

**Minutes of the January 20, 2011 Meeting of the Board of Directors of the Silver Creek Valley Country Club Geologic Hazard Abatement District.**

Agenda item 1: A meeting of the Board of Directors of the Silver Creek Valley Country Club Geologic Hazard Abatement District (“District”, “GHAD”) was held at Mega Byte Pizza Company, at 5623 Silver Creek Valley Road, San Jose, California, on January 20, 2011 and was called to order at 6:35 PM.

The following directors were present at the beginning of the meeting and constituted a quorum for the transaction of business: Stephen Kay, Reyad Katwan (as Chairman), Baiba Scott, Ulf Sandberg and Richard Manso.

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 Ed Abelite.

Agenda item 2: The minutes of the December 2, 2010 meeting were then reviewed by the Board of Directors. Stephen Kay made a motion to approve the minutes. Ulf Sandberg seconded the motion. The Board voted unanimously to approve the minutes with the noted corrections.

Agenda item 3: The third agenda item was public comments and a review of the correspondence. There was no public comment and no correspondence presented.

Agenda item 4: There was no executive Session.

Agenda item 5: The Board was presented with the final draft of the 2008/2009 GHAD Audit produced by Deborah Daly, CPA. Abelite discussed changes that were implemented as a result of the previous Board review. At this point, Richard Manso made a motion to accept the Auditors GHAD report for the year ending June of 2009 with the above changes noted. Baiba Scott seconded the motion. The Board then voted unanimously to approve the motion.

Agenda item 6. The 2009/2010 Audit had been agendized for presentation to the Board for review. The Auditor had not completed her work at the time of this meeting and therefore this agenda item was deferred to the next Board meeting.

Agenda item 7: The Board was presented with the first draft of a proposed newsletter that will be distributed to the GHAD constituency. The Board discussed the proposed newsletter and instructed Ed Abelite to implement the following changes and additions and present the revised draft at the next Board Meeting:

- Implement general changes in the copy as provided by Richard Manso.
- Expand the newsletter to two pages in length to accommodate more information.
- Create an article that demonstrates a sample situation of a landslide event wherein the GHAD would be called into action to mitigate the landslide. The sample situation should also demonstrate the interplay between the Home Owners Association, the GHAD and the Golf course. Reyad Katwan volunteered to assist Ed Abelite in the writing of this article.
- Create an article that discusses select financial aspects of the GHAD. The article should discuss the Tax roll assessments, the amount of reserves the GHAD has accrued to the

benefit of the Constituency, that Board Members are unpaid, that there exists a three way agreement between the HOA - the GHAD and the Golf course and other relevant financial aspects of the operations of the GHAD.

- Create an article that discusses the Board member Election process and also discusses the abilities of the GHAD to appoint Board members to fill interim vacancies. Items to be included are: When is the election? How does one run? and what to do if you are interested?

At this point the Board directed Ed Abelite to rewrite the draft and distribute it to the Board via email before the next Board meeting for review and comment. Once comments are received and incorporated, the Board instructed Ed Abelite to present the proposed news letter to the GHAD counsel for limited review and comment.

Abelite then gave an administrative report in regards to various items that he had worked on since the previous Board meeting. Items discussed were as follows:

- Abelite reported the auditor revised and completed the 2008/2009. Abelite reported that the 2010 audit is nearing completion.
- Abelite reported that he had formally taken over all the book keeping duties for the District and has terminated the need for outside contractor assistance. Abelite then discussed with the Board the relative ease of providing and presenting a variety of financial reports using Quick Books Pro. The Board directed Abelite to provide a variety of reports at the next Board meeting in order to help the Board decide which reports will be presented on a regular basis at future Board meetings. The Board also directed Abelite to issue soft copies of bank statements as part of each agenda package, thereby eliminating the need to provide paper copies at each Board meeting.
- Abelite reported on the status of the Fall Inspection take over project by the GHAD geologist, Upp Geotechnology. Abelite reported that phase one, which was the digital splicing of all the photo file provided by Roy Nelson was now complete. Abelite presented the estimated costs for the remaining project to the Board. The Board directed Abelite to discuss several questions with Rexford Upp as follows:
  - Could a less expensive laymen do the work of setting up a unique digital database, thereby saving costs?
  - What would be the approximate difference in costs between the first full round of field inspections and bench marking versus following future inspections?
  - What would be Upp Geotechnology's recommendation for field inspection frequencies? Yearly or every other year or every third year, etc.

The Board also discussed having the HOA clean out all the ditches in the HOA by April 15<sup>th</sup>, thereby permitting the inspections to occur after the rainy season has ended and the ditches could be cleaned for the season.

- Abelite presented samples of emergency plans that were given to the GHAD by Chris Godley who is the Director of Emergency services for the City of San Jose. Abelite discussed his planned approach to writing the Landslide Emergency plan.
- Abelite reported that he had not initiated any communication with Mr. Halvorson regarding the Blackpool Court matter since the last Board meeting primarily because it was during the holiday time and forward progress may have been limited.

As part of this discussion of field issues, Richard Manso mentioned he had just recently attended the Home Owners Association meeting wherein he observed the Board going into executive session possibly regarding a matter on La Seyne Place. Richard Manso directed Ed Abelite to communicate with Alma Fasano of the HOA management company to determine if the executive session item required any involvement from GHAD.


This concluded the Administrative and Field reports by Abelite.

Agenda item 9: Ed Abelite presented a list of proposed future General Manager tasks. The Board reviewed the task list and generally agreed with the task list and the prioritization with the only comment being the newsletter should be prioritized near the top of the list. There was also a discussion of the need to begin the search to find a replacement Board member as Baiba Scott has announced her desire to step away from the Board when a suitable replacement Director can be found. The Board directed Abelite to advertise for a new Board member in the Informer and the HOA newsletter.

Agenda item 10: There was a brief discussion of the proposed calendar for the 2011 GHAD Board Meetings. The Board set the following dates for future GHAD Board meetings for the remainder of the year: March 24, April 26, May 24, July 28 and October 27.

The meeting was adjourned at 8:33 pm.

Respectfully Submitted,

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,Clerk of the Board. 4/4/2011