

**GHAD BOARD OF DIRECTORS
WENDT 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 Wendt 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 Recommended by the GHAD Manager (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 Wendt Ranch GHAD (Resolution No. 2020/02).

**WENDT RANCH
GEOLOGIC HAZARD ABATEMENT DISTRICT**

TO: Wendt Ranch GHAD
Board of Directors

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

BOARD MEETING DATE: June 16, 2020

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

RECOMMENDATION(S):

ADOPT Wendt 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 Wendt 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 Wendt 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 February 12, 2002, the Contra Costa County Board of Supervisors adopted Resolution 2002/59 approving the formation of the Wendt 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 \$113,875.

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 Wendt 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 WENDT RANCH
GEOLOGIC HAZARD ABATEMENT DISTRICT**

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

AYES:

NOES:

ABSENT:

ABSTAIN:

RESOLUTION NO. 2020/01 (WENDT RANCH GHAD)

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

WHEREAS, on February 12, 2002, the Contra Costa County Board of Supervisors adopted Resolution 2002/59 approving the formation of the Wendt 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, ENGEEO, 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 ENGEEO, 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 \$113,875.

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 \$292,650 attached as Exhibit A and incorporated herein by this reference.

2. The GHAD Board adopts the payment limit for the GHAD Manager services at \$113,875 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:

Patricia Curtin
GHAD Attorney

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

June 2, 2020

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

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

PROGRAM BUDGET FOR FISCAL YEAR 2020/21

Dear Board Members:

Attached is the program budget for the Wendt Ranch Geologic Hazard Abatement District (GHAD) for the Fiscal Year 2020/21. The program budget as proposed is \$292,650. The budget expenses break down into the following approximate percentages of the total revenue.

- Major Repair0 percent
- Preventive Maintenance and Operations.....27 percent
- Special Projects 1 percent
- Administration and Accounting6 percent
- Additional - Outside Professional Services 7 percent
- Reserve59 percent

The budget anticipates FY 2020/21 revenue of \$718,207 with an estimated contribution of \$425,557 to the reserve fund. A summary of the expenses is shown on Table 4 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,

Wendt Ranch Geologic Hazard Abatement District
ENGEO Incorporated, GHAD Manager
ENGEO Project No. 4063.002.019



Haley Trindle

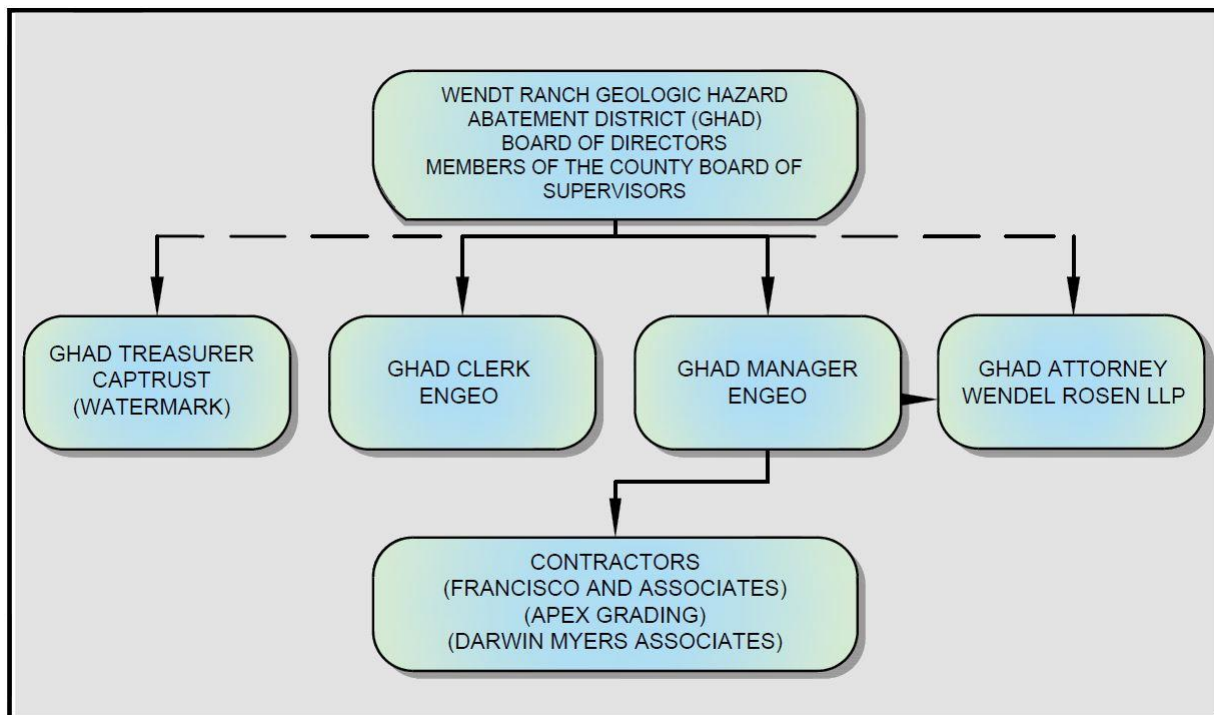


Eric Harrell

ht/eh/cjn

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

The following proposed program budget summarizes the anticipated receivables and expenditures for fiscal year 2020/21 for the Wendt Ranch Geologic Hazard Abatement District, which includes Wendt Ranch, Intervening Properties (Monterosso), and the Alamo Creek communities. The structure of the Wendt Ranch GHAD is shown below.



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 parcels were transferred to the GHAD in February and March 2009.

TABLE 1: Parcels owned by GHAD

ASSESSOR'S PARCEL NUMBER	PARCEL	DESCRIPTION
Monterosso (Intervening Properties) Development		
206-020-094	I	Western Water Quality Basin
206-020-095	K	Western Open Space
206-580-036	B	Open Space North of Casablanca Bridge
206-020-093	C	Eastern Open Space
206-580-038	J	Northeast Bioretention Cell
206-630-053	E	Southeast Bioretention Cell

ASSESSOR'S PARCEL NUMBER	PARCEL	DESCRIPTION
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

Maintenance and monitoring responsibilities for the remaining properties within the GHAD, not listed above, are the responsibility of the individual property owners, although a number of parcels have been offered to the GHAD, but have not yet been accepted by the GHAD due to punchlist items remaining to be completed. Within this budget, it is anticipated that during the 2020/21 fiscal year, additional and possibly all parcels within the Alamo Creek development will be transferred to the Wendt Ranch GHAD and these expenses have been anticipated in the 2020/21 budget estimates.

The fiscal year for the Wendt 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 2: Actual CPI Adjustments and Assessment Limit for Single Family Residential Properties

FISCAL YEAR	SAN FRANCISCO-OAKLAND-HAYWARD CPI (JUNE /JUNE)	ASSESSMENT LIMIT	ANNUAL ASSESSMENT LEVY
2005/06	-	\$422.00	\$300.00
2006/07	3.93%	\$438.57	\$311.78
2007/08	3.36%	\$453.29	\$322.25
2008/09	4.19%	\$472.30	\$335.76
2009/10	0.23%	\$473.37	\$336.52
2010/11	1.07%	\$478.44	\$340.12
2011/12	2.43%	\$490.06	\$348.38
2012/13	2.64%	\$502.98	\$357.57
2013/14	2.56%	\$515.84	\$366.71
2014/15	3.00%	\$531.32	\$377.71
2015/16	2.29%	\$543.48	\$386.36
2016/17	2.67%	\$558.00	\$396.68
2017/18	3.48%	\$577.42	\$410.49
2018/19	3.91%	\$599.99	\$426.53
2019/20	3.22%	\$619.26	\$440.23
2020/21	1% ¹	\$625.45 ¹	\$444.64 ¹

¹Estimate 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 past 12 months. The assessment limits were adjusted up 3.22 percent from the 2018/19 assessment levels. The final assessment roll prepared for the 2019/20 fiscal year and submitted to the Contra Costa County Assessor's Office identified 1,287 properties subject to the levy of the GHAD assessment. The total levy amount for the 2019/20 FY was \$595,668.

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 1,291 residential units will be subject to assessment in FY 2020/21. Parcels are subject to the levy starting the first fiscal year following issuance of a building permit.

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 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 3: Summary of Use of Funds

USE OF FUNDS				
	FY 2019/20 ESTIMATE	FY 2019/20 BUDGET	FY 2020/21 PROPOSED	PERCENT CHANGE FROM FY 2019/20
MAJOR REPAIRS				
Subtotal	\$0	\$0	\$0	0.0%
PREVENTIVE MAINTENANCE AND OPERATIONS - PROFESSIONAL SERVICES				
Open Space Scheduled Monitoring Events	\$17,233	\$16,000	\$16,000	
Heavy Rainfall Monitoring Events	\$0	\$8,000	\$8,000	
Bioretention Cell Scheduled Monitoring Events	\$2,000	\$4,000	\$4,000	
Bioretention Heavy Rainfall Monitoring Events	\$0	\$2,000	\$2,000	
Transfer of Open Space and GHAD Maintained Improvements	\$4,292	\$12,000	\$9,000	
Technical Consultants, Parcel Transfer (Outside Services)	\$0	\$4,000	\$3,000	
Subtotal	\$23,525	\$46,000	\$42,000	-8.7%
PREVENTIVE MAINTENANCE AND OPERATIONS - MAINTENANCE AND OPERATIONS				
Sediment Removal - Concrete Structures	\$1,041	\$6,000	\$6,000	
Bioretention and other Water Quality Facilities	\$0	\$15,000	\$15,000	
Erosion Repairs	\$4,424	\$15,000	\$15,000	
Subdrain Outlets	\$0	\$1,500	\$1,500	
Detention Basins	\$3,200	\$30,000	\$30,000	
Creek Bank Maintenance	\$0	\$20,000	\$20,000	
Slope Stabilization	\$17,647	\$25,000	\$25,000	
Trail, Fire Break, and Fence Maintenance	\$19,744	\$40,000	\$40,000	
Subtotal	\$45,856	\$152,500	\$152,500	0.0%
SPECIAL PROJECTS				
GPS/GIS Development	\$2,739	\$5,000	\$5,000	
Web Site Maintenance/Updates	\$307	\$2,000	\$1,000	
Reserve Study	\$4,000	\$4,000	\$0	
Subtotal	\$7,046	\$11,000	\$6,000	-45%
ADMINISTRATION AND ACCOUNTING – GHAD MANAGER				
Administration and Accounting	\$42,000	\$42,000	\$42,000	
Budget Preparation	\$4,000	\$4,000	\$4,000	
Subtotal	\$46,000	\$46,000	\$46,000	0.0%
ADMINISTRATION AND ACCOUNTING – OUTSIDE PROFESSIONAL SERVICES				
Assessment Roll and Levy Update	\$4,620	\$5,000	\$3,800	
Legal Counsel	\$7,012	\$12,000	\$12,000	
Treasurer	\$10,523	\$10,000	\$24,000	
Contra Costa County Assessor's Fees	\$1,342	\$1,400	\$1,400	
California Association of GHADs Membership	\$422	\$450	\$450	
Insurance	\$527	\$4,500	\$4,500	
Subtotal	\$24,446	\$33,350	\$46,150	38%
Total	\$146,872	\$288,850	\$292,650	1.2%

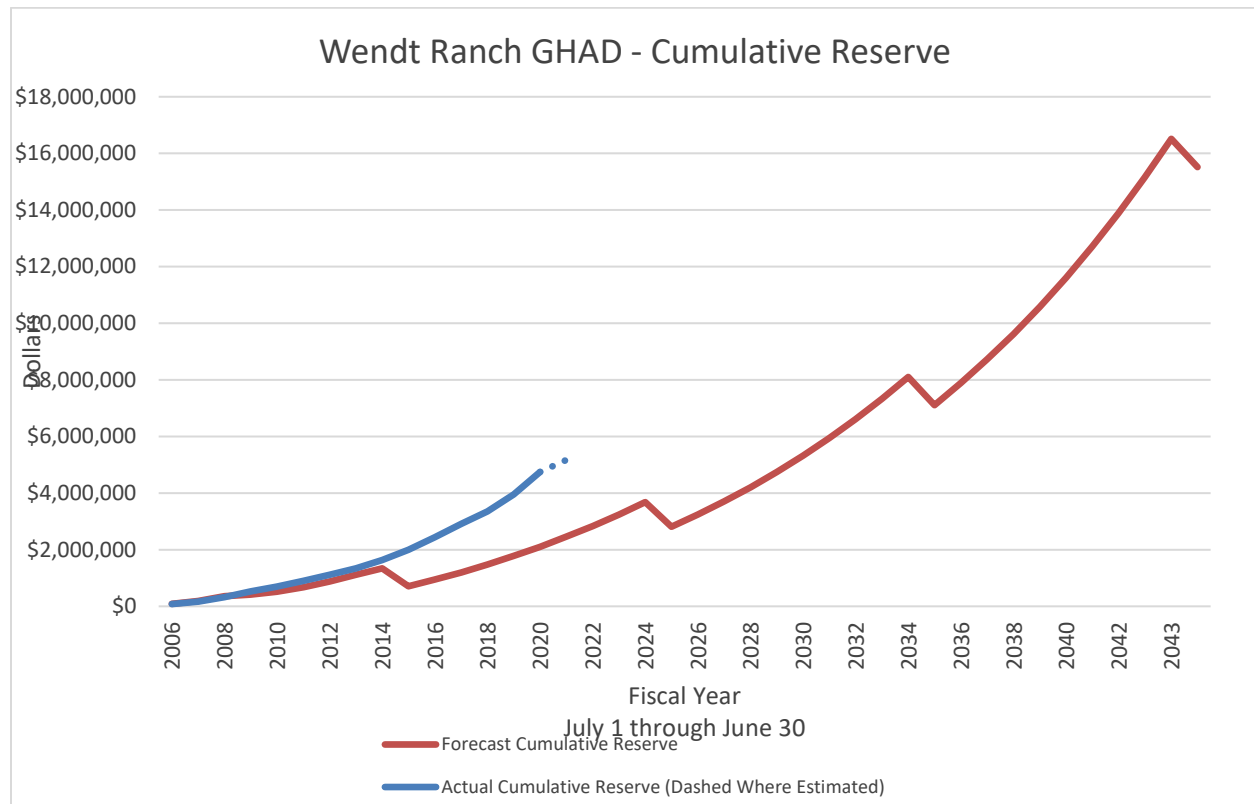
A summary of the proposed Fiscal Year 2020/21 Budget is shown in Table 4.

TABLE 4: 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)
MAJOR REPAIRS			
TOTAL	\$0	0%	0%
PREVENTIVE MAINTENANCE AND OPERATIONS			
Professional Services			
Scheduled Monitoring Events	\$16,000		
Heavy Rainfall Monitoring Events	\$8,000		
Bioretention Cell Scheduled Monitoring Events	\$4,000		
Bioretention Heavy Rainfall Monitoring Events	\$2,000		
Transfer of Open Space and GHAD Maintained Improvements	\$9,000		
Technical Consultants, Parcel Transfer (Outside Services)	\$3,000		
Subtotal	\$42,000		
Maintenance and Operations			
Sediment Removal - Concrete Structures	\$6,000		
Bioretention and other Water Quality Facilities	\$15,000		
Erosion Repairs	\$15,000		
Subdrain Outlets	\$1,500		
Detention Basins	\$30,000		
Creek Bank Maintenance	\$20,000		
Slope Stabilization	\$25,000		
Trail, Fire Break, and Fence Maintenance	\$40,000		
Subtotal	\$152,500		
Preventive Maintenance and Operations TOTAL	\$194,500	27%	29%
SPECIAL PROJECTS			
GPS/GIS Development	\$5,000		
Web Site Maintenance and Updates	\$1,000		
Total	\$6,000	1%	1%
ADMINISTRATION AND ACCOUNTING – GHAD MANAGER			
Administration and Accounting	\$42,000		
Annual Report and Budget Preparation	\$4,000		
Subtotal	\$46,000	6%	7%
Outside Professional Services - Nontechnical			
Assessment Roll and Levy Update Preparation	\$3,800		
Legal Counsel	\$12,000		
Wendt Ranch GHAD Treasurer	\$24,000		

BUDGET ITEM	BUDGET AMOUNT	PERCENT OF TOTAL BUDGET (FY 2020/21)	PERCENT OF TOTAL BUDGET (FY 2019/20)
Contra Costa County Assessor's Fees	\$1,400		
California Association of GHADs Membership	\$450		
Insurance	\$4,500		
Subtotal	\$46,150	7%	5%
Administration and Accounting TOTAL	\$92,150		
Proposed Expenditures TOTAL	\$292,650	41%	42%
ESTIMATED REVENUE			
Beginning Balance			
Balance (June 30, 2019)	\$4,040,104		
Estimated FY 2019/20 Revenue			
Estimated Assessment Revenue	\$595,668		
Estimated Assessment Interest/Dividend Revenue	\$256,649		
Estimated Expenses 2019/20 Expenses			
Estimated Expenses through 6/30/2020	\$146,872		
ESTIMATED RESERVE ON JUNE 30, 2020	\$4,745,550		
Estimated 2020/21 Revenue			
Estimated FY 2020/21 Assessment	\$605,207		
Estimated FY 2020/21 Interest/Dividend	\$113,000		
Estimated 2020/21 Expenses			
Estimated Expenses through June 30, 2021	\$292,650		
ESTIMATED RESERVE ON JUNE 30, 2021	\$5,171,107		

At the beginning of the 2020/21 fiscal year, the cumulative reserve is estimated at \$4,745,550 and about \$5,171,107 at the end of the 2020/21 fiscal year. As shown on the graph below, the forecast cumulative reserve is above the amount estimated in the 2005 Engineer's Reports and is estimated to reach approximately \$16,920,000 by 2045. 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 Wendt Ranch GHAD has not yet accepted monitoring and maintenance responsibilities for open space surrounding the Alamo Creek development; (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 has not been necessary within the GHAD-maintained areas; and (4) the budgets submitted and expenditures made by the current 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 \$113,875. 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 5: Payment Limit

TASK	AMOUNT
Scheduled Monitoring Events	\$16,000
Heavy Rainfall Monitoring Events	\$8,000
Bioretention Cell Scheduled Monitoring Events	\$4,000
Bioretention Heavy Rainfall Monitoring Events	\$2,000
Transfer of Parcels	\$9,000

TASK	AMOUNT
Concrete-Lined Drainage Ditch Maintenance	\$900 ¹
Bioretention and other Water Quality Facilities	\$2,250 ¹
Erosion Repairs	\$2,250 ¹
Subdrain Outlets	\$225 ¹
Detention Basins	\$4,500 ¹
Creek Bank Maintenance	\$3,000 ¹
Slope Stabilization	\$3,750 ¹
Trail, Fire Break, and Fence Maintenance	\$6,000 ¹
Special Projects (GPS and Website)	\$6,000
Administration and Accounting	\$42,000
Budget Preparation	\$4,000
Total	\$113,875

¹Dependent 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.

MAJOR REPAIR

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 Wendt 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.

PREVENTIVE MAINTENANCE AND OPERATIONS

Professional Services

Open Space Scheduled Monitoring Events

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

Estimated budget \$16,000

Open Space Heavy Rainfall Events

We have budgeted for two heavy rainfall monitoring events during the 2020/21 winter season.

Estimated budget \$8,000

Bioretention Cell Scheduled Monitoring Events

As provided in the Design Report and Operations and Maintenance Manual for Bioretention Facilities, there are 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 2020/21 winter season.

Estimated budget \$2,000

Transfer of Open Space – Alamo Creek

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 2020/21 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 \$9,000

Technical Consultants, Parcel Transfer (Outside Services)

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

Estimated budget \$3,000

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 \$6,000

Bioretention and other Water Quality Facilities

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

Estimated budget \$15,000

Erosion Repairs

This is for unanticipated minor erosion repairs, including those that may occur during the 2018/19 fiscal year.

Estimated budget \$15,000

Subdrain Outlets

This budget item provides for subdrain outlets to be located, relocated, and marked as necessary.

Estimated budget \$1,500

Detention Basins

The budget allows for ongoing maintenance activities.

Estimated budget \$30,000

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 \$20,000

Slope Stabilization

This is for unanticipated minor repairs, including slope instability or erosion, which may occur during the 2020/21 fiscal year.

Estimated budget \$25,000

Trail, Fire Break and Fence Maintenance

This budget item includes annual firebreak mowing, gravel-surfaced road maintenance, trail maintenance, and fence repairs, which may occur during the 2020/21 fiscal year.

Estimated budget \$40,000

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 of a GIS database. The database facilitates and streamlines the tracking of location, maintenance, and repair activities and automate the communication of this information to affected parties. This phase of GIS database development will include transition of available and pertinent information to an electronic format suitable for GIS deployment and, as necessary, field-verification of such features with GPS surveys.

Estimated budget \$5,000

Web Site Maintenance and Updates

To allow for greater access to information about the Wendt Ranch GHAD, the GHAD has provided a budget item to update and maintain the existing website launched during the 2013/2014 fiscal year.

Estimated budget \$1,000

ADMINISTRATION AND ACCOUNTING

GHAD Manager

Administration and Accounting

Administrative expenses include the GHAD 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

Budget Preparation

This budget provides for the preparation of the annual report and budget.

Estimated budget \$4,000

Outside Professional Services – Nontechnical

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 \$5,000

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 \$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 cost \$24,000

Contra County Assessor's Fees

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

Estimated cost \$1,400

California Association of GHADs Membership

The GHAD maintains membership in the California Association of GHADs.

Estimated cost \$450

Insurance

The GHAD maintains general liability insurance for open space areas within the District.

Estimated cost \$4,500

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

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

AYES:

NOES:

ABSENT:

ABSTAIN:

RESOLUTION NO. 2020/02 (WENDT RANCH GHAD)

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 Wendt Ranch GHAD.

WHEREAS, on September 1, 1998, the Contra Costa County Board of Supervisors adopted Resolution 98/438 approving the formation of the Wendt 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:

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 Wendt 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.

Wendt Ranch Geologic Hazard Abatement District:

GHAD Treasurer, Inc.:

By: _____
Name: Candace Andersen
Chair of the Wendt Ranch Geologic Hazard Abatement
District

By: _____
Name: Dave Fernandez

Dated: _____

Dated: _____

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

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

Email: eharrell@engeo.com

Email: 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.