

Summary of Actions

BROAD BEACH GEOLOGIC HAZARD ABATEMENT DISTRICT

REGULAR SESSION MEETING

Sunday March 19, 2017; 9:00 a.m.
31030 Broad Beach Road, Malibu, CA 90265

1. CALL TO ORDER

The Chair called the meeting to order at 9:02 a.m.

2. ROLL CALL

PRESENT: Chair Norton Karno, Vice Chair Marshall Grossman, Board Members Jeff Marine, Shaul Kuba and Bill Curtis (arrived at 9:05 a.m.).

ABSENT: N/A

BBGHAD STAFF ALSO PRESENT: Clerk/Treasurer Heike Fuchs and Project Counsel Ken Ehrlich.

3. ADOPTION OF AGENDA

The Chair recognized Project Counsel, who reported that the Agenda was posted on March 16, 2017 before 9:00 a.m. within the BBGHAD boundaries and concurrently posted on the BBGHAD website. The Chair recognized Vice Chair, who moved to adopt the Agenda as presented. Board Member Marine seconded the Motion, and the Motion passed 4-0 (Board Member Curtis not yet present).

Closed Session

At 9:03 a.m. the Chair announced, without objection, that the Board would move into Closed Session.

Resumption of Regular Session

The Chair resumed Regular Sessions at approximately 10:35 a.m., and a report was given on Closed Session items.

6. APPROVE SUMMARY OF ACTIONS FROM FEBRUARY 26, 2017 MEETING

The Chair recognized Board Member Marine, who moved to approve Summary of Actions from February 26, 2017 incorporating minor edits on pages 5 and 6 as stated by Project Counsel. The Chair recognized the Vice Chair, who requested to edit a sentence at the bottom of page 3, paragraph 6 to accurately reflect the statement made. Board Member Marine modified

his Motion to include the edit suggested by the Vice Chair. Vice Chair seconded the Motion, and the Motion passed 5-0.

7. CEREMONIAL/PRESENTATIONS

None.

8. CONSENT CALENDAR

None.

9. PUBLIC HEARINGS

None.

10. OLD BUSINESS

a. Permitting and Regulatory Process Status.

(i) Lead Agency Update

(A) CCC (and Science Advisory Panel)

1. Budget update including sand, Habitat Monitoring Plan costs

The Chair recognized Project Counsel, who reported that the Board Packet includes the regular permitting summary and a more detailed deliverables status list prepared by Moffatt & Nichol. Project Counsel further reported that the CCC committed prompt comments on the most recent Marine Monitoring and Mitigation Plan (MHMMP or Habitat Plan) by next week. Project Counsel stated that, after the MHMMP is approved, the BBGHAD anticipates circulating a Request for Proposal (RFP) for at least 3 (three) competing bids for the sampling specified in the final MHMMP. Project Counsel further summarized the remaining open issues with the CCC, stating that all prior to issuance reports have been submitted to the CCC except for the testing of the sand, which will be submitted as soon as the sand source has been finalized by the BBGHAD.

(B) Army Corps

The Chair recognized Project Counsel, who reported on numerous contacts with the Army Corps in recent weeks, including a conference call involving Congressman Lieu and staff. Project Counsel reported that the Army Corps committed to completing the BBGHAD's permitting process by the end of June 2017 provided that the BBGHAD confirms the sand source for the Project within the next couple of weeks. Project Counsel added that the RWQCB participated in the conference call with congressman Lieu's office and confirmed a schedule identical to that of the Army Corps. State Senator Stern's office also participated in the conference call.

The Chair recognized Project Counsel, who gave a brief overview of the costs, logistics and risks associated with the various sand sources and also presented a container of sand

provided by Polaris to compare the color to two (2) separate containers of native Broad Beach sand. Project Counsel further added that two (2) meetings will occur in the next week with BBGHAD staff, Board Members Marine and Curtis, and potential sand suppliers. The Board discussed the pros and cons of the costs, different methods of delivery and timing of the sand sources. Project Counsel asked the Board for guidance regarding deadlines to give sand suppliers. The Chair directed Project Counsel to notify all potential suppliers that they have a two (2) weeks deadline to submit their proposals.

(C) SLC

No separate report.

(ii) Responsible & Consulting Agency update: RWQCB, NMFS, Cal. DFW, CalTrans, etc.

b. Permitting Outreach & Strategy Update.

The Chair recognized Project Counsel, who reported that, for the last two (2) weeks, the Malibu West Community, lead by Mikke Pierson (a City Planning Commissioner), appeared before the Malibu City Council inquiring about the BBGHAD Project and advocating that the Malibu City Council hold a hearing on the Project. Project Counsel stated he met with Mr. Pierson to discuss the Project and address the stated concerns. Project Counsel stated that there appears to be a disconnect as to the facts of the Project, and he subsequently contacted all Malibu City Council members to clarify facts about the Project.

The Chair recognized Mikke Pierson, who stated that the majority of the Malibu West residents, other Malibu residents and some members of the Malibu City Council are less than optimistic that the Project will materialize in a timely manner. Mr. Pierson added that a concern exists about truck traffic from the anticipated 20,000 truckloads of sand to the Zuma Beach parking lot. Mr. Pierson further opined that the majority of Malibu West residents believe that they do not receive benefits equal to other Broad Beach owners due to the location of Malibu West's septic system (in parking lot) and the CCC's rejection of Malibu West's request for a rock revetment. Mr. Pierson stated that the ocean waters have been flooding the Malibu West parking lot for the past two (2) years, potentially putting the Malibu West club at risk. Mr. Pierson stated that Malibu Swim intends to hire an engineer to solve the problem. Mr. Pierson opined that the Project would benefit from presenting an update to the Malibu City Council.

The Chair recognized Vice Chair, who thanked Mr. Pierson for his comments. Vice Chair further stated that the BBGHAD has always valued the relationship with Malibu West and offered BBGHAD's assistance in further pursuing a revetment if needed. The Vice Chair supported the request to brief the Malibu City Council.

c. Project Manager Search Update.

The Chair recognized Project Counsel, who reported that BBGHAD staff and Board Member Marine met with representatives from Shangri-La Construction and received a revised proposal, asking for additional monies during the construction phase. Project Counsel added that

Board Member Kuba also recommended another candidate if Shangri-La is not the appropriate candidate. Project Counsel recommended entrusting Board Members Kuba and Marine to finalize the terms with one of the Project Manager candidates.

The Chair recognized Vice Chair, who requested Project Counsel to conduct a background check of all candidates under serious consideration. The Chair recognized Board Member Marine, and details of the terms and the potential Project manager candidates were discussed.

MOTION: The Chair recognized Vice Chair, who moved to authorize Board Members Marine and Kuba to: a) screen Project Manager candidates, b) determine a qualified candidate(s), c) offer the preferred candidate \$10,000.00 per month for the pre-construction phase and \$25,000 per month during Project construction (subject to a written Independent Contractor Agreement, if the BBGHAD Board determines such a contract to be in the BBGHAD's best interest), and d) complete the hiring of a new Project Manager, subject to Board confirmation. Board Member Curtis seconded the Motion. Hearing no further debate, the Chair called the question. The Motion passed 5-0.

11. NEW BUSINESS

None.

12. BBGHAD OFFICER REPORT

a. Treasurer's Report

The Treasurer reported that, as of March 14, 2017, the BBGHAD's cash balance was \$2,358,243.40 and the unpaid bills amounted to \$436,809.77. The Chair instructed the Treasurer to carry forward the actuals with year to date to 2017. The Chair recognized Max Factor, who asked for clarification on the 2011 receipts transferred from the Fair Share account before 2011. The Chair directed the Treasurer to reconcile the numbers.

13. BBGHAD BOARD MEMBER REPORTS

The Chair reported that the Trancas Property Owner's Association (TPOA) asked the BBGHAD to sign a demand note for the \$750,000 loan made to the BBGHAD. The Chair stated that after reviewing the draft note, he is not comfortable signing the note, as currently formulated, as it calls for the note to be paid upon demand.

The Chair recognized Vice Chair, who gave background information on this issue and stated that the requested document does not need to be a demand note, but rather for the BBGHAD to recognize the debt to the TPOA. The Chair suggested to having the TPOA send a request for confirmation of the loan to the GHAD stating that \$750k was borrowed, is non-interest bearing, and that the BBGHAD's intent is to repay the \$750K loan when its budget allows. The Chair recognized Vice Chair, who directed Project Counsel to draft this document on behalf of the TPOA, for the Chair and Vice Chair's approval.

14. Public Comment - Non-Agenda Items

No comments.

15. Future Meeting

The Chair stated that the next BBGHAD meetings are scheduled for April 23, 2017, and, tentatively, May 21, 2017 both at 9:00 a.m., locations to be determined.

16. Adjournment

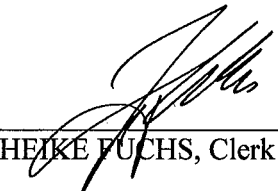
Board Member Marine moved, and Vice Chair seconded, to adjourn the meeting. The Motion passed 5-0, and the meeting adjourned at 12:08 p.m.

Approved and adopted by the Broad Beach GHAD
Board on April 23, 2017



NORTON KARNO, Chair

ATTEST:



HEIKE FUCHS, Clerk