



**Contra
Costa
County**

To: Wendt Ranch GHAD Board of Directors

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

Date: June 16, 2020

Subject: Wendt Ranch GHAD Budget 2020-21

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.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

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

Clerks Notes:

VOTE OF SUPERVISORS

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

Contact: Amara L.
Morrison 510.834.6600

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

By: , Deputy

cc:

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.

CLERK'S ADDENDUM

Corrected to Read: Acting as the governing board of the Wendt Ranch Geological Hazard Abatement District (GHAD), ADOPT Wendt Ranch GHAD Resolution No. 2020/01 adopting the GHAD budget for fiscal year 2020/21; ADOPT Resolution No. 2020/02 approving the change of GHAD Treasurer from Watermark Asset Manager, Inc to ~~CLT Management, LLC~~ GHAD Treasurer, Inc, in addition to a contract between ~~CLT~~ GHAD Treasurer, Inc. and Wendt Ranch GHAD.

ATTACHMENTS

Wendt Ranch GHAD budget

Wendt Ranch GHAD contract for services

Wendt Ranch GHAD Resolution No. 2020/02

Wendt Ranch GHAD Resolution No. 2020/01