



P.O. Box 5249
221 Fairway Drive
Tahoe City, CA 96145
www.tcpud.org

TAHOE CITY PUBLIC UTILITY DISTRICT

ATTENTION

This notice contains important information about proposed rate increases for water and sewer services.

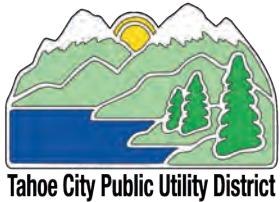
Please read



 **NOTICE OF PUBLIC HEARING**

The TCPUD Board of Directors invites the public to attend a scheduled public hearing on **Friday, November 15, 2024 at 8:30 a.m.**, to consider adoption of a 5-year schedule of maximum water and sewer rates.

The hearing will be held at 221 Fairway Drive, Tahoe City.



September 23, 2024

PROPOSITION 218 NOTICE TO PROPERTY OWNERS OF PROPOSED WATER AND SEWER RATES AND A PUBLIC HEARING

Public Hearing

Date: Friday, November 15, 2024

Time: 8:30 a.m.

Location: TCPUD Board Room
221 Fairway Drive, Tahoe City,
96145

All interested property owners and tenants are invited to appear at the time and place specified in this notice to give oral or written testimony, as well as written protests, regarding the proposed rates.

The Tahoe City Public Utility District (TCPUD) Board of Directors is providing notice of proposed water and sewer rate increases and invites the public to attend a Public Hearing to consider adoption of a 5-year schedule of maximum water and sewer rates for Fiscal Years 2025-2029 (effective January 1 each year).

The purpose of the Public Hearing is to consider all oral and written testimony and written protests of the proposed rates. This notice is provided to all property owners who currently receive water and/or sewer services (customers) provided by the TCPUD. All interested property owners and tenants are invited to appear at the time and place specified in this notice to give oral and written testimony and written protests of the proposed rates.

If adopted, new water and sewer rates will go into effect on January 1, 2025. The proposed rates are detailed in the **Proposed Rate Schedules** insert inside.

Our Public Rate Setting Process

The TCPUD is committed to a transparent public rate setting process guided by the principles set forth in TCPUD Financial Policy No. 2050- *Establishing Water and Sewer Rates and Fees Policy*, and in compliance with state laws and guidelines, including California Proposition 218 and Article XIII D of the California Constitution.

Every five years, as part of the long-term financial planning process, TCPUD conducts a Water & Sewer Rate Study. As part of the TCPUD's commitment to fiscal responsibility and long-term financial planning, the TCPUD has retained an independent rate consultant, HDR Engineering, Inc., to perform the 2024 Rate Study to evaluate revenues and costs over the next 5-year period. TCPUD's 2024 Rate Study guides the setting of maximum rates for each utility and customer class.

The 2024 Rate Study will determine a cost-based and proportional water and sewer rate structure that generates sufficient revenues to fund water and sewer operations and capital infrastructure needs throughout TCPUD's service area for Fiscal Years 2025-2029. Conducting the 2024 Rate Study is important to ensure water and sewer rates reflect the true cost of operating, maintaining, upgrading, and replacing our water and sewer systems.

On August 16 and September 20, 2024, the TCPUD Board held public meetings on the 2024 Rate Study's findings, conclusions, and recommendations, and to solicit public input. At the TCPUD Board meeting on September 20, 2024, the Board authorized a proposed 5-year Water and Sewer Rate Schedule to be considered at a public hearing on November 15, 2024.

Building a healthy mountain community through our passion for public service.

Your Dollars at Work

Investing in capital infrastructure and routine maintenance is essential to keeping the water and sewer systems functioning properly. Water and sewer rates pay for regular operating expenses, the rehabilitation of aging infrastructure, and new capital improvements that meet current standards.

These projects and upgrades are outlined in TCPUD's Five-Year Capital Improvement Plan (CIP). Some of the investments identified in the 2025-2029 CIP include a phased approach to the full reconstruction of two water systems, water and sewer line replacements, sewer storage improvements, and the installation of water meters.

In addition to the cost of implementing the Five-Year CIP, the 2024 Rate Study will determine the revenue necessary for:

- Debt obligations for the water and/or sewer funds
- Reserve capacity necessary for each utility system's replacement, maintenance, and capital improvement to maintain service reliability
- Core utility system operations, including labor costs and administration
- Compliance with State and Federal regulatory requirements related to operation of the utility systems



Left: Crews install new sewer main. Top right: An aerial view of the new West Lake Tahoe Water Treatment Plant. Bottom Right: TCPUD staff install a new SMART water meter.

Improving the Resiliency of our Community Against the Threat of Wildfire

One of TCPUD's primary goals for upcoming infrastructure replacements and future capital projects is to enhance our water system's effectiveness in supporting fire suppression efforts. TCPUD is dedicated to resolving existing infrastructure shortcomings to better protect our communities from fires.

This commitment involves the installation of large diameter water mains, additional fire hydrants, and new storage tanks, all aimed at significantly increasing our system's capacity to respond to fire emergencies.



Our Commitment

The TCPUD Board of Directors maintains a strong commitment to safe and sustainable water and sewer services. This is accomplished through careful long-term financial planning and ongoing investments in our water and sewer infrastructure. This focus ensures a future where households have a safe and reliable water supply for daily use and fire suppression, alongside an environmentally sound and efficiently managed sewer system.

Our water and sewer services are funded by customer rates and as a not-for-profit public utility, we distribute the cost of service for system operations, maintenance, upgrades, and replacement proportionally across all our customers. In doing so, we can achieve the highest service standards and provide our customers with a beneficial economy of scale for the operations of and investments in our utility systems district-wide.

Can I Protest the Proposed Rates?

Any property owner whose property will be subject to the proposed rates, or tenant of the property, may submit a written protest and/or come to the public hearing and provide oral testimony. Protests must be in writing to be counted and only one protest per identified parcel will be counted. You may submit a written protest against either proposed rate increase (water or sewer), or both. If a majority of property owners and/or the tenants of the property whose property receives water service or if a majority of property owners or the tenants of the property whose property receives sewer service file valid written protests by the end of the public hearing on November 15, 2024, the corresponding water and/or sewer rates will not be approved.

All Protests Must:

- 1.** Be in writing and received by the District Clerk before the close of the public hearing on November 15, 2024, beginning at 8:30 am. Written protests must be mailed to the District Clerk at P.O. Box 5249, Tahoe City, CA 96145, or personally delivered to 221 Fairway Drive, Tahoe City, CA 96145. Email or facsimile protests will not be accepted. Protests will not be accepted after the closure of the public hearing.
- 2.** Specifically identify what you are protesting: the water and/or sewer rate increases.
- 3.** Identify the affected parcel by the service address and/or Assessor's Parcel Number (APN).
- 4.** Include the name and original (wet) signature of the property owner or tenant of the service address. If the party signing or presenting the protest is not shown as the parcel owner on the last equalized assessment roll of Placer County or El Dorado County the protest must contain, or be accompanied by, written evidence that such party is the owner or the tenant.

Before the close of the Public Hearing, the TCPUD Board will accept oral and written testimony, as well as written protests, regarding the proposed rates.

Under California Government Code section 53759, there is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge. This statute of limitations applies to the water and sewer service rates proposed in this notice.

How Can I Find Out More About the Proposed Changes?

Two public workshops will be held in the TCPUD Board Room at 221 Fairway Drive, Tahoe City to review the rate study and proposed rates. The workshops will be held on:

- **Tuesday, October 29, 2024, 5:30 p.m. to 7:00 p.m.**
- **Wednesday, October 30, 2024, 11:30 a.m. to 1:00 p.m.**

Visit the TCPUD 2024 Rate Study website at www.tcpud.org/ratetestudy to learn more.

For additional questions, please email Aaron Hussmann at ahussmann@tcpud.org or call 530.580.6291.

Proposed Rate Schedules

Water

The Following Rates Represent the Maximum Monthly Residential and Commercial Water Rates That Can Be Charged

Base Rate - Residential and Commercial	Present Rates	Proposed Rates					
		2025	2026	2027	2028	2029	
Most Common	3/4"	\$ 94.57	\$ 106.57	\$ 116.69	\$ 127.78	\$ 139.92	\$ 153.21
	1"	\$ 157.93	\$ 177.96	\$ 194.87	\$ 213.38	\$ 233.65	\$ 255.85
	1 1/4"	\$ 236.42	\$ 266.41	\$ 291.72	\$ 319.43	\$ 349.78	\$ 383.01
	1 1/2"	\$ 314.92	\$ 354.86	\$ 388.57	\$ 425.48	\$ 465.90	\$ 510.16
	2"	\$ 504.06	\$ 567.99	\$ 621.95	\$ 681.04	\$ 745.74	\$ 816.59
	3"	\$ 945.70	\$ 1,776.44	\$ 1,945.20	\$ 2,129.99	\$ 2,332.34	\$ 2,553.91
	4"	\$ 1,576.48	\$ 3,551.82	\$ 3,889.24	\$ 4,258.72	\$ 4,663.30	\$ 5,106.31
	6"	\$ 3,152.02	\$ 5,683.13	\$ 6,223.03	\$ 6,814.22	\$ 7,461.57	\$ 8,170.42
	8"	\$ 5,043.42	\$ 8,170.37	\$ 8,946.56	\$ 9,796.48	\$ 10,727.15	\$ 11,746.23
	Umetered Rate	\$115.87	\$ 129.01	\$ 141.29	\$ 154.72	\$ 169.44	\$ 185.55
OR							
Combined Fire Service (CFS) Base Rate By Meter Size	Present Rates	Proposed Rates					
		2025	2026	2027	2028	2029	
CFS - 3/4"	\$ 134.35	\$ 143.97	\$ 157.64	\$ 172.62	\$ 189.02	\$ 206.97	
CFS - 1"	\$ 147.61	\$ 156.44	\$ 171.30	\$ 187.58	\$ 205.40	\$ 224.91	
CFS - 1.5"	\$ 237.49	\$ 252.76	\$ 276.78	\$ 303.07	\$ 331.86	\$ 363.39	
CFS - 2"	\$ 264.01	\$ 277.69	\$ 304.07	\$ 332.95	\$ 364.58	\$ 399.22	
CFS - >2"	Service Classification Determined By District						

Consumption - Residential (per 1,000 gal)	Present Rates	Proposed Rates				
		2025	2026	2027	2028	2029
0 - 8,000 gal	\$ 3.55	\$ 3.74	\$ 4.10	\$ 4.49	\$ 4.92	\$ 5.39
8,000 - 20,000 gal	\$ 4.64	\$ 4.89	\$ 5.35	\$ 5.86	\$ 6.42	\$ 7.03
20,000 - 40,000 gal	\$ 6.68	\$ 6.70	\$ 7.34	\$ 8.04	\$ 8.80	\$ 9.64
40,000+ gal	\$ 13.21	\$ 12.91	\$ 14.14	\$ 15.48	\$ 16.95	\$ 18.56
Consumption - Commercial (per 1,000 gal)	Present Rates	Proposed Rates				
		2025	2026	2027	2028	2029
All Usage	\$ 5.01	\$ 5.08	\$ 5.56	\$ 6.09	\$ 6.67	\$ 7.30

Private Fire Protection and/or Private Hydrant Base Rate Schedule

(Only applies to customers with an approved private fire protection service or a private fire hydrant. If applicable, add to standard base rate)

Base Rate	Present Rates	Proposed Rates				
		2025	2026	2027	2028	2029
Private Fire Protection * (per inch diameter)	\$ 53.04	\$ 49.87	\$ 54.61	\$ 59.80	\$ 65.48	\$ 71.70
Private Fire Hydrant (per inch diameter)	\$ 53.04	\$ 49.87	\$ 54.61	\$ 59.80	\$ 65.48	\$ 71.70

* Add to Standard Base Rate when fire protection service provided by separate service line. Not to be added to Combined Fire Service Base Rate.

Sewer

The Following Rates Represent the Maximum Monthly Residential and Commercial Sewer Rates That Can Be Charged

	Present Rates	Proposed Rates				
		2025	2026	2027	2028	2029
Residential Rates	\$ 56.60	\$ 61.98	\$ 66.94	\$ 72.30	\$ 78.08	\$ 84.33
Commercial Rates	Present Rates	Proposed Rates				
		2025	2026	2027	2028	2029
Motel W/O Kitchen	\$ 23.36	\$ 25.22	\$ 27.61	\$ 29.82	\$ 32.21	\$ 34.79
Motel W/Kitchen	\$ 24.90	\$ 26.88	\$ 29.43	\$ 31.78	\$ 34.32	\$ 37.07
Seating - Per 1/2 Seat	\$ 1.60	\$ 1.73	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.38
Seating - Per Seat	\$ 3.20	\$ 3.45	\$ 3.78	\$ 4.08	\$ 4.41	\$ 4.76
Laundry - Per Machine	\$ 11.68	\$ 12.61	\$ 13.81	\$ 14.91	\$ 16.10	\$ 17.39
Hotel W/ Kitchen	\$ 23.36	\$ 25.22	\$ 27.61	\$ 29.82	\$ 32.21	\$ 34.79
Hotel W/O Kitchen	\$ 14.73	\$ 15.91	\$ 17.42	\$ 18.81	\$ 20.31	\$ 21.93
Campsite W/ Sewer	\$ 28.95	\$ 31.26	\$ 34.23	\$ 36.97	\$ 39.93	\$ 43.12
Campsite W/O Sewer	\$ 24.90	\$ 26.88	\$ 29.43	\$ 31.78	\$ 34.32	\$ 37.07
Snackbar	\$ 86.29	\$ 93.15	\$ 102.00	\$ 110.16	\$ 118.97	\$ 128.49
Service Station	\$ 86.29	\$ 93.15	\$ 102.00	\$ 110.16	\$ 118.97	\$ 128.49
Beauty/Barber Shop (Per Chair)	\$ 31.11	\$ 33.59	\$ 36.78	\$ 39.72	\$ 42.90	\$ 46.33
Theatre	\$ 172.49	\$ 186.21	\$ 203.90	\$ 220.21	\$ 237.83	\$ 256.86
Boat Pump	\$ 86.29	\$ 93.15	\$ 102.00	\$ 110.16	\$ 118.97	\$ 128.49
Standby Sewer Service	\$ 11.31	\$ 12.20	\$ 13.36	\$ 14.43	\$ 15.58	\$ 16.83
Food Service Estab Lic	\$ 38.24	\$ 41.28	\$ 45.20	\$ 48.82	\$ 52.73	\$ 56.95
Backwash (Pool/Spa Filters)	\$ 28.95	\$ 31.26	\$ 34.23	\$ 36.97	\$ 39.93	\$ 43.12
Unclassified Sewer	\$ 57.42	\$ 61.98	\$ 67.87	\$ 73.30	\$ 79.16	\$ 85.49
Unclassified Sewer W/O Kitchen	\$ 23.36	\$ 25.22	\$ 27.61	\$ 29.82	\$ 32.21	\$ 34.79
.5 Sewer Unit (1-10 Fixtures)	\$ 28.95	\$ 31.26	\$ 34.23	\$ 36.97	\$ 39.93	\$ 43.12
1.0 Sewer Unit (11-20 Fixtures)	\$ 57.42	\$ 61.98	\$ 67.87	\$ 73.30	\$ 79.16	\$ 85.49
Comm'Cl Non-Rest <1,000 Sq Ft	\$ 57.42	\$ 61.98	\$ 67.87	\$ 73.30	\$ 79.16	\$ 85.49
Comm'Cl Non-Rest >1,000 Sq Ft	\$ 28.95	\$ 31.26	\$ 34.23	\$ 36.97	\$ 39.93	\$ 43.12
Pro-Rated Sewer Rate	\$ 1.57	\$ 1.70	\$ 1.86	\$ 2.01	\$ 2.17	\$ 2.34

* Sewer only customer - multiply monthly sewer rate by 3 for quarterly billing

How We Charge for Water and Sewer

Most water customers in the TCPUD service area are metered and pay both a base rate and a consumption rate based on their monthly water usage. The TCPUD water system operates 24 hours a day, 7 days a week throughout the year and these critical services are funded by water rates.

The water rate structure is based on a cost-of-service analysis that includes fixed costs to cover non-consumption related expenses such as customer service and billing, operation and maintenance of the water system, and public fire protection that benefit all our customers. This fixed cost, also called a base rate, is the same every month, regardless of consumption. The base rate a customer pays is determined by the size of the water meter. Variable costs, which are a function of the quantity of water consumed, are included in the consumption rate.

Customers without water meters pay the TCPUD unmetered flat rate. This unmetered flat rate includes the base rate for a $\frac{3}{4}$ " meter plus the amount charged for a TCPUD average residential customer's monthly consumption (6,000 gallons per month). TCPUD is planning to install water meters on all unmetered connections in the future.

Residential sewer customers pay a flat rate for service. Sewer only customers are billed quarterly, and sewer and water customers are billed monthly. Commercial sewer customers pay sewer charges based on the specific services they provide.

For more information on how water and sewer rates are calculated, please visit TCPUD's website at tcpud.org/utility-rates.