

**Minutes of the June 4, 2015 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 5460 Country Club Parkway, San Jose, California, on June 4, 2015 and was called to order at 6:30 PM.

Agenda item 1: The following Directors were present at the beginning of the meeting and constituted a quorum for the transaction of business: David Crouse, James Forsberg, Reyad Katwan and Stephen Ursenbach. Board member 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.

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 22, 2015 meeting were then reviewed by the Board of Directors. Mr. Ursenbach made a motion to approve the minutes. Mr. Forsberg seconded the motion. The Board voted to approve the minutes as follows: Voting yes: Messrs. Ursenbach, Forsberg and Katwan. Abstaining: Crouse. Absent: Apkarian.

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

Agenda item 4: Board to approve the Resolution Requesting and Consenting to Consolidation of Elections. Mr. Abelite presented the staff report to the Board regarding the consolidation of elections. Mr. Crouse made a motion to approve Resolution 2015-01 which is titled “Resolution of the Board of Directors of the Silver Creek Valley Country Club Geologic Hazard Abatement District Requesting and Consenting to Consolidation of Elections”. Mr. Ursenbach seconded the motion. The Board voted to approve the resolution as follows: Voting yes: Messrs. Ursenbach, Forsberg, Crouse and Katwan. Absent: Apkarian.

Agenda item 5: Tax Roll Rates for 2015-2016: Mr. Abelite presented the staff report regarding increasing the Tax Roll rates for the upcoming tax year. Mr. Forsberg made a motion to approve increasing the Tax Roll rates upward to the maximum allowable 5% increase citing the GHAD reserves are behind target funding levels. Mr. Crouse seconded the motion. The Board voted to approve GHAD Resolution 2015-02 as follows: Voting yes: Messrs. Ursenbach, Forsberg, Crouse and Katwan. Absent: Apkarian.

Agenda item 6. Proposed GHAD Budget for 2015-2016: Mr. Abelite presented the staff report regarding the proposed GHAD Budget for the upcoming year. During the presentation Board members questioned and discussed items as follows:

- The difficulty in forecasting Legal expenses.
- The projected increase in audit fees given a new auditor will have to be contracted with.



- Increases in General Manager hours for policy writing, Emergency Operations plan update and election year work.
- The Geologist cost upward adjustments based on the previous years incurred routine costs.

After these discussions, Mr. Crouse made a motion to approve the 2016-2016 GHAD Budget as presented by Mr. Abelite with no changes made to the proposed budget. The expense side budget total was to be set at \$100,800.00. Mr. Ursenbach seconded the motion. The Board voted to approve the motion as follows: Voting yes: Messrs. Ursenbach, Forsberg, Crouse and Katwan. Absent: Apkarian.

Agenda item 7. Manager's Operations report.

- a. Mr. Abelite reported that the Fall Inspections were completed earlier in the year and those results were forwarded to the Board at that time. Mr. Abelite discussed that he would caulk the Durban Court Vee ditch in locations cited in the report. Mr. Abelite presented in greater detail the missing 24 feet of Vee ditch above Blackpool Park. After some discussion, the Board directed Mr. Abelite to send a letter to the HOA requesting that they complete the Vee ditches thereby connecting them to the local drain inlet.
- b. Mr. Abelite reported that he began work on the 2015 Elections and he will continue to work on the Elections in the coming months.
- c. Mr. Abelite reported that he began work on the annual Tax Rolls and that he will work to complete the Tax Rolls through the next few months.
- d. Mr. Abelite reported that he worked to complete a proposed budget for the upcoming fiscal year.
- e. Mr. Abelite reported that he began placing GHAD soft files into the cloud via Drop Box. He reported file sizes for the stereographic photos have been troublesome but he was working through the uploads. Mr. Abelite reported he should have this task done in the next few weeks.
- f. Mr. Abelite reported to the Board on recent communications Mr. Waggitt of Trowbridge Way had issued to both the GHAD and the HOA. His communications were prompted by the fact that the HOA had dispatched goats to graze down the grasses along the rear slope of his property. Mr. Abelite further reported that the HOA had apparently hired a Geologist who had rendered an opinion of some sort that the rear slope grasses of the Waggitt home can continue to be mitigated every year by goat grazing.

After some discussion, the Board directed Mr. Abelite to request a copy of any information the HOA's geologist had transmitted.



g. Mr. Abelite gave a report as to his findings regarding the Durban Court upslope water issue being experienced by some home owners. Mr. Abelite described his steps to investigate the issue and he gave a report as to his most recent site visit on June 1, 2015. His findings were as follows:

- The source of the water does not appear to be coming from any leaking City water pipes.
- The source of the water does not appear to be coming from any uncontrolled irrigation pipes (i.e. leaking landscaping water systems).
- The streets above Durban Court all have appeared to have dried out.
- The reported home owner landscaping leak for the home on the corner of Saint Anne’s Court was deemed to be too small to have caused the issue.
- A June 1, 2015 site visit revealed that the test pit located above the Vee ditch behind Mr. McVeys home had no water in it, but the ground was moist. The Vee ditch itself had enough water in it for long enough to sustain algae in the bottom of the Vee ditch for 75 to 150 feet. The test pit between the Vee ditch and the McVey home had water in it to the top of the pit.
- Per the GHAD’s Geologist, C2 Earth Inc, the hillside was not at risk of sliding.

After some discussion, the Board directed Mr. Abelite to write a letter to the HOA letting them know this was no longer considered a GHAD issue.



h. Mr. Abelite reported that he had worked on regular financial items such as processing invoices, reconciling accounts and filing away documents in the record.

Agenda item 8: General Manager will eventually be stepping aside. Mr. Abelite reported that he is considering stepping aside from working on the GHAD as a General Manager. While this was not a formal resignation, it was considered a courtesy notice to the Board to be on the lookout for possible replacement candidates. Mr. Abelite reported that he does not plan to leave the position without making sure an adequate replacement can be found.

The Board noted that the next GHAD meeting will be at 6:30 pm on August 20, 2015 at 5460 Country Club Parkway, San Jose, CA.

The meeting was adjourned at approximately 8:10 pm.

Respectfully Submitted,

DocuSigned by:

 Ed Abelite
 DocuSigned by:

 David Crouse

, Secretary of the Meeting 8/25/2015

and

, Clerk of the Board 8/25/2015