

**ORDINANCE NO. 289 OF
TAHOE CITY PUBLIC UTILITY DISTRICT
AMENDING AND MODIFYING ORDINANCE NO. 263
(AS AMENDED BY ORDINANCE NO. 271, 273, 279, 281 and 286)
EXHIBIT "A-1 and A-2" WATER SERVICE CHARGES**

WHEREAS, the Board of Directors has analyzed and considered the costs and expenses projected for operation of District water systems and capital improvements to facilities for the 2017 fiscal year; and

WHEREAS, District must establish and collect service fees in order to meet the anticipated operational and administrative costs of District water systems and capital improvements to facilities; and

WHEREAS, the District adopted water base and consumption rates on November 18, 2016; and

WHEREAS, the Board of Directors determines that, notwithstanding the need to implement revised water base and consumption rates and charges, the state of the economy and its present effect on the finances of District customers should be considered. The Board has been provided data from staff showing if water base and consumption rates are revised revenue from rates will meet the adopted 2014 HDR Rate Study revenue from rates target for capital; operating expense and revenue from water rates growth is below the 2014 HDR Rate Study and the uncertainty of securing capital grants have been included in the HDR rate study; and that in 2016 the funds collected from rates go below the targets set for future capital projects and thus can be increased for 2017.

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

SECTION 1: FINDINGS. After considering the facts 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 rates and charges set forth in the attached schedule are not discriminatory; and,
- D. 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 2017 Exhibit "A-1 and A-2", Water Connection Charges and Services Charges, Rate Codes 101-199 of Ordinance No. 263 (as amended by Ordinance No. 271, 273, 279, 281 and 286) is modified as shown on Exhibit A-1 and A-2 to this Ordinance 289 in order to implement revised water rates as adopted by the Board on November 18, 2016. The rates previously set in Exhibit A-1 and A-2 of Ordinance No. 289 shall take effect on January 1, 2017 unless the District revises the rates further.

A. Except as modified and amended hereby, Ordinance No. 263 (as amended by Ordinance No. 271, 273, 279, 281 and 286) 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, 2017.

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 or as undated by staff. 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.

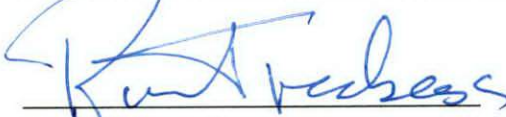
PASSED AND ADOPTED this 18th day of November 18, 2016 at a meeting of the Board of Directors of the Tahoe City Public Utility District by the following vote:

AYES: Henrikson, Wilkins, Pang, Friedman, Treabess

NOES: None

ABSENT: None

TAHOE CITY PUBLIC UTILITY DISTRICT



Ron Treabess, President

ATTEST:



Terri Viehmann, District Clerk

Tahoe City Public Utility District
Residential Water Service Charges
Effective January 1, 2017
Ordinance No. 289, Exhibit "A-1"

Residential CONSUMPTION Rate Schedule				
Rate Code Monthly	Monthly Water Consumption Charges Per 1,000 Gallons		HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
	<i>(Add to Residential Water Base Rate Below)</i>		2017	2017
Added to applicable Residential Rate code	Tier 1	0 - 8,000 gallons	\$2.29	\$2.29
	Tier 2	8,001 - 20,000	\$3.15	\$3.15
	Tier 3	20,001 - 40,000	\$4.61	\$4.61
	Tier 4	40,001 and above	\$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	HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
			2017	2017
150	3/4"	\$2,500	\$66.25	\$66.25
151	1"	\$3,000	\$100.00	\$100.00
152	1 1/4"	\$4,500	\$129.00	\$129.00
153	1 1/2"	\$6,000	\$153.25	\$153.25
154	2"	\$9,600	\$206.25	\$206.25
155	3"	\$21,000	\$312.25	\$312.25
156	4"	As determined	\$411.00	\$411.00
157	6"	As determined	\$617.25	\$617.25
As Determined	Unmetered Rate (base rate + (annualized consumption x consumption rate/1,000))		\$81.70	\$81.70
Rate Code Monthly	OR Combined Fire Service (CFS) base rate by meter size	Water Connection Fee	HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
			2017	2017
150 + 141	CFS - 3/4"	\$2,500 + \$1,200	\$91.25	\$91.25
150 + 131	CFS - 1"	\$3,000	\$99.65	\$99.65
151 + 137	CFS - 1.5"	\$6,000	\$150.00	\$150.00
151 + 132	CFS - 2"	\$9,600	\$166.65	\$166.65
As Determined	>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	HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
			2017	2017
131 - 141	Private Fire Protection ¹ (per inch diameter)	\$1,200	\$33.40	\$33.40
147 - 149	Private Fire Hydrant (per inch diameter)	As determined	\$33.40	\$33.40

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

Tahoe City Public Utility District
Commercial Water Connection Fees & Service Charges
Effective January 1, 2017
Ordinance No. 289, Exhibit "A-2"

Commercial CONSUMPTION Rate Schedule				
Rate Code Monthly	Monthly Water Consumption Charges		HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
	Per 1,000 Gallons <i>(Add to Commercial Water Base Rate Below)</i>			
Added to applicable Comm Code	Tier 1	0 - 8,000 gallons	\$5.99	\$5.99
	Tier 2	8,001 - 20,000	\$5.99	\$5.99
	Temporary Water Usage Charge (Hydrant meter)		\$5.99	\$5.99

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	HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
			2017	2017
121	3/4"	\$2,500	\$79.75	\$79.75
122	1"	\$3,000	127.50	127.50
123	1 1/4"	\$4,500	154.75	154.75
124	1 1/2"	\$6,000	185.75	185.75
125	2"	\$9,600	248.75	248.75
126	2 1/2"	As determined	310.75	310.75
127	3"	\$21,000	372.75	372.75
128	4"	As determined	493.00	493.00
129	6"	As determined	738.50	738.50
130	8"	As determined	988.50	988.50
OR				
Rate Code Monthly	Combined Fire Service (CFS) base rate by meter size	Water Connection Fee	HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
			2017	2017
121 + 141	CFS - 3/4"	\$2,500	\$104.75	\$104.75
121 + 131	CFS - 1"	\$3,000	\$113.15	\$113.15
122 + 137	CFS - 1.5"	\$6,000	\$177.50	\$177.50
122 + 132	CFS - 2"	\$9,600	\$194.15	\$194.15
Varies	>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	HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
			2017	2017
131 - 141	Private Fire Protection ¹ (per inch diameter)	As determined	\$33.40	\$33.40
147 - 149	Private Fire Hydrant (per inch diameter)	As determined	\$33.40	\$33.40

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

Supplemental Infrastructure Fee (Commercial customers who do not pay property tax to TCPUD add to Base Rate)				
Rate Code Monthly	Supplemental Infrastructure Fee:		HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2017
			2017	2017
TBD	Water		\$28.00	\$28.00