

San Joaquin County CSA 44 Zones E & G Sewer Service Timeline

YEAR	ACTIVITY
1989	CSA 44 formed to provide drinking water
2004	Formed CSA 44 Zones E & G for sewer, storm drainage and street lighting (Zone G only) services for Castello Estates and Linne Estates
2004	Developer contracted with 7 H Technical Services to construct small wastewater treatment plants in each zone
2005	County took over service per agreement with developer that County would assume operation once sufficient homes were built
2005-2008	County retained 7 H Technical Services to operate and maintain treatment plants and train county staff on proprietary software
2008	County assumes operations and maintenance services and soon discovers system and permit compliance issues
2010	Finalized/approved engineering consultant's technical analysis and corrective action plan
2010	Board of supervisors approved \$1.65 million in short-term bridge loans to cover emergency system improvements
2010	Property owners successfully oppose sewer rate increases proposed to cover loan repayment, leaving county with no loan repayment mechanism
2010	Property owners were opposed to loan repayment since county had accepted treatment plants with design inadequacies (felt county should repay loans itself) and sewer rates would have been too burdensome
2011	Supervisors authorized a \$664,000 loan from Special District Settlement Fund proceeds (from DBCP contamination lawsuit from five other county water districts) with a repayment plan since CSA 44 not part of settlement
2011	Loan proceeds financed \$120,000 in additional Zone G improvements and partial repayment of \$544,000 of general fund loan
2011-current	Due to the failed 2010 sewer rate process: <ul style="list-style-type: none"> • treatment plant operation and maintenance costs are incurring a deficit • loan repayment has not transpired • adjustment factor not in place to cover inflationary costs • reserves for plant repairs / replacement are non-existent
2019	Each zone required to repay fund balances: Zones E and G at negative \$505,760 and \$411,196 respectively as of June 30, 2019.
2020	County conducts outreach with property owners to understand input about forthcoming proposed rate increases
2020	County staff to propose a rate increase to supervisors in accordance with Proposition 218 requirements: mailing to all property owners describing rate increase amounts and public hearing information
February 25, 2020	Staff to recommend supervisors declare intention to increase sewer rates; waive repayment of \$1.1 million in General Fund loan repayments; authorize the outstanding balance owed to the Special District Settlement Fund be paid by the County General Fund (\$713k); and approve engineer's report (balances as of February 25, 2020)
April 21, 2020	Proposed public hearing date at 9 a.m. to receive rate increase testimony
2020	Proposed rate increases to cover operating costs, capital reserve contributions and negative fund balances.
FY 2021/22 – 2025/26	The rates also include an annual adjustment factor for inflation (for five years, not to exceed 5 percent.)



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