



## Heather Glen Community Services District Quarterly Meeting Agenda - 06/26/2025

**June 26, 2025 at 4:00 PM**

**Applegate Civic Center**

18014 Applegate Road

Applegate, CA 95703

**I. MEETING CALL TO ORDER @ 4:01 PM. & PLEDGE OF ALLEGIANCE**

Those present included: *Board Members, Charles Williams, Cheryl Madden, Gary Bundesen, and Stephen Adams. General Manager/Board Secretary, Rachel Rose. Bookkeeper, Chris Locken. Also present were 10 homeowners from Heather Glen CSD. Board member, Marc Krupin, noted as absent.*

**II. APPROVAL OF MINUTES**

**A. Review & Approval of Minutes of Meeting for April 24th**

*Motion to approve the April 24th Minutes made by Steve Adams. Seconded by Cheryl Madden.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

**III. OLD BUSINESS**

**A. Qtrly Financial Report - Chris Locken**

1. Chris Locken Introduction - Chris is a community member, and as of April 2025, HGCS D's new bookkeeper. She has been working with the Finance Committee on updating our automations and systems; e.g. checks are now able to be remotely deposited. Completing the District's 5-year audit with the County.

**2. Bank Statements:**

a) California Bank of Commerce (CBC)

(1) Checking account (as of May 31st): \$43,844.86

(2) Money Market account (as of 5/30): \$20,086.91

(a) Cheryl Madden mentioned that the account is at ~\$50k now

b) Bank of Montreal (BMO)

(1) Checking account (as of May 31st): \$225,401

(2) Savings account (as of May 31st): \$1,042.72

3. **General Report:** Comfortable with what we have in CBC, and happy moving money from BMO to CBC. CBC allows more government checks and balances, and has a higher return on our money.

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**Heather Glen Community Services District**

PO Box 715

Applegate, CA 95703

**Email:** HeatherGlenCSD@gmail.com

**Phone:** (530) 492-0577

**Website:** <https://hgcsd.net/>

4. **Receivables / Customer Service Invoicing:**

- a) Late fees have been removed for March, April, & May bills. We can remove late fees for June as well, if needed.
- b) Our systems are now updated with historic documentation, so we can provide whatever customers need.
- c) The community dropbox is checked weekly. Currently, all checks submitted as of Wednesday morning have been deposited.
- d) The new invoice due date is the 10th of each month. Invoices are sent out by the 10th of the month following service, and payments are due by the following month on the 10th. (Dates are included on each invoice.)
- e) We made changes to invoicing over Q2. If there are errors on your invoice, we ask that you write a note with your check so that Chris Locken can work with you on the invoice.
- f) For renter properties: Owners are contacted as long as they provide contact details to the District. These details can be shared with the District at any time via the [HeatherGlenCSD@gmail.com](mailto:HeatherGlenCSD@gmail.com) email.

*Motion to approve the Quarterly Report made by Steve Adams. Seconded by Gary Bundesen.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

**B. Finance Committee Report - Cheryl Madden**

- 1. **Byproducts Study:** \$36k for Gerry LaBudde to conduct study for PCWA. We paid the invoices upfront but Cheryl Madden had to reach out to PCWA for reimbursement. The current reimbursement request is open for \$8600.
- 2. **Bonding:** Chris Locken, as the District's bookkeeper, and Cheryl Madden, as the Board Treasurer, are now bonded (Dishonesty Bond) for \$10k. This was a requirement made by the County and voted on last year. We have reported our bonded status to the County.
- 3. **Placer County Contract:** The County has asked us to sign a renewal contract that allows the County to continue to have access to our finances. They will in turn provide reports. Cost of \$1,200, but could get down to \$800. Due date: 07/01.
  - a) Suggestion to continue on with the County contract for at least 1 more year. This will act as 'a safety net' and is aligned with financial suggestions the District has received.
  - b) HOWEVER, note to watch out for any additional or unnecessary fees.

*Motion to approve MOU for '25-26 made by Cheryl Madden . Seconded by Steve Adams.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

4. **Audit Status:** A week long audit, supported by Cheryl Madden and Chris Locken. Closing on Monday.
5. **Updates to Invoicing, Re: Billing Increases and Charging Flat Rate:**
  - a) \$20 increase to keep up with cost (Admin & Road)
  - b) Road maintenance (sealing) needs to be done - saving up
  - c) Admin (Audit costs)
  - d) Hold off on charging a flat rate

#### IV. NEW BUSINESS

##### A. Discuss CY 2025 Budget / Vote

1. We need to keep to a budget. We are within the projected targets, but still need to review payables. Payables are not yet entered into Quickbooks.
2. Maintenance (costs): a) Weed eating and broom removal around the water tank, b) the backside of A Lane utility easement was cleaned up.

*TABLED discussion of 2025 Budget*

##### B. Review & Vote to Cancel State Fund Workers Comp Coverage - Cheryl Madden

1. Reasons for cancellation:
  - a) We are no longer employers
  - b) Contractors Policy being voted on today
  - c) Saves \$2k / yr
2. Charlie to follow up with State Fund

*Motion to Cancel State Fund Workers Compensation Coverage made by Steve Adams. Seconded by Gary Bundesen.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

##### C. New Policy Review & Adoption / Vote - Rachel Robertson

###### 1. Adoption-Amendment of Policies Policy

*Motion made by Cheryl Madden to adopt Adoption-Amendment of Policies Policy. Seconded by Steve Adams.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

## 2. Basis of Authority Policy

*Motion made by Steve Adams to adopt Basis of Authority Policy.  
Seconded by Cheryl Madden.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

## 3. Contractors and Consultants Policy

- a) Suggestion for the District to have a standardized form for the committees to provide to (new) contractors with requirements
  - (1) Add DPA, exceptions, fillable form, committee process including verification check
  - (2) If using the same contractor on a recurring basis – have the contractor sign a contract with the District and do regular contract maintenance (quarterly or annually).
- b) Need to review current contractors to meet policy requirements.

*Motion made by Steve Adams to adopt Contractors and Consultants Policy. Seconded by Cheryl Madden.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

## 4. Nepotism and Conflict of Interest in Employment and Contracting Policy

*Motion made by Steve Adams to adopt Nepotism and Conflict of Interest in Employment and Contracting Policy. Seconded by Gary Bundesen.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

## 5. Legal Counsel and Auditor Policy

- a) Cheryl Madden motions to strike: "Legal Counsel is required to review and approve as to form District legal documents, i.e. contracts, agreements, etc." from section 1045.1.2. Reasons:
  - (1) Would be cost prohibitive at \$350 / hour for a lawyer to review everything
  - (2) A lawyer will be used in assisting the Board and GM in reviewing District legal docs

*Motion made by Cheryl Madden to adopt Legal Counsel and Auditor Policy but strike stated language in section 1045.1.2. Seconded by Gary Bundesen.*

**Votes in favor (4)**  
**Against (0)**  
**MOTION PASSED**

## **6. Records Retention and Management Policy**

*Motion made by Steve Adams to adopt Records Retention and Management Policy. Seconded by Gary Bundesen.*

**Votes in favor (4)**  
**Against (0)**  
**MOTION PASSED**

## **7. Digital Signature Policy**

*Motion made by Steve Adams to adopt Digital Signature Policy. Seconded by Gary Bundesen.*

**Votes in favor (4)**  
**Against (0)**  
**MOTION PASSED**

## **8. Finance Management and Internal Controls Policy**

- a) Section 2160.3: "Upon adoption of a §61053 resolution, the District may transfer funds from the Placer County Treasury to its bank accounts, within 15 months." And, "In accordance with §61053, the Placer County Board of Supervisors and District shall determine a mutually acceptable fund withdrawal date not to exceed 15 months from the date of resolution."  
(1) Strike "15 months" from section
- b) Section 2160.6: Strike "All disbursements must follow the District's Procurement Policy" as that policy is still in progress.
- c) Section 2160.9: "The District shall undergo an annual independent financial audit. Results are presented to the Board and used to review internal controls." And, "Biennial audits of specific programs (e.g., Property/Liability) are also conducted."  
(1) Change language from "Shall" to "May"

*Motion made by Cheryl Madden to adopt Finance Management and Internal Controls Policy contingent on the stated changes to sections 2160.3, 2160.6, and 2160.9. Seconded by Steve Adams.*

**Votes in favor (4)**  
**Against (0)**  
**MOTION PASSED**

## **9. Emergency Preparedness Policy**

- a) Made efforts last year to collect emergency info from the District, however, we only received 15 responses back. Going to move forward with putting together a new, accurate communication tree.

*Motion made by Steve Adams to adopt Emergency Preparedness Policy.  
Seconded by Gary Bundesen.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

#### **10. Water Service & Collections Policy**

- a) Section 5100.1.3: “Approval of water service is contingent upon: A satisfactory inspection by the County (if applicable)”
  - (1) Remove. Keep district review and payment.
- b) Section 5100.3.3: “Payment Penalty: A **10% monthly late fee** based on the outstanding balance,” and “Additional legal fees and interest charges if the account becomes severely delinquent or subject to lien”
  - (1) Add: “A penalty after 60 days”
- c) Section 5100.5.2” “A customer may appeal a pending shut off by submitting a written request for a Termination Hearing at least 20 days prior to the scheduled disconnection date.”
  - (1) Change to “schedule a Special Board meeting”
- d) Section 5100.6.1: “Water service accounts must be closed upon sale of the property.”
  - (1) Edits
    - (a) Change “request” to “schedule”
    - (b) Reorder
    - (c) Mention fee as part of new service
  - (2) Admin note: Create checkoff list for home sale and new owner check list

*Motion made by Steve Adams to adopt Water Service & Collections Policy contingent on the stated changes. Seconded by Gary Bundesen.*

**Votes in favor (4)**

**Against (0)**

**MOTION PASSED**

#### **D. CC&Rs**

- 1. Discuss scope of Board involvement in CC&Rs & next steps for review

*TABLED discussion of CC&Rs*

#### **E. Addtl Committee Updates (as needed):**

- 1. **Roads / General Maintenance** - Gary Bundesen

- a) Aztec Garden & Landscaping Info - - Need company's qualification info. Road Committee member, Ken Reid, to request required documentation.
- 2. Water / Sewer - Gary Bundesen**
  - a) Water Treatment Plant (WTP) Maintenance: Repair needed on the siding on the WTP - ~\$500.
- 3. Fire Protection - Cheryl Madden**
  - a) Received a bill from Washington Ridge for \$2300 for 10 days of work. Need to still do around the water tank.
  - b) Evac routes - Community request for the board to provide details on the current evac routes in Heather Glen Estates (HGE) and "get the word out."
- 4. Utilities - Steve Adams**
  - a) Fiber Optics:
    - (1) Results - 33 yes and 27 no response. Only 42 of 80 people responded. Steve Adams connected with neighbors missing responses as this is not 70% as required.
    - (2) Steve Adams reached out to Sierra Mountain Internet (SMI) to discuss requirements, but they haven't responded.
    - (3) Rachel Rose to provide a gap list and updated results.
  - b) Hunt Propane:
    - (1) **Community Reminder** - If you smell gas, call Hunt Propane (530-878-2893) and hit 0. Leave them a message!

V. OPEN DISCUSSION

VI. ADJOURNMENT @ 6:12 PM.

*Motion to Adjourn meeting made by Steve Adams; Seconded by Gary Bundesen.*

**Votes in favor (4)**

**Against (0)**

**MEETING ADJOURNED**

*The next Regular Meeting of the HGCS D Board will be held on Thursday, September 25, 2025 at 4PM. Meeting to be held at the Applegate Civic Center.*