

**NOTICE OF PUBLIC HEARING
CONCERNING PROPOSED RATE INCREASES
TO WATER SERVICE RATES**

The Talmont Resort Improvement District (“District”) Board of Directors invites the public to attend a Public Hearing to be held on **May 23, 2023, at 9:00 a.m., at the Howard J. Perry Maintenance Station, located at 2010 Silver Tip Dr, Tahoe City, California 96145**, or as soon thereafter as the matter may be heard. The purpose of the public hearing is for the District Board to consider adopting updated water service rates.

Reasons for the Proposed Rate Increases

The District is committed to providing the highest quality water service at the lowest possible rates for our rate payers. To meet these commitments, the Board engaged an independent consultant to evaluate the operations and maintenance, capital improvement, and financial policy costs of the water utility. Based on this evaluation, it has been determined that rate increases are necessary to: (1) recover current and projected increases in the costs of operating and maintaining the District’s water system; (2) construct capital infrastructure improvements needed to maintain the District’s aging water system; (3) maintain financial stability of the water utility; and (4) comply with State and Federal regulatory requirements. Detailed description of the proposed rate increases are provided below.

Proposed Water Service Rates

The proposed water rate structure for the District’s water service rates consists of two components: the base charge and the water use charge. Customers are all charged a flat quarterly fixed charge. Water use is then charged on a 5-tier increasing block rate structure. If adopted, the proposed rates will be in effect beginning July 1, 2023, and will be increased each July 1 thereafter through, and including, July 1, 2027. The current and proposed water rates are set forth in the table below.

Tier	Current	Charge per 1,000 gallons applies to Proposed Rates Only	Proposed 7-1-2023	Proposed 7-1-2024	Proposed 7-1-2025	Proposed 7-1-2026	Proposed 7-1-2027
	\$193.98	BASE RATE	\$180.77	\$186.19	\$191.78	\$197.53	\$203.46
I	—	+ charge per 1,000 gal up to 24,000 gallon	\$2.20	\$2.27	\$2.34	\$2.41	\$2.48
II	base + \$54.71	+ charge per 1,000 gal from 24,001 - 42,000 gal	\$2.86	\$2.95	\$3.04	\$3.13	\$3.22
III	base + \$104.45	+ charge per 1,000 gal from 42,001 - 96,000 gal	\$3.09	\$3.18	\$3.28	\$3.38	\$3.48
IV	base + \$203.93	+ charge per 1,000 gal from 96,001 - 150,000 gal	\$3.19	\$3.29	\$3.39	\$3.49	\$3.59
V	base + \$593.21 *	+ charge per 1,000 gal over 150,001 gal	\$3.29	\$3.39	\$3.49	\$3.59	\$3.70

*+ \$2.16 per 1,000 gallons over 150,001 gallons

(please turn over)

PUBLIC HEARING AND PROTESTS

Any property owner may submit a written protest to the proposed rate increases to the District's water service rates; provided, however, only one protest will be counted per identified parcel. Any written protest must: (1) state that the identified property owner is in opposition to the proposed rate increases to the water service rates; (2) provide the location of the identified parcel (by street address, customer account number, or assessor's parcel number); and (3) include the name and signature of the property owner submitting the protest. Written protests may be submitted by mail to the District at P.O. Box 1294, Tahoe City, CA 96145 or in person at the Public Hearing (date and time noted above). To be counted, written protests must be received by the District prior to the conclusion of the public comment portion of the Public Hearing. Any protest submitted via e-mail, facsimile, or other electronic means will not be accepted. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the Administrative Supervisor, Attn: Public Hearing on Rate Increases.

The District's Board will consider all written protests and public comments to the proposed rate increases at the Public Hearing. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest. Upon the conclusion of the Public Hearing, the District's Board will consider adoption of an ordinance authorizing the rate increases to the District's water service rates as described in this notice. If written protests against the proposed rate increases to the water service rates as outlined above are not presented by a majority of property owners of the identified parcels upon which the rates are proposed to be imposed, the District's Board will be authorized to impose the respective water rates as identified in this notice. If adopted, the proposed rate increases to the water service rates will be as set forth in the table in this notice. Pursuant to California Government Code section 53759 there is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge.

For further details regarding the proposed rate increases or for any questions you may have regarding the proposed fees to be imposed on your parcel, please contact Libby Gregg, District Administrative Supervisor at (530) 583-8743.