



Holiday Hotline

A Newsletter for the Owners and Residents of Holiday Estates Maintenance Association, Inc.
HEMA URL: www.hema-hle.org
November/December 2000

Annual Meeting Notes

The HEMA Annual Meeting scheduled for Wednesday, September 13, at Live Oak High School failed to garner the necessary quorum of a majority of the members of the community in order to conduct a meeting of the members. In anticipation of a failed quorum, David Watkins addressed those present as to the anticipated action of the remaining members of the Board. The following text represents David's presentation:

Annual Meeting September, 2000

*(Updated with current status as of
10/22/00)*

What is the current situation?

According to our Bylaws, a quorum = 51% of lot owners. Bylaws say no proxy voting; therefore, proxies cannot be used to establish quorum attendance. Without a quorum, we cannot conduct business at the annual meeting.

Why are we in this situation?

The question of a quorum was raised by



a homeowner. We requested a legal opinion from our counsel. An answer was given, clarifying our situation. Now that we have an answer, we cannot ignore the situation.

What does this mean for prior boards?

Essentially - nothing. The only action taken at former annual meetings was the formation of the boards. Homeowners have nine months to protest any action taken at a board meeting. Since no protest was made, the formation of the board stands. The boards have continued to act in a reasonable and responsible manner, carrying out the business of the organization.

What can we do and not do at the annual meeting without a quorum?

The only "official action" that can be taken without a quorum is to adjourn. We can talk about issues. We can discuss topics. We can hear the presentations that summarize the last year's activities. We cannot vote to accept anything. We cannot vote in new board members.

What are we going to do next?

The existing board will continue in effect, with its existing members, except for any members who choose to resign. The existing board has the power to appoint temporary members to complete the terms of any members who have resigned. Generally, the board is made up of eight directors, and we elect four new directors each year. This year, two directors resigned half way through their term. So, counting the outgoing members who have completed their two year terms and resigned, the board has six vacancies.

At the September Annual Meeting, we can:

Present the various reports from the last year (president, treasurer, roads & ditches, etc.) Collect names of volunteers interested in being board members. Adjourn.

At the September board meeting we will:

Appoint replacement and temporary board members. (Completed, 9/15/00) - two people may be appointed for one year to serve out the terms of the two direc-

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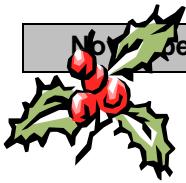
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**2000/2001
Holiday Estates
Maintenance Association, Inc.
Board of Directors**

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Bret Kennedy
Vice President

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Tom Monti
Treasurer

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Sally Isherwood
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tors who resigned half way through their terms. *(David Watkins and Bret Kennedy were appointed to these positions.)*

Four people may be appointed to fill the four positions that are up for election this year. Those people will serve until the reconvened meeting on Feb 28th. Those four positions will be elected at the meeting to serve out the remainder of their two year terms. *(Steve Stratton, Paul Zane, Tom Monti and Lanae Bach were appointed to these positions.)*

Appoint a Bylaws revision committee. *(Completed, 9/15/00)*

During the following four months we will:

Publish a newsletter with a complete description of the situation and our plan to remedy. *(This newsletter is scheduled to be distributed mid November.)*

Agree on a revised wording of the By Laws. *(Completed, 10/19/00.)*

Present this Bylaw revision to the homeowners for a vote. *(Distributed on November 5th)*

On February 28th we will:

Reconvene the annual meeting. (Hopefully with a quorum, as defined by either the new or old Bylaws.)

Elect new board members.

**A Word About
the Board...**

David Watkins: President

David is a management consultant specializing in supply chain integration and technology projects for high tech companies. Most important goal is to spend less time on the road and more time with grandchildren.

Bret Kennedy: Vice President

Bret is Director of Product Marketing at Amphus a very, very small start-up. Second term on the Board, previously held the position of architectural control. Bret makes his own wine but the "Mondavi's shouldn't get worried yet", he says.

Tom Monti: Treasurer

Tom and his wife Dodi, have been residents of Holiday lake Estates for three years. Tom is a Civil Engineer working for a residential engineering firm in San Jose.

Sally Isherwood, Secretary:

Sally is English and moved to Holiday Lake Estates five years ago. After graduating college, she worked in a British Bank for ten years and then ran her own photographic studio for four years. Prior to moving to the USA, she worked for a hang-gliding and paragliding school. She currently works as a homemaker, as well as for the Council on Aging of Santa Clara County, and the Reading Program, an adult literacy program.

Marylita Thomas, Architectural Control:

Marylita has lived in Holiday Lake Estates community almost a year and a half. She is married with a 14 year-old son and has been licensed in the commercial insurance industry for 17 years and is currently a stay-at-home wife and mom. She and her family moved from Orange County, Tustin Ranch, where she has served on two homeowner's association boards. She served on this board for one year as the architectural control person, and looks forward to serving another year.

Steve Stratton: Roads & Ditches

A successful entrepreneur in airfreight transportation, Steve is now a co-founder of a full-service financial planning firm. He is an active member of several civic and community service organizations, and supports a number of activities associated with breast cancer awareness. He is a recent arrival to HEMA and lives with his two children, Lauren and Andrew, is an avid fisherman, enjoys golf, hiking, biking and travel.

Paul Zane, Newsletter

Paul is a commercial insurance broker in Los Gatos, and has been a resident of Holiday Lake Estates since 1992. Paul and his wife Corinne & Baby Jillian are frequently seen taking advantage of the community in their daily strolls through HEMA.

Lanae Bach, Beautification

Lanae is a pediatric RN at San Jose Medical Center. She has two children, Brittany & Brandon and moved here from Maryland three years ago.

Dogs, dogs, dogs

About half of our development is City of Morgan Hill and the majority is County of Santa Clara. There is a jurisdiction problem in reporting nuisance items. Please be aware that barking dogs can cause major friction in the community, to say nothing of lack of sleep. The Board requests your cooperation and courtesy to your neighbors in controlling your pets. Please note the Association has no jurisdiction in neighbor-to-neighbor disputes of this nature. Thank

Marina Committee

Our community has expressed an interest in exploring the possibility of purchasing property for the formation of a marina and clubhouse. There are many associated uses that need to be addressed. A committee is being formed to identify and address these issues. The committee will meet after the annual meeting in February. Please contact Lanae Bach at 782-1954 if you're interested in contributing time to this effort.

Traffic and Safety

Contact Bret Kennedy, Vice President, regarding your concerns about, speeding, speed bumps, and fire safety. This is a topic which the Board of Directors wishes to address in greater detail this year, and Bret is acting as point man for the Board in organizing and addressing these issues. He can be contacted at: Bkennedy@usa.net. Drop him a line with your concerns and observations.

Email Listing

There are currently two separate email listings that allow homeowners to participate in a community chat room. Both require subscription. Contact Bret Kennedy at Bkennedy@usa.net or check out the HLE Website at "hema-hle.org" for instructions to subscribe to the other list overseen by Jerry Pelletier, a homeowner at HLE's.

Financial Summary

The current cash balances in the three accounts are approximately:

Open Space	\$180,000
Reserve	\$300,000
Operating	\$ 30,000

The budget for the new fiscal year was presented at the annual meeting in September. The budget for roads and ditch maintenance is \$50,000, which will be allocated from the Reserve account. The balance in the Reserve account is in line with our latest reserve study; therefore, the dues will remain constant again this year. The funds in the Open Space account are restricted to expenses for the Open Space, which most years are just property taxes and diskings. The Open Space fund earns money from interest income, which allows the fund to go self-sustaining.

Who do you call??

There have been several emails recently regarding concrete in the road and a three wheeler damaging the meadow. In both of these cases, HEMA is empowered to act on behalf of the homeowners - because in both of these cases, damage is being caused to the areas over which the Association has control and is empowered to act under the current CC&Rs.

The only problem is knowing where to take the action. What the Association needs to know is who the responsible parties are. If anyone has any information about the person who is riding the three wheeler and tearing up the lower meadow, please contact Roger Hendricks. Roger will contact the person (or their parents!) directly, and inform them that the damage to the lower meadow will be repaired at that homeowner's expense, and suggest that it might be a good idea to keep a leash on the offender in the future if they wish to avoid additional charges.

If anyone has any information about which house is the recipient of the concrete that keeps leaving deposits on

the road, please contact Roger

Hendricks. Roger will contact the homeowner and construction company directly and inform them that the damage to the roads will be repaired at the homeowner's expense and suggest that an alternate route for the concrete trucks might be in order, if they wish to avoid additional cleanup charges.

Roger is not a resident of HEMA. He is on the property weekly for various reasons either to meet with board members deliver materials, meet with vendors and to inspect the property.

We, the homeowners who are here every day, need to jointly watch out for our property. Roger is available to take action on situations that are reported to him, however he is not our "watchdog". We are the eyes and ears of the community.

We should also make the first attempt at resolving issues that we identify, just like in any neighborhood where there is not an Association. It we cannot reach a satisfactory conclusion, it is dangerous to attempt a confrontation, or, if there is a damage or safety issue to be addressed, then Roger may be able to pursue resolution on our behalf (dependent on the situation)." Roger can be reached at:

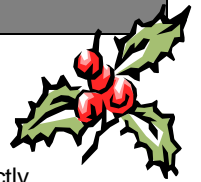
American Management Services
PO Box 9156
San Jose, CA 95157
800-720-1999 or 408-777-7700.
RHAmerican@classic.msn.com

I would like to personally thank each of you for your help in resolving these issues, and helping everyone keep a watchful eye on our community.

David Watkins
President, HEMA Board of Directors

Crime Blotter

On or about Saturday, November 11, 2000 around 2:00 A.M., a homeowner's car on Copperhill Drive was broken into. A purse was stolen that contained credit cards and various other personal items. The thieves immediately used the credit cards and accrued fraudulent charges to the homeowner. The break-in was immediately reported to



Crime Blotter

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the police. It is not known if the perpetrator was apprehended. It also turns out that on that same night, another resident had his cell phone and personal items stolen from his vehicle.

A negligent driver mowed down the mailbox again on Copperhill Drive and drove off without leaving a note or identifying themselves. Witness said a pickup truck leaving HEMA hit the mailbox and returned after driving through the meadow.

Keep your cars locked, even when in the garage. Remember to pull your garage openers out of your cars when at home if they are parked in the driveway.

PLEASE WATCH OUT FOR YOUR NEIGHBORS!! WE CAN MAKE A DIFFERENCE IF WE LOOK OUT FOR EACH OTHER!! If you have an interest in creating a Neighborhood Watch Program for the community, please contact Paul Zane.

Adjourned Annual Meeting Notice

This is your first official notice of an Adjourned Annual Meeting of the membership to take place on Wednesday, February 28, 2001, at the Live Oak HS. Registration will be from 6:30 to 7:00 PM and the meeting will commence at 7:00PM in the Science Lecture Hall in the center of the complex.

You will be receiving an official notice soon that will describe the conduct of the meeting in more detail. Please set this date in your calendar now and plan to attend this very important meeting.

Directors' Meeting Schedule

The monthly Board Meetings will continue to be held on the third Thursday of the month. The Board wants to hold its meetings in a regular, convenient location.



The next meeting of the Board will be held on **Thursday, December 21, 2000**. Regular meetings will normally be held at the Commonwealth Federal Credit Union at 302 Tennant Station in Morgan Hill. The meeting will begin promptly at 7 PM.

All homeowners are welcome and encouraged to attend the meeting. Homeowners comments and concerns will be taken at the beginning of the meeting.

HEMA
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Holiday Lake Estates
Homeowner
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Morgan Hill, CA 95037

Meeting Date	Proponent	Action Item	Fiscal Impact
June 15, 2000	Board of Directors	Board voted to hold New Homeowners Orientation	Not to exceed \$300.00
	Board of Directors	Board voted to approve R.H. Nielson bid to mow and disc Upper and Lower Meadows	Not to exceed \$1,600.00
August 16, 2000	Board of Directors	Board voted to approve installation of Christmas arch at property entrance, as per last year.	None
	Board of Directors	Board voted to approve alterations to cable upgrade plans by Falcon Cable.	None
	Roads and Ditches Chair	Board voted to approve DRYCO bid to re-grade and re-line drainage ditch at 17219 Holiday Drive.	Not to exceed \$6,240.00
	Roads and Ditches Chair	Board voted to approve DRYCO bid to install new drainage ditch at 17141 Copperhill Drive.	Not to exceed \$14,600.00
	Roads and Ditches Chair	Board voted to approve American Asphalt bid to seal cracks along streets throughout property.	\$15, 840.00
September 21, 2000	Treasurer	Board voted to approve transfer of funds from Reserve Fund to Operating Fund temporarily to cover operating expenses until Fiscal year end.	\$37,000.00 temporary transfer until 2/28/00
	Treasurer	Board voted to approve Pro Forma Operating Budget 2000/2001. Annual Assessment to remain the same.	\$345.60 per household
	Board of Directors	Task force appointed to review Bylaws for proposed amendments in order to continue to perform community business.	None
	Board of Directors	Board voted to rescind approval of findings of CC&R Committee to allow homeowner input.	None
	Board of Directors	Board voted to approve Cagwin & Dorward bid to perform a one-time clean-up of all V ditches and to clean ditches monthly thereafter. Contract for one year.	Annual clean \$3,960.00 Monthly clean \$528.00 per month
October 19, 2000	Treasurer	Board voted to approve engagement of Allen & Cook to perform annual financial review, and prepare Federal and State tax.	Not to exceed \$2,500.00
	Board of Directors	Board voted to approve committee recommendation to amend the Association Bylaws.	None
	Board of Directors	Board voted to approve distribution of Bylaws ballot to homeowners on 11/1/2000 with 90-day voting period.	To be determined
	Board of Directors	Board voted to approve bid from R.H.Nielson to mow Lower Meadow.	Not to exceed \$800.00