

Open Meeting Minutes

Date: May 14, 2026

Time: 4:00 p.m.

Location: Mountain Club Clubhouse,
910 W. Clubhouse Dr. Prescott, AZ

Attendance

Board Members Present:

Susan Rupe David Stewart (by phone)

Chris Witham Kent Erwin (by phone)

Board Members Absent: Doug Shepherd

Guest: Devon White, Associate Attorney from Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C. (BPCWS)

Volunteer Staff: Karyn Osterman, Gloria McConnell

Public: Three members of the public were in attendance.

1. **Call to Order** by C. Witham, Chair, at 4:02 p.m.
2. **Pledge of Allegiance**
3. **Roll Call:** See above.
4. **Staff/Volunteer Introductions:** See above.
5. **Approval of prior month’s minutes:** No corrections were noted.

Motion: S. Rupe moved to approve the 4/28/2026 minutes; D. Stewart seconded the motion. Motion carried unanimously.

Action: G. McConnell to post approved minutes.

OLD BUSINESS

1. **Water Operator RFP Committee Discussion:** C. Witham explained that he and D. Shepherd met on May 4th to review Water Operator proposals, noting that no decisions were made. However, this is classified as a committee meeting under the Open Meeting Law and should have been properly noticed and open to the public. Since this did not happen, the Board needed to ratify the meeting.

Motion: C. Witham moved to ratify the water operator committee meeting. D. Stewart seconded the motion. Motion carried unanimously.

Action: The Board will ensure future team or committee meetings are held in public after providing notice to the public at least 24 hours before the meeting.

2. **RFP Process:**
 - a. **Certified Water Operations:** C. Witham led the discussion on companies who submitted proposals for this role (Western Environmental, Agua Pura, Fann Environmental, Arizona Utility Operations). He recommended that the proposals be evaluated on a “best fit/lowest cost” basis, that is, considering completeness of submissions, services provided (in terms of RFP requirements), and cost. All Board members offered comments on the different submittals.

Motion: C. Witham moved to select Fann Environmental as the District’s Water Operator and to authorize the Chair to sign the contract between the firm and the District. D. Stewart seconded the motion. Motion carried unanimously.

- b. Utility Accounting Services: S. Rupe opened the discussion on companies who submitted proposals for this role (Municipal Accounts & Consulting, L.P.; AZ District Solutions; Facilitation PLLC). All Board members offered comments on the different submittals.

Motion: C. Witham moved to select Facilitation PLLC for the District’s Accounting Services and to authorize the Chair to sign the contract between the firm and the District. K. Erwin seconded the motion. Motion carried unanimously.

- c. Utility Billing and Customer Services: The Board discussed the services and costs in the proposals from Arizona Utility Billing Solutions, LLC (AUBS), AZ District Solutions, and Arizona Utility Management, LLC (AUM).

Motion: C. Witham moved to select AUBS and to authorize the Chair to sign agreement. S. Rupe seconded the motion. Motion carried unanimously.

A discussion followed regarding “next steps.” D. White explained that firms typically provide the contracts for their services, and that BPCWS can review them if the board wants this. G. McConnell suggested that the contracts should take effect only when the District takes over operation of the water system; C. Witham confirmed that this will need to be considered. He also noted that he may ask Facilitation PLLC about a review of the budget and rates.

Action: C. Witham to contact the selected firms.

3. Budget Planning and Financial Oversight:

- a. Mountain Club LLC Funding Report: G. McConnell stated that the request for funds from Mountain Club LLC will be made at their May 18th Board meeting.
- b. Treasurer’s Report: D. Stewart provided a financial report (attached). He also noted that OneAZ’s insufficient funds fee is \$29.
- c. Budget Timeline: Due to board member availability, the budget and rate hearing date was moved to July 1st. D. White noted that budget/rate information must also be published in a library.

Action: C. Witham to update the budget, rate, and timeline documents to correspond to decisions made in this meeting.

- 4. **Insurance:** No further quotes have been obtained, so the quote the District has received will be used for the budget.

NEW BUSINESS:

5. Call to the Public:

- a. Guest D. White presented an overview of legal charges, ways to limit charges, and best practices for working with his firm.
- b. District member K. Johnson suggested the District send an email blast for the budget/rates hearing. He also stated that he is in favor of a vacant lot fee because if the board tries to implement one in the future, it may pose problems. He also recommended that paper copies of the budget/rate sheet be provided at the public meeting.
- c. D. White clarified that, during the public forum, the board can take questions or note a topic for future discussion, but cannot discuss any issues not on the agenda.

6. Future Agenda Planning:

- a. **Proposed agenda items for the next meeting:** The next meeting will focus on board approval of the proposed budget and rates. Agenda items and any corresponding documents must be submitted to C. Witham by **May 25 by 5:00 p.m.**
- b. **Next regular Board meeting date and time:** The next meeting will be on **May 28, 2026** at 4:00 p.m.
- c. **Adjournment** – With no further business, the meeting adjourned at 6:14 p.m.

Respectfully submitted,

Gloria McConnell

Volunteer

Mountain Club Domestic Water Improvement District

Posted:

/s/Gloria McConnell

Date: _____

Time: _____

Approved:

Date: 5/28/2026

Time: 6:15 p.m.