

**ORDINANCE NO. 281 OF
TAHOE CITY PUBLIC UTILITY DISTRICT
AMENDING AND MODIFYING ORDINANCE NO. 263
(AS AMENDED BY ORDINANCE NO. 271, 273, and 279)
EXHIBIT "A-1, A-2, and B" WATER CONNECTION CHARGES AND SERVICE CHARGES**

WHEREAS, Tahoe City Public Utility District ("District") was formed pursuant to the California Public Utility District Act to provide potable water and sewer collection service to lands within the District; and,

WHEREAS, the Board of Directors of Tahoe City Public Utility District ("the Board") has authority to establish fees and charges for the provision of water to District customers. The Board establishes water rates in this Ordinance for years 2015, 2016, 2017, 2018, and 2019.

WHEREAS, the Board retained HDR Engineering, Inc. (HDR) to perform a water and sewer rate study update, based on the study completed by HDR in 2009. The August 2014 Comprehensive Water and Sewer Rate Study (2014 HDR Rate Study) examined the adequacy of the existing water and sewer rates, and provided the basis for adjustments to rates to adequately and equitably fund the operating and capital needs of the water and sewer system; and,

WHEREAS, District staff prepared a 5-year water capital improvement plan, which was updated from the previous water capital improvement plan; and,

WHEREAS, the Board reviewed relevant financial data and determined that the water system rates and charges that were in effect would not generate sufficient revenue over the next five years and beyond for prudent operation of the District's water system; and,

WHEREAS, HDR compared the revenue of the water utility to its expenses to determine the overall rate adjustment required. Then, HDR allocated the revenue requirements to the various customer classes of service in an equitable manner. The District conducted several public meetings and workshops at which proposed water rates were discussed, public comments received; and proposed water rates were presented along with two different alternatives for their implementation over time; and,

WHEREAS, at the District Board meeting held July 18, 2014, the Board considered water rate structure recommendations from HDR and District management and voted to change water rates effective January 1, 2015, and conduct a public hearing November 21, 2014 at 9:00a.m., in accordance with Section 6 of Article XIID of the California Constitution (Proposition 218); and,

WHEREAS, the District staff has given notice of the proposed new rates as required by law: A notice of the public hearing of the proposed changes to the water rates was mailed to each land owner and rate payer not less than forty-five days prior to the scheduled November 21, 2014, public hearing in compliance with Section 6 of Article XIID of the Constitution of the State of California; and,

WHEREAS, at the District Board meeting held November 21, 2014, the Board considered public comments on the proposed water rates. The Board then closed the public hearing, deliberated on the water rate structure, and directed the District Clerk to count written protests; and,

WHEREAS, following public comment, the Board adopted the 2014 HDR Final Report: Water and Sewer Comprehensive Rate Study, August, 2014, as the basis for proposed water and sewer system rates for 2015, 2016, 2017, 2018, and 2019; and,

WHEREAS, the District Clerk advised the Board that 15 written protests out of a total of 4,188 water customers were received. It was therefore determined that a majority protest to the proposed water rates did not exist.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE TAHOE CITY PUBLIC UTILITY DISTRICT as follows:

SECTION 1: FINDINGS. After hearing testimony, considering the evidence offered, and duly deliberating the matters presented, the Board of Directors of Tahoe City Public Utility District finds and determines that:

- A. The above recitals are true.
- B. The Board is empowered to prescribe, revise, and collect fees and charges to operate and maintain the District's water system.
- C. The proceedings related to the proposed increase in water rates and charges have been duly noticed in compliance with the Constitution of the State of California, and other applicable law.
- D. The rates and charges set forth in the attached schedule are not discriminatory; and,
- E. The rates and charges set forth in the attached schedule are not excessive inasmuch as revenues from said rates and charges will not exceed the costs of providing water service.

SECTION 2: WATER RATES AND CHARGES. Based upon these findings, the Board approves and directs the implementation of water rates and charges for years 2015, 2016, 2017, 2018, and 2019, as set forth on Tables ES-5, 6, and 7 of the 2014 HDR Comprehensive Water and Sewer Rate Study, August, 2014, and attached as Appendix "A-1, A-2, and B" to this Ordinance.

A. Exhibit "A-1, A-2, and B", Water Connection Charges and Services Charges, Rate Codes 101-199 of Ordinance No. 263 (as amended by ordinance no. 271, 273 and 279) is modified as shown on Exhibit "A-1, A-2, and B" to this Ordinance 281 in order to implement revised water rates as adopted by the Board on November 21, 2014. The rates previously set in Exhibit "A-1, A-2 and B" of Ordinance No. 281 shall take effect on January 1, 2015 unless the District revises the rates further.

B. Except as modified and amended hereby, Ordinance No. 263 (as amended by ordinance no. 271, 273 and 279) shall in all other respects remain in full force and effect.

SECTION 3: EFFECTIVE DATE. This Ordinance and the amendments and modifications hereby made, shall become effective 30 days from the date of its enactment and prior thereto shall be posted and published as required by law. The water rates will be applied with the first billing period beginning on or after January 1, 2015.

SECTION 4: REVISED IMPLEMENTATION OF WATER RATE. Annually, the Board will review the operating expenses, the capital costs, and the revenues received as compared to the projections used in the 2014 HDR Rate Study. The Board will then determine if the rates for the coming year should be modified based on revised conditions in order to maintain continuity with the adopted study. The Board may reduce the rates in any given year, but cannot exceed the cumulative rates presented for any specific year to the ratepayers through the Proposition 218 process.

PASSED AND ADOPTED on the 21st day of November, 2014, by the following vote:

AYES: Reinkens, Friedman, Treabess, Wilkins

NOES: Henrikson

ABSENT: None

ABSTAINING: None

TAHOE CITY PUBLIC UTILITY DISTRICT

Dan Wilkins, President

ATTEST:

Terri Viehmann, District Clerk

Residential CONSUMPTION Rate Schedule							
Rate Code	Monthly Water Consumption Charges Per 1,000 Gallons <i>(Add to Residential Water Base Rate Below)</i>		Monthly Water Consumption Per 1,000 gallons				
			2015	2016	2017	2018	2019
Monthly							
Added to applicable Residential Rate code	Tier 1 0 - 8,000 gallons		\$1.91	\$2.09	\$2.29	\$2.48	\$2.68
	Tier 2 8,001 - 20,000		\$2.61	\$2.87	\$3.15	\$3.38	\$3.64
	Tier 3 20,001 - 40,000		\$3.88	\$4.27	\$4.61	\$4.93	\$5.32
	Tier 4 40,001 and above		\$8.25	\$8.25	\$8.25	\$8.25	\$8.25

Residential Water BASE Rate Schedule (To determine water bill select the water base rate that applies to you + consumption from above)								
Rate Code	Monthly	Standard base rate by meter size	Water Connection Fee	Monthly Water Charges <i>plus consumption</i>				
				2015	2016	2017	2018	2019
150		3/4"	\$2,500	\$59.00	\$62.50	\$66.25	\$70.25	\$74.50
151		1"	\$3,000	\$89.00	\$94.25	\$100.00	\$106.00	\$112.25
152		1 1/4"	\$4,500	\$114.75	\$121.75	\$129.00	\$136.75	\$145.00
153		1 1/2"	\$6,000	\$136.25	\$144.50	\$153.25	\$162.50	\$172.25
154		2"	\$9,600	\$183.50	\$194.50	\$206.25	\$218.75	\$232.00
155		3"	\$21,000	\$277.75	\$294.50	\$312.25	\$331.00	\$350.75
156		4"	As determined	\$365.75	\$387.75	\$411.00	\$435.75	\$462.00
157		6"	As determined	\$549.25	\$582.25	\$617.25	\$654.25	\$693.50
TBD		Unmetered Rate (base rate + (annualized consumption x consumption rate/1,000))		\$77.42	\$82.69	\$88.39	\$94.14	\$100.28
OR								
Rate Code	Monthly	Combined Fire Service (CFS) base rate by meter size	Water Connection Fee	Monthly Water Charges <i>plus consumption</i>				
				2015	2016	2017	2018	2019
TBD		CFS - 3/4"	\$2,500	\$81.25	\$86.10	\$91.25	\$96.75	\$102.60
TBD		CFS - 1"	\$3,000	\$88.70	\$94.00	\$99.65	\$105.65	\$112.00
TBD		CFS - 1.5"	\$6,000	\$133.50	\$141.40	\$150.00	\$159.00	\$168.45
TBD		CFS - 2"	\$9,600	\$148.35	\$157.15	\$166.65	\$176.65	\$187.15
TBD		>2"	As determined					

Private Fire Protection and / or Private Fire 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)								
Rate Code	Monthly		Water Connection Fee	Monthly Water Charges <i>plus consumption</i>				
				2015	2016	2017	2018	2019
TBD		Private Fire Protection ¹ (per inch diameter)	As determined	\$29.70	\$31.50	\$33.40	\$35.40	\$37.50
TBD		Private Fire Hydrant (per inch diameter)	As determined	\$29.70	\$31.50	\$33.40	\$35.40	\$37.50

¹ Add to Standard Base Rate where fire protection service provided by separate service line. Not to be added to Combined Fire Service Base Rate.

Commercial CONSUMPTION Rate Schedule							
Rate Code Monthly	Monthly Water Consumption Charges Per 1,000 Gallons <i>(Add to Commercial Water Base Rate Below)</i>		Monthly Water Consumption Per 1,000 gallons				
			2015	2016	2017	2018	2019
Added to applicable Comm Code	Tier 1 0 - 8,000 gallons		\$5.63	\$5.81	\$5.99	\$6.35	\$6.74
	Tier 2 8,001 - 20,000		\$5.73	\$5.86	\$5.99	\$6.35	\$6.74
	Temporary Water Usage Charge (Hydrant meter)		\$5.73	\$5.86	\$5.99	\$6.35	\$6.74

Commercial Water BASE Rate Schedule (To determine water bill select the water base rate that applies to you + consumption from above)							
Rate Code Monthly	Standard base rate by meter size	Water Connection Fee	Monthly Water Charges <i>plus consumption</i>				
			2015	2016	2017	2018	2019
121	3/4"	\$2,500	\$71.00	\$75.25	\$79.75	\$84.50	\$89.50
122	1"	\$3,000	113.50	120.25	127.50	135.25	143.25
123	1 1/4"	\$4,500	137.75	146.00	154.75	164.00	173.75
124	1 1/2"	\$6,000	165.25	175.25	185.75	197.00	208.75
125	2"	\$9,600	221.50	234.75	248.75	263.75	279.50
126	2 1/2"	As determined	276.75	293.25	310.75	329.50	349.25
127	3"	\$21,000	331.75	351.75	372.75	395.00	418.75
128	4"	As determined	438.75	465.00	493.00	522.50	553.75
129	6"	As determined	657.25	696.75	738.50	782.75	829.75
130	8"	As determined	879.75	932.50	988.50	1,047.75	1,110.50
OR							
Rate Code Monthly	Combined Fire Service (CFS) base rate by meter size	Water Connection Fee	Monthly Water Charges <i>plus consumption</i>				
			2015	2016	2017	2018	2019
TBD	CFS - 3/4"	\$2,500	\$93.25	\$98.85	\$104.75	\$111.00	\$117.60
TBD	CFS - 1"	\$3,000	\$100.70	\$106.75	\$113.15	\$119.90	\$127.00
TBD	CFS - 1.5"	\$6,000	\$158.00	\$167.40	\$177.50	\$188.25	\$199.45
TBD	CFS - 2"	\$9,600	\$172.85	\$183.15	\$194.15	\$205.90	\$218.15
TBD	>2"	As determined					

Private Fire Protection and / or Private Fire 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)							
Rate Code Monthly		Water Connection Fee	Monthly Water Charges <i>plus consumption</i>				
			2015	2016	2017	2018	2019
TBD	Private Fire Protection ¹ (per inch diameter)	As determined	\$29.70	\$31.50	\$33.40	\$35.40	\$37.50
TBD	Private Fire Hydrant (per inch diameter)	As determined	\$29.70	\$31.50	\$33.40	\$35.40	\$37.50

¹ Add to Standard Base Rate where fire protection service provided by separate service line. Not to be added to Combined Fire Service Base Rate.

Supplemental Infrastructure Fee (Commercial customers who do not pay property tax to TCPUD add to Base Rate)						
Rate Code Monthly	Supplemental Infrastructure Fee:	Monthly Water Charges <i>plus consumption</i>				
		2015	2016	2017	2018	2019
TBD	Water	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00

Exhibit B

Description	Fee	Notes
RESIDENTIAL-NEW CONSTRUCTION OR REMODEL		
Permit and final inspection (Minor-Remodel)	\$ 60.00	
Plan check for remodel not involving sewer or water systems	No Charge	
Permit plan check and up to 4 site inspections for new construction or remodel involving sewer and/or water system involvement	175.00	
Additional inspections exceeding ordinance standard	41.00	Per inspection
Residential sewer pump system review	171.00	
Residential fire sprinkler system review	113.00	
Conditional Final - Minor construction incomplete	525.00	Deposit- Refunded upon completion of pending work.
Replacement or relocation of existing water service line	60.00	One site visit (trench/pressure)
Replacement or relocation of existing sewer service lateral	144.00	Up to three site visits
Seal Cap Deposit	525.00	
COMMERCIAL - NEW CONSTRUCTION OR REMODEL		
Permit and final inspection (Minor-Remodel)	\$ 60.00	
Permit, development agreement, plan check and inspection	525.00	Deposit; billed at actual cost; including legal expense
Conditional Final – Minor construction incomplete	525.00	Deposit-Refunded upon completion of pending work
CUSTOMER CONSTRUCTION		
Development agreement, plan check and inspection for installation and or extension of water main	\$ 525.00	Deposit; billed at actual cost
Development agreement, plan check and inspection for installation and or extension of sewer collection system	525.00	Deposit; billed at actual cost
On-site inspection not related to permit or agreement	41.00	
Security bond for property owner performing own work	1,050.00	Refundable deposit
DISTRICT CONSTRUCTION FOR CUSTOMER'S BENEFIT		
Water service tap	\$ 2,100.00	Deposit; billed at actual cost
Fire sprinkler service tap	2,100.00	Deposit; billed at actual cost
Sewer stub install	2,100.00	Deposit; billed at actual cost
FOOD SERVICE WASTEWATER DISCHARGE PERMIT		
Permit for food service facility	\$ 176.00	Annual fee
Plan check – Grease interceptor or grease trap	60.00	Deposit; billed at actual cost
Inspection – Grease interceptor or grease trap	41.00	Per inspection
TEMPORARY DISCHARGE		
Permit	\$ 41.00	
Temporary discharge (\$0.98 per 1,000 gallons plus \$0.98 per 1,000 gallons per lift) includes swimming pool & spa drain	60.00	Deposit; billed at actual cost
Security deposit for damage to District facilities as a part of temporary discharge	475.00	Refundable if facilities not damaged
FIRE HYDRANT USE		
Permit	\$ 41.00	
Water use through hydrant meter	\$6.06 per day	300 gallons per day included in daily fee. Usage over 300 gallons per day billed at current adopted rate per 1,000 gallons.
Security deposit for hydrant meter	925.00	Refundable deposit
SEWER AIR TEST – TIME OF SALE		
Processing fee and one site inspection	No Charge	
Repeat site visit	\$ 41.00	
Withhold in lieu of test: Processing fee	60.00	Additional charge if site visit req'd
Withhold in lieu of test: Site visit, if needed	41.00	

Exhibit B

DISCONNECT WATER AND/OR SEWER SERVICE – CAP OFF PERMANENTLY		
Processing fee	\$ 24.00	
Inspection fee	41.00	Each site visit
Witness abandonment of septic tank	41.00	
MISCELLANEOUS SERVICES		
Water meter test for accuracy	60.00	Deposit; billed at actual cost. No charge if meter found to exceed 100% accuracy
Water sampling & testing, at customer's request	60.00	Deposit; billed at actual cost
Water service locate on private property	60.00	Minimum; billed at actual cost
Temporary shut-off of exposed water service	60.00	Minimum; billed at actual cost
Reconnect water service during regular business hours	60.00	Minimum; billed at actual cost
Reconnect water service after hours	87.00	Minimum; billed at actual cost
Sewer property line cleanout locate; cleanouts deeper than 18" below grade will not be exposed	117.00	Minimum; billed at actual cost
Cross-connection inspection, on-site	No charge	
DISTRICT LABOR AND EQUIPMENT EXPENSE		
District labor, overhead and vehicle expense	Actual cost	
Camera to televise sewer main	\$ 30.00 per hour	Equipment charge only; plus labor
Vactor	152.00 per hour	Equipment charge only; plus labor
Backhoe	46.00 per hour	Equipment charge only; plus labor
Emergency snow removal	Actual Cost	Minimum 1 hour
EASEMENTS		
Easement research, including, but not limited to, review and approval of easements; requests for easement abandonment and / or encroachment	\$ 60.00	Deposit; billed at actual cost
Easement encroachment agreement	525.00	Deposit; billed at actual cost
ADMINISTRATIVE AND MISCELLANEOUS FEES		
Unreported connections	\$ 352.00	
Unreported discharges	352.00	
Unreported fire hydrant use - excluding Fire Department use	352.00	
Investigation of unauthorized activity, including, but not limited to discharges, sump pumps and removal or bypass of District- approved backflow prevention assembly	Actual Cost	Including administrative, field investigation and legal expenses
Ordinance violation disconnect and reconnect (including non-payment)	Actual Cost	
MISCELLANEOUS CHARGES AND FEES		
Process returned check	\$ 24.00	
Delinquent payment of charges for services provided	10% of balance 1.5% of balance	30 days after each quarterly billing 60 days after each quarterly billing
Process refund of fees paid for service where service request was cancelled; excludes refund of overpayment on deposits	24.00	
Process refund of balance on deposit for service performed	No charge	
Process refund of connection fee	87.00	
Process change in ownership	24.00	
Copies, letter or legal size, each	.13	
Copies, blueprint (for plan review, only)	2.30	

NOTE: SNOW REMOVAL IS NOT INCLUDED WITH ANY SERVICE PROVIDED

DEPOSITS MAY BE REDUCED OR INCREASED DEPENDING UPON THE ACTUAL ESTIMATED COST