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

Open Meeting Minutes

Date: April 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

Chris Witham Kent Erwin

Board Members Absent: Dave Stewart

Volunteer Staff: Karyn Osterman, Gloria McConnell

Public: Four members of the public were in attendance.

1. **Call to Order** by C. Witham, Chair, at 4:00 p.m.
2. **Pledge of Allegiance**
3. **Roll Call**: See above.
4. **Staff/Volunteer Introductions**: See above.
5. **Approval of prior month's minutes**: A possible change regarding posting of board packets was noted.

   Motion: C. Witham moved to approve the 4/14/2026 minutes, amended if needed; K. Erwin seconded the motion. Motion carried unanimously.

   Actions: G. McConnell to check with Ka. Osterman regarding possible change to minutes.

OLD BUSINESS

6. **Review MCDWID Startup List**: C. Witham reviewed the list and noted that he has updated/revised it for clarity. He also noted that the District has received its TPT (Transaction Privilege Tax) license from the State.

   Action: C. Witham to continue updating the startup list as needed.

7. **Budget Planning and Financial Oversight**:

   a. **Budget and Customer Rates Preparation:**
      - C. Witham reviewed the budget process timeline and noted that S. Carroll (AZ Districts Solutions) stated that the District should compile information to justify the budget and rate amounts.
      - It was also noted that the District needs a clear late fee/nonpayment procedure/timeline regarding when fees will be imposed and/or water service will be stopped for nonpayment.
      - The proposed "Meter Off fee (for part-time residents who do not use water for several months at a time) was discussed.
      - A question was raised as to whether the City would charge its impact fees once the District takes full responsibility.

- A question was asked regarding insufficient funds fee – whether it might be handled by the billing contractor. It was suggested that the board make sure whatever fee is imposed covers actual billing contractor and/or bank fees.

Actions:

- C. Witham to find out what the City does (or does not do) for part-time residents. He will also find out whether the City intends to continue charging its impact fee for new hookups. The rate sheet will be updated to clarify hookup, late, and administrative fees.
- D. Stewart will check on OneAZ's insufficient funds fees.
- As part of their review of Billing/Customer Support proposals, D. Stewart and S. Rupe will look for any mention of how insufficient funds are handled.
- G. McConnell to ensure that a new donation from the Association to the District is on the Association's May agenda.

8. **2026 General Election**: C. Witham provided an overview of the many steps required by the county for elections and noted important publication dates between April 25 and June 6; also, that a) he and D. Shepherd must file their election paperwork to the County by July 6, and b) the county will notify the District if election is not required.

   C. Witham presented a "Call of Election," which has been approved by the District's attorney and must be published according to County election requirements.

   Motion: C. Witham moved to approve and publish the Call of Election twice by June 6. D. Shepherd seconded. The motion carried unanimously.

   Action: C. Witham to provide the Call of Election to S. Rupe, who will arrange its publication in the Daily Courier and ensure it is published on the required dates. C. Witham will also post it on the website.

9. **Insurance**: D. Shepherd reported that he has received one quote for each type of insurance: General Liability - $16,205/year, and Directors - $5,089/year.

   Action: D. Shepherd to seek additional quotes.

10. **RFP Process**: The board discussed the process for evaluating the proposals. Ka. Osterman noted that the percentages in the evaluation documents she provided were just guidelines, and the board should decide on how much weight to apply to each aspect of the proposals (experience, cost, etc.). G. McConnell noted that the documents she provided were intended as work aids to match proposals to the requirements presented in the RFPs.

    Actions:

    - C. Witham to distribute all proposals to all board members by May 5.
    - The proposal teams will continue reviewing the proposals and be prepared to present their findings/recommendations at the May 14 board meeting.
    - All board members to review the proposals and consider how to weight different factors.

11. **City of Prescott Water Agreement**: C. Witham reported that the City has not yet provided a draft agreement. The board discussed reviewing Highland Pines and Stringfield agreements and noting any concerns, as well as items they would like to see in the agreement.

    C. Witham also noted (at the end of the meeting) that all anomalies between the District, City, and County's lists of properties within the District boundaries have been resolved.

    Action: Board/staff members to review Highland Pines/Stringfield agreements and send any concerns, or items they would like to see in the Mt. Club agreement, to Ka. Osterman.

12. **Consultant and Vendor Report-Backs**: The board discussed CivilTec's proposal (received on Apr. 2), including the $104,617 fee for updating the 2005 master water plan.

    G. McConnell reported that the cost of the 2005 plan was at least $56,080, based on research by Ke. Osterman. According to CivilTec, there may also have been a fee of ~$41,00 for "Phase 1, Studies and Base Mapping," paid in 2003-2004, but this cannot be verified.

    Regardless, the board agreed to postpone any action on this matter until after the District becomes operational and can seek WIFA or other funding.

    Action: S. Rupe to investigate funding opportunities for preliminary engineering work available from WIFA.

NEW BUSINESS:

13. **Call to the Public**: R. Verri noted that when the District takes over meter reading from the City, he will assist the new meter reader in locating meters. T. Garnett mentioned that meters are often hard to spot and suggested that the District paint them to make them more visible C. Witham noted that their location can also be marked in the street.

14. **Future Agenda Planning**

    a. **Proposed agenda items for the next meeting**: Agenda items and any corresponding documents must be submitted to C. Witham by **May 11 by 5:00 p.m**.

    b. **Next regular Board meeting date and time**: The board agreed to move meetings to Thursdays. The next meeting will be on **May 14, 2026** at 4:00 p.m.

    c. **Adjournment** – With no further business, the meeting adjourned at 5:34 p.m.

Respectfully submitted,

Gloria McConnell
Volunteer
Mountain Club Domestic Water Improvement District

Posted:

/s/Gloria McConnell _____ Date: _____ Time: _____

Approved: Date: 5/17/2026 _____ Time: _____