Holiday Estates Maintenance Association
Board of Directors Meeting
January 15, 2009

Board Members

John Milner	President
Gregg Potter	Vice President
David Stoltz	Treasurer
Julie Allen	Secretary - Communications
Sandor Drobilisch	Director – Roads & Ditches
Jess Macias	Director – Architectural & Safety

Others Present

Tim Dillon	Access Association Services, Inc.
Carl McCaw	Sewer & Annexation Committee
Dave Frazer	Sewer & Annexation Committee
Brian Cortese	Homeowner
Jerry Pelletier	Homeowner

Item I Call to Order

The board of directors meeting was called to order by President John Milner at 7:09 p.m.

Item II Agenda Review

A motion was made, seconded and unanimously approved to accept the Agenda as presented.

Item III Open Forum

- Homeowner Dave Frazer suggested that the board of directors should not tie themselves to the Yahoo group web site or the HLE.org website and continue to sponsor to the Holiday Lake Estates website as the individual groups may not represent the opinions of the board of directors.
- Homeowner Jerry Pelletier requested that the tree in the front entry of the complex is getting too tall to properly decorate. Jerry suggested either assigning expense to rent a scissor-lift or other equipment to properly decorate the tree or consider pruning the tree to keep it at a level that the committee is able to reach.
- Jerry also suggested that the association's newsletter soliciting articles from committees and homeowners should place a limitation on the size to prevent editing by the board of directors.
- Lastly, Jerry questioned the board of directors as to why the Holiday Lake Estates website has a site count.

Item IV Consent Agenda

Motion made, seconded and carried to approve the Consent Agenda as follows:

a. Minutes of the September 18, 2008 Board of Directors meeting and Executive Session and Reorganization Minutes of November 20, 2008 were reviewed and approved as submitted.
b. Work Order Summary unanimously approved as presented.
c. Correspondence unanimously approved as presented.

Item V Committee Reports

Financial Report – Dave Stoltz

- Treasurer Dave Stoltz reported on the financial status of the association for the period ending December 31, 2008 and requested clarification on two items.
- Item #1 on the operating expense shows a transfer to reserves of $28,000 for fiscal 2008, noting that the reserve profit and loss for the same period shows an excess income transfer of $46,000. Management investigated and found that $18,000 from the 2007 fiscal year was written on December 31, 2007; however, it was deposited into the bank account on January 4, 2008 so that the additional funds only show on the reserve profit and loss as it was not treated as an expense on the operating statement. Question #2 involved accounts receivable in November was approximately $20,000 due to delinquent accounts. However, the December 31 accounts receivable was actually a deficit of $17,000 showing a net difference of over $40,000. Management investigated and found that the association dues for 2009 was billed in December 2008 and the $40,000 represents assessments received in 2008 for the 2009 calendar year.
- Dave completed his financial report, requesting an additional transfer to the reserve account for excess income in 2008 at approximately $7,700.

Architectural – Jess Macias

- No formal architectural report was submitted; however, management had received a request from 17311 Lakeview Drive for the installation of wrought iron or aluminum deer fencing to be installed on the two sides of the is property. After a brief discussion, chairperson Jess Macias requested to meet with the homeowner onsite to review the proposed location. The other committee members were in agreement that the fence met the requirements of the architectural standards and approval would be granted based on Jess' final approval of the installation.

  Sandor Drobilisch noted that the aluminum fencing should not be installed using concrete piers as the chemical reaction can deteriorate the aluminum posts. The homeowner commented that he was unaware of this; however, the fencing company did not indicate there would be any issues.

Roads & Ditches – Sandor Drobilisch

- Sandor presented a discussion in regards to lining the culvert for the private driveway that serves 17575 Manzanita. Sandor noted that the culvert made of concrete has separated in several areas and the resulting water flow has caused erosion to the owner's lot and some easement areas of the association. A lengthy discussion ensued regarding the proposed repair. The Roads & Ditches Committee is recommending installation of a 12-inch polyethylene pipe to be installed in the existing pipeline, grouted with a two - bag slurry mix and a new concrete apron will be formed at the entrance to culvert. The cost of this project is $8,970 from Roddie Inc. Motion was made, seconded and unanimously approved to accept the proposal and proceed as soon as possible.
- Lots 17, 18 and 19 Retaining Wall – Sandor gave a brief report on the deteriorating retaining wall below Shady Lane that provides driveway access for Lots 17, 18 and 19 on Shady Lane. The condition of the retaining wall is such that it is not properly maintained and repaired and could cause failure of the roadway. A lengthy discussion ensued between the board of directors in regards to responsibility for repairing a retaining wall on a private lot. Motion made,

seconded and approved by a vote of four in favor, one opposed and one abstained, to send a letter to three homeowners with copies of the three estimates obtained by Sandor requesting that the homeowners confirm that they will make the appropriate repairs to the retaining wall and report back to the management company within 15 days of the date of the letter. A draft of the letter will be submitted to the board prior to sending.

Communication – Julie Allen

- Julie gave a report to the board of directors on her qualifications for serving on the communications committee and her concerns regarding enhancing discussions between the board and homeowners and opening the lines of communication to all of the homeowners at Holiday Lake Estates. Julie further provided copies of emails between the board members regarding the winter newsletter and addressed questions presented to her regarding editing of the various articles.

  Julie suggested that participation in the board of directors meetings could be enhanced by providing a roster of email addresses, posting larger agendas or mailing agendas and minutes to each of the members. Julie also suggested that more communications on the Yahoo group website would enhance communications.

Sewer & Annexation – Carl McCaw

- Carl reported on an email conversation with Sylvia Gallegos from the City of Morgan Hill suggesting that the city would be corresponding with county supervisors to obtain potential funding for the sewer and annexation issue. Carl reported that this information was submitted on Wednesday and the committee did not have time to respond to the request. A lengthy discussion ensued regarding the perception on this issue and President John Milner suggested a follow up to Sylvia's office to go on record that the board of directors would be in favor of obtaining additional funding to continue the feasibility study.

Item VI Other Business

A. Blanket Authorization to Record Notice of Delinquent Assessments – Motion made, seconded and approved to record notice of delinquent assessments on 11 accounts that are currently in arrears.
B. Management obtained updated signature cards for the operating and reserve accounts.

Item VII Next Meeting Date

The next board of directors meeting is scheduled for Monday, March 16, 2009 at 7:00 p.m. at the Ramada Inn.

Item VIII Adjournment

There being no further business before the board of directors, the meeting adjourned at 9:39 p.m. to Executive Session to authorize notice of default on four lots and to meet and confer with a homeowner regarding a payment plan request.