

January 14, 2025

**RE:** Increase in Non-potable Water Fee

## Homeowner:

The Board has requested that we include additional information with your invoice pertaining to the increase in the non-potable water fee effective January 1, 2025. This will be the first rate increase since the system was installed in 2017. A public hearing was held by the Hunters Overlook Water Activity Enterprise, on December 18<sup>th</sup>, at 2:30 pm. This meeting was posted 30 days prior to the meeting date on both the District's website under the Announcements Tab, and to the District's SDA transparency notice on the SDA website, as an additional courtesy.

At the public hearing the Board reviewed water rates of surrounding entities, noting that all rates were substantially higher than what the District is currently charging. In order to remain ahead of increasing costs of water usage, repairs, and aging infrastructure, it was requested that the Board consider a 25% increase to the current water rates for standard lots, requiring any estate lots to pay a 100% increase due to lot size and corresponding increased water usage. After discussion and responding to various questions and concerns from the public, the Board agreed to decrease the requested amount to 20%, (or \$108) increase for standard lots and 100% (or \$540) increase for estate lots as a compromise. You will see this increase on your January invoice. Although we understand any increase is an inconvenience, it is necessary in order to keep the system operating at an optimal level and ensure a continuing water supply. Please note that additional information pertaining to the water supply and system infrastructure is always available on the District's website, under the Announcements Tab. An additional Billing Summary is also posted to the District's website, under the Payments and Residential Portal Tab, which gives a breakdown of total annual costs, and the services for which they are appropriated.

The system will operate from May 15<sup>th</sup> to October 15<sup>th</sup>, contingent on when the water supply is released into the ditch. Notices pertaining to the water system will continue to be posted to the District's website as an announcement. We appreciate your cooperation and understanding in this matter.

Sincerely, Fromm & Company LLC District Management

