

PRELIMINARY

Mountain Club Domestic Water Improvement District

Prescott, AZ

Open Meeting Minutes

Date: November 25, 2025 **Time:** 4:03 p.m. **Location:** Mountain Club Clubhouse

Attendance

Board Members Present:

Chris Witham	Dave Stewart	Doug Shepherd
Susan Rupe	Kent Erwin	

Board Members Absent: None

Volunteer Staff Members: Karyn Osterman; Gloria McConnell (Recorder)

Guests: In person, Stephen Polk (Boyle, Pecharich, Cline, Whittington & Stallings, BPCWS); By phone, Sarah Carroll (AZ District Solutions)

Public: Volunteers and guests

I. Call to Order by C. Witham at 4:03 p.m.

Approval of 11/11 minutes: D. Stewart moved to approve the 11/11/2025 minutes; K. Erwin seconded. Motion passed unanimously.

II. Unfinished Business

1. Financial: D. Stewart

- a. **Bank selection:** D. Stewart has spoken to OneAZ Credit Union, Chase (used by County), Foothills, and National Bank of Arizona. In addition to an EIN, the bank chosen will need other materials. All of the banks/CU have fees; AZOne seems to have a better path to minimizing fees.

Fees are based on the number of transactions/month. Question on if billing company is used, whether one deposit would be made by the billing company for all water bills, or if each bill would be deposited separately. S. Carroll noted that she has bill deposits go directly to the bank. Other types of transactions would be paying normal bills (legal, operations, loans, etc.), perhaps 20-25 transactions/month, plus whatever the answer to the billing deposit(s) is.

An EIN has been obtained.

Ka. Osterman created two documents to formally authorize the signing parties for the account, Resolution to Establish Signing Authority for Officers and Certification of Resolution – Signing Authority (refer to separate email to review them).

- b. **Warrant account:** D. Stewart is waiting for information from the County.
- c. **Funds from Mountain Club:** On hold until bank account is created. In the meantime, any expenditures on behalf of the DWID will be made by individuals and reimbursed later.

PRELIMINARY

Actions: 1. D. Stewart to get additional/more specific bank information, including a comparison of specific fees and what is covered, e-check use, including if two signers are required, credit card info, etc. for next meeting. 2. Ka. Osterman to revise the authorization documents to provide for online financial transactions. These new documents can be approved via motion/signed at next meeting..

2. Legal counsel: S. Polk of BPCWS

Discussion: S. Polk described his background plus his firm and its capabilities. He had previously submitted a letter of engagement to the DWID. The firm works on an as-required basis, meaning no fees unless work is performed. Question: How would he separate his duties as the DWID's attorney vs. the fact that he lives in the DWID? Answer: It would depend on specific situation; if needed, S. Polk (and perhaps his law firm), would recuse themselves. He had ideas about negotiations with the City and also noted that he might speak with S. Wene re: water rates; he identified Wene as an expert on water rates. He noted that every contract the DWID signs should have a legal review.

Motion: D. Stewart moved to hire S. Polk's law firm, BPCWS, for legal representation; K. Erwin seconded. Motion passed unanimously. C. Witham signed the engagement letter.

Action: 1. Everyone is urged to review the materials sent previously by S. Polk. Note: K. Erwin emailed the materials on 11/7; subject was "Fwd: Representation Proposal - Mountain Club DWID." 2. Ka. Osterman to look into legal "next steps."

3. District Admin./Billing: S. Rupe and others

Discussion: The different firms that have been contacted for billing and other services were discussed: AZ District Services (S. Carroll), Municipal Accounts & Consulting (MAC), Arizona Utility Billing (AUB; formerly Wallace Utility Billing Services), and Improvement District Services (not available). S. Carroll does not do billing but can do administration; AUB has a small number of employees but serves 25,000 users within 45 communities and eight DWIDs. MAC provides accounting services and said that a separate billing company might be more efficient. Question: What administration work is needed besides what AUB provides? Re: the idea that the City might do meter reading/billing – it was agreed this is not feasible.

Action: 1. S. Carroll to send a proposal for administrative services, e.g., elections, government filings, budget consultation, rate assessments. 2. S. Rupe to check on MAC services again.

4. Water Operator: C. Witham, S. Rupe

Discussion: C. Witham sent RFPs to Fann Environmental and Shia Pura Services (*aka* AguaPure) for water operations and the Lazy Lane project. S. Rupe spoke with Western Environmental, and a contract was submitted on 10/8 for meter reading and billing only. She has asked them for more information.

Action: S. Rupe to obtain/distribute Western Environmental proposal and also research A Quality Water Co. and PACE Advanced Water Engineering.

PRELIMINARY

5. **Bylaws:** D. Shepherd

Discussion: The DWID has a draft, which needs legal review. The cost of this review will be paid from the DWID's account (once money is transferred from the Association to the DWID).

Motion: C. Witham moved to send the bylaws to BPCWS for legal approval; D. Stewart seconded. Motion passed unanimously.

6. **Website:** C. Witham has not yet been able to test the Streamline Special District platform. The free trial period for testing is running out.

Action: 1. S. Rupe to contact Streamline to see if they will extend the free trial period. 2. CivicPlus is another platform that is to be checked (person who will check TBD).

7. **Postcard:** G. McConnell noted that once the postcard was input to the printing/mailing company, LetterStream, the final cost was about \$540, which is over the amount approved at the last meeting. Therefore, a higher amount needed to be approved.

Motion: D. Stewart moved to increase the approved postcard cost to an amount to up to \$550; D. Shepherd seconded. Motion passed unanimously.

Action: 1. D. Shepherd to call owner of LetterStream to see about the cost. 2. G. McConnell to complete postcard order.

8. **WIFA:** Morgan Burgess, WIFA Environmental Program Specialist

Discussion: M. Burgess gave a presentation on the basic WIFA process before the Board meeting (3-4 p.m.). She answered questions about the process and noted that she will be available to assist in applications to WIFA. One issue noted was that funding will cover the addition of fire hydrants, as long as the primary purpose of the work is the water delivery system. She also noted that the DWID should contact ADEQ's Rural Water Infrastructure Committee (RWIC), which provides loans, grants, and technical assistance to Arizona's rural communities.

Action: S. Rupe to send presentation materials to the Board/staff and to contact RWIC.

9. **AZ District Solutions Training:** C. Witham, S. Carroll

Discussion: This training will be Thursday, 12/4, at 3:00 p.m. S. Carroll stated that the DWID is doing well so far.

Action: Board & staff members to attend the training.

10. **PO Box:** C. Witham

Discussion: C. Witham announced that the DWID has a PO Box:
Mountain Club Domestic Water Improvement District
PO Box 3879
Prescott, AZ 86302

Two keys were provided for access – C. Witham will have one, S. Rupe the other.

PRELIMINARY

A question was asked re: whether a physical address is needed to establish a bank account. The DWID has established the Clubhouse (910 W Clubhouse) as its "office" address, but this is not for mailing. C. Witham pointed out that the USPS includes a physical address to correspond to the PO Box for situations where something cannot be mailed to a PO Box.

Action: 1. S. Rupe to work with C. Witham to become authorized/hold the second PO Box key.
2. D. Stewart to clarify with banks as to whether a PO Box is sufficient. Note: If a physical address is needed for mailing and the USPS address cannot be used, then Mountain Club Association approval would be needed to add a mailbox; this would require additional work/cost.

III. New Business

1. **Insurance:** C. Witham

Discussion: S. Carroll recommended Glatfelter Insurance Group.

Action: D. Shepherd to call Glatfelter.

2. **Add Dial-in Option:** C. Witham

Discussion: The need to make the meeting available online (or by phone) was discussed. While phone call-in works for a small number of remote attendees, a hotspot is needed for larger attendance. The need to purchase equipment in the future, rather than relying on using individuals' personal equipment, was discussed. G. McConnell noted that there has been very little Zoom attendance to meetings for the Mountain Club Association.

Action: The Board will offer phone or online access using personal equipment for the time being, and determine later if there is sufficient public interest/attendance to justify purchasing equipment.

3. **Public Comments:** There were no public comments.

4. **Next meeting:** The next meeting will be Tuesday, 12/9, at 4 p.m. West. Environmental might be able to make a presentation.

Action: S. Rupe to check and will let C. Witham know if Western Environmental is available.

IV. Adjournment: With no further business, the meeting adjourned at 5:45 p.m.

Respectfully submitted,

Gloria McConnell

Volunteer

Mountain Club Domestic Water Improvement District

Posted 12/2/2025 3:00 PM

