

MOUNTAIN CLUB DOMESTIC WATER IMPROVEMENT DISTRICT (MCDWID)

BOARD OF DIRECTORS MEETING MINUTES

Date: June 25, 2026

Time: 4:00 PM

Location: Mountain Club Clubhouse, 910 W Clubhouse Dr, Prescott, AZ 86303

1. Call to Order

Board Chairperson Chris Witham called the open meeting of the Mountain Club Domestic Water Improvement District Governing Board to order at 4:00 PM.

2. Pledge of Allegiance

Chairperson Witham led the Board and attendees in the Pledge of Allegiance.

3. Roll Call of Board Members

Board Members present:

- **Chris Witham**, Board Chairperson
- **Kent Erwin**, Board Member
- **Doug Shepherd**, Board Member

Board Members absent:

- * **David Stewart**, Board Member
- * **Susan Rupe**, Board Member

4. Introduction of Attendees

The following attendees introduced themselves:

- **Karyn Osterman**, Volunteer
- **Linda Schonsee**, Visitor
- **Conrad Velasco**, Visitor

5. Consent Agenda

Approval of Draft Minutes – June 11, 2026

The Board reviewed the draft minutes from the June 11, 2026, meeting. Karyn Osterman noted two minor corrections, which will be updated in the final version.

- **Motion:** Chairperson Witham moved to approve the draft minutes for the June 11, 2026, meeting with the noted corrections.
- **Second:** Doug Shepherd seconded the motion.

- **Vote:** Passed unanimously (3-0).

6. Call to Public

Chairperson Witham opened the floor to the public. The visitors present elected to proceed straight to scheduled business, and no public comments were made.

7. Reports and Correspondence

No reports or correspondence were presented at this meeting.

8. Old Business

- **Public Hearing Process Review (Budget and Rate Schedule):** The Board discussed the upcoming public hearing scheduled for July 1, 2026. The meeting will consist of a public hearing to outline the budget and the Rate & Fee Schedule followed by a special board meeting to potentially adopt them. Guidelines for public comment were established, limiting speakers to three minutes, requiring names/addresses, and prohibiting duplicate questions.
- **District Insurance Policy:** The Board reviewed the current progress on selecting a District insurance policy. Chairperson Witham noted he would supply requested water data back to Gloria. Doug Shepherd noted that an alternative quote from Martin (Tucson) is being sought. Action was deferred as the full policy details are not expected to be ready by July 1.

9. New Business

- **Board Vacancy and Director Appointment:** The Board discussed the impending resignation of David Stewart. Because Mr. Stewart still owns property within the district, he remains a qualified elector until his house sells, allowing him to officially tender his resignation later in July. Qualified applicant Gary Volkenant expressed interest in filling the vacancy. The Board agreed to formally address Mr. Stewart's resignation and Mr. Volkenant's appointment to the remainder of the unexpired term at the next regular board meeting. No official action was taken at this time.
- **Resolution No. 2026-002 (Financial Controls Policy):** The Board reviewed a new Financial Controls Policy drafted to accommodate banking limitations discovered at One AZ Credit Union (which lacks technical capabilities for mandatory dual signatures). The revised policy dictates internal board approval controls prior to fund disbursements by the accounting firm.

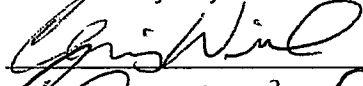
- **Motion:** Chairperson Witham moved to approve Resolution No. 2026-002, adopting the Mountain Club DWID Financial Controls Policy and authorizing limited banking access for the District's accounting firm, Facilitation PLLC.
- **Second:** Kent Erwin seconded the motion.
- **Vote:** Passed unanimously (3-0).

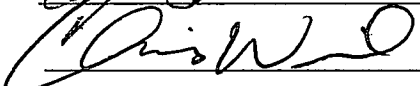
10. Future Agenda Items

- **Next Meeting Agenda Items:** No additional agenda items were requested for the upcoming session.
- **Public Hearing and Special Meeting Confirmation:** The upcoming public hearing and special meeting to adopt the budget and approve water rates and fees was confirmed for **July 1, 2026, at 5:00 PM.**
- **Next Regular Board Meeting Confirmation:** Chairperson Witham noted that the printed agenda erroneously listed the next meeting date as June 25. The next regular Board meeting is confirmed for **July 9, 2026.**

11. Adjournment

The meeting was officially adjourned at approximately 4:37 PM.

Posted:  Date: 6/26/2026 Time: 6:00 PM

Approved:  Date: 7/11/2026 Time: 6:00 PM

Chris Witham, MCDWID Board Chairperson