

SAN JOAQUIN COUNTY WATER SUPPLY FACILITIES IMPACT MITIGATION FEE PROGRAM ANNUAL REPORT

FISCAL YEAR ENDING JUNE 2023



SAN JOAQUIN
— COUNTY —
Greatness grows here.

PREPARED BY

DEPARTMENT OF PUBLIC WORKS



AUGUST 2023

**SAN JOAQUIN COUNTY
WATER SUPPLY FACILITIES**

**IMPACT MITIGATION FEE PROGRAM
ANNUAL REPORT
FOR
FISCAL YEAR ENDING JUNE 2023**

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I. PROGRAM PURPOSE AND HISTORY

The Water Impact Mitigation Fee Program was adopted by the Board of Supervisors (Board) on April 30, 1991 (R-91-327), and became effective on July 1, 1991. The program was established to finance San Joaquin County's (County) share of the construction cost for the "New Melones Water Conveyance Project," which is intended to mitigate the impact of ground and surface water depletion resulting from new development within the fee area. The Stockton East Water District (SEWD) is the lead agency for this project and is responsible for payment of bond debt used to finance the project improvements.

The fee area includes the unincorporated area of the County within the SEWD and Central San Joaquin Water Conservation District and the area within one-half mile north of the SEWD boundary along Eight Mile Road, between Rio Blanco Road and Alpine Road. The fee area is delineated in **Figure A**.

The project is intended to provide approximately 60,000 acre-feet of water from the New Melones Water Conveyance Project for use by SEWD and Central San Joaquin Water Conservation District. Approximately one-third of the water is for agricultural use, and two-thirds for municipal and industrial use. Twenty percent of the municipal and industrial water will be used to correct problems of existing overdraft. The remaining eighty percent of the municipal and industrial water is available for new development.

The County fee is intended to pay for the unincorporated County share of the project. The fee is imposed on all new development within the fee area in unincorporated areas of the County and is collected in conjunction with the issuance of all applicable building permits. In addition to the established fee, an administrative charge has been added to cover the County costs for fee collection and administration of the program. The fees collected are disbursed, quarterly in arrears, to the SEWD as the lead agency for the project. The City of Stockton has adopted a similar fee program and collects the fees within the Stockton City Limits.

As a result of a modified financing plan, which was adopted by the Board on September 22, 1992 (B-92-1565), a revision to the fee schedule was approved by the Board of Supervisors by Resolution (R-94-185). The fee schedule established the reasonable relationship to each development's burden on, and benefit from, the public facilities to be constructed. The fee rate schedule in effect during this reporting period is exhibited in **Table 1**. There are currently no additional fee increases through the conclusion of the program.

A five percent (5%) administrative cost is included in the computed fees schedules. The administrative fees are intended to cover Public Works costs to administer the Program.

II. REVENUES AND EXPENDITURES

Since inception of the Water Impact Mitigation Fee Program, a total of \$7,171,521.47 in fees has been collected, comprised of \$6,837,145.81 in mitigation fees and \$344,375.66 in administrative fees. Cumulative disbursements through this reporting period total \$7,101,194.12, including \$6,766,818.46 to the SEWD and \$334,375.66 in administrative fees to the Department of Public Works.

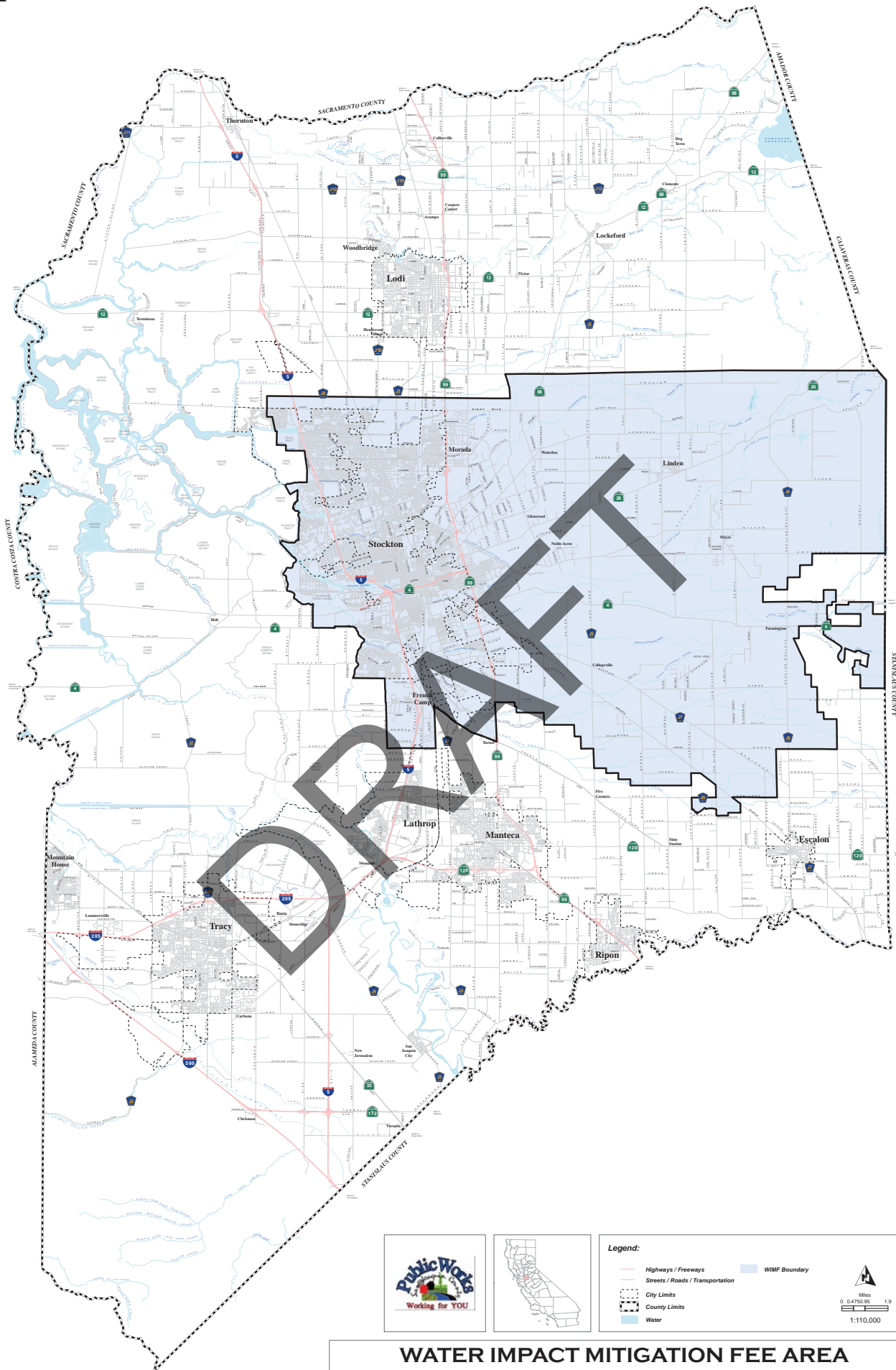
Annual revenues and disbursements since program inception, as well as the Fund Balance at the end of the reporting period, are listed in **Table 2**. Fee revenues, less administrative fees, are disbursed to SEWD on a quarterly basis. In 2022-23, disbursements to SEWD totaled \$295,979.79. Administrative fees intended to cover the ongoing costs associated with the development of policies and guidelines, fee collections, providing public information and general program administration are disbursed to Public Works on a monthly basis. In 2022-23, the fees collected for program administration totaled \$11,994.81.

The reported Fund Balance of \$70,327.35 reflects funds that are held by the County as of June 30, 2023, pending disbursement to SEWD. If not for a timing difference between the collection of fee revenues and the quarterly disbursements to the SEWD, the Fund Balance would be zero.

Fee revenues collected during the 12-month reporting period totaled \$249,044.43, which is significantly lower than last year's total of \$945,058.37. Monthly fee collections and the corresponding building permit releases for the 12-month period ending June 30, 2023, are shown in **Table 3**.

III. PROGRAM IMPLEMENTATION

The San Joaquin County Department of Public Works staff has developed guidelines and procedures to administer the program in an ongoing effort to address the needs of the public. Public information handouts regarding the fee program have been developed and minor revisions are made, as necessary, to further clarify the intent of the program. The Water Impact Mitigation Fee Program has been in effect for over 25 years.



- Legend:**
- Highways / Freeways
 - Streets / Roads / Transportation
 - City Limits
 - County Limits
 - Water
 - WIMF Boundary



WATER IMPACT MITIGATION FEE AREA (WIMF)

San Joaquin County Public Works Geographic Information Systems
1810 East Hazelton Avenue, Stockton, CA 95205

The information on this map is based on the most current information available to San Joaquin County Geographic Information Systems. The County of San Joaquin does not warrant its accuracy or suitability for any particular purpose. The information on this map is not intended to replace engineering, financial or primary records research.

FIGURE A

SAN JOAQUIN COUNTY
WATER IMPACT FEE SCHEDULE
TABLE 1

LAND USE	IMPACT FEE	IMPACT FEE PLUS 5% ADMIN FEE
Single Family (DU)	\$4452.45 / Dwelling Unit (DU)	\$4675.07 / Dwelling Unit (DU)
Multi-Family (DU)	\$4452.45 for the first unit and \$1335.741 for each additional unit	\$4675.07 for the first unit and \$1402.53 for each additional unit
Guest Room	\$917.008 for the first unit and \$0.928 for each additional unit	\$962.86 for the first unit and \$0.974 for each additional unit
Office	\$0.928 per Sq. Ft.	\$0.974 per Sq. Ft.
Retail/Service	\$0.924 per Sq. Ft.	\$0.97 per Sq. Ft.
Warehouse	\$0.369 per Sq. Ft.	\$0.387 per Sq. Ft.
Service/Commercial	\$0.924 per Sq. Ft.	\$0.97 per Sq. Ft.
Manufacturing	\$0.369 per Sq. Ft.	\$0.387 per Sq. Ft.
Administration		5% of Fee Collected

Notes:

- 1 The residential fee is a lump sum amount per dwelling unit.
- 2 The non-residential fee is based on gross square feet (GSF), which is defined as all of the floor area confined by the exterior walls of the building.
- 3 As approved June 26, 1997 by Resolution R-97-318, the annual administration fee is 5%
- 4 As approved April 16, 2002 by Resolution R-02-231, the fee is increased annually 7.66% until April 2006 and 4.55 percent annually to April 2016. The fee would then be held constant at 2016 levels from 2016 to 2029.

SAN JOAQUIN COUNTY
 WATER IMPACT MITIGATION FEE PROGRAM
 REVENUES, DISTRIBUTIONS AND FUND BALANCE REPORT BY FISCAL YEAR
 Period Ending June 30, 2023

TABLE 2

<u>REVENUES COLLECTED</u>	Inception to <u>12-13</u>	<u>13-14</u>	<u>14-15</u>	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>	<u>20-21</u>	<u>21-22</u>	<u>22-23</u>	<u>TOTAL</u>
Water Fees	\$ 4,314,665.55	\$ 114,700.77	\$ 89,021.75	\$ 143,736.03	\$ 147,045.37	\$ 162,368.55	\$ 172,660.51	\$ 169,296.96	\$ 386,544.95	\$ 900,055.75	\$ 237,049.62	\$ 6,837,145.81
Administrative Fees	\$ 208,109.63	\$ 5,735.01	\$ 4,451.07	\$ 7,186.79	\$ 7,289.89	\$ 8,180.77	\$ 8,633.03	\$ 8,464.80	\$ 19,327.24	\$ 45,002.62	\$ 11,994.81	\$ 334,375.66
Total Fees Collected	\$ 4,522,775.18	\$ 120,435.78	\$ 93,472.82	\$ 150,922.82	\$ 154,335.26	\$ 170,549.32	\$ 181,293.54	\$ 177,761.76	\$ 405,872.19	\$ 945,058.37	\$ 249,044.43	\$ 7,171,521.47
 <u>DISTRIBUTIONS</u>												
Stockton East	\$ 4,281,941.48	\$ 124,274.50	\$ 90,489.08	\$ 80,536.00	\$ 203,815.28	\$ 114,112.74	\$ 170,341.82	\$ 183,646.77	\$ 259,050.58	\$ 962,630.42	\$ 295,979.79	\$ 6,766,818.46
Administration	\$ 206,473.44	7,371.20	4,451.07	7,186.79	4,480.78	10,232.96	9,389.95	8,464.80	19,327.24	45,002.62	11,994.81	334,375.66
Total Distribution	\$ 4,488,414.92	\$ 131,645.70	\$ 94,940.15	\$ 87,722.79	\$ 208,296.06	\$ 124,345.70	\$ 179,731.77	\$ 192,111.57	\$ 278,377.82	\$ 1,007,633.04	\$ 307,974.60	\$ 7,101,194.12
 <u>FUND BALANCE</u>												
Prior Fund Balance	\$ 34,360.26	\$ 34,360.26	\$ 23,150.34	\$ 21,683.01	\$ 84,883.04	\$ 30,922.24	\$ 77,125.86	\$ 78,687.63	\$ 64,337.82	\$ 191,832.19	\$ 129,257.52	\$ -
Revenues	\$ 4,522,775.18	120,435.78	93,472.82	150,922.82	154,335.26	170,549.32	181,293.54	177,761.76	405,872.19	945,058.37	249,044.43	7,171,521.47
Distributions	\$ 4,583,709.93	131,645.70	94,940.15	87,722.79	208,296.06	124,345.70	179,731.77	192,111.57	278,377.82	1,007,633.04	307,974.60	7,101,194.12
Ending Fund Balance	\$ 34,360.26	\$ 23,150.34	\$ 21,683.01	\$ 84,883.04	\$ 30,922.24	\$ 77,125.86	\$ 78,687.63	\$ 64,337.82	\$ 191,832.19	\$ 129,257.52	\$ 70,327.35	\$ 70,327.35 (1)

(1) The Fund Balance consists of WIMF fee collections of \$70,327.35 for the 4th quarter ending June 30, 2023 pending disbursement to Stockton East Water District. If not for a timing difference in the distribution of funds, the Fund Balance would be zero.

Source: Auditor/Controller Fund Transaction Reports and San Joaquin County Department of Public Works Accounting System Reports.

**SAN JOAQUIN COUNTY
WATER IMPACT MITIGATION FEE PROGRAM
FEES COLLECTED
FISCAL YEAR 2022-23**

TABLE 3

MONTH	WATER PERMITS ISSUED	WATER FEES	ADMIN FEES	TOTAL FEES COLLECTED
Jul-22	7	28,385.00	1,419.25	29,804.25
Aug-22	1	4,452.45	222.62	4,675.07
Sep-22	2	16,811.16	840.56	17,651.72
Oct-22	4	17,809.80	890.48	18,700.28
Nov-22	1	1,335.74	66.79	1,402.53
Dec-22	6	41,862.05	2,093.10	43,955.15
Jan-23	6	31,054.85	1,552.74	32,607.59
Feb-23	4	11,400.64	512.03	11,912.67
Mar-23	5	13,610.58	880.88	14,491.46
Apr-23	3	10,240.64	512.03	10,752.67
May-23	5	12,912.12	645.61	13,557.73
Jun-23	11	47,174.59	2,358.72	49,533.31
TOTAL	55	237,049.62	11,994.81	249,044.43

Source: Auditor/Controller Fund Transaction Reports and San Joaquin County Department of Public Works Accounting System