

Minutes of the October 10, 2013 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 5640 Country Club Parkway, San Jose, California, on October 10, 2013 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, Bruce Apkarian, Richard Manso and Ulf Sandberg. Stephen Kay was absent. The General Manager of the GHAD, Ed Abelite was present at the meeting and was asked by Mr. Katwan (the Chairman) to be the Secretary of the meeting and to keep the minutes of the meeting. From the public, Messrs. David Crouse and James Forsberg were in attendance.

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 July 26, 2013 meeting were then reviewed by the Board of Directors. Mr. Manso made a motion to approve the minutes. Mr. Sandberg seconded the motion. The Board voted to approve the minutes as follows: Voting yes: Messrs. Apkarian, Manso and Sandberg. Abstaining: Mr. Katwan. Absent: Mr. Kay.

Agenda item 3. Comments from Public and Correspondence: Mr. Abelite noted there were no public comments received.

At this point in the meeting, the Chairman directed Mr. Abelite to present his Operations report as Ms. Alma Guimarin had not yet arrived in time for agenda item 4.

Agenda item 5. Manager’s Operations report.

- a. Mr. Abelite reported that the Fall Inspections had begun. He reminded the Board that C2 Earth, Inc. was also searching for sub drains within the District at the same time. Mr. Manso reported that the concrete v-ditch repairs by the HOA along Country Club Parkway had been completed, the concrete v-ditches along Algonquin had been demolished and were being rebuilt and that the Birkdale concrete v-ditches were scheduled to be next. Mr. Abelite reported that the Silver Breeze survey was about to be conducted by C2 Earth as well. The Board directed Mr. Abelite to discuss with C2 Earth their making note of moisture conditions at Silver Breeze. Mr. Abelite presented the Birkdale Survey conducted by MacKay and Soms Engineering. The survey revealed no hillside movement in the subject area of Birkdale in terms of the Civil Engineering survey results. Mr. Abelite then mentioned the previously discussed future road survey program. Mr. Manso reported that the street slurry work within the District being performed by the HOA had been divided into 2 phases. Therefore the Board directed Mr. Abelite to place this Road survey item on hold until the HOA completes the street slurry project in the future.



- b. Mr. Abelite presented the auditor's first draft of the audit. Because the first draft was received late by the Board members, it was decided to continue the Board's discussion and review at the next GHAD Board meeting.
- c. Mr. Abelite reported that the Air Flight photo work had been ordered.
- d. Mr. Abelite reported that the District election process was complete. Mr. Abelite reported that Reyad Katwan, David Crouse and James Forsberg were the newly elected Board members effective January 1, 2014.
- e. Mr. Abelite reported that he worked on routine GHAD financial business for the previous period. He had previously provided the Board with the most recent financial reports and statements.


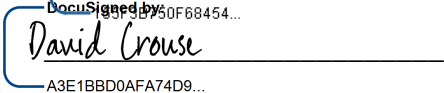
There were no field items to report and this was the end of the manager's report.

Agenda item 4. Yearly presentation by Morgan Stanley Smith Barney. At this point in the meeting, Ms. Guimarin arrived. Ms. Guimarin presented the Board with a reported dated October 2013. She presented GHAD's historical earnings results. She reiterated that the GHAD has a strict investment policy and that the Morgan Stanley Smith Barney account is 100% adhering to said policy. There was some discussion by the Board to have Ms. Guimarin review the GHAD's audit and make comment if needed.

Agenda item 7: Future Board meetings. Mr. Abelite mentioned that he will have a conflict in regards to the November 21, 2013 Board meeting. After some discussion the Board members decided that the GHAD did not require any more meetings in the year 2013. The Board also discussed the amount of meetings per year and agreed to reduce the total amount of meetings when compared to recent years. The Board directed Mr. Abelite to issue a proposed Board meeting Calendar for 2014 which should include a probable first meeting date of January 23, 2014.

The meeting was adjourned at 7:42 pm.

Respectfully Submitted,

and  , Secretary of the Meeting 1/24/2014
 , Clerk of the Board 1/24/2014