

MAGEE RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD)
REGULAR SESSION OF THE BOARD OF DIRECTORS
OCTOBER 22, 2026, AGENDA
ENGEO OFFICE, 2633 CAMINO RAMON, SUITE 250, SAN RAMON, CA 94583
ZOOM INFORMATION:
By Computer: <https://bit.ly/4aiUsuD> By Phone: 1 (669) 900-9128
Meeting ID: 821 4775 2883 Password: 151008

- Agendas and staff reports are posted on the GHAD's internet website (www.mageeranchghad.org)
- A packet of information containing staff reports and exhibits related to each item is available for public review at least 72 hours prior to a GHAD Board meeting, or in the event that it is delivered to Boardmembers less than 72 hours prior to a GHAD Board meeting, as soon as it is delivered.

REGULAR SESSION 5:15 P.M.

1. Call to Order and Roll Call- Andrew Rodgers, Keith Witz, Susan Tully, Troy Gaspar, Seth Selkow
 - A. Confirmation of Agenda Posting
2. Public Forum: Members of the Public May Comment (3 minutes per speaker)

At this time, the public is permitted to address the GHAD Board on non-agendized items. In accordance with State law, no action or discussion may take place on an item not appearing on the posted agenda. The Board may respond to statements made or questions asked or may request staff to report back at a future meeting concerning the matter.
3. Consent Calendar
 - A. May 4, 2026 Regular Session Minutes
4. GHAD Treasurer Report and Account Statement

From: GHAD Treasurer Inc.
5. New Business
 - A. Subject: Discuss Deferral of the 2026 Board of Directors Election to the 2028 General District Election

From: GHAD Manager
 - B. Subject: Discuss Magee Ranch GHAD Strategy, Reserve Funding Position, and Evaluation of Direct GHAD Assessment Funding

From: GHAD Manager
6. GHAD Manager's Report
 - A. Upcoming HOA board meeting
 - GHAD Budget increase through HOA dues
 - GHAD funding agreement with HOA status
 - Progress on GHAD/HOA calendar (Fiscal vs. Annual)
 - B. Maintenance Subcontractor Selection Process Update
 - C. Fall Monitoring and Maintenance Update
 - D. Parcel J
7. Board of Director's Announcements and Upcoming Topics of Discussion
 - A. Set Date for Next Regular Session Board Meeting
8. Adjournment

MAGEE RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT
MEETING OF THE BOARD OF DIRECTORS
MAY 4, 2026

A Regular Meeting of the Board of Directors of the Magee Ranch Geologic Hazard Abatement District (MR GHAD) was held on Monday, May 4, 2026, at 2633 Camino Ramon, Suite 250, San Ramon, 94583, and via teleconference. The meeting was called to order at 5:15 p.m. by GHAD Manager Mary Johnson.

Directors Present: Andrew Rodgers
 Keith Witz
 Troy Gaspar
 Susan Tully
 Seth Selkow

Representing ENGEO: Uri Eliahu
 Mary Johnson
 Kat Vaypan

Others Present: Dave Fernandez, GHAD Treasurer

It was confirmed that the Regular Meeting agenda had been posted on the HOA Board within the community, as well as on the GHAD webpage, more than 72 hours prior to the Meeting, in accordance with the Brown Act requirements.

The Public Forum was opened. No members of the public were present and no public comments were received. The Public Forum was closed.

GHAD Manager Mary Johnson presented the only item on a Consent Calendar – approval of the minutes from the March 2, 2026, meeting. Upon discussion, a Motion was made, seconded, and unanimously carried to approve the March 2, 2026, Regular Session Minutes.

Dave Fernandez presented the GHAD Treasurer's Report and reviewed the account statement included in the Board packet.

Mr. Fernandez reported that there had been limited activity within the account since the previous meeting aside from the receipt of assessment transfers from the HOA and payment of authorized GHAD expenses. He explained that future quarterly financial reports would include a more comprehensive accounting package consisting of profit and loss statements, balance sheets, budget-to-actual comparisons, and detailed transaction reporting.

The Board discussed the timing of HOA deposits, current account balances, budget tracking procedures, payment authorization protocols, and financial reporting expectations. Board members expressed the desire for detailed reports showing revenues, expenditures, vendor payments, and budget performance to facilitate ongoing oversight of GHAD finances.

CALL TO
ORDER

AGENDA
POSTING

PUBLIC FORUM

CONSENT
CALENDAR

GHAD
TREASURER
REPORT AND
ACCOUNT
STATEMENT

The Board discussed procedures for approving expenditures and confirmed that invoices falling within Board-approved budgets may be authorized by the GHAD Manager and processed by the Treasurer. The Board further discussed oversight of future maintenance expenditures and the importance of monitoring reserve fund accumulation.

Upon discussion, a Motion was made, seconded, and unanimously carried to approve the GHAD Treasurer's Report and Account Statement, with the understanding that a more detailed financial package would be distributed to the Board.

Ms. Mary Johnson from ENGEO reported that a Request for Qualifications (RFQ) for maintenance services was distributed to ten prospective contractors on March 26, 2026, and that a site walk was conducted on March 31, 2026. Qualifications were due on April 13, 2026.

Ms. Mary Johnson reported that IQ Construction Services submitted a timely response, while New West Landscape Construction submitted qualifications after the stated deadline. Both submissions were included in the Board packet for review.

The Board discussed contractor qualifications, emergency response capabilities, familiarity with the site, proposed pricing structures, maintenance scope, contractor performance history, and budget implications. Board members expressed interest in obtaining a more direct comparison of maintenance costs and requested additional clarification to allow for a more standardized evaluation of the proposals.

The Board discussed contractor selection criteria, including relevant experience, emergency response capabilities, technical approach, fee schedules, contract compliance, and responsiveness.

Following discussion, Board members determined that additional information would be beneficial before awarding a maintenance contract. Staff was directed to work with prospective contractors to obtain further clarification regarding maintenance quantities, site access considerations, and anticipated costs.

Upon discussion, a Motion was made, seconded, and unanimously carried to appoint Directors Seth Selkow and Troy Gaspar to serve as an ad hoc committee to work with staff in reviewing additional contractor information and evaluating maintenance proposals. The committee was authorized to work with staff to finalize contractor selection and execute a maintenance contract, provided no material objections were raised by the remaining Board members following distribution of the evaluation results.

Ms. Mary Johnson presented Resolution No. 2026-04 approving the Fiscal

NEW BUSINESS
ITEM A DISCUSS
THE
MAINTENANCE
CONTRACTOR
RFQ

RESOLUTION
NO. 2026-04
APPROVE MR
GHAD BUDGET
FOR FISCAL

Year 2026-2027 Budget for the Magee Ranch GHAD. Ms. Mary Johnson reviewed current account balances, anticipated revenues, projected maintenance costs, administrative expenses, and reserve contributions.

During discussion, the Board noted that certain revenue assumptions would require revision to reflect expected HOA transfers that were not fully reflected in the preliminary budget calculations. Board members engaged in a comprehensive discussion regarding long-term financial planning for the GHAD, including reserve funding objectives identified in the GHAD's Reserve Study, projected annual reserve contributions, future maintenance obligations, and strategies for funding geologic hazard response and remediation activities.

Board members expressed concern that current reserve contributions were insufficient to meet the GHAD's long-term reserve targets within a reasonable timeframe. The importance of increasing GHAD's revenues over time was discussed, and it was emphasized that there is a need to work collaboratively with the HOA regarding future assessment increases and reserve funding strategies.

Uri Eliahu noted that the presented budget represented a conservative planning document utilizing higher-end maintenance assumptions and modest revenue growth projections. Actual revenues and expenditures would continue to be monitored and adjusted as additional information becomes available.

Upon discussion, a Motion was made, seconded, and unanimously carried to approve Resolution No. 2026-04 adopting the Fiscal Year 2026-2027 Budget, subject to revision of account balance and revenue figures to reflect updated financial information discussed during the meeting.

Ms. Mary Johnson reported that spring monitoring had been completed, and the corresponding monitoring report had been distributed to the Board. The observations from the spring monitoring event would be used to guide upcoming maintenance activities and contractor work programs.

Ms. Johnson further reported that discussions with the HOA regarding Parcel J remain ongoing and that feedback regarding potential transfer options is still pending. The HOA funding agreement also remains under review by the HOA.

The Board was advised that the GHAD Responsibility Matrix and the GHAD Communication Plan had been finalized and posted on the District website.

It was determined that the next Regular MR GHAD Meeting would be scheduled on September 29, 2026, at 5:15 p.m.

There being no further business, the meeting was adjourned at 7:35 p.m.

Submitted by ENGEO, MR GHAD Clerk

ATTEST:

Keith Witz, Chairperson

Date

YEAR 2026-27

GHAD
MANAGER'S
REPORT

NEXT MTG.

ADJOURN

SUBMITTED

ATTEST

CERTIFIED

CLERK CERTIFICATION

I certify that I am the Clerk of the Magee Ranch Geologic Hazard Abatement District and do hereby certify that the foregoing is a true and correct copy of the Minutes of the Magee Ranch Geologic Hazard Abatement District Board of Directors Meeting held on May 4, 2026, as approved by the Board Members in attendance of the Meeting.

Kateryna Vaypan, Clerk

Date

Magee Ranch GHAD

Balance Sheet

As of September 30, 2026

Currency: USD

	September 30, 2026	September 30, 2025
Assets		
Cash		
1055 - Cash MAG - Citizens Business Bank	6,000	0
Total Cash	6,000	0
Investments		
1155 - Investments MAG - Schwab	134,470	0
Total Investments	134,470	0
Total Assets	140,470	0
Liabilities		
Current Liabilities		
2000 - Accounts Payable	3,450	0
Total Current Liabilities	3,450	0
Total Liabilities	3,450	0
Owners Equity		
Equity		
3090 - SYS - Current Year Earnings	15,268	0
Total Equity	137,020	0
Total Owners Equity	137,020	0
Total Liabilities and Owners Equity	140,470	0

Created By: ADMIN GHAD Treasurer

Start Period: 2027-01

End Period: 2027-03

Ledger: Actual

GL Variable 2: MAG GHAD: Magee Ranch GLVar 2

Magee Ranch GHAD

Profit and Loss vs Budget

Months Ended September 30th, 2026

Currency: USD

	Actual Total	Budget Total	Difference	% of Budget
Revenue				
4011 - HOA Contribution	38,260	168,361	(130,101)	22.72%
Total HOA Contributions	38,260	168,361	(130,101)	
Total Revenue	38,260	168,361	(130,101)	22.72%
Expense				
Preventative Maintenance & Operations				
Contractor Services				
6110-Concrete and Asphalt Lined Drainage Ditches	0	23,238	(23,238)	0.00%
6201-Detention Basin Maintenance-CS	0	15,313	(15,313)	0.00%
6202-Vegetation Management-CS	0	14,250	(14,250)	0.00%
6205-Subdrain Maintenance-CS	0	3,900	(3,900)	0.00%
6206-Slope Stabilization-CS	0	6,970	(6,970)	0.00%
6215-Drainage Way Maintenance-CS	0	4,990	(4,990)	0.00%
6216-Gabion Retaining Structure & Debris	0	6,750	(6,750)	0.00%
6217-Drop Inlet & Storm Drain Maintenance	0	5,500	(5,500)	0.00%
Contractor Services Subtotal	0	80,911	(80,911)	
GHAD Manager Services				
6300-Scheduled Monitoring Events-GM	2,498	10,000	(7,503)	24.98%
6301-Heavy Rainfall Monitoring Events-GM	0	4,000	(4,000)	0.00%
6305-Detention Basin Maintenance-GM	8,085	16,000	(7,915)	50.53%
GHAD Manager Services Subtotal	10,582	30,000	(19,418)	35.27%
Total Preventative Maintenance & Operations	10,582	110,911	(100,329)	9.54%
Administration and Accounting				
GHAD Manager Services				
7005 - Administration and Accounting	7,500	30,000	(22,500)	25.00%
7010 - Annual Report and Budget Preparation	950	4,000	(3,050)	23.75%
GHAD Manager Services Subtotal	8,450	34,000	(25,550)	24.85%
Outside Professional Administration Services				
7115 - Clerk	2,970	3,000	(30)	99.00%
7125 - CA Association of GHAD's Member	470	470	0	100.00%
7135 - Insurance - General Liability	1,600	1,600	0	100.00%
7155 - Management Fees	(42)	500	(542)	-8.39%
Outside Professional Administration Services Subtotal	4,998	5,570	(572)	89.73%
Total Administration and Accounting	13,448	39,570	(26,122)	33.99%
Special Projects				
6520 - Web Site Maintenance and Updates	0	1,000	(1,000)	0.00%
Total Special Projects	0	1,000	(1,000)	0.00%
Total Expense	24,030	151,481	(127,451)	15.86%
Net Ordinary Income	14,229	16,880	(2,651)	84.30%
Other Income/Expense				
4201 - Other Income	0	0	0	
8500 - Investment Income	1,039	3,400	(2,361)	30.55%
Net Operating Income	15,268	20,280	(5,012)	75.28%
Net Income	15,268	20,280	(5,012)	75.28%

Created By: ADMIN GHAD Treasurer

Start Period: 2027-01

End Period: 2027-03

Ledger: Actual dget Ledger: 26/27 Annual Budget

GL Variable 2: MAG GHAD: Magee Ranch GLVar 2

Magee Ranch GHAD

Profit and Loss

Months Ended September 30th, 2026

Currency: USD

	2027-01	2027-02	2027-03	Total
Revenue				
4011 - HOA Contribution	12,753	12,753	12,753	38,260
Total HOA Contributions	12,753	12,753	12,753	38,260
Total Revenue	12,753	12,753	12,753	38,260
Expense				
Preventative Maintenance & Operations				
GHAD Manager Services				
6300-Scheduled Monitoring Events-GM	2,498	0	0	2,498
6305-Detention Basin Maintenance-GM	2,295	5,790	0	8,085
GHAD Manager Services Subtotal	4,793	5,790	0	10,582
Total Preventative Maintenance & Operations	4,793	5,790	0	10,582
Administration and Accounting				
GHAD Manager Services				
7005 - Administration and Accounting	2,500	2,500	2,500	7,500
7010 - Annual Report and Budget Preparation	0	0	950	950
GHAD Manager Services Subtotal	2,500	2,500	3,450	8,450
Outside Professional Administration Services				
7115 - Clerk	2,970	0	0	2,970
7125 - CA Association of GHAD's Member	0	470	0	470
7135 - Insurance - General Liability	1,600	0	0	1,600
7155 - Management Fees	(42)	0	0	(42)
Outside Professional Administration Services Subtotal	4,528	470	0	4,998
Total Administration and Accounting	7,028	2,970	3,450	13,448
Total Expense	11,821	8,760	3,450	24,030
Net Ordinary Income	933	3,993	9,303	14,229
Other Income/Expense				
8500 - Investment Income	320	376	343	1,039
Net Operating Income	1,253	4,369	9,646	15,268
Net Income	1,253	4,369	9,646	15,268

Created By: ADMIN GHAD Treasurer

Start Period: 2027-01

End Period: 2027-03

Ledger: Actual

GL Variable 2: MAG GHAD: Magee Ranch GLVar 2

Payables Aging - Magee Ranch GHAD

As of September 30, 2026

GL Account ↑	Account ↑	Sum of Report Amount
4011 - HOA Contribution	Magee Ranch Homeow	\$38,259.51
6300-Scheduled Monitoring Events-GN	ENGEO Incorporated	-\$2,497.50
6305-Detention Basin Maintenance-GI	ENGEO Incorporated	-\$8,084.90
7005 - Administration and Accounting	ENGEO Incorporated	-\$7,500.00
7010 - Annual Report and Budget Prep	ENGEO Incorporated	-\$950.00
7115 - Clerk	ENGEO Incorporated	-\$2,970.00
7125 - CA Association of GHAD's Mem	ENGEO Incorporated	-\$470.00
7135 - Insurance - General Liability	ENGEO Incorporated	-\$1,600.00
7155 - Management Fees	Citizens Business Bank	-\$18.00
	GHAD Treasurer Inc	\$59.94
8500 - Investment Income		\$1,038.69
Total		\$15,267.74

**MAGEE RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT
STAFF REPORT**

TO: Magee Ranch Geologic Hazard Abatement District
(GHAD) Board of Directors

FROM: GHAD Manager, ENGEO, represented by Mary Johnson

BOARD MEETING DATE: October 22, 2026

SUBJECT: Discuss Deferral of the 2026 Board of Directors Election
to the 2028 General District Election

RECOMMENDATION:

- Confirm that the two incumbent Directors will continue to serve in holdover status under Public Resources Code § 26583 and Government Code § 1302 until their successors are elected or appointed.
- Direct staff to scope the legal counsel, county coordination, and budget needed to prepare for the 2028 election and return to the Board with a recommendation in the 2027-28 budget cycle.

BACKGROUND:

On August 4, 1992, the Danville Town Council adopted Resolution No. 124-92 approving and ordering the formation of the Magee Ranch GHAD (“GHAD”) and appointing five property owners to serve as the Magee Ranch GHAD Board of Directors (“Board”). On August 12, 2025, the Danville Town Council approved Resolution No. 57-2025 appointing five new property owners to serve as the Board for the GHAD.

On August 28, 2025, the Board adopted Resolution 2025-01, which used Elections Code § 10505(c) to set staggered terms for the Board. Directors Witz, Gaspar, and Rodgers were assigned four-year terms ending in December 2028. Directors Tully and McAlpine were assigned two-year terms ending in December 2026. On March 2, 2026, the Board adopted Resolution 2026-02 appointing Director Selkow to fill the vacancy left by Director McAlpine for the remainder of that term, ending at noon on December 4, 2026.

As a result, two seats (Directors Tully and Selkow) have terms ending in December 2026. Holding a formal election for those seats would require a general district election under the Uniform District Election Law, conducted with Contra Costa County.

Public Resources Code § 26583, the section of GHAD law (Pub. Res. Code § 26500 et seq.) that governs elected GHAD boards, states that the expiration of any director’s term “shall not constitute a vacancy,” and that the director holds office until a successor has qualified. Government Code § 1302 applies the same rule to all California public officers. Directors Tully and Selkow will therefore keep their seats after December 2026. Because no vacancy is created, the 60-day vacancy-filling requirements of Government Code § 1780 do not apply.

Holdover Directors keep the full powers of the office. All five seats remain filled, the three-vote quorum and voting threshold are not affected, and the Board may continue to adopt budgets, award contracts, respond to emergencies, and carry out the requirements of the Plan of Control.

The two seats are carried forward by operation of law. Their terms are not extended by Board action.

Section 26583 requires GHAD director elections to be called, conducted, and canvassed under the Uniform District Election Law (Elections Code § 10500 et seq.). This requires a candidate filing period, coordination with and payment to the County Elections Division, and legal review of the process for a landowner district. The District has not held a formal election since it was reconstituted in 2025.

Under Elections Code § 10515, if the number of qualified candidates who file by the deadline does not exceed the number of open seats, and no qualifying petition requests an election, the supervising authority appoints those candidates in lieu of an election. Appointees serve as if elected.

The costs associated with a formal election process were not included in the 2026-27 Fiscal year budget and the board may continue to function as usual without the expense to the GHAD for an election this year.

Deferment of an election to 2028 gives the District time to retain counsel if needed and coordinate with the County. In 2028, all five seats would come up together. To restore staggered terms, counsel should advise whether two of the seats filled in 2028 can be set at two-year terms, using the same lot procedure that Resolution 2025-01 applied under Elections Code § 10505(c).

GHAD Staff will post a notice on the District website explaining the holdover status of the two seats and the plan for the 2028 election.

**MAGEE RANCH GEOLOGIC HAZARD ABATEMENT DISTRICT
STAFF REPORT**

TO: Magee Ranch Geologic Hazard Abatement District (GHAD)
Board of Directors

FROM: GHAD Manager, ENGEO, represented by Mary Johnson

BOARD MEETING DATE: October 22, 2026

SUBJECT: Discuss Magee Ranch GHAD Strategy, Reserve Funding
Position, and Evaluation of Direct GHAD Assessment Funding

RECOMMENDATION:

- Provide the GHAD Manager with direction regarding the board's preferred approach to reserve fund accumulation.
- If the Board supports further evaluation, direct staff to prepare a scope outlining the process and costs of direct homeowner assessment.

BACKGROUND:

Boardmember Seth Selkow prepared three related draft documents dated September 28, 2026, to support Board discussion regarding the District's long-term governance, operating model, reserve philosophy, and funding structure. The documents are exploratory and are intended to provide a framework for discussion and further evaluation.

The strategy paper provides the overall framework, the reserve-funding position paper addresses the balance between annual operating needs, measured reserve contributions, homeowner affordability, and extraordinary-event funding, and the direct-assessment white paper evaluates whether a county property-tax assessment warrants a phased feasibility review.

The strategy document describes a target state in which the District is well governed, financially stable, operationally effective, and transparent to homeowners. It identifies two principal strategic priorities: governance and operational optimization, and financial sustainability and capital readiness.

The position paper recommends a balanced funding approach that first covers annual operating obligations, makes deliberate and sustainable recurring reserve contributions, and treats the reserve-study target as a long-term planning benchmark rather than an immediate dues-driven mandate. It emphasizes funding traceability, periodic review of operating costs, coordination with the HOA, and a separate framework for extraordinary-event response.

The white paper proposes evaluating whether a direct GHAD assessment collected through the county property-tax process could provide a more durable, transparent, and administratively efficient funding channel than continued reliance on HOA disbursements. It identifies potential benefits, including clearer fund segregation and traceability, closer alignment between GHAD governance and funding, improved homeowner visibility, and potentially stronger support for future financing. It also identifies material implementation risks, including legal and procedural

uncertainty, professional costs, county coordination, homeowner communication, avoidance of duplicative costs, and the need for property-owner approval.

The attached documents ask the Board to consider how the District should define and fund three separate needs: recurring operations, long-term reserve accumulation, and response to extraordinary events. They also ask whether the current HOA-funded mechanism remains the preferred long-term approach or whether a direct GHAD assessment should be evaluated further.

ATTACHMENTS:

Magee Ranch GHAD Strategy v0.1, dated September 28, 2026

Magee Ranch GHAD Reserve Funding Position Paper v0.1, dated September 28, 2026

Evaluating Direct GHAD Assessment Funding Through County Property-Tax Bills White Paper v0.1, dated September 28, 2026

Magee Ranch GHAD Strategy

Document Control & Version History

Version	Date	Author	Reviewer's / Audience	Description of Changes
0.1	09/28/2026	Seth Selkow	Initial Draft	Initial exploratory draft that frames GHAD strategy and provides context for related position papers.

Current State

The Magee Ranch Geologic Hazard Abatement District (GHAD) has, until recently, been governed and operated primarily through the auspices of the Magee Ranch Homeowners Association. Following approximately thirty years of relative geologic stability, recent storm-related damage highlighted the need for a more formal GHAD governance structure, clearer accountability, traceable financial planning, and a more deliberate approach to long-term risk management.

The GHAD is now governed by an independent Board of Directors that works closely with the Magee Ranch HOA Board to maintain alignment on matters affecting the community. ENGEO has been engaged to support the District's engineering, administrative, and operational functions, and GHAD maintenance activities are now administered through the District's governance structure. These developments provide a strong foundation as the GHAD continues to evolve toward a more mature public-agency governance and operational framework focused on long-term accountability, financial resilience, operational effectiveness, and risk management.

Strategic Objective

The strategic objective of the Magee Ranch GHAD is to optimize the governance, funding, and operational model to be sustainable, transparent, efficient, and aligned with the long-term public-safety mission of the District. The GHAD should continuously evaluate opportunities to improve governance structures, financial resilience, operational effectiveness, regulatory alignment, and homeowner communication while maintaining affordability and preserving flexibility for extraordinary events. The GHAD board has an obligation to discharge this responsibility deliberately and proactively.

Target State

The GHAD's target state is a well-governed, financially stable, and operationally effective district that:

- Operates under governance and administrative practices consistent with California GHAD best practices.
- Maintains clear accountability between decision-making authority, funding responsibility, and operational execution.
- Possesses reliable operating funding, disciplined reserve planning, and defined extraordinary-event response mechanisms.
- Maintains the ability to respond effectively to geologic events through a combination of reserves, assessments, financing, and other legally available tools.

- Provides homeowners with transparency regarding risks, funding needs, operational activities, and long-term planning objectives.
- Periodically reviews its governance and funding structure to ensure continued alignment with the District's statutory mission and evolving risk profile.

Strategic Priorities

The GHAD's strategy is organized around two primary initiatives:

1. Governance and Operational Optimization

The GHAD and HOA serve the same community and share a common stakeholder base. Although the two organizations fulfill different statutory and governance roles, effective long-term governance requires mechanisms that promote transparency, coordination, and alignment between the entities so that public-safety objectives, operational priorities, homeowner communication, and financial planning remain mutually supportive.

The GHAD should continue refining its governance structure, administrative processes, maintenance programs, professional-advisor relationships, contractor management practices, and risk-management procedures. As part of this effort, the District should evaluate whether its current funding and governance framework remains the most effective long-term model or whether alternative structures would better align the District with statewide best practices.

This evaluation should distinguish between the mechanism through which the GHAD is funded and the separate question of how the District determines its operating, reserve, and extraordinary-event funding requirements.

2. Financial Sustainability and Capital Readiness

The GHAD should maintain a funding framework built upon three complementary pillars:

- **Baseline operating funding** sufficient to support ongoing monitoring, maintenance, inspection, engineering, administration, and professional obligations.
- **Measured annual reserve contributions** designed to build financial resilience over time while balancing affordability and the community's historical risk profile.
- **Event-based response funding** that preserves the ability to utilize assessments, financing, phased collections, or other legally available mechanisms when extraordinary events occur.

These principles should guide the GHAD's financial planning irrespective of the mechanism ultimately used to fund the District.

Related Documents

The following documents support the Magee Ranch GHAD Strategy and address specific aspects of governance optimization, financial sustainability, and long-term risk management:

1. [Evaluating Direct GHAD Assessment Funding Through County Property-Tax Bills White Paper](#)

Purpose: Explores whether direct assessment funding may provide governance, administrative, financial, and operational benefits relative to the current HOA-funded structure and identifies the feasibility questions that should be evaluated before any implementation decision is considered.

2. [Magee Ranch GHAD Reserve Funding Position Paper](#)

Purpose: Establishes the GHAD's position regarding operating funding, reserve accumulation, homeowner affordability, and extraordinary-event funding mechanisms.

Magee Ranch GHAD Reserve Funding Position Paper

A balanced funding approach for operating stability, measured reserves, and homeowner affordability

Document Control & Version History

Version	Date	Author	Reviewer's / Audience	Description of Changes
0.1	09/28/2026	Seth Selkow	Initial Draft	Initial exploratory draft framing the GHAD position, funding principles, approach and policy statement

Position

The Magee Ranch GHAD should adopt a funding position that fully covers annual operating obligations, maintains a credible reserve strategy with measured recurring contributions, and avoids treating the reserve-study target as an immediate dues-driven funding mandate. The GHAD should recognize the reserve target as an important long-term planning benchmark while pursuing a practical funding model that balances risk, affordability, transparency, and the community's longstanding expectation of sustainable HOA dues.

Background

The Magee Ranch GHAD has operated for approximately 30 years in a relatively low-activity environment, with no significant geologic events during that period causing property damage. In recent years, however, heavy-rain damage highlighted the need to separate GHAD governance from the Magee Ranch HOA and to establish the GHAD as a distinct, accountable body. That separation is still recent, and the GHAD is now in the process of stabilizing its operating model and defining its risk posture, reserve philosophy, and homeowner communication strategy.

California GHADs are designed to provide a public-agency mechanism for prevention, mitigation, abatement, and control of geologic hazards, including the ability to levy assessments and finance improvements when needed. In many GHADs, annual assessments fund both routine obligations and dedicated reserves for larger hazard-mitigation or repair needs. Magee

Ranch is different because its GHAD is currently funded through the HOA rather than through a direct property-tax derived GHAD assessment, making the optics of homeowner affordability and HOA-dues central to the reserve-funding discussion.

Current Funding Status and Considerations

The GHAD's current funding from the HOA appears sufficient to support the annual operating budget, including the administrative, professional, and technical costs required to operate the district separately and responsibly. This is an important starting point: the immediate funding question is not whether the GHAD can meet its basic annual obligations, but how the district should manage operating costs with discipline, build reserves over time, and prepare for an extraordinary event.

The GHAD and HOA boards should continue working collaboratively because the GHAD's funding is drawn from the HOA budget rather than from a separate direct GHAD assessment and because all HOA property owners reside within the GHAD. That structure requires close coordination and transparency, particularly because the HOA budget is already strained and homeowners have recently absorbed dues increases. Any reserve-funding recommendation should therefore account for the broader HOA budget environment, not evaluate the GHAD reserve target in isolation.

The GHAD's annual funding request to the HOA should remain traceable to the approved GHAD operating budget and any expressly approved reserve contribution. As operating costs are reviewed and optimized, the GHAD's funding request should be adjusted accordingly, including downward if recurring costs diminish. Operating surplus should not automatically be redirected to reserves or treated as available discretionary spending; instead, any reserve contribution should be intentional, transparent, and aligned with the GHAD's adopted reserve-funding position.

Magee Ranch's historical experience also matters. Because the community has not experienced a high frequency of significant geologic events, homeowners may understandably favor a funding approach that allows them to retain more of their money over time while relying on defined event-response tools if a rare but significant event occurs. The GHAD should take that sentiment seriously while still ensuring that the district has an adequate operating base, a measured reserve strategy that avoids unnecessary acceleration of reserve accumulation, and a credible plan for extraordinary circumstances.

As the GHAD moves beyond its initial stabilization period, the operating budget should be reviewed to identify opportunities for optimization and to distinguish essential recurring costs from transitional or start-up costs. Once the operating baseline is better defined, the GHAD can

more clearly separate three funding questions: what is needed to operate annually, what level of annual reserve contribution is sustainable, measured, and aligned with the community's historical risk profile and homeowner affordability, and what tools should be available for a significant event, including assessments and potential short-term financing.

Funding Principles

1. **Cover operating costs first.** The GHAD must have dependable annual funding for administration, engineering, inspections, insurance, legal support, studies, reporting, and other recurring obligations necessary to operate responsibly. As the GHAD moves beyond its initial stabilization period, the operating budget should be reviewed and refined to distinguish essential ongoing costs from start-up or transitional expenses. A reliable HOA-funded operating base also strengthens the GHAD's financial footing and helps preserve the option to evaluate short-term financing as part of a future damage-response strategy.
2. **Build reserves deliberately, not reactively.** The reserve fund should grow through measured annual contributions that are sustainable within the broader HOA budget, and the reserve-study target should be treated as a long-term benchmark rather than a near-term requirement that forces steep dues increases.
3. **Preserve homeowner affordability.** Additional HOA dues increases should be considered only after careful analysis because dues have already increased twice in the last two years, and Magee Ranch has long benefited from positive community sentiment tied to comparatively low general quarterly dues.
4. **Maintain funding traceability.** GHAD funding requests to the HOA should be tied to the approved operating budget and any expressly approved reserve contribution. If operating costs decline through optimization, the corresponding funding request should be reduced rather than allowing surplus funds to accumulate by default or create pressure for discretionary spending. Reserve funding should be intentional, transparent, and consistent with the GHAD's adopted funding position.
5. **Match funding tools to risk reality.** The community's 30-year operating history, recent governance transition, and low frequency of damaging events support a measured approach that distinguishes between routine costs, planned reserve accumulation, and extraordinary event response.
6. **Plan for extraordinary events separately.** In the event of significant damage, the GHAD should be prepared to recommend a combination of special or general assessments, staged collection, and potential financing so that homeowners are not required to absorb a large one-time assessment all at once.

Recommended Approach

The GHAD should recommend a three-part funding framework: **baseline operating funding**, **measured annual reserve contributions**, and **event-based response funding**. Baseline funding should continue to cover the ordinary cost of standing up and administering the GHAD as a separate entity. Reserve contributions should be established at a level that is measured, sustainable, traceable to approved funding decisions, and aligned with the community's historical risk profile, with periodic review as the GHAD gains operating experience and refines its understanding of risk. Extraordinary-event funding should be addressed through a pre-defined policy framework that may include homeowner assessments, financing, insurance review where applicable, and phased collection options. The framework must also preserve traceability between approved needs and requested funding. The GHAD must fund actual needs deliberately, rather than allowing budget mechanics, surplus carryover, or prior funding levels to drive unnecessary spending or accelerated reserve accumulation.

This approach acknowledges the importance of the \$3 million reserve-study target without positioning that target as a near-term obligation to be achieved primarily through aggressive HOA dues increases. It also gives the GHAD a credible answer to the central governance question: the district has reliable annual funding for operations, a transparent plan to accumulate reserves over time, and a practical contingency strategy for a damaging event.

Rationale for Avoiding Aggressive Dues Increases

Substantial dues increases may be available as a funding tool, but they should not be the preferred primary strategy at this stage. First, the community has recently absorbed two dues increases, and additional increases may create resistance or erode confidence in both the HOA and GHAD. Second, the GHAD's independent governance structure is still new, and it should build trust through disciplined planning before asking homeowners to fund a large reserve acceleration. Third, funding a large long-term target too quickly may not align with the observed risk profile or the community's historical experience. Finally, maintaining Magee Ranch's reputation for sustainable dues has value and should be weighed alongside reserve adequacy.

Proposed Policy Statement

The Magee Ranch GHAD should maintain reliable annual funding sufficient to meet operating obligations and make measured, recurring contributions to a dedicated reserve fund at a level that is sustainable within the broader HOA budget and aligned with the community's historical risk profile. The GHAD should not recommend aggressive near-term HOA dues increases solely to reach the reserve-study target within an accelerated timeframe. Instead, the GHAD should

adopt a balanced reserve-funding policy that builds reserves over time, reassesses funding levels periodically, and preserves the ability to recommend special assessments, financing, or other event-specific funding mechanisms if a significant geologic or storm-related event occurs. This position provides fiscal responsibility without imposing disproportionate near-term or recurring costs on homeowners.

Next Steps

1. Confirm the GHAD's annual operating-cost baseline and identify which costs are fixed, variable, or discretionary.
2. Define a measured and sustainable annual reserve contribution, and model funding trajectories against the \$3 million reserve-study target without treating that target as an accelerated funding mandate.
3. Develop an extraordinary-event funding policy that explains how assessments, financing, and phased homeowner payment options would be evaluated.
4. Prepare a homeowner-facing communication that distinguishes routine operating funding, long-term reserve planning, and emergency/event-based funding.
5. Review the final position with counsel, the district engineer, and the HOA board before adoption or broader distribution.

Evaluating Direct GHAD Assessment Funding Through County Property-Tax Bills

White Paper

The GHAD should evaluate whether direct assessment funding through the county property-tax process would provide a more transparent, durable, and administratively efficient funding structure than continued reliance on HOA disbursements. This evaluation can be conducted transparently through a series of structured phase gates. Any such restructuring should advance only if the implementation path, cost, homeowner communication strategy, and property-owner assessment approval process continue to support proceeding at each phase of evaluation.

Document Control & Version History

Version	Date	Author	Reviewer's / Audience	Description of Changes
0.1	09/28/2026	Seth Selkow	Initial Draft	Initial exploratory draft framing the policy question, core benefits, and next steps for feasibility review

Preamble

Author' note: *This white paper is intended for policy exploration only and reflects preliminary research intended to support discussion and further evaluation of direct GHAD assessment funding. The analysis represents a reasonable current understanding of prevailing GHAD practices, governance considerations, assessment requirements, and potential financial and operational implications. It is intended to provide a substantive starting point for review by ENGEO, GHAD counsel, the district engineer, the GHAD and HOA boards, and other appropriate advisors, with the expectation that the analysis will be validated, challenged, and refined as additional expertise and information are brought to bear.*

Accuracy note: *The statutory, assessment, ballot, county, and procedural considerations described in this paper require validation by GHAD counsel, ENGEO, the district engineer, and*

other appropriate advisors before being relied upon for board action or homeowner communication.

Purpose and Scope

This white paper is exploratory. It does not recommend an immediate restructuring of GHAD funding mechanisms or sources, but identifies the policy question, potential benefits, implementation challenges, and decision criteria the GHAD and HOA boards should evaluate before deciding whether to pursue direct assessment funding. This paper also provides a framework of potential phase gates if further exploration is pursued.

Why Direct Assessment Funding Merits Evaluation

The current HOA-funded model has practical advantages, but it also creates structural vulnerability. Because GHAD funding depends on the HOA budget, the GHAD's operating stability can be affected by broader HOA financial pressures, competing maintenance needs, homeowner dues sensitivity, and annual budget negotiations. A direct GHAD assessment collected through county property-tax bills may provide a more durable funding channel that is visibly tied to GHAD obligations rather than embedded within general HOA funding decisions. Furthermore, because independent funding via the county tax roll represents the standard operating model for California GHADs, evaluating a transition aligns the District with statewide best practices and establishes clear institutional parity.

Evaluation Considerations

Understanding this process now is a fiduciary requirement of the GHAD board. If a major landslide or extraordinary event occurs "tomorrow", the board cannot afford to spend months figuring out how a Proposition 218 ballot works under pressure. Exploring it during a period of stability is the definition of proactive governance.

A direct GHAD assessment would likely require an approval process focused on the affected properties or property owners within the GHAD or applicable assessment area, rather than approval by the broader Danville or countywide electorate. For that reason, the analysis should distinguish between general voter approval and property-owner assessment approval. The precise process, including notice, hearing, ballot format, tabulation method, weighting, protest rules, and county collection requirements, should be confirmed with counsel and the county before the GHAD frames the issue publicly.

Potential Benefits of Direct Assessments

1. **More durable funding source.** Direct assessment funding could reduce the precariousness of relying on annual HOA disbursements and provide a clearer, dedicated revenue stream for GHAD obligations.
2. **Simpler accounting and bookkeeping.** A direct assessment could reduce inter-entity transfers, clarify which funds belong to the GHAD, and improve traceability between approved GHAD needs and collected revenues. Direct tax-roll assessment provides greater regulatory separation between the HOA and GHAD by keeping public-agency funds outside the private corporate HOA funding framework.
3. **Improved transparency for homeowners.** Homeowners would see GHAD funding as a distinct assessment rather than as one component of HOA dues, which may support clearer communication about what the GHAD does and why funding is required.
4. **Better alignment of governance and funding.** Because the GHAD operates as a separate public entity, direct funding may better align financial accountability with GHAD board decision-making. The GHAD Board has an independent legal mandate to protect the public safety of the community. Having a funding mechanism that matches that independent status ensures that the board can fully execute its statutory duties without structural dependence on a separate corporate entity.
5. **Reduced legal risk and regulatory insulation.** Transitioning to a tax-roll-based structure aligns the GHAD with the standard statutory framework used across California. This structural conformance insulates both the GHAD and HOA boards from the unique regulatory scrutiny and novel governance vulnerabilities inherent in a non-standard, inter-entity pass-through funding mechanism.
6. **Stronger financing profile for future event response.** A direct assessment collected through the county property-tax process may provide a highly reliable recurring revenue stream that lending institutions could view more favorably when evaluating short-term or event-response financing. This should not be understood to mean that financing is unavailable under the current HOA-funded model; rather, direct assessment funding may improve the credibility, clarity, and potential terms of outside financing if the GHAD needs to fund a significant response.
7. **Preserved extraordinary-event flexibility.** Even if routine GHAD funding shifts to direct assessment funding, the GHAD and HOA could still evaluate defined mechanisms for extraordinary events, including special assessments, financing, phased collection, or other legally available approaches.

Homeowner Communication, Approval Risk, and Implementation Challenges

A significant implementation risk is that the GHAD could complete substantial legal, engineering, financial, and administrative work and ultimately fail to obtain the property-owner approval required to implement a direct assessment. The GHAD and its role may not be well understood by homeowners, and the distinction between the GHAD as an independent public agency and the HOA as a private homeowners association adds complexity to explaining why the funding structure is being reconsidered and what benefit the proposed change would provide.

A direct assessment appearing on a property-tax bill could also be perceived as a new tax or additional homeowner cost, particularly if the relationship between the new assessment and existing HOA-funded GHAD support is not clearly explained. Any proposal should therefore demonstrate, in straightforward terms, what is changing, why the change is being considered, how homeowner costs would be affected, what governance or financial risks the change is intended to address, and how existing HOA funding would be reduced, offset, or restructured to avoid unnecessary duplicative costs.

Property-owner approval should therefore be treated as a material implementation risk throughout the feasibility process, rather than as a communication activity addressed only after the technical work is complete. The phased approach described below helps manage this exposure by progressively validating feasibility, benefits, costs, homeowner impacts, and the likely path to approval before committing significant resources to formal implementation.

Preliminary Assessment

Direct GHAD assessment funding appears worthy of structured evaluation because it may solve several problems inherent in the current HOA-disbursement model. However, the change should not be pursued unless the GHAD and HOA can demonstrate a clear homeowner benefit, a disciplined assessment methodology, a credible communications strategy, and a practical path to approval. The initial recommendation is therefore to complete a structured feasibility review before deciding whether to advocate for implementation. Irrespective of the funding mechanism ultimately considered, the feasibility review should establish what formal process would be required, including the role of an Engineer's Report in establishing the necessary revenue requirement and a defensible methodology for allocating assessments in proportion to benefit.

The following table provides a comparison of the two funding approaches:

ATTRIBUTE	CURRENT MODEL (HOA PASS-THROUGH)	PROPOSED MODEL (COUNTY TAX ROLL)
STATEWIDE OPERATIONAL PRECEDENT	Anomalous Structure: Rare exception; operates outside the standard statutory framework used by nearly all California GHADs.	Standardized Structure: Aligns with standard statewide practices under the Beverly Act; backed by robust legal and administrative precedent.
COLLECTION METHOD	Quarterly HOA Statement	Annual Contra Costa Property Tax Bill
GOVERNING LAW	Davis-Stirling Act (Private Corporate)	Beverly Act, and existing case law related to Prop 218 (Public Statutory)
FINANCIAL IMPACT	Embedded in general HOA dues	Revenue-Neutral (offset by reduction in HOA dues or avoidance of planned dues increases)
FUND SECURITY	Subject to HOA budget pressures	Segregated, restricted public agency line item
LENDER CONFIDENCE	Non-standard; requires deep HOA financial audit	Standard; backed by direct tax lien authority

Implementation Requirements

Restructuring the funding model would likely require coordinated legal, engineering, financial, administrative, and homeowner-communication work. At a minimum, the GHAD would need to confirm its authority and process with counsel, review the plan of control and assessment methodology with qualified technical advisors, determine whether a new or revised assessment engineer's report is required, coordinate with the county tax collection process, and conduct any required homeowner notice, hearing, and ballot proceedings. Note that the engineer's report addresses how much money the district needs, what specifically the money funds, and provides a defensible methodology to determine each property's share.

Potential Next Steps for Feasibility Review

Any feasibility review should proceed in phases so that the GHAD can progressively evaluate the concept, understand the cost of further investigation, and authorize additional work only when supported by the findings of the preceding phase.

Phase 1: Temperature Check and Scope the Feasibility Review

- **Outcome:** Establish whether the concept merits further investigation and, if so, define the scope, estimated effort, and cost of the discovery and due-diligence work required to complete a structured feasibility review.
- **Activities:**
 1. Socialize the concept informally with GHAD management and advisors. Before initiating a formal feasibility review, share the white paper with ENGEO, GHAD counsel or management, and GHAD board leadership for an initial temperature check on legal feasibility, administrative complexity, likely county process, and whether the concept merits further evaluation.
 2. Define the scope and cost of a structured feasibility review. If the initial temperature check supports further evaluation, identify the legal, engineering, financial, administrative, HOA-governance, and county-process questions requiring investigation and obtain a preliminary estimate of the professional effort, schedule, and cost necessary to answer them before authorizing more extensive work.

Phase 2: Conduct the Feasibility Review

- **Outcome:** Establish whether direct assessment funding is legally, administratively, financially, and operationally feasible; identify its material benefits, risks, and homeowner impacts; and provide sufficient information to determine whether implementation planning is warranted.
- **Activities:**
 1. Review the Original Plan of Control and existing formation and assessment documents. Determine whether the 1992 formation documents or subsequent actions established or authorized a tax-roll assessment mechanism that could be utilized or modified, or whether a new or revised Engineer's Report and property-owner approval process would be required.
 2. Confirm legal authority and approval requirements. With GHAD counsel, ENGEO, the district engineer, and other appropriate advisors, determine the applicable requirements for the assessment methodology, Engineer's Report, notice, hearing, ballot, protest, approval, and other required proceedings.
 3. Confirm HOA covenant mechanics. Determine what legal and governance mechanisms would be required for the HOA to reduce, offset, or restructure the portion of HOA funding currently supporting the GHAD so that a direct GHAD assessment does not create unnecessary duplicative homeowner costs.
 4. Validate the county property-tax bill mechanism. Confirm the administrative steps, timelines, data requirements, deadlines, fees, and county coordination necessary to place a direct GHAD assessment on property-tax bills.

5. Evaluate financial implications and homeowner offsets. Model how direct assessment funding would interact with current HOA-funded GHAD support, including the effect on GHAD revenues, HOA funding requirements, homeowner costs, and the ability to maintain a substantially revenue-neutral restructuring.
6. Assess financing implications and potential benefits. Consult appropriate financing or lending advisors to determine whether a dedicated assessment revenue stream would materially improve financing availability, terms, lender confidence, or capital readiness compared with the current HOA-funded model. These findings should be considered as part of the potential benefit case for restructuring rather than as a prerequisite to implementation.

Phase 3: Develop the Implementation Plan and Decision Package

- **Outcome:** If the feasibility review supports proceeding, define the implementation approach, schedule, required professional work, estimated implementation cost, homeowner communication and approval strategy, and decision criteria necessary for the GHAD and HOA boards to determine whether to proceed.
- **Activities:**
 1. Develop the implementation plan and cost estimate. Based on the feasibility findings, define the activities, professional services, schedule, board actions, assessment engineering, county coordination, HOA actions, homeowner communication, ballot administration, and other work required to implement the change, together with a corresponding level-of-effort and dollar-cost estimate.
 2. Establish decision criteria and evaluate the overall case for implementation. Assess the expected benefits, costs, risks, homeowner impacts, administrative requirements, financing implications, and implementation practicality against defined decision criteria, including legal feasibility, cost reasonableness, homeowner benefit, and a credible path to property-owner approval.
 3. Complete GHAD and HOA board review. Present the feasibility findings, implementation plan, estimated cost, decision criteria, and overall evaluation to the GHAD and HOA boards before determining whether the proposed restructuring should advance to formal implementation.
 4. Prepare for homeowner communication and formal implementation. If authorized by the appropriate boards, develop detailed homeowner communications and initiate the applicable legal, engineering, administrative, assessment, and approval processes required for implementation.

Conclusion

Direct GHAD assessment funding appears worthy of structured evaluation, but legal and administrative feasibility alone would not justify implementation. Any proposed restructuring must also demonstrate a clear homeowner benefit, reasonable implementation cost, an understandable and substantially revenue-neutral transition from the current funding model, and a credible path to property-owner approval. The phased approach described above is intended to progressively test those conditions while limiting the commitment of resources until the benefits, costs, risks, and likelihood of successful implementation are sufficiently understood.