



The following question was posed by a Commissioner prior to the scheduled Board Meeting on May 7, 2024. Staff's response is included below.

Update to Customer Fees, Rates, and Charges (HART/RUE)

Water Connection Charges: It seems like we are proposing a big increase, mainly due to the fact that we haven't raised these fees in 10 years. Is there a reason we haven't been raising them incrementally all along?

RESPONSE: *That is correct. The primary reason for the increase is the duration of time since the last update.*

This was an oversight. This work is dispersed across the business units and historically has been brought forward on an as-needed basis. Going forward, annually Finance will coordinate the review of all fees and each Spring will bring for board consideration any recommended changes. Although the financial impact was not significant in terms of the overall budget, we recognize it is impactful to the customers and more timely and frequent updates lead to less volatility.