

**ORDINANCE NO. 293 OF
TAHOE CITY PUBLIC UTILITY DISTRICT
AMENDING AND MODIFYING ORDINANCE NO. 263
(AS AMENDED BY ORDINANCE NO. 271, 273, 279, 281, 286 and 289)
EXHIBIT "A-1, A-2 and A-3" 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 2018 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 is in negotiations to purchase Mid-Sierra Water Utility, a California corporation, located on the west shore of Lake Tahoe within the District's boundaries; and

WHEREAS, the customers of Mid-Sierra Water Utility are sewer customers of the District and soon to be water customers of the District; and

WHEREAS, a water rate shall be provided for the Mid-Sierra Water Utility customers for the Tahoe Cedars and Madden Creek service areas;

WHEREAS, the District adopted water base and consumption rates on November 17, 2017; and

WHEREAS, the Board of Directors determines that, notwithstanding the need to implement revised water base and consumption rates and charges for current water customers, 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 then: (1) revenue from rates will meet the adopted 2014 HDR Rate Study revenue from rates target for capital; (2) operating expense and revenue from water rates growth is below the 2014 HDR Rate Study and the uncertainty of securing capital grants that were included in the HDR rate study; and (3) in 2017 the projected funds collected from rates go below the targets set for future capital projects and thus can be increased for 2018.

WHEREAS, the Board of Directors determines that, notwithstanding the need to implement a rate study, the need to implement revised water base and consumption rates for Tahoe Cedars and Madden Creek water service areas is necessary for future expenditures and capital projects and thus can be increased for 2018.

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, and are within the maximum amounts previously established by the District.

SECTION 2: WATER RATES AND CHARGES. Based upon these findings, the Board approves and directs the implementation of water rates and charges for years 2018 Exhibits "A-1, A-2 and A-3", Water Connection Charges and Services Charges, Rate Codes 101-199 of Ordinance No. 263 (as amended by Ordinance No. 271, 273, 279, 281, 286 and 289) is modified as shown on Exhibit A-1 and A-2 and Rate Codes for Tahoe Cedars and Madden Creek water service areas as shown on Exhibit A-3 to this Ordinance 293 in order to implement revised water rates as adopted by the Board on November 17, 2017. The rates previously set in Exhibit A-1, A-2 and A-3 of Ordinance No. 293 shall take effect on January 1, 2018 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, 286 and 289) 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, 2018.

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 updated 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 and changing circumstances. The Board may reduce the rates in any given year, but cannot exceed the cumulative rates approved through the Proposition 218 process.

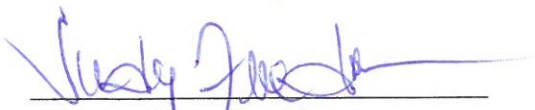
PASSED AND ADOPTED this 17th day of November 17, 2017 at a meeting of the Board of Directors of the Tahoe City Public Utility District by the following vote:

AYES: Treabess, Zumwalt, Wilkins, Pang, Friedman

NOES: None

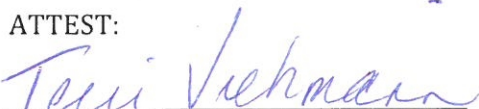
ABSENT: None

TAHOE CITY PUBLIC UTILITY DISTRICT



Judy Friedman, President

ATTEST:



Terri Viehmann, District Clerk

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 2018
	<i>(Add to Residential Water Base Rate Below)</i>		2018	2018
Added to applicable Residential Rate code	Tier 1	0 - 8,000 gallons	\$2.48	\$2.48
	Tier 2	8,001 - 20,000	\$3.38	\$3.38
	Tier 3	20,001 - 40,000	\$4.93	\$4.93
	Tier 4	40,001 and above	\$8.25	\$8.25

Residential Water Monthly 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 2018
			2018	2018
150	3/4"	\$2,500	\$70.25	\$70.25
151	1"	\$3,000	\$106.00	\$106.00
152	1 1/4"	\$4,500	\$136.75	\$136.75
153	1 1/2"	\$6,000	\$162.50	\$162.50
154	2"	\$9,600	\$218.75	\$218.75
155	3"	\$21,000	\$331.00	\$331.00
156	4"	As determined	\$435.75	\$435.75
157	6"	As determined	\$654.25	\$654.25
As Determined	Unmetered Rate (base rate + (annualized consumption x consumption rate/1,000))		\$87.14	\$87.14
Rate Code Monthly	OR Combined Fire Service (CFS) base rate by meter size		HDR Rate Study - Rates adopted Nov. 21, 2014	Adopted Full 218 Rates for 2018
			2018	2018
150 + 141	CFS - 3/4"		\$96.75	\$96.75
150 + 131	CFS - 1"		\$105.65	\$105.65
151 + 137	CFS - 1.5"		\$159.00	\$159.00
151 + 132	CFS - 2"		\$176.65	\$176.65
As Determined	>2"			

Private Fire Protection and / or Private Fire Hydrant Monthly 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 2018
			2018	2018
131 - 141	Private Fire Protection ¹ (per inch diameter)	\$1,200	\$35.40	\$35.40
147 - 149	Private Fire Hydrant (per inch diameter)	As determined	\$35.40	\$35.40

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, 2018
Ordinance No. 293, 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 2018
	Per 1,000 Gallons <i>(Add to Commercial Water Base Rate Below)</i>			
Added to applicable Comm Code	Tier 1	0 - 8,000 gallons	\$6.35	\$6.35
	Tier 2	8,001 - 20,000	\$6.35	\$6.35
	Temporary Water Usage Charge (Hydrant meter)		\$6.35	\$6.35

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 2018
121	3/4"	\$2,500	\$84.50	\$84.50
122	1"	\$3,000	135.25	135.25
123	1 1/4"	\$4,500	164.00	164.00
124	1 1/2"	\$6,000	197.00	197.00
125	2"	\$9,600	263.75	263.75
126	2 1/2"	As determined	329.50	329.50
127	3"	\$21,000	395.00	395.00
128	4"	As determined	522.50	522.50
129	6"	As determined	782.75	782.75
130	8"	As determined	1,045.75	1,045.75
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 2018
121 + 141	CFS - 3/4"	\$2,500	\$111.00	\$111.00
121 + 131	CFS - 1"	\$3,000	\$119.90	\$119.90
122 + 137	CFS - 1.5"	\$6,000	\$188.25	\$188.25
122 + 132	CFS - 2"	\$9,600	\$205.90	\$205.90
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 2018
131 - 141	Private Fire Protection ¹ (per inch diameter)	As determined	\$35.40	\$35.40
147 - 149	Private Fire Hydrant (per inch diameter)	As determined	\$35.40	\$35.40

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 2018
TBD	Water		\$28.00	\$28.00

Tahoe City Public Utility District
Tahoe Cedars and Madden Creek Water Service Areas
Residential Water Service Charges
Effective January 1, 2018
Ordinance No. 293, Exhibit "A-3"

TAHOE CEDARS WATER SERVICE AREA				
Residential CONSUMPTION Rate Schedule				
Rate Code Monthly	Monthly Water Consumption Charges Per 1,000 Gallons <i>(Add to Residential Water Base Rate Below)</i>		CPUC 2017 Rate (information only)	Adopted 10% Increase
			2017	2018
Added to	\$/1,000 gallons		\$2.20	\$2.42
Residential Water Monthly 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	CPUC 2017 Rate (information only) 2017	Adopted 10% Increase 2018
TBD	Year Round SFR*	See Exhibit A-1	\$36.41	\$40.05
TBD	Seasonal SFR*		\$33.86	\$37.25
TBD	Year Round SFR+2nd Unit*		\$59.49	\$65.44
TBD	Year Round SFR +2-2nd units*		\$82.58	\$90.83
TBD	¾" Meter		\$29.16	\$32.07
TBD	1" Meter		\$45.36	\$49.89
TBD	2" Meter		\$87.54	\$96.30
TBD	4" Meter		\$204.97	\$225.47

MADDEN CREEK WATER SERVICE AREA				
Residential Water Monthly BASE Rate Schedule				
Rate Code Monthly	Monthly Water Consumption Charges Per 1,000 Gallons <i>(Add to Residential Water Base Rate Below)</i>		CPUC 2017 Rate (information only)	Adopted 10% Increase
			2017	2018
Added to	\$/1,000 gallons		\$2.12	\$2.33
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	CPUC 2017 Rate (information only) 2018	Adopted 10% Increase 2018
TBD	Year Round SFR*	See Exhibit A-1	\$46.61	\$51.27
TBD	Seasonal SFR*		\$34.63	\$38.09
TBD	Year Round SFR+2nd Unit*		\$73.31	\$80.64
TBD	¾" Meter		\$22.00	\$24.20
TBD	1" Meter		\$36.66	\$40.33
TBD	1.5" meter		\$43.99	\$48.39
TBD	2" Meter		\$58.66	\$64.52
TBD	4" Meter		\$175.97	\$193.56

* SFR = single family residence