



**SHADED TERRACE MAINTENANCE DISTRICT
(SUPERVISORIAL DISTRICT 4)**

November 8, 2021

(Administered by the Department of Public Works)

**ENGINEER'S REPORT
ON
SERVICE CHARGE ADJUSTMENTS
FOR
FISCAL YEARS 2022-23 through 2026-2027**



**Prepared by
The Department of Public Works**

**Pursuant to SJC Ordinance Code Section 5-3302 and 5-6812
and Articles XIIC and XIID of the California Constitution**

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SHADED TERRACE MAINTENANCE DISTRICT

1. INTRODUCTION:

The preparation of this report on Special District Service Charges is required by San Joaquin County Ordinance Code Sections 5-3302 and 5-6812(a). These sections require that an annual report be prepared for each service area or special district for which special Service Charges will be imposed and collected on the tax roll. This report is also prepared in compliance with state law, including but not limited to Articles XIIC and XIID of the California Constitution (Proposition 218) regarding the imposition of new or increased Service Charges. It will be presented to the San Joaquin County Board of Supervisors for adoption and serves as the basis for the proposed Service Charges. This report is on file with and is available for review at the Office of the Clerk of the Board of Supervisors at 44 N. San Joaquin St. Suite 627 and may also be viewed at the Department of Public Works at 1810 E. Hazelton Ave., Stockton, CA or on-line at www.sjgov.org/ud/maint/shaded-terrace.

The purpose of this report is to provide detailed information regarding the proposed Service Charge adjustments for SHADED TERRACE MAINTENANCE DISTRICT (District). In compliance with Proposition 218, affected property owners within the District will be mailed a notice of the Public Hearing regarding the proposed increase in Service Charges for water. If a majority protest does not exist at the conclusion of the Hearing, the Board will be asked to approve the proposed rates, which will become effective in Fiscal Year 2019-20.

2. SHADED TERRACE MAINTENANCE DISTRICT

The District is considered a special district pursuant to the definitions of the California Constitution Article 13D, Section 2(d). A special district is an area determined by an agency to contain all parcels that will receive a special benefit from a proposed public improvement or property-related service.

The County of the San Joaquin Board of Supervisors established the District in 1956. The Resolution, which is filed with the San Joaquin County Clerk of the Board, authorizes the District to establish sufficient Service Charges for operation and maintenance of the water system improvements. The District's water system serves 72 residential parcels. The water system includes but not limited to 1 well, 5,079 linear feet of main lines and 6 fire hydrants.

3. DESCRIPTION OF SERVICES AND EXPENDITURES

The District currently provides for the operation and maintenance of the public water system serving properties within the district.

The proposed budget for the District is listed in Appendix B. The proposed budget is developed in general to include:

- a) Operation and Maintenance costs to pay for routine service and care necessary to properly operate and maintain public improvements, including but not limited to: water

distribution system, service laterals and domestic water well facilities. Operation and Maintenance costs include reimbursement to various County departments and other agencies for service provided to the District.

- b) Capital Replacement costs include major repairs and the amounts set aside periodically to pay for future replacement of the major components of the system. The necessary contribution for capital replacement reserves will be phased-in over 5 years in order to provide property owners a more gradual rate increase.

4. SERVICE CHARGES

The Service Charges are utilized to generate the revenues needed to operate and to maintain the District’s facilities. The proposed Service Charges have been developed with the following considerations:

- a) Service Charges and interest revenues collected should equal operation costs once an appropriate reserve fund has been established.
- b) An adequate reserve fund should be established to cover future replacement of the major components.
- c) Major changes in Service Charges should be anticipated in advance and adjusted over a period of years, when feasible to do so.

The following table shows the current and proposed Service Charges per fiscal year. The proposed charges include an Annual Service Charge collected through the property tax roll of all the benefiting parcels.

Shaded Terrace	Current 2021-22	Proposed (FY)				
		2022-23	2023-24	2024-25	2025-26	2026-27
Annual Service Charges - Water per SFE	\$421	\$513	\$605	\$697	\$789	\$881

The proposed rate(s), if approved, will be effective for Fiscal Years 2022-2023 through 2026-27.

5. OUT OF AREA CUSTOMERS

If the County agrees to provide service to parcels outside of the District service boundary by the approval of an Out-of-Area service agreement, the affected parcel shall pay an amount equal to 150% of the Service Charges paid by the parcels within the Special District.

6. METHOD OF COST APPORTIONMENT

The Annual Service Charges for the District’s residential and non-residential parcels are based upon a Single Family Equivalent (SFE) unit, which refers to the service level a typical single-

family dwelling unit would receive. This annual charge is apportioned among all lots and parcels within the District by use type as set forth in Appendix D. All parcels within the District are charged based on the proportional cost of service as compared to a single-family dwelling. The SFE method is generally recognized by municipalities as the basis for a fair and appropriate distribution. In some cases, certain user types require special studies to establish Service Charges. A special study was conducted for two properties in this District. One property is the site of the district well and the other is an agricultural wasteland with both properties assigned 0 SFE each. SFE determinations are noted in Appendix C.

7. PROPERTY OWNER LIST AND TAX ROLL

Appendix C contains a list of the San Joaquin County's Assessor Parcel numbers for all the properties within the boundaries of the District. The list further contains the Service Charge amounts for each benefitting parcel within the District. The list is keyed to the records of the San Joaquin County Assessor.

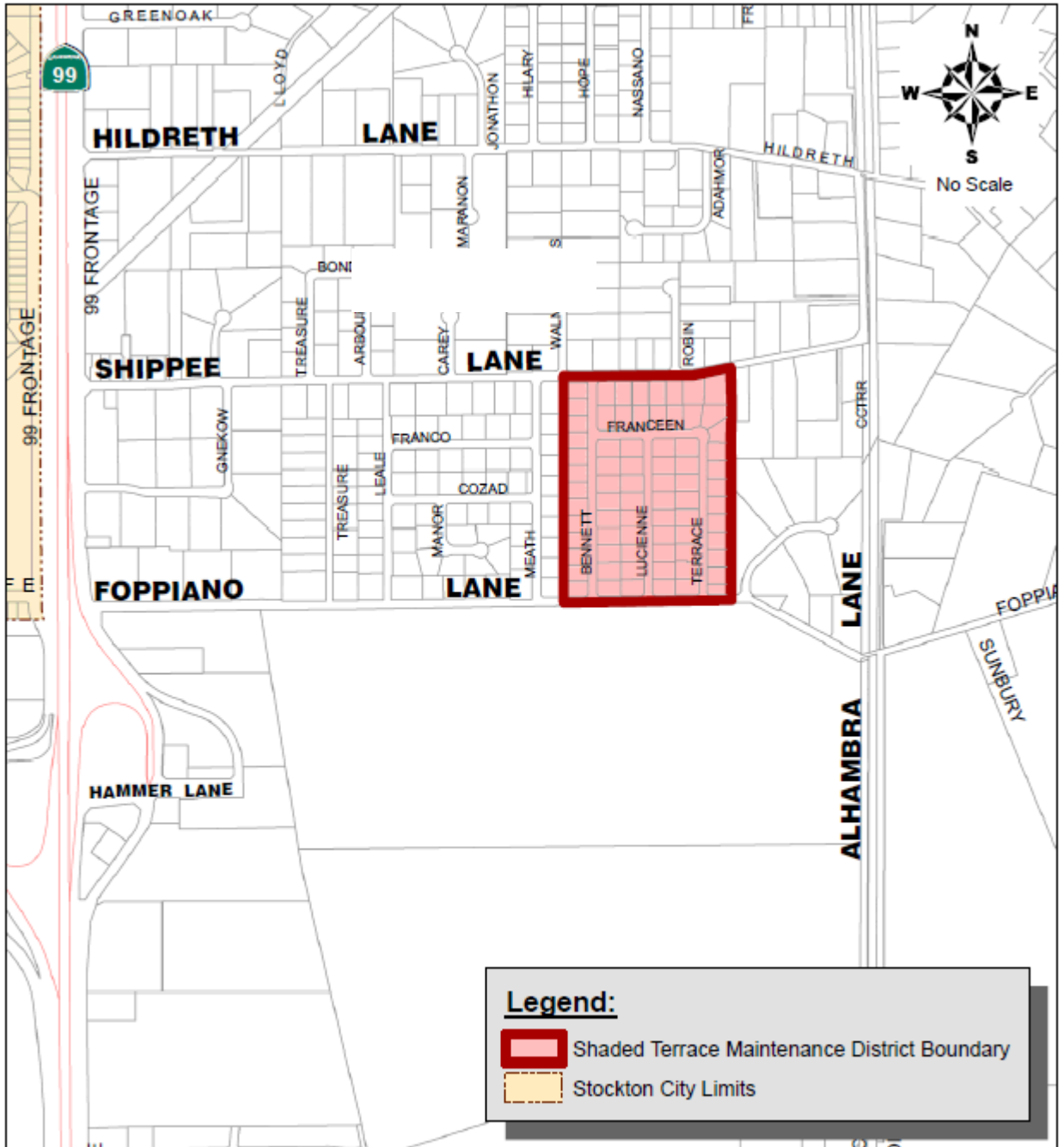
8. APPEALS AND ADJUSTMENTS

Any property owner who feels that the Service Charge levied on the subject property is in error as a result of incorrect information may contact the County of San Joaquin, Department of Public Works. The Department of Public Works will promptly review the appeal and respond to the appellant. Adjustments to the Service Charge may be made based on the site specific information. If any changes are warranted, the correction will be made to the next regular tax roll Service Charge amount.

APPENDIX A

VICINITY MAP

APPENDIX A
SHADED TERRACE MAINTENANCE DISTRICT MAP



-- VICINITY MAP --
SHADED TERRACE MAINTENANCE DISTRICT
SAN JOAQUIN COUNTY

APPENDIX B

PROPOSED BUDGET

APPENDIX B
SHADED TERRACE MAINTENANCE DISTRICT BUDGET

Shaded Terrace	Current 2021-22	Rate Study Period				
		2022-23	2023-24	2024-25	2025-26	2026-27
Water SFEs	72.3	72.3	72.3	72.3	72.3	72.3
Water Service Charge / SFE	\$421	\$513	\$605	\$697	\$789	\$881
Revenue:						
Annual Service Charges	\$30,438	\$37,090	\$43,742	\$50,393	\$57,045	\$63,696
Other Income	6,671	6,696	6,721	6,747	6,772	6,798
Total Revenue	\$37,109	\$43,786	\$50,463	\$57,140	\$63,817	\$70,494
Expenses:						
Electricity - Pumps & Misc	\$7,860	\$8,096	\$8,339	\$8,589	\$8,847	\$9,112
Labor (engineering & admin)	\$5,290	\$4,921	\$5,068	\$5,220	\$5,377	\$5,538
Labor (utilities maintenance)	\$14,744	\$13,678	\$14,088	\$14,511	\$14,946	\$15,394
SEWD Groundwater Equalization Charge	\$21,000	\$20,701	\$21,322	\$21,962	\$22,621	\$23,300
License and Permit	\$1,256	\$1,294	\$1,333	\$1,373	\$1,414	\$1,456
Equipment & Materials	\$976	\$1,802	\$1,856	\$1,912	\$1,969	\$2,028
Infrastructure Improvement	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$11,865
Total Expenses	\$52,626	\$52,036	\$53,598	\$55,206	\$56,862	\$70,432
Annual Surplus (Shortfall)	(\$15,517)	(\$8,250)	(\$3,135)	\$1,934	\$6,955	\$62
Beginning Operating Fund Balance	\$186,991	\$171,474	\$163,224	\$160,089	\$162,023	\$168,979
Capital Reserve	\$0	\$0	\$0	\$0	\$0	\$11,865
Total Ending Fund Balance	\$171,474	\$163,224	\$160,089	\$162,023	\$168,979	\$180,905

APPENDIX C

ANNUAL SERVICE CHARGES FOR INDIVIDUAL PROPERTIES

APPENDIX C
SHADED TERRACE MAINTENANCE DISTRICT
ANNUAL SERVICE CHARGES

Shaded Terrace - Water								
Assessor's Parcel Number	Use Code	SFE	Current FY 2021- 22	Proposed FY 2022-23	Proposed FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26	Proposed FY 2026-27
085-370-01	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-02	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-03	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-04	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-05	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-06	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-07	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-08	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-09	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-10	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-11	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-12	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-13	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-14	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-15	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-16	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-17	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-18	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-19	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-20	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-21	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-22	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-23	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-24	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-25	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-26	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-27	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-28	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-29	13	1.3	\$547.30	\$666.90	\$786.50	\$906.10	\$1,025.70	\$1,145.30
085-370-30	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-370-31	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-01	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-02	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-03	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-04	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00

085-380-05	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-06	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-07	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-08	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-09	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-10	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-11	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-12	925	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
085-380-13	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-14	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-16	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-18	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-19	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-20	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-21	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-22	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-23	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-24	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-25	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-26	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-27	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-28	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-29	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-30	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-31	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-32	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-33	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-34	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-35	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-36	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-37	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-38	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-39	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-40	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-41	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-42	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-43	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
085-380-44	10	1	\$421.00	\$513.00	\$605.00	\$697.00	\$789.00	\$881.00
TOTAL		72.3	\$30,438.30	\$37,089.90	\$43,741.50	\$50,393.10	\$57,044.70	\$63,696.30

APPENDIX D

SFEs BY USE CODE

APPENDIX D
SHADED TERRACE MAINTENANCE DISTRICT USE CODES

USE CODE	DESCRIPTION	MINIMUM SFE FACTOR
		WATER
	RESIDENTIAL	
10	SINGLE FAMILY RESIDENTIAL	1
13	SINGLE FAMILY RESIDENCE W/SECONDARY RES SQ FT	1.3
	UTILITIES & GOVERNMENT	
925	MISC COUNTY PROPERTY	0