

Minutes of the March 15, 2012 Meeting of the Board of Directors of the Silver Creek Valley Country Club Geologic Hazard Abatement District.

A meeting the Board of Directors of the Silver Creek Valley Country Club Geologic Hazard Abatement District (“District”, “GHAD”) was held at 5460 Country Club Parkway, San Jose, California, on March 15th and was called to order at 6:35 PM.

Agenda item 1: The following directors were present at the beginning of the meeting and constituted a quorum for the transaction of business: Reyad Katwan (as Chairman), Ulf Sandberg, and Richard Manso. Stephen Kay was absent. The General Manager of the GHAD, Ed Abelite was present at the meeting and was asked by Mr. Katwan to be the Secretary of the meeting and to keep the minutes of the meeting.

At the beginning of the meeting, Mr. Bruce Apkarian from the public was present.

It was noted by the Directors that the agenda had been properly posted by Mr. Abelite at the guard gate at least 72 hours prior to the meeting.

Agenda item 2: The minutes of the January 5th, 2012 meeting were then reviewed by the Board of Directors. Mr. Manso made a motion to approve the minutes. Mr. Sandberg seconded the motion. After some discussion, the minutes were clarified on page 3, eight lines up from the bottom to reflect that the Board was not inclined to grant “any funds” versus “providing a loan” to the owner of Blackpool Court. With this clarification, the Board voted unanimously to approve the minutes.

Agenda item 3: Mr. Apkarian was introduced to the Board as a potential candidate to fill the currently vacant Board seat.

Agenda item 4: The fourth agenda item was the presentation of the draft 2010-2011 Audit which was prepared and subsequently revised by Deborah Daly. Mr. Abelite reported that the presented draft Audit was updated to address Mr. Manso’s questions from the previous Board meeting. Mr. Manso raised a question regarding the value of the SPIC insurance limits discussion on page 9 of the Audit. The question was how the value for Cash deposits in excess of SPIC limits was calculated and if indeed the \$805,895 was an accurate value. Mr. Manso made a motion to approve the 2010-2011 Audit with the provision that Mr. Abelite explore this question and satisfy himself as to the answer. If in the opinion of Mr. Abelite the answer was satisfactory, then the Audit was to be deemed approved and accepted by the Board as the final Audit for the District. Mr. Sandberg seconded the motion and the Board voted unanimously to approve the motion.

Agenda item 5: Mr. Abelite presented a report as to the progress of the Emergency Operations Plan (EOP). The presentation included providing the Board with draft 1 of the plan as well as some sample exhibits. Mr. Abelite reported that the plan was substantially underway and the main items left to complete the plan were: a) Legal assistance to write a sample “Declaration of Emergency” resolution; b) Legal assistance to write the “Legal rationale of the Plan” section; c) Legal assistance to explore the funding of disaster events larger than the cash reserves of the District; d) Legal assistance to explore the right of the GHAD to enter the private property of Home Owners in the



event of an emergency; e) Completion of the numbered references and exhibits; f) Final editing of the current rough form of the EOP document in terms of format, sentence structure, grammar and so forth; f) offering this EOP document out to other appropriate agencies for their chance to review it; g) and final adoption of the EOP.

Mr. Abelite reported that the basis of the plan came from several sources among which included the Marin County Tsunami Plan and the “Standardized Emergency Management System (SEMS) Guidance for Special Districts” provided by the State of California. After some discussion, the Board requested copies of the Tsunami plan and the SEMS plan so that the Board could have an opportunity to review the GHAD’s EOP and offer Mr. Abelite early comments on the plan.

Furthermore the Board directed Mr. Abelite to work with District Counsel David Preiss on the question of GHAD’s right to enter private property as the Board thought Mr. Preiss would be able to answer this question easier than any other counsel. The Board also directed Mr. Abelite to start working with Joan Gallo of Hopkins and Carley to work on the other legal questions presented to the Board.

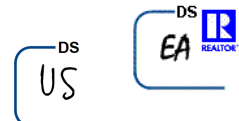
The Board also discussed questions regarding the advance readiness of contractors and materials in the event of a landslide event. After some discussion it was decided that the EOP should contain a list of potential contractors only and that there was no need to have them bid on unknown emergencies year after year. Furthermore, the Board decided against stockpiling materials such as sand bags, stakes, plastic sheeting and rope.

Mr. Manso also suggested Mr. Abelite contact Steve Bachman of the Golf Club for a complete list of Golf Club emergency phone numbers for the EOP.

The EOP continues to be a work in progress.

Agenda item 6: Mr. Abelite presented the Administrative report in regards to various items he had worked on since the previous Board meeting. Items discussed were:

- Mr. Abelite reported that the January stereographic flight results were received and stored in Iron Mountain. Furthermore, Mr. Abelite reported that he transmitted to Mr. Katwan the third hard drive for safe keeping at his place of business located at 3750 B Charter Park Drive, San Jose, CA.
- Mr. Abelite reported that he did receive the final report of the Fall Inspections from UPP Geotechnology as discussed in the previous Board meeting. Mr. Abelite reported that he forwarded this report to the HOA. Mr. Manso reported that the HOA was working to mitigate the 3 different tiers of issues that the report outlined. Mr. Manso indicated that once he receives notice as an HOA Board member that the ditches are clear of debris and clear of standing water, his intention is to walk the areas to observe the field conditions. Mr. Abelite indicated his willingness to accompany Mr. Manso when the time comes. Mr. Abelite also reported that UPP Geotechnology also provided the GHAD with the Fall Inspections database in Open Office format.

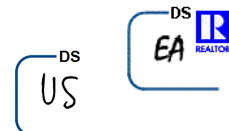


- Mr. Abelite reported he worked on preparing the final audit for presentation to the Board.
- Mr. Abelite reported he had worked on routine financial aspects of the GHAD in the past two months including processing invoices, reconciling bank accounts and creating financial reports for the Board. Mr. Manso requested that the Vendor report be revised to no longer show the negative dollar value associated with the bi-yearly tax deposits to the GHAD from the County of Santa Clara.
- Mr. Abelite reported that the annual January stereographic air flight photo project was completed and filed in the records at Iron Mountain.
- Mr. Abelite reported that no one except Mr. Apkarian had expressed serious interest in joining the Board.
- Mr. Abelite reported that the Conflict of Interest code was deemed formally adopted by the GHAD by virtual of Mr. Abelite satisfying the conditional approval motion by the GHAD Board at the previous meeting.

Field report.

- Mr. Abelite reported that since sending Mr. Halvorson of Black Pool Court a reply email he has heard nothing further. Mr. Abelite reported that a contractor named Jack Drew of Soils Stability Contractors had made an inquiry with the GHAD as to having any topographic materials. Mr. Drew indicated to Mr. Abelite that the landslide mitigation project might be completed by the end of this summer.
- Mr. Abelite reported he had sent a letter of advice to the owner of 5611 Algonquin Way with regards to their needing to clean their lots drainage ditch.
- Mr. Abelite reported that he had visited the HOA property behind the private property known as 5650 La Seyne Place at the request of the HOA. Mr. Abelite let the Board know that he informed the HOA that the activities undertaken by the owner of 5650 La Seyne Place did not warrant any geological concerns by the GHAD.


Agenda item 7, GHAD web site: Mr. Manso brought attention to certain rules a Special District must follow in terms of District web site postings. Mr. Manso pointed out that the District was likely in violation of some State requirements when Special Districts have web sites. The creation of a new and more informative GHAD website was discussed and elevated in priority as being one of the next special projects the District will undertake. In the meanwhile, the Board directed Mr. Abelite to deactivate the GHAD website. Mr. Abelite was directed to provide to the Board a proposed web site format for comment by the Board.



Agenda item 7, Potential Board member, Mr. Apkarian: The Board and Mr. Apkarian discussed the basic duties of the GHAD as a Special District serving the community of Silver Creek Valley Country Club. Mr. Apkarian asked questions about the GHAD to further education himself. It was decided that Mr. Abelite would send Mr. Apkarian further information after the meeting. Mr. Apkarian indicated his contingent willingness to join the Board at the next Board meeting.

The meeting was adjourned at 8:25 pm.

Respectfully Submitted,

DocuSigned by:
Ed Abelite 

DocuSigned by:
Ulf Sandberg

40D3F52E2559410...

, Secretary of the Meeting

5/29/2012

and

, Clerk of the Board

6/21/2012