



NOTICE

of Proposed Service Charge Increase & Public Hearing

August 14, 2024

Dear Property Owner:

You are receiving this Notice because you own property within Elkhorn Estates Maintenance District (District), which is a special district administered by San Joaquin County (County). The District provides water service to the properties within the District’s boundaries. The Department of Public Works is advising you of a proposed rate structure for this service and the Public Hearing regarding the rate structure.

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 maintenance and repairs, electricity for pump operation, Stockton East Water District pump tax, water testing, and administration costs associated with this service. Unfortunately, due to increasing expenses and capital replacement needs, the revenue collected is far less than what is needed to maintain the current level of services.

A proposed rate structure is required to properly align the District’s revenues with the cost of providing service and contribution to capital replacement revenues. The remaining contribution towards full capital replacement is phased in over five years to provide property owners with a gradual increase in the rate.

Fees for residential properties in the District are an annual 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 2024-2025 through fiscal year 2028-2029. The charges will continue after this time period at the fiscal year 2028-2029 rate, and any additional increases would require another notice of proposed increase and Public Hearing. The service charges are annual and will continue indefinitely for the purpose of covering the necessary expenses to operate and maintain water services.

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

Service	Current Rate (2023-2024)	Proposed Rates (per year)				
		2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
Annual Water Service Charge (per SFE*)	\$1,642	\$2,096	\$2,208	\$2,327	\$2,454	\$2,589

*One SFE is assigned to every single-family home in this District.



The San Joaquin County Board of Supervisors will consider adoption of the rate structure at a Public Hearing on:

Tuesday, October 8, 2024
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 October 7, 2024, 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

ADDITIONAL INFORMATION

The Engineer's Report detailing the rate calculation methodology and revenue requirements are available at the County's website at:

<https://www.sjgov.org/departments/pwk/special-districts-home/maint-districts/elkhorn-estates-md>

The Engineer's Report can be reviewed at the Office of the Clerk of the Board of Supervisors or at the Public Works' office.

An informational community meeting will be held to discuss the proposed service charges and answer your questions. The public meeting information is below:

Wednesday, September 11, 2024
6:30 pm – 7:30 pm
Elkhorn Elementary School – Multi-Purpose Room
10505 Davis Road
Stockton, CA 95209

If you have any questions, please contact Robert Davalos, Community Infrastructure Engineering Manager, at (209) 468-3697, at the San Joaquin County Department of Public Works.