

**THE BOARD OF DIRECTORS OF WENDT RANCH GEOLOGIC HAZARD
ABATEMENT DISTRICT**

Adopted this Resolution on _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RESOLUTION NO. 2009/01 (WENDT RANCH GHAD)

SUBJECT: Adopting 2009/2010 annual budget and appointing Treasurer.

WHEREAS, pursuant to Public Resources Code section 26585, the Board of Directors must appoint a Treasurer to the GHAD.

WHEREAS, by Resolution 2008-01, the Board of Directors retained and reappointed the County Treasurer as the Interim GHAD Treasurer, and directed the GHAD Manager to report back to the Board of Directors with a recommendation for a permanent GHAD Treasurer.

WHEREAS, the GHAD Manager has made a recommendation to appoint Watermark Asset Management Inc. as the GHAD Treasurer based on their experience and credentials in providing such services. The Board of Directors has reviewed the qualifications and investment guidelines and policies of Watermark Asset Management Inc. (attached as Exhibit A to the staff report).

WHEREAS, the Board of Directors desires to appoint Watermark Asset Management Inc. as the permanent GHAD Treasurer.

WHEREAS, the Board of Directors further desires to adopt the annual fiscal budget for 2009/2010 attached hereto as Exhibit A.

The Board of Directors of the GHAD HEREBY RESOLVES THAT:

1. The County Treasurer is retained and reappointed as the Interim GHAD Treasurer until June 30, 2009.
2. As of July 1, 2009, Watermark Asset Management Inc. is hereby appointed as the GHAD Treasurer.
3. The GHAD Board further authorizes the GHAD Treasurer to collect, hold, invest, appropriate and expend GHAD funds as necessary for carrying out the GHAD operations in accordance with the budget approved by the GHAD Board. The GHAD Treasurer shall work

directly with the GHAD Manager in appropriating funds from the GHAD account to cover all GHAD costs and expenditures.

4. The GHAD Board approves the annual GHAD budget for the 2009-2010 fiscal year which is attached hereto as Exhibit A and incorporated herein by this reference.

5. The recitals are incorporated herein by this reference.

This Resolution shall become effective immediately upon its passage and adoption.

Exhibit A

**WENDT RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT
PROPOSED PROGRAM BUDGET FOR FISCAL YEAR 2009/2010**

April 6, 2009

Project No.
4063.000.000

Wendt Ranch Geologic Hazard Abatement District
Wendt Ranch Geologic Hazard Abatement District Board of Directors
651 Pine St.
Room 107
Martinez, CA 94553

Subject: Wendt Ranch Geologic Hazard Abatement District
Contra Costa County, California

PROPOSED PROGRAM BUDGET FOR FISCAL YEAR 2009/2010

Dear Ladies and Gentlemen:

Attached is the proposed program budget for the Wendt Ranch Geologic Hazard Abatement District (GHAD) for the Fiscal Year 2009/2010. The proposed program budget is \$189,100. The budget expenses break down into the following approximate percentages of the total receivables.

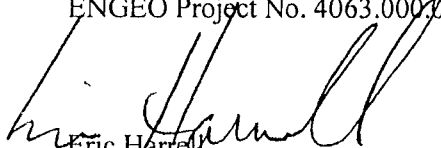
Major Repair	0 percent
Preventive Maintenance and Operations	42 percent
Special Projects	7 percent
Administration	11 percent
Additional - Outside Professional Services	5 percent

The budget anticipates a contribution of approximately \$120,281 to the reserve fund which is estimated to reach approximately \$793,214 on June 30, 2009. A summary of the expenses is shown on Table I followed by a brief description of each budget item on the following pages.

If you have any questions regarding the contents of this letter, please contact us.

Very truly yours,

Wendt Ranch Geologic Hazard Abatement District
ENGEO Incorporated, General Manager
ENGEO Project No. 4063.000.000


Eric Harrell
ej/ue/mb: budget


Uri Eliahu

**Wendt Ranch Geologic Hazard Abatement District
Proposed Program Budget
Fiscal Year 2009/2010**

The following proposed program budget summarizes the anticipated receivables and expenditures for fiscal year 2009/2010 for the Wendt Ranch Geologic Hazard Abatement District, which includes Wendt Ranch, Intervening Properties (Monterosso) and the Alamo Creek developments.

The GHAD has maintenance and monitoring responsibilities and is the property owner for the following parcels within the District. The parcels listed include all of the open space parcels within the Monterosso and Wendt Ranch developments. Maintenance, monitoring responsibilities and ownership for the listed parcel were transferred to the GHAD in February and March 2009.

ASSESSORS PARCEL NUMBER	PARCEL	DESCRIPTION
Monterosso (Intervening Properties) Development		
206020094	I	Western Water Quality Basin
206020095	K	Western Open Space
206580036	B	Open Space North of Casablanca Bridge
206020093	C	Eastern Open Space
206580038	J	Northeast Bioretention Cell
206630053	E	Southeast Bioretention Cell
Wendt Ranch Development		
206-030-037	A, 8698	Wendt Ranch Southern Open Space including Buffalo Wetlands
206-650-011	B, 8847	Wendt Ranch Western Open Space, North of Casablanca
206-030-038	B, 8698	Wendt Ranch Western Open Space, South of Casablanca
206-030-034	D, 8002	Wendt Ranch Detention Basin

In addition, the GHAD has maintenance and monitoring responsibilities for the Alamo Creek Mustang Soccer Fields (APN 206-030-058) which is identified as Parcel F in Tract 8281.

Maintenance and monitoring responsibilities for the remaining properties within the GHAD, not listed above, are the responsibility of the individual property owners. Within this budget, it is anticipated that during the 2009/2010 fiscal year, addition parcels within the Alamo Creek development may be offered for transfer to the Wendt Ranch GHAD.

In general, the budget amounts listed are based on the Engineer's Report approved by the Wendt Ranch GHAD Board of Directors in 2005. The budget amounts have been inflation adjusted to provide the listed budget estimates. In the 2008/2009 fiscal year 800 parcels were subject to assessment. For the 2009/2010 fiscal year it is expected that approximately 825 will be subject

to assessment. Parcels are subject to assessment the first fiscal year following issuance of a building permit.

The current Program Budget estimates that at the beginning of the 2009/2010 fiscal year the cumulative reserve will be about \$492,000 and about \$793,000 at the end of the 2009/2010 fiscal year. At \$793,000, the cumulative reserve will be about \$120,000 above the 2005 budget estimate for the end of the 2009/2010 fiscal year.

The budget is divided into four categories including: Major Repair; Preventive Maintenance and Operations; Special Projects; and Administration and Accounting. As needed, the GHAD Manager may reallocate funds within each of the four major categories without Board approval.

Major Repair

Included within the major repair category are those repair or improvement projects that are intermittent and by their nature do not fit within a scheduled maintenance program. Minor slope repair and erosion control items are generally funded within the Preventive Maintenance and Operations category. For the purposes of this budget, we define major repairs as those estimated at over \$25,000.

Preventive Maintenance and Operations

Preventive maintenance and operations include professional services, slope stabilization services and erosion protection within the District. Professional services include site monitoring events as specified in the GHAD Plan of Control. Slope stabilization and erosion protection responsibilities include the open space slopes and creek channels. GHAD-maintained improvements generally include detention and water quality basins, maintenance roads, concrete-lined drainage ditches, retaining walls, subsurface drainage facilities, storm drain facilities, trails, and debris benches.

Special Projects

In addition, to provide for a more efficient system to use information relating to GHAD maintained improvements, the GHAD will continue development and maintenance of a GIS system.

Administration and Accounting

Administrative expenses include the General Manager duties related to the operation and administration of the GHAD. Within the administrative budget category are included tasks of the General Manager, clerical and accounting staff.

TABLE 1
SUMMARY OF PROPOSED FISCAL YEAR 2009/2010 BUDGET

Budget Item	Label	Budget Amount	Percentage of Total Budget
Major Repairs			
Major Projects		\$0	0%
Preventive Maintenance and Operations			
<u>Professional Services</u>			
Scheduled Monitoring Events			
Open Space Scheduled Monitoring Events		\$ 11,000	
Open Space Heavy Rainfall Events		\$ 5,500	
Bioretention Cell Scheduled Monitoring Events		\$ 4,000	
Bioretention Heavy Rainfall Events		\$ 1,600	
Transfer of Open Space – Alamo Creek		\$ 15,000	
Technical Consultants, Parcel Transfer (Outside Services)		\$ 8,000	
	Subtotal	\$ 45,100	
<u>Maintenance and Operations</u>			
Sediment Removal – Concrete Structures		\$ 5,750	
Bioretention and Other Water Quality Facilities		\$ 11,500	
Erosion Repairs		\$ 5,750	
Subdrain Outlets		\$ 1,450	
Detention Basin		\$ 17,300	
Creek Banks		\$ 11,500	
Slope Stabilization		\$ 9,500	
Trail, File Break and Fence Maintenance		\$ 15,000	
	Subtotal	\$ 77,750	
Preventive Maintenance and Operations	Total	\$ 122,850	42%
Special Projects			
Global Positioning System/Geographic Information System		\$ 20,000	
Special Projects	Total	\$ 20,000	7%
Administration and Accounting			
General Manager			
Administration and Accounting		\$ 32,500	
	Subtotal	\$ 32,500	
Outside Professional Services – Nontechnical			
Assessment Roll and Levy Update Preparation		\$ 4,000	
Legal Counsel		\$ 6,000	
Treasurer		\$ 2,000	
Contra Costa County Assessor's Fees		\$ 950	

Budget Item	Label	Budget Amount	Percentage of Total Budget
California Association of GHADs Membership		\$ 800	
	Subtotal	\$ 13,750	
Administration and Accounting	Total	\$ 46,250	16%
Proposed Expenditures	Total	\$ 189,100	65%
Estimated Receivables			
Estimated Balance (June 30, 2009)		\$ 491,730	
Estimated 2009/2010 Assessment Amount		\$ 289,484	
Estimated Interest on Investments		\$ 12,000	
Total Available Funds		\$ 793,214	
Estimated Expenditures			
Major Projects		\$ 0	
Preventive Maintenance and Operations		\$ 122,850	
Special Projects		\$ 20,000	
Administration, Accounting and Public Works		\$ 46,250	
Estimated Expenditures	Total	\$ 189,100	
Estimated Reserve/Fund Balance on June 30, 2009		\$ 604,114	

MAJOR REPAIRS

There are currently no major repair projects that we can project into the 2009/2010 fiscal year budget within the GHAD-maintained areas of the Wendt Ranch GHAD. While no major repairs are ongoing at this time, by their very nature, major repairs such as landslides are unpredictable events and could occur during the 2009/2010 fiscal year. The reserve portion of the budget allows for the funding of these unpredictable events.

PREVENTIVE MAINTENANCE AND OPERATIONS

Professional Services

Open Space Scheduled Monitoring Events

As provided in the Plan of Control, we have two scheduled monitoring events within the GHAD that will occur during each calendar year including geotechnical instrument monitoring.

Estimated budget \$11,000

Open Space Heavy Rainfall Events

We have budgeted for two heavy rainfall monitoring events during the 2009/2010 winter season.

Estimated budget \$5,500

Bioretention Cell Scheduled Monitoring Events

As provided in the Design Report and Operations and Maintenance Manual for Bioretention Facilities, we have two scheduled monitoring events for the two bioretention cells within the GHAD that will occur during November and May.

Estimated budget \$4,000

Bioretention Heavy Rainfall Events

We have budgeted for two heavy rainfall monitoring events for the bioretention facilities during the 2009/2010 winter season.

Estimated budget \$1,600

Transfer of Parcels to the GHAD

We anticipate in this budget that ownership, maintenance and monitoring responsibilities of additional open space within the Alamo Creek Development may be offered to the GHAD during the 2009/2010 fiscal year. As provided in the Plan of Control, the transfer process includes inspections and verification of proper maintenance or condition of the GHAD-maintained improvements.

Estimated budget \$15,000

Transfer of additional parcels to the GHAD (Outside Professional Services)

As part of the transfer process, as planned the GHAD will contract with Darwin Myers of Darwin Myers Associates to provide for third party review of the GHAD-maintained improvements prior to transfer.

Estimated budget \$8,000

Maintenance and Operations

Sediment Removal Concrete Structures

This budget item is to provide for the periodic removal of vegetation, cleaning, sealing and minor repair of concrete-lined drainage ditches within the Mustang Soccer Fields, Wendt Ranch, and Intervening Properties (Monterosso) developments.

Estimated budget \$5,750

Bioretention and other Water Quality Facilities

The budget allows for ongoing maintenance activities as described in the operations and maintenance manual.

Estimated budget \$11,500

Erosion Repairs

This is for unanticipated minor erosion repairs, including which may occur during the 2009/2010 fiscal year.

Estimated budget \$5,750

Subdrain Outlets

This budget item provides for subdrain outlets to be located, relocated and marked as necessary. Locating the subdrain outlets may include excavation activities.

Estimated budget \$1,450

Detention Basins

The budget allows for ongoing maintenance activities.

Estimated budget \$17,300

Creek Bank Maintenance

Anticipated tasks under this budget item include the repair of slope or creek erosion and removal of debris from creek channel culverts.

Estimated budget \$11,500

Slope Stabilization

This is for unanticipated minor repairs, including slope instability or erosion which may occur during the 2009/2010 fiscal year.

Estimated budget \$9,500

Trail, Fire Break and Fence Maintenance

This budget item includes annual fire break mowing and unanticipated trail maintenance or fence repairs which may occur during the 2009/2010 fiscal year. We are not anticipating trail or fence maintenance will be required during the 1009/2010 fiscal year. Fire break mowing has been contracted through the 2010/2011 fiscal year.

Estimated budget \$15,000

SPECIAL PROJECTS

Geographic Information System (GIS) Development

To provide for a more efficient system to capture, store, update, manipulate, analyze, and display information pertaining to GHAD assets (including, but not limited to, subdrains, landslides, drainage facilities, cuts, fills, or slopes), the GHAD has provided a budget item to continue development of a GIS database. The database would facilitate and streamline the tracking of location, maintenance, and repair activities pertaining to GHAD assets and automate the communication of this information to affected parties. This first phase of GIS database development would include transition of available and pertinent asset information to an electronic format suitable for GIS deployment, and as necessary, field-verification of such assets with GPS surveys.

Estimated budget \$20,000

ADMINISTRATION AND ACCOUNTING

Administration

Administrative expenses include the General Manager duties related to the operation and administration of the GHAD. The budget estimate for the accounting and administrative services are derived from the original GHAD budget used to prepare the GHAD's Engineer's Report.

Estimated budget \$32,500

Assessment Roll and Levy Update

This budget item allows for preparation of the assessment roll for the District and the updated levy based on the Consumer Price Index adjustment.

Estimated budget \$4,000

Legal Counsel

This budget item allows the GHAD to secure legal counsel for the District as provided under Resolution 2008/01 adopted on November 18, 2008. The duties of the legal counsel may include but not be limited to preparation or review of contracts, grant deeds, right of entry and board resolutions.

Estimated budget \$6,000

Treasurer

This budget item accounts for fees related to investment of the GHAD reserve funds and processing of accounts payable. This budget item allows the GHAD to hire a treasurer for the District as provided under Resolution 2008/01 adopted on November 18, 2008.

Estimated cost \$2,000

Contra County Assessor's Fees

This budget item accounts for fees from the Contra County Assessor's Office.

Estimated cost \$950

Association Membership

The GHAD maintains membership in the California Association of GHADs.

Estimated cost \$800