

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

**April 2, 2019**

**Discussion of Proposed Adjustments to Rates & Fees  
and Scheduling a Public Hearing**

**Synopsis**

The Board of Directors is requested to discuss the proposed adjustment to the Water Availability Fee and schedule a public hearing to consider this adjustment.

**Proposed Adjustment of Rates & Fees Overview**

Water Rates and Fees are presented with a requested 95¢ increase to the Water Availability Rate, for a 5/8-inch meter, in all service areas. This will also increase the fee charged for dual meters and private fire service line fees since the Water Availability Rate is part of these fee calculations.

Pages three through five of the Requested Budget for Fiscal Year 2020 includes a summary of proposed budgeted changes in revenue and planned expenses. The revenue section is based upon the requested rate changes shown on the rate schedules. With the proposed changes, the District would continue to maintain fixed revenue coverage of 89.57% of the District's fixed costs.

**Finance Oversight Committee**

At the March 27, 2019 meeting, the Finance Oversight Committee discussed with staff and voted 6-0 to recommend the Board of Directors approve the requested change to the Water Availability Rate, the dual meter fee, and the private fire service line monthly fee to be effective July 1, 2019 for Fiscal Year 2020 as presented by staff.

**Scheduling a Public Hearing**

It is recommended that the Board of Directors discuss with staff the proposed rate and fee adjustments as recommended by the Finance Oversight Committee.

It is also recommended that the Board schedule a rate hearing for Monday, May 13, 2019 at 5:30 p.m. At the rate hearing, the Board would consider rate adjustments as described in this report. Any changes to the rate structure would be effective July 1, 2019.

It is further recommended that an insert be sent to customers outlining the proposed adjustments to the rate and fees specific to their service area.

**Recommended Motion**

I move to schedule a public hearing for May 13, 2019 at 5:30 p.m. for the purpose of discussing and possible adoption of an adjustment to the District's water rates and fees as discussed.

Respectfully submitted,

Diane Bracken, M.Adm.  
Chief Financial Officer

I concur with the recommendation.  
Respectfully submitted,

Joseph Olsen, P.E.  
General Manager