EXHIBIT "C"

SILVERADO COMMUNITY SERVICES DISTRICT ADVISORY COMMITTEE

Rules

1. Establishment. The Silverado Community Services District Advisory Committee ("Advisory Committee") was established by the Board of Supervisors, acting as the governing board ("Board of Directors") of the Silverado Community Services District ("District") by resolution adopted on October 7, 1975 and subsequently amended by resolutions adopted on June 22, 1976, July 31, 1984, and December 10, 1991.

2. Functions of the Advisory Committee.
   
a. Develop recommendations to the Board of Directors regarding the type, extent and quality of the services to be provided and financed by the District.

b. Develop recommendations to the Board of Directors regarding long-term planning and policies for the District, including but not limited to, planning for capital improvements.

c. Review and make recommendations to the Board of Directors regarding the annual budget for the District.

d. Develop recommendations to the Board of Directors on establishment of rates and other charges to be set by the District.

e. Develop recommendations to the Board of Directors on the establishment of any service zones for providing special services to limited areas within the District.

f. Develop recommendations to the Board of Directors, when requested by the Board, on any other matters pertaining to the District.

3. Composition of the Advisory Committee

The Advisory Committee shall consist of fifteen (15) members and up to an equal number of alternate members. Each member and corresponding alternate shall be the owner of real property (or the authorized agent of such owner) within the corresponding area of the District listed below and shown on Exhibit "A", attached hereto and incorporated by reference herein:

   Member #1. Cottages A
   Member #2. Cottages B and C
   Member #3. Cottages D
Member #4. Oakcreek East and the Grove
Member #5. Silverado Oaks
Member #6. Creekside
Member #7. The Fairways
Member #8. Unit #1 and Lots 2 & 3 of Unit 6
Member #9. Units 2A, 2B, 2C, Rockpile, Lots 4 & 5 of Unit 6
Member #10. Unit 4, Simmons Property, 3 Westgate parcels, D7A and Silverado Crest
Member #11. Units 5A, 5B, Lots 5 & 6 of Unit 6
Member #12. Silver Trail
Member #13. Silverado Springs
Member #14. Silverado Highlands
Member #15. Silverado Country Club Resort

3. Officers of the Advisory Committee

The Advisory Committee shall select a Chairman and Vice-Chairman from its members annually at the first regular meeting held each calendar year. The District Manager shall serve as ex-officio Secretary to the Advisory Committee.

4. Appointment and Term of Advisory Committee Members and Alternates

a. Nomination and Appointment.

(1) Members. Advisory Committee members shall be appointed by the Board of Directors from written nominations made by the Silverado Property Owners Association (SPOA), a non-profit corporation established for the promotion of the social welfare of the landowners within the District. The nominees may be, but are not required to be, members of SPOA, including officers and directors of SPOA.

(2) Alternates. Each member or proposed member may nominate in writing an alternate member to serve in the member's absence. The alternates shall be appointed by the Board of Directors from these nominations.

b. Terms of Advisory Committee Members and Alternates.

The terms of all members and alternates shall be a calendar year. In the event of an unscheduled vacancy the replacement member or alternate shall serve out the remainder of the term. There shall be no limitation on the number of terms which a member or alternate may serve. beginning on January 1 and terminating on December 31.

c. Vacancies.

(1) Occurrence of Vacancies. All member and alternate positions on the Advisory Committee shall become vacant upon expiration of the term. Vacancies may also occur
during a term as the result of resignation, death, or removal for non-attendance for three consecutive meetings without prior excuse to the Secretary, Chairman or Vice-Chairman. If a member or alternate no longer meets the property ownership (or agency for an owner) requirements of Rule 3 during his/her term, the member or alternate shall be deemed to have resigned as of the date that ownership (or agency for an owner) ceased.

(2) Notices and Renomination. Notice of all vacancies, whether scheduled or unscheduled, shall be given in compliance with Section 54970 and following of the California Government Code. In addition, prior to the expiration of the term of a member and whenever an unscheduled vacancy occurs, the Board of Directors shall notify the board of directors of SPOA and request that nominations to fill the vacancy be provided. In the event an unscheduled vacancy occurs in an alternate position, the Board of Directors shall notify the corresponding member and request that the member nominate a new alternate.

(3) Holdover. Upon expiration of the term of a member, the member shall continue to serve until a replacement member has been appointed in accordance with these Rules.

5. Meetings

   a. Date of Meetings

   Regular meetings of the Advisory Committee shall be held in accordance with a schedule adopted by the Advisory Committee at its first regular meeting of the calendar year. That schedule shall specify the times, dates and location for the regular meetings for the remainder of the calendar year and the first regular meeting of the succeeding calendar year. Special meetings may be held at other times by resolution of the Advisory Committee or upon call of the Chairman in accordance in Section 54996 of the California Government Code.

   b. Brown Act

   The Advisory Committee shall comply with all provisions of the Brown Act (California Government Code sections 54950 and following) pertaining to open meetings, notice and agenda, as such may from time to time be amended, which are applicable to advisory commissions of local agencies.

6. Bylaws

   The Advisory Committee may adopt any Bylaws for the governance of its own affairs which are not inconsistent with these Rules.