



July 2023

MAGEE RANCH NEWS

A Publication of the Magee Ranch HOA

Board of Directors

Andy Rodgers
President

Ron O'Dell
Vice President

Deidre Woram
Treasurer

Christopher Cross
Secretary

James Losi
Member-at-Large

Board Meeting Information

The next meeting will be:

Date: July 12, 2023
Time: 6:00 p.m.
Location: Via Zoom

Please send an email to jackiehowe@howehoa.com the day before the meeting for the Zoom link.

Annual Meeting

The next Annual Meeting will be held on November 1st. If you are interested in becoming a Board Member, please contact the Management Office at escrows@howehoa.com no later than July 31, 2023 to have your name placed on the ballot!

The Election Rules effective January 1, 2020 are posted on the Website which complies with SB 323 Civil Code Law.

Funding Our Hillside Repairs

The Magee Ranch GHAD was formed in 1992 shortly after Magee Ranch was first developed by Diablo Ranch Development Company. "Geologic Hazard Abatement Districts" were established by California's Beverly Act of 1979 and operate under the provisions of California's Public Resources Code Section 26500. These state agencies exist to reduce the dangers to persons and properties from landslides, soil erosion and flooding. The original developer repaired 57 different landslides in Magee Ranch before the GHAD was formed. Since 1992 the primary danger to Magee Ranch properties has been hillside failures caused by heavy rains. The extraordinary rainfall on January 1, 2023 caused several large landslides in Magee Ranch. Emergency use of plastic sheeting helped avoid further damage during the remaining months of the rainy season. Now that the hillsides have dried, it is the responsibility of the Magee Ranch GHAD to undertake slope and drainage infrastructure repairs to prevent a repeat or worsening of these slides in the future.

Funding for GHAD activities is variable across the state but is typically included as a property tax line item for homeowners in that District. The Blackhawk community has such an arrangement. Magee Ranch has a less common mechanism - the Magee Ranch HOA funds our GHAD. The HOA has funded the GHAD reserve at levels consistent with GHAD reserve studies, averaging just over \$300,000 in recent years. For 2023 the GHAD reserve contribution was budgeted at \$39,744. Presently we are facing work estimated to cost at least \$700,000, clearly exceeding our April 30 balance of \$257,000. An updated GHAD reserve study has been requested by the Board because earlier studies did not fully comprehend the cost of large, infrequent hillside failures. GHAD reserves are supposed to be funded at levels sufficient to pay for large hillside repairs without the need to assess or borrow on behalf of homeowners, although GHADs do have that authority. Our GHAD staff expect the target funding for our District to increase substantially. ENGEQ, an international firm specializing in GHAD and geo-engineering and with offices in San Ramon, has been hired to design our hillside repairs and their cost estimate will be critical to determining immediate GHAD funding needs.

Fortunately, the US. Small Business Administration has declared damage done by the recent winter storms in California as eligible for emergency SBA loans at very favorable terms. Jackie Howe, our HOA manager, spent a great deal of time and effort going through the process of applying for such a loan. The Magee Ranch HOA has been approved for an initial loan amount of up to \$702,300 at 2.375 % for thirty years. At that level, monthly payments would be \$2,789 for a yearly cost of \$33,468, adding approximately \$33 to each homeowner's quarterly dues. Our By-Laws and California Civil Code require a secret ballot with a majority of a quorum (a quorum is defined as at least 50 % of the households) voting to approve the loan with the resulting increase in dues to service the loan. Our HOA lawyer is in the process of preparing a ballot for the community.

Is there an alternative to this loan? Yes, another option is an assessment with each household paying 1/259th of the amount necessary to do the repairs. This works out to be just over \$2,700. Dues will likely need to be increased anyway to raise the GHAD reserves over time, consistent with the reserve study update. The HOA Board has considered both alternatives and feels that given the exceptionally low interest rate, the Small Business Administration loan is the better way to accomplish our goals. Nevertheless, both options will be presented to the homeowners in the above ballot.

Please attend our July HOA Board Meeting on July 12th. This meeting can be attended through Zoom. All interested homeowners can express their opinion at the beginning of the meeting (three-minute time restriction).

Dog Attacks

On May 26th two Magee Ranch residents were attacked and bitten allegedly by another Magee Ranch neighbor's dog. In one incident the four dogs were running loose near Blackhawk Road. The neighbor was concerned for the dogs safety so she approached them and was attacked and bitten. In the other incident the resident was jogging up the street when he was chased by the four dogs. He was bitten and forced to escape by jumping over a 6 foot side yard fence. The HOA is reminding neighbors that Danville law requires dogs be leashed at all times. Unleashed dogs wandering the neighborhood should be reported to Animal Control. Never approach unfamiliar dogs off leash.

Magee Ranch Geologic Hazard Abatement District Update

As you are aware, several large mud slides earlier this year threaten Magee Ranch properties within the District. We urge fellow residents to stay informed by attending HOA and GHAD Board Meetings to learn firsthand about these issues rather than rely on other sources. Board Meetings are where these issues are formally discussed and voted on or submitted for HOA membership votes.

On May 15, the GHAD Board selected geotechnical engineering firm ENGeo in San Ramon to evaluate our hillside failures and develop repair plans. We expect these plans and an estimate of the repair costs to be ready by the end of June. The GHAD Board and staff will review ENGeo's plans to select and prioritize repairs. The Board will then request bids for the hillside repair work from qualified contractors for implementation during the 2023 dry season. Contrary to comments elsewhere, ENGeo's (sic) proposal does not include construction supervision and no decision has been made on contract supervision by Haley & Aldrich either. This will be evaluated after contractor proposals are reviewed later in July.

As stated in GHAD Board Meetings, our hillside repairs are expected to significantly exceed current GHAD reserve funds. The GHAD receives its funding from the Magee Ranch HOA, which has qualified for a deeply discounted Small Business Administration disaster loan. The HOA Board plans to seek membership approval for this funding mechanism or for an assessment through a special vote. Details will be provided by the HOA Board after the hillside repair cost estimates are available later this month.

Finally, the GHAD Board has agreed to update the District's reserve study to include not only the GHAD-related facilities but also the potential costs of hillside repairs arising from significant rainfall or geologic events.

Again, members are encouraged to participate directly in our GHAD Meetings for direct, up-to-date information and to ask questions. The GHAD remains focused on its mission to maintain and repair our hillsides to protect our homes, keeping our uniquely natural environment an attractive and safe place to live.

Terry Woram, GHAD Committee
Ron O'Dell and the GHAD Board

Howe Management says Goodbye!

With the retirement of Jackie Howe and the sale of Howe Management, the Magee Ranch HOA Board is engaged in an effort to solicit and review management companies so that we can make a determination as to what company can best manage HOA matters in the coming years.

Howe Management has supported the needs of our HOA since 2009 and we wish Jackie Howe only the best. While her company is being purchased by Common Interest Management, the Board has determined that this is an opportunity to determine which of several companies in the area will best serve our interests and do so at a fair price going forward. We expect to make a decision by July 1 and the actual transfer will be done by August 1. We encourage homeowners to visit the new Magee Ranch website (www.mageeranchhoa.com) to learn of that decision and to keep informed about other matters.



Please feel free to contact
Howe Association Management, Inc.
(925) 837-2805



<u>Department</u>	<u>Phone</u>	<u>Email Address</u>	<u>Fax Number</u>
Accounting	ext. 6#	accounting@howehoa.com	925-837-2860
Architectural	ext. 3#	applications@howehoa.com	925-837-2899
Maintenance/Landscape/Tree Issues	ext. 1#	jackiehowe@howehoa.com	925-837-7320
Violations	ext. 3#	applications@howehoa.com	925-837-2899
Escrows/HOA Demands/Questionnaires	ext. 5#	escrows@howehoa.com	925-837-2860
Jackie Howe, Property Manager	ext. 1#	jackiehowe@howehoa.com	925-837-2860

24 hr. Urgent Line/Non-Emergency After Hours 925-818-0500
Safety & Hazard Issues, Leaks or Structural Issues
In case of emergency, call 9-1-1

GHAD Committee

Ron O'Dell, Chair
Terry Woram

Landscaping Committee

Terry Woram, Chair
Andy Rodgers
Cammy Ticknor

Architectural Committee

Deidre Woram, Chair
Barbara Ewin
Mike Hreha

Safety Committee

Ron O'Dell, Co-Chair
Christopher Cross, Co-Chair