



**Contra
Costa
County**

To: Blackhawk GHAD Board of Directors

From: Patricia E. Curtin, GHAD Attorney and General Manager

Date: June 16, 2020

Subject: Blackhawk GHAD Budget 2020/2021

RECOMMENDATION(S):

ADOPT Blackhawk GHAD Resolution No. 2020/01 approving the GHAD budget for 2020/2021 fiscal year and updating GHAD General Manager payment limit under Consulting Services Agreement.

ADOPT Blackhawk GHAD Resolution No. 2020/02 approving the change of GHAD Treasurer from Watermark Asset Management, Inc. to CLT Management, LLC ("CLT"), in addition to a contract of services between CLT and Blackhawk GHAD.

FISCAL IMPACT:

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

The current GHAD Treasurer, Watermark Asset Management, Inc., charged the GHAD an annual fee of 0.25%, or 25 basis points, per year on the account balance of the GHAD. For services to be performed by the new GHAD Treasurer, investment manager and custodian, an annual fee is proposed of 0.25% or 25 basis points per year on the account balance of the GHAD.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **06/16/2020** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor

Candace Andersen, District II Supervisor

Diane Burgis, District III Supervisor

Karen Mitchoff, District IV Supervisor

Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 16, 2020

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stacey M. Boyd, Deputy

Contact: Amara L. Morrison
510.834.6600

cc:

BACKGROUND:

On April 22, 1986, the Contra Costa County Board of Supervisors adopted Resolution 86/21 approving the formation of the GHAD and appointed itself to serve as the GHAD Board of

Director. Annual Budget (Resolution 2020/01). The GHAD Board adopts a budget for the GHAD operation each fiscal year. The GHAD Board is being requested to adopt the fiscal year budget for 2020/2021 as prepared by the GHAD General Manager which is attached to Resolution No. 2020/01.

In addition, the GHAD Board is being requested to update the GHAD General 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 \$250,000.

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 CLT. 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. Thereafter Watermark reorganized to allow it to continue to provide treasurer services to the GHAD until the time a new GHAD Treasurer was appointed.

GHAD General Manager has researched and interviewed several potential candidates to serve as the GHAD Treasurer. GHAD Manager has determined that CLT is the most experienced and capable to perform treasurer functions for the GHAD. CLT's credentials and proposal for GHAD Treasurer services is attached as Exhibit 1 to this Staff Report. CLT will be responsible for retaining an investment manager(s) and custodian to assist in fulfilling GHAD Treasurer services. A contract of services between CLT and GHAD is attached as Exhibit 2 to the staff report.

Services include collecting, holding, investing, appropriating, and expending GHAD funds necessary to carry out the operations of the GHAD in accordance with budgets approved by the GHAD Board.

If approved, the GHAD Treasurer will complete actions necessary to change treasurer function from Watermark Asset Management to CLT.

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 CLT staff asks that the Board provide direction for identifying a treasurer as the GHAD is required by GHAD Law to have a treasurer.

ATTACHMENTS

Blackhawk GHAD Budget

Blackhawk GHAD Resolution 2020/01

Blackhawk GHAD Resolution 2020/02

Blackhawk GHAD Contract for Services