

Mountain Club Domestic Water Improvement District

Prescott, AZ

Open Meeting Minutes

Date: April 14, 2026

Time: 4:00 p.m.

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

Attendance

Board Members Present:

Susan Rupe

Dave Stewart

Doug Shepherd

Chris Witham

Kent Erwin

Board Members Absent: None

Volunteer Staff: Karyn Osterman, Gloria McConnell

Public: One member of the public was 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:** S. Rupe noted an error in company name item 8.d; minutes to be amended. A question was asked regarding the meeting packet being posted online.

Motion: C. Witham moved to approve the 3/24/2026 minutes as amended; D. Stewart seconded the motion. Motion carried unanimously.

Actions: G. McConnell to amend minutes per input from S. Rupe. C. Witham to research posting requirements re: packets. C. Witham to verify all minutes posted online are up to date.

OLD BUSINESS

6. **Review MCDWID Startup List:** C. Witham gave an overview of a meeting he, D. Shepherd, and G. McConnell had with S. Carroll about current status of the Start-Up Checklist.

Action: C. Witham to update the checklist so it is clear as to tasks remaining for the Board.

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

- a. **Treasurer's Report:** D. Stewart reported on finances as of 4/14/2026. Total in all accounts is \$16,692.68. Per account:

Account	Balance	Account	Balance
Member	\$5.00	Checking	\$611.12
Money Market	\$13,066.50	Yav. Co. Warrant	\$3,000

A question was asked about checking account usage fees.

Action: D. Stewart to find out fee details, particularly how to minimize charges.

- b. **Interim Budget Preparation:** C. Witham reported on the current version of the draft budget, noting that bills continue to be received (StreamLine, legal, etc.). The Board discussed the need for funds and whether the District should ask the Mountain Club Community Association for additional funds. C. Witham also stated that he had submitted the draft budget to S. Carroll, and she had several comments.

Motion: C. Witham moved to request \$25,000 from the Association; D. Stewart seconded. Motion carried unanimously.

Actions: C. Witham to bring up the request for funds to the Association at its April meeting, with the understanding that the Association Board will vote on the matter at its May meeting. C. Witham will also update the draft budget per S. Carroll feedback.

- c. **County Warrant Account Status/Update:** D. Stewart noted that he has been in touch with the County but has not received an explanation of the charges the District may have incurred/not paid. He also discussed briefly the Warrant account's role and whether it should be used for everyday income/expenses. G. McConnell pointed out that, according to online sources, many Districts use their own bank accounts for everyday income/expenses.

Action: D. Stewart to continue pursuing clarification on the Warrant account's use and possible County charges.

8. **Insurance:** D. Shepherd reported that applications have been submitted to Shepherd Insurance (no relation) for a) Commercial General Liability with a Rural Water Supplement and b) Directors & Officers policies. Shepherd Insurance is a local insurance broker that works with over 20 insurance companies.

Action: D. Shepherd to follow up as needed.

9. **RFP Process:** C. Witham suggested that two board members evaluate proposals. It was agreed that:

- Teams:
 - C. Witham and D. Shepherd will evaluate the Water Operations proposals.
 - D. Stewart and S. Rupe will evaluate the Billing/Customer Services proposals as well as the Accounting Services proposals.
- Starting now: Teams will review the proposals in general and identify/resolve issues to the extent possible. They will review proposals received up to and including the published deadline (5/1).
- April 28 meeting: The Board will discuss how to score different aspects of the proposals.
- May 5: The entire Board will receive all proposals.
- May 12 meeting: The Board will select the companies to be used for Water Operations, Billing & Customer Service, and Accounting Services.

Actions: Per the list above. Also, C. Witham or G. McConnell to update budget timeline accordingly.

10. **City of Prescott Water Agreement:** C. Witham reported that the City has still not provided a draft agreement.

Action: The Board should review the previously distributed Stringfield Ranch and Highland Pines agreements and note any concerns. They should also send to Ka. Osterman a list of any items that should be included in the agreement. Examples: the District will not be responsible for past water loss; construction will be per County building codes (not City).

11. **Consultant and Vendor Report-Backs:** Chris reported that CivilTec’s proposal was received on 4/2/2026. He explained that this proposal is for planning/to update the 2005 master water plan, and does not include construction drawings, etc. Their cost for doing so is \$104,617. G. McConnell noted that there are grants available for preliminary engineering work.

Actions: G. McConnell to find the cost of CivilTec’s 2005 master water plan. S. Rupe to talk to WIFA about possible grants for initial planning work.

NEW BUSINESS:

12. **2026 General Election:** C. Witham’s and D. Shepherd’s terms on the Board expire this year. C. Witham explained the actions required and due dates in order to be on the Yavapai County ballot. He introduced Resolution 2026-001, Calling for an Election and Directing Yavapai County to Conduct the Election.

Motion: C. Witham moved to accept the resolution 2026-001. D. Shepherd seconded; the motion carried unanimously.

13. **Call to the Public:** Resident G. Schmidlin thanked everyone for their hard work.

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 **Apr. 23 by 5:00 p.m.**
- b. **Next regular Board meeting date and time:** The next meeting will be on **April 28, 2024** at 4:00 p.m.
- c. **Adjournment** – With no further business, the meeting adjourned at 6:24 p.m.

Respectfully submitted,

Gloria McConnell

Volunteer

Mountain Club Domestic Water Improvement District

Posted:

/s/Chris Witham _____

Date: April 22, 2026 _____

Time: 8:30 pm _____

Approved:

Date: _____

Time: _____