hahn was discussing the RHE slide, and Ms. Gladstone feels that we should be putting more pressure on the city regarding our landslide situation. Maybe our local politicians should be made more aware of what we are going through.

Ms. Miller says that four board members are sitting on the fault line. She says that there is a 1 ft drop between Lisa's house and Claudia's. There is a sinkhole between her house and Claudia's. There is also a new crack in her driveway. Gordon also has cracks in his pool. She would love to see action sooner than later.

Contacting politicians is a good idea, however, Mr. Barth does not feel that we should be putting more pressure on the city. Mr. Barth feels that Mr. Mihranian is doing what he can

to help ACLAD and he believes that Ara will try to get these council members to help us with the funding because he realizes how important this is. But we need to stress how important it is to the board to send letters to our representatives to get them behind the Portuguese Bend Project.

Having Janice Hahn put pressure on the city council is counterproductive. We need to let her know what is happening in Abalone Cove. We noticed that you were focused on the RHE landslide. We have been living with another landslide for 60-70 years and we need help also. Here is what we are dealing with. Ara Mihranian thinks that it is very important for the board to send letters to all the elected officials. He has been trying for three years to get them behind the Portuguese Bend landslide remediation project and in light of what happened over the last few days he has sent e-mails out saying we need to meet again and talk. It would behoove the district to send a letter to elected officials explaining that we need your help for the Abalone Cove area.

Clauda is asking the city to maintain the 4 wells below PV Dr. S. Ara Mihranian says that it is important that the elected officials know what is going on in our district. We need everyone's help.

Adjournment

The Next Meeting will be held on Monday, August 14, 2023 - 5:30 p.m. via Zoom.

Respectfully submitted,

Sandy Marshall, District Clerk

There being no further business the meeting was adjourned.