

**Metropolitan Domestic Water Improvement District
Board of Directors Meeting**

May 10, 2021

**Resolution 2021-2 and 2021-3
Proposed Fee Adjustments for Fiscal Year 2022 and Fiscal Year 2023**

Synopsis

The Board of Directors is requested to review the information presented by staff at the public hearing and consider comments from the public regarding the proposed rate and fee adjustments for Fiscal Years 2022 and 2023 before voting on Resolution 2021-2 and 2021-3.

Background

On March 16, 2021, the Fiscal Year 2022 Requested Budget along with the proposed rate and fee changes for Fiscal Year 2022 and Fiscal Year 2023 were reviewed and discussed with the Finance Oversight Committee. The Committee voted 7-0 to recommend the Board of Directors move forward with the two-year rate schedules.

At the March 22, 2021, study session, the Board of Directors approved the scheduling of a public hearing to be held on May 10, 2021, for the purpose of discussing and recommending the creation of two-year rate schedules as presented and discussed with the Finance Oversight Committee and the Board of Directors.

Information Meeting Held on May 6, 2021

A public Information Meeting was held on Thursday, May 6, 2021, to present and review the proposed fee changes.

Public Hearing

At the public hearing, a presentation of the proposed adjustments will be available for the public to provide comments. The Board will discuss the proposed rate and fee adjustments and determine whether to approve the requested changes. If approved, the rate changes for Fiscal Year 2022 would become effective on July 1, 2021, and applied to the first billing cycle in July, and the proposed rate and fee changes for Fiscal Year 2023 would become effective July 1, 2022, and applied to the first billing cycle in July.

Rate inserts outlining the proposed changes for each service area and each fiscal year were sent to all customers receiving paper statements, they were available on the District website, and available

in the lobby for customers not receiving paper statements. The inserts invited all customers to attend the May 6, 2021, Information Meeting, and the May 10, 2021, Public Hearing. The insert described the proposed rate and fee schedules for their service area. All required notifications for the May 10, 2021, public hearing have been completed.

Proposed Rate Adjustment

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, Hub, Diablo Village, and E&T with the \$3.90 remaining in place for the Lazy B Service area. These changes would be applied to the first bill issued in July 2021.

The proposed changes for Fiscal Year 2023 would increase the Infrastructure Rehabilitation Fee to \$1.50 for a 5/8-inch meter in all service areas effective in the first bill in July 2022. This would be the only rate or fee change for Metro Main, Hub, Diablo Village, and Lazy B service areas. The E&T service area rates would also include an increase in the availability fee and the tier rate effective in the first bill issued in July 2022.

Staff Recommendation

It is recommended that the Board of Directors discuss with staff the proposed rate and fee adjustments and then consider any comments that the public have at the public hearing.

After discussing the rate and fee adjustments, it is recommended that the Board of Directors approve and adopt Resolution 2021-2, which would increase the availability fee and tier structure rates to be effective July 1, 2021, and applied in full to the July 9, 2021, billing cycle. Resolution 2021-3, would increase the Infrastructure Rehabilitation Fee to \$1.50 for a 5/8-inch meter for all service areas and increase in the availability fee and the tier rate in the E&T service area with all changes effective July 1, 2022, and applied in full to the July 9, 2022, billing cycle.

Suggested Motions

I move to approve and adopt Resolution 2021-2 with an effective date of July 1, 2021, applied in full to the July 9, 2021, billing cycle.

I move to approve and adopt Resolution 2021-3 with an effective date of July 1, 2022, applied in full to the July 9, 2022 billing cycle.

Respectfully submitted,

Diane Bracken, M.Adm.
Chief Financial Officer

I concur with the recommendation
Respectfully submitted,

Joseph Olsen, P.E.
General Manager