



SAN JOAQUIN
— COUNTY —
Greatness grows here.



Department of Public Works

Kris Balaji, Director of Public Works

Fritz Buchman, Deputy Director/Development

Jim Stone, Deputy Director/Operations

Najee Zarif, Interim Deputy Director/Engineering

Kristi Rhea, Manager of Strategic Initiatives

NOTICE

of Proposed Service Charge Increase & Public Hearing

May 5, 2020

Dear Property Owner:

You are receiving this Notice because you own property within County Service Area 44 Zone E (District), which is a special district administered by San Joaquin County (County). The District provides sewer service to the properties within the District’s boundaries. The Department of Public Works is advising you of a proposed increase to the rates that you pay for sewer service and the Public Hearing regarding the increases.

The annual charges you pay to the District are property related fees collected as part of your property tax bill. The fees fund labor for operation and maintenance, electricity, permits, and administration costs associated with the services. Your rates have only had one 5% increase (2007) since the District was established in 2004. During that time, the County’s costs for this service have increased and an adjustment to your rates is necessary to keep revenues in line with expenses and provide for capital replacement.

District fees are a flat rate charge based on the Single Family Equivalent (SFE) unit. This is the level of service received by the average single family residence. The proposed charges, if approved, will be effective fiscal year 2020-21 through 2024-2025. Beyond this five-year period, the charges will continue at the 2024-2025 rate until district financial conditions justify a rate reduction or another rate increase is approved. The service charges are annual and will continue indefinitely for the purpose of covering all the necessary expenses to operate, maintain and replace the District’s facilities for services.

The table below shows the current and the proposed charges per SFE per fiscal year:

Service	Current Rate 2019-2020	Proposed Rate 2020-2021	Proposed Rate 2021-2022	Proposed Rate 2022-2023	Proposed Rate 2023-2024	Proposed Rate 2024-2025
Annual Sewer Service Charge (per SFE*)	\$1,820	\$2,782	\$2,912	\$3,043	\$3,178	\$3,314

*Parcels with one single family home = 1 SFE. Parcels with two dwelling units = 1.7 SFE.

The San Joaquin County Board of Supervisors approved forgiveness of the district's loan debt contingent upon approval of the proposed rate increase. They will consider adoption of the increase at a Public Hearing on:

Tuesday, July 7, 2020
9:00 AM – Chambers of the Board of Supervisors
44 N. San Joaquin Street, Sixth Floor, Suite 627
Stockton, CA 95202-2924

Any written protests must be received by the San Joaquin County Public Works Department office at 1810 E. Hazelton Ave., Stockton, CA 95205 by 5:00 PM on July 6, 2020, or submitted at the Public Hearing prior to the close of the hearing.

If a rate increase is not passed, service levels within the District will need to be reduced to generate cost savings. The following cost reduction measures may be implemented:

- Reduction of after-hours and weekend service calls
- Reduction of regular maintenance of the system
- Postponement of equipment replacement

Dramatically reduced service levels could lead to operational issues, possibly resulting in State receivership and/or privatization of your system.

ADDITIONAL INFORMATION

The Engineer's Report detailing the rate calculation methodology and revenue requirements are available at the County's website at www.sjgov.org/ud/csa/csa-44-ze. The Engineer's Report can be reviewed at the Office of the Clerk of the Board of Supervisors or at the Public Works office. If you have any questions, or would like to request a community meeting to discuss the increase, please contact Jayna Rutz, Community Infrastructure Engineering Manager, at (209) 468-3697, at the San Joaquin County Department of Public Works.