



Program Budget

FISCAL YEAR 2026-2027

APRIL 2026



April 21, 2026

Blackhawk GHAD Board of Directors
c/o Supervisor Candice Andersen
309 Diablo Road
Danville, CA 94526

**SUBJECT: Program Budget for Fiscal Year 2026-2027
Blackhawk Geologic Hazard Abatement District**

Dear Board Members:

Attached is the proposed program budget for the Blackhawk Geologic Hazard Abatement District (“Blackhawk GHAD,” “GHAD,” or “District”) for fiscal year 2026–2027. The proposed budget totals \$5,615,589 and reflects the District’s continued focus on risk management, infrastructure stewardship, and long-term operational stability. The budget anticipates a \$1,412,399 deficit to be funded from reserves, with the projected fund balance decreasing from approximately \$16.13 million to \$14.72 million by fiscal year end.

The FY26/27 budget reflects a continued transition from emergency storm recovery toward sustained infrastructure management and implementation of long-term maintenance programs. While storm recovery efforts associated with the FY22/23 atmospheric river events remain ongoing, the District has stabilized many of the highest priority sites and continues to address remaining locations through a risk-based and prioritized approach.

The budget maintains emphasis on preventive maintenance, drainage infrastructure, instrumentation, monitoring systems, and operational readiness, while continuing targeted capital improvements and modernization of GIS and information management systems. These efforts support the District’s responsibility to prevent, mitigate, abate, and control geologic hazards in accordance with the Plan of Control.

The District also continues to pursue FEMA and CalOES reimbursement associated with storm-related damages. Following arbitration before the Civilian Board of Contract Appeals, GHAD established its legal authority and responsibility to perform work on both public and private property. The financial component of the claim remains under FEMA review.

Administrative efforts remain focused on maintaining strong legal, financial, and operational oversight while balancing ongoing recovery obligations, long-term infrastructure needs, and prudent reserve management.

A summary of the proposed Fiscal-Year 2026-2027 Budget is presented in Table 1, and followed by project specific descriptions.

Respectfully submitted,

Blackhawk Geologic Hazard Abatement District

A handwritten signature in blue ink, appearing to read "Michael D. Sands".

Michael D. Sands
Sands Construction Company, Inc.
General Manager

Enclosures

LAFFER  TENGLER
INVESTMENTS

May 18, 2026

Board of Directors
Blackhawk Geologic Hazard Abatement District (GHAD)
C/O GHAD Manager, Michael Sands
959 Mountain View Drive
Lafayette, CA. 94549

REF: Treasurer's Report

Dear Board of Directors:

The GHAD portfolios were designed to comply with the unique objectives of the agency, focused on mitigation of risk, preservation of capital and income generation.

When Laffer Tengler Investments (LTI) took over the management of the GHAD's we created an asset allocation that would achieve the above-mentioned objectives while being able to meet liquidity requirements. In accordance with the GHAD investment policy LTI has attempted to maintain 65% of the portfolios in fixed income. Two thirds of that allocation is invested in individual bonds and the remainder in a liquid fixed-income ETF vehicle. Additionally, about 10% of the portfolio is invested in convertibles bonds and preferreds to enhance total return while generating reasonable income. Finally, 20% of the portfolio is reserved for a conservative equity portfolio to enhance the growth of the GHAD portfolios while taking below market levels of risk.

The portfolio performance has generated excess return above the benchmarks by a wide margin since inception. The lower risk profile of the underlying investments shown through during the negative stock and bond markets of 2022. The equity portion of the portfolio declined approximately -7.0% versus -18.1% for the S&P 500 while the corporate bond portfolio declined less than -1.0% versus -3.8% for the Bloomberg Aggregate Bond Index. Protection in declining markets is the focus of our strategy to preserve capital.

6730 N. Scottsdale Rd. Suite 230 | Scottsdale, AZ 85253 | 1.800.838.3468 |

www.LafferTengler.com

Laffer Tengler Investments is a Butcher,Joseph company.

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INVESTMENTS

LTI's investment strategies are research driven and disciplined. The team has a cumulative 150 years of experience navigating the stock and bond markets.

We are optimistic about the returns for risk assets and have positioned our bond portfolios for declining interest rate environment over the next few years. We also have maintained flexibility with the Fixed Income ETF strategy to take advantage of market dislocations. Risk management is our primary objective with total return as a secondary objective.

Respectfully submitted,



Nancy Tengler
CEO and Chief Investment Officer
Laffer Tengler Investments

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Upon Execution: The management will post approved Budget at www.blackhawkghad.com

Blackhawk Homeowners Association
4125 Blackhawk Plaza Circle, #105
Danville, CA 94506
Attn: Melissa Manzo

Hidden Oaks at Blackhawk
c/o Community Care Property Management
PO Box 269
Oakley, CA 94561

Tennis Villas at Blackhawk
c/o CMJ Associates, Inc.
PO Box 190
Pleasanton, CA 94566

Saddleback at Blackhawk
c/o Jean Bates & Associates
70 Railroad Avenue
Danville, CA 94506

Silver Oak Townhomes at Blackhawk
Canyons at Blackhawk
c/o Bridgeport Company
1 Annabel Lane #217
San Ramon, CA 94583
Attn: Bill Bavelas

Blackhawk Country Club
599 Blackhawk Club Drive
Danville, CA 94506
Attn: Kevin Sullivan

EXECUTIVE SUMMARY

The FY26/27 budget reflects a continued transition from large-scale emergency response and storm recovery toward a more balanced program emphasizing preventive maintenance, infrastructure monitoring, operational efficiency, and long-term asset management. While several major stabilization projects have been completed in recent fiscal years, the District continues to address storm-related impacts and evolving infrastructure needs through a risk-based and prioritized approach. The proposed budget totals \$5,615,589 and includes a projected deficit of \$1,412,399, requiring a reserve draw, with fund balance projected to decrease from approximately \$16.13 million to \$14.72 million by fiscal year end.

Major Projects Program

The Major Projects Program reflects reduced expenditures compared to prior fiscal years following completion of several major stabilization projects of the FY25/26 budget and following completion of several significant landslide repair projects in prior fiscal years, including Kingswood Place (Phase 1&2), the Blackhawk Executive Center stabilization project, and Phase 1 of the Blackhawk Plaza stabilization project. Phase 2 of the Blackhawk Plaza stabilization project is anticipated to proceed during FY26/27, subject to resolution of property access and legal considerations. Additional projects include a slope stabilization project on the Lakes Golf Course and continued advancement of the Hole 11 Retention Basin Silt Abatement project in coordination with the Blackhawk Country Club and regulatory agencies.

Preventive Maintenance and Operations

Preventive Maintenance remains a core GHAD function, supported by a comprehensive infrastructure assessment and study-driven maintenance initiative initiated in FY24/25. These efforts have improved identification, evaluation, and prioritization of repairs and maintenance activities across drainage systems, instrumentation, and stabilization infrastructure. FY26/27 efforts focus on implementation of prioritized repairs, continued monitoring, refinement of maintenance protocols, and expanded GIS integration to support long-term asset performance and operational consistency.

Storm-related restoration and repair efforts from the FY22/23 events remain ongoing; however, many of the highest priority locations have now been stabilized. Remaining work will continue through a prioritized and funding-sensitive approach over multiple fiscal years.

Special Projects (GIS/IT Systems)

The GIS modernization initiative has been fully implemented and is actively supporting both field and management operations through real-time, location-based reporting and centralized asset management. Mobile GIS deployment has improved field data collection, incident tracking, data consistency, and operational coordination. Ongoing IT, CMS, and GIS improvements continue to support system reliability, operational efficiency, and data security.

FEMA/CalOES Funding Status

The FEMA/CalOES reimbursement process remains ongoing following the FY22/23 storm events. After FEMA initially denied portions of the District's claim, GHAD advanced the matter through arbitration before the Civilian Board of Contract Appeals, which determined that GHAD possesses legal authority and responsibility to perform work on both public and private property. The financial component of the claim remains under FEMA review, and the District continues to pursue reimbursement while advancing recovery work through existing District resources.

Administration and Financial Management

Administrative efforts remain focused on maintaining strong legal, financial, and operational oversight, including coordination with the Treasurer regarding reserve impacts, long-term fiscal sustainability, and implementation of District programs and projects.

Summary

The FY26/27 budget reflects a continued shift from emergency response toward sustained infrastructure management, supported by data-driven maintenance programs, enhanced monitoring capabilities, and ongoing technology investments. While expenditures exceed revenues in the near term, the District continues to manage geologic risk, advance recovery efforts, and maintain long-term operational stability through prioritized implementation and prudent reserve management.

PROGRAM BUDGET

The following proposed line-item program budget (Table 1) summarizes the anticipated expenditures for fiscal year 2026-2027 for the Blackhawk Geologic Hazard Abatement District (“Blackhawk GHAD”, “GHAD” or “District”). Through an ongoing assessment, the GHAD manager evaluates and addresses geologic risk through the implementation of an annual program budget consisting of four major categories. Preceding (Table I), and directly below, please see general overview descriptions of the four major program elements within the budget.

Major Projects Program

The annual Major Projects Program includes landslide repair projects, drainage improvement projects and capital improvement projects necessary to either control, mitigate, or prevent landslide activity. Other large program responses necessary to implement the Plan of Control, including specific purpose studies and investigations may also be included in the Major Projects Program.

Projects considered for inclusion in the Major Projects Program typically involve a level of complexity requiring the preparation of plans and specifications, comprehensive engineering analysis, or geotechnical evaluation. These efforts may include modeling, investigation, and design, or may involve extended project durations due to site conditions, construction requirements, or coordination with regulatory agencies. While not a defining criterion, Major Projects often represent higher-cost efforts, frequently exceeding \$200,000.

Historically, the Major Projects Program has included significant landslide repair efforts as well as larger scale preventive and investigative initiatives that support long-term risk reduction. This range of project types reflects the need for program flexibility that can address both active or imminent landslide conditions and proactive measures, consistent with the priorities and authority established in the Plan of Control.

Preventive Maintenance and Operations Program

The annual Preventive Maintenance and Operations Program encompasses routine maintenance, minor repairs, debris removal, monitoring, and replacement of drainage facilities and related infrastructure that support the prevention, mitigation, abatement, or control of landslides. These activities are undertaken to maintain system functionality and to identify conditions associated with threatened landslides, allowing for timely and appropriate response measures.

Typical Blackhawk GHAD assets include concrete lined ditches, sub-drainage systems, groundwater measuring instrumentation, slope inclinometers and moisture gauges, and slope debris catchment features. These systems are regularly evaluated as part of an integrated approach to managing landslide risk within GHAD boundaries.

The Preventive Maintenance Program also includes preparedness measures for emergency response, including seasonal winterization efforts such as installation of erosion control materials, staging of slope stabilization supplies, and ongoing maintenance of monitoring equipment.

The Operations Program is primarily populated with scheduled instrument monitoring events. Data from these instruments is used to assess site conditions, identify trends, and inform decisions regarding the prevention, mitigation, abatement, or control of landslides. In addition to the instruments monitoring program, the Operations Program contains the Incident Response and Community Relations Program, which incorporates comprehensive first response capabilities, and fosters community incident interaction.

Special Projects

The Blackhawk GHAD undertakes ongoing and new initiatives identified as “Special Projects” that support the implementation of the Plan of Control. Special Projects include activities requested by the Board such as the Communications Program, or projects and studies designed to improve the District’s operational effectiveness and ensure financial solvency. Special Projects also include utilizing new technologies to increase the efficiency, consistency, and reliability of the GHAD. The development of a more comprehensive and robust Geographic Information System (GIS) platform represents a key advancement under this program, providing enhanced capabilities for data management, field reporting, and informed decision-making.

Administration

Administrative expenses are required to operate the Blackhawk GHAD and the implementation of its programs and projects. Administrative expenses include personnel and consultants to manage the operations including the General Manager, Operations Manager, Administrative Manager, Construction Services Manager, certain clerical and accounting staff, consultants, and legal support.

General Manager Program Budget FY26/27	\$ 891,000
Operations Manager Program Budget FY26/27	<u>\$ 382,260</u>
	\$1,273,260

The scope of services for the General Manager includes but is not limited to, managing the day-to-day operations through implementation of the necessary financial recordkeeping and reporting, updating and maintaining governing documents, such as the Plan of Control and managing and updating administrative tools such as the Reserve Study, Communications Plan, Work Program and Monthly Incident Log. During extraordinary environmental events the General Manager may pursue and manage Local, State and Federal funding mechanisms. The General Manager’s fiscal year 2026-2027 budget represents significant resources to manage FEMA Disaster DR4683CA claim following recent United States Civilian Board of Contract Appeals (CBCA) arbitration directives. The General Manager Consulting Services Agreement provides for certain administrative positions and costs, including but not limited to, a General Manager, Operations Manager, Administrative Manager, a Construction Services Manager and a Network Administrator as well as overhead costs, such as office space rent, office supplies, and postage.

The General Manager retains the necessary professionals, including without limitation, engineers, accounting professionals and other consultants and vendors to facilitate the operations of the GHAD.

The General Manager Consulting Services Agreement and associated budget also allow for the use of defined task subcontractors, including administrative, engineering, and construction-related subconsultants, as needed and within the established limits of the Agreement.

Within the General Management of the Blackhawk GHAD, the Operations Program scope of services includes implementing the Major Projects and Preventive Maintenance Programs through forecasting work schedules and priorities, preparing Requests for Proposals, and managing maintenance and repair operations within the Major Projects and Preventive Maintenance Programs. These services also include specific project management and construction oversight, preparing for and responding to emergency incidents, monitoring instrumentation and assets, and analyzing and processing collected data into established District programs to inform decisions related to the prevention, mitigation, abatement, or control of landslides. The Operations Program provides for certain operational positions including, but not limited to; Project Engineer, Construction Services Supervisor as well as certain overhead costs, such as, office supplies and rent, and electronic monitoring devices, testing apparatus, equipment rental and conditional use of subcontractors such as contractors, consultants, engineers, and special inspectors, within the payment limits of the Consulting Services Agreement.

A summary of the proposed Fiscal-Year 2026-2027 Budget is presented in Table 1, and followed by project specific descriptions.

TABLE 1 – LINE ITEM BUDGET

Budget Item	Budget Amount	% of Total Budget
Major Projects		
Rain Event 2022/2023 - Damage Repairs (priority-based list)	\$ 1,500,000	
Targeted Studies: Groundwater, Reserve Study, Administrative Systems Testing*	\$ 200,000	
Study/Project: Hole 11 (Falls Course) Retention Basin Siltation Mitigation Prog.**	\$ 153,500	
Project - Landslide Repair - Blackhawk Plaza - Phase 2***	\$ 350,000	
Project - Hole #8 Golf Course Slope Stability Project	\$ 355,700	
Landscape Replacement (associated with GHAD repairs) (limited to no greater than 10% of repair costs)****	\$ 255,920	
Total Major Projects	\$ 2,815,120	50.00%

Preventive Maintenance/Operations		
Preventive Maintenance		
Drainage		
Storm Drain Facilities - Study-driven Maintenance Schedule	\$ 75,000	
B-58 Concrete Lined Ditches		
Maintenance/Cleaning/Mapping	\$ 75,000	
Repair and Replace - Study-driven Maintenance Schedule	\$ 245,000	
Subdrain Systems		
Horizontal Drains - Study-driven Maintenance Schedule	\$ 100,000	
Subdrain Outlets	\$ 25,000	
Debris Catchment Walls - Study-driven Maintenance Schedule		
Temporary Walls	\$ 44,000	
Permanent Walls	\$ 25,000	
Piezometers - Study-driven Maintenance Schedule	\$ 25,000	
Settlement Monitors - Study-driven Maintenance Schedule	\$ 15,000	
Retention Basins Maintenance - Study-driven Maintenance Schedule	\$ 20,000	
Debris Benches - Study-driven Maintenance Schedule	\$ 10,000	
Drain Inlets - Associate with GHAD Maintained Infrastructure	\$ 15,000	
Headwalls	\$ 195,000	
Pumping Stations	\$ 10,000	
Minor Repairs	\$ 100,000	
Winterization/Inventory	\$ 250,000	
Emergency Response	\$ 140,000	
Subtotal	\$ 1,369,000	

Operations		
Piezometer Monitoring	\$ 15,000	
Horizontal Drain Monitoring	\$ 15,000	
Subdrain Monitoring	\$ 15,000	
Settlement Monitoring	\$ 40,000	
Inventory Management	\$ -	
Incident Response/Community Relations	\$ 120,000	
Subtotal	\$ 205,000	
Total Preventive Maintenance/Operations	\$ 1,574,000	28.00%

Special Projects		
Plan of Control	\$ 1,000	
Reserve Study	\$ 50,000	
Special Studies	\$ 20,000	

Information Technology/Content Management	\$ 60,000	
Geographic Information Systems	\$ 100,000	
Accounting Systems Upgrade	\$ 30,000	
Procedures Manual	\$ 5,000	
Communications Program	\$ 10,000	
CA Association of GHADs - Membership/Insurance	\$ 15,000	
FEMA	\$ 50,000	
Total Special Projects	\$ 341,000	6.00%

Administration		
Legal Fees		
General Counsel	\$ 15,000	
Special Counsel	\$ 15,000	
Litigation/Legal Concerns	\$ 20,000	
FEMA - Disaster 4683	\$ 75,000	
HOA	\$ 5,000	
Assessment Roll Update	\$ 4,000	
Data Security		
Insurance/Compliance	\$ 10,000	
Administrative Support		
Staffing/Administrative Support	\$ 535,164	
Accounting/Financial Services	\$ 153,305	
Training/Education	\$ 10,000	
Office - Rent/Supplies/Equipment/Lease	\$ 43,000	
Total Administration	\$ 885,469	16.00%

TOTAL PROPOSED BUDGET FY2026/2027	\$ 5,615,589	100%
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Available Funds	
Estimated Beginning Fund Balance - July 1, 2026*****	\$ 16,132,846
Estimated Contributions from M-23 (M-23 Surplus)*****	\$ 3,102,069
Estimated Interest on Investments/Change in Value	\$ 1,101,121
Other Income (FEMA - DR4683)	\$ -
Total Available Funds	\$ 20,336,036
Use of Funds	
Major Projects	\$ 2,815,120
Preventive Maintenance	\$ 1,574,000
Special Projects	\$ 341,000
Administrative	\$ 885,469
Total Use of Funds	\$ 5,615,589
Estimated Reserve Available/Ending Fund Balance June 30, 2027	\$ 14,720,447

- * Pursuant to the Blackhawk GHAD Plan of Control – Section VIII B
- ** 3-party (Blackhawk HOA, Blackhawk Country Club, Blackhawk GHAD De-siltation and Mitigation Program)
- *** Project subject to the Receivership review of Superior Court of the State of California for the County of Orange, Case No. 30-2025-01496573-CU-OR-CJC
- **** Pursuant to the Blackhawk GHAD Plan of Control – Section IX B-1
- ***** Includes estimated accrued true-up revenue payment (Sept 2026) of \$149,427. Projected Fund Balance date of publication - (pending CSA M-23 FY25/26 actual expenses).
- ***** Estimated FY26/27 Revenue has been represented anticipating revenues may be adjusted as a result of current economic conditions. If there exists a material change in revenue numbers once Contra Costa County Assessor's Office publishes CSA M-23 revenues for the period (expected in June 2026), this budget will be revised to represent such changes and, if material, the GHAD Board will be notified. Estimated Surplus Revenue after CSA M-23 FY26/27 Budget.

DESCRIPTION OF BUDGET ITEMS

Major Projects

Storm Events Damage Repairs and FEMA

Beginning December 27, 2022, and continuing for successive months, Northern California and the Bay Area received an extraordinary number of atmospheric river¹ storms. The great number and intensity of storms in the Blackhawk community produced over 295 mudflows, debris flows, and landslides. The GHAD responded immediately with field operations to address many of the sites and control debris, restore access to roads and community drainage systems. The Blackhawk Homeowners Association (HOA) as well as the Blackhawk Country Club (Club) worked together with the GHAD in a collaborative effort to provide and restore critical services to the community. Once federal, State and local declarations of emergency were established the GHAD submitted applications to the Federal Emergency Management Agency² (FEMA) and the California Office of Emergency Services (CalOES) to apply for financial relief through established grant programs.

The Blackhawk GHAD FEMA application relating to the Federal Emergency Declaration in early 2023, following storm-related damage, was initially denied on the basis that the District did not demonstrate legal responsibility for the work performed. GHAD timely submitted an appeal, and on August 18, 2025, FEMA issued a First Appeal denial citing similar eligibility concerns. GHAD then requested arbitration before the United States Civilian Board of Contract Appeals (CBCA). A hearing was conducted on December 17, 2025, in Washington DC, during which the GHAD Manager and a geotechnical engineer provided testimony, along with expert testimony, remotely presented on behalf of the California Association of GHADs. Legal counsel Patricia Curtin and Kurt Franklin from Fennemore Law represented the District. The CBCA issued its decision on February 24, 2026, determining that GHAD has legal authority to perform work on private property under its statutory framework and agreements with property owners. However, the CBCA also found that additional eligibility requirements for certain categories of work, including emergency protective measures, were not fully satisfied. The Board did not determine the amount of eligible funding and declined to direct FEMA to obligate funds, instead remanding the matter to FEMA for further review. GHAD will continue to engage with FEMA to advance the claim and pursue reimbursement consistent with the CBCA decision.

Districtwide damage site protection work continued through the summer of 2025 on a priority basis based on risk and District financial capabilities. Although restoration and repair work are likely to continue for several years, the GHAD has completed a robust schedule of temporarily stabilizing, monitoring and maintaining damage sites in this fourth year of recovery.

Estimated Budget for Selected Storm Related Sites \$1,500,000

¹ Department of Energy (.gov) <http://www.energy.gov> > science > doa-explainsatmospheric-rivers#

² FEMA Disaster DR4683CA

Studies

Targeted Studies, as they relate to field conditions, are essential and are designed to analyze specific sets of aggregated empirical data with the intent of assessing condition of infrastructure and efficacy of instrumentation data collection. Through this effort, specific studies inform management about how to tailor programs to capitalize on the most effective preemptive measures as the GHAD implements its Major Projects Program, Preventive Maintenance Program, Special Projects Program, and Administration Program.

Estimated Cost \$200,000

Study/Project - Hole #11 Falls Course Retention Basin Maintenance

The Hole #11 Falls Course Retention Basin receives storm runoff and silt-laden water from the West Branch of Alamo Creek. The retention basin requires silt removal periodically. The GHAD, Blackhawk Country Club and Blackhawk HOA have historically cooperated to address this issue. The Country club is leading this effort and has hired consultants to perform hydrological studies of the creek and silt basin. A Regulatory Agency consultant was also contracted to coordinate the various agencies with jurisdictional authority over the basin and related habitat. Project design and engineering have been completed, and it is expected that permits will be issued allowing construction to occur in the summer months of 2027. The Blackhawk HOA has determined that it cannot continue to fund their portion of the project because it is not within the owned properties of the Association. GHAD’s financial commitment moving forward will be unchanged. The GHAD has an interest in these concepts to not only mitigate the silt quantities deposited in the retention basin, but also how these efforts could also mitigate potential slope stability issues within the upstream watercourse system.

Estimated Cost 153,500

Parking Lot Settlement – Blackhawk Plaza – Phase 2

A Blackhawk Plaza Phase 2 slope stabilization project was planned for the first quarter of FY2025/2026; however, required property access agreements were not provided by the owner, delaying progression of the work. On March 18, 2026 the Plaza owners declared Chapter 11 bankruptcy. GHAD and the GHAD legal counsel have communicated with representatives established by the Court, and we understand that legal proceedings are continuing and may provide for a way forward during the bankruptcy. In preparation that a GHAD Phase 2 project is possible during FY26/27, a cost estimate has been established within the Major Projects schedule.

Estimated Cost 350,000

Project – Hole 8 Slope Stability Project

GHAD intends to initiate construction on a slope stability project on the Lakes Golf Course. Plans have been drawn and a contractor has been selected to conduct the project during FY26/27. Subject to funding, GHAD intends to let the project out during the summer of 2026.

Estimated Budget \$355,700

Landscape Replacement

Typically, remedial landscaping is either included in the scope of work for major projects or eliminated completely from the repair scheme depending on impact from remedial efforts to restore slope stability. However, on occasion, and complying with Section (IX B-1) of the Plan of Control, the associated License Agreement executed in preparation of the work will address a reimbursement or allowance to the property owner for remedial landscaping installation.

Estimated Budget \$255,920

Preventive Maintenance/Operations

Preventive Maintenance

Preventive maintenance generally consists of those measures taken to prevent an incident or landslide event including, asset maintenance, drainage structures, instrument sites and winterization measures. Operations include ongoing monitoring programs and responses to community requests. Details of the proposed budget for each of these categories are listed below.

The Preventive Maintenance Program is an ongoing program to ensure that facilities, infrastructure, systems, and slopes perform and operate as designed. The GHAD has operated a robust preventive maintenance program since its inception, preventing untold numbers of slope failures. After nearly 40 years of operation, much of the GHAD infrastructure is estimated to be approximately 50 percent through its serviceable life, consistent with the projections in the GHAD's Reserve Study. In the 3rd and 4th quarters of fiscal year 24/25, the GHAD Manager initiated a comprehensive test study on infrastructure to identify existing conditions and produce a system-wide maintenance schedule to address weaknesses in physical infrastructure and anticipate future costs.

This comprehensive test study has been structured into three phases: Phase 1 (Feasibility), Phase 2 (Development), and Phase 3 (Implementation). Phases 1 and 2 were largely completed during the 24/25 and 25/26 fiscal years, though some feasibility and development activities remain in progress. The 26/27 fiscal year will focus primarily on Phase 3 (Implementation), while any remaining Phase 1 and 2 tasks are concluded. The resulting program test studies provide and will continue to provide the information needed to address infrastructure weaknesses, extend the longevity and serviceable life of GHAD infrastructure, and refine long-term financial planning. This test study has substantially informed the current reserve study update.

Storm Drain Systems – Study-driven Maintenance Schedule

Completed in FY25/26: During FY25/26, the GHAD advanced a comprehensive evaluation of storm drain systems that convey flows from B58 ditches to downstream community infrastructure. Initial field inspections (Phase 1) confirmed that, based on surface observations, these systems are generally functioning as intended, with inlets and outlets operating without significant blockage or restriction.

As part of this effort, the GHAD then began developing a formalized Storm Drain System program (Phase 2) consistent with the Preventive Maintenance Program. This included identifying systems within GHAD jurisdiction, developing a standardized identification framework, and initiating site verification efforts. In addition, protocols for file management and data organization were established to support long-term monitoring and maintenance.

To enhance internal inspection capabilities, the GHAD procured a crawler-type camera system. This equipment is now being actively utilized in the field to perform in-line inspections and establish baseline conditions of storm drain piping systems. This approach provides a cost-effective and efficient alternative to third-party inspection services while allowing for more frequent and responsive evaluations.

Projected for FY26/27: In FY26/27, the GHAD will continue implementation of the Storm Drain System program (Phase 2) as part of its ongoing efforts to support the prevention, mitigation, abatement, or control of landslides. Work will include completion of baseline in-line inspections of storm drain systems using the crawler camera, further refinement of system inventory and identification, and continued integration of asset data into the GIS platform.

Additional efforts will include development and implementation of a biennial inspection schedule, allowing for systematic monitoring of system performance, with flexibility to conduct supplemental inspections following significant storm events. Field activities will also include continued site access improvements, inlet identification marking, and data standardization to support consistent, repeatable maintenance practices.

Phase 3 (Implementation) of the Storm Drain System program will also commence in FY26/27. This phase will focus on addressing findings from the inspection and evaluation efforts, including targeted repairs, maintenance, and system improvements where warranted. Work will be prioritized based on conditions observed and their relevance to supporting proper drainage function and slope stability, with the goal of maintaining and enhancing system performance in a manner consistent with the GHAD's responsibility to prevent, mitigate, abate, or control landslides.

These efforts will further strengthen the GHAD's ability to monitor drainage infrastructure directly related to slope stability and to proactively address conditions associated with threatened landslides.

Estimated Budget \$75,000

B-58 Drain Systems

Maintenance: Allows for one major annual cleaning and mapping of the B-58 drain systems. In addition, District staff periodically walks the B-58 systems to get a first-hand account of the current conditions and project serviceable life. This information, along with other empirical data, is utilized in our Reserve study updates. This year, because of the late rains, we anticipate heavier than normal vegetation to be encountered and managed during our annual cleaning program.

Horizontal Drains – Study-driven Maintenance Schedule

Completed in FY25/26: During FY25/26, the GHAD initiated Phase 1 and Phase 2 efforts for the horizontal drain (HD) system, which serves a critical role in subsurface drainage and groundwater management associated with slope stability. This work includes, but is not limited to, a comprehensive review of existing documentation for approximately 280 horizontal drains within the GHAD.

Projected for FY26/27: In FY26/27, the GHAD will advance Phase 1 and Phase 2 field and reporting efforts for the horizontal drain system, including site verification, condition assessments, camera inspections, and identification of maintenance and repair needs. Work will also include efforts to locate previously unidentified drains where feasible, evaluation of system accessibility for cleaning operations, and development of updated inspection and maintenance protocols.

Additional efforts will include organization and standardization of system data, integration into the GIS platform, and implementation of improved maintenance practices, including installation of access features such as cleaning portals and resumption of cleaning operations where appropriate. These activities will support improved performance of subsurface drainage systems and enhance the GHAD’s ability to monitor and manage groundwater conditions associated with slope stability.

Phase 3 (Implementation) of the horizontal drain program will commence in FY26/27. This phase will focus on addressing findings from the inspection and evaluation efforts, including targeted repairs, maintenance, system reconfiguration, and completion of access improvements where warranted. Work will be prioritized based on observed conditions and the relative importance of each drain in supporting subsurface drainage and slope stability.

Estimated Budget \$100,000

Subdrain Outlets/Pumps

Completed in FY25/26: During FY25/26, the GHAD completed Phase 1 and Phase 2 efforts for subdrain pump systems, which support groundwater management associated with slope stability. This work included assessment of the baseline condition of GHAD-maintained pumping facilities through field visits and review of exiting documentation.

In addition, the GHAD evaluated existing inspection and maintenance protocols, including maintenance schedules, scope, and associated costs, and developed recommendations for improved procedures and updated inspection schedules. These efforts establish a baseline understanding of system condition and performance and provide a framework for ongoing maintenance and operational planning consistent with the GHAD’s responsibility to prevent, mitigate, abate, or control landslides.

Projected for FY26/27: In FY26/27, the GHAD will implement Phase 3 (Implementation) of the subdrain pump systems program. This phase will focus on executing the maintenance and

operational improvements identified during the Phase 1 and Phase 2 efforts, including targeted maintenance, repairs, and system upgrades where warranted.

The GHAD will also continue routine monitoring and maintenance of its subdrain pumping facility, including periodic operational checks and upkeep of equipment, instrumentation, and control systems to ensure continued reliability.

Work will be prioritized based on observed conditions and the importance of each system in supporting groundwater management and slope stability.

Estimated Budget **\$10,000**

Debris Catchment Walls – Study-driven Maintenance Schedule

Permanent Walls

Completed in FY25/26: During FY25/26, the GHAD completed Phase 1 and Phase 2 efforts for permanent debris wall systems, consisting of comprehensive field verification, documentation, and condition assessment. Existing records were reviewed to accurately identify known wall GPS coordinates, followed by field investigations to confirm and document each asset.

Based on these evaluations, the permanent debris walls were found to be in satisfactory condition and functioning as intended. This effort establishes a consistent baseline for future monitoring and supports the development of a structured maintenance program aligned with the GHAD’s responsibility to prevent, mitigate, abate, or control landslides.

Projected for FY26/27: In FY26/27, the GHAD will implement an ongoing monitoring and maintenance program for permanent debris walls as part of its broader efforts to support slope stability and protect downslope improvements. Annual inspections will be conducted, particularly during the dry season, to evaluate wall condition and ensure readiness for subsequent winter periods.

Maintenance activities will be performed as needed to preserve functionality and maintain design capacity. Data collected during inspections will continue to be integrated into the GIS platform to support tracking, prioritization, and long-term asset management.

Phase 3 (Implementation) of the permanent debris wall program will also commence in FY26/27. This phase will focus on addressing findings from the inspection and evaluation efforts, including targeted maintenance, repairs, and localized improvements where warranted. Work will be prioritized based on observed conditions and the role of each wall in supporting slope stability and protecting improvements.

Estimated Budget **\$25,000**

Temporary Walls

Completed in FY25/26: During FY25/26, the GHAD completed Phase 1 and Phase 2 efforts for temporary debris wall systems, which were installed in response to the FY22/23 storm events to provide interim protection to downslope improvements, roadways, and infrastructure as part of a permanent repair scheme. A comprehensive field investigation was conducted to identify, locate, and document all temporary debris wall installations.

Approximately twenty-five (25) temporary debris wall locations were verified through site visits, with each wall identified, marked, and assessed for condition. GPS coordinates, photographic documentation, and field observations were collected for each site, with supplemental drone imagery utilized where access was limited or broader site context was needed. All data were compiled and organized to support ongoing evaluation and prioritization.

These temporary systems were found to be functioning adequately in their current role as interim protective measures. The evaluation process also established a prioritized framework for future maintenance and integral to a transition to permanent systems, where appropriate, based on observed conditions and long-term performance considerations.

Projected for FY26/27: In FY26/27, the GHAD will continue maintenance and monitoring of temporary debris wall systems to ensure their ongoing effectiveness in protecting improvements from downslope soil movement associated with storm events. Inspections will be conducted during the dry season to assess condition and restore capacity as needed in advance of winter conditions.

Maintenance efforts will focus on preserving the functionality of these interim systems, including debris removal, repair of localized deficiencies, and reinforcement where necessary. In addition, the GHAD will continue to evaluate these locations for potential replacement with permanent debris wall systems based on priority, site conditions, and long-term risk considerations.

Phase 3 (implementation) of the temporary debris wall program will also commence in FY26/27. This phase will include targeted maintenance, repairs, and, where warranted, transition of select temporary installations to permanent solutions. Work will be prioritized based on observed performance, condition, and the degree to which each installation supports the prevention, mitigation, abatement, or control of landslides.

Estimated Budget \$44,000

Piezometers – Study-driven Maintenance Schedule

Completed in FY25/26: During FY25/26, the GHAD completed a comprehensive inspection and evaluation of its piezometer network (Phase 1 and 2), which provides critical groundwater elevation data used to monitor subsurface conditions associated with slope stability. All piezometer

assets within the GHAD were observed, and program objectives including GPS verification, condition assessment, and standardized reporting were completed for each site.

Minor maintenance activities were performed where feasible, including debris removal, lock lubrication, and identification of obstructions or site access issues. In addition, select piezometers exhibiting minor deficiencies were addressed in the field, including stabilization of faulty bases to reduce the potential for surface water intrusion and ensure more reliable readings. Identification and security issues, such as missing/damaged locks, or deteriorated tags and markings, were documented for future correction.

This effort also reinforced the use of aerial drone support for site location and access planning, while confirming that internal inspection and condition evaluation are best performed through direct field methods. The results of this work have established a verified and standardized inventory of piezometer assets and a consistent baseline for ongoing monitoring and maintenance activities. This concluded Phase 1 and 2.

Projected for FY26/27: The piezometer network will continue to serve as a key component of the GHAD’s instrumentation program, providing data used to evaluate groundwater conditions, identify trends, and inform decision-making related to slope stability. As such, in FY26/27, Phase 3 (implementation) of the piezometer program will also commence in FY26/27. This phase will focus on addressing findings from the inspection and evaluation efforts, including targeted repairs, maintenance, and system improvements where warranted. Work will be prioritized based on observed conditions and the importance of each site in monitoring groundwater levels associated with slope stability, consistent with the GHAD’s responsibility to prevent, mitigate, abate, or control landslides.

Estimated Budget \$25,000

Settlement Monitors – Study-driven Maintenance Schedule

Over time, a number of project-related settlement monitors have been placed throughout the development. These monitors were, in large part, installed as part of new monitoring programs and exist in several areas of the District. Older, obsolete instrument sites will be evaluated, and if appropriate, decommissioned.

Estimated Budget \$15,000

Retention Basins– Study-driven Maintenance Schedule

There are seven retention basins within the District boundaries. Three basins are unimproved retention basins and are maintained exclusively by the Contra Costa County Flood Control District through CSA M-23. Blackhawk GHAD, as well as the property owners, perform certain periodic maintenance operations at the other four basin locations. In a collective agreement with the Homeowners Association, The Country Club (landowner), and the GHAD, de-siltation efforts

have been periodically completed on two retention basins. Currently, GHAD is partnering with the Country Club to desilt a retention pond on Hole #11 of the Falls Course. The project has been through phase 1 to assess feasibility and is currently in Phase 2 of the project which includes procuring the necessary agency permits to complete the work. Phase 3, the Construction phase is scheduled to occur in FY27/28. All costs or budgets for the Hole 11 de-siltation project are represented in the Major Projects program. Typical Retention Basin annual maintenance costs are represented in the Preventive Maintenance program.

Estimated Budget \$20,000

Debris Benches – Study-driven Maintenance Schedule

Completed in FY25/26: During FY25/26, Phase 1 and Phase 2 efforts were completed, including comprehensive field inspections and aerial drone documentation for each debris bench to establish baseline conditions and confirm functionality. Observations indicate that the debris benches are performing as intended, with no current deficiencies affecting drainage patterns or structural integrity.

Standardized inspection protocols were developed, including implementation of consistent drone flight procedures to capture both detailed condition and broader site context. Recommendations were also established for permanent field identification markers to improve tracking and inspection efficiency. A recurring inspection and maintenance schedule was developed, including annual inspections and additional evaluations following significant storm events, with data organized to support ongoing comparison and trend analysis. All debris benches were marked in the field for more accurate identification and monitoring in the field.

Projected for FY26/27: In FY26/27, the GHAD will commence Phase 3 (Implementation) of the debris bench program. This phase will focus on maintaining and preserving the long-term functionality of debris benches through routine inspections, debris removal where necessary, and targeted maintenance activities identified during prior evaluations.

Additional efforts will include continued implementation and refinement of the drone-based inspection protocol, installation of permanent identification markers, and integration of debris bench data into the GIS platform to support consistent tracking and long-term asset management. Monitoring efforts will emphasize comparison of current conditions with prior inspections to identify developing trends that may affect performance.

As part of Phase 3, a licensed soils engineer will evaluate debris benches to distinguish between those functioning primarily as debris catchment features and those serving as structural buttresses. This distinction will support more informed prioritization of maintenance and ensure that each bench continues to perform its intended role in supporting slope stability, consistent with the GHAD’s responsibility to prevent, mitigate, abate, or control landslides.

These efforts will support a proactive and systematic approach to managing debris benches as a long-term component of the GHAD’s slope stabilization infrastructure.

Estimated Budget \$10,000

Drain Inlets – Study-driven Maintenance Schedule

Completed in FY25/26: During FY25/26, Drain Inlets (DIs) were established as a distinct asset category within the GHAD’s storm drain system infrastructure program to allow for more refined management, tracking, and maintenance. Previously grouped with broader systems such as B-58 ditches or storm drain systems, this separation enables more precise condition assessment, targeted maintenance, and improved data organization, supporting a more systematic approach to managing surface drainage associated with slope stability.

Accordingly, Phase 1 and Phase 2 efforts were completed, including comprehensive field inspections to establish baseline conditions, photographic documentation, and centralized data collection. A standardized digital reporting platform and structured server organization were also implemented to support consistent tracking and long-term asset management.

Phase 2 efforts also included installation of permanent identification markers using a standardized naming convention and preparation of a comprehensive report summarizing findings. Based on these efforts, an ongoing inspection and maintenance schedule was developed to support systematic monitoring and maintenance of DI systems.

Projected for FY26/27: In FY26/27, the GHAD will commence with Phase 3 (Implementation) of the drop inlet systems program. This phase will focus on addressing findings from the inspection and evaluation efforts, including targeted maintenance, cleaning, repairs, and minor improvements where warranted to maintain proper drainage function.

Additional efforts will include continued use and refinement of the inspection and reporting system, integration of DI asset data into the GIS platform, and ongoing evaluation of system performance. Work will be prioritized based on observed conditions and the role of each inlet in supporting effective surface drainage and reducing conditions associated with threatened landslides.

These efforts will support a consistent and proactive approach to managing drop inlet systems as part of the GHAD’s broader drainage infrastructure program.

Estimated Budget \$15,000

Headwalls – Study-driven Maintenance Schedule

Completed in FY25/26: During FY25/26, the GHAD completed Phase 1 and Phase 2 efforts for headwall systems, which function as key drainage points within the District’s drainage infrastructure supporting slope stability. Comprehensive field inspections and evaluations were performed for all identified headwalls, including documentation of location, condition, and operational characteristics.

Phase 1 and Phase 2 efforts included incorporation of headwalls into the GHAD asset inventory, development of identification protocols, and establishment of monitoring and maintenance recommendations. These include installation of permanent identification markers, implementation

of routine inspection schedules, and additional evaluation of outlet piping conditions through camera inspection.

Phase 3 (Implementation) was initiated in FY25/26, including maintenance and improvement activities such as removal of accumulated silt at headwalls, placement and refreshing of rip rap, and other site-specific measures to support continued functionality.

Projected for FY26/27: In FY26/27, the GHAD will continue Phase 3 (Implementation) of the headwall program. Work will include ongoing maintenance and improvement efforts identified during prior evaluations, including debris and vegetation removal, sediment management, and enhancement of headwall protection measures such as rip rap where necessary.

Additional efforts will include continued implementation of the recommended inspection schedule, and camera inspection of outlet pipes to further evaluate internal conditions and ensure proper system performance. Monitoring frequency will be adjusted based on site-specific conditions, with certain headwalls receiving more frequent inspections where access or performance considerations warrant.

Maintenance activities will be prioritized based on observed conditions and operational importance, with emphasis on ensuring that headwalls continue to function effectively as part of the GHAD’s drainage infrastructure system. These efforts support the GHAD’s responsibility to prevent, mitigate, abate, or control landslides by maintaining proper discharge and reducing the potential for blockage or erosion-related impacts.

Estimated Budget \$195,000

Minor Repairs

A budget is established annually for ongoing smaller projects or unanticipated minor projects within the Preventive Maintenance Program. Most current minor project sites have been incorporated into the Rain Event storms under the Major Projects program calendar. The Minor Projects Program may be used in collaboration with the Major Projects “Rain Event” program to manage groups of smaller repair projects.

Estimated Budget \$100,000

Winterization

The District provides an annual budget for procuring and storing an inventory of winterization materials and to provide for the costs of site installations. To replenish and keep materials available, inventories are routinely taken, and materials procured. Since the heavy rain storms of 2022-2023 year-round protective measures have been necessary to manage greater than 100 sites, exhausting inventory and requiring frequent materials reordering. This year’s winterization materials needs are expected to continue to exceed normal parameters for procurement and site maintenance expenses. Therefore, the budget has been increased from previous years.

Estimated Budget \$250,000

Emergency Response

During the winter rainy season, the Blackhawk GHAD responds to a range of urgent, active and threatening landslides, as well as drainage issues where property damage is threatened. These incidents typically involve mud or debris flows, plugged storm drains at the base of slopes, or flooded properties due to the overflow of runoff from plugged or damaged facilities. In severe cases these responses can require the initiation of substantial temporary slope stabilization measures as a phase of a major repair project.

Estimated Budget \$140,000

Operations

An inventory of onsite instrumentation including hundreds of piezometers, inclinometers, horizontal drains, subdrains, and settlement monuments are monitored periodically throughout the year as a preventive measure. Collected data from these sites is analyzed and aggregated into the GIS for further analysis to establish trends.

Monitoring sites can be established for a variety of uses. Completed repair sites often require monitoring protocol to confirm that the slope has been stabilized. Other sites have been utilized to indicate signs of unstable conditions developing and have been instrumental in determining slope conditions prior to the activation of a landslide.

Through the use of collected data such as groundwater depth, magnitude of slope movement, depth of movement, and ground surface movement, the District has been able to arrest slope movement in advance of an incipient failure. Archiving of historical data requires ongoing integration into the GHAD GIS as new features are designed and activated.

Throughout the year, the District receives incident response or assistance calls from property owners regarding slope stability or drainage issues. Community relations, including incident responses through the annual Operations Program, have been institutionalized as a role of Blackhawk GHAD management. All incidents are recorded within the GIS and move through the District response mechanisms as appropriate and consistent with the Blackhawk GHAD Plan of Control. GHAD has completed an updated user-friendly interactive website that provides a portal for property owners and stakeholders to report incidents or inquire about the GHAD's operations.

The GHAD manager receives updates in long-range weather and oceanic temperature changes through the National Oceanic and Atmospheric Administration (NOAA) and other scientific and atmospheric agencies that track data and produce probabilistic assessments on the likelihood of seasonal heavy rain or seismic conditions. Preliminary NOAA reporting suggests atmospheric and oceanic metrics currently indicate approximately a one-in-three probability that late 2026, early 2027 is subject to "strong" El Nino conditions. These probabilities may change significantly during the ensuing months to either strengthen or weaken the probabilities of El Nino.

Operations Program Estimated Budget \$205,000

Special Projects

During fiscal year 2026/2027 the District will continue several special projects and studies. Brief descriptions of the special projects are presented in Table 1 and further described below:

Plan of Control Update

Amendment 4 to the Plan of Control (POC) was adopted by the GHAD Board in 2024 and put into use. Amendment 4 supersedes previous plans and addresses additional clarification and instruction with respect to the GHAD responsibilities and authorities. A modest allowance has been established for any activity that may involve the Plan of Control.

Estimated Budget **\$1,000**

Reserve Study Update

The Blackhawk GHAD reserve fund study was originally completed in FY2002-2003. An extensive update to the plan was completed in fiscal year 2012-2013. This year GHAD initiated work on a comprehensive update to the Reserve Study in January 2026, as a synergetic effort with the Preventive Maintenance program to establish a baseline condition of mid-serviceable life for much of the infrastructure that GHAD manages. The programs communicate within a 3-phase infrastructure testing and evaluation program. The reserve study functions as a pro-forma (40 year) analysis of the financial needs of the Blackhawk GHAD. It serves as a tool to calculate the annual contribution required by the GHAD to build and maintain sufficient funds for emergencies and capital replacement programs based on past weather patterns, landslide repair costs, and general attrition. Historically, as a result of severe winters, draws have been necessary on the reserve fund. The current efforts to update the Reserve Study are anticipated to be completed in May of 2026.

Estimated Budget **\$50,000**

Special Studies

The Blackhawk GHAD intends to continue targeted and site-specific studies in the areas of fiscal policy and geologic risk. The GHAD, as we anticipate our 41st year, has the unique opportunity to address many of the issues surrounding long-term viability and sustainability within changing environmental and financial conditions. Using empirical data, we can assess potentially increasing financial loads and geologic risks that may accompany the physical maturation process of this District, as well as identifying infrastructure serviceability and project capital replacement costs in advance. We are confident that these studies have produced and will continue to produce beneficial results. The Special studies program has been modified this year to analyze and account for projected costs to support site specific studies currently underway.

Estimated Budget **\$20,000**

Information Technology Systems (IT) and Geographic Information Systems (GIS)

Completed in FY25/26: In FY25/26 the GHAD developed a comprehensive Geographic Information System (GIS) solution to support the District’s monitoring and management of geologic hazards and related incidents. The effort was organized into three phases and included system modernization, feature enhancements, and the deployment of mobile capabilities. In Phases 1 and 2, the existing GIS functionality was migrated into a new, more reliable platform. Building on that foundation, Phase 2 introduced enhanced features to improve overall system usability, reliability, and efficiency. In Phase 3, a mobile version was developed to improve field data entry and incident management. This included enabling field staff to create and update incidents in real time, upload photos, access asset information, and perform simplified searches. This project significantly improved the District’s ability to monitor, document, and respond to geologic hazards. GIS modernization and expanded field tools improved efficiency, data quality, and decision-making.

Projected for FY26/27: Efforts in FY26/27 are anticipated to focus on ongoing system maintenance, implementation of bug fixes, and continued IT support to ensure reliable performance of the GIS platform. Additional work will include miscellaneous system improvements and refinements to further enhance usability, address evolving operational needs, and maintain long-term system effectiveness.

Estimated Budget \$160,000

Accounting System Upgrade

Periodic upgrades are necessary to enhance accounting system capabilities. The Blackhawk GHAD utilizes expense accounting software to assist in reporting and the day-to-day operation of the District. Ongoing accounting system enhancements are being implemented allowing more data entry streamlining, enhanced reporting, and quality control assurance procedures. The GHAD Treasurer and the General Manager work collaboratively to fortify the accounting systems, receivables and invoice processing procedures.

Estimated Budget \$30,000

Procedures Manual

The Blackhawk GHAD continually upgrades procedures and modifies plans to incorporate new technologies that assist the GHAD in delivering the highest level of services. Procedures require certain modifications and enhancements as new methodologies are introduced and incorporated into the GHAD Standard Operation Procedures. Certain financial and operations procedures have been institutionalized within the program. Additional procedures will be incorporated to further define and standardize the following areas:

- Preventive Maintenance/Operations
- Standard Form Contracts (Evaluation)

- Administrative Procedures (Evaluation)
- Content Management Systems
- GIS/IT Protocol

Estimated Budget \$5,000

Communications Program

The Blackhawk GHAD maintains a communications plan designed to keep constituents current on GHAD operations and developments. The plan addresses several venues and mediums in which to disseminate information within this District and to other concerned parties, and to establish clear and accessible channels for community interaction. The GHAD has now implemented a web page for public information and interaction and a multi-page informational brochure has been completed and distributed to interested Homeowner Associations (HOA) that describes the GHAD and its responsibilities and limitations. Additionally, when asked, the General Manager writes periodic articles for the HOA newsletter.

Estimated Budget \$10,000

Outreach/Legislative Review

California Association of GHADs (CAGHADs) Membership/Insurance

The proliferation of new GHADs within California has resulted in new legislation and adopted procedures. The Blackhawk GHAD Manager, in association with others make up the CAGHAD Board of Directors and share information and knowledge through a consortium of GHAD managers. The CAGHAD has obtained General Liability policies for its member GHADs.

Additional GHAD onboarding and participation has reduced relative premiums. Coverage for the Blackhawk GHAD is approximately \$9,306³, plus administrative costs.

Additionally, the GHAD manager participates in the CAGHADs as the organization pursues other financial instruments that may provide the Blackhawk GHAD additional options for extraordinary event financial planning. In 2016, the CAGHAD Board adopted a new fee schedule reducing the annual GHAD fees for membership by 50%.

During GHAD’s arbitration with FEMA in December, the President of the CAGHADs worked with the GHAD manager and counsel to prepare for and testify at the hearing.

Estimated Budget \$15,000

FEMA Administration

An administrative budget has been established to allow GHAD management and consultants to continue to pursue Federal and State funds through grant programs offered by the Federal and

³ 2025/2026 Premium referenced

State Emergency Response agencies. Providing funding is awarded, a portion of administrative costs are recoverable as well.

Estimated Budget **\$50,000**

Administration

The administration of the Blackhawk GHAD includes all costs associated with legal support, office expenses, staffing, and accounting. Brief descriptions are presented below.

Legal

General Counsel: Blackhawk GHAD management must interact regularly with GHAD Counsel. The day-to-day operations of the GHAD present myriad issues and opportunities to work directly with GHAD counsel in the areas of contracts, agreements, new business, legislation, and property owner issues.

Estimated Budget **15,000**

Special Counsel (FEMA): Blackhawk GHAD management requires the services of special counsel from time to time in the areas of litigation and other legal concerns. Currently GHAD General legal counsel is assisted the General Manager with active FEMA and CalOES applications.

Estimated Budget **\$35,000**

FEMA – Disaster 4683

Estimated Budget **\$75,000**

HOA

Periodically specific communication, research or other common interest issues arise where GHAD is asked to provide information, documentation, etc.

Estimated Budget **\$5,000**

Tax Assessment Roll Update

GHAD annually asks a consultant to provide the current tax rolls for the GHAD. There is need as well for ad hoc utilization of consultants to research specific property assessment status.

Estimated Budget **\$4,000**

Data Security – Insurance/Compliance

In an effort to address changing data security needs the GHAD will conduct a review and include updated data insurance as needed.

Estimated Budget \$10,000

Staffing/Administrative Support

The Blackhawk GHAD staff includes the General Manager, Operations Manager, Construction Services Manager, an Administration Manager and frequently other support staff and consulting professionals. The General Manager administers all GHAD day-to-day operations, including financial budgeting and communications regarding its activities. The Operations Manager and Construction Services Manager, among other tasks, administer the Major Projects and Preventive Maintenance Programs and associated work schedules, consulting and construction contracts, and documents. The administrative staff is responsible for accounting/bookkeeping, contract administration, clerical, and construction management support; Additional management staff costs are also applied to specific projects as appropriate. Authorized business expenses such as rent, office supplies and leases are included in Staffing.

Estimated Budget \$741,469