HGCSD SPECIAL BOARD MEETING MINUTES

May 15, 2026 - 4:00 PM
Robertson Residence, Front Deck
18625 Douglas Drive
Applegate, CA 95703

MINUTES

1. CALL TO ORDER AND ROLL CALL

The special meeting of the Board of Directors of the Heather Glen Community Services District was called to order at 4:04 PM by Board President Charles Robertson at the Robertson Residence, Front Deck, 18625 Douglas Drive, Applegate, CA 95703. A quorum of the Board was present.

Directors Present:

- Charles Robertson, President
- Marc Krupin, Vice President
- Cheryl Madden, Treasurer
- Gary Bundesen, Director
- Stephen Adams, Director

Directors Absent:

- None

District Personnel Present:

- Rachel Rose, General Manager and Board Secretary

Other Present:

- **Zero (0)** members of the public

2. APPROVAL OF THE AGENDA

President Robertson noted that the Pledge of Allegiance would not be conducted due to the meeting location.

Motion: Approve the current meeting's agenda without the Pledge of Allegiance.

Motion by: Stephen Adams
Seconded by: Gary Bundesen
Vote: **5–0**
Motion **passed**.

3. APPROVAL OF MINUTES FROM MAY 7, 2026

Motion: Approve the meeting minutes from May 7, 2026.

Motion by: Cheryl Madden
Seconded by: Gary Bundesen
Vote: **5–0**
Motion **passed**.

4. PUBLIC COMMENT (NON-AGENDA ITEMS)

Members of the public were provided the opportunity to address the Board regarding matters not appearing on the agenda.

No public comment was received.

5. NEW BUSINESS

I. Consideration of Amendments to Water Service and Collections Policy Regarding Water Meter Access and Clearance Charges

The board discussed:

- The Board reviewed proposed amendments to the Water Service and Collections Policy related to water meter accessibility, clearance requirements, and recovery of costs when meter access areas must be cleared.
- Discussion included clarification of residential service connection language, non-residential service connection review and quote procedures, and the District's ability to provide notice to a new owner regarding unpaid liens or outstanding account obligations. The Board also discussed the administrative need for updated meter reader documentation and received an update that Zelle payments are working well.

Motion: Adopt the amended Water Service and Collections Policy changes, including the requested revisions related to residential service connection language, non-residential service connection procedures, and unpaid lien notice language.

Motion by: Cheryl Madden
Seconded by: Stephen Adams
Vote: **5–0**
Motion **passed**.

II. Consideration of amendments to Finance Management and Internal Controls Policy regarding customer account credits, reserve fund usage, and financial control updates*

The board discussed:

- The Board reviewed proposed amendments to the Finance Management and Internal Controls Policy.
- Discussion included updating references from the Finance Committee to the Finance Operations Group, adding language regarding reserve fund use for infrastructure improvements, and clarifying procedures for customer overpayments and account credits.
- The Board discussed the composition of the Finance Operations Group, consisting of the Treasurer, General Manager, and Bookkeeper, with one additional Board member eligible to participate if interested.
- The Board requested a revision to Section 2160 to remove redundancy and clarify the treatment of overpayments unless a refund is requested by the customer.

Motion: Adopt the amended Finance Management and Internal Controls Policy changes, including the requested revision to Section 2160.

Motion by: Stephan Adams
Seconded by: Gary Bundesen
Vote: **5–0**
Motion **passed**.

III. Consideration of Creation of Ad Hoc Committees

The Board discussed the purpose and limitations of ad hoc committees. The Board noted that ad hoc committees are temporary, limited-purpose advisory committees that dissolve upon completion of the assigned task or upon further Board direction. The Board also noted that standing committee meetings are public meetings subject to applicable notice requirements.

A. 2026–2027 Budget Ad Hoc Committee
The Board discussed creating a temporary ad hoc committee to support development and review of the proposed Fiscal Year 2026–2027 District budget prior to budget adoption.

Motion: Establish the 2026–2027 Budget Ad Hoc Committee for the limited purpose of supporting development and review of the proposed Fiscal Year 2026–2027 District budget prior to budget adoption. The committee shall dissolve upon completion of the assigned task or adoption of the Fiscal Year 2026–2027 budget by the Board of Directors.

Motion by: Stephan Adams
Seconded by: Gary Bundesen
Vote: **5–0**
Motion **passed**.

B. Fiber Project Ad Hoc Committee

The Board discussed creating a temporary ad hoc committee to support review, coordination, and communication related to the District's fiber infrastructure project.

Discussion included project status, coordination with SMI, communication with interested residents, utility-location considerations, project mapping, and confirmation that project-related signs should be handled by SMI rather than by the District unless otherwise reviewed and approved.

Motion: Establish the Fiber Project Ad Hoc Committee for the limited purpose of supporting review, coordination, and communication related to the District's fiber infrastructure project. The committee shall dissolve upon completion of the assigned task or upon further Board direction.

Motion by: Marc Krupin
Seconded by: Stephan Adams
Vote: **5–0**
Motion **passed**.

C. Ad Hoc CC&Rs Clarification Committee

The Board discussed creating a temporary ad hoc committee to review the Heather Glen Estates CC&Rs with District counsel for the limited purpose of clarifying the distinction between HGCSD's public agency role and private CC&R matters, identifying outdated language and District/Board protection concerns, evaluating options related to the CC&R Management Committee role, and returning recommendations to the Board.

The Board discussed using available CSDA legal consultation resources first and authorizing limited paid legal review if needed. The committee will not have authority to amend, enforce, or interpret the CC&Rs, approve rules, commit District funds beyond any authorized amount, or act on behalf of the Board or property owners.

Motion: Establish the Ad Hoc CC&R Clarification Committee for the limited purpose of reviewing the Heather Glen Estates CC&Rs with District counsel and returning recommendations to the Board, with Charles Robertson serving as chair.

Motion by: Marc Krupin
Seconded by: Cheryl Madden
Vote: **5–0**
Motion **passed**.

IV. Consideration of sold delinquent account forgiveness - **Cheryl Madden**

The board discussed:

- The Board discussed a delinquent account associated with a sold/foreclosed property and reviewed the status of outstanding charges, prior notices, lien history, foreclosure information, and possible next administrative steps.
- Discussion included contacting the mortgage holder, sending additional written notice, confirming the account status, and securing the water service to prevent unauthorized use. The Board also discussed the need for future policy clarification regarding inactive

accounts, unsatisfied liens, and water service access when an account has not been properly activated.

No formal account forgiveness action was taken.

V. Discussion of operational updates regarding: 1) Digital customer invoicing and statements, and 2) Customer contact information confirmation letter. - **Cheryl Madden & Rachel Rose**

The board discussed:

- The Board received operational updates regarding digital customer invoicing and statements, customer contact information, and future billing procedures.
- Discussion included estimated administrative costs associated with paper billing, the need to confirm customer contact information, the timing of a customer contact confirmation mailer, possible future separation of fixed charges and usage charges, and potential inclusion of emergency contact information or phone tree information.

No formal Board action was taken.

6. DISTRICT ANNOUNCEMENTS

Board members and District personnel were provided the opportunity to briefly announce District-related matters for public transparency. No discussion, deliberation, or action occurred unless separately listed on the agenda.

- It was announced that Directors Madden and Krupin would attend mandatory training in Truckee on June 3, 2026. The training cost was noted as $75 per person.

7. FUTURE AGENDA ITEMS AND MEETING SCHEDULE

Future agenda items identified included:

- Emergency notification options, including mass text options.
  A Lane evacuation and fire mitigation considerations for summer.
- The next Regular Meeting of the HGCSD Board is scheduled for Thursday, June 25, 2026, at 4:00 PM at the Applegate Civic Center.

8. ADJOURNMENT

Motion: Adjourn the meeting.
Motion by: Stephan Adams
Seconded by: Marc Krupin
Vote: **5–0**
Motion **passed**.

The meeting adjourned at **5:20 PM**.

** Agendas, Minutes, and supporting District meeting materials posted on the HGCSD website: hgcsd.net.*