



**NORTH TAHOE
PUBLIC UTILITY DISTRICT**

DATE: December 12, 2023

ITEM: F-2

FROM: Office of the General Manager

SUBJECT: Review, Discuss, and Possibly Set the Date/Time for the Public Hearing on Proposed Wastewater and Water Rate Adjustments and Discuss Public Notice Campaign Messaging

RECOMMENDATION:

For the Board to set a public hearing for the proposed five-year wastewater and water rate adjustments on March 7, 2024, at 5 p.m. at the North Tahoe Event Center – 8318 North Lake Boulevard Kings Beach, CA.

DISCUSSION:

At the September 13, 2022 meeting, the Board of Directors authorized entering into a Professional Services Agreement with HDR to conduct a cost-of-service study and analyze the District's existing wastewater and water rate structure. Since that time, the Board, District Staff, and HDR have worked diligently, across multiple public meetings, to analyze the District's cost-of-service as well as its existing wastewater and water rates. A major outcome of this effort was the development of proposed rate structures for both wastewater and water that would be implemented over the next five years and in compliance with State of California Proposition 218 (California Constitution Article XIIIID, section 6).

Consistent with Proposition 218, the District must set a date, time, and place for a public hearing on the proposed five-year wastewater and water rate adjustments and then must provide written notice to the record owner of each parcel affected by the rate increases as well as any tenants directly responsible for paying the utility bills. This written notice must be mailed 45-days prior to the date of the public hearing and must contain the following:

1. The amount of the wastewater and water rates to be imposed.
2. The basis upon which the rates were calculated.
3. A statement regarding the reason for the imposition of the adjustment to the rates.
4. The date, time, and location of the public hearing where the Board of Directors will consider the proposed rate adjustment.

5. The methodology to file a formal protest.

Staff is working on the draft Proposition 218 Five-Year Rate Adjustment Customer Notification. Upon setting of the date/time of the public hearing by the Board of Directors, District Staff will finalize the Notification and has targeted the January 9, 2024 meeting for final review of the Notification by the Board of Directors. Upon release of the Notification by the Board, it will be sent for mailing on January 10th to allow for a postmark date no later than January 22nd and in compliance with the 45-day deadline for a March 7, 2024 public hearing.

If the Board sets the public hearing, the District will also host a utility rate open house at the North Tahoe Event Center. This open house is not required by Proposition 218 but is recommended by Staff to increase public knowledge and engagement during the process. As a component of this item, the Board and Staff should discuss and finalize a date and time in the month of February for the open house.

Also attached to this report is a presentation on the major messaging points of the District's rate adjustment outreach campaign. This item provides the Board with an opportunity to discuss and provide direction and feedback to staff on the plan.

FISCAL ANALYSIS:

The financial impact of setting the date/time for the public hearing and mailing the Proposition 218 Five-Year Rate Adjustment Customer Notification is minor and contained within the Fiscal Year 2023-24 Operating Budget. The financial impact of the proposed rate increases will not occur until after the public hearing and a subsequent vote by the Board of Directors to set the rates.

STRATEGIC PLAN ALIGNMENT:


Goal 3: Enhance District governance and partnerships – Objective B: Ensure financial sustainability of the District – Tactic 2: Complete and implement new Five-year Rate Structure – Activity a: Engage a consultant to conduct a cost-of-service study; and – Activity b: Assemble internal support team with an identified sponsor; and – Activity c: Staff recommendation presented to Board for consideration and adoption in compliance with California Proposition 218 requirements.

ATTACHMENTS:

2024 Rate Adjustment Public Notice and Messaging PowerPoint Presentation

MOTION: Approve Staff Recommendation

REVIEW TRACKING:

Approved By: 
Bradley A. Johnson, P.E.
General Manager/CEO

2024 Rate Adjustment Public Notice and Messaging

Presented by:

Justin Broglio, APR
Public Information Officer

Bradley A. Johnson, P.E.
General Manager/CEO





2024 Rate Adjustment

Public Notice Timeline

Board Meetings/Public Hearing Dates

Printed Materials Production & Outreach Campaign Milestones and Deadlines

Deadlines

Nov. 13

NTPUD Special Board Meeting
Board finalizes new Utility Rate Structure

Dec. (TBD)

Ad/Hoc Communications Committee
Reviews Public Notice design and campaign

Dec. 12

NTPUD Board Meeting
Board sets date for Public Hearing
Board reviews public outreach campaign

Jan. 9

NTPUD Board Meeting
Board approves Public Notice for release

Jan. 22

*Public Notice Deadline
45 days required notice prior to Public Hearing*

November

Public Notice Production
Staff starts design of Public Notice
Staff prepares outreach campaign and messaging

December

Database Prep
Staff prepares customer and parcel database for printhouse mailing

Dec. 22

Design Complete
Public Notice ready for final review

Jan. 10

SEND TO PRINT
Public Notice sent to printer for processing and mailing

Jan. 19

Postmark Deadline
Public Notice mailed to full database



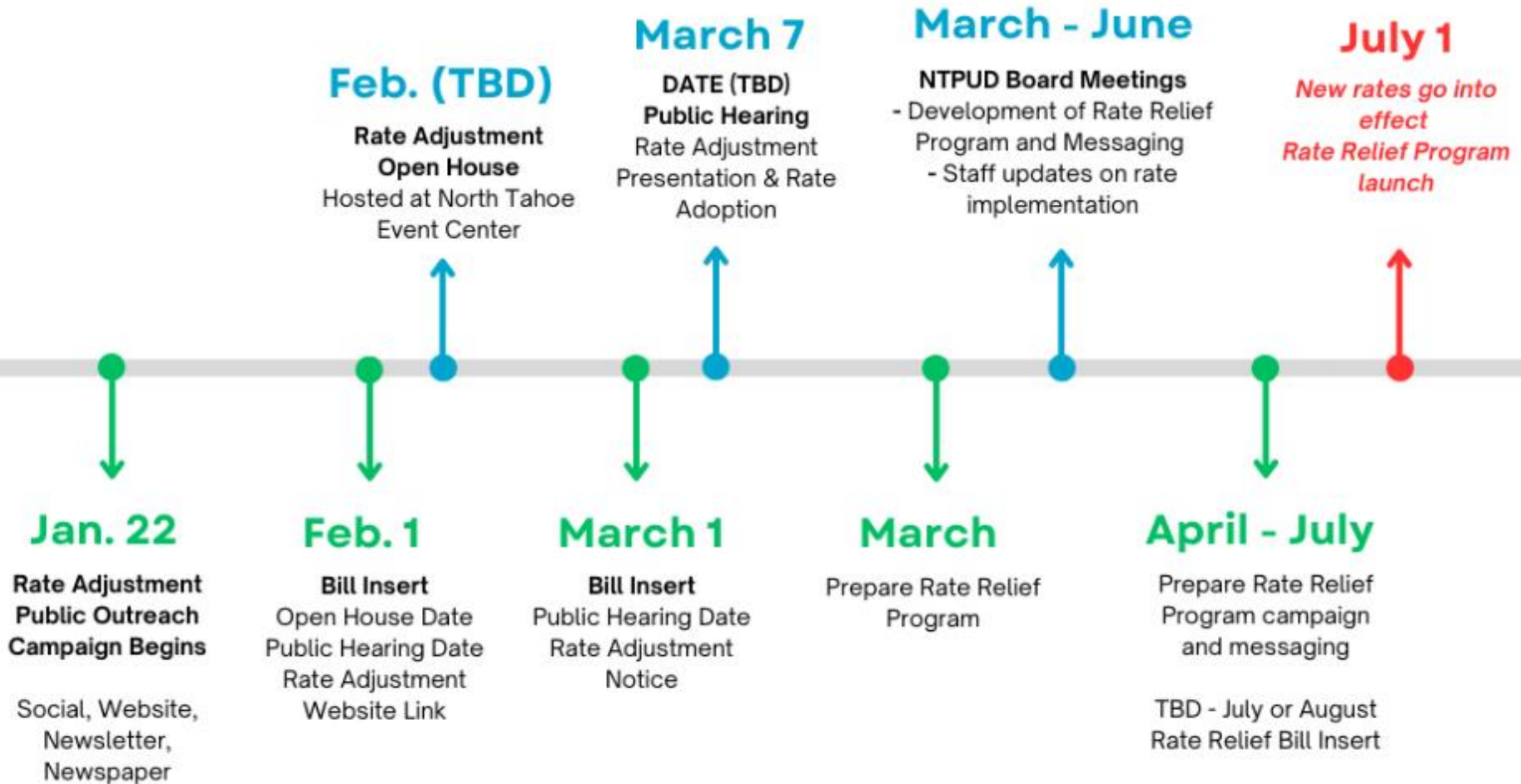
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Public Notice – Key Materials

NTPUD Planned Outreach

Public Notice of Proposed Rate Adjustments

- Mailed to all customers and parcel owners
- Printed copies available at District Office
- PDF version available for download on District Website

Public Open House

- February 2024 – Presentation, Q&A Session, Handouts, Example Bills

Social Media Campaign

- Official campaign posts begin January 22, following mailing of the Public Notice

California Prop 218 Required

Public Notice of Proposed Rate Adjustments

- Designed in compliance with all requirements of Proposition 218
- Postmarked 45-days prior to date of Public Hearing
- Contains all wastewater and water rates for the next five-year period
- Provides information on method for filing protest

Key Messaging



Focus:

- Our Place
- Our Community
- Our District
- 75 Years of Service

Images/Videos:

- Utility Ops in the Community
- NTPUD Staff/Team/Crew Photos



Key Messaging

Focus:

- Capital Investment to Ensure Reliability Now and Into the Future
- Aging Infrastructure
- Impacts of Inflation



Images/Videos:

- Infrastructure (Before & After)
- Construction Projects
- Project Map
- Infrastructure Cost Inflation Infographic

Key Messaging



Focus:

- Preparing for Catastrophic Wildfire
- Building a Wildfire Resilience Future in North Tahoe

Additional Elements:

- Water Infrastructure for Fire Suppression
- Gaps in Fire Protection
- State and Federal Grant Add-ons

Images/Videos:

- Fire hydrants and water pipes
- Angora/Caldor Fires



Key Messaging

Focus:

- Cost-of-Service Study
- Basis and Reason for Rate Adjustments
- Prioritizing District Property Tax Revenue for Infrastructure Investment
- Rate Assistance Program – Coming Soon

Images/Videos:

- Water and Wastewater Service
- District and Community



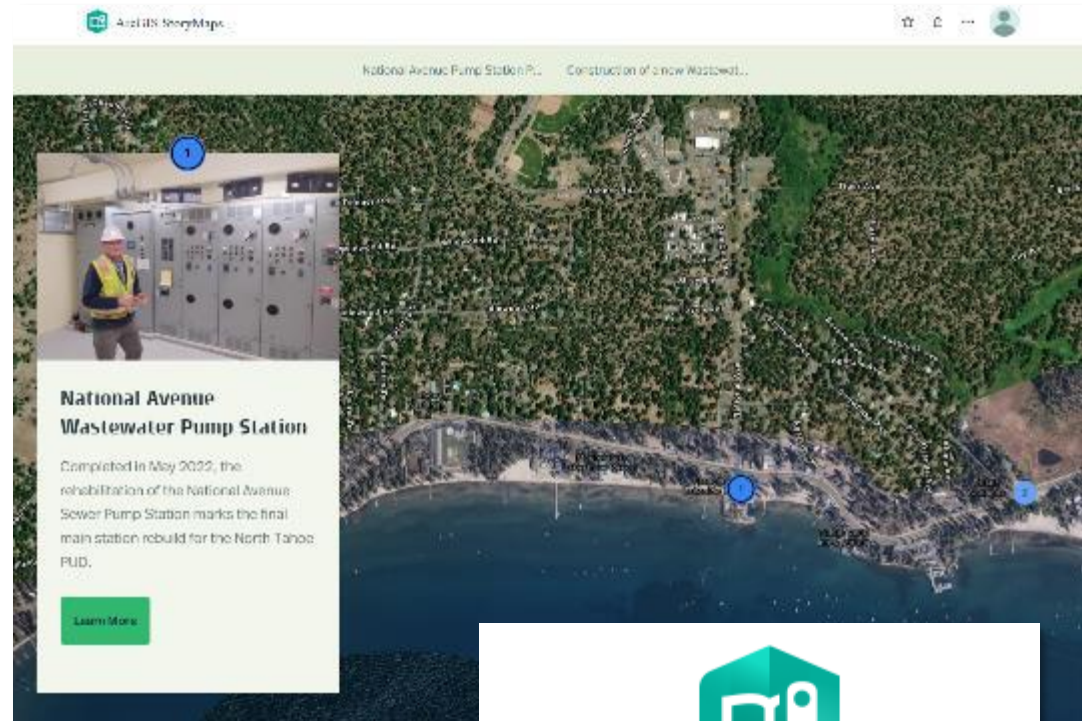
Digital Campaign Component – New for 2024



Interactive
Project Map

Engaging Video
Content

Social Sharing



NEXT STEPS

- **Today – Set Public Hearing Date**
- December – Finalize Design of Public Notice
- **January 9 – Final Review of Public Notice**
- **January 10 – Send to Printer**
- **January 22 –**
 - Public Notice Postmark Deadline
 - Official Campaign Launch
- February – Open House

2024 Rate Adjustment Public Notice and Messaging

Presented by:

Justin Broglio, APR
Public Information Officer

Bradley A. Johnson, P.E.
General Manager/CEO





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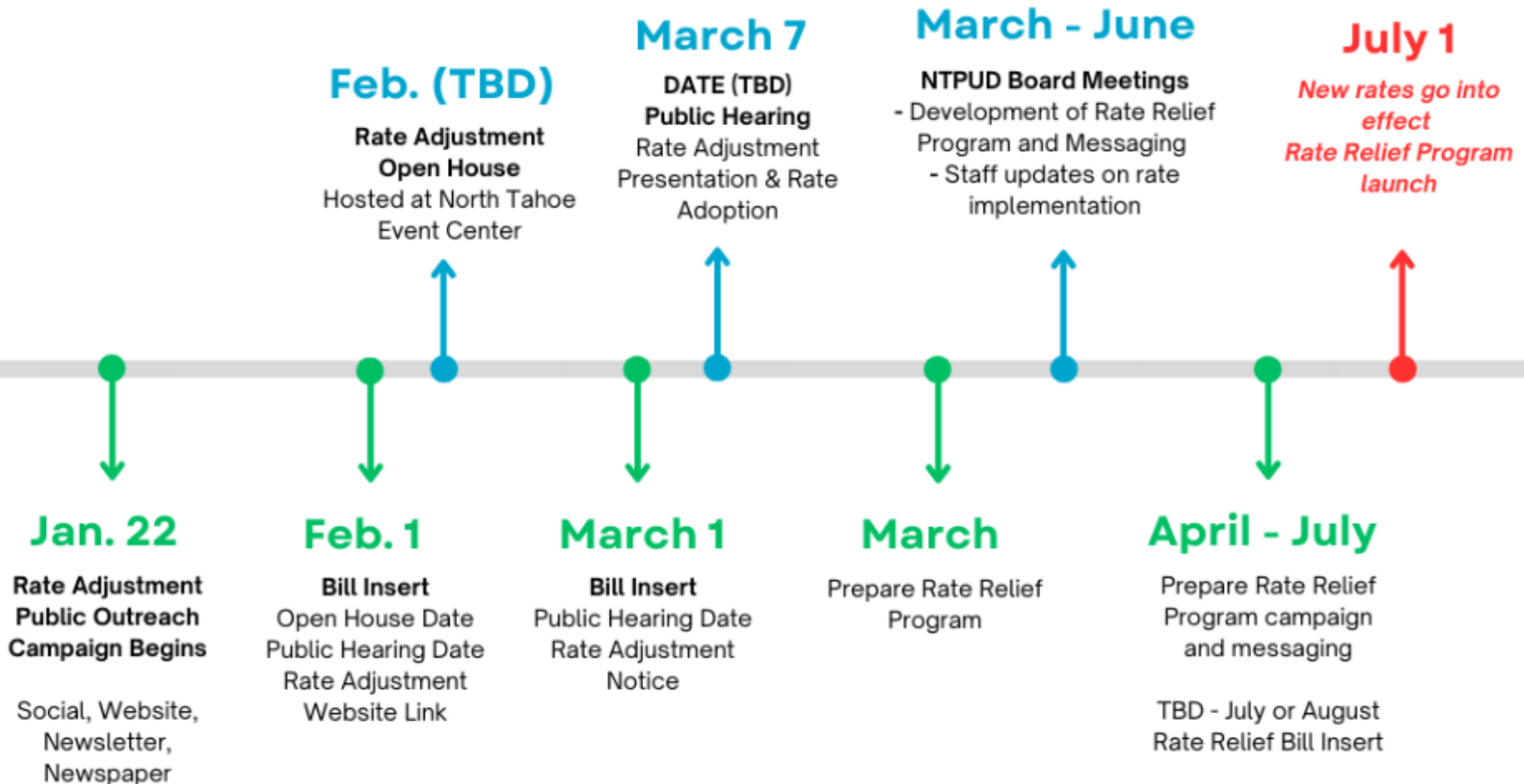
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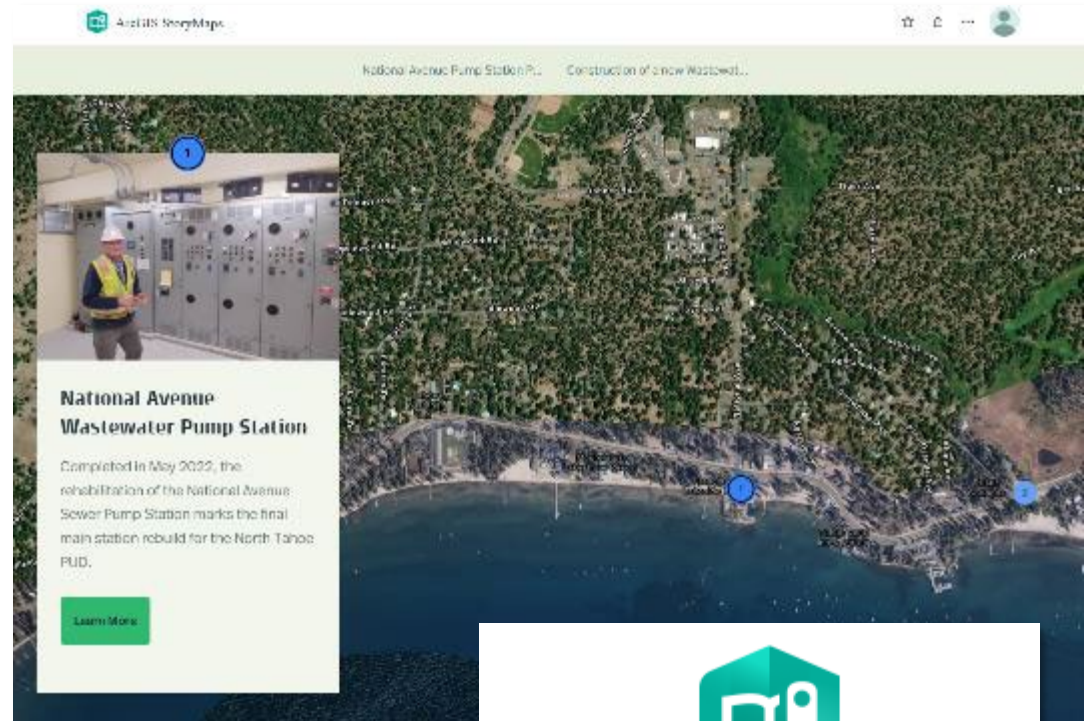
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