

**Metropolitan Domestic Water Improvement District
Board of Directors Study Session**

March 22, 2021

**Discussion of Proposed Rate and Fees Adjustments
and Scheduling a Public Hearing**

Synopsis

The Board of Directors is requested to discuss the proposed change to rate schedules for Fiscal Year 2022 and Fiscal Year 2023. If the Board concurs, a public hearing will be held to consider these adjustments.

Proposed Adjustment of Rates & Fees Overview

The proposed rate changes for Fiscal Year 2022 include an increase in the availability fee in all service areas, and tier rate changes in Metro Main and Hub, Diablo Village, and E&T with the \$3.90 remaining in place for the Lazy B service area.

The Infrastructure Rehabilitation Fee of 95¢ for a 5/8-inch meter was established on January 1, 2021. The Fiscal Year 2023 rate proposal would increase this fee to \$1.50 for a 5/8-inch meter in all service areas with an effective date of July 1, 2022. This would be the only rate change in all service areas with an effective date of July 1, 2022. This would align the tier rates in Metro Main and Hub, Diablo Village, and Lazy B service areas. The E&T service area rates would include an increase to the availability fee and the tier rates effective July 1, 2022. This would align the tier rates in Diablo Village and E&T service areas. E&T's availability fee would continue to be the lowest in all service areas.

Finance Oversight Committee

At the March 16, 2020, meeting the Finance Oversight Committee discussed with staff and voted 7-0 to recommend the Board of Directors move forward with the approval of the two year rate schedules.

Scheduling a Public Hearing

It is recommended that the Board of Directors discuss with staff the proposed rate and fee adjustments.

It is also recommended that the Board schedule a rate hearing for Monday, May 10, 2021, at 5:30 p.m. At the rate hearing, the Board would consider rate and fee adjustments as described in this report for Fiscal Year 2022 and Fiscal Year 2023.

It is further recommended that an insert be sent to customers outlining the proposed rate and fee changes in each specific service area.

Recommended Motion

I move to schedule a public hearing for May 10, 2021, at 5:30 p.m. for the purpose of discussing and possible adoption of an adjustment to the District's water rates and fees for two fiscal years.

Respectfully submitted,

Diane Bracken, M.Adm.
Chief Financial Officer

I concur with the recommendation.
Respectfully submitted,

Joseph Olsen, P.E.
General Manager