

RESOLUTION NO. 25-20

A RESOLUTION OF THE TAHOE CITY PUBLIC UTILITY DISTRICT

ESTABLISHING RULES, REGULATIONS, PROCEDURES, AND POLICY DIRECTION RELATED TO THE RELOCATION OF CUSTOMER SERVICE LINES AS A RESULT OF THE TAHOE CEDARS WATER SYSTEM RECONSTRUCTION PROJECT

WHEREAS, Tahoe City Public Utility District ("District"), a California local public agency, acquired the Tahoe Cedars Water System assets from the Mid-Sierra Water Utility, a private company, in January 2018 and since, has operated the water system and provided potable water service to the customers within the Tahoe Cedars Water Service Area according to the District's ordinances, rules, regulations, standards, specifications, details, policies, and procedures;

WHEREAS, In February 2021, the District Board of Directors ("Board") adopted the Tahoe Cedars Water System Master Plan, which, based on the analyses contained therein, recommended the full replacement of the existing water distribution system, which was originally constructed in the 1940s and is undersized by modern standards and actively failing;

WHEREAS, After the completion of multiple long-term financial planning sessions and a thorough contract procurement process, the Board awarded a Design-Build Agreement to Granite Construction Company ("Granite") in April 2025 to complete permitting, design, and construction of the Tahoe Cedars Water System Reconstruction Project ("Project"). The Project includes the complete replacement of all publicly-owned water distribution infrastructure, including mains and service connections up to the property lines and the installation of new fire hydrants and water meters;

WHEREAS, Many of the existing Tahoe Cedars water distribution mains and service connections are currently located in the backyards of private property, which is inconsistent with modern industry standard of locating such mains and service connections within the public street rights of way. Therefore, a part of the Project includes abandoning these backyard water mains and service connections and building new water mains and service connections in the public street right of way resulting in reduced construction costs, improved and more efficient long-term maintenance and repair, improved fire hydrant spacing, accessible water meters at the property front, and elimination of private property disturbance and encroachments;

WHEREAS, For the purposes of this Resolution the following terms are defined below, which terms and definitions are consistent with District *Ordinance No. 263 - Rules, Regulations, Rates and Charges Governing the Use, Operation and Management of the District Water System Facilities* adopted May 26, 2009 ("District Water Ordinance");

"Point of Delivery" – The location at which all water consumption is measured for a water service. The Point of Delivery is located at either of the following: i) The downstream joint of the water meter setter; or ii) The downstream outlet of a pre-fabricated meter vault or pit; or iii) The downstream connection to the meter where no setter or pit exists.

"Point of Ownership" – The location where ownership of the water facility transitions from District to property owner. It is the terminal end of a service extension from the public potable water system and the beginning point for a "Customer Service Line" to the property owner's water system. This is the location where the District loses jurisdictional and sanitary control over the water delivered to the property owner's water system. The Point of

Ownership for the Tahoe Cedars Water System is the same as the Point of Delivery ("Point of Delivery/Ownership").

"Customer Service Line" – The water line from the Point of Delivery/Ownership to the property owner's building foundation, including customer valve, water delivery pipeline, and valves, fittings and other appurtenances. The Customer Service Line is wholly owned by the property owner being served.

WHEREAS, The previously described Project-related water main and service connection relocations will result in some properties' ("Affected Property") Point of Delivery/Ownership being relocated from the backyard to the public right of way at the front or side property line, which will necessitate the relocation of the privately-owned Customer Service Line, consisting of the construction of a new line and the abandonment and disconnection of the existing line; and

WHEREAS, the Board desires to adopt this Resolution establishing rules, regulations, and procedures related to the relocation of privately-owned Customer Service Lines as a result of the Project and providing additional policy direction:

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Tahoe City Public Utility District, as follows:

1. The above recitations are true and correct.
2. **Responsibility:** The owner of an Affected Property ("Affected Property Owner") shall relocate their Customer Service Line, consisting of the construction of a new line to accept water service at the relocated Point of Delivery/Ownership and abandonment and disconnection of their existing Customer Service Line:
 - a. At their sole expense;
 - b. Prior to the "Relocation Deadline" duly established by the Board according to the provisions of this Resolution;
 - c. According to the rules, regulations, standards, specifications, and details of the District; and
 - d. According to the rules, regulations and requirements of any agency having jurisdiction over the Customer Service Line relocation.
3. **Relocation Deadline:** For each distinct phase of construction of the Project, the Board, after conducting a Public Hearing, shall establish the specific date by which that phase's Affected Property Owners must complete their Customer Service Line relocation ("Relocation Deadline"). The Board will set each phase's Relocation Deadline at the same, or a later, Board meeting at which the Board awards that phase's construction contract amendment. The Relocation Deadline shall:
 - a. Account for the estimated construction start and completion dates for the relocated water mains and service connections for the associated phase and provide sufficient time after the estimated completion date.
 - b. Account for the cost and risk to the District to operate both the new and existing water distribution systems.
 - c. Provide Affected Property Owners with two construction seasons in which they can complete their relocation.
4. **Discontinuance of Service:** At the Relocation Deadline, all Affected Properties which have not satisfactorily completed their Customer Service Line relocation and connected to the new Point of Delivery/Ownership shall be subject to discontinuance of service and disconnection from the

public water system according to the District Water Ordinance, or its successor ordinance, and this Resolution.

- a. Disconnection may only occur after ninety (90) days prior notice, as described below.
 - b. In the event of disconnection, re-commencement of service and reconnection to the public water system shall be made only after the Affected Property Owner has completed their Customer Service Line relocation and has paid any required reconnection fees as required by the District Water Ordinance (or its successor ordinance), rules, regulations, policies, and procedures.
5. **Notices:** For each distinct phase of construction, the District shall notify Affected Property Owners by U.S. Mail to the Affected Property Owner's mailing address on file with the District as follows:
 - a. The date, time, and location of the Public Hearing to establish the Relocation Deadline at least twenty-one (21) days prior to the date of the Public Hearing.
 - b. Within sixty (60) days after the Public Hearing, formal notification to relocate Customer Service Line by the Relocation Deadline.
 - c. Sometime between January 1 and April 1 of the year of the Relocation Deadline, reminder notification to relocate Customer Service Line by the Relocation Deadline to those Affected Property Owners who have not already completed their relocation.
 - d. At least thirty (30) days prior to the Relocation Deadline, final notification to relocate Customer Service Line by the Relocation Deadline to those Affected Property Owners who have not already completed their relocation.
 - e. At any time after the Relocation Deadline, a 90-Day Discontinuance of Service and Disconnection Notice may be sent to all Affected Property Owners who have not already completed their relocation.
6. **Appeal:** Any Affected Property Owner may petition the Board for an extension of the Relocation Deadline based upon special circumstances, provided that such petition shall be made in writing at least ninety (90) days prior to the Relocation Deadline. The Board may grant such an extension and may condition such an extension upon payment of the District's estimated cost of maintaining the existing water main and service connection which was to be abandoned during the extension period.
7. **Additional Policy Direction:** The Board further authorizes and directs District staff, and its consultants and contractors as directed by staff, to reasonably guide and assist Affected Property Owners to efficiently complete their Customer Service Line relocation ahead of the Relocation Deadline in the following ways:
 - a. At District staff discretion, provide additional notifications beyond those notifications established in this Resolution.
 - b. As Project design progresses, provide early and regular communication using multiple communication channels providing anticipated construction phase limits, construction timing, Affected Property lists by phase, along with likely Relocation Deadlines for each phase. Update this information regularly to reflect changes throughout Project development.
 - c. Allow and encourage Customer Service Line Relocation to occur at any time prior to the Relocation Deadline including prior to completion of the new water mains and service connections. This may include the installation of a "dry" Customer Service Line in advance of connection to the new Point of Delivery/Ownership, which can be connected later as the Project is completed in front of the Affected Property.
 - d. Reasonably cooperate and coordinate with Affected Property Owners on the location of the new Point of Delivery/Ownership to minimize their costs and the impacts to their property while balancing the overall cost of the Project.

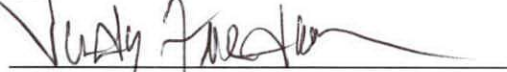
- e. Provide a reasonably streamlined District Customer Service Relocation permitting process for the Affected Property Owners, including waiving standard District permit fees.
- f. Work directly with other permitting agencies (El Dorado/Placer Counties and TRPA) to attempt to streamline those agencies' Customer Service Relocation permitting processes for the Affected Property Owners.
- g. Research and provide information regarding any outside financing or funding options available to Affected Property Owners.
- h. Research and possibly develop, for Board consideration and possible adoption, a District financing program for Affected Property Owners.
- i. Any other action or activity which would not be considered a Gift of Public Funds, which District staff consider consistent with the intent of this Resolution, and which is an effort to assist in the efficient relocation of Customer Service Lines and, therefore, the successful completion of the Project.

PASSED AND ADOPTED on the 15th day of August 2025, at a regular meeting of the Board of Directors of Tahoe City Public Utility District by the following vote:

AYES: Beals, Pang, Wilkins, Scoville, Friedman
NOES: None
ABSENT: None

TAHOE CITY PUBLIC UTILITY DISTRICT

BY:



Judy Friedman, President

ATTEST:



Terri Viehmann, District Clerk