

Minutes of the April 29, 2010 Meeting of the Board of Directors of the Silver Creek Valley Country Club Geologic Hazard Abatement District.

A meeting of the Board of Directors of the Silver Creek Valley Country Club Geologic Hazard Abatement District (“District”, “GHAD”) was held at the Mega Byte Pizza Company, at 5623 Silver Creek Valley Road, San Jose, California, on April 29, 2010 and was called to order at 6:30 PM.

The following directors were present at the beginning of the meeting and constituted a quorum for the transaction of business: Reyad Katwan, Baiba Scott and Steve Kay. The following Directors were not present: Ulf Sandberg.

It was noted by the Directors that the Agenda had been properly posted at the guard gate at least 72 hours prior to the meeting by Reyad Katwan.

The first agenda item was public comments and a review of the correspondence. There was no public comment and no correspondence presented.

At this point, the Board went into a scheduled Executive Session for a conference regarding personnel matters. It was specifically noted that the Board was going into closed session under Government Code Section 54957.7.

Following the closed session, Reyad Katwan announced that the Board had decided to engage Ed Abelite as an interim GHAD administrator until such time as a new and permanent GHAD Manager can be found.

At this point, Ed Abelite gave a brief report in regards to various items that he had worked on in March 2010. Items discussed were:

- Record delivery from Roy Nelson to the GHAD.
- State of the hard drive soft copy systems. The hard drives provided to the District by Roy Nelson were all on Apple based operating systems. The Board instructed Ed Abelite to retain a consultant to help open up the hard drives and make them available for use in conventional Microsoft Operating systems, rather than Apple based operating systems.
- Ed Abelite reported that the GHAD now has a new and permanent address with a PO Box. The Board instructed Ed Abelite to also obtain a long term GHAD virtual efax number and a regular Telephone number. Both of these numbers will then be transferred to subsequent District Managers via call forwarding from time to time. This way, the transfer from District Manager to District Manager in the future shall be easier to accomplish.
- Ed Abelite reported that the Web site hosting domain was successfully transferred away from Roy Nelson’s control.
- Ed Abelite briefly reported that he had spoken to Alma at SB Citigroup and that it appears there was no unusual activity noted in the last few years. Ed Abelite was instructed to have Alma come to the next GHAD meeting and to have her brief the District on our state of investments.
- GHAD Audits. Ed Abelite reported he had met with Deborah Daly. She had been perplexed as to why the District could not act more swiftly on getting their Audits completed since she had submitted her proposal to the Board back in October 2008. Daly had suggested that the most efficient way to get the records recast and caught up into a position

of Audit review ready, would be to: 1. Set up a new accounting system under Quick Books Pro. 2. Hire an associate of Daly's who could set up the chart of accounts and the GHAD Company basics with the guidance of Daly. 3. Once set up the set up person would then input the 2006/2007 year for the GHAD into the Quick Books Pro system. 4. Then Daly would start her audit of that year. 5. Once the audit would be completed successfully, then we would enter a production phase wherein the GHAD District would be able to complete their audits for 2007/2008, 2008/2009 and 2009/210.

The Board approved Ed Abelite to Retained Deborah Daly, retain the associate of Daly to start the process of inputting the Banking data and to have Ed Abelite purchase a copy of Quick Books Pro in the name of the District.

- Ed Abelite updated the Board on FPPC Form 700's and that they had been filed on time. Ed Abelite also indicated that the new Board members Sandberg and Scott will need to file form 700's. Ed Abelite will assist and guide them through this process.
- Ed Abelite presented to the Board a recommended task list, prioritized with action items as follows:
 - Set up Alma at Citibank to deal with the new Board and Ed Abelite directly.
 - Get the audits done as quickly as possible.
 - Set up the GHAD's book keeping using Quick Books Pro.
 - Review all remaining Roy Nelson file boxes and report on any new findings.
 - Work on accessing hard drives and review their contents.
 - Bring Alma from Citibank to report to the Board at the next meeting.
 - Follow up on Blackpool.
 - Follow up on ATT trenching.
 - Follow up on La Seyne property.
 - Set up a program to replace one vacant Director seat.
 - Order thank you's for past Board members.
 - Start setting up a back end web site to host many of our documents in softcopy.

Baiba Scott then made a motion to approve the prioritized task list. After being seconded by Steve Kay, the Board unanimously approved the task list. Some discussion followed wherein the Board though it would be good practice to digitally record the GHAD board meetings.

This concluded the Managers report.

GHAD Field business:

AT&T Fiber Optic trenching: Ed Abelite reported to the Board that AT&T desired to do trenching from a location on Silver Creek Valley Road, to their Cell site facility located at the water tank above Arezzo Drive. The HOA had contacted GHAD to gain comments and input for the project as it may impact the jurisdictional boundary of the District. Ed Abelite educated the Board about the issues and had presented a draft version of a response letter to the Board. The Board approved the letter for issuance without any changes noted.

La Seyne Place: Ed Abelite reported to and updated the Board about the issues regarding the Hitler's home located on La Seyne Place. The home had recently received a judgment levied against the property for the purposes of compelling the property Owner to restore the illegally installed Landscaping improvements back to original and native condition. The Board directed Ed Abelite to write a letter to both the HOA and the current Real Estate Listing Agent and the current home Owners notifying all parties above the expectations the GHAD will have in regards to the proper restoration of the hillside slope.

Blackpool Court property: Ed Abelite reported to the Board he had recently visited the Blackpool Court property. Ed Abelite presented a photo showing that the Hillside slope remained covered by plastic sheeting in an effort to keep the rain off the slope during the winter months. Ed Abelite also pointed out some asphalt cracking existing on the side of the Blackpool road closer to the downhill slope. Ed Abelite expressed concern and Reyad Katwan agreed to visit the site and look at it. Ed Abelite was also tasked to call the new property owner and get an update as to the status of any slope repair mitigation plans. Following that phone call to property owner Halverson, the Board wanted to make sure the District sent an appropriate a letter to Halverson affirming the Board's vigilance on the matter.

New Business:

- The Board processed 2 checks for payment.
- Ed Abelite brought up the possibility of using DocuSign as a new technology tool to help conduct the business of the District better. The Board requested a demonstration which Ed Abelite was to issue by email in the coming days.

Next Board Meeting:

The Board set the time and date of the next GHAD Board meeting to be Tuesday, May 25th, 2010. Location to be the SCVCC Club house if available. The Board also indicated its desire to schedule meetings to be on a monthly basis for the time being.

Respectfully Submitted,

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Ulf Sanberg
DocuSigned By: Ulf Sanberg

_____, Clerk of the Board.

5/28/2010