



2025

ANNUAL REPORT



2025 Board of Directors

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A MESSAGE FROM OUR GENERAL MANAGER



Dear Community,

As we begin a new year, I want to express my sincere gratitude for your continued trust in the Tahoe City Public Utility District. Serving this community is both a responsibility and a privilege, and I am thankful every day for the opportunity to work alongside a team that takes that responsibility seriously.

Looking back on 2025, it was an incredibly busy and immensely successful year. Our team balanced day-to-day operations with an ambitious slate of projects and initiatives, all while serving our community with professionalism, care, and dedication.

This past year, we celebrated several milestones with the community, including the completion of the North Shore Trail reconstruction, the Dianne Feinstein West Shore Tahoe Trail renaming, and the grand opening of the West Lake Tahoe Regional Water Treatment Plant. These occasions marked the culmination of years of planning, collaboration, and investment in infrastructure that will serve this community for decades to come.

We also completed our largest capital project season in history, investing more than \$30 million in capital projects in 2025. This included improvements such as the new irrigation system at the golf course, 2.4 miles of rebuilt trail on the West Shore, and critical water system upgrades in areas like Homewood and Rubicon Bay. We also took an important step forward on the Tahoe Cedars Water System Reconstruction by entering into a design-build agreement and continuing to pursue long-term funding to move the project ahead responsibly.

Across our departments, our teams continued to deliver essential services at a high level. In the Water Utility, we provided more than 569 million gallons of high-quality drinking water, finalized the acquisition of the former Tahoe Swiss Village Utility, and expanded our rate assistance program to better support income-qualified customers. In Sewer, our crews inspected and cleaned dozens of miles of pipe to protect public health and the environment. In Parks and Recreation, we advanced major planning efforts, welcomed thousands of participants into our programs, and continued investing in facilities that bring people together.

Our team's commitment to excellence was also recognized beyond our community this year. In 2025, TCPUD received several state and regional honors that reflect the dedication of our staff and partners to deliver reliable services and long-term value to the community we serve.

None of this would be possible without the steady leadership and governance of our Board of Directors, whose thoughtful decision-making and long-term strategic direction help guide TCPUD through complex challenges while keeping the long-term interests of our community at the forefront.

Thank you for your trust, your engagement, and your partnership. We are proud to serve you, and we remain committed to doing what is right for this community.

If you have questions, ideas, or feedback, we welcome hearing from you at info@tcpud.org or 530-583-3796.

Yours in Service,

A handwritten signature in blue ink that reads "Sean Barclay". The signature is fluid and cursive, with a long horizontal stroke at the end.

Sean Barclay
General Manager
Tahoe City Public Utility District

Mission

The mission of the Tahoe City Public Utility District is to serve people, our community, and its environment. It is our responsibility to provide safe and reliable water service, sewer service for the protection of public health, and parks and recreation services to enhance quality of life. It is our commitment to accomplish these and other tasks within the scope of the Public Utility District Act, as amended, in a sound fiscal manner.

Vision

Building a healthy mountain community through our passion for public service.

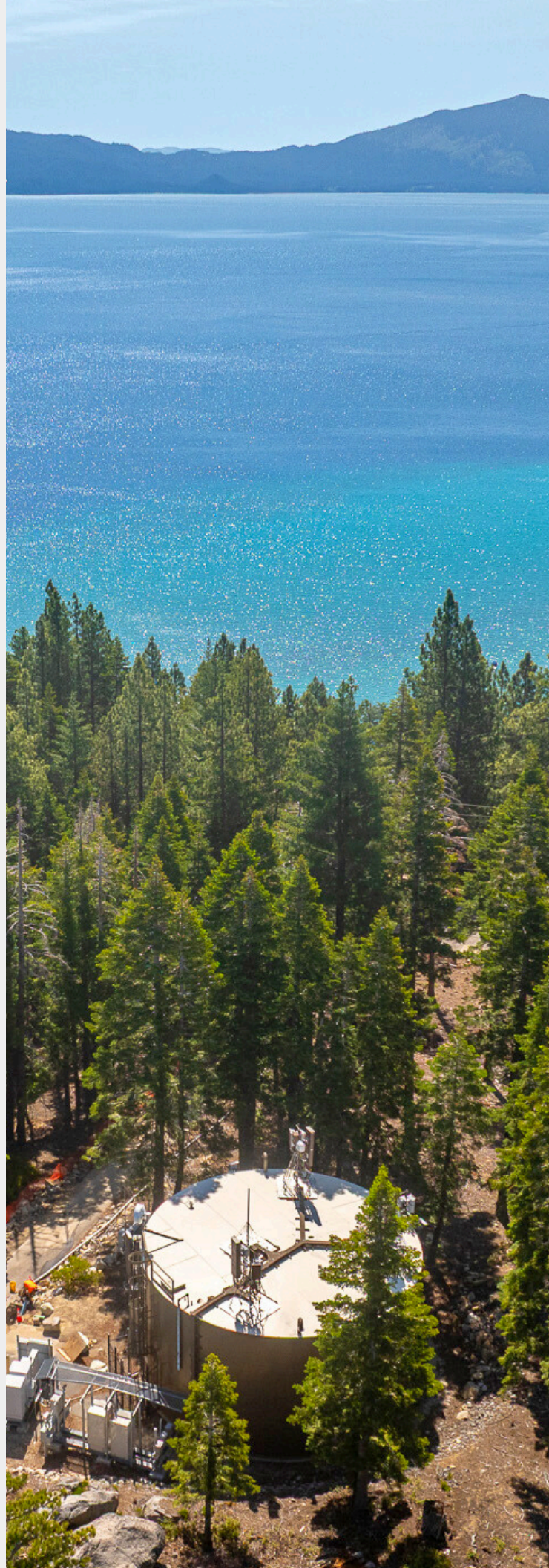
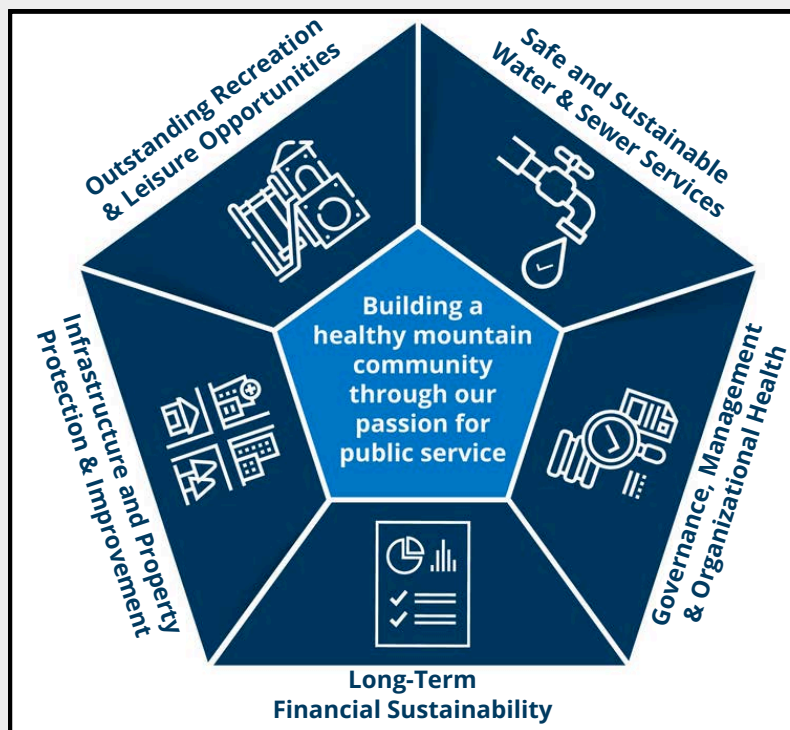
Core Values

The Tahoe City Public Utility District's organizational culture is rooted in our *Core Values* of **Service, Professionalism, Teamwork, Initiative, and Communication.**

These Core Values and related behaviors set the expectation for how we engage with each other, with our customers and all our stakeholders.

Strategic Focus Areas

Crafted in our 2022-2026 Strategic Plan, these Focus Areas guide our high-level priorities, help build annual work plans, and allocate resources over the Strategic Plan period.



ACCOMPLISHMENTS, HIGHLIGHTS, AND ACHIEVEMENTS

GENERAL MANAGER OF THE YEAR



General Manager, Sean Barclay, was honored with the **2025 General Manager of the Year Award** by the California Special Districts Association. This statewide award recognizes exceptional leadership, effectiveness, and service to the community. Sean's selection reflects his outstanding contributions to TCPUD, its customers, and to the broader region.

"Sean's leadership has had a profound and enduring impact on our organization and our community," said Judy Friedman, President of the TCPUD Board of Directors. "His clear and compelling vision has built a healthy and resilient workplace culture grounded in shared values and strong leadership."



SPECIAL EVENTS & CELEBRATIONS



North Shore Trail Ribbon Cutting

In June, we celebrated the completion of the award-winning North Shore Trail Reconstruction Project, a \$3.2 Million investment to rebuild 2.2 miles of this crucial community link.



Celebrating a Legacy

Local, state, and federal leaders joined the TCPUD Board of Directors in August to honor late U.S. Senator Dianne Feinstein's environmental legacy in Lake Tahoe. In a ceremony led by U.S. Senator Adam Schiff, the West Shore Trail was officially dedicated in her name as the Dianne Feinstein West Shore Tahoe Trail.



The First Sip

More than 80 local and state agency partners and regional leaders joined the TCPUD Board and staff to celebrate the new West Lake Tahoe Regional Water Treatment Plant Grand Opening. **Read more about this significant accomplishment on page 9.**



AWARDS & RECOGNITION

- **Certificate of Achievement for Excellence in Financial Reporting** from the Government Finance Officers Association for the eighth consecutive year.
- **Small Collection System of the Year** from the California Water Environment Association Sierra Section.
- **General Manager of the Year** from the California Special Districts Association.
- **Trailblazing Award** from the Truckee/North Tahoe Transportation Management Association for the North Shore Trail Reconstruction Project.
- **Honor Award** from the American Council of Engineering Companies for the West Lake Tahoe Regional Water Treatment Plant.
- **Excellence in Innovation Finalist** from the Association of California Water Agencies for the West Lake Tahoe Regional Water Treatment Plant.



GOVERNANCE, MANAGEMENT & ORGANIZATIONAL HEALTH

TO ENSURE THE DELIVERY OF OUR MISSION AND VISION INTO THE FUTURE



EXPANDED RATE ASSISTANCE HELPS MORE CUSTOMERS



The Board of Directors approved an expansion to the District's Water Rate Assistance Program to provide water rate assistance to more income-eligible customers. The expanded program added a second tier of eligible customers. In the first year of the expanded program, enrollment increased by **228%**.

INTERNAL LEADERSHIP DEVELOPMENT PROGRAM



The District welcomed six employees to its second cohort of its internal **Leadership Development Program**. The program helps foster a healthy workplace culture, equips participants with knowledge of essential leadership principles and practices, and reinforces the District's Core Values.

LEGISLATIVE ADVOCACY

We pursued legislative measures to help fund water infrastructure for fire suppression, including joining the **Wildfire Solutions Coalition**, advocating for reauthorization of the critical **Lake Tahoe Restoration Act**, and working with partners to advocate for the **Proposition 4 Climate Bond** spending plan.

We co-sponsored **AB 372**, to be taken up in 2026, that would make critical water infrastructure projects for fire suppression eligible in the Climate Bond. Additionally, we monitored amendments to the **Advanced Clean Fleet** regulations that impact the District's essential emergency and fleet vehicles.

DISTRICT COMMUNICATIONS STRATEGY



The District adopted a comprehensive **Communications Strategy** to serve as a foundational framework for how the District communicates with our community, customers, partners, staff, and Board of Directors. This Strategy affirms the District's dedication to fostering clear, consistent, and meaningful communication.

LEADERSHIP SUCCESSION PLANNING



The District's proactive **succession planning strategy** addressed five Director-level retirements occurring in a span of just two years to preserve critical institutional knowledge. This ensures a stable, empowered, and well-supported workforce to ensure successful execution of the District's complex projects and priorities.



SAFE AND SUSTAINABLE WATER & SEWER SERVICES

TO FULFILL OUR COMMITMENT TO OUR CUSTOMERS IN THE PROVISION OF ESSENTIAL SERVICES

ENHANCING OUR REGIONAL WATER SYSTEMS

TCPUD completed its acquisition of the former Tahoe Swiss Village Utility, Inc., welcoming approximately 430 new water customers to the District. Since the acquisition, we've made several key upgrades in these systems, including new remote sensing at wells, decommissioning an aged water tank to protect water quality, installing new water quality monitoring ports in the system, and completing a service line inventory to ensure no lead pipes are in the system.

PROTECTING OUR WATER SUPPLY

In 2025, we adopted a new state-required Cross-Connection Control Plan to further our efforts to protect the public water supply. The new Plan bolsters our work to prevent water contamination and pollution from cross connections through updated procedures, use of trained specialists and testers, enhanced education and outreach, and local entity coordination.

2025 NUMBERS



569 Million

gallons of safe drinking water delivered to our community.



90

water and sewer line repairs to keep systems running.



42%

of sewer mains cleaned to keep wastewater flowing.



383

technical services inspections completed.

OUR SYSTEM

31

square mile service area

148 Miles

of sewer mains

100 Miles

of water mains

24

sewer pump stations

18

TCPUD-owned groundwater wells





OUTSTANDING RECREATION & LEISURE OPPORTUNITIES

TO REIMAGINE THE FUTURE OF RECREATION PROGRAMS & FACILITIES TO IMPROVE QUALITY OF LIFE FOR OUR CUSTOMERS

BY THE NUMBERS



11,000

daily visits to our Recreation After School Program (RAP)



21,844

rounds of golf played at Tahoe City Golf Course



1,400

children joined Camp Skylandia - our largest year ever!



17,650

attendees at Concerts at Commons hosted by Tahoe City Downtown Association

TRAILS CONNECT OUR COMMUNITY

Our 23-mile multi-use trail system continues to serve as a beloved recreation and transportation corridor for residents and visitors alike. In fact, in 2025, our automated trail counters recorded **575,000** trail users! We also conducted our first in-person trail surveys since 2019. Over 340 people participated in the surveys, with **98%** rating their trail experience as **Good** or **Excellent**.



TCCC PLANNING & FEASIBILITY STUDY

Building on the results of the joint North Tahoe Active Recreation Assessment, we began the initial planning process and feasibility study for a possible recreation and aquatic center at the current Tahoe City Community Center property located at 401 West Lake Boulevard.



CAMP SKY'S NEW HOME

We completed installation of the new Skylandia Lodge facilities, replacing our aging facility and providing a refreshed space for summer camp participant use.





INFRASTRUCTURE AND PROPERTY PROTECTION & IMPROVEMENT

TO MAINTAIN OUR COMMITMENT TO LONG-TERM, FISCALLY RESPONSIBLE INFRASTRUCTURE MANAGEMENT

WEST LAKE TAHOE REGIONAL WATER TREATMENT PLANT



This Fall we celebrated the grand opening of the new West Lake Tahoe Regional Water Treatment Plant.

The new facility marks a major step forward in delivering a safe, year-round, drought-resilient source of drinking water and improved fire suppression capacity for west shore communities.

The road to this milestone began almost two decades ago when TCPUD began searching for a permanent solution to a temporary water treatment plant used to meet peak summer water demand. Located near Chambers Landing, just north of Tahoma, the new state-of-the-art facility replaces the temporary seasonal plant and will now provide a year-round water supply sourced directly from Lake Tahoe.

The project included construction of an underwater pump station and intake pipeline in Lake Tahoe to supply surface water to the treatment plant. The treatment plant uses advanced technology including membrane filtration and ultraviolet disinfection to ensure exceptional water quality.

Currently, the treatment plant can deliver one million gallons of water per day to west shore customers. Designed for a regional water supply, the treatment plant may be expanded to meet the needs of up to 2,400 west shore customers from Tahoma to Timberland.

Funding for the approximately \$30 million project was made possible through a \$19.7 million loan from the CA State Water Resources Control Board and \$6.3 million in grant funding, including \$5 million from CA Department of Water Resources, \$775,000 from Placer County Water Agency, and \$500,000 from El Dorado Water Agency.

“A project of this scale can only happen through strong partnerships, and TCPUD extends our deepest gratitude to the partners and funders who made this project possible.”

- TCPUD Board President Judy Friedman





INFRASTRUCTURE AND PROPERTY PROTECTION & IMPROVEMENT

TO MAINTAIN OUR COMMITMENT TO LONG-TERM, FISCALLY RESPONSIBLE INFRASTRUCTURE MANAGEMENT



TAHOE CITY GOLF COURSE IRRIGATION REPLACEMENT

This **\$2.1 Million** investment replaced the aged and failing irrigation system that had been in place since the 1970s. Crews installed over **40,000 feet** of new irrigation pipe and smart watering technology to be more water efficient, improve turf coverage, and provide a better golf experience.



WEST SHORE TRAIL RECONSTRUCTION

Using a mix of property tax and grant dollars, TCPUD invested **\$3.9 Million** to reconstruct **2.4 miles** of the iconic Dianne Feinstein West Shore Tahoe Trail in 2025. The project improved pavement condition, trail alignment, visibility for pedestrians and vehicles, trail highway crossings, ADA compliance, and trail drainage. We are grateful for funding support through the TOT-TBID Dollars at Work program and the Tahoe Fund.



MADDEN CREEK WATER SYSTEM RECONSTRUCTION

In 2025, TCPUD invested **\$6.2 Million of property tax dollars** to continue reconstruction of the Madden Creek Water System in Homewood. This year, crews installed over **5,500 feet** of new, larger diameter water mains, 10 new fire hydrants, and 56 water meter pits for future meters. These improvements will help improve water flow and fire suppression capacity.



TAHOE CEDARS WATER SYSTEM RECONSTRUCTION

This is the largest planned project in TCPUD history. We reached an important milestone in 2025 with the selection of the project's design-build contractor, **Granite-DOWL**. The first phase of construction is scheduled to begin in 2026.



RUBICON BAY WATER SYSTEM UPGRADES

In 2025 we invested approximately **\$3.6 Million** to create a more resilient water system and improve water supply for fire suppression in the Rubicon neighborhoods. These projects included installation of permanent backup power, upsized water mains at the water tank, and improved connections between adjacent water systems. We are grateful for funding support from El Dorado Water Agency and El Dorado County.



LONG-TERM FINANCIAL SUSTAINABILITY

TO MAINTAIN OUR COMMITMENT AND RESPONSIBILITY AS FINANCIAL STEWARDS



SECURING INFRASTRUCTURE FUNDING

- We established the Tahoe City Public Utility District Public Financing Authority, a new financing entity that strengthens the District's ability to fund large-scale infrastructure investments. The Authority provides greater flexibility and access to capital markets, enabling the District to move forward with important public improvement projects such as the Madden Creek and Tahoe Cedars Water System Reconstruction Projects.
- We continued to pursue and advance applications for low-interest federal and state loan programs, positioning the District to secure affordable, long-term financing. These efforts help reduce overall project costs, protect ratepayers, and ensure essential infrastructure improvements can be delivered in a financially responsible manner.



EXCELLENCE IN FINANCIAL REPORTING

The District's Annual Comprehensive Financial Report received the **Certificate of Achievement for Excellence in Financial Reporting** from the Government Finance Officers Association for the **eighth consecutive year**. This prestigious award reflects TCPUD's ongoing dedication to excellence, transparency, and accountability in financial reporting.



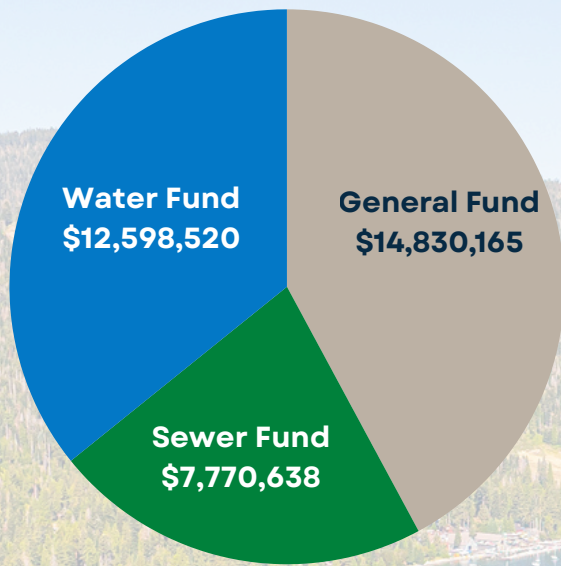
\$3.1 MILLION

in grant funding received in 2025 to support projects like trail reconstruction, water system upgrades, and cybersecurity.

A Look Ahead: 2026 Budget

2026 OPERATING REVENUES

Includes Utility rate revenue (Water & Sewer Funds), property tax revenue, and program/user fee revenue. Does not include loan/bond proceeds or grant revenue in the General Fund.



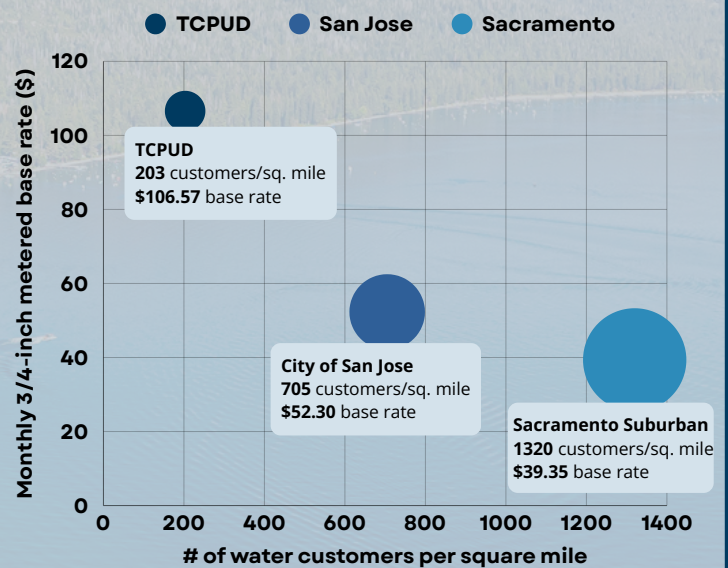
Did you know?

Water & Sewer Utility rates **only** pay for those services, respectively. Utility rates **cannot** be used for Parks, Recreation, or non-water/sewer costs. Parks and Recreation services are primarily funded by user fees and property tax revenues from the General Fund. General Fund dollars can fund the Water and Sewer Utilities, but Utility rates cannot fund non-Utility services.

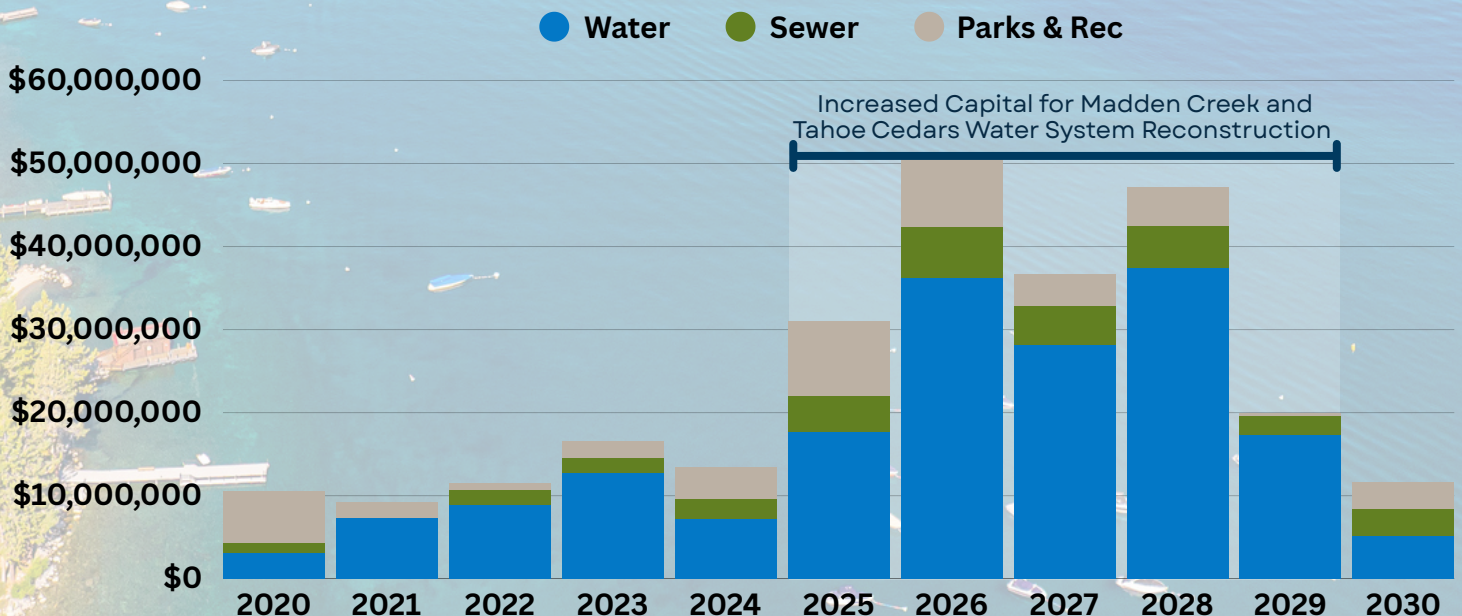
UNDERSTANDING OUR WATER RATES

By CA law, our costs-of-service are distributed proportionally between all customers. Serving a small, customer base across a large, 31-square mile service area means the cost of building, maintaining, and operating water infrastructure is spread across far fewer customers compared to more suburban/urban water providers. With just **203 water customers** per square mile, TCPUD's lower population density directly influences the cost of providing reliable water service and, in turn, our water rates.

of water customers per square mile of service area compared to water base rates



Capital Project Budget 2020-2030



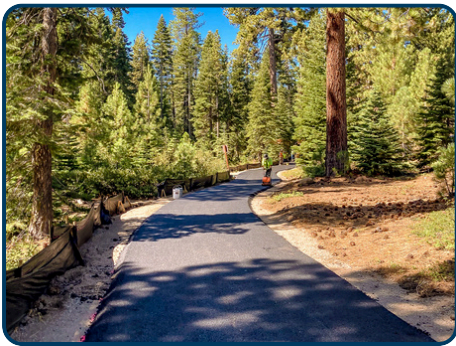
A Look Ahead: 2026 Projects and Priorities



WATER SYSTEM RECONSTRUCTION

In 2026, TCPUD will begin the final phase of the **Madden Creek Water System Reconstruction Project** which will install over 8,000 feet of new water main, 14 new fire hydrants, and customer water meters.

We also plan to begin the first phase of construction for the **Tahoe Cedars Water System Reconstruction Project**. The multi-phase project aims to replace 15 miles of undersized and failing water mains and install 100 new fire hydrants in areas that currently have none.



DIANNE FEINSTEIN WEST SHORE TAHOE TRAIL RECONSTRUCTION

Thanks to funding support from the TOT-TBID Dollars-at-Work Program, we'll continue rebuilding this beloved community trail between Sunnyside and 64-Acres to improve the trail surface, safety, and accessibility for all trail users.



2027-2031 STRATEGIC PLAN UPDATE

As our current five-year Strategic Plan comes to an end, we'll embark on planning for our 2027-2031 Strategic Plan. This will guide our high-level priorities, help build annual work plans, and allocate resources over the Strategic Plan period.

STRATEGIC PRIORITIES



URBAN WATER MANAGEMENT PLAN

Updating this State-mandated plan will help the District ensure a long-term, sustainable water supply for our customers.



LONG-TERM FUNDING

We'll continue our dedicated long-term financial planning process to ensure financial stability over the next 10 years.



GREENHOUSE GAS INVENTORY

With funding support from California Tahoe Conservancy, we'll continue our greenhouse gas inventory to help identify measures to reduce our emissions.



IT STRATEGIC INITIATIVES

To ensure the District's technology stays at the forefront, we're working on initiatives like a Cybersecurity Disaster Recovery Plan, an IT Assessment, and an IT Strategic Plan with grant funding support from Cal OES.

