

Notice of a Public Hearing Regarding 2016 through 2020 Water Rates

Notice of Proposed Water Rate Increases

Pursuant to the requirements of California Proposition 218 and the California Constitution Article XIII, this notice provides information regarding consideration by the Board of Directors of the Truckee Donner Public Utility District ("District") to change water rates in Fiscal Years 2016 through 2020. The District Board will hold a public hearing on the rates and receive public comment at the date, time and location specified below in the NOTICE OF PUBLIC HEARING.

The District continues to provide high quality water and a reliable distribution system to meet current and future needs. A rate increase is now needed due to accelerated replacement of impaired pipeline to reduce pumping costs, inflationary pressure on overall expenses, and additional costs related to the unfunded State mandate to reduce water consumption. The District has successfully improved efficiencies in many areas so that the average annual rate increase will be about 4% for the next five years.

Earlier this year, the District engaged HDR Engineering, Inc., the same consulting firm which performed an independent rate and cost of service study in 2013. HDR completed an update of the rate study, incorporating current District data and the projected effects of the unfunded State mandate to conserve water. The HDR updated study supports the proposed rate increases and the District's Board accepted the study results. The Board is considering the proposed rate changes as shown below:

Summary of the Districts Proposed Rate Adjustments						
Proposed Rate Adjustment	FY 2015 <i>Existing</i>	FY 2016 6.0	FY 2017 5.0%	FY 2018 3.0%	FY 2019 3.0%	FY 2020 3.0%
<i>Metered Residential</i>						
3/4" and 5/8" x 3/4"	\$57.28	\$60.72	\$63.75	\$65.67	\$67.64	\$69.66
1"	68.32	72.42	76.04	78.32	80.67	83.09
Greater than 1" charged as Commercial						
<i>Consumption (1,000 gal)</i>						
0 - 8000 gal (block 1)	\$0.64	\$0.68	\$0.71	\$0.73	\$0.76	\$0.78
8000 + gal (block 2)	0.80	0.85	0.89	0.92	0.94	0.97
<i>Un-metered Residential</i>						
Zone 1	\$65.00	\$68.90	\$72.35	\$74.52	\$76.75	\$79.05
Zone 2	67.50	71.55	75.13	77.38	79.70	82.09
Zone 3	71.00	75.26	79.02	81.39	83.84	86.35
Zone 4	74.50	78.97	82.92	85.41	87.97	90.61
Zone 5	78.00	82.68	86.81	89.42	92.10	94.86
Zone 6	81.30	86.18	90.49	93.20	96.00	98.88
Zone 7	85.00	90.10	94.61	97.44	100.37	103.38
<i>Commercial Fixed Charges</i>						
3/4" and 5/8" x 3/4"	\$57.28	\$60.72	\$63.75	\$65.67	\$67.64	\$69.66
1"	68.32	72.42	76.04	78.32	80.67	83.09
1.5"	96.04	101.80	106.89	110.10	113.40	116.80
2"	132.03	139.95	146.95	151.36	155.90	160.58
3"	221.02	234.28	246.00	253.38	260.98	268.81
4"	316.25	335.23	351.99	362.55	373.42	384.62
6"	474.37	502.83	527.97	543.81	560.13	576.93
8"	592.96	628.54	659.96	679.76	700.16	721.16
<i>Commercial Consumption</i>						
\$/1,000 gal	\$1.57	\$1.66	\$1.75	\$1.80	\$1.85	\$1.91
<i>Elevation (Zone) Charges</i>						
Zone 1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zone 2	0.35	0.40	0.45	0.50	0.55	0.60
Zone 3	0.70	0.80	0.90	1.00	1.10	1.20
Zone 4	1.05	1.20	1.35	1.50	1.65	1.80
Zone 5	1.40	1.60	1.80	2.00	2.20	2.40
Zone 6	1.75	2.00	2.25	2.50	2.75	3.00
Zone 7	2.10	2.40	2.70	3.00	3.30	3.60

The above proposed rates will be effective the first bills printed after January 1st of each calendar year of 2016 through 2020.

You May File a Protest

Under California Proposition 218, if you are the owner of record for a parcel or parcels or a tenant directly liable for payment of the water fees subject to the proposed rate changes, you may submit a written protest. If a tenant pays the water fees, then it is the responsibility of the property owner to provide tenants with this water rate change notice.

Protests must be filed in writing with the Deputy Clerk of the District any time before the close of the public hearing. Written protests may be mailed or hand delivered to **Deputy Clerk at 11570 Donner Pass Road, Truckee, CA 96161**. Any written protest must be signed by the property owner or the customer responsible for payment of the water fees and it must include the service address or assessor's parcel number (APN). Only one protest may be filed per parcel or service address.

**NOTICE OF PUBLIC HEARING
REGARDING PROPOSED WATER RATE INCREASES FOR 2016 THROUGH 2020**

Notice is hereby given that the **Truckee Donner Public Utility District** is considering water rate changes for 2016 through 2020. The District Board of Directors will hold a public hearing and receive public comment:

Date: Wednesday, August 19, 2015

Time: 6:00 p.m.

Place: District Board Room at 11570 Donner Pass Road, Truckee, California

Notice is further given that the District's Board may continue the public hearing to another time.

This notice has been sent to all District customers and property owners receiving water services. All customers and interested parties are invited to express their views during the public hearing in written or oral form or to submit written views prior to the time of the public hearing at the District office or by mail to 11570 Donner Pass Road, Truckee, CA 96161.

The other side of this notice describes the water rate increase amounts, background information, and how to file a protest against the rate increases.

For more information or questions about the water rate increases, you may contact the District Office at 11570 Donner Pass Road, Truckee, CA 96161, or visit the District's web site at tdpud.org.