

News Release
South Tahoe Public Utility District
1275 Meadow Crest Drive,
South Lake Tahoe CA 96150

Contact: Shelly Thomsen
sthomsen@stpud.us
530-543-6208

Proposed Rate Increases for Water and Sewer Infrastructure Upgrades

South Lake Tahoe (April 5, 2024) – The South Tahoe Public Utility District (District) is hosting a Public Meeting on Thursday, April 25, 2024 at 6:00 p.m. in the Board Room at 1275 Meadow Crest Drive to discuss proposed rate increases. Most of South Lake Tahoe's water and sewer systems were built in the 1950s and 1960s. Much of this infrastructure needs to be upgraded, repaired or replaced.

The District is considering raising water and sewer rates over the next five years to provide revenue to address:

Community Fire Flow – The District intends to install or replace 180 fire hydrants and upsize 60,000 linear feet of waterlines in the City and County to ensure adequate water for firefighting.

Water System Upgrades – The District intends to assess and determine the needs of the twelve drinking water wells that provide delicious Tahoe tap.

Wastewater System Upgrades – The District plans to rehabilitate and replace nine sewer pump stations, 30,000 linear feet of sewer mains, and three critical facilities at the treatment plant.

A five-year series of changes to water and sewer rates were developed to improve the water, wastewater, and recycled water systems, and lower long-term costs. The proposed rates are based on capital improvement projects, long-term estimated costs, water demand, and more. For a typical residential customer, this would result in an approximate increase of \$6.50 per month for sewer and \$7.50 per month for water. To see a detailed breakdown of proposed rates, visit stpud.us/customers/rate-changes/.

"These rate increases are regrettable, but they are necessary," said David Peterson, Board President. "Inflation is hitting all our budget line items, and we need to cover those increases. At the same time, nearly all our system is 60 years old and has reached the end of its life, so replacements are unavoidable. Every dollar we are requesting is necessary for keeping the water on and sewage going away. The Board has studied the numbers and is unanimous on the need for these increases."



The District continues to actively pursue grant funding to minimize rate increases. Over the last 10 years, the District has obtained more than \$18 million in grants and \$64 million in low-interest loans. The District's rates are currently the lowest in the region and are expected to stay at or near the lowest, even after the proposed increases.

To find out more about the additional investments needed to extend the life of the water, wastewater, and recycled water systems, attend the Thursday, April 25 meeting in the District's Board Room, <u>online</u>, or via phone at <u>+1 332-249-0500,,767259028#</u>. For more information on proposed projects, visit <u>www.stpud.us/customers/improvements</u>.

###