



# TAHOE CITY PUBLIC UTILITY DISTRICT

## MEMORANDUM

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**TO:** Board of Directors **DATE:** November 12, 2019

**FROM:** Ramona Cruz  
Chief Financial Officer **SUBJ:** Adopt Ordinance 302 - Amending and Modifying Ordinance No. 300 Amending and Modifying No. 255 Sewer Ordinance Rules, Regulations, Rates and Charges Governing the Use, Operation and Management of the District Sewer Systems Facilities

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### RECOMMENDATION:

The Board of Directors adopt Ordinance 302 - Amending and Modifying Ordinance No. 300 Amending and Modifying No. 255 Sewer Ordinance Rules, Regulations, Rates and Charges Governing the Use, Operation and Management of the District Sewer Systems Facilities.

### BACKGROUND:

On October 18, 2019, the Board of Directors passed and adopted Ordinance No. 300 which, among other things, amended and modified Ordinance No. 255 and established maximum sewer rates for years 2020, 2021, 2022, 2023, and 2024.

Ordinance 302 adds language to Ordinance 300 to allow the Board to establish annual sewer rates by resolution and is intended to simplify and streamline the annual rate setting process and allow the rates to take effect as presented in the resolution. This process will alleviate the time and cost associated with preparing the rate ordinance for publishing.

As required by Proposition 218, the District will continue to provide a minimum 30 day notice to rate payers through our regular billing process before the rates take effect.

### STRATEGIC GOAL:

6.1A - Complete Water & Sewer Rate Study

### FINANCIAL IMPACTS:

Four year savings to water and sewer budgets is approximately \$8,000.

### ATTACHMENTS:


- Ordinance 302 Tahoe City Public Utility District Amending and Modifying Ordinance No. 300

### REVIEW TRACKING:

Submitted By:

  
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Ramona Cruz, Chief Financial Officer

Approved By:

  
\_\_\_\_\_  
Sean Barclay  
General Manager

**ORDINANCE NO. 302 OF  
TAHOE CITY PUBLIC UTILITY DISTRICT  
AMENDING AND MODIFYING ORDINANCE NO. 300  
(AS AMENDED BY ORDINANCE NUMBERS 257, 259-A, 261-A, 266, 268, 270, 272, 278, 282, 287, 290, 294 and  
298)**

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

**WHEREAS**, on October 18, 2019, the Board of Directors of Tahoe City Public Utility District (“the Board”) passed and adopted Ordinance No. 300 which, among other things, amended and modified Ordinance No. 255 and established maximum sewer rates for years 2020, 2021, 2022, 2023, and 2024; and

**WHEREAS**, Ordinance 300 provides that annually, the Board will review the operating expenses of, the capital costs of, and the revenues from the sewer utility received as compared to the projections used in the 2019 TCPUD Comprehensive Water & Sewer Rate Study (Rate Study). The Board will then determine if the sewer rates for the coming year should be modified based on revised conditions in order to maintain continuity with the Rate Study. The Board may reduce the sewer rates in any given year and cannot exceed the cumulative sewer rates presented for any specific year to the ratepayers through the Proposition 218 process; and

**WHEREAS**, the Board desires to amend and modify Ordinance No. 300 so that it may revise and establish sewer rates by resolution.

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

**SECTION 1:** FINDINGS. After hearing and considering oral and written comments, 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 revise and establish sewer rates by resolution.

**SECTION 2:** AMENDMENT AND MODIFICATION. Section 4 of Ordinance 300 is amended and modified in its entirety as follows:

**SECTION 4:** *REVISED IMPLEMENTATION OF SEWER RATE. Annually, the Board will review the operating expenses of, the capital costs of, and the revenues from the sewer utility received as compared to the projections used in the Rate Study. The Board will then determine if the sewer rates for the coming year should be modified based on revised conditions in order to maintain continuity with the Rate Study. The Board may reduce the sewer rates in any given year and cannot exceed the cumulative sewer rates presented for any specific year to the ratepayers through the Proposition 218 process. The Board may revise and establish sewer rates by resolution.*

**SECTION 3:** Except as modified and amended hereby, Ordinance 300 Amending and Modifying Ordinance No. 255 (as amended by Ordinance Numbers 257, 259-A, 261-A, 266, 268, 270, 272, 278, 282, 287, 290, 294 and 298) shall in all other respects remain in full force and effect.

**SECTION 4:** 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.

**PASSED AND ADOPTED** on the 22<sup>nd</sup> day of November 2019, by the following vote:

AYES:

NOES:

ABSENT:

TAHOE CITY PUBLIC UTILITY DISTRICT

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Dan Wilkins, President

ATTEST:

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Terri Viehmann, District Clerk