



Heather Glen Community Services District Regular Quarterly Meeting Minutes - March 27, 2025

Applegate Civic Center
18014 Applegate Road
Applegate, CA 95703

1. **MEETING CALL TO ORDER @ 4:03 PM. & PLEDGE OF ALLEGIANCE** Those present included: *Board Members, Charles Williams, Marc Krupin, Cheryl Madden, Gary Bundesen, and Stephen Adams. General Manager/Board Secretary, Rachel Rose. Also present were 10 homeowners from Heather Glen CSD.*

2. **APPROVAL OF MINUTES**

- a. Review & Approval of Minutes of Meeting for February 27th

Motion to approve all minutes made by Steven Adam. Seconded by Marc Krupin.

Votes in favor (4)

Against (0)

MOTION PASSED to Approve Minutes

3. **OLD BUSINESS**

- a. **District Memberships (Tabled from last meeting)** - Cheryl Madden

- i. California Rural Water Association (CRWA) membership

1. CRWA Membership Benefits & Cost - Rachel Rose

- a. Benefits (some): Reductions in class fees and access to Water Education training. A quarterly magazine subscription, and Membership Directory & Industry Resource Guide. Technical Assistance with source water assessment & protection plans. Product discounts through their Preferred Provider Program.

- b. Cost: \$513 as they are charging the quoted 2014 rate for our 2025 membership. Will increase in 2026 based on that year's pricing (increased \$25 or 5% y/y, so expecting 2026 pricing to be between \$563-\$565.)

- ii. MemberGuard 2025-2026 Renewal - *due in April*

1. Discussion on benefits of renewal and other liability insurance options

2. HGCSD paid in 2024 to join the MemberGuard Program as conditional membership required to cover the gap in liability

insurance for the county. (Remember that CRWA membership is separate and is required for the MemberGuard Program membership.)

3. Finance Committee is looking into other liability options for potential cost savings. The renewal date is too close to make any changes at the moment.

Motion to approve both memberships made by Cheryl Madden. Seconded by Steve Adams.

Votes in favor (5)

Against (0)

MOTION PASSED to implement 2025 membership with CRWA and Renewal of MemberGuard Membership.

b. CC&R & ByLaws Review and Revisions - Charlie Williams

- i. The CC&Rs haven't been reviewed in years. Charlie Williams will be meeting with the original lawyer, Thomas Koons, to review and make sure it is up to date. Mentioned that any changes to the CC&Rs would require a vote from the community, and that this review is simply to work on clarifying and firming up the language of the document.
- ii. \$1k has been projected in the budget for lawyer costs. Koons is only charging \$150 for the 30 minutes.
 1. A motion isn't needed as review of district documents such as the CC&Rs and ByLaws is an (annual) requirement.

c. Customer/Contact Privacy Policy - Cheryl Madden

- i. Present and vote on a privacy policy for the district to ensure privacy law compliance (i.e. CPRA and CCPA).
 1. Rachel Rose shared the importance of implementing a privacy policy for the district. Details listed in meeting notes from 02-27-25.
 2. Rachel Rose will be posting the new Privacy Policy on the website for residents.

Motion to approve and implement the Privacy Policy made by Cheryl Madden. Seconded by Marc Krupin.

Votes in favor (5)

Against (0)

MOTION PASSED to implement the HGCS D Privacy Policy.

4. NEW BUSINESS

a. Generator Annual Maintenance (Norris Electric) - Rachel Rose

- i. Details: Last maintenance service done on our generator (Generac 2.4L 3009781704) was on 2/20/24 for \$504.23 with 104.8 run hours on the generator. We need to change the coolant this year, so the estimated cost would be ~\$650, although they think it may be less than that. Additionally, our Mobile Link subscription expires on 6/30/2025 and that is \$275.50 for the year. Total cost: ~\$925.50.
- ii. Question: Did it come with a warranty?
 1. The Water Committee can look into this, however this is for general maintenance and a subscription to an app feature. Warranty wouldn't cover those. It's good to know in case something was to fail, however.

*Motion to approve the generator maintenance service and renew the subscription to Mobile Link made by Marc Krupin.
Seconded by Steve Adams.*

Votes in favor (5)

Against (0)

MOTION PASSED to service and renew Mobile Link subscription.

b. Committee Updates:

- i. **Roads / General Maintenance** - Marc Krupin / Gary Bundesen
 1. Collecting bids to keep our roads clean. Should be good till June. Already received 1 bid.
 2. Noting for the community that road maintenance means pine needles.
 3. County road maintenance - the county only plows the snow, however, they should be sweeping as well.
 - a. The District has no pull over this, but residents do! Residents can call the county road department and request the service.
 - b. Whenever the District performs maintenance to the private roads, we include the county road (Heather Glen Drive) as well.
 4. Feedback from the community: The new road sign has helped!
- ii. **Water / Sewer** - Gary Bundesen / Marc Krupin
 1. Putting Root-X on books for after rain.
 2. PCWA Feasibility Lab
 - a. Cheryl Madden spoke with Gerry LaBudde (Hydros). PCWA is looking into placing 2 200k tanks in place of the 1 redwood we currently have. PCWA is also working on putting HGCS at the front of the line for

their water consolidation project. The project budget is based on first come first serve. Hence why we need to make sure we are keeping on top of the project and making a priority.

- i. Gerry LaBuddehas helped this community for a long time now. He isn't on our books, and doesn't owe us anything. He's even the one who got us the grant to purchase our generator at the WTP!

iii. Fire Protection - Cheryl Madden

1. Vegetation Mitigation - 4 Part Plan

- a. Eastern boundary - 4 members + the Fire Captain of CalFire are doing the work today (brush and trees). This doesn't cost us anything! They will be coming every Thursday in May and June.
- b. Behind Dunvegan - Hammond came and removed the dead/dangerous tree, but the floor was covered in vegetation. CalFire is coming to chip everything to clear the area.
 - i. We aren't investing in floor materials / weed abatement. We are suggesting they pay for the materials and the District can provide volunteers. We would hate to do all this work removing trees and then have the baby plants come up because the forest floor was neglected.

ii. Scheduling for April / May

2. Burning near HGE entrance: George Beck property is paying to have this vegetation burned, and they are doing everything right.
 - a. We had previously contacted them (see previous meeting notes), and they are taking care of the vegetation for the fire break.
3. Question: What type of material to use for removing scotch broom?
 - a. The District will do their homework, but we are looking at product options (\$90 for Ranger for 200 gallons vs Ranger Pro, which we've always used).

iv. Utilities - Steve Adams

1. Fiber Optics Interest Results & Next Steps

- a. The community is currently at a 77% positive confirmation - we only need 70% to move forward with the fiber project. Charlie Williams reached out to

Scott Standfield (Sierra Mountain) to sign the contract.

- b. A reminder to residents / potential fiber customers: Just because you have a fiber line run to your home doesn't mean you need to pay for fiber service right now. It could be a future proofing option.
- c. Future project of the District is to create an email tree for emergency and community impacting announcements.

v. Finance - Cheryl Madden

1. Report on Committee Findings

- a. The Finance Committee has been working on looking through our accounting books/records to better understand our budgets and make sure we meet the current state requirements.
- b. A finding is that we will need to increase some fees to handle current and future costs in specific areas. The board will communicate everything before any change would be implemented, and they are not voting on anything today.
- c. Examples from 2024 findings and how that will impact fee charges:
 - i. Road fees (cleaning/maintenance) -
 - 1. Took in <\$7, but had an expense of >\$33k.
 - ii. Admin/Operational fees (includes: employee costs -aka, General Manager and Bookkeeper-, insurance, audits, office supplies, legal fees, LAFCO, etc.) -
 - 1. Took in >\$35k, but had an expense of >\$45k.
 - iii. Sewer fees (PG&E utility clean out, Union Pacific Railroad lease [increased 5% each year], Pond, etc)
 - 1. Took in >\$17k, but had an expense of >\$19k.
- d. L&L will be doing our next audit. Our 5 year coming up this year.
- e. The Finance Committee is looking into creative ways to move forward with billing - keep costs down while still covering our costs.
- f. The District will be holding a special meeting in April to go over finances - 04/24/25.

- g. The committee met with Rick Wood (CSDA) who suggested putting in policies as is standard for a government entity (which we are). First recommendation was to put in place an Investment of District Funds Policy. Cheryl Madden made the motion to approve this policy.

Motion to adopt Investment of District Funds Policy made by Cheryl Madden. Seconded by Steve Adams.

Votes in favor (5)

Against (0)

MOTION PASSED to adopt Investment of Districts Funds Policy.

2. Announcement that Julie Gordon, bookkeeper, has resigned as of 03/25/25.
 - a. As this is the end of the month, we are prioritizing making payments towards payroll, our liability insurance renewal, and our bills.
 - b. Chris Locken is a new HGE resident and a bookkeeper by trade - also part of the Financial Committee. She is helping out in the transition.
 - i. Motion to make Chris Locken the interim bookkeeper, as a contractor (billed by the hour).
 - ii. Bookkeeper will manage checks with direction from the board on where to distribute them.
 - iii. Chris Locken to provide a resume and credentials/license before any hand over occurs.

Motion to hire Chris Locken as a contracted bookkeeper for HGCS D made by Charlie Williams. Seconded by Marc Krupin.

Votes in favor (5)

Against (0)

MOTION PASSED to contract Chris Locken for bookkeeping services.

3. Additional information provided by Rick Wood regarding Treasurer. The board should have a Treasurer and legally cannot be an employee or contractor. Suggests appointing a Board Treasurer asap.

- a. Charlie Williams makes the motion to appoint Cheryl Madden as Board Treasurer.
- b. **Important note:** This would be Treasurer in name only! This position will oversee the bookkeeper and work with the General Manager. Would be point person with the County and for sharing treasury reports.

Motion to appoint Cheryl Madden as Board Treasurer made by Charlie Williams. Seconded by Marc Krupin.

Votes in favor (5)

Against (0)

MOTION PASSED to appoint Cheryl Madden as Board Treasurer.

5. OPEN DISCUSSION

a. Special Meetings

- i. The board has been having monthly Special Meetings while discussing big projects like PCWA, Audit, etc.
- ii. The regularity also due to trying to limit agenda items to make sure all discussions are diligent without overloading the audience or board.
- iii. Will be holding a Special finance focused Meeting next month (April 24th). It's open to public (like all board meetings) and the board wants resident input.
- iv. The frequency of meetings / need for Special Meetings will slow down once all the current large projects are under control.

6. ADJOURNMENT - 5:08 PM.

- a. *Motion to Adjourn made by Steve Adams; Seconded by Marc Krupin.*

Votes in favor (5)

Against (0)

Meeting ADJOURNED

The next Special Meeting of the HGCS D Board will be held on Thursday, April 24, 2025 at 4PM. Meeting to be held at the Applegate Civic Center.