

Minutes HGCSD Board Special Meeting, January 23, 2025 (Applegate Civic Center, 18014 Applegate Road, Applegate)

1. **MEETING CALLED TO ORDER AT 4 PM.** Those present included: *Board Members Marc Krupin, Cheryl Madden, Charles Williams, Gary Bundesen, and Stephen Adams. Treasurer, Julie Gordon. Gail Adams taking meeting notes in place of General Manager/Board Secretary, Rachel Rose.*
2. **PLEDGE OF ALLEGIANCE**
3. **SIERRA MOUNTAIN FIBER OPTIC (PLAN) PRESENTATION: Scott Stanfield (45 min)**
 - a. [Sierra Mountain Internet - Golden Fiber Division, Heather Glen Fiber Project Presentation handout pdf](#)
 - b. **Team:** Scott Stanfield (prez & CEO), Noah Grugier, Jeremy Standfield, Jennifer Stanfield (PR & Support).
 - i. Recently acquired Dacomm (Dwayne Armstrong)
 - c. Went over all the areas Sierra Mountain Internet/Fiber Optic services. Their goal is to bring communities up to date with underground fiber optics (buried 18 inches deep). Care about their customers - better service than big internet companies like AT&T.
 - d. **About Fiber Optics:** More reliable, faster, can travel longer distances, no corrosion, more durable, and can deliver more information. Better/more reliable than competitive products (satellite, digital/internet) because others are susceptible to weather outages and peak time data surges. Creates more reliability to contact emergency services! (See handout.)
 - i. Note that they don't control the 1 powerline that comes into town (AT&T), however it's never gone out.
 - e. **Project Goals:** Phase 1 start date of February 1st. Whole project will be completed in 4 months across 4 phases. (See map for phase impact - phase 1 in yellow.)
 - f. **Cost:** \$99 set up fee to get fiber into your home with no data fees (unlimited data). Military, Teacher, and First Responders receive a 10% discount. An additional 10% discount available for pre-paying for a full year of service. Price matching is available, but they will also match the data speed.
 - g. **Must have 70% sign up commitment to give fiber to the community**
 - i. Sign up sheet was available at meeting
 - ii. Mention applicable discount(s) when signing up
 - iii. Rhonda R (previous board VP) was previously working on this project with Cheryl Madden - Marc Krupin asked about traction.

Had approx. 50% interest before the project died down. Suggestion to bring sheets back around for sign up.

1. Steve Adams is the chair of Utilities Committee, and will be the main community contact on the fiber project.
- iv. Require a long term commitment from the board of a 10 year exclusive contract for fiber of the area with options to adjust in the future for cost of living.

4. APPROVAL OF MINUTES - TABLED

- a. Review & Approval of Minutes of Meetings for December 5th and 6th
- b. Review & Approval of Revised Minutes of Meetings for June 18th, September 25th, and November 18th
- c. Review of Missing Minutes of Meeting for Sept 2023

Motion to TABLE until next meeting made by Gary Bunderson. Seconded by Steve Adams.

Votes in favor (4)

Against (1, Cheryl Madden)

MOTION PASSED to TABLE until February meeting

5. OLD BUSINESS

a. District Memberships - TABLED

- i. California Rural Water Association (CRWA) membership renewal
 1. Cheryl Madden: CRWA is a conditional membership required to cover the gap in liability insurance for the county. Unsure of the costs associated and if paid already (ask Rachel Rose).

Motion to TABLE until next meeting made by Cheryl Madden. Seconded by Marc Krupin.

Votes in favor (5)

Against (0)

MOTION PASSED to TABLE until February meeting

- ii. MemberGuard Program membership as a CRWA member
 1. Cheryl Madden: Mentioned that Julie Gordon had already paid for this year's membership; however, it is a newer extraordinary expense not part of our current billing, so the board may want to make a motion to approve the membership continuing for 2025.
 2. Marc Krupin wanted to confirm ~\$550 cost with Julie Gordon. Also wants to take advantage of membership

resources since we have already paid the fee instead of looking into credit options. Resources include:

- a. Monthly magazines
- b. Seminars for board members - continued education.

Motion to sign on and approve allotment made by Cheryl Madden. Seconded by Marc Krupin.

Votes in favor (5)

Against (0)

MOTION PASSED

b. Water shut off procedure - TABLED

- i. Charlie Williams - A lot of outstanding bills to be paid. In the past we have talked about liens and shut offs. We need to confirm if we can do that, and how long is that going to be?
 1. Have accounts 120 days past due
 2. A total of \$13k in past dues
 3. Previously, we would place liens on a house for unpaid dues, but that doesn't resolve the impact to our operations budget until the house is sold (could be years).
- ii. Previous policy insights from Max Bailey (previous board president):
 1. It's usually the same people and previously the board secretary would write a letter for a grant to cover the cost.
 2. Residents were reached out to but have a history of providing partial payments that would then build up again.
 3. Suggests reaching out to PCWA to confirm their policy and table for now. Mentions how important water is/the humanitarian impact, and suggests to focus on which accounts are really badly overdue when implementing policy.
- iii. Next Steps
 1. Contact CRWA and CVSA for insight on policy. Update informative letter/notice to have "legal teeth."
 2. Steve Adams to review goals and design, and report back to board in February. Marc Krupin to add support.

Motion to TABLE until next meeting made by Steve Adams. Seconded by Marc Krupin.

Votes in favor (5)

Against (0)

MOTION PASSED to TABLE until February meeting

c. **Committees, POCs, & member confirmation - TABLED**

- i. Marc Krupin - Would like to see committees work. Committee to be led by a board member but run by the community. Would like to review committees, assign a board leader, and get the buy in from each leader that it will be run as a united committee which will bring updates to the board.
 1. Note: According to Brown Act, you shouldn't have more than 2 board members on a committee.
- ii. Committee leads
 1. Water/Sewer = Gary Bundesen / Marc Krupin
 2. Fire Protection/Weed Control = Charlie Williams / Cheryl Madden
 3. Internet/Fiber/Towers = Steve Adams / Cheryl Madden
 4. Roads/General Maintenance = Marc Krupin / Gary Bundesen (Chuck Robertson)
- iii. **Board to review and report back in February. TABLED.** *(No motion info due to missing meeting recording section.)*

6. NEW BUSINESS

a. **Accounting & Administrative Discussions /Considerations:**

- i. Report of the Completion of 2024 County Audit and associated costs
 1. Julie Gordon - Audit: county quoted us 5 years ago for \$5k \$5k audit, but now is being quoted as \$20k ("can't honor previous price"). Our annual budget is \$150k - audit would cost 1/4 of budget! Julie working to have them come talk to HGCSD and trying to hold county to quoted price - even if have to pay in installments.
 - a. Need a government county registered, certified CPA. And would need good price.
 - i. Check with resident that spoke in Dec meeting about helping with this?
 - ii. CWRA has resources - maybe option? Cheryl Madden to reach out to Rick Wood.
 2. Julie Gordan to bring financials to quarterly meeting.
 3. Cheryl Madden - Request for detailed bank statements to be brought to quarterly/regular board meetings to review recurring expenses.
 - a. Julie Gordon confirmed bank statements are signed/reviewed by board for audit purposes. And that

Financial Report shared quarterly includes bank statement details.

- b. Cheryl Madden and Julie Gordon to connect separately to further discuss request.
4. **Julie Gordon** - Pass Due could be \$20k. Rhonda R will check.
5. Cheryl Madden - CSDA could find an audit.
- ii. Review the Costs as an Employer for Road and Admin employees
- iii. Future Management of Past Due (Fees) Resident Accounts: Deadlines & Actions - *see section 5b*
- iv. Review & Discussion of Road Maintenance Expenses and Plans for 2025 - **TABLED**
- v. Discussion/ Vote on Letter to Residents re: sewer line responsibilities
 1. Connection - House - Responsibility . Home owner at the connection. Heather Glen responsibility.
 2. Letter reminding home owners to go out.

Motion made by Cheryl Madden; Seconded by Gary Bundesen. MOTION PASSED. *(No vote info due to missing meeting recording section.)*
- vi. LAFCO communication re: Correction of County/ Election Office re: HGE residences only voting change. - **TABLED**
 1. *(No motion info due to missing meeting recording section.)*
- vii. Plans for 2025 CC&R & ByLaws review and revisions
- b. **Fire Protection:**
 - i. Approval of NOE's (CEQA Notice of Exemptions) for Harmon Shaded Fuel Break Project & Water Tank Hazardous Vegetation Removal by WRCC.
 1. Not disturbing anything but vegetation.
 - ii. Discussion/Approval of the continuation of the Water Tank Hazardous Vegetation Removal by WRCC for 2025
 1. Last year approval for veg. \$2700 est. only spent \$2k as of now including the toilet cost.
 2. Approval for 4 more days of work to finish up (3 more months). We are still under budget.
 3. Manhole Mat. Pour Root-X
 - a. Volunteers: Gary Bundesen, Marc Krupin, Charlie Williams.
 - b. Approval to get \$2000 for sewer lines. Vote needed.

Motion made by Cheryl Madden; Seconded by Marc Krupin. **MOTION PASSED.** (No vote info due to missing meeting recording section.)

- iii. Ben's Toilet Expense of \$126/Month. Only spent \$2k thus far
 - 1. Money spent: Hotchkiss Hill Washington Ridge conservation crew up there 5 times for \$900 (for 7 guys, tools, etc)
 - 2. Ben's Toilet Rental = \$150/month fires have extended the rental. Removal 146\$ to remove and bring back.
 - a. \$146 to take away and bring back vs \$126 to keep toilet
 - b. \$9 maintenance fee to clean the toilet (included). Cheryl to ask if we can get a cost break on the rental.
 - iv. Updates on Projects:
 - 1. Project C - sliver of land over on Applegate Rd and north area of Weaver Hill. Need owner's permission to work. Waiting 30 days. Cheryl sent letter to the owners, but hasn't heard back. Have support from the county.
 - 2. Project D - Weaver Hill. Letter out.
 - v. Evac routes:
 - 1. Last year added evac route by L&L's house (616 Sinclair Ct).
 - a. Need to address dip in driveway. Cheryl has a bid/quote from T&S Paving for \$3,100 to resolve the 9x15 section. Board to get additional bids.
 - 2. Ask from resident (Judy) - Include extra evac routes in letter going out to residents.
 - vi. Announcement:
 - 1. RX burning coming up
 - 2. Need burn pile volunteers for the coming months. Sign up sheet provided.
 - 3. A letter will be coming out to inform residents on their responsibilities of yard waste clean up
 - 4. Address markers - free sign up
- c. BRAINSTORM - Marc Krupin**
- i. Welcome Wagon
 - 1. Welcome Committee
 - a. Volunteers: Max Bailey, (Linda McLean?), Kimberly Keck
 - 2. Welcome Packet
 - a. Max Bailey (prev. Prez) Confirmed that we have been sending out letters previously.

- ii. Rates increase to better cover budget
 - 1. Finance Committee & Road Committee
 - a. Cheryl - Working with Julie Gordon and residents with financial experience/on committee. Looking at per month costs vs monthly fees - we aren't collecting enough to cover the current Road fees.
 - b. Marc Krupin asks that these committees work together to decide on the amount increase needed.

7. ADJOURNMENT AT 5:55 PM.

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

Votes in favor (5)

Against (0)

ADJOURNED

*The next Regular Meeting of the HGCSD Board is scheduled for **Thursday, February 27, 2025**. Meeting to be held at the Applegate Civic Center; at 4 P.M.*