



**SUNNYSIDE ESTATES MAINTENANCE DISTRICT  
(SUPERVISORIAL DISTRICT 4)**

**May 1, 2019**

(Administered by the Department of Public Works)

**ENGINEER'S REPORT  
ON  
SERVICE CHARGE ADJUSTMENTS  
FOR  
FISCAL YEAR 2019-20 through 2023-24**



Prepared by  
The Department of Public Works

Pursuant to SJC Ordinance Code Section 5-3302 and 5-6812  
and Articles XIII C and XIII D of the California Constitution

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## **SUNNYSIDE 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/sunnyside-ests](http://www.sjgov.org/ud/maint/sunnyside-ests).

The purpose of this report is to provide detailed information regarding the proposed Service Charge adjustments for SUNNYSIDE 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 service. 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. SUNNYSIDE ESTATES MAINTENANCE DISTRICT**

The District is considered a special district pursuant to the definitions of the California Constitution Article 13D, Section 2(d). The County of the San Joaquin Board of Supervisors established the District on June 8, 1967. 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, storm drainage, and street lighting system improvements. The District's water system serves 21 parcels via unmetered service connections.

The District's water system consists of a force main connection to the City of Lodi, 1,550 feet of distribution piping, service connections, fire hydrants, and chlorine feed system.

### **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 2019-202 through 2023-24 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 the amounts set aside periodically to pay for future replacement of the major components of the system and major repairs.

**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 Charge. All parcels benefiting from the District’s services receive an annual Service Charge, which are collected annually through the property tax roll of all customers.

Sunnyside Estates Maintenance District	Current	Proposed				
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Annual Water Service Charge/SFE	\$831	\$1,673	\$1,763	\$1,854	\$1,946	\$2,039

The proposed rate, if approved, will be effective for Fiscal Year 2019-2020 through 2023-2024. Effective Fiscal Years 2024-2025 through 2028-2029, 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 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. 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. A special study was conducted for one property in this District. The property does not receive water service from the District and were assigned 0 SFE.

**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.

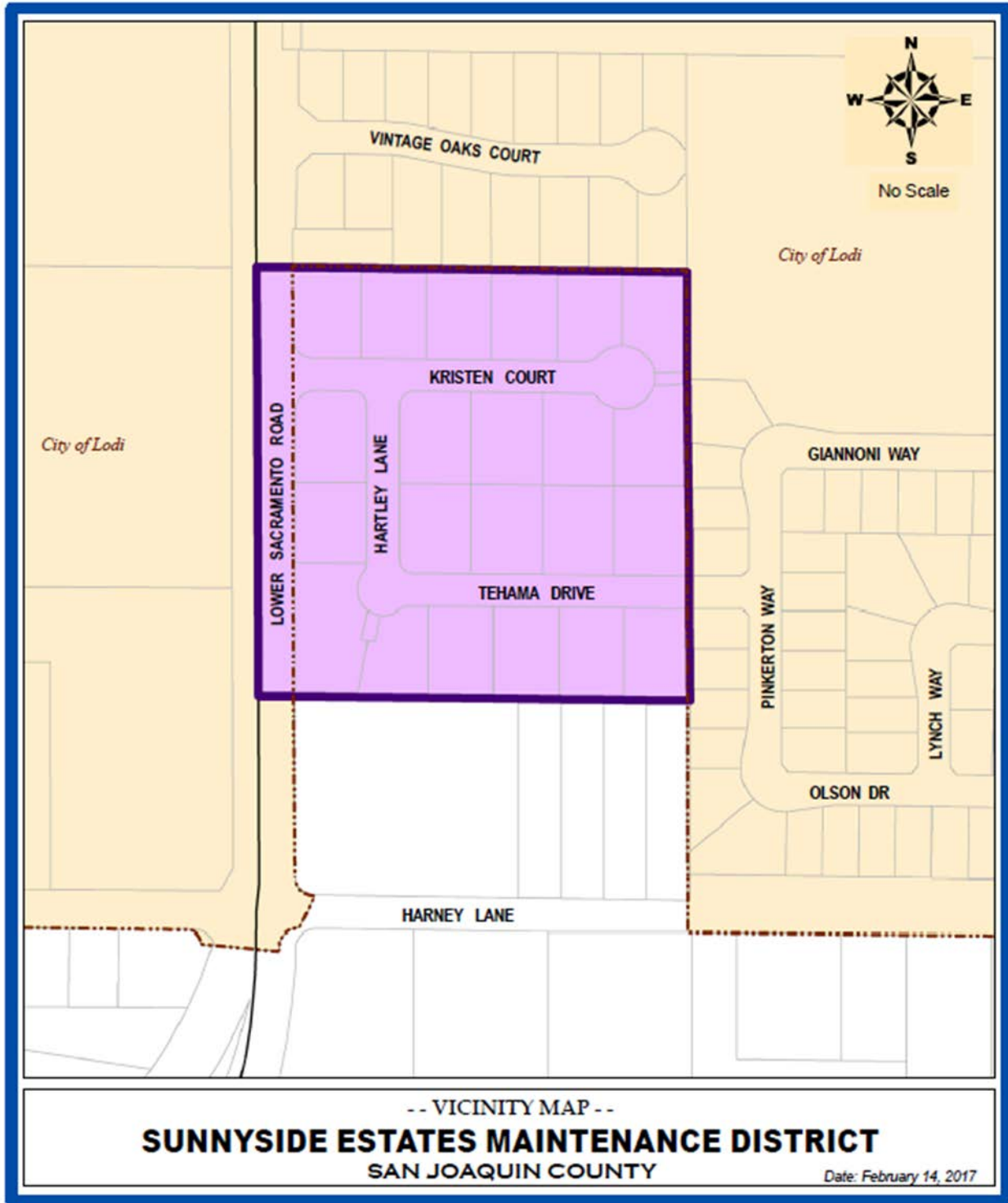
**8. APPEALS AND ADJUSTMENTS**

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**  
**SUNNYSIDE ESTATES MAINTENANCE DISTRICT MAP**



# **APPENDIX B**

## **PROPOSED BUDGET**



**APPENDIX B**  
**SUNNYSIDE ESTATES MAINTENANCE DISTRICT BUDGET**

Sunnyside Estates Maintenance District	Current	Proposed				
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Water SFEs	21	21	21	21	21	21
Annual Water Service Charge/SFE	\$831	\$1,673	\$1,763	\$1,854	\$1,946	\$2,039
Storm SFEs	21	21	21	21	21	21
Annual Storm Service Charge/SFE	\$80	\$80	\$80	\$80	\$80	\$80
Streetlighting SFEs	21	21	21	21	21	21
Annual Streetlighting Service Charge/SFE	\$40	\$40	\$40	\$40	\$40	\$40
<b>Revenue:</b>						
Annual Service Charges	\$19,971	\$37,653	\$39,543	\$41,454	\$43,386	\$45,339
Property Tax and Interest Income	\$2,978	\$2,951	\$2,952	\$2,987	\$3,064	\$3,161
<b>Total Revenue</b>	<b>\$22,949</b>	<b>\$40,604</b>	<b>\$42,495</b>	<b>\$44,441</b>	<b>\$46,450</b>	<b>\$48,500</b>
<b>Expenses:</b>						
<b>Water:</b>						
Labor (maintenance, engineering, admin)	\$9,165	\$9,418	\$9,723	\$10,015	\$10,316	\$10,624
Payment to Lodi	\$25,000	\$22,660	\$23,340	\$24,040	\$24,761	\$25,504
Electricity	\$120	\$124	\$127	\$131	\$135	\$139
License and Permit	\$479	\$493	\$508	\$523	\$539	\$555
Capital Reserves	\$0	\$892	\$1,784	\$2,677	\$3,569	\$4,461
<b>Total Water Expenses</b>	<b>\$34,764</b>	<b>\$33,587</b>	<b>\$35,483</b>	<b>\$37,386</b>	<b>\$39,320</b>	<b>\$41,283</b>
<b>Storm Drainage:</b>						
Labor (maintenance, engineering, admin)	\$1,525	\$1,571	\$1,618	\$1,667	\$1,717	\$1,768
<b>Total Storm Drainage Expenses</b>	<b>\$1,525</b>	<b>\$1,571</b>	<b>\$1,618</b>	<b>\$1,667</b>	<b>\$1,717</b>	<b>\$1,768</b>
<b>Streetlight:</b>						
Labor (maintenance, engineering, admin)	\$385	\$396	\$408	\$420	\$433	\$446
Electricity	\$1,300	\$1,339	\$1,379	\$1,421	\$1,463	\$1,507
<b>Total Streetlighting Expenses</b>	<b>\$1,685</b>	<b>\$1,735</b>	<b>\$1,787</b>	<b>\$1,841</b>	<b>\$1,896</b>	<b>\$1,953</b>
<b>Total Expenses</b>	<b>\$37,974</b>	<b>\$36,893</b>	<b>\$38,888</b>	<b>\$40,893</b>	<b>\$42,933</b>	<b>\$45,004</b>
<b>Annual Surplus (Shortfall)</b>	<b>(\$15,024)</b>	<b>\$3,711</b>	<b>\$3,607</b>	<b>\$3,548</b>	<b>\$3,517</b>	<b>\$3,496</b>
Beginning Operating Fund Balance	(\$11,851)	(\$26,875)	(\$23,164)	(\$19,557)	(\$16,009)	(\$12,492)
<b>Ending Operating Fund Balance</b>	<b>(\$26,875)</b>	<b>(\$23,164)</b>	<b>(\$19,557)</b>	<b>(\$16,009)</b>	<b>(\$12,492)</b>	<b>(\$8,996)</b>
Capital Reserves	\$0	\$892	\$2,677	\$5,353	\$8,922	\$13,383
<b>Total Fund Balance</b>	<b>(\$26,875)</b>	<b>(\$22,272)</b>	<b>(\$16,881)</b>	<b>(\$10,656)</b>	<b>(\$3,570)</b>	<b>\$4,386</b>

# **APPENDIX C**

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

**APPENDIX C**  
**ANNUAL SERVICE CHARGES**

Sunnyside Estates Maintenance District			ANNUAL WATER SERVICE CHARGE					
			CURRENT	PROPOSED				
APN	USE CODE	SFE	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
058-220-01	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-02	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-03	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-04	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-05	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-06	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-08	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-09	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-10	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-11	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-12	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-13	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-14	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-15	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-16	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-17	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-18	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-19	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-20	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-22	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-23	10	1	\$831	\$1,673	\$1,763	\$1,854	\$11,946	\$2,039
058-220-24	925	0	Storm Pond	\$0	\$0	\$0	\$0	\$0
058-220-30	920	0	Well #1 Destroyed	\$0	\$0	\$0	\$0	\$0
058-220-31	920	0	Well #1 Destroyed	\$0	\$0	\$0	\$0	\$0
058-220-32	920	0	Well #2 Destroyed	\$0	\$0	\$0	\$0	\$0
058-220-33	920	0	Well #2 Destroyed	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>		<b>21</b>		<b>\$35,133</b>	<b>\$37,023</b>	<b>\$38,934</b>	<b>\$250,866</b>	<b>\$42,819</b>

# APPENDIX D

## SFEs BY USE CODE

USE CODE	DESCRIPTION	MINIMUM SFE FACTOR
		WATER
	<b>RESIDENTIAL</b>	
10	SINGLE FAMILY DWELLING (SFD)	1
	<b>UTILITIES &amp; GOVERNMENT</b>	
920	VACANT COUNTY LAND	0
925	MISC COUNTY PROPERTY	Special Study