WENDT RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT
PROGRAM BUDGET FOR FISCAL YEAR 2025/26

May 23, 2025

Wendt Ranch GHAD Board of Directors
Chair Candace Andersen
Vice Chair Diane Burgis
Board Member John M. Gioia
Board Member Ken Carlson
Board Member Shanelle Scales-Preston

Wendt Ranch Geologic Hazard Abatement District
1025 Escobar Street
Martinez, CA 94553

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

PROGRAM BUDGET FOR FISCAL YEAR 2025/26

Dear Chair Andersen and Boardmembers:

Attached is the program budget for the Wendt Ranch Geologic Hazard Abatement District (GHAD) for Fiscal Year (FY) 2025/26. The program budget as proposed is $575,763. The budget expenses are broken down into the following approximate percentages of the total expenses.

Administration- GHAD Manager	10 percent
Administration- GHAD Clerk, Treasurer, Attorney, others	10 percent
Preventive Maintenance and Operations	79 percent
Special Projects	1 percent
Major Repairs	0 percent

The budget anticipates FY 2025/26 revenue of $893,689 with an estimate of $317,926 contributing to the reserve fund. A summary of the expenses is shown in Table 5 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. 4063.002.024

Haley Ralston

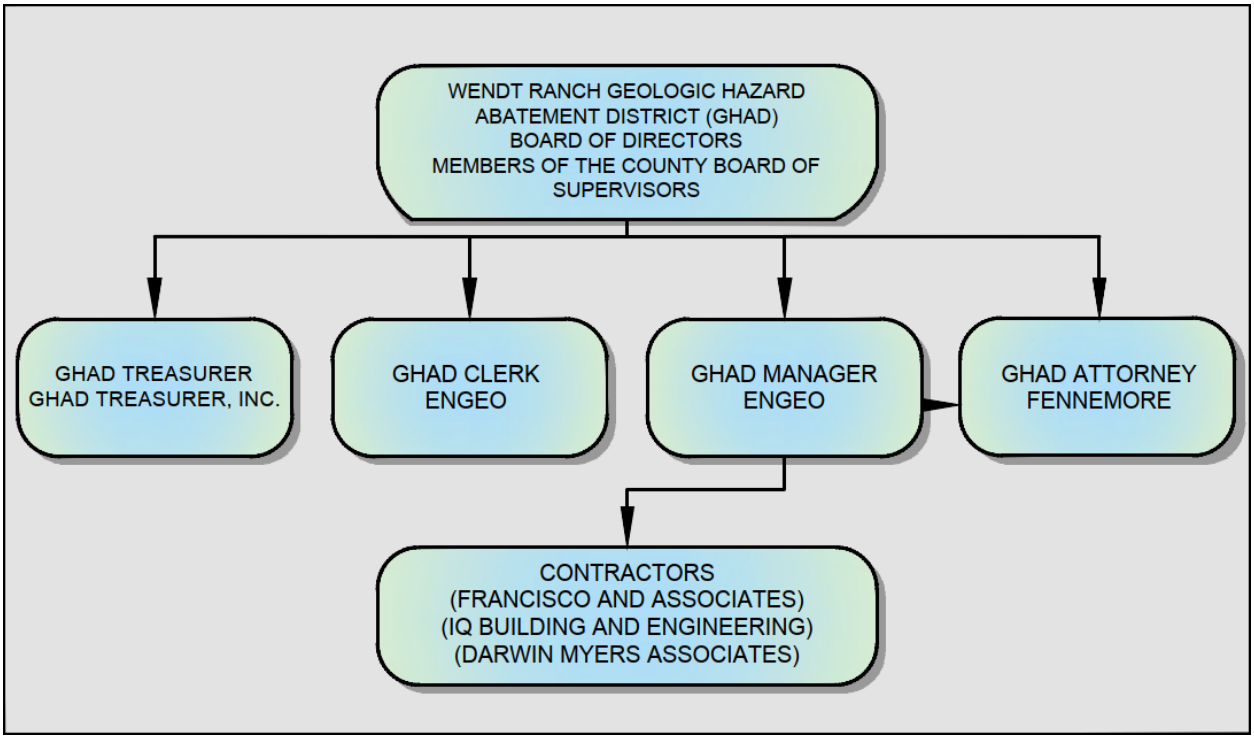
Haley Ralston

Robert H. Boeche

hjr/rhb/ca

Wendt Ranch Geologic Hazard Abatement District
Program Budget
Fiscal Year 2025/26

The following proposed program budget summarizes the anticipated receivables and expenditures for Fiscal Year 2025/26 for the Wendt Ranch Geologic Hazard Abatement District (District), which currently includes Wendt Ranch, Intervening Properties (Monterosso), Alamo Creek, and Somerset 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 the open-space parcels within the Monterosso and Wendt Ranch developments. Maintenance, monitoring responsibilities, and ownership of the listed parcels have been transferred to the GHAD.

TABLE 1: Parcels Owned and/or Maintained 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
206-630-054	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 Detention Basin
Alamo Creek Development		
206-030-058		Recreation Sports Fields
206-030-077		School Parcel
206-030-078		Alamo Creek Central Open Space, South of Lusitano Street
206-030-079		Alamo Creek Open Space, West of Belarus Street
206-030-080		Alamo Creek Open Space, East of Bengali Street

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 2025/26 fiscal year, additional, and possibly all parcels within the Alamo Creek and Somerset developments, will be transferred to the Wendt Ranch GHAD, and these expenses have been anticipated in the 2025/26 budget estimates.

On August 3, 2021, the Wendt Ranch GHAD Board of Directors adopted Resolution 2021/03 approving the annexation of the Somerset development into the Wendt Ranch GHAD. On November 28, 2023, the Wendt Ranch GHAD Board of Directors adopted Resolution 2023/06 authorizing the levy of the assessment for GHAD responsibilities within the Somerset development. To date, the GHAD has not accepted any Plan of Control responsibilities within the Somerset development; however, it is anticipated that the Somerset development will transfer Plan of Control responsibilities to the GHAD in FY 2025/26. The budget prepared for FY 2025/26 allows for expenses related to the Alamo Creek and Somerset developments for Fiscal Year 2025/26.

The annual assessment limits and actual levies are summarized below.

TABLE 2: Actual CPI Adjustments and Assessment Limit for Residential Properties

FISCAL YEAR	INDEX DATE	SAN FRANCISCO-OAKLAND-HAYWARD CPI	MONTEROSSO, WENDT RANCH, AND ALAMO CREEK ASSESSMENT LIMIT	MONTEROSSO, WENDT RANCH, AND ALAMO CREEK ANNUAL ASSESSMENT LEVY	SOMERSET ASSESSMENT LIMIT AND LEVY
2005/06		-	$422.00	$300.00	
2006/07	6/30/2006	3.93%	$438.57	$311.78	
2007/08	6/30/2007	3.36%	$453.29	$322.25	
2008/09	6/30/2008	4.19%	$472.30	$335.76	
2009/10	6/30/2009	0.23%	$473.37	$336.52	
2010/11	6/30/2010	1.07%	$478.44	$340.12	
2011/12	6/30/2011	2.43%	$490.06	$348.38	

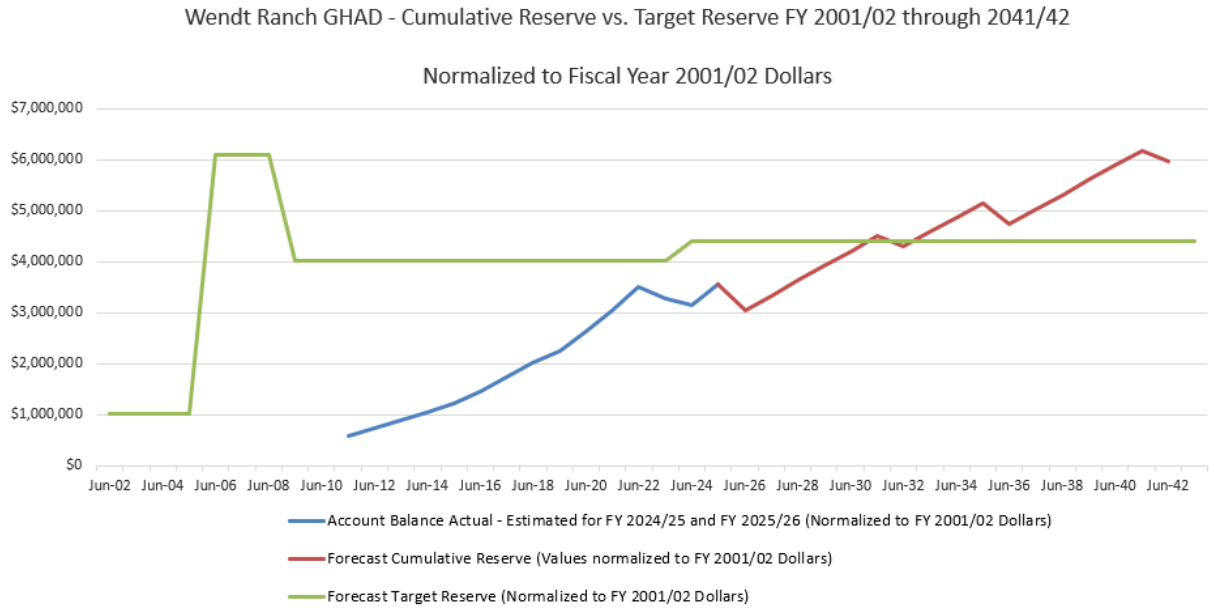
FISCAL YEAR	INDEX DATE	SAN FRANCISCO-OAKLAND-HAYWARD CPI	MONTEROSSO, WENDT RANCH, AND ALAMO CREEK ASSESSMENT LIMIT	MONTEROSSO, WENDT RANCH, AND ALAMO CREEK ANNUAL ASSESSMENT LEVY	SOMERSET ASSESSMENT LIMIT AND LEVY
2012/13	6/30/2012	2.64%	$502.98	$357.57	
2013/14	6/30/2013	2.56%	$515.84	$366.71	
2014/15	6/30/2014	3.00%	$531.32	$377.71	
2015/16	6/30/2015	2.29%	$543.48	$386.36	
2016/17	6/30/2016	2.67%	$558.00	$396.68	
2017/18	6/30/2017	3.48%	$577.42	$410.49	
2018/19	6/30/2018	3.91%	$599.99	$426.53	
2019/20	6/30/2019	3.22%	$619.26	$440.23	
2020/21	6/30/2020	1.62%	$629.29	$447.36	
2021/22	6/30/2021	3.15%	$649.14	$461.48	
2022/23	6/30/2022	6.80%	$693.28	$0	
2023/24	6/30/2023	2.88%	$713.24	$383.08	$615.00
2024/25	6/30/2024	3.24%	$736.33	$437.18	$638.17
2025/26	12/30/2024	2.38%	$753.84	$452.31[2]	$653.35

[2]Proposed assessment levy for Fiscal Year 2025/26 subject to approval by the Board of Directors.

The GHAD is funded through real property assessments. The assessment limits were 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. Starting FY 2025/26, the CPI reference month will be December. The December CPI is typically published annually in mid-January. The assessment limits were adjusted up 2.38 percent from the 2023/24 assessment limits. All 1,317 properties within the Monterosso, Wendt Ranch, and Alamo Creek developments were subject to the levy of the GHAD assessment in FY 2024/25. All 150 properties within the Somerset development were subject to the levy of the GHAD assessment in FY 2024/25.

Graph 1 compares the actual and forecast cumulative reserve amounts against the forecast target reserve amount normalized to FY 2001/02 dollars. The forecast target reserve amount was set with the first Engineer's Report for the Wendt Ranch development and increased to include the Alamo Creek and Monterosso developments annexation in FY 2005/06. In 2008, the GHAD prepared a reserve study adjusting the target reserve amount to approximately $4,000,000 in 2001/02 dollars. In FY 2023/24, the Somerset development was annexed into the GHAD, increasing the target reserve amount to approximately $4,400,000 in 2001/02 dollars. The GHAD reserve is intended to fund unanticipated expenses that may occur, which is represented by the troughs in the forecast reserve trendline in Graph 1.

GRAPH 1: Cumulative Reserve



The GHAD is ahead of its target rate of reserve accumulation forecast in the approved Engineer's Reports for the Alamo Creek, Monterosso, and Wendt Ranch developments. We have in this proposed budget, and may in future budgets, recommend an annual levy amount less than the assessment limit if the following conditions are met.

- Unencumbered reserve funds collected from a development exceed the target reserve amount estimated in the approved Engineer's Report or unencumbered reserve funds collected from a development exceed the target reserve
- Reserve funds collected from within a development exceed the dollar amount estimated for a large-scale repair

We are recommending an assessment levy less than the assessment limit for the Monterosso, Wendt Ranch, and Alamo Creek developments based on the aforementioned conditions. The proposed assessment levy for FY 2025/26 is $452.31 per single-family residence within the Monterosso, Wendt Ranch, and Alamo Creek developments only. The residential properties within the Somerset development will be assessed at the inflation-adjusted assessment limit of $650.01.

TABLE 3: Estimated Revenue for FY 2025/26

	FY 2025/26 ESTIMATE
Assessment Revenue	$693,689
Investment Income	$200,000
Total Revenues	**$893,689**

In general, the budget amounts listed are based on the Engineer's Report approved by the Wendt Ranch GHAD Board of Directors for each development in the GHAD. The budget amounts have been adjusted by inflation to provide the FY 2025/26 budget estimates. The fiscal year for the Wendt Ranch GHAD begins on July 1 annually. The budget is divided into four categories

including Administration and Accounting, Preventive Maintenance and Operations, Special Projects, and Major Repair. As needed, the GHAD Manager may reallocate funds without additional Board approval.

ADMINISTRATION

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

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.

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 $250,000.

TABLE 4: Summary of Use of Funds

USE OF FUNDS				
	FY 2024/25 ESTIMATE*	FY 2024/25 BUDGET	FY 2025/26 PROPOSED	PERCENT CHANGE FROM FY 2024/25
Administration and Accounting				
Administration and Accounting (GHAD Manager)	$47,300	$47,300	$50,421	6.2%
Annual Reporting/Budget Preparation (GHAD Manager)	$4,900	$4,900	$5,000	2.0%
Subtotal	**$52,200**	**$52,200**	**$55,421**	**6.2%**
Assessment Roll and Levy Update	$3,950	$4,450	$4,450	
Alameda County Assessor's Fees	$1,500	$1,500	$1,500	
California Association of GHADs Membership	$470	$470	$470	
GHAD Treasurer	$33,000	$34,200	$35,000	
GHAD Legal Counsel	$8,000	$12,000	$12,000	
Insurance – General Liability	$1,500	$6,500	$6,500	
Transfer Services	$0	$13,000	$0	
Subtotal	**$48,420**	**$72,120**	**$59,920**	**-16.9%**
Preventive Maintenance and Operations – Maintenance Contractor				
Sediment Removal from Drainage Ditches	$9,425	$9,425	$18,000	
Detention Basin Maintenance	$25,750	$25,750	$25,750	
Bioretention Basin Maintenance	$6,000	$6,000	$18,750	
Vegetation Management	$107,288	$69,865	$137,000	
Access Roadway Maintenance	$30,362	$30,362	$30,362	
Open Space Maintenance	$4,500	$4,500	$4,500	
Subdrain Maintenance	$0	$17,160	$17,160	
Slope Stabilization	$10,000	$40,000	$40,000	
Erosion Control	$0	$44,000	$44,000	
Subtotal	**$193,325**	**$247,062**	**$335,522**	**35.8%**
Preventive Maintenance and Operations – Professional Services (GHAD Manager)				
Scheduled Monitoring Events	$28,000	$42,600	$52,600	
Heavy Rainfall Monitoring Event	$1,600	$11,300	$11,300	
Detention/Bioretention Basin Scheduled Monitoring	$4,000	$4,000	$4,100	
Detention/Bioretention Basin Heavy Rainfall Monitoring	$140	$2,000	$2,000	
Sediment Removal from Drainage Ditches	$2,000	$2,000	$3,600	
Detention Basin Maintenance	$5,150	$5,150	$5,150	
Bioretention Basin Maintenance	$1,200	$1,200	$3,750	
Vegetation Management	$8,000	$10,000	$10,000	
Access Roadway Maintenance	$3,000	$6,000	$5,000	
Open Space Maintenance	$2,000	$2,000	$900	
Subdrain Maintenance	$1,500	$3,500	$3,500	
Slope Stabilization	$6,000	$8,000	$8,000	
Erosion Control	$5,000	$8,000	$8,000	
Subtotal	**$67,590**	**$105,750**	**$117,900**	**11.5%**

USE OF FUNDS					
		FY 2024/25 ESTIMATE*	FY 2024/25 BUDGET	FY 2025/26 PROPOSED	PERCENT CHANGE FROM FY 2024/25
Special Projects					
GIS		$5,000	$5,000	$6,000	
Web Site Maintenance		$1,000	$1,000	$1,000	
Reserve Study		$0	$0	$0	
	Subtotal	**$6,000**	**$6,000**	**$6,000**	**16.7%**
Major Repairs					
Contracted Services		$0	$0	$0	
Professional Services		$0	$0	$0	
Subtotal		**$0**	**$0**	**$0**	**0.0%**
	Total	**$367,535**	**$483,132**	**$575,763**	**19.2%**

A summary of the proposed Fiscal Year 2025/26 Budget is shown in Table 5.

TABLE 5: Summary of Proposed Fiscal Year 2025/26 Budget

BUDGET ITEM		BUDGET AMOUNT	PERCENT OF TOTAL BUDGET (FY 2025/26)
Administration			
Administration and Accounting – GHAD Manager		$50,421	
Annual Reporting/Budget Preparation – GHAD Manager		$5,000	
	Subtotal	**$52,421**	**10%**
Assessment Roll and Levy Update Preparation		$4,450	
Alameda County Assessor's Fees		$1,500	
California Association of GHADs Membership		$470	
GHAD Treasurer		$35,000	
GHAD Legal Counsel		$12,000	
Insurance – General Liability		$6,500	
Transfer Services		$0	
	Subtotal	**$59,920**	**10%**
	TOTAL	**$115,341**	**20%**
Preventive Maintenance and Operations			
Maintenance and Operations – Maintenance Contractor			
Sediment Removal from Drainage Ditches		$18,000	
Detention Basin Maintenance		$25,750	
Bioretention Basin Maintenance		$18,750	
Vegetation Management		$137,000	
Access Roadway Maintenance		$30,362	
Open Space Maintenance		$4,500	
Subdrain Maintenance		$17,160	
Slope Stabilization		$40,000	
Erosion Control		$44,000	
	Subtotal	**$335,522**	

BUDGET ITEM		BUDGET AMOUNT	PERCENT OF TOTAL BUDGET (FY 2025/26)
Monitoring Services – GHAD Manager			
Open Space Scheduled Monitoring Events		$52,600	
Heavy Rainfall Monitoring Event		$11,300	
Detention/Bioretention Basin Scheduled Monitoring		$4,100	
Detention/Bioretention Basin Heavy Rainfall Monitoring		$2,000	
	Subtotal	**$70,000**	
Maintenance and Operations Oversight – GHAD Manager			
Sediment Removal from Drainage Ditches		$3,600	
Detention Basin Maintenance		$5,150	
Bioretention Basin Maintenance		$3,750	
Vegetation Management		$10,000	
Access Roadway Maintenance		$5,000	
Open Space Maintenance		$900	
Subdrain Maintenance		$3,500	
Slope Stabilization		$8,000	
Erosion Control		$8,000	
	Subtotal	**$47,900**	
	TOTAL	**$453,422**	**79%**
Special Projects			
GIS		$6,000	
Web Site Maintenance		$1,000	
Reserve Study		$0	
	TOTAL	**$7,000**	**1%**
Major Projects			
Contracted Services		$0	
Professional Services		$0	
	TOTAL	**$0**	**0%**
ESTIMATED EXPENDITURES	**TOTAL**	**$575,763**	
ESTIMATED RECEIVABLES			
Beginning Balance			
Balance (July 1, 2024)		**$6,131,319**	
Estimated FY 2024/25 Revenue			
Assessment Revenue		$609,944	
Investment Revenue		$187,400	
Estimated 2024/25 Expenses			
Estimated Expenses		$367,535	
ESTIMATED RESERVE ON JUNE 30, 2025		**$6,561,128**	
Estimated 2025/26 Revenue			
Estimated FY 2025/26 Assessment		$693,689	
Estimated FY 2025/26 Investment Income		$200,000	
Estimated 2025/26 Expenses			
Expenses through June 30, 2025		$575,763	
ESTIMATED RESERVE ON JUNE 30, 2026		**$6,879,054**	

At the beginning of the 2025/26 fiscal year, the cumulative reserve is estimated at $6,561,128 and about $6,879,054 at the end of the 2025/26 fiscal year in FY 2025/26 dollars.

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) ten of the past seventeen 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 2025/26 (July 1, 2025, through June 30, 2026), the payment limit is set at $180,321. The tasks included within the payment limit are listed in Table 6.

TABLE 6: Payment Limit

TASK	AMOUNT
Administration	$50,421
Annual Report and Budget Preparation	$5,000
Monitoring Services	$70,000
Maintenance and Operations Oversight	$47,900[1]
Special Projects (GIS and Website)	$7,000
Major Repairs	$0[1]
TOTAL	**$180,321**

[1]Dependent on maintenance and/or repair activities by the GHAD during FY 2025/26. ENGEO payment limit is estimated at up to 20% of the total budget item.

ADMINISTRATION AND ACCOUNTING

Administration

Administrative expenses include the GHAD Manager's 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.

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 is derived from the original GHAD budget used to prepare the GHAD's Engineer's Report.

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.

County Assessor's Fees

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

Association Membership

The GHAD maintains membership in the California Association of GHADs.

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. As budgeted, half of the estimated cost is for the Treasurer services with half for the investment advisor services.

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.

Insurance

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

Transfer Services

We do not anticipate any transfer activities to be funded by the GHAD to occur during FY 2025/26.

PREVENTIVE MAINTENANCE AND OPERATIONS

Maintenance and Operations

The budget items listed in the tables above are to provide for the maintenance of concrete-lined drainage ditches, detention basins, vegetation management, maintenance roads, debris catchment structures, litter removal, and subdrain outlets within the GHAD-accepted portions of the Wendt Ranch GHAD, as described in the Plans of Control for each development.

Slope Stabilization

This is for minor repairs, including slope instability or erosion, which may occur during the 2025/26 fiscal year. Purchase of emergency stabilization supplies is included within this budget item.

Erosion Control

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

Professional Services- GHAD Manager

Scheduled Monitoring Events

As provided in the Plan of Control, we have two scheduled monitoring events within the GHAD during each calendar year, which include monitoring of detention and bioretention basins.

Heavy Rainfall Events

We have budgeted for two heavy rainfall-monitoring events during the 2025/26 winter season.

Maintenance and Operations Oversight

This budget item is to provide for scheduling and coordination of general maintenance and repair operations.

SPECIAL PROJECTS

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

To provide a more efficient system to capture, store, update, analyze, and display information pertaining to GHAD features (including, but not limited to, subdrains, landslides, drainage facilities, walls, 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 2025/26 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.

Website 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.

MAJOR REPAIRS

There are currently no ongoing repair projects, and none are anticipated for the 2025/26 fiscal year within 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 FY 2025/26. The reserve portion of the budget allows for funding toward these unpredictable events.