

**GHAD BOARD OF DIRECTORS  
WIEDEMANN RANCH GHAD**

BOARD CHAMBERS ROOM 107, ADMINISTRATION BUILDING, 651 PINE STREET,  
MARTINEZ, CALIFORNIA 94553-1229

**CANDACE ANDERSEN, Chair of the GHAD Board**  
**JOHN GIOIA, Boardmember of the GHAD**  
**KAREN MITCHOFF, Boardmember of the GHAD**  
**FEDERAL D. GLOVER, Boardmember of the GHAD**  
**DIANE BURGIS, Boardmember of the GHAD**

**MEETING AGENDA  
June 16, 2020**

Geologic Hazard Abatement District (GHAD) Board of Directors for Wiedemann Ranch GHAD:

**Time:**

**9:00 a.m.** Hearing to consider:

1. A Resolution to Adopt the GHAD Budget for the 2020/2021 Fiscal Year and to Update the GHAD Manager Payment Limit Pursuant to the Consulting Services Agreement as (Resolution No. 2020/01).
2. A Resolution to Authorize the Change in Treasurer designation from Watermark Asset Management, Inc. to GHAD Treasurer, Inc., and Approve a Contract for Services between GHAD Treasurer, Inc. and Wiedemann Ranch GHAD (Resolution No. 2020/02).

**WIEDEMANN RANCH  
GEOLOGIC HAZARD ABATEMENT DISTRICT**

**TO:** Wiedemann Ranch GHAD  
Board of Directors

**FROM:** GHAD Manager ENGEO, Eric Harrell  
GHAD Attorney Wendel Rosen, Patricia Curtin

**BOARD MEETING DATE:** June 16, 2020

**SUBJECT:** Wiedemann Ranch GHAD Resolution No. 2020/01 and  
Resolution No. 2020/02

**RECOMMENDATION(S):**

ADOPT Wiedemann Ranch GHAD Resolution No. 2020/01 adopting the GHAD budget for 2020/2021 fiscal year and updating GHAD Manager payment limit under Consulting Services Agreement.

ADOPT Wiedemann Ranch GHAD Resolution No. 2020/02 approving the change of GHAD Treasurer from Watermark Asset Management, Inc. to GHAD Treasurer, Inc. and approve a contract of services between GHAD Treasurer, Inc. and Wiedemann Ranch GHAD.

**FISCAL IMPACT:**

The GHAD is funded 100% through assessments levied on properties within the GHAD.

The current GHAD Treasurer, Watermark Asset Management, charged the GHAD an annual fee of 0.25%, or 25 basis points, per year, on the account balance of the GHAD. That fee will remain the same for the services of the proposed new GHAD Treasurer, GHAD Treasurer, Inc. In addition, GHAD Treasurer, Inc. proposes an annual fee of 0.25% or 25 basis points, per year, on the account balance managed by the investment manager, CAPTRUST Advisors.

**BACKGROUND:**

On September 1, 1998, the Contra Costa County Board of Supervisors adopted Resolution 98/438 approving the formation of the Wiedemann Ranch Geologic Hazard Abatement District (GHAD) and appointed itself to serve as the GHAD Board of Directors.

Annual Budget (Resolution 2020-01). The GHAD Board is requested to adopt budgets for the GHAD operations each fiscal year. The GHAD Board is being requested to adopt the fiscal year budget for 2020/2021 as prepared by the GHAD Manager which is attached to Resolution No. 2020/01. In addition, the GHAD Board is being requested to update the GHAD Manager payment limits under the existing Consulting Services Agreement as required by that Agreement. The budget attached to Resolution No. 2020/01 identifies that limit at \$119,650.

Appointment of GHAD Treasurer (Resolution 2020/02). The GHAD Board is also being asked to approve a change in the designation of the GHAD Treasurer from Watermark Asset Management, Inc. to GHAD Treasurer, Inc. On May 19, 2009, with Resolution 2009/01, the GHAD Board of Directors appointed Watermark Asset Management as GHAD Treasurer. On December 6, 2018, Watermark Asset Management was acquired by CAPTRUST. In October 2019, three former principals of Watermark Asset Management Inc. formed GHAD Treasurer, Inc. for the purpose of separating treasurer advisor functions from investment functions. Services include collecting, holding, investing, appropriating, and expending GHAD funds as necessary to carry out the operations of the GHAD in accordance with budgets approved by the GHAD Board.

Personnel acting in the capacity of GHAD Treasurer will remain the same as under Watermark Asset Management. If approved, the GHAD Treasurer will complete actions necessary to change treasurer functions from Watermark Asset Management to GHAD Treasurer, Inc.

A contract of services between GHAD Treasurer, Inc. and Wiedemann Ranch GHAD is provided.

**CONSEQUENCE OF NEGATIVE ACTION:**

The GHAD will not be able to continue operation starting July 1, 2020 if the budget is not approved.

If the Board does not approve the change in designation of the GHAD Treasurer from Watermark Asset Management, Inc. to GHAD Treasurer, Inc. staff requests the Board provide direction as the GHAD is required by GHAD Law to have a treasurer.

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

Adopted this Resolution on June 16, 2020, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**RESOLUTION NO. 2020/01 (WIEDEMANN RANCH GHAD)**

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**SUBJECT:** Adopting 2020/2021 annual budget and updating GHAD Manager payment limits under the existing consulting services agreement.

**WHEREAS**, on September 1, 1998, the Contra Costa County Board of Supervisors adopted Resolution 98/438 approving the formation of the Wiedemann Ranch Geologic Hazard Abatement District (GHAD) and appointed itself to serve as the GHAD Board of Directors.

**WHEREAS**, the GHAD Board of Directors desires to adopt the budget for the fiscal year 2020/2021 prepared by the GHAD Manager, ENGEO, Inc., attached hereto as Exhibit A.

**WHEREAS**, on May 19, 2009, pursuant to Resolution No. 2009/03, the GHAD Board approved the consultant services agreement with ENGEO, Inc., to act as Manager for the GHAD. This Agreement, in section 1(e), requires the GHAD Board to determine by resolution each fiscal year the payment limits for GHAD Manager services. The budget attached in Exhibit A identifies this limit at \$119,650.

**The Board of Directors of the GHAD HEREBY RESOLVES THAT:**

1. The GHAD Board approves the GHAD budget for the 2020/2021 fiscal year of \$331,375 attached as Exhibit A and incorporated herein by this reference.

2. The GHAD Board adopts the payment limit for the GHAD Manager services at \$119,650 for fiscal year 2020/2021 as set forth in Exhibit A, and incorporates this payment limit into the consulting services agreement.

3. The recitals are incorporated herein by this reference.

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

**Approved as to form:**

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Patricia Curtin  
GHAD Attorney

**WIEDEMANN RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT  
PROGRAM BUDGET FOR FISCAL YEAR 2020/21**

June 2, 2020

Wiedemann Ranch GHAD Board of Directors  
Wiedemann Ranch Geologic Hazard Abatement District  
651 Pine Street, Room 107  
Martinez, CA 94553

Subject: Wiedemann Ranch Geologic Hazard Abatement District  
Danville, Contra Costa County, and San Ramon, California

**PROGRAM BUDGET FOR FISCAL YEAR 2020/21**

Dear Board Members:

Attached is the program budget for the Wiedemann Ranch Geologic Hazard Abatement District (GHAD) for the Fiscal Year 2020/21. The program budget as proposed is \$331,375. The budget expenses break down into the following approximate percentages of the total revenue.

- Major Repair ..... 0 percent
- Preventive Maintenance and Operations ..... 27 percent
- Special Projects ..... 1 percent
- Administration and Accounting ..... 6 percent
- Additional - Outside Professional Services ..... 8 percent
- Reserve ..... 58 percent

The budget anticipates FY 2020/21 revenue of \$798,969 with an estimated contribution of \$467,594 to the reserve fund. A summary of the expenses is shown on Table 3 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.

Sincerely,

Wiedemann Ranch Geologic Hazard Abatement District  
ENGEO Incorporated, GHAD Manager  
ENGEO Project No. 3586.002.019



Haley Trindle  
ht/eh/jf

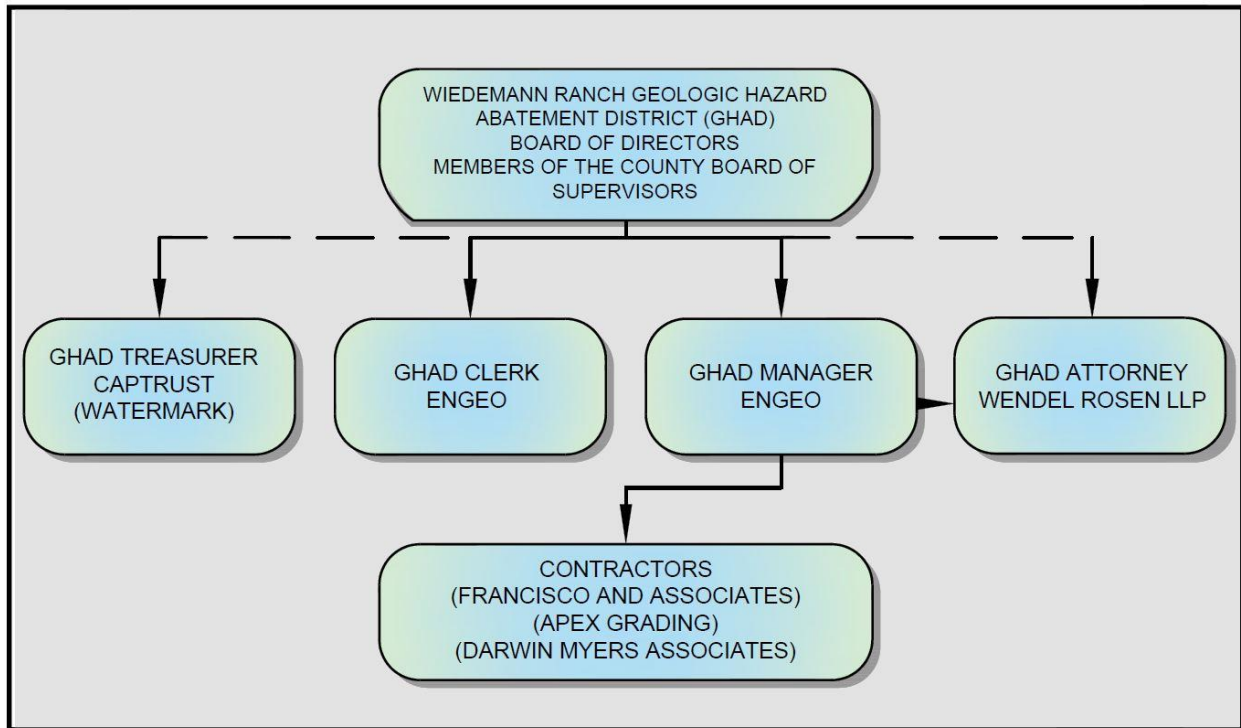


Eric Harrell

**Wiedemann Ranch Geologic Hazard Abatement District  
Program Budget  
Fiscal Year 2020/21**

The following budget summarizes the anticipated expenditures for fiscal year 2020/21 for the Wiedemann Ranch Geologic Hazard Abatement District, which currently includes the Henry Ranch, Norris Canyon Estates, Elworthy Ranch, and Red Hawk (Podva) developments. The GHAD has acquired monitoring, maintenance, and repair responsibilities for all of the parcels within the Henry Ranch development. Monitoring, maintenance, and repair responsibilities for portions of the Norris Canyon Estates development have been accepted by the GHAD, while transfer of the remaining parcels is pending and expected to be completed in FY 2020/21. Improvements within the Elworthy Ranch development were offered to the GHAD in December 2017, but have not been accepted by the GHAD due to developer required maintenance or repair of future GHAD-maintained improvements. Improvements and future GHAD-owned parcels within the Red Hawk development were offered to the GHAD in September 2019, but have not yet been accepted by the GHAD with developer required maintenance or repair of future GHAD-maintained improvements in progress. In the current budget, we have anticipated that GHAD responsibilities within the Elworthy Ranch and Red Hawk developments will be transferred to the GHAD during FY 2020/21.

The structure of the Wiedemann Ranch GHAD is shown below.





The fiscal year for the Wiedemann Ranch GHAD begins on July 1. 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 without additional Board approval.

The annual assessment limits are as follows:

**TABLE 1: Actual CPI Adjustments and Assessment Limit for Single-Family Residential Properties**

FISCAL YEAR	SAN FRANCISCO-OAKLAND-HAYWARD CPI (JUNE /JUNE)	ANNUAL ASSESSMENT AND LEVY			
		NORRIS CANYON ESTATES	HENRY RANCH	ELWORTHY RANCH	REDHAWK
1999/00	-	\$550.00			
2000/01	4.22%	\$573.22	\$555.00		
2001/02	6.61%	\$611.11	\$591.69		
2002/03	1.18%	\$618.29	\$598.65		
2003/04	1.60%	\$628.18	\$608.22		
2004/05	1.41%	\$637.03	\$616.79		
2005/06	1.06%	\$643.80	\$623.34		
2006/07	3.93%	\$669.10	\$647.84		
2007/08	3.38%	\$691.71	\$669.73		
2008/09	4.19%	\$720.70	\$687.80		
2009/10	0.23%	\$722.34	\$699.38		
2010/11	1.07%	\$730.08	\$706.88		
2011/12	2.43%	\$747.80	\$724.03		
2012/13	2.64%	\$767.51	\$743.12		
2013/14	2.56%	\$787.13	\$762.12		
2014/15	3.00%	\$810.75	\$784.99	\$1,360.00	
2015/16	2.29%	\$829.32	\$802.96	\$1,391.14	
2016/17	2.67%	\$851.48	\$824.42	\$1,428.31	\$2,395.00
2017/18	3.48%	\$881.12	\$853.12	\$1,478.04	\$2,478.39
2018/19	3.91%	\$915.56	\$866.46	\$1,535.80	\$2,575.24
2019/20	3.22%	\$944.99	\$914.96	\$1,585.18	\$2,658.03
2020/21	1% <sup>1</sup>	\$954.43 <sup>1</sup>	\$924.11 <sup>1</sup>	\$1,601.03 <sup>1</sup>	\$2,684.60 <sup>1</sup>

<sup>1</sup>Estimate based on Consumers Price Index through April 2020.

The GHAD is funded through real property assessments. The assessment limits are adjusted annually on June 30 to reflect the percentage change in the San Francisco-Oakland-Hayward Consumers Price Index (CPI) for All Urban Consumers for the previous 12 months. The final assessment roll prepared for the 2019/20 fiscal year and submitted to the Contra Costa County Assessor's Office identifies 576 parcels subject to the levy of the GHAD assessment. Thirteen apartment units are located within the Elworthy Ranch development on a single assessor's parcel. The levy for the apartment parcel for FY 2019/20 was \$10,303.66 (\$792.59 per apartment unit). The total levy amount for the 2019/20 FY was \$638,642.72.

Based on the San Francisco-Oakland-Hayward CPI data reported through April 2020, for budgeting purposes, we have estimated a FY 2020/21 inflation rate adjustment of 1 percent. We estimate that 576 parcels with 588 residential units will be subject to assessment in FY 2020/21.

In general, the budget amounts listed are based on the Engineers' Reports approved by the Wiedemann Ranch GHAD Board of Directors in 2001 for the Norris Canyon Estates and Henry Ranch developments, in 2014 for the Elworthy Ranch development, and in 2016 for the Red Hawk (Podva) development. The budget amounts have been inflation adjusted to provide the estimates.

## **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 \$50,000.

## **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 scheduled 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 the District's slopes, concrete-lined drainage ditches, retaining walls, subsurface drainage facilities, monitoring instruments including settlement monitoring devices, storm drain facilities, and the creek channels.

## **SPECIAL PROJECTS**

The Special Projects category allows the GHAD to budget for projects beneficial to the GHAD that are not included in one of the other three categories. Special projects can include items such as global positioning system (GPS)/geographic information system (GIS) development for GHAD maintained improvements; website development and maintenance; and reserve studies to reevaluate the financial condition of the GHAD.

## **ADMINISTRATION AND ACCOUNTING**

Administrative expenses include the General Manager duties related to the operation and administration of the GHAD. These include clerical and accounting functions.

**TABLE 2: Summary of Use of Funds**

<b>USE OF FUNDS</b>				
	<b>FY 2019/20 ESTIMATE*</b>	<b>FY 2019/20 BUDGET</b>	<b>FY 2020/21 PROPOSED</b>	<b>PERCENT CHANGE FROM FY 2019/20</b>
<b>Major Repairs</b>				
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Preventive Maintenance and Operations - Professional Services</b>				
Open Space Scheduled Monitoring Events	\$18,255	\$21,000	\$24,000	
Heavy Rainfall Monitoring Events	\$0	\$6,000	\$6,000	
Transfer of Open Space and GHAD Maintained Improvements	\$10,768	\$12,000	\$10,000	
Technical Consultants, Parcel Transfer (Outside Services)	\$0	\$4,000	\$4,000	
<b>Subtotal</b>	<b>\$29,022</b>	<b>\$43,000</b>	<b>\$44,000</b>	<b>2.3%</b>
<b>Preventive Maintenance and Operations - Maintenance and Operations</b>				
Sediment Removal Concrete Structures	\$11,250	\$16,500	\$19,500	
Erosion Control	\$6,874	\$65,000	\$85,000	
Slope Stabilization	\$7,963	\$75,000	\$70,000	
<b>Subtotal</b>	<b>\$26,087</b>	<b>\$156,500</b>	<b>\$174,500</b>	<b>9.5%</b>
<b>Special Projects</b>				
GPS/GIS Development	\$89	\$5,000	\$5,000	
Web Site Maintenance/Updates	\$2,387	\$2,000	\$1,000	
Reserve Study	\$4,000	\$4,000	\$0	
<b>Subtotal</b>	<b>\$6,476</b>	<b>\$11,000</b>	<b>\$6,000</b>	<b>-45.5%</b>
<b>Administration and Accounting – GHAD Manager</b>				
Administration and Accounting	\$30,000	\$30,000	\$42,000	
Budget Preparation	\$4,500	\$4,500	\$4,500	
<b>Subtotal</b>	<b>\$34,500</b>	<b>\$34,500</b>	<b>\$46,500</b>	<b>34.8%</b>
<b>Administration and Accounting – Outside Professional Services</b>				
Assessment Roll and Levy Update	\$3,060	\$4,500	\$2,625	
Legal Counsel	\$6,820	\$12,000	\$12,000	
Treasurer	\$14,145	\$14,500	\$30,000	
Contra Costa County Assessor's Fees	\$739	\$775	\$750	
California Association of GHADs Membership	\$400	\$250	\$250	
Insurance	\$801	\$8,000	\$14,750	
<b>Subtotal</b>	<b>\$25,965</b>	<b>\$40,025</b>	<b>\$60,375</b>	<b>50.8%</b>
<b>Total</b>	<b>\$122,051</b>	<b>\$285,025</b>	<b>\$331,375</b>	<b>16.3%</b>

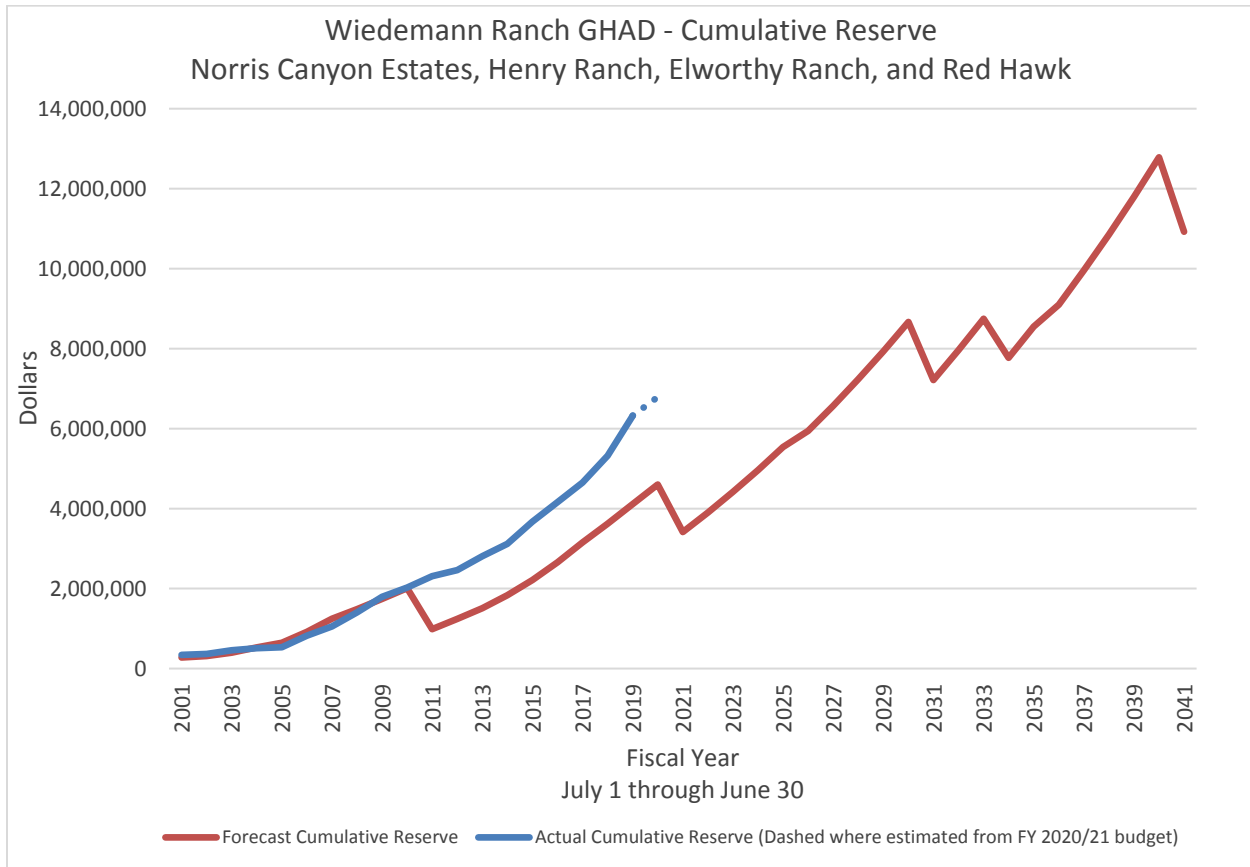
A summary of the proposed Fiscal Year 2020/21 Budget is shown in Table 3.

**TABLE 3: Summary of Proposed Fiscal Year 2020/21 Budget**

BUDGET ITEM	BUDGET AMOUNT	PERCENT OF TOTAL BUDGET (FY 2020/21)	PERCENT OF TOTAL BUDGET (FY 2019/20)	
<b>MAJOR REPAIRS</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>0%</b>	<b>0%</b>	
<b>PREVENTIVE MAINTENANCE AND OPERATIONS</b>				
<b>Professional Services</b>				
Scheduled Monitoring Events	\$24,000			
Heavy Rainfall Monitoring Events	\$6,000			
Transfer of Subdivisions 7575, 7996, 7998, Elworthy Ranch, and Red Hawk	\$10,000			
Transfer of Subdivisions 7575, 7996, 7998, Elworthy Ranch, and Red Hawk	\$4,000			
<b>Subtotal</b>	<b>\$44,000</b>			
<b>Maintenance and Operations</b>				
Concrete-Lined Drainage Ditches and Maintenance Roads	\$19,500			
Erosion Control including Creek Channels	\$85,000			
Slope Stabilization	\$70,000			
<b>Subtotal</b>	<b>\$174,500</b>			
<b>TOTAL</b>	<b>\$218,500</b>	<b>27%</b>	<b>26%</b>	
<b>SPECIAL PROJECTS</b>				
GPS/GIS Development	\$5,000			
Web Site Maintenance and Updates	\$1,000			
<b>TOTAL</b>	<b>\$6,000</b>	<b>1%</b>	<b>1%</b>	
<b>ADMINISTRATION AND ACCOUNTING</b>				
<b>Administration and Accounting – GHAD Manager</b>				
Administration and Accounting	\$42,000			
Annual Report and Budget Preparation	\$4,500			
<b>Subtotal</b>	<b>\$46,500</b>	<b>6%</b>	<b>4%</b>	
<b>Administration and Accounting - Outside Professional Services - Nontechnical</b>				
Assessment Roll and Levy Update Preparation	\$2,625			
Legal Counsel	\$12,000			
Wiedemann Ranch GHAD Treasurer	\$30,000			
Contra Costa County Assessor's Fees	\$750			
California Association of GHADs Membership	\$250			
Insurance	\$14,750			
<b>Subtotal</b>	<b>\$60,375</b>	<b>8%</b>	<b>5%</b>	
<b>TOTAL</b>	<b>\$106,875</b>			
<b>PROPOSED EXPENDITURES</b>	<b>TOTAL</b>	<b>\$331,375</b>	<b>42%</b>	<b>36%</b>

BUDGET ITEM	BUDGET AMOUNT	PERCENT OF TOTAL BUDGET (FY 2020/21)	PERCENT OF TOTAL BUDGET (FY 2019/20)
<b>ESTIMATED REVENUE</b>			
<b>Beginning Balance – July 1, 2019</b>	<b>\$5,449,775</b>		
<b>ESTIMATED FY 2019/20 REVENUE</b>			
Estimated Assessment Revenue	\$638,643		
Estimated Interest/Dividend Revenue	\$356,224		
<b>ESTIMATED 2019/20 EXPENSES</b>			
Estimated Expenses through 6/30/2020	(\$122,051)		
<b>ESTIMATED RESERVE ON JUNE 30, 2020</b>	<b>\$6,322,590</b>		
<b>ESTIMATED 2020/21 REVENUE</b>			
Estimated FY 2020/21 Assessment	\$645,029		
Estimated FY 2020/21 Interest/Dividend	\$153,940		
<b>ESTIMATED 2020/21 EXPENSES</b>			
Estimated Expenses through June 30, 2021	(\$331,375)		
<b>ESTIMATED RESERVE ON JUNE 30, 2021</b>	<b>\$6,790,184</b>		

As shown on the graph below, the forecast cumulative reserve is above the amount estimated in the 2001, 2014, and 2016 Engineers' Reports and is estimated to reach approximately \$10,900,000 by 2041, 40 years since the Henry Ranch development was annexed into the Wiedemann Ranch GHAD. The GHAD reserve is intended to fund unanticipated expenses that may occur.



We attribute the additional reserve accumulation to a number of factors including: (1) the Wiedemann Ranch GHAD has acquired monitoring and maintenance responsibilities for all of Henry Ranch, Subdivision 7578 and portions of Subdivisions 7575, 7996, and 7998, but does not yet have maintenance and monitoring responsibilities for the remainder of the Norris Canyon Estates, Elworthy Ranch, and Red Hawk developments, (2) nine of the past eleven winters have had below-average rainfall; therefore, there has been a reduced level of slope instability and erosion, (3) a large-scale repair (estimated at \$1,000,000 in 2001 dollars every 10 years) has not been necessary within the GHAD-maintained areas, and (4) the budgets submitted and expenditures by the GHAD manager reflect the lower level of activity due to weather conditions and limited geographic responsibilities, thus allowing a higher percentage of the GHAD revenues to be applied to the reserve portion of the budget, while maintaining an appropriate monitoring and maintenance program.

Special Condition 1(e) of the approved Consulting Services Agreement provides that a payment limit shall be determined each fiscal year by a resolution of the GHAD Board. For fiscal year 2020/21 (July 1, 2020 through June 30, 2021), the payment limit is set at \$119,650. The tasks included within the payment limit may include site monitoring events, transfer of monitoring and maintenance responsibilities, oversight of maintenance and repair projects, administration, accounting, assessment roll updates, and budget preparation.

**TABLE 4: Payment Limit**

TASK	AMOUNT
Scheduled Monitoring Events	\$24,000
Heavy Rainfall Monitoring Events	\$6,000
Transfer of Parcels	\$10,000
Concrete-Lined Drainage Ditch Maintenance	\$3,900 <sup>1</sup>
Erosion Control	\$12,750 <sup>1</sup>
Slope Stabilization	\$10,500 <sup>1</sup>
Special Projects (GPS, Website, and Reserve Study)	\$6,000
Administration and Accounting	\$42,000
Budget Preparation	\$4,500
<b>TOTAL</b>	<b>\$119,650</b>

<sup>1</sup>Dependent on maintenance and/or repair activities by the GHAD during FY 2020/21. ENGEO payment limit is estimated at 20% of the total budget item.

## PREVENTIVE MAINTENANCE AND OPERATIONS

There are currently no ongoing major repair projects and none are anticipated for the 2020/21 fiscal year within the GHAD-maintained areas of the Wiedemann Ranch GHAD. Minor slope repair and erosion control items are generally funded within the Preventive Maintenance and Operations category. While no major repairs are ongoing at this time, by their nature, major repairs such as landslides are unpredictable and could occur during the 2020/21 fiscal year. The reserve portion of the budget allows for funding toward these unpredictable events.

### Professional Services

#### Scheduled Monitoring Events

As provided in the Plan of Control, we have two scheduled monitoring events within the GHAD during each calendar year. **Estimated budget \$24,000**

#### Heavy Rainfall Events

We have budgeted for two heavy rainfall-monitoring events during the 2020/21 winter season. **Estimated budget \$6,000**

#### Transfer of Parcels within Norris Canyon Estates, Elworthy Ranch, and Red Hawk to the GHAD

In FY 2013/14, the remainder of parcels within the Norris Canyon Estates development, not previously accepted by the Wiedemann Ranch GHAD, were offered to the GHAD by the project developers. In 2017, parcels within the Elworthy development were offered to the GHAD. As provided in the Plan of Control, part of the ongoing transfer process is an inspection of the GHAD-maintained improvements. GHAD maintained improvements within the Red Hawk (Podva) development were eligible for transfer in FY 2019/20. We have provided a budget estimate for the ongoing transfer process activities within the GHAD. **Estimated budget \$10,000**

### Transfer of Parcels within Norris Canyon Estates to the GHAD (Outside Professional Services)

As part of the ongoing transfer process, the GHAD has contracted with Darwin Myers of Darwin Myers Associates to provide for third-party review of the GHAD-maintained improvements prior to transfer. We have provided a budget estimate for the ongoing transfer process during the 2020/21 fiscal year.

**Estimated budget \$4,000**

## **Maintenance and Operations**

### Concrete-Lined Drainage Ditches, Debris Catchment Structures, and Maintenance Roads

This budget item is to provide for the removal of vegetation and cleaning of concrete-lined drainage ditches and debris catchment structures within the GHAD-accepted portions of the Wiedemann Ranch GHAD. Currently, this includes approximately 32,000 lineal feet of ditch cleaning. In addition, this item provides for removal of vegetation from maintenance roads.

**Estimated budget \$19,500**

### Erosion Control

Anticipated tasks under this budget item include the repair of slope or creek erosion and removal of debris from creek channel culverts. Cleaning and vegetation management of the detention basin is included within this budget item.

**Estimated budget \$85,000**

### Slope Stabilization

This is for minor repairs, including slope instability or erosion, which may occur during the 2020/21 fiscal year. Purchase of emergency stabilization supplies is included within this budget item. In addition, general maintenance of GHAD-owned parcels (vegetation management, litter removal, and graffiti removal) is also included in this budget item.

**Estimated budget \$70,000**

## **SPECIAL PROJECTS**

### **Global Positioning System (GPS)/Geographic Information System (GIS) Development**

To provide for a more efficient system to capture, store, update, manipulate, analyze, and display information pertaining to GHAD features (including, but not limited to, subdrains, landslides, drainage facilities, cuts, fills, or slopes), the GHAD has provided a budget item to continue development and use of a GIS database. The database facilitates the tracking of location, maintenance, and repair activities and automates the communication of this information to affected parties. We anticipate GIS database development for FY 2020/21 would include continued transition of available and pertinent information to an electronic format suitable for GIS deployment, and as necessary, field-verification with GPS surveys.

**Estimated budget \$5,000**

### **Web Site Maintenance and Updates**

To allow for greater access to information about the Wiedemann Ranch GHAD, the GHAD has provided a budget item to update and maintain the existing website launched during the 2013/14 fiscal year.

**Estimated budget \$1,000**



## 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 \$42,000**

### Annual Report and Budget Preparation

This budget provides for the preparation of the annual report and budget. 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 \$4,500**

### 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 \$2,625**

### 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 \$12,000**

### 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 budget \$30,000**

### Contra County Assessor's Fees

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

**Estimated budget \$750**

### Association Membership

The GHAD maintains membership in the California Association of GHADs.

**Estimated budget \$250**

### Insurance

The GHAD maintains general liability insurance for open space areas within the District. In fiscal year 2020/21, the GHAD will likely obtain ownership of open space within the Elworthy Ranch and Red Hawk developments; therefore, insurance payments for FY2020/21 (partial) and FY2021/22 will likely occur in FY 2020/21.

**Estimated budget \$14,750**

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

Adopted this Resolution on June 16, 2020 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**RESOLUTION NO. 2020/02 (WIEDEMANN RANCH GHAD)**

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**SUBJECT:** Approve change in the GHAD Treasurer designation from Watermark Asset Management, Inc. to GHAD Treasurer, Inc., in addition to a contract of services between GHAD Treasurer, Inc. and Wiedemann Ranch GHAD.

**WHEREAS,** on September 1, 1998, the Contra Costa County Board of Supervisors adopted Resolution 98/438 approving the formation of the Wiedemann Ranch Geologic Hazard Abatement District (GHAD) and appointed itself to serve as the GHAD Board of Directors.

**WHEREAS,** on May 19, 2009 the GHAD Board appointed Watermark Asset Management, Inc. as the GHAD Treasurer pursuant to Resolution No. 2009/01.

**WHEREAS,** in October of 2019, Watermark Asset Management, Inc. reorganized and for purposes of acting as treasurer for various GHADs has separated treasurer functions from investment management functions for GHADs.

**WHEREAS,** GHAD Treasurer, Inc. has been formed to assume the treasurer duties previously handled by Watermark Asset Management, Inc.

**The Board of Directors of the GHAD HEREBY RESOLVES THAT:**

1. Watermark Asset Management, Inc. shall no longer serve as GHAD Treasurer.
2. GHAD Treasurer, Inc. is designated as the new GHAD Treasurer.
3. GHAD Manager shall execute the contract for services between the GHAD Treasurer and the GHAD on behalf of the GHAD Board.
4. The recitals are incorporated herein by this reference.

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

**Approved as to form:**

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Patricia Curtin  
GHAD Attorney

## CONTRACT FOR PROFESSIONAL SERVICES

THIS CONTRACT FOR GHAD TREASURER SERVICES (this "Contract") is made and entered into this 16th day of June 2020, by and between the Wiedemann Ranch Geologic Hazard Abatement District, a political subdivision of the State of California, ("GHAD"), and GHAD Treasurer, Inc. ("GHAD Treasurer") (individually, a "Party" and collectively the "Parties"), for professional services more particularly described herein.

The GHAD and GHAD Treasurer, for mutual consideration as defined herein, agree to the following terms, services and conditions.

1. **Contract Documents.** This Contract is comprised of the following documents: (i) this Contract for GHAD Treasurer Services, (ii) Addendum A to Contract for GHAD Treasurer Services attached hereto and incorporated herein by reference ("**Addendum A**").
2. **Term.** This Contract between the parties is effective as of the date of execution and shall remain in effect until terminated in accordance with the provisions set forth in Section 10 of this Contract.
3. **Services.** GHAD Treasurer will, in accordance with the terms of this Contract, perform professional services, which are described in Addendum A (the "**Services**").
4. **Fees.** The GHAD agrees to pay the GHAD Treasurer on a monthly basis for the Services pursuant to this Contract in the amount described in the Addendum A. The GHAD Treasurer will submit invoices to the GHAD Manager on an as-needed basis but no more frequently than once a calendar quarter.
5. **Expenses.** GHAD Treasurer shall be reimbursed by the GHAD for the actual cost of those reimbursable expenses incurred by GHAD Treasurer listed in Addendum A, if any.
6. **Laws, Rules and Regulations.** GHAD Treasurer shall perform the Services in accordance with all applicable local, state and federal laws and regulations.
7. **Indemnity.** GHAD Treasurer shall indemnify, defend, save and hold harmless GHAD, its directors, officers and employees and other related parties for any acts or omissions arising out of the performance of this Contract from and against any and all claims, damages, losses, liabilities and expenses.
8. **Insurance.** GHAD Treasurer shall purchase and maintain with an insurer or insurers acceptable to GHAD, a commercial general liability policy with a minimum of \$1 Million in coverage.
9. **Confidentiality.** Each Party shall maintain confidentiality of all such confidential information exchanged in connection with the performance of this Contract, and without obtaining the written consent of the other Party, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to applicable laws or regulations. This Section shall survive the termination of this Agreement for any reason.
10. **Contract Modification or Termination.** GHAD and GHAD Treasurer agree that the terms and conditions of this Contract shall constitute the entire agreement between the parties hereto as to the subject matter of this Contract, and shall supersede all prior and contemporaneous negotiations and agreements on that subject matter. GHAD and GHAD Treasurer may modify the terms of this Contract only by executing a written amendment which shall reference this Agreement and shall be executed by the parties hereto. This Contract shall be terminated in writing by either Party upon 30 days' notice to the other.
11. **Contract Administration.** The Parties acknowledge that the GHAD Manager will administer this Agreement on behalf of the GHAD Board of Directors.

12. **Counterparts.** This Contract may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. For convenience, the parties may exchange scanned copies of the signature pages to this Contract, which copies shall be binding as originals.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed the day and year first above written.

**Wiedemann Ranch Geologic Hazard Abatement District:**

By: \_\_\_\_\_  
Name: Candace Andersen  
Chair of the Wiedemann Ranch Geologic Hazard Abatement District

Dated: \_\_\_\_\_

Address:  
2010 Crow Canyon Place, Suite 250  
San Ramon, CA 94583

Email: [eharrell@engeo.com](mailto:eharrell@engeo.com)

**GHAD Treasurer, Inc.:**

By: \_\_\_\_\_  
Name: Dave Fernandez

Dated: \_\_\_\_\_

Address:  
2010 Crow Canyon Place, Suite 210  
San Ramon, CA 94583

Email: [dave.fernandez@captrust.com](mailto:dave.fernandez@captrust.com)

## **Addendum A**

The GHAD Treasurer shall provide the following professional services: The GHAD Treasurer is responsible for the general oversight of the GHAD's fiscal resources working in close collaboration and cooperation with the GHAD Manager. The role of the GHAD Treasurer includes providing accurate cash projections of the GHAD's revenues, the expeditious accounting of real property assessments collected by Contra Costa County, the control of disbursements and the cost-effective management of custodial relations.

The GHAD Treasurer has the authority to select a firm(s) or individual(s) to manage the GHAD investment accounts consistent with the provisions of the GHAD-adopted Statement of Investment Policy. Fees and costs associated with the GHAD investment management services are payable by the GHAD.

The GHAD Treasurer coordinates closely with the GHAD Manager on budget, cash flow and disbursements. The GHAD Treasurer has further authority to engage the services of one or more third party custodians ("Custodian") to provide safekeeping and custody of assets, and issuance of requested and approved disbursements of GHAD funds.

The GHAD Treasurer has the authority to disburse funds from GHAD accounts held by the Custodian with the written or electronic consent of the GHAD Manager. The GHAD Manager is responsible for authorizing disbursements (i.e., invoices) consistent with the GHAD budget approved by the GHAD Board of Directors. The GHAD Treasurer is responsible for reviewing, approving and authorizing disbursements submitted by the GHAD Manager. Such disbursements are, in turn, issued by a Custodian upon authorization by the GHAD Treasurer.

The GHAD Treasurer shall annually review the Statement of Investment Policy in conjunction with the GHAD Manager. The GHAD Treasurer and GHAD Manager have the authority to determine whether modifications to the Policy are necessary and, if so, to report such recommended modifications to the GHAD Board of Directors.

The GHAD Treasurer is responsible for providing the following reports:

### **A. Monthly**

The GHAD Treasurer will coordinate with the Custodian(s) to provide a monthly institutional brokerage statement, and bank statements, with an investment and transaction summary to the GHAD Manager.

### **B. Quarterly**

The GHAD Treasurer shall submit quarterly financial reports to the GHAD Manager and the GHAD Board.

The quarterly report shall highlight key aspects of information contained in the investment reports; a summary of investment activity for the GHAD, total account balance, balance by position, quarterly performance summary of the investment portfolio and review of cash flow required to meet expenditures for the next six months.

### **C. Other**

The GHAD Treasurer shall present to the GHAD Manager an annual report on the investment program and investment activity no later than 180 days following the end of the fiscal year. The annual report may include a performance summary, and following consultation with the investment manager, suggest policies and improvements that might enhance the investment program, and include an investment plan for the ensuing fiscal year. The GHAD Treasurer will provide additional data deemed necessary by the GHAD Manager to facilitate any additional accounting or reporting requirement.

The GHAD Treasurer shall maintain a list of financial institutions authorized to provide custodial services. Assets are held directly with the Custodian which provides independent verification of assets through monthly institutional account statements. The GHAD Treasurer is responsible for the coordination, review, and monitoring of GHAD cash disbursements. Through a dual control verification process, the GHAD Treasurer must verify disbursement requests from the GHAD Manager. GHAD Manager shall only submit check requests for vendors previously approved by the GHAD Manager and the GHAD Treasurer shall only cause to be processed checks from previously approved vendors. The GHAD Treasurer coordinates and verifies disbursements from the Custodian to the approved vendors.

The GHAD Treasurer shall attend up to 4 (four) GHAD Board meetings per year. Additional meeting attendance, if necessary, can be billed on a time and materials basis.

Fees: GHAD Treasurer shall be paid an annual fee of 0.25% of assets billed on a quarterly basis.

Reimbursable Expenses: GHAD Treasurer shall be reimbursed for expenses including mileage at the then standard mileage rate published by the Internal Revenue Service.