

# **Klondike Canyon Geologic Hazard Abatement District**

P.O. Box 3675 – Palos Verdes Peninsula, CA 90274 - (310) 787-7111

## **MINUTES – April 22, 2024**

The Chairman, Steve Cummins, called the regularly scheduled Meeting of the Board of Directors of the Klondike Canyon Geologic Hazard Abatement District to order in person at Ladera Linda Community Center on Monday, April 22, 2024, at 5:00 p.m.

### **Roll Call**

Directors Present - Cummins, Hotchkiss, and Freeman

### **Approval of Agenda**

The agenda was approved by voice vote.

**Special Election** – The clerk announced that we had received 62 ballots. The Chairman took a consensus of the audience to see if that was enough ballots were received to fill the seats available. It was agreed that there was enough ballots. While the clerk was opening the envelopes, the Chairman went on with the meeting.

**After #6 - PB slide dirt removal, the Ballots were counted for the Special Election which was held by mail in ballot on April 9, 2024.** The envelopes were opened and the ballots were counted. The vote count was: Nic Grillo – 52, Denny Jaconi – 46, and Sha Tahmasebi - 19. The new members of the board, Mr. Grillo and Mr. Jaconi will be installed at the next board meeting. A question was asked about the terms of the board members. Terms are for 4 years and Klondike has an election every two years. There is an election scheduled for this November 2024.

### **Approval of Minutes**

The minutes of the March 25, 2024 minutes were presented. It was moved by Mr. Cummins and seconded by Mr. Freeman that the minutes of the March 25, 2024, meeting be approved. There was no meeting in February 2024.

The vote was: Ayes: Cummins, Hotchkiss and Freeman

The motion passed by the above vote.

### **Continued Business**

- 1. a Upper Canyon Drain** – Mr. Cummins gave his report. Not much has changed. When it's not raining things slow down and become much better. Pipes will be inspected again in a couple of months to make sure there aren't any cracks. Tarps and sandbags are taking care of fissures at the top. Mike Drews will be doing work up there soon filling fissures using his heavy equipment. The next thing is to put the pipe in for drainage down to PV Dr. S.

1. **b Beach Drain (Artesian Well)** – no specific report at this time, covered elsewhere in the minutes.
2. **Seaview Report** – Mr. Cummins knows that there are more broken water lines in Seaview. However, the Water Company seems to be making repairs rather quickly, which is a plus. There is a fissure on Exultant that was filled and seems to be in pretty good shape. He asked for any comments from the Seaview people in the audience. The fissures were discussed as well as whether water was flowing or not. Discussion followed. Mr. Cummins has been on the board since 2011, Chairman since 2017, and he has looked through a lot of old information on the landslide from probably 1979-1982. The numbers on the slide have pretty much stayed the same for several years. The pumping has pretty much held the slide in place. We will never stop the landslide but hopefully just go back to the creep we had over the past years. There is a 5-step plan in progress for now and the future. The Seaview area is somewhat protected because it has streets which act as a channel for water to run down to Schooner Dr. and down through the county drain system.
3. **Klondike channel Maintenance Plan** – the ocean floor has risen up 3 or 4 feet and with that the gravity drains where the force mains from the pumps enter and that drains to the ocean, the pipes have also been pushed up. About 3 or 4 weeks ago they put in a new system to take water directly to the ocean. They still have to do a lot of work left to remedy this.
4. **Sub Slide Maintenance** – The Chairman has worried about this for years. It is on the Conservancy land and is basically the head scarp of the ancient Beach Club slide. There is a crescent of the slide up against Seaview that continually sinks. The city did clear the brush out this year with the purpose of putting in a storm drain, which is another phase of the 5-step program. We may have to cut a new channel to make it drain properly. In the past the Land Conservancy would never allow us to do work on their property. The city really owns the land, not the Conservancy, who manages the land. Ron Drago, who was the city engineer, was on the board for a number of years and he tried numerous times to get repairs done, both with the pipe that goes up the canyon and also with the pipe in the beach club slide but the conservancy wouldn't budge. Back in 1981 they did put a pipe up the canyon and it was vandalized and it was never fixed again.
5. **Video Presentation for district** – Mr. Freeman says that we are putting together a video presentation to help educate the community about what is going on and if anyone has some ideas, we are doing some interviews and we will use the local newspaper articles to get the community more involved and let everyone know what is going on.
6. **P.B. slide dirt removal** – Mr. Cummin's gave background on why we need to remove dirt along the Portuguese Bend slide. There was originally another canyon west of the Klondike Canyon. The Klondike Canyon veered off to the east and the other canyon went to the west and they met down at the beach. After some time, the Portuguese Bend Club started in 1956 and the Portuguese Bend slide ate the other canyon. More

discussion followed about this dirt putting pressure on the earth between the Portuguese

Bend slide and the Klondike slide. We need dirt removal to stop the possibility of the Portuguese Bend slide grabbing onto the Klondike slide. This is a continuing problem.

**New Business** – Public Hearing information - Review, Modification and Preliminary Approval of Proposed Budget, Resolution 24-4 which is a Resolution of Intention Setting a new Public Hearing date for 45 days from the date the ballot information goes out.

Mr. Cummins went over the Proposed Maintenance and Operations Budget numbers for the 2024-2025 fiscal year. He reported that we consulted with ACLAD, the city manager, the city clerk, our geologist, Scott Kerwin and past budgets and we came up with this proposed budget. These are very unusual times and no one can predict what exactly will be needed in the coming year.

The Chairman went over each item in the proposed budget. Kit Song prepared a sheet that was passed out to residents to basically show previous year's budgets in a precise way that everyone could understand. The first year that we used our reserves was 2020. The channel was a liability and dangerous and needed to be put underground. This worked well until the ocean floor rose up. After that we basically operated the same for years. We tried to build the funds over the years and kept the budget the same at \$86,440. Well and Pipeline maintenance and channel maintenance are large amounts which are ongoing. We are now getting estimates to drill new wells. Now, we need to replenish our reserves, and may also have to repay the loan from the city if we get it. The city is the major stakeholder here, and also the Portuguese Bend Club pays a significant amount. This is beneficial for the homeowners, but Klondike is also going to have to pay for a lot of things. We're all members of Klondike Canyon Geologic Hazard Abatement District and need to all be in this together. We need to stabilize the slide. The ballots for voting on the budget will be going out soon so owners can vote yes or no on the proposed budget. Then 45 days later we will have another public hearing to vote on the budget and let people know the outcome. The clerk described the information that will be going out and the procedure for sending out the ballots.

The city has not given us information on the 1.9 million loan that may be passed next month by the council. Mr. Cummins does not know the terms of the loan, but they will be thoroughly reviewed before any action is taken.

The city has two emergency hydraugers that will be put in. These are for horizontal drilling and this will go under the Portuguese Bend slide. Mr. Cummins wanted to compliment Andrew and Kelly Ely for doing a lot of budget work and sending info to government agencies, which take a long time to process. Government money, if we get it, will probably not come until 2025. Mr. Mihranian joined and wanted to comment on a few things. In regard to the loan, they are aiming to bring information to the council on May 7 or May 21. One of the conditions is to have the city geologist and engineer make sure it meets their approval. The loan that is being offered is a no interest loan with a 20 year term with the first payment in three years to allow the district to build funds up to start making payments. Re: the emergency project discussed at the town hall meeting last week. They are discussing the horizontal hydraugers and their locations. Sorry they ran out of time to answer questions at this meeting. They will try to do a video recording for questions and answers.

A question was asked about how much land the city has? It's about 60% Mr. Mihranian says that it is important to know that the city pays the lion's share for both districts and in

addition they are paying for other improvements, so he will go back to the council

regarding approving this huge increase. The size of the parcel decides the weight of the vote. The city of RPV has the majority vote, so a question was asked as to why should the owners vote? Mr. Mihranian says that the city carries the weight of the decision here, but the council meeting is public, so anyone can come to the meeting and show how important it is for the city to agree to the increase. He says that it is important that you vote because even though the city may be 61%, if the outcome shows that all the property owners are in favor of the increase that speaks volumes. If you don't say anything, then your vote will never count one way or another. We are all in this together. Discussion followed.

Another question was is this assessment going to be in perpetuity? Will we get to vote on reducing this assessment? Mr. Cummins says that yes, every year we will get to vote on this assessment. In past years, the assessment never changed, so every year no one had questions regarding the assessment. We tried to get the Seaview residents involved, but until there is a problem like now, we got no response. Mr. Grillo says he wanted to join the board to be able to improve communications, so we are moving in the right direction. Discussion followed regarding communications with Seaview.

Mr. Cummins summed up that we don't know what will happen in the future. But , we need the funds now. It is a matter of saving our houses or worrying about another couple thousand dollars.

Mr. Cummins **moved** that we accept the Proposed Maintenance & Operations Budget for 2024-2025 showing the Final Budget Total of \$570,570.00 with assessments to be spread the same as the Proposed Budget. Mr. Freeman seconded the motion. The vote on the motion was:

Ayes: Cummins, Hotchkiss and Freeman  
The motion passed by the above vote.

The clerk introduced and read by title only, Resolution 24-4 which is a Resolution of the Board of Directors of the Klondike Canyon Geologic Hazard Abatement District declaring its intention to order that the cost and expense of maintaining and operating improvements shall be assessed against the property within the district benefited thereby pursuant to Division 17 of the California Public Resources Code.

It was **moved** by Mr. Cummins and seconded by Mr. Freeman that reading in full of Resolution No. 24-4 be waived; and that Resolution No. 24-4 be adopted. The vote on the motion was:

Ayes: Cummins, Hotchkiss and Freeman  
The motion passed by the above vote.

**The Re-Scheduled Public Hearing will be held June 17, 2024  
5:00 p.m.  
Ladera Linda Community Center**

**Information items** – Mr. Cummins took some comments regarding financing. Who will oversee the money going to Klondike? The Chairman said that we will hire a CPA so that we have total transparency. We are responsible for what we do with the money. What is the process for spending the money from the city and the RPV loan? That is up to the district. He has not

seen the terms of the agreement yet, but people in the district have a say as how the money is spent. The city does not cover the two emergency hydrangers. The city is funding this from their capital improvement fund. is does not cover the two emergency hydrangers.

**(Amended) -Maintenance & Operations Warrant Register – April 22, 2024**

It was **moved** by Ms. Hotchkiss and seconded by Mr. Freeman that the Amended - Maintenance and Operations Warrant Register dated April 22, 2024, No. 1 through 10 in the amount of \$49,128.46 as summarized on the warrant register, be approved for payment.

1. Sandy Marshall - District Clerk – April 2024 service	1,000.00 (Ck #1551)
2. Portuguese Bend Beach Club –4/11/24 to 5/11/24	440.00 (Ck#1552)
3. Christopher Lewis – maintenance (Ck includes \$112.50 & \$278.05 below)	515.55 (Ck#1553)
4. Duthie Power Services – Inv. R125542 - 3/26/23	2,113.00 (Ck#1544)
5. Mike Drews Construction Co. – Inv #2546 – Install force main	38,255.00 (Ck#1554)
6. Sandy Marshall – reimb. postage, notary, etc. July-Dec. 2023	29.91 (Ck#1555)
7. Mike Drews Construction Co. – Inv #2549 Removal of inoperable 12” culvert to create proper drainage	2,575.00 (Ck#1556)
8. Christopher Lewis – reimb. pump control panel #1511747069	278.05 (Ck#1553)
9. WSP Environment - #S79100423 – consulting 1/30/24	4,200.00 (Ck#1557)
10. Christopher Lewis – addl. maintenance	112.50 (Ck#1553)

**Total Warrants** **\$49,128.46**

The vote was: Ayes: Cummins, Hotchkiss and Freeman  
The motion passed by the above vote.

**Speaker Items** – The board received new forms from the city for “Request to Address the Klondike Board” and we had four questions submitted by members on these forms.

Diedre Heimer had a question which was already covered and then she had a comment. She read her statement, which in part said that - She understands that many residents and probably the board are pretty frustrated. She believes that Klondike is meant to be a unified force designated to deal with the current crisis at hand. It is not a them versus us organization. There has been a lack of communication or a miscommunication and a perceived lack of transparency and she thinks these are being addressed now because there should be improvement with new board members, because the work will now be split over 5 people instead of 3 people. She encourages all members to find a way to participate and offer assistance to the board and the board to request assistance from the members. Her good suggestions followed.

Nikki Noushkam had questions regarding the budget and the amounts spent. She says that Klondike spent \$450,000 and she understands \$250,000 was spent on drilling new wells, where did the rest go? Mr. Cummins reported that the well drilling cost is only a part of the expense. The other work was developing the well, pumping and electrical connection expenses. There is dirt removal work, rock moving at the beach, cleaning pipes and video work. She would like a breakdown before the next meeting. The work breakdown can be put on the web site.

Sha Tahmasebi had comments regarding the function of Klondike. She said that its main function is to prevent landslides. The other functions are to slow down or mitigate the landslide. The greatest portion of expenses in the proposed budget are maintenance and repairs to wells to pump water. The numerous breaks in the Cal Water lines put water directly into the ground and

Klondike has to pump it out. She does not believe that Klondike should be responsible for this water and thinks that Klondike should make Cal Water responsible. She says that Klondike has the power to sue, so why should homeowners pay for Cal Water's negligence? She also had opinions about response time. Mr. Cummins says there is a lot of controversy regarding liability, but now may not be the best time to confront this. Lawsuits take an incredible amount of time and Klondike's primary function is to stabilize the slide. Hopefully that will actually happen in the next year or so, and then we can talk about responsibility.

Christine Williams had two questions about Seaview. Have we discussed the water coming from the City of Rolling Hills? We have no authority up there. Mr. Cummins says we have no authority there. He has had discussions with a geologist regarding whether this water actually comes down here or not. Second question was about the city and loan grants from the government, which will be sometime in 2025. We are working on getting money from other agencies, so we can start work immediately. Mr. Cummins has been looking for someone who will maintain our systems. We need someone who will maintain our wells, plus be close enough to be here when we have a problem. When a well shuts down we need someone who is close, responsible and not too expensive.

**Audience Items** – Mr. Cummins took comments from people. Do we have enough money to do a lot of the mitigation plan that we have now? There probably is enough in the proposed budget to work on the mitigation plan. Who will oversee the money going to Klondike? We will probably hire a CPA, as we are a government agency. What is the process for spending the City & RPV loan money? That is up to the district and people in the district will have input. Sha Tahmasebi asked if the district had a Treasurer? The district does not. She said that according to the By-Laws we need to appoint a Treasurer. Discussion followed. Mr. Cummins says that he is probably the Treasurer because he and the clerk both sign the checks for payments to vendors. Mr. Mihranian suggested we check with the county to see if we need a treasurer. We have never had a Treasurer.

Kit Song was thanked for setting up all the equipment and assisting us in this in-person meeting at Ladera Linda Community Center.

**Adjournment** – There being no further business at this time, the meeting was adjourned.

The next regularly scheduled meeting via Zoom will be held on May 27, 2024, however this may be changed due to the Memorial Day Holiday.

Respectfully submitted,

Sandy Marshall, District Clerk