



Infrastructure Improvement Charge

Frequently Asked Questions

Former Mid-Sierra
Water Utility

Tahoe Cedars
Madden Creek

Q. What is the Infrastructure Improvement Charge?

The Infrastructure Improvement Charge is a cost-based charge specific to water customers served by the Tahoe Cedars and Madden Creek water systems (formerly owned by Mid-Sierra Water Utility). The charge would be collected in addition to the TCPUD existing water rate structure to help fund the Tahoe Cedars and Madden Creek Water System Reconstruction Projects. The specific amount of the charge will be determined through a 2023 Rate Study that meets the requirements of Proposition 218.

Q. What part of the Tahoe Cedars and Madden Creek Water System Reconstruction Projects will the Infrastructure Improvement Charge pay for?

The Infrastructure Improvement Charge will collect a specific amount of revenue necessary to cover costs associated with upsizing pipelines and installing fire hydrants in the Tahoe Cedars and Madden Creek water systems to meet modern fire protection standards.

Q. What other funding will the TCPUD use to pay for the Tahoe Cedars and Madden Creek Water System Reconstruction Projects?

In addition to the Infrastructure Improvement Charge, the TCPUD will use a combination of water rate revenue and property tax revenue collected from all District customers to pay for the reconstruction projects.

Q. What happens if the proposed Infrastructure Improvement Charge is not implemented?

The charge represents a critical source of secured revenue that would allow the TCPUD to obtain financing for the full cost of the reconstruction projects. Without this source of secured revenue, the TCPUD would likely need to pursue completion of the reconstruction projects over a much longer timeframe (20-30 years) as TCPUD collects sufficient water rate revenues from all TCPUD water customers to fund the projects.

Q. Does the TCPUD seek grant funding?

Yes. TCPUD has been successful at acquiring grant funding and is aggressively pursuing additional grants and other funding sources to help offset the full cost of the reconstruction projects. Any additional funding received for the projects will offset the total borrowing amount for TCPUD.

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