

**Minutes of the February 22, 2018 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 February 22, 2018 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: James Forsberg, Reyad Katwan and Stephen Ursenbach. 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. Board member David Crouse was absent. Alma Guimarin and Trevor Shephard of Morgan Stanley Smith Barney were present. James Baker was in attendance as well.

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 November 9, 2017 meeting were then reviewed by the Board of Directors and the Board voted to approve the minutes as follows: Voting yes: Messrs. Katwan and Ursenbach. Abstaining: Forsberg. Absent: Crouse.

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

**Agenda item 4:** Yearly presentation by Morgan Stanley Smith Barney (MSSB): Ms. Guimarin and Mr. Trevor Shephard presented the Board with an MSSB GHAD report dated February 22, 2018. They presented GHAD’s recent and historical earnings results which show low rates of return due to the GHAD’s Investment Policy. She stated that the Morgan Stanley Smith Barney account is adhering to said policy. Ms. Guimarin mentioned that while interest rates are expected to increase over the next year or two, MSSB expects the rates will then roll over and go down.


**Agenda item 5:** Manager’s operations report.

a. **District Audit:** Mr. Abelite reported that since the last Board meeting, he worked to conclude the audit by posting it to the GHAD website, filing a hard copy, making appropriate General Journal adjustments and processing the auditors invoice for payment.

b. **Air Flight photos:** Mr. Abelite reported that he ordered and received Stereographic aerial flight photos. He reported that hard copies and a portable hard drive will be sent to Iron Mountain for hard copy storage.

c. **Birkdale Way Civil Engineering survey:** Mr. Abelite reported that the annual MacKay and Somps Engineering survey of points around the Birkdale Way curve had been completed. No indications of earth movement were detected. A copy of the exhibit was forwarded to C2 Earth, Inc. for review.

DS  
Rk

DS  


After some discussion, the Board directed Mr. Abelite to change the frequency of the survey work from once a year to once every two years. Therefore, the next MacKay and Soms survey will be in the Fall of 2019. The reasoning was that now there was sufficient data showing the street area was not moving enough to cause a concern.

**d. Proposed Article for Newsletter:** Mr. Abelite presented a draft version of an article for the next Newsletter. The article was written to deliver the GHAD constituents the message, “If you see something, say something”. There was no comment on the draft and Mr. Abelite was directed to move forward with the Newsletter.

**e. Fall Inspection work completed:** Mr. Abelite presented the Board with the annual “Fall Inspection” report by C2 Earth Inc. dated February 16, 2018. There appeared to be no findings that were out of the ordinary. The report pointed out items that needed repair and maintenance by the HOA. The Board directed Mr. Abelite to send the report to the HOA for implementation.

**f. Routine financial work:** Mr. Abelite worked on general administration of GHAD business and the following GHAD financial items since the last meeting:

- Processed invoices for payment.
- Created routine financial reports for the Board.
- Reconciled the monthly Morgan Stanley Smith Barney statements.

**Other:** Mr. Ursenbach requested Mr. Abelite to find out more about Ethics Training requirements for the GHAD Board members and report back.


**Agenda item 6:** Board to act on possible appointment of a new Board member.

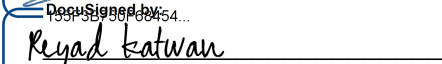
Earlier in the meeting, Mr. James Baker was introduced to the Board as a possible appointee for the Board seat recently vacated by Peter Ligeti. The Board was also introduced to Mr. Baker. At the end of the meeting, under item 6 of the Agenda, the Board voted to appoint James Baker to the Board of the GHAD as follows:

Voting yes: Messrs. Forsberg, Katwan and Ursenbach. Abstaining: none. Absent: Crouse.

The meeting was adjourned at approximately 7:46 pm.

Respectfully Submitted,


), Secretary of the Meeting
6/11/2018 2:39:30 PM PDT

and
 
), Clerk of the Board
6/11/2018 2:42:06 PM PDT

DocuSigned by:  
E29C6CFC564646A...