

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

May 11, 2020

**Resolution 2020-1
Proposed Fee Adjustments**

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 fee adjustments before voting on Resolution 2020-1.

Background

On March 16, 2020, the Fiscal Year 2021 Requested Budget along with the proposed fee changes for Fiscal Year 2021 were reviewed and discussed with the Finance Oversight Committee. The Committee voted 5-0 to recommend the Board of Directors approve the creation of the Infrastructure Rehabilitation Fee and to adjust the customer deposit amounts.

At the March 19, 2020, study session, the Board of Directors approved the scheduling of a public hearing to be held on May 11, 2020, for the purpose of discussing and recommending the creation of the Infrastructure Rehabilitation Fee and the adjustments to the customer deposit amounts as they were presented and discussed with the Finance Oversight Committee and the Board of Directors.

Information Meeting Held on May 5, 2020

A public Information Meeting was held on Tuesday, May 5, 2020, to review the proposed fee changes. A presentation was given both in the District Board Room and electronically via GoToMeeting to discuss the proposed changes and no Customer questions were asked when an opportunity was provided.

Public Hearing

At the public hearing, an overview of the proposed adjustments will be presented and the public will have an opportunity to provide comments. The Board will then be able to discuss the proposed fee adjustments and determine whether to approve the requested changes. If approved, the customer deposits would become effective July 1, 2020, and the Infrastructure Rehabilitation fee would become effective January 1, 2021, with the fee applied in the first billing cycle in January 2021.

Rate inserts outlining the proposed infrastructure rehabilitation fee for each service area 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 5, 2020, Information Meeting, and the May 11, 2020, Public Hearing. The insert described the proposed fee schedule for their service area, provided the percentage increase for an average customer, along with the five-year average increase in their service area. All required notices for the May 11, 2020, public hearing have been completed.

Proposed Rate Adjustment

The last time the customer deposit amounts were changed was May 2004 and the requested change would be effective July 1, 2020, to establish residential account deposits at \$132, renter accounts at \$200, and multi-family, bulk meters, and commercial accounts at \$1,500.

The creation of the Infrastructure Rehabilitation fee of 95¢ per month for a 5/8" account would have an effective date of January 1, 2021. The inserts list the amount for each meter size and the effective customer rate decrease and increase depending upon the service area.

Staff Recommendation

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

After discussing the fee adjustments, it is recommended that the Board of Directors approve and adopt Resolution 2020-1, which would create the Infrastructure Rehabilitation fee to be effective January 1, 2021, and applied in full to the January 9, 2021, billing cycle. Resolution 2020-1 would also put into effect the customer deposit fees as presented to be effective July 1, 2020.

Suggested Motion

I move to approve and adopt Resolution 2020-1 to create the Infrastructure Rehabilitation fee with an effective date of January 1, 2021, applied in full to the January 9, 2021, billing cycle and to change the customer deposit amounts with an effective date of July 1, 2020.

Respectfully submitted,

Diane Bracken, M.Adm.
Chief Financial Officer

I concur with the recommendation
Respectfully submitted,

Joseph Olsen, P.E.
General Manager