



Memo

To: Board of Directors
From: Tom Weddle
Date: March 17, 2026
Subject: New Two-Tier Rate Update

Staff is recommending that the Board move forward with the updated two-Tier rate structure that utilizes the top tier as the point at which the District has to purchase more expensive CLAWA water in order to satisfy the customer needs of the District.

The reason behind the support for this method is that it directly correlates to the actual needs of the District. The residents that utilize the higher amounts of water are the same residents that are driving the District costs higher by making it necessary to purchase additional water. Outside of a single Tier, which penalizes those that use the least amount of water, this is the only adjustment that relates directly to water purchased versus the needs of the District as well as being the most defensible.

The new Tier would be 0-500 at \$6.00, and 501 and above at \$8.55.