

Mountain Club Domestic Water Improvement District

Prescott, AZ

Open Meeting Minutes

Date: Nov. 11, 2025 **Time:** 4:00 p.m. **Location:** Mountain Club Clubhouse

Attendance

Board Members Present:

Chris Witham	Dave Stewart	Doug Shepherd (attended by phone)
Susan Rupe	Kent Erwin	

Board Members Absent: None

Recorder: Gloria McConnell

Public: Three members of the public attended.

I. Call to Order by C. Witham at 4:00 p.m.

Approval of 10/21 minutes: D. Stewart moved to approve the 10/21/2025 minutes; K. Erwin seconded. Motion passed unanimously.

II. Unfinished Business

1. **a. DWID Bank selection:** D. Stewart contacted three banks: Chase, Foothills, and OneAZ Credit Union. Chase was not very helpful or interested. Foothills was interested and noted the DWID a) needs an EIN (Employer Identification Number) issued by the IRS and b) thought we needed to be registered with the Arizona Corporation Commission, though some board members did not think this was the case. OneAZ Credit Union was also interested/helpful. S. Rupe noted that she banks with/recommends them. OneAZ is also recommended by Municipal Accounting & Consulting (MAC). MAC also recommended getting a warrant account with the County. **Actions:** D. Stewart will apply for the EIN and call the County re: a warrant account. C. Witham to check information from County that may be applicable.

b. MC funding: G. McConnell reported that the community’s lawyer (Jason Miller, CHDB Law) stated that there is not a problem with the community donating \$25,000 to the DWID. For one more opinion, G. McConnell has asked the Mountain Club accountant if there would be any tax implications – this would in all likelihood not preclude the transfer of funds, however.

2. **Legal counsel services selection:** a. Prior to the meeting, G. McConnell forwarded Steve Wene’s email response (re: his services and fees) to the Board.
b. K. Erwin reiterated the preference for a local attorney. He spoke with Stephen Polk of Boyle, Pecharich, Cline, Whittington & Stallings (BPCWS) and found him to be a very strong candidate. Polk lives in the Mountain Club; he has submitted a proposal that the Board has for evaluation.
c. D. Stewart and D. Shepherd met Bill Whittington, who is also with BPCWS, at the meeting they had with MAC. They were very impressed with his experience and willingness to offer

PRELIMINARY

advice. He offered to come to a Board meeting and speak to the Board.

d. G. McConnell mentioned Robert Kozak, another local attorney with DWID experience, and recommended that someone contact him as a matter of “due diligence” (just so that all known options are considered).

Actions: D. Stewart to contact B. Whittington re: speaking at a Board meeting. K. Erwin to contact R. Kozak.

- 3. District and Operational Administration:** D. Stewart and D. Shepherd met with Nancy Galgano of MAC. Bill Whittington (see discussion of lawyers) was also in attendance. MAC provides budget and financial/accounting services. They serve 15 special districts. Galgano and Whittington noted that a DWID should secure a water operator, financial, and legal services first. They recommended Fann Environmental, which provides contract operations & maintenance services. They also discussed the need for bylaws, rules & procedures, insurance. They recommended that we contact the Rural Water Association (RWA) for advice. They also asked who the district’s paid administrator is.

Regarding MAC, districts can choose the specific services needed, so their fees vary. Galgano felt that the most a district with 400 accounts might pay is \$65,000/year.

IDS (Improvement District Services) also contacted D. Stewart re: services.

Actions: K. Erwin to contact Kozak to see if he’s still practicing law. S. Rupe to follow up re: IDS and also Western Environmental to clarify their services (meter reading +). C. Witham to talk with Fann Environmental & Agua Pura Services re: operator services. G. McConnell to check Stringfield Ranch agreement with city to see what water rates were charged.

- 4. Bylaws.** D. Shepherd reminded everyone that he sent out copies of various bylaws for the Board to review. He also noted that the bylaws the Board agrees upon must be reviewed by legal counsel. Also in this discussion was the fact that the DWID needs to make public records requests available.

Action: Board to review bylaws and be prepared to discuss at the next meeting. Public records request was tabled for now.

- 5. DWID Website.** C. Witham has begun evaluating Streamline and will look into CivicPlus soon.

III. New Business

- 1. DWID postcard.** G. McConnell explained her recommendation to use LetterStream for the postcard, with a cost of about \$482. She has the mailing list; no one had any revisions to the postcard text.

Motion: D. Stewart moved to use LetterStream and approve a cost not to exceed \$500 for the postcard mailing. K. Erwin seconded. Motion passed unanimously.

- 2. WIFA programs.** S. Rupe reminded the Board that she sent out WIFA materials and urged all members to review it so the DWID does not miss out on 2026 monies. She noted that Morgan Burgess of WIFA will do an in-person or zoom presentation on the WIFA process. C. Witham noted that he talked with Burgess two years ago and he recalled that WIFA may award funds for

PRELIMINARY

engineering work separate from construction.

Action: S. Rupe to coordinate with Burgess for a training session on WIFA.

- 3. **AZ District Solutions training.** A training/consulting session is needed so the Board can establish a list of steps needed to begin operation.

Action: C. Witham to schedule a session with Sarah Carroll.

- 4. **Mailing Address/PO Box option.** G. McConnell reported that by AZ statute (ARS 48-1011), the DWID needs office and mailing addresses. The postcard needs a return address. For mailing, she explained PO Box options. The use of the Clubhouse as the mailing address was discussed. (Post-meeting note: an office address is needed for the EIN. As a result, G. McConnell will ask the community Board to allow the DWID to use that address for now.)

Motion: C. Witham moved to obtain the 5x5.5 in. box with cost of \$134 for 6 mo. D. Steward seconded; motion passed unanimously.

Action: C. Witham to obtain PO Box. Note that G. McConnell to ask community Board (at its next meeting) to approve the use of the Clubhouse address as the DWID’s office address.

- 5. **County parcel list.** G. McConnell was reminded that the parcel list has been sent to all Board members. She thanked K. Johnson for reconciling the new list against the County list provided last April. He found a number of ownership changes and also one parcel split and one combination. She noted that the County provided a list of “bad” addresses in their list (petition materials were returned). All but two of those parcels have different addresses in the Mountain Club Unit list, so the MC addresses will be used for the postcards.

- 6. **Public Forum.** K. Johnson thanked the board for their hard work. Ka. Osterman noted that the Board will need to make meetings available to the public via Zoom or other collaboration/conferencing tool at some point (for accessibility reasons).

- 7. **Next meeting:** 11/25/2025, 4 p.m.

IV. **Adjournment:** With no further business, the meeting adjourned at 5:42 p.m.

Respectfully submitted,

Gloria McConnell

Volunteer Recorder

Mountain Club Domestic Water Improvement District

Initial posting: /s/Chris Witham _____ Date: 11/14/2025 at 10:00 p.m.

Board approval: _____ Date: _____