

Minutes of the January 23, 2014 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 January 23, 2014 and was called to order at 6:32 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, Richard Manso, David Crouse and James Forsberg. Bruce Apkarian 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, no one was 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 October 10, 2013 meeting were then reviewed by the Board of Directors. Mr. Manso made a motion to approve the minutes as amended. Mr. Crouse seconded the motion. The Board voted to approve the minutes as follows: Voting yes: Messrs. Katwan, Manso, Crouse and Forsberg. Absent: Mr. Apkarian.

Agenda item 3. The Board acted to elect Mr. Crouse as the Clerk of the Board. Voting yes: Messrs. Katwan, Manso, and Forsberg. Abstaining: Mr. Crouse. Absent: Mr. Apkarian.

Agenda item 4. Comments from Public and Correspondence: Mr. Abelite noted there were no public comments received.

Agenda item 5. Fall Inspection presentation by C2 Earth, Inc. At this point in the meeting, the GHAD Geologists from C2 Earth, Rexford Upp and Jennifer Buckley, arrived and presented the Board with their findings for their recent yearly inspections within the District.

They first reported that the three Birkdale inclinometers indicated no substantial movement since the previous readings one year earlier.

They then presented a brief report on the Silver Breeze measurements. The geologists indicated there was some movement in the sidewalk. The movement appeared to be related to hillside creep as opposed to a landslide. The Board and the geologists had some discussions about whether additional monitoring techniques were warranted. Discussions included the possibility of establishing a surveyed control point and interior floor level monitoring. It was concluded that no additional monitoring methods are necessary at this time. During the discussion, management was directed to evaluate how the agreement among the GHAD, the Country Club and the SCVCC HOA relates to the subassociations within the SCVCC HOA, that is the Riviera HOA and the St. George’s HOA. Is this information passed on to the Riviera HOA?

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As to the Fall Inspections, which generally surveys the v and j ditches on the hillsides of the SCVCC HOA, the geologists reported they had inspected approximately 1/3 of the ditches in the community as well as the ditches that had recently been repaired by the HOA. Mr. Manso reported that the HOA spent approximately \$110,000 on the ditch repairs last year. Ms. Buckley indicated that she viewed and documented the HOA repaired ditches and included the results in the GHAD's database. There was some discussion about the fact that the ditches were not built to retain their high side earth loads, but rather they were built to catch and channel water to appropriate drainage pipelines. The geologists concluded their presentation by indicating they had no areas of concern in regards to the ditch survey. They were requested to rank the ditches to identify the next 2-3 that might require repair. They will provide a final written report to the GHAD, once they completed a few more inspections to get to 1/3 of the ditches.

The geologists then presented their initial findings as to four District sub drain systems. They described the difficulties with locating the sub drain outfalls as well as not having found any sub drain cleanouts. They described that they would have been more confident in the sub drain systems they were reviewing had the clean outs been located because testing them with a water hose would be more conclusive. They went on to describe that a video camera system was employed to try and trace the systems from the outfall pipes, upward. Of the four systems, each had different results as follows:

- Grid G11: 6-inch diameter solid PVC pipe, approx. 1 inch of gravel on bottom of pipe from outfall to 81 feet, at length of 81 feet camera could no longer push past the gravel, no water encountered.
- Grid G12: 6-inch diameter solid PVC pipe, soil ~4 inches thick at outfall, camera could only be pushed 5 feet before pipe was completely blocked by soil, no water encountered.
- Grid G13: 6-inch diameter solid PVC pipe, pipe filled with soil at outfall, could not insert camera, water was flowing out of pipe through the soil.
- Grid E17: 4-inch diameter solid corrugated pipe, approx. 1 inch of gravel on bottom of pipe from outfall to 100 feet, at length of 100 feet camera was blocked by a 4-inch rock, no water encountered.

Mr. Abelite noted that it appeared that some of the sub drains seemed to be missing on the MacKay and Somps drawings. Mr. Katwan noted that it appeared Phase 3 and 4 grading sub drains plans were missing from the drawing the GHAD has on file. The Board directed Mr. Abelite to see if the Phase 3 & 4 sub drain maps could be located at MacKay and Somps Engineering.

The Board directed the Geologists to continue working on locating the remaining sub drains within the District. It was determined that once all the sub drains that could be found, have been found, the District would consider hydro flushing to remove the debris at the outfalls, after evaluating the pros and cons of the hydro flushing.. Mr. Abelite noted for the Board that the costs associated with this work was not contemplated in the yearly budget.

Agenda item 6. Board to review and approve the 2012-2013 audit. Mr. Abelite presented the audit for review and approval to the Board. Mr. Manso questioned a missing letter referenced in the second to last paragraph of page 15 of the audit. It was unclear as to whether the letter on page 1 of

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the audit was indeed this same letter. Mr. Manso made a motion to approve and accept the audit on the condition that the letter referenced on page 15 is indeed the same letter provided on page 1. Mr. Forsberg seconded the motion. Voting yes: Messrs. Katwan, Manso, Crouse and Forsberg. Absent: Mr. Apkarian.

Agenda item 7. Manager’s Operations report.


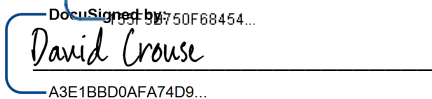
- a. Mr. Abelite reported on his activities relating to the sub drain work discussed as part of Agenda item 5.
 - b. Mr. Abelite reported that the Air Flight stereo photo shots had been completed and he was waiting for the result copies in digital and developed photo formats from the vendor.
 - c. Mr. Abelite reported that he processed into their positions the new Board members Forsberg and Crouse by processing their Oaths of office, Indemnity Agreements and setting them up within the County’s Form 700 database system. He reported that each new Board member indeed processed their initial Form 700’s. Mr. Abelite reminded the Board members that sometime in the next few months, the entire Board will be contacted by the County system in an effort to process their annual Form 700 reports on line.
 - d. There was some discussion regarding what type of mementos would be appropriate for the recently outgoing Board members Kay and Sandberg. The Board gave Mr. Abelite some guidance and direction in that regard.
- aMr. 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. Mr. Abelite reported he received notice from the County of an imminent Tax Roll deposit of approximately \$155,000.

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

Agenda item 8: Review and approve the remaining 2014 GHAD Board meeting dates. The Board approved the following meeting dates for the remainder of the calendar year. April 17, June 19, September 25 and October 23, 2014. All meetings to start at 6:30. The motion was approved unanimously with Mr. Apkarian absent.

The meeting was adjourned at 8:49 pm.

Respectfully Submitted,

		, Secretary of the Meeting	4/25/2014
and		, Clerk of the Board	4/28/2014