

Mountain Club Domestic Water Improvement District

Prescott, AZ

Budget & Rate Hearing Minutes

Date: July 1, 2026

Time: 5:00 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

Legal counsel: Devon White

Volunteer Staff: Gloria McConnell

Public: Approximately 40 members of the public were in attendance.

1. **Call to Order** by C. Witham, Chair, at 5:01 p.m.

2. **Pledge of Allegiance**

3. **Roll Call:** See above.

4. **Public Hearing**

- **Rate & Fee Schedule**

C. Witham opened the public hearing on the FY 2026-2027 rate & fee schedule. He briefly explained the open meeting law, the agenda, and the process to be followed during the meeting. He then reviewed the rate & fee schedule.

At this point, the public was invited to ask questions or make comments. Several members of the public asked questions, including asking for an explanation of how the rates were determined. C. Witham explained the process by which the rates were decided. Another question was regarding when the District would become operational, and C. Witham briefly explained the remaining steps and possible timeframe.

When the public forum was completed, the rates & fees portion of the meeting was closed.

Motions:

- D. Stewart moved to close the public hearing on the FY 2026-2027 rates & fees schedule; D. Shepherd seconded the motion. Motion carried unanimously.
- D. Stewart moved to open the budget portion of the meeting; K. Erwin seconded the motion. Motion carried unanimously.

- **Budget**

C. Witham opened the public hearing on the FY 2026-2027 budget and reviewed the budget items, including explaining the fees charged by the contractors who have been hired by the District (water operator, customer service/billing, and accounting).

At this point, the public was invited to ask questions or make comments about the budget. Several members of the public asked questions, including asking for a clarification of water costs. C. Witham explained what the City of Prescott would be charging the District for water. When the public forum was completed, the budget portion of the meeting was closed.

Motion: D. Stewart moved to close the public hearing on the FY 2026-2027 budget; K. Erwin seconded the motion. Motion carried unanimously.

5. Special Meeting

- C. Witham opened the Special Board Meeting at 6:15 p.m.
- Legal counsel D. White proposed wording for the motion to approve the budget and associated resolution: “Move to approve the budget as presented and authorize the execution of resolution 2026-003, which will formally adopt the budget.”

Motions:

- Budget: S. Rupe so moved the motion proposed by D. White; D. Stewart seconded. Motion carried unanimously.
- Rate & fee schedule:
 - C. Witham moved to approve the rate & fee schedule as presented and to authorize the execution of resolution 2026-004, which will formally adopt the rate and fee schedule.
 - Discussion: Due to a comment made during the public hearing, D. Shepherd suggested that the board consider a policy – separate from the rate & fee schedule – to forgive some portion of a bill when excess water charges occur due to an unknown leak. This was noted for a future board meeting.
 - Second: D. Stewart seconded the motion.
 - Motion carried unanimously.

6. **Adjournment:** C. Witham adjourned the special meeting at 6:21 p.m.

Respectfully submitted,

Gloria McConnell

Volunteer

Mountain Club Domestic Water Improvement District

Posted:

/s/Gloria McConnell

Date: _____

Time: _____

Approved: _____

Date: 7/15/2026

Time: 08:30 p.m.