Mountain Club Domestic Water Improvement District **Prescott, AZ**

Open Meeting Minutes

Date: July 23, 2026 **Time**: 5:30 p.m. **Location**: Mountain Club Clubhouse, 910 W. Clubhouse Dr. Prescott, AZ

Attendance

Board Members Present:

Susan Rupe	Doug Shepherd	Dave Stewart
Chris Witham	Kent Erwin	

Board Members Absent: None

Volunteer Staff: Karyn Osterman, Gloria McConnell

1. **Call to Order** by C. Witham, Chair, at 5:31 p.m.
2. **Pledge of Allegiance**
3. **Board Roll Call**: See above.
4. **Attendee Introductions**:
   Volunteer staff: Karyn Osterman and Gloria McConnell
   Public: Four members of the public were in attendance (Jim Rupe, Gary Volkenant, and Melody and Lanet Moravec).
5. **Consent Agenda**:
   A. **Approval of July 9, 2026 minutes**: No corrections were noted.

      Motion: C. Witham moved to approve the 07/09/2026 minutes D. Stewart seconded the motion. Motion carried unanimously.

      Action: G. McConnell to post final minutes online.
6. **Reports and Correspondence**
   A. None.

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7. **Old Business**
   A. **District Insurance Policy Status**: D. Shepherd reported that the Grundy application has been sent and that he has spoken to/sent a packet of information to Michelle Martin of Martin Consultants. The Board discussed the start date for insurance (30-90 days, with Directors' insurance to start sooner) It was also noted that NFP Insurance requires the District to be in operation for a full year before it will provide insurance.

      Action: D. Shepherd to follow up as needed.

   B. **Board Member Opening**: D. Stewart gave a verbal resignation notice, effective July 31, 2026. He will also provide a written notice to the Board. The Board and others thanked him for his service. Community member Gary Volkenant expressed his interest in filling the Board opening and assuming the Treasurer role, noting that he has been in the Mountain Club for 20 years, supports the District, and wants to contribute to its success. He also summarized his experience as a CPA with Arizona Public Service. The Board discussed responsibilities of a Board member and the Treasurer and noted the term for this seat expires in 2028.

Motion: C. Witham moved to accept D. Stewart's resignation; K. Erwin seconded the motion. Motion carried unanimously.

Actions: a) D. Stewart to provide formal resignation letter. b) In preparation for joining the Board, G. Volkenant will meet with volunteers Ka. Osterman, G. McConnell, and each Board member, per a schedule he establishes.

c) The Board will obtain additional information about naming a replacement and be prepared to vote on accepting Gary Volkenant at the August 13th meeting and complete County requirements/filings.

C. **Action items for operation**: C. Witham presented a list of steps required to become operational and noted that ADEQ registration needs to be added to the list. Also, the budget/rates hearing should be added for completeness, and a records officer appointed.

Action: C. Witham to update the list, pursue ADEQ registration and requirements of the District's contractors. Records officer to be addressed in next meeting.

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8. New Business

A. **Leak Forgiveness Policy:** C. Witham presented a proposed policy for leak forgiveness and explained that it is based on the City of Prescott's leak forgiveness form. S. Rupe asked if the District should require that a licensed plumber complete repairs; the consensus was no.

Motion: C. Witham moved to approve the proposed policy; D. Shepherd seconded the motion. Motion carried unanimously. The policy is posted separately for this meeting.

B. **District Board/Volunteer Auto Insurance Policy**: C. Witham presented a proposed policy on auto insurance requirements for Board members driving their personal vehicle when conducting District business. Questions related to the policy included: a) Will volunteers be covered by the District's liability insurance/policy? b) Is driving to/from regular meetings covered by insurance? C. Witham stated that he did not believe that driving to/from meetings would be covered.

Action: D. Shepherd to check with insurance companies on the coverage questions. The Board should read the proposed policy (in the current packet) and be prepared to vote on it at the next meeting.

9. **Future Agenda Items**:

A. **Proposed Agenda Items for the Next Meeting**: The following items will be addressed at the next meeting: a) C. Witham noted that at the Mountain Club Annual Meeting, a question arose about who pays for water used from the District's fire hydrants during an emergency. He has sent this question to attorney Stephen Polk in regards to whether this item needs to be in the contract with the City.
b) Ka. Osterman reported on a seminar she attended regarding public records management, the statutory requirement for a records officer, and reporting requirements.

B. **Next Regular Board Meeting Date and Time**: The next meeting will be on **8/13/2026** at 5:30 p.m.

10. **Call to the Public**: A member of the public asked whether the public forum should be moved to the beginning of the meeting. It was explained that it was moved to the meeting end after a member of the public at the last meeting noted that if they have questions or comments based on the meeting itself, they would not be able to address them if the public forum was at the beginning.

11. **Adjournment**: With no further business, the meeting adjourned at 6:56 p.m.

Respectfully submitted,

Gloria McConnell
Volunteer
Mountain Club Domestic Water Improvement District

Posted:

/s/Gloria McConnell	Date:	Time:
Approved:	Date: 8/18/2026	Time: 5:00 p.m.