



## MEMORANDUM

To: Administrative Control Board

From: Steve Anderson, CFO

Date: June 10, 2026

Subject: Mid-Year Rate Increases

### **Action Requested**

District management is requesting the approval of new rates and increases to a few existing rates to become effective July 1, 2026. Each of the rates and their modification or introduction is discussed below.

- Development Project Fees
  - The District is requesting the introduction of a new *Drawing Review Fee* for developers when bringing in their initial plans. The expense of reviewing these drawings was not adequately reimbursed previously.
  - The District is requesting an increase in the *Developer Inspection Fee* from 3% to 5%. The District has been tracking hours spent by varying staff for the last two years and has established that the fee was too low to cover the expenses incurred to provide inspection services.
- Fire Hydrant Rental Fees
  - The monthly base rate and usage rate for the 1" and 3" fire hydrant meters needed to be updated to match the Interruptible Sources (Construction/Snowmaking/Wholesale) rates.

- State Mandated
  - The Department of Environmental Quality – Division of Drinking Water is requiring a new fee be paid based on water usage. The fee is \$0.0165 per 1,000 gallons and the estimated annual charge to the District would be \$10,699.65 and be payable during the 4<sup>th</sup> quarter of 2027. The District is adding this rate to its current rate sheet, but how and when it will be implemented are still being discussed.
- Impact Fee Review Fee/Annexation Application Fee/Fire Flow Analysis Fee
  - The District is requesting an increase of the *Impact Review Fee* from \$100 to \$150 to better recover the expense related to these reviews.
  - The District is requesting the formal implementation of an *Annexation Application Fee* that is allowed in the District’s Rules and Regulations. The fee will be set at \$200 to capture the expense of preparing the documents and other requirements.
  - The District is requesting the formation of a formal *Fire Flow Analysis Fee*. The District has provided this service historically and at times used the *On-Site Visit/Inspection Fee* to bill for this service. Implementing this new fee clarifies any confusion regarding the service and the charge to the customer.
- Multi-Purpose Room
  - The District has received significant interest in using the conference room and associated areas at its new administrative building. Establishing these rates allows the District to capture the costs of allowing such use.