

Open Meeting Minutes

Date: May 28, 2026

Time: 4:00 p.m.

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

Attendance

Board Members Present:

Susan Rupe

Doug Shepherd

Dave Stewart (by phone)

Chris Witham

Kent Erwin (by phone)

Board Members Absent: None

Volunteer Staff: Karyn Osterman, Gloria McConnell

Public: None

1. **Call to Order** by C. Witham, Chair, at 4:01 p.m.
2. **Pledge of Allegiance**
3. **Roll Call:** See above.
4. **Staff/Volunteer Introductions:** See above.
5. **Consent Agenda**

A. **Approval of prior month’s minutes:** No corrections were noted.

Motion: C. Witham moved to approve the 5/14/2026 minutes; D. Shepherd seconded the motion. Motion carried unanimously.

Action: G. McConnell to post approved minutes.

6. **Reports and Correspondence**

A. **Board Chairperson’s Report:** C. Witham reported the following:

- i. All three contractors who were selected have been notified. Facilitation PLLC sent a letter of engagement, which was reviewed by attorney D. White. White recommended that an addendum be included. Arizona Utility Billing Solutions (AUBS) also sent a letter of engagement. Fann Environmental has not yet sent one.
- ii. C. Witham reviewed the budget with Sonn Ahlbrecht (Facilitation PLLC).
- iii. The City of Prescott has confirmed the rates the District will pay and sales can be tax exempt, however more details are needed about the tax.
- iv. C. Witham provided election documents to the Yavapai County Special Districts and Elections departments. Candidates (C. Witham and D. Shepherd) must file nominating papers between Jun 6 – July 6, 2026.

7. Old Business

- A. **Proposed District Budget:** C. Witham reviewed the budget task timeline and gave a general budget overview, including changes made to the budget since the last meeting. The board discussed a few items on the budget. It was noted that if approved, the budget is only proposed (tentative) until the public budget meeting.

Motion: C. Witham moved to accept the proposed budget; S. Rupe seconded the motion. Motion carried unanimously.

Action: Board and volunteers to proceed with required publication tasks (per the task timeline).

- B. **Proposed Rate and Fee Schedule:** C. Witham explained changes since the last version of the rate/fee schedule and the board discussed minor issues. A few changes were agreed upon. It was noted that the approved schedule will need to be given to AUBS so that correct fees are applied and are available to District members (e.g., posting on District, billing websites). It was noted that if approved, the schedule is only proposed (tentative) until the public budget meeting.

Motion: C. Witham moved to accept the proposed rate and fee schedule as amended; D. Shepherd seconded the motion. Motion carried unanimously.

- C. **Public Hearing on Budget/Rate & Fee Schedule:** C. Witham reviewed the publishing and notice requirements for the July 1 meeting, referring to information provided by D. White. The board considered the requirements and newspaper costs. Planning for the meeting was discussed, such as topics that may arise, how much time members of the public would have to speak, and clubhouse size constraints.

Motions: C. Witham moved to approve creation of signs for the hearing at a cost not to exceed \$200. D. Shepherd seconded the motion. Motion carried unanimously. C. Witham also moved to approve publication of notices in the newspaper. K. Erwin seconded the motion. Motion carried unanimously.

Action: G. McConnell to create signs; S. Rupe to order newspaper notices.

- D. **Insurance:** D. Shepherd reported that he contacted Grundy Insurance and received application forms. He also learned of another possible company in southern Arizona and will contact them. It was noted that insurance will not become active until the District is operational.

Action: D. Shepherd to complete Grundy application and submit it to the company, and investigate the other company.

8. New Business

- A. **Low Income Billing Assistance Policy:** The board discussed the proposed assistance policy. The feeling was that there are too many issues to commit to a policy at this time. District residents claiming hardship can be referred to existing community resources such as 211 Arizona (information and referral service), NACOG (Northern Arizona Council of Governments), DES (Arizona Department of Economic Security), or nonprofits such as the Salvation Army and St. Vincent de Paul.

The board agreed that it may consider a formal assistance policy in the future. For its first year (at least), it will make referrals for assistance or consider payment plans for temporary issues.

9. Future Agenda Items

- A. **Proposed agenda items for the next meeting:** District disconnection policy, alternative policy to hardship discounts; hearing notices and preparation. Other agenda items and any corresponding documents must be submitted to C. Witham by **June 8 by 5:00 p.m.** June 25 may be for budget prep, if it's needed.
- B. **Next regular board meeting date and time:** The next meeting will be on **June 11, 2026** at 4:00 p.m.

10. Call to the Public: There were no public comments, however, board member D. Stewart announced that he will be moving out of the Mountain Club this summer and will thus be unable to continue on the board.

11. Adjournment: With no further business, the meeting adjourned at 6:27 p.m.

Respectfully submitted,

Gloria McConnell

Volunteer

Mountain Club Domestic Water Improvement District

Posted:

<u>/s/Gloria McConnell</u>	Date: <u>6/2/2026</u>	Time: <u>12:08 p.m.</u>
Approved:	Date: _____	Time: _____