

**ORDINANCE NO. 286 OF
TAHOE CITY PUBLIC UTILITY DISTRICT
AMENDING AND MODIFYING ORDINANCE NO. 263
(AS AMENDED BY ORDINANCE NO. 271, 273, 279, and 281)
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 2016 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, recent California State mandates enforce restrictions to achieve a statewide 25% reduction in potable water; and

WHEREAS, TCPUD has been mandated to achieve a 20% reduction in potable water use from the amount used in 2013 through February of 2016; and

WHEREAS, TCPUD has seen a reduction in water use and a commensurate reduction in water revenue; and

WHEREAS, the District adopted water base and consumption rates on November 20, 2015; 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 operating expense growth is projected to be consistent with the adopted 2014 HDR Rate Study and the uncertainty of securing capital grants have been included in the HDR rate study; and that in 2015 the funds collected from rates exceeded the targets set for future capital projects and thus can be held constant for 2016.

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 2016 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 and 281) is modified as shown on Exhibit A-1 and A-2 to this Ordinance 286 in order to implement revised water rates as adopted by the Board on November 20, 2015. The rates previously set in Exhibit A-1 and A-2 of Ordinance No. 286 shall take effect on January 1, 2016 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 and 281) 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, 2016.

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 20th day of November 20, 2015 at a meeting of the Board of Directors of the Tahoe City Public Utility District by the following vote:

AYES:

NOES:

ABSENT:

TAHOE CITY PUBLIC UTILITY DISTRICT

Erik Henrikson, President

ATTEST:

Terri Viehmann, District Clerk

Tahoe City Public Utility District
Residential Water Service Charges
Effective January 1, 2016
Ordinance No. 286, Exhibit "A-1"

Residential CONSUMPTION Rate Schedule					
Rate Code Monthly	Monthly Water Consumption Charges Per 1,000 Gallons <i>(Add to Residential Water Base Rate Below)</i>		HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
			2016	2016	2016
Added to applicable Residential Rate code	Tier 1	0 - 8,000 gallons	\$2.09	\$2.09	\$1.91
	Tier 2	8,001 - 20,000	\$2.87	\$2.87	\$2.87
	Tier 3	20,001 - 40,000	\$4.27	\$4.27	\$4.27
	Tier 4	40,001 and above	\$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	HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
		2016	2016	2016
150	3/4"	\$62.50	\$62.50	\$62.50
151	1"	\$94.25	\$94.25	\$94.25
152	1 1/4"	\$121.75	\$121.75	\$121.75
153	1 1/2"	\$144.50	\$144.50	\$144.50
154	2"	\$194.50	\$194.50	\$194.50
155	3"	\$294.50	\$294.50	\$294.50
156	4"	\$387.75	\$387.75	\$387.75
157	6"	\$582.25	\$582.25	\$582.25
As Determined	Unmetered Rate (base rate + (annualized consumption x consumption rate))	\$76.74	\$76.74	\$75.65
Rate Code Monthly	OR Combined Fire Service (CFS) base rate by meter size	HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
		2016	2016	2016
150 + 141	CFS - 3/4"	\$86.10	\$86.10	\$86.10
150 + 131	CFS - 1"	\$94.00	\$94.00	\$94.00
152 + 135	CFS - 1.5"	\$141.40	\$141.40	\$141.40
152 + 132	CFS - 2"	\$157.15	\$157.15	\$157.15
As Determined	>2"			

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		HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
		2016	2016	2016
131 - 141	Private Fire Protection ¹ (per inch diameter)	\$31.50	\$31.50	\$31.50
147 - 149	Private Fire Hydrant (per inch diameter)	\$31.50	\$31.50	\$31.50

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

Tahoe City Public Utility District
Commercial Water Connection Fees & Service Charges
Effective January 1, 2016
Ordinance No. 286, Exhibit "A-2"

Commercial CONSUMPTION Rate Schedule					
Rate Code Monthly	Monthly Water Consumption Charges Per 1,000 Gallons <i>(Add to Commercial Water Base Rate Below)</i>		HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
			2016	2016	2016
Added to applicable Comm Code	Tier 1	0 - 8,000 gallons	\$5.81	\$5.81	\$5.81
	Tier 2	8,001 - 20,000	\$5.86	\$5.86	\$5.86
	Temporary Water Usage Charge (Hydrant meter)		\$5.86	\$5.86	\$5.86

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	HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
		2016	2016	2016
121	3/4"	\$75.25	\$75.25	\$75.25
122	1"	120.25	120.25	120.25
123	1 1/4"	146.00	146.00	146.00
124	1 1/2"	175.25	175.25	175.25
125	2"	234.75	234.75	234.75
126	2 1/2"	293.25	293.25	293.25
127	3"	351.75	351.75	351.75
128	4"	465.00	465.00	465.00
129	6"	696.75	696.75	696.75
130	8"	932.50	932.50	932.50
OR				
Rate Code Monthly	Combined Fire Service (CFS) base rate by meter size	HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
		2016	2016	2016
121 + 141	CFS - 3/4"	\$98.85	\$98.85	\$98.85
121 + 131	CFS - 1"	\$106.75	\$106.75	\$106.75
122+ 135	CFS - 1.5"	\$167.40	\$167.40	\$167.40
122 + 132	CFS - 2"	\$183.15	\$183.15	\$183.15
Varies	>2"			

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		HDR Rate Study - Rates adopted Nov. 21, 2014	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
		2016	2016	2016
131 - 141	Private Fire Protection ¹ (per inch diameter)	\$31.50	\$31.50	\$31.50
147 - 149	Private Fire Hydrant (per inch diameter)	\$31.50	\$31.50	\$31.50

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

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	Option 1 and 2 - Max Prop 218	Option 3 - Max Prop 218 Rates except Tier 1
		2016	2016	2016
TBD	Water	\$28.00	\$28.00	\$28.00