

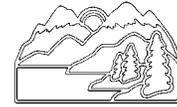


TCPUD

QUARTERLY

NEWS

A Report to Our Community



January 2004

TCPUD Adopts Annual Budget... Proposed 4% Rate Increase

The TCPUD Board of Directors voted to adopt the 2004 budget at their November 21, 2003 meeting. The total operating budget for the District is projected to be \$6.1 million dollars. This represents a 7% increase over the projected 2003 costs. "A significant portion of the budget increase is directly linked to costs out of our control," stated Bob Lourey, General Manager. "Similar to what the private sector and other governmental agencies are facing, our employee medical, pension, and workers compensation insurance have each increased approximately 20%. It's frustrating to have so much of our budget controlled by outside influences."

As is TCPUD's standard practice, the budget was built from zero, requiring each department head to review the workload for 2004 and to develop the budget required to implement the work plan. This practice ensures that the District doesn't just rollover last year's budget

with an inflation factor. "We require each department to fully justify their proposed operating budget and capital list," explained Lourey. "It is critical to the Board and management that we are always looking to streamline our operations."

The Board engaged in lengthy review and discussions about the proposed 4% rate increases for water and sewer. Water operational costs increased by 7.96%, and sewer operational costs escalated by 3.58%. These percentages do not include the substantial investment anticipated in infrastructure improvements for water and sewer. The Board reviewed the rates of other Districts and the historical trends before making their decision. Even with this rate increase, TCPUD has the lowest non-metered residential rate and the second lowest residential sewer rate of the local public agencies. The 4% increase for residential customers equates to \$1.78 per quarter for sewer and \$3.79 per quarter for water. Reviewing the increases *continued on page two...*



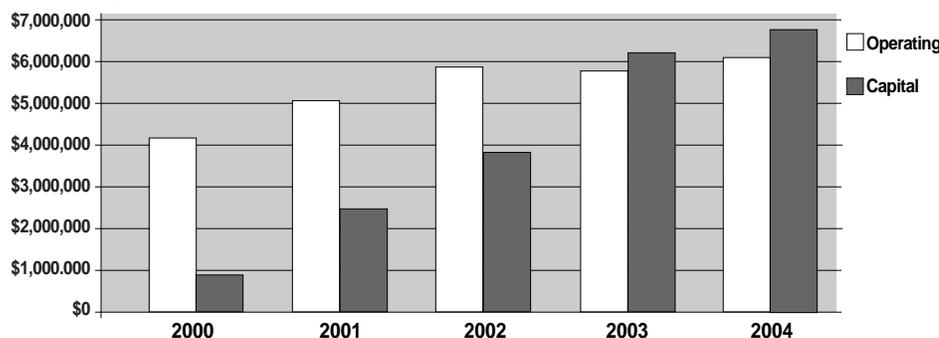
Employee of the Year: Tony Lalotis

TCPUD is a service organization and as such, the most important part of performing our duties is our work force. We are very proud of the employees that serve you from the main office to the field. They are hard working and customer-oriented. Each year the District selects one employee who stands out as exemplary. This year's recipient is Tony Lalotis. Tony joined the District four years ago as Utilities Superintendent. Under his leadership the Utilities Department has become a model of efficiency, professionalism, and success.

Tony oversees an annual operating budget of \$ 2.4 million. He directly supervises eleven full-time and two seasonal employees. Under his supervision an average of two million gallons of drinking water are provided daily to TCPUD's 3,600 water customers. He and his staff ensure that one million gallons of wastewater are transported safely out of the Tahoe Basin daily. His

continued on page two...

TCPUD Expenditures 2000-2004



Recreation for 2004

The TCPUD Recreation Department has a full slate of activities planned for 2004. Upcoming opportunities include:

- New Teen Programs for 6th -12th graders start in January.
- Tahoe 55 Plus... for the active seniors in our community! New programs introduced on an ongoing basis.
- Adult Basketball and Volleyball Leagues offer light-hearted competition. New teams/players of all ability levels are encouraged to sign up now.

For more information call 583-3796 ext 29.



A peek of the new Tahoe City Commons central stair, playground restrooms and picnic areas.

Employee of the Year

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duties also include: management of TCPUD's 26 fleet vehicles; monitoring and testing of drinking water; maintenance management of the District's water and sewer infrastructure; water source planning; technology upgrades; compliance with State and County health standards; and training and safety for his employees.

Tony routinely works the longest hours of anyone in the District. Employees state, "He is first in and last out." He responds to emergencies at all hours of nights, weekends and holidays. Tony is a leader by example. His fellow employees cited Tony's dedicated service, high standards, and strong work ethic.

Tony is never in the spotlight, yet he works diligently providing safe drinking water, water for fire suppression, and ensuring the health of our community and our environment. His efforts touch every home and business in our community on a daily basis. He is one of many un-sung heroes who work every day to provide service to this community. TCPUD taxpayers are fortunate to have Tony Laliotis as one of their public servants.

2004 Budget

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since 1985, TCPUD rates have remained lower than the cumulative Consumer Price Index increases for the same period.

The District's reserve levels remain constant at \$250,000 in working capital, \$500,000 for emergencies, and \$800,000 for long-term capital. Continued strong growth in the District's assessed valuation, as well as the reduction in debt payments, allows for increased reinvest-

ment in infrastructure. The adopted budget includes \$6.7 million in capital projects of which \$5 million is funded through grants and \$1.7 million of District funds. "The biggest change we have seen in the last several years is the volume of capital projects," commented Lourey. "We are fortunate to have the resources from both District funds and grant funds, but we are challenged by the cash flow requirements." The Board will be studying cash flow issues at a January workshop.

TCPUD Adopts Snow Removal Ordinance

At its November 21, 2003 meeting, the TCPUD Board of Directors adopted a new snow removal ordinance. The ordinance governs the storage and removal of stored snow from the District's 19-mile recreational trail network.

Historically, adjacent property owners have used the trails for snow storage from private driveways and parking areas. This has resulted in delays in opening the trails, costs to the public for snow removal, and damage to the pavement. The proposed ordinance would require private property owners to remove their snow from the paved trail system and repair pavement damage if it were to occur. The snow would be required

to be removed by April 30 of each year unless the TCPUD Board adopts a resolution setting the date earlier or later based on extraordinary weather conditions.

TCPUD staff notified all snow removal contractors by mail of the proposed ordinance. "We have received good cooperation from the snow removal contractors," commented Bob Bryant. "Depending upon the severity of the winter, this ordinance will allow us to save between \$7,500 - \$12,000 of tax payer dollars annually. "

If you have any questions regarding this new ordinance, please contact Layne Van Noy, Parks Superintendent at 583-3796 ext 25.

Drinking Water Protection Requires Constant Monitoring and Regulations

The protection of water quality is critical to the health of any community. The water quality rules and regulations that TCPUD must abide by are requirements of State and local agencies put in place to protect your health and safety. While they sometimes seem like "over-regulation" they are most often the outcome of prior problems or dire situations that have occurred.

Backflow prevention is one of those areas of regulation. Drinking water can become contaminated through cross-connections which occurs when pipes carrying non-drinking water (irrigation systems, hydronic heating, hot-tubs, pools, etc) become connected to drinking water pipes. When unsafe products are interconnected to a drinking water supply, you or your family can be exposed to life-threatening contaminants.

State law, Title 17 of the California Administrative Code, requires that TCPUD enforce

cross-connection control laws in order to protect you. Our program involves two parts, identifying potential hazards on your property and, making sure that those hazards are separated from your drinking water through the installation of a backflow prevention assembly. Backflow occurs through backpressure, as from a pump or a boiler, or through back-siphonage, which can occur when a fire hydrant is opened or when a water main is broken. State regulations are in place to ensure that when backflow happens, your water is protected and safe for you and your family.

TCPUD is active in contacting water customers to enforce these protections. To learn more about this topic, including specific incidents of cross-connections, please call our Public Works Department at 583-3796 ext 28, or stop by the office.