

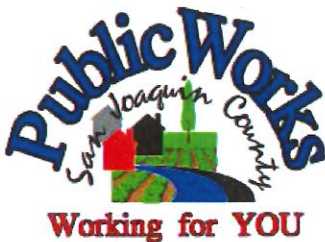


**ELKHORN GOLF COURSE ESTATES MAINTENANCE DISTRICT  
(SUPERVISORIAL DISTRICT 3)**

**October 1, 2018**

(Administered by the Department of Public Works)

**ENGINEER'S REPORT  
ON  
SERVICE CHARGE ADJUSTMENTS  
FOR  
FISCAL YEAR 2019-20 through 2023-2024**



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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## **ELKHORN GOLF COURSE ESTATES 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 XIII C and XIII D 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/elkhorn-estates](http://www.sjgov.org/ud/maint/elkhorn-estates).

The purpose of this report is to provide detailed information regarding the proposed Service Charge adjustments for ELKHORN GOLF COURSE ESTATES 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. ELKHORN GOLF COURSE ESTATES 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 1965. 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 75 parcels via metered and unmetered service connections. The water system includes 2 wells, 6,566 linear feet of distribution piping, and 9 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 2019-20 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 other revenues collected should equal operation costs and provide for future replacement of the system infrastructure.
- b) 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. All parcels benefiting from the District’s services receive an annual Service Charge, which are either collected annually through the property tax roll or through monthly meter billings.

Elkhorn Estates Maintenance District	Current	Proposed				
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Annual Service Charge/SFE	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
Metered Rate (per 1,000 gal)	\$2.31	\$2.60	\$2.89	\$3.18	\$3.47	\$3.75

The proposed rates, if approved, will be effective for Fiscal Years 2019-20 through 2023-24. Effective Fiscal Year 2024-25 through 2028-29, an annual adjustment factor for inflation, not to exceed 5%, may be applied. The adjustment for inflation will be based on the percent change in the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco-Oakland-San Jose areas.

**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 parcels are based upon a Single Family Equivalent (SFE) unit, which refers to the service level a typical single-family dwelling unit would receive. The Service Charges are 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. The recreational property (public golf course) is charged a metered water rate instead of a flat annual rate.

**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.

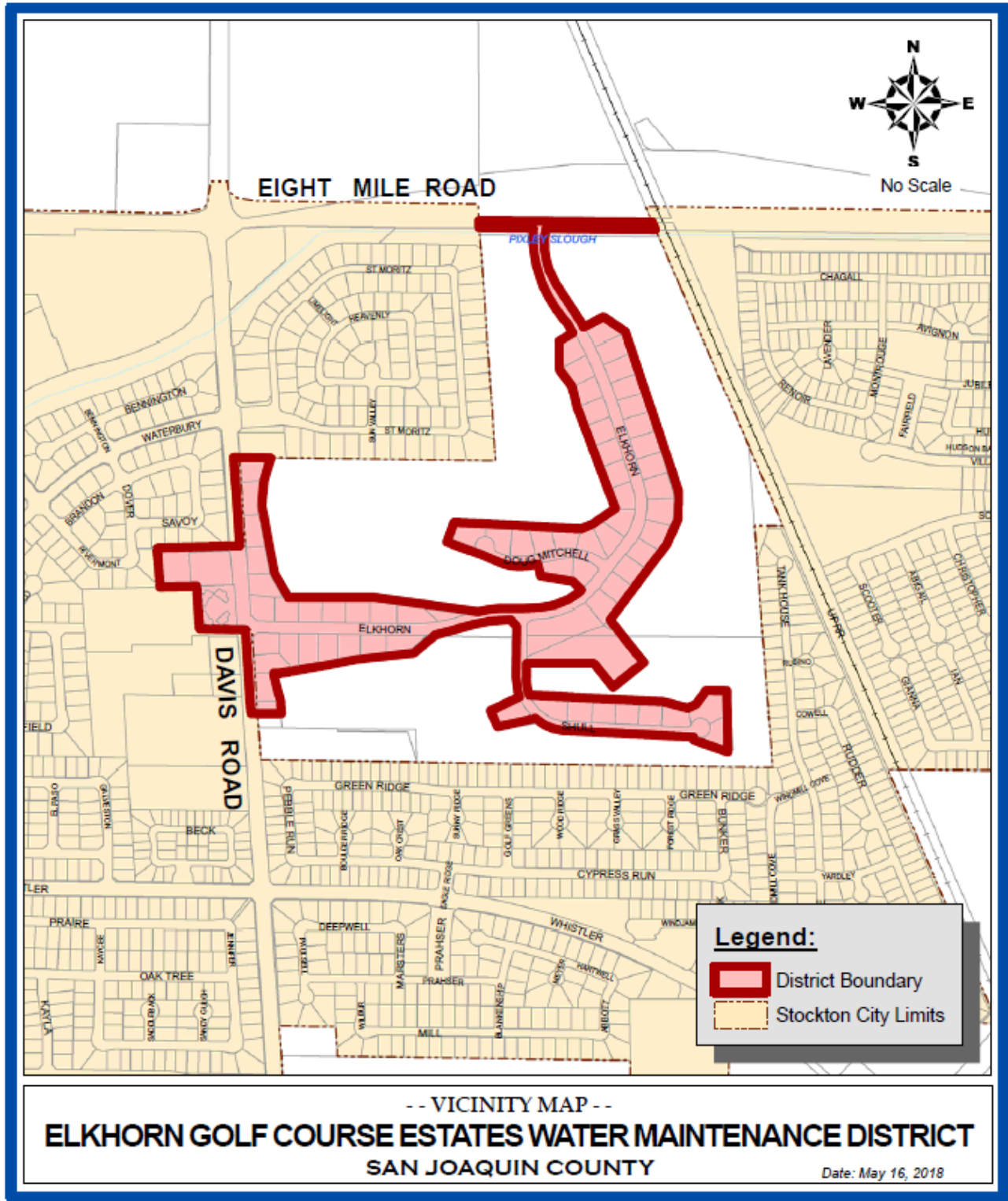
**8. APPEALS AND ADJUSTMENTS**

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**  
**ELKHORN GOLF COURSE ESTATES MAINTENANCE DISTRICT MAP**



# **APPENDIX B**

## **PROPOSED BUDGET**



**APPENDIX B**

**ELKHORN GOLF COURSE ESTATES MAINTENANCE DISTRICT BUDGET**

Elkhorn Estates Maintenance District	Current	Proposed				
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Water SFEs	70.3	70.3	70.3	70.3	70.3	70.3
Annual Service Charge/SFE	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
Metered Rate (per 1,000 gal)	\$2.31	\$2.60	\$2.89	\$3.18	\$3.47	\$3.75
<b>Revenue:</b>						
Annual Service Charges	\$73,112	\$86,469	\$93,640	\$100,810	\$108,051	\$115,433
Meter Charges	\$1,018	\$1,145	\$1,273	\$1,401	\$1,529	\$1,651
Other Income	\$4,247	\$4,087	\$4,210	\$4,336	\$4,466	\$4,600
<b>Total Revenue</b>	<b>\$78,377</b>	<b>\$91,702</b>	<b>\$99,123</b>	<b>\$106,547</b>	<b>\$114,046</b>	<b>\$121,684</b>
<b>Expenses:</b>						
Labor (maintenance, engineering, admin)	\$53,484	\$55,088	\$56,741	\$58,443	\$60,196	\$62,002
Electricity	\$8,285	\$8,533	\$8,789	\$9,053	\$9,324	\$9,604
SEWD Pump Tax	\$19,878	\$20,474	\$21,089	\$21,721	\$22,373	\$23,044
Equipment & Materials	\$2,040	\$2,102	\$2,165	\$2,230	\$2,296	\$2,365
License and Permit	\$710	\$731	\$753	\$776	\$799	\$823
Capital Replacement Reserves	\$0	\$4,758	\$9,516	\$14,275	\$19,033	\$23,791
Well Failure/Rehab Projects	\$60,000	\$30,000	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$144,397</b>	<b>\$121,687</b>	<b>\$99,053</b>	<b>\$106,497</b>	<b>\$114,022</b>	<b>\$121,630</b>
<b>Annual Surplus (Shortfall)</b>	<b>(\$66,019)</b>	<b>(\$29,985)</b>	<b>\$70</b>	<b>\$50</b>	<b>\$24</b>	<b>\$54</b>
Beginning Operating Fund Balance	\$49,097	(\$16,922)	(\$46,907)	(\$46,838)	(\$46,787)	(\$46,763)
<b>Ending Operating Fund Balance</b>	<b>(\$16,922)</b>	<b>(\$46,907)</b>	<b>(\$46,838)</b>	<b>(\$46,787)</b>	<b>(\$46,763)</b>	<b>(\$46,710)</b>
Capital Reserves	\$0	\$4,758	\$14,275	\$28,549	\$47,582	\$71,374
<b>Total Fund Balance</b>	<b>(\$16,922)</b>	<b>(\$42,149)</b>	<b>(\$32,563)</b>	<b>(\$18,238)</b>	<b>\$819</b>	<b>\$24,664</b>

# **APPENDIX C**

## **ANNUAL SERVICE CHARGES FOR INDIVIDUAL PROPERTIES**

**APPENDIX C**

**ELKHORN GOLF COURSE ESTATES MAINTENANCE DISTRICT  
ANNUAL SERVICE CHARGES**

Elkhorn Estates Maintenance District			Annual Water Service Charges					
Assessor's Parcel Number	Use Code	SFE	Current FY 2018-19	Proposed FY 2019-20	Proposed FY 2020-21	Proposed FY 2021-22	Proposed FY 2022-23	Proposed FY 2023-24
07007044	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07007045	22	1.3	\$1,352	\$1,599	\$1,732	\$1,864	\$1,998	\$2,135
07008001	11	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07008002	11	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07008003	11	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07008004	11	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07008005	80	0	\$0	\$0	\$0	\$0	\$0	\$0
07009008	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07009015	920	0	\$0	\$0	\$0	\$0	\$0	\$0
07009026	660	0	metered	metered	metered	metered	metered	metered
07009027	660	0	metered	metered	metered	metered	metered	metered
07009028	660	0	metered	metered	metered	metered	metered	metered
07009029	660	0	metered	metered	metered	metered	metered	metered
07010001	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010002	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010003	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010004	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010005	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010006	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010007	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010008	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010009	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010010	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010011	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010012	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010013	925	0	\$0	\$0	\$0	\$0	\$0	\$0
07010014	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010015	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010016	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010017	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010018	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010019	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010020	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010021	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07010022	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011001	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011002	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011003	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011004	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011005	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011006	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011007	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642

Elkhorn Estates Maintenance District			Annual Water Service Charges					
Assessor's Parcel Number	Use Code	SFE	Current FY 2018-19	Proposed FY 2019-20	Proposed FY 2020-21	Proposed FY 2021-22	Proposed FY 2022-23	Proposed FY 2023-24
07011008	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011009	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011010	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011011	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011012	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011013	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011014	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011015	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011016	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07011017	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012002	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012003	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012004	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012005	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012006	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012007	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012008	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012009	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012010	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012011	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012012	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012013	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012014	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012015	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012016	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07012017	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013001	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013002	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013003	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013004	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013005	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013006	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013007	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013008	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
07013009	10	1	\$1,040	\$1,230	\$1,332	\$1,434	\$1,537	\$1,642
<b>Total</b>			<b>\$73,112</b>	<b>\$86,469</b>	<b>\$93,640</b>	<b>\$100,810</b>	<b>\$108,051</b>	<b>\$115,433</b>

# **APPENDIX D**

## **SFEs BY USE CODE**

**APPENDIX D**

**ELKHORN GOLF COURSE ESTATES MAINTENANCE DISTRICT USE CODES**

USE CODE	DESCRIPTION	MINIMUM SFE FACTOR
		WATER
	<b>RESIDENTIAL</b>	
10	SINGLE FAMILY RESIDENTIAL	1
11	CONDOMINIUM UNIT	1
22	TWO SFDS ON SINGLE PARCEL	1.3
	<b>COMMERCIAL</b>	
80	COMMON AREAS - NO STRUCTURES	0
	<b>RECREATIONAL</b>	
660	18 HOLE PUBLIC GOLF COURSE	0 - metered
	<b>UTILITIES &amp; GOVERNMENT</b>	
920	VAC COUNTY LAND	0
925	MISC COUNTY PROPERTY	Special Study