

**ENGINEER'S REPORT**

**FOR TAMARACK ESTATES  
FRESNO COUNTY SERVICE AREA NO. 1,**

**STANDBY CHARGE ASSESSMENT FOR  
OPERATIONS & MAINTENANCE OF  
POTABLE WATER FACILITIES**

**AND**

**FOR  
OPERATIONS & MAINTENANCE OF  
SEWER FACILITIES**



**Prepared By:**  
**County of Fresno Department of Public Works and Planning**  
Steven E. White, Director

**May 7, 2020**

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## PREAMBLE AND CERTIFICATES

STANDBY CHARGE ASSESSMENT FOR POTABLE WATER FACILITIES AND STANDBY CHARGE ASSESSMENT FOR SEWER FACILITIES, COUNTY SERVICE AREA No. 1

Under Subsection (b) of Section 4 of Article XIID of the California Constitution, and Section 54984.3 of the California Government Code, in the Uniform Standby Charge Procedures Act, I certify that I am a registered professional engineer certified by the State of California, and hereby respectfully submit the enclosed Engineer's Report.



5/10/2020

Date Signed

Design Engineer: \_\_\_\_\_

FRESNO COUNTY  
Department of Public Works and Planning  
2220 Tulare Street, Seventh Floor  
Fresno, CA 93721-2106

Steven E. White, PE 37402  
Lic. Expiration: 6/30/2020

I Hereby Certify that the enclosed Engineer's Report and attached Standby Charge Assessment Roll was delivered and filed with me on June 9, 2020, 2020.

Bernice E Siedel, Clerk to the Board  
County of Fresno, State of California

By Bernice E Siedel

## Engineer's Report Standby Charge Assessment CSA 1

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### EXECUTIVE SUMMARY

County Service Area 1 (CSA 1) was formed in 1962 to provide community water, sewer, and snow removal services for the subdivision known as Tamarack Estates, located nine miles south of Huntington Lake. The subdivision contains a total of 45 lots, 38 of which are developed, 6 are undeveloped, and one contains a 10-unit motel.

Beginning in fiscal year 2006-07, the water and sewer service budgets were separated from snow removal services. The water and sewer budget is currently funded with revenue from annual service charges. The water and sewer budget is also funded with a portion of ad valorem property tax revenues.

The last Proposition 218 hearing, by which the water and sewer annual service charges were increased, was conducted on November 1, 2005. The water and sewer annual service charge was increased to a total of \$1,201.95 per year for developed single family residential parcels (1 EDU), \$4,567.40 for the parcel with the motel (3.8 EDUs), and \$125.52 for vacant parcels. The annual service charges were determined based on services, supplies, and labor costs at the time with no adjustments for inflation.

The costs of operating CSA 1 facilities have exceeded revenues since 2015 and will continue to do so unless the proposed standby charge assessment described in this report is levied. For the period from 2015 to today, the average annual operation and maintenance budget was \$97,344, while revenues from the water and sewer annual service charges have been constant at \$49,910. Ad valorem property tax revenues have not been sufficient to make up the difference. As a result, cash reserves have been depleted. Revenues need to be increased to not only meet expenses, but also, in accordance with Board of Supervisors (Board) policy adopted November 7, 2006, to build a cash reserve of a minimum of fifty percent of the average of the last three fiscal years' annual operation costs.

On June 29, 2019, Department of Public Works and Planning staff met with the Citizens Advisory Committee (CAC) and CSA 1 community members and discussed the need to initiate the Proposition 218 process to increase revenue due to the deficiency in funds to operate and maintain the CSA 1 facilities. The CAC and community indicated its desire to maintain and appropriately fund their community water and sewer system and recommended a Proposition 218 proceeding to increase CSA 1 revenue. Department staff informed the CAC and CSA 1 community members on October 28, 2019, that Staff would prepare documents and recommend to the Board a Proposition 218 proceeding to levy a standby charge assessment that is designed, in conjunction with ad valorem property tax revenues, to generate revenue sufficient to maintain and appropriately fund the community water and sewer system, as desired by the CAC and the community. Department staff meet with the Citizens Advisory Committee (CAC) and CSA 1 community members again on May 29, 2020, to review the proposed standby charge assessment and the Proposition 218 process for a standby charge assessment.

A notice and standby charge assessment ballot will be mailed to all of the property owners within CSA 1 no later than 45 days before the public protest hearing to be scheduled for August 4, 2020, in accordance with Proposition 218.

The proposed standby charge assessment described in this Report is to fund the "Water and Sewer Services," which include:

- the supply, treatment, and distribution of potable water;
- the collection, treatment, and disposal of raw sewage;
- an operations and maintenance reserve; and

## Engineer's Report Standby Charge Assessment CSA 1

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- costs associated with administering utility bills, financial audit requirements, liability insurance and other administrative costs.

The total amount of the proposed standby charge assessment chargeable to the entire CSA 1 is **\$121,890.00 in fiscal year 2020–2021, \$125,546.70 in fiscal year 2021–2022, \$129,313.34 in fiscal year 2022–2023, \$133,192.79 in fiscal year 2023-2024, and \$137,188.39 in fiscal year 2024-2025.** Each year after that, beginning in fiscal year 2025–2026, the maximum annual standby charge assessment may be increased over the previous year's standby charge assessment to account for inflation, as stated in the Engineer's Report.

The amount of the proposed standby charge assessment chargeable to the single family residential parcels (1 EDU) identified in this notice is **\$2,550.00 in fiscal year 2020–2021, \$2,626.50 in fiscal year 2021–2022, \$2,705.30 in fiscal year 2022–2023, \$2,786.46 in fiscal year 2023-2024, and \$2,870.05 in fiscal year 2024-2025.** Each year after that, beginning in fiscal year 2025–2026, the maximum annual standby charge assessment chargeable to the residential parcels identified in this Report may be increased over the previous year's standby charge assessment to account for inflation, as stated in the Engineer's Report.

The amount of the proposed standby charge assessment chargeable to the motel parcel (3.8 EDU's) identified in this notice is **\$9,690.00 in fiscal year 2020–2021, \$9,980.70 in fiscal year 2021–2022, \$10,280.14 in fiscal year 2022–2023, \$10,558.55 in fiscal year 2023-2024, and \$10,906.19 in fiscal year 2024-2025.** Each year after that, beginning in fiscal year 2025–2026, the maximum annual standby charge assessment chargeable to the motel parcel identified in this Report may be increased over the previous year's standby charge assessment to account for inflation, as stated in the Engineer's Report.

## **PART 1 – INTRODUCTION**

### **1.1 Background**

CSA 1 was formed in 1962 to provide services for the subdivision of Tamarack Estates which is located along California State Highway 168, nine miles South of Huntington Lake. The services provided are community water, community sewer and snow removal. Snow removal services were separated from CSA 1's budget in fiscal year 2006-2007 and are now provided through CSA 1S. The water and sewer budget is currently funded with revenue from annual service charges. The water and sewer budget is also fund with a portion of ad valorem property tax revenues.

Maintenance of the community water and sewer facilities are provided by the Department of Public Works and Planning (Department) staff through a contract with McMillan Mountain Services, a company licensed to operate water and sewer systems.

The costs of operating CSA 1 facilities have exceeded revenues generated by the current charges imposed on property in CSA 1 since 2015 and will continue to do so unless the proposed Assessment described in this Report is levied. For the period from 2015 to today, the average annual operation and maintenance budget was \$97,344, while revenues from charges have been constant at \$49,910. Ad valorem property tax revenues have not been sufficient to make up the difference. As a result, cash reserves have been depleted. Revenues need to be increased to not only meet expenses, but also, in accordance with Board policy adopted November 7, 2006, to build a cash reserve of a minimum of fifty percent of the average of the last three fiscal years' annual operation costs.

On June 29, 2019, Department of Public Works and Planning staff met with the Citizens Advisory Committee (CAC) and CSA 1 community members and discussed the need to initiate the Proposition 218 process to increase revenue due to the deficiency in funds to operate and maintain the CSA 1 facilities. The CAC and community indicated its desire to maintain and appropriately fund their community water and sewer facilities and recommended a Proposition 218 proceeding to increase CSA 1 revenue. At the meeting the need for water and sewer infrastructure replacement was also discussed, however, the recommendation of the CAC was that the water and sewer charge rate adjustments should be the first priority and the needed infrastructure updates should be addressed at a later time. Department staff informed the CAC and CSA 1 community members on October 28, 2019, that Staff would prepare documents and recommend to the Board a Proposition 218 proceeding to levy a standby charge assessment that is designed, in conjunction with ad valorem property tax revenues, to generate revenue sufficient to maintain and appropriately fund the community water and sewer system, as desired by the CAC and the community. The proposed Assessment will be collected on the tax roll with the County's general property taxes. Department staff meet with the Citizens Advisory Committee (CAC) and CSA 1 community members again on May 29, 2020, to review the proposed Assessment and the Proposition 218 process for a standby charge assessment.

As required by the Uniform Standby Charge Procedures Act (Government Code sections 54984 through 54984.9), specifically section 54984.3, subdivision (a), of the Government Code, and the California Constitution Article XIII D, an Engineer's Report (Report) prepared by a registered professional engineer certified by the State of California must be on file with the Clerk of the Board and available for public inspection in its entirety.

This Report, prepared pursuant to the provisions of the California Constitution Article XIII D, and the Uniform Standby Charge Procedures Act, includes the cost to fund the continued

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maintenance of the community water and sewer facilities to each of the 44 single family residential parcels and the motel parcel in CSA 1.

Owners of property within CSA 1 will have the opportunity, in a single ballot measure, to indicate their support of or opposition to the levy by the Board of the proposed standby charge assessment (Assessment) in the amount described in this Report, for an amount that is specific to each parcel's financial obligation, to fund the Water and Sewer Services.

The procedures and requirements for imposing the Assessment are provided in Section 4 of Article XIII D of the California Constitution; the Proposition 218 Omnibus Implementation Act, which is codified at Government Code, Section 53750 et seq.; and the Uniform Standby Charge Procedures Act.

A notice and standby charge assessment ballot will be mailed to all of the property owners within CSA 1 no later than 45 days before the public protest hearing to be scheduled for August 8, 2020, in accordance with Proposition 218.

### **1.2 Description of Lands Subject to Assessment**

CSA 1 is described as Tract Map No. 1776, recorded in Volume 20 of Plats at Page 83 of Fresno County Records, Parcel Map No. 2804, recorded in Book 19 of Parcel Maps at Page 17 of Fresno County Records, and Parcel Map No. 7313, recorded in Book 51 of Parcel Maps at Page 28 of Fresno County Records, the locations of which are in the Northeast one-quarter of Section 35, Township 8 South, Range 25 East, Mount Diablo Base and Meridian.

For a detailed boundary description of CSA 1, see Exhibit D to this Report.

Those parcels in CSA 1 specially benefiting from the facilities, including the operations and maintenance of those facilities, and any improvements or repairs to those facilities, identified by Assessor's Parcel Number in the Standby Charge Assessment Roll attached to this Report as Exhibit A are subject to the proposed Assessment described in this Report.

For a detailed description of the parcels subject to the Assessment presented in this Report, reference is made to the maps of record on file in the office of the Assessor for the County. Those maps shall govern for all details concerning the lines and dimensions for such parcels.

### **1.3 Determination of Special Benefit**

The Water and Sewer Services are not services that are generally provided by the County.

The Water and Sewer Services are provided to properties within CSA 1 and therefore provide special benefit to those properties. Revenues from the proposed Assessment will be expended only for provision of the Water and Sewer Services to specially benefit property within CSA 1.

There is no general benefit conferred on any parcel by the Water and Sewer Services and only those properties within CSA 1 would be specially benefitted by the Water and Sewer Services.

**PART 2 – ASSESSMENT**

**2.1 Description of Assessment and Method of Levy**

The proposed Assessment is to provide a method for all parcels that receive a special benefit from the Water and Sewer Services to pay their proportional share of the cost of providing those Water and Sewer Services.

The proposed Assessment shall be collected by the County in the same manner, and subject to the same penalties, as other fees, charges, and taxes fixed and collected by the County. The County's reasonable cost to collect the Assessment each year is included in the CSA 1 operations and maintenance budget attached as Exhibit B.

Penalties may be collected for late payment of the Assessment, or unpaid amount, in the manner and at the same rates as that applicable for late payment or the amount thereof unpaid of County general taxes.

The Assessment will be imposed, if there is no majority protest, beginning in tax year 2020-21 and each year after in accordance with the Assessment Roll attached as Exhibit A to this Report, until the Board, at the Board's discretion, reduces or terminates the Assessment, or until a proposed increase in the Assessment, if any, is approved in another Proposition 218 proceeding.

The revenue derived from the Assessment shall not be used to pay the cost of any service other than the Water and Sewer Services. The annual aggregate amount of the Assessment shall not exceed the estimated annual cost of providing the Water and Sewer Services.

**2.2 Methodology for Estimated Costs**

This report estimates the cost of providing the Water and Sewer Services based on historical expenditure data provided by the Department's Special District's administration. Actual expenditures for fiscal years 2016-17, 2017-18 and 2018-19 were averaged to use as a base for estimating the final expenditures for fiscal year 2019-20. The average expenses of the past 3 completed fiscal years is shown below in Table 1.

**Table 1**

Average Expenditures	Total	Water	Sewer
7101 Insurance	\$ 824	\$ 466	\$ 358
7205 Maintenance - Equipment	\$ 20,749	\$ 18,987	\$ 1,762
7220 Maintenance - Buildings/Grounds	\$ 13,817	\$ 8,368	\$ 5,449
7250 Memberships	\$ 156	\$ 78	\$ 78
7268 Postage	\$ 53	\$ 53	-
7287 PeopleSoft	\$ 2,548	\$ 2,548	-
7295 Professional and Specialized Services	\$ 58,324	\$ 34,961	\$ 23,363
7430 Utilities	\$ 4,321	\$ 4,321	-
<b>ESTIMATED TOTAL AVERAGE EXPENDITURES</b>	<b>\$ 100,792</b>		
<b>TOTAL AVERAGE EXPENDITURES BY SERVICES</b>		<b>\$ 69,783</b>	<b>\$ 31,010</b>

Table 1 presents the average expenses for the past 3 completed fiscal years. These figures are then adjusted based on actual fiscal year 2019-20 expenditures at the time this Report was written, which are displayed below in Table 2.



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**Table 2**

<b>FY 2019-20 Expenditures thru March 2020</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>
7101 Insurance	\$ 867	\$ 516	\$ 351
7205 Maintenance - Equipment	\$ 6,493	\$ 5,752	\$ 741
7220 Maintenance - Buildings/Grounds	\$ 2,000	\$ 2,000	-
7250 Memberships	\$ 150	\$ 75	\$ 75
7268 Postage	\$ 25	\$ 25	-
7287 PeopleSoft	\$ 1,499	\$ 1,499	-
7295 Professional and Specialized Services	\$ 74,434	\$50,555	\$23,879
7430 Utilities	\$ 2,800	\$ 2,800	-
<b>TOTAL EXPENDITURES THRU MARCH 2020</b>	<b>\$ 88,269</b>		
<b>TOTAL EXPENDITURES BY SERVICES THRU MARCH 2020</b>		<b>\$63,222</b>	<b>\$25,046</b>

Then these figures are adjusted for any additional known expenses that are expected to hit CSA 1 this fiscal year, and for inflation from prior year expenses. Estimated expenditures for fiscal year 2019-20 are presented below in Table 3 and can also be found in Exhibit B of this Report.

**Table 3**

<b>FY 2019-20 Year End Estimated Expenditures</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>
7101 Insurance	\$ 882	\$ 524	\$ 358
7205 Maintenance - Equipment	\$ 14,000	\$12,000	\$ 2,000
7220 Maintenance - Buildings/Grounds	\$ 6,000	\$ 5,650	\$ 350
7250 Memberships	\$ 150	\$ 75	\$ 75
7268 Postage	\$ 215	\$ 215	-
7287 PeopleSoft	\$ 3,000	\$ 3,000	-
7295 Professional and Specialized Services	\$ 115,000	\$71,500	\$43,500
7430 Utilities	\$ 4,861	\$ 4,861	-
<b>TOTAL ESTIMATED 2019-20 EXPENDITURES</b>	<b>\$ 144,108</b>		
<b>TOTAL ESTIMATED 2019-20 EXPENDITURES BY SERVICES</b>		<b>\$97,825</b>	<b>\$46,283</b>

Table 3 presents the estimated expenditures for fiscal year 2019-20 and can also be found in Exhibit B of this Report. These figures have been adjusted from the figures presented in Table 1 based on the following criteria:

- Accounts 7205 Maintenance – Equipment and 7220 Maintenance Building/Grounds have been adjusted for inflation.
- For Accounts 7101 – Insurance, 7287 People Soft and 7430 – Utilities, using the average expenditures would cause futures expenses to be underestimated as these accounts typically see an increase in expenditures with each year. Therefore, the actual expense (\$882) from fiscal year 2018-19 were used as a base figure and then adjusted for inflation using that rate. Account 7430 – Utilities was adjusted at a higher rate to account for rising electrical costs expected in 2020.
- Account 7268 – Postage was increased significantly in fiscal year 2019-20 to account for the increase mailings that are associated with the Proposition 218 process. This account was adjusted back down to \$60 in fiscal year 2020-21.
- Account 7295 – Professional and Specialized Services was projected based on actual costs posted to the account at the time this Report was written (\$74,434), known future expense that will hit the account before year end (for example the remaining amount of the contract for water and sewer system operations), and the

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average emergency water line repair costs that CSA 1 has experienced the past 3 years (\$28,000). In addition, \$25,000 in expenses was added to fiscal year 2019-20 to account for the costs associated with a Prop 218 and Engineer's Report. This expense was taken out of the account in fiscal year 2020-21 and the years thereafter.

Projected expenditures for fiscal year 2019-20 and estimated expenditures for fiscal years 2020-21 through 2024-25 are presented in Exhibit B of this Report.

### **2.3 Methodology for Degree of Special Benefit Conferred**

Special benefit to real property, for the purposes of this Report, and the apportionment of the proposed Assessment, is based on the provision of Water and Sewer Services. The purpose of this Assessment is to provide the revenues necessary to pay the cost of providing Water and Sewer Services to parcels in CSA 1 and does not exceed the reasonable cost of the special benefit conferred on the parcels within CSA 1.

As stated in Section 1.2 of this Report, the costs of providing the Water and Sewer Services have exceeded revenues since 2015 and will continue to do so unless the proposed Assessment is levied. From 2015 to today, the average annual operation and maintenance budget was \$97,344, while revenues from the annual service charge have been constant at \$49,910. Ad valorem property tax revenues have not been sufficient to make up the difference. Consequently, cash reserves have been depleted over the years. Going forward, revenues need to be increased to not only meet expenses, but also, in accordance with Board policy adopted November 7, 2006, maintain a cash reserve for operations and maintenance of a minimum of fifty percent of the average of the last three fiscal years' annual operation costs.

Revenue to provide the Water and Sewer Services will be generated from the Assessment and ad valorem property taxes levied on properties in CSA 1 allocated to CSA 1. No other fees or charges are collected for the Water and Sewer Services. The revenue collected from the proposed Assessment as estimated in Exhibit B of this Report combined with the revenue from the ad valorem property taxes meets but does not exceed the funding necessary to provide the Water and Sewer Services as described in Section 1.4 of this Report.

### **2.4 Method of Apportionment**

The method of apportioning the total cost of providing the Water and Sewer Services to the parcels in CSA 1 in proportion to the estimated special benefit each parcel will receive from provision of the Water and Sewer Services is based on how these Water and Sewer Services confer a particular and distinct benefit on real property in CSA 1 over and above general benefits conferred on real property located in CSA 1 or to the public at large. The discussion on the apportionment of those costs is as follows:

#### **Potable Water Service – Residential Parcels**

Potable water service for which the Assessment is proposed is provided only to the properties in CSA 1 through individual service connections to the water distribution system. All water service laterals and connections for residential parcels are of equal size. Potential potable supply is expected to be equal to all residential properties in CSA 1. Based on equal potential for use of the potable water system the proportional benefit to each residential property for water service is equal and the cost of that service is apportioned equally to all residential properties in CSA 1. The quantity of each residential parcel's expected use of potable water services is defined as one Equivalent Dwelling Unit (EDU).

**Potable Water Service – Motel Parcel**

Potable water service for which the Assessment is proposed is provided only to the properties in CSA 1 through individual service connections to the water distribution system. The motel's relative special benefit is based on a comparison of the number of fixture units, as defined in the Uniform Plumbing Code, in the motel to the average residential unit within CSA 1. Because the motel parcel contains 3.8 times the number of fixtures compared to the average residential unit within CSA 1, the motel parcel has the potential to access the potable water supply 3.8 times more than each of the residential parcels. Based on potential use of the potable water system, the relative special benefit to the motel parcel is determined to be equal to 3.8 EDU's. The total amount assessed to the motel parcel for potable water service is 3.8 times the total amount assessed to each residential parcel.

**Sewer Service – Residential Parcel**

Sewer service for which the Assessment is proposed is provided only to the properties in CSA 1 through individual service connections to the sewage collection system. All sewer service laterals and connections for residential parcels are of equal size. Potential usage of the sewage system is equal to all residential properties in CSA 1. Based on equal potential for use of the sewage collection system the proportional benefit to each residential property for sewer service is equal and the cost of that service is apportioned equally to all residential properties in CSA 1. The quantity of each residential parcel's expected use of sewer services is defined as one EDU.

**Sewer Service – Motel Parcel**

Sewer service for which the Assessment is proposed is provided only to the properties in CSA 1 through individual service connections to the sewage collection system. The motel's relative special benefit is based on a comparison of the number of fixture units, as defined in the Uniform Plumbing Code, in the motel to the average residential unit within CSA 1. Because the motel parcel contains 3.8 times the number of fixtures compared to the average residential unit within CSA 1, the motel parcel has the potential to utilize the sewer system 3.8 times more than the residential parcels. Based on potential use of the sewage collection system, the relative special benefit to the motel parcel is determined to be equal 3.8 EDU's. The total amount assessed to the motel parcel for sewer service is 3.8 times the total amount assessed to each residential parcel.

With all residential parcels receiving an equal special benefit from the Water and Sewer's Services each property's proportionate share of cost is equal and the motel parcel assessed 3.8 times the amount assessed to each residential parcel as shown in the Assessment Roll attached as Exhibit A of this Report.

There are two parcels within the boundary of CSA 1 that are owned by the County of Fresno. These parcels do not receive Water and Sewer Services from CSA 1, but are used to house the infrastructure necessary to provide Water and Sewer Services in CSA 1. As such these parcels do not receive a special benefit and will not be assessed.

The proposed Assessment is proportional to the special benefit derived by each individual property in relationship to the entirety of the cost of the Water and Sewer Services. No assessment exceeds the reasonable cost of the proportional special benefit conferred on each property.

**2.5 Compilation of Assessment**

The Assessment described in this Report is an annual standby charge assessment. The Assessment is for Water and Sewer Services.

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A portion of the ad valorem property taxes levied on properties in CSA 1 is allocated to CSA 1's operations and maintenance reserve. The amount of ad valorem property tax revenues allocated to CSA 1 fluctuates from year to year, but trends upward. The average annual increase in the allocation over the past 12 years has been 1.1%. For that reason, this report projects that the amount of ad Valorem property tax revenues allocated to CSA 1 in FY 2020-21 will be \$29,541.42, which is an increase of 1.1% over the actual allocation for FY 2019-20. Ad valorem property tax revenue will be deposited directly into the operations and maintenance reserve fund and can be utilized in years that assessment income does not cover all of the year's expenditures.

The total proposed annual standby charge assessment to each residential parcel (1 EDU) in CSA 1 is listed in Table 3 below:

**Table 3**

Fiscal Year				
2020/21	2021/22	2022/23	2023/24	2024/25
<b>\$2,550.00</b>	<b>\$2,626.50</b>	<b>\$2,705.30</b>	<b>\$2,786.46</b>	<b>\$2,870.05</b>

The total proposed annual standby charge assessment to the motel parcel (3.8 EDU's) in CSA 1 is listed in Table 4 below:

**Table 4**

Fiscal Year				
2020/21	2021/22	2022/23	2023/24	2024/25
<b>\$9,690.00</b>	<b>\$9,980.70</b>	<b>\$10,280.14</b>	<b>\$10,588.55</b>	<b>\$10,906.19</b>

The total proposed Assessment to all properties within CSA 1 is listed in Table 5 below:

**Table 5**

Fiscal Year				
2020/21	2021/22	2022/23	2023/24	2024/25
<b>\$121,890.00</b>	<b>\$125,546.70</b>	<b>\$129,313.34</b>	<b>\$133,192.79</b>	<b>\$137,188.39</b>

The proposed maximum Assessment includes a maximum inflation factor of 3% per year for every year shown. The indexing for inflation in subsequent years is discussed later in this section. The maximum Assessment as indexed for inflation may not exceed the cost to provide the Water and Sewer Services. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the Water and Sewer Services. Assessment calculations are found in Exhibit B of this Report.

The Assessments as presented in the Assessment Roll (Exhibit A) and further shown in the Assessment Calculations Summary (Exhibit B) under Total Assessment / EDU are the maximum Assessment that may be imposed to each parcel in CSA 1.

The Board on November 7, 2006, adopted a policy that all County Service Areas, including CSA 1, must maintain a minimum maintenance and operations reserve equal to 50% of the

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average of the three previous years' expenditures. To lessen the impact of the creation of this reserve, the 50% reserve requirement does not have to be met until year 5 of the assessment. The reserve amounts presented in Exhibit B represent a continuing increase in the cumulative reserve balance amount and reach the required 50% reserve requirement in year 5 of the Assessment. These amounts are established and carried based on the maximum Assessments being charged every year for five years.

The 50% reserve amount required in year 5 for the water system is \$50,093.02, which is calculated by taking 50% of the average of projected water system expenditures for FYs 2022-23, 2023-24 and 2024-25. The estimated cash reserve attributable to the water system at the end of FY 2019-20 is estimated to be negative \$59,202.95. That means a minimum total of \$109,295.97 needs to be collected for the water system reserve by year 5 of the assessment.

The 50% reserve amount required in year 5 for the sewer system is \$19,650.03, which is calculated by taking 50% of the average of projected sewer system expenditures for FYs 2022-23, 2023-24 and 2024-25. The estimated cash reserve attributable to the sewer system at the end of FY 2019-20 is estimated to be negative \$1,999.67. That means a minimum total of \$21,649.70 needs to be collected for the sewer system reserve by year 5 of the assessment.

If these reserve contributions were spread out equally between the 5 years, the CSA 1 assessments would see an increase of 5% per year. To keep the assessment inflation factor at 3%, a higher portion of the reserve is collected initially, and lower portions in each successive year. This also helps the CSA 1 reserve cash balance come back onto the positive sooner than if the portion of the assessment attributable to the reserves were spread out equally every year.

For an itemization of the costs to be funded by the proposed Assessment including project reserve amounts, see Exhibit B of this Report.

### **Indexing for Inflation**

The maximum Assessment for each year for a five-year period as presented in Exhibit B of this report is increased each year by 3% over the prior year, to account for increased costs. After the fifth year, Assessments may be increased annually by a factor equal to the average annual change for the San Francisco-Oakland-San Jose Consumer Price Index – All Items (SFCPI-U) up to a maximum of 3% over the prior year.

Any further increased standby charge assessment, above the maximum total Assessment provided in this Report, is subject to the notice and majority protest requirements of Proposition 218.

## **PART 3 – SUMMARY**

### **3.1 Summary of Procedures**

The assessment methodology utilized is as described in the text of this Report. Based on this methodology, the Assessment for each parcel was calculated, and is as shown on the Assessment Roll attached as Exhibit A to this Report.

Each parcel of land within CSA 1 has been identified by Assessor's Parcel Number. A Noticing List containing parcel ownership and mailing address information has been prepared and is shown in Exhibit C of this Report.

Upon preliminary approval of this Report, the Clerk will give notice of the public hearing and proposed Assessment by mailing an official notice to all persons owning real property subject to the proposed Assessment. A ballot will be mailed with the official notice. The ballot will make provision for casting an affirmative or protest vote.

As required by Section 4 of Article XIID of the California Constitution, a property owner ballot must be enclosed with the notice, along with a self-addressed, return envelope by which the ballot may be returned to the Clerk of the Board. This ballot may be used by the owner or owners of any parcel to express either support for or opposition to the proposed Assessment. The ballot instructions will describe the alternative methods for submitting the ballot either by mail or by personal delivery, either prior to or at the time of the public hearing of protests.

Immediately following the close of the public hearing of protests, the returned ballots will be tabulated, both in support of and in opposition to the proposed Assessment, with each ballot being weighted in accordance with the amount of the proposed Assessment, and the results will be announced; provided that, in the event that the Clerk of the Board requires opportunity to determine whether any ballot has been properly signed by an owner or authorized representative of any owner, the Board, at their discretion, could continue the matter of announcing results to provide the Clerk with such opportunity.

If ballots in opposition exceed ballots in support, there will be a "majority protest" and the Board will be precluded from proceeding with the proposed Assessment.

If a weighted simple majority of ballots cast by parcel owners (weighted according to each parcel's proportional financial obligation) are affirmative, the Board will proceed to confirm the Assessment and order the Assessment to be levied as proposed in this Report. If a weighted majority of the ballots cast protest the proposed Assessment, the proposed Assessment must be abandoned.

### **3.2 Declarations**

1. Contents: Article XIID. This written Report, pursuant to Article XIID, Section 4 of the Constitution, contains all of the following:
  - A. The attached Exhibit A identifies the Assessment schedule for CSA 1.
  - B. Section 1.3 of this Report identifies and describes parcels which have special benefit conferred on them and on which the Assessment will be imposed.
  - C. It is my determination that the proportionate special benefit derived by each identified parcel in relationship to the entirety of the Assessment to be levied is as set in Section 2.3 of this Report.

**Engineer's Report**  
**Standby Charge Assessment CSA 1**

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- D. It is my determination pursuant to Sections 2.2 and 2.3 of this Report that no Assessment proposed to be levied on any parcel exceeds the reasonable cost of the proportional special benefit conferred on that parcel.
- E. It is my determination that the only benefits assessed are special and that general benefits have been separated from the special benefits conferred on any parcel.
- F. There are no parcels owned by any public agency identified and described on the attached Exhibit A receiving a special benefit from the proposed Assessment.

**EXHIBIT A**  
**PROPOSED STANDBY CHARGE ASSESSMENT**  
**COUNTY SERVICE AREA No. 1**  
**ASSESSMENT ROLL**

Assessment Number	Residential Parcels (1 EDU)		Fiscal Year				
	APN	Owner Name	2020/21	2021/22	2022/23	2023/24	2024/25
1	11321106	APPLE MARY W TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
2	11321206	DAVIES DONALD ALBERT	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
3	11321207	HEERS ALAN R & CANDICE E TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
4	11321113	BUTLER MICHAEL & DEBORAH	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
5	11321205	ONEIL-TENNANT DANIEL ANDREW LEWIS	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
6	11321114	WAINWRIGHT RICHARD JAMES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
7	11321204	BIANCO PHILIP S & MAUREEN A	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
8	11321208	DA SILVA ANNA TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
9	11321115	STOKER NOEL G & CAROL R TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
10	11321203	ENIX DANNY E	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
11	11321209	HIGGINBOTHAM ROBERT W & MICHELLE A	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
12	11321116	KENDALL JAMES D & MARILYN J	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
13	11321202	KELLEY WILLIAM T & CAROLE A TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
14	11321210	SCOTT MARSHALL P TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
15	11321102	STETSON ANTHONY & TRICIA	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
16	11321117	ROBINSON GLENN & BETTY TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
17	11321201	BARGES RYAN C & SANDRA M	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
18	11321211	TILLEY JAMES W & DENISE K TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
19	11320301	MADSEN JOSHUA & TIFFANY STOKER TRS	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
20	11320207	ENGLAND MARK	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
21	11320201	TICHENOR ALFRED H & MELINDA S TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
22	11320302	TURNER RICHARD S & HEATHER C TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
23	11320206	WILSON BARRETT E & VALERIE A TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
24	11320202	TURPIN WILLIAM R & SHIRLEY ANN	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
25	11320303	MARKUS LENA TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
26	11320205	SANDERS GARRETT & NELDA	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
27	11320203	HERROLD ELAINE R TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05



**EXHIBIT A**  
**PROPOSED STANDBY CHARGE ASSESSMENT**  
**COUNTY SERVICE AREA No. 1**  
**ASSESSMENT ROLL**

Residential Parcels (1 EDU)		Fiscal Year					
Assessment Number	APN	Owner Name	2020/21	2021/22	2022/23	2023/24	2024/25
28	11320304	LAMBERT BARBARA E TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
29	11320106	AUSTIN ROBERT & DARLA	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
30	11320204	FIELD LUKE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
31	11320305	MC GUIRE JOHN KINGSLEY JR/MARGARET A	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
32	11320306	WENDT DAVID JR & DEBBIE L	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
33	11320307	PARKER LEE A JR	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
34	11320308	PINHEIRO STEVEN J & DIANNE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
35	11321107	STEINER HANS L & CAROL A	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
36	11321108	STEINER HANS L & CAROL A	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
37	11321109	NOLEN MICHAEL K & SHERRY R K	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
38	11321110	GUZMAN TONY RAYMOND & JENNIFER COCK	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
39	11321111	ROMANACCE ROBERT L TRUSTEE	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
40	11321112	PINE FLAT LAKE MARINA INC	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
41	11321105	AHLES SCOTT R & LEAH PRESS TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
42	11321104	AHLES SCOTT R & LEAH PRESS TRUSTEES	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
43	11321103	TALLEY MARTIN W & ERIN A	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
44	11320101	TATRO TODD R & SANDRA KAY	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
Motel Parcel (3.8 EDU's)		Fiscal Year					
Assessment Number	APN	Owner Name	2020/21	2021/22	2022/23	2023/24	2024/25
45	11320108	ANDERSON CHAD JASON & HOPE	\$9,690.00	\$9,980.70	\$10,280.14	\$10,588.55	\$10,906.19

EXHIBIT B.1

5/7/2020

PROPOSED STANDBY CHARGE ASSESSMENT

COUNTY SERVICE AREA No. 1

ESTIMATED EXPENDITURES

FISCAL YEAR 2019-2020				
Estimated Expenditures	Total	Water	Sewer	
7101 Insurance	\$ 882	\$ 524	\$	358
7205 Maintenance - Equipment	\$ 14,000	\$ 12,000	\$	2,000
7220 Maintenance - Buildings/Grounds	\$ 6,000	\$ 5,650	\$	350
7250 Memberships	\$ 150	\$ 75	\$	75
7268 Postage	\$ 215	\$ 215	-	
7287 PeopleSoft	\$ 3,000	\$ 3,000	-	
7295 Professional and Specialized Services	\$ 115,000	\$ 71,500	\$	43,500
7430 Utilities	\$ 4,861	\$ 4,861	-	
<b>ESTIMATED TOTAL EXPENDITURES</b>	<b>\$ 144,108</b>			
<b>TOTAL EXPENDITURES BY SERVICES</b>		<b>\$ 97,825</b>	<b>\$</b>	<b>46,283</b>

EXHIBIT B.1

5/7/2020

PROPOSED STANDBY CHARGE ASSESSMENT

COUNTY SERVICE AREA No. 1

ESTIMATED EXPENDITURES

FISCAL YEAR 2020-2021				
Estimated Expenditures	Total	Water	Sewer	
7101 Insurance	\$ 926	\$ 550	\$	376
7205 Maintenance - Equipment	\$ 14,700	\$ 12,600	\$	2,100
7220 Maintenance - Buildings/Grounds	\$ 6,300	\$ 5,933	\$	368
7250 Memberships	\$ 158	\$ 79	\$	79
7268 Postage	\$ 60	\$ 60		-
7287 PeopleSoft	\$ 3,150	\$ 3,150		-
7295 Professional and Specialized Services	\$ 90,000	\$ 59,000	\$	31,000
7430 Utilities	\$ 5,104	\$ 5,104		-
<b>ESTIMATED TOTAL EXPENDITURES</b>	<b>\$ 120,398</b>			
<b>TOTAL EXPENDITURES BY SERVICES</b>		<b>\$ 86,476</b>	<b>\$</b>	<b>33,922</b>

EXHIBIT B.1

5/7/2020

PROPOSED STANDBY CHARGE ASSESSMENT

COUNTY SERVICE AREA No. 1

ESTIMATED EXPENDITURES

FISCAL YEAR 2021-2022				
Estimated Expenditures	Total	Water	Sewer	
7101 Insurance	\$ 972	\$ 578	\$	394
7205 Maintenance - Equipment	\$ 15,435	\$ 13,230	\$	2,205
7220 Maintenance - Buildings/Grounds	\$ 6,615	\$ 6,229	\$	386
7250 Memberships	\$ 165	\$ 83	\$	83
7268 Postage	\$ 63	\$ 63		-
7287 PeopleSoft	\$ 3,308	\$ 3,308		-
7295 Professional and Specialized Services	\$ 94,500	\$ 61,950	\$	32,550
7430 Utilities	\$ 5,359	\$ 5,359		-
<b>ESTIMATED TOTAL EXPENDITURES</b>	<b>\$ 126,418</b>			
<b>TOTAL EXPENDITURES BY SERVICES</b>		<b>\$ 90,800</b>	<b>\$</b>	<b>35,618</b>

## PROPOSED STANDBY CHARGE ASSESSMENT

## COUNTY SERVICE AREA No. 1

## ESTIMATED EXPENDITURES

FISCAL YEAR 2022-2023				
Estimated Expenditures	Total	Water	Sewer	
7101 Insurance	\$ 1,021	\$ 607	\$	414
7205 Maintenance - Equipment	\$ 16,207	\$ 13,892	\$	2,315
7220 Maintenance - Buildings/Grounds	\$ 6,946	\$ 6,541	\$	405
7250 Memberships	\$ 174	\$ 87	\$	87
7268 Postage	\$ 66	\$ 66		-
7287 PeopleSoft	\$ 3,473	\$ 3,473		-
7295 Professional and Specialized Services	\$ 99,225	\$ 65,048	\$	34,178
7430 Utilities	\$ 5,627	\$ 5,627		-
<b>ESTIMATED TOTAL EXPENDITURES</b>	<b>\$ 132,739</b>			
<b>TOTAL EXPENDITURES BY SERVICES</b>		<b>\$ 95,340</b>	<b>\$</b>	<b>37,399</b>

EXHIBIT B.1

5/7/2020

PROPOSED STANDBY CHARGE ASSESSMENT

COUNTY SERVICE AREA No. 1

ESTIMATED EXPENDITURES

FISCAL YEAR 2023-2024				
Estimated Expenditures	Total	Water	Sewer	
7101 Insurance	\$ 1,072	\$ 637	\$	435
7205 Maintenance - Equipment	\$ 17,017	\$ 14,586	\$	2,431
7220 Maintenance - Buildings/Grounds	\$ 7,293	\$ 6,868	\$	425
7250 Memberships	\$ 182	\$ 91	\$	91
7268 Postage	\$ 69	\$ 69		-
7287 PeopleSoft	\$ 3,647	\$ 3,647		-
7295 Professional and Specialized Services	\$ 104,186	\$ 68,300	\$	35,886
7430 Utilities	\$ 5,909	\$ 5,909		-
<b>ESTIMATED TOTAL EXPENDITURES</b>	<b>\$ 139,375</b>			
<b>TOTAL EXPENDITURES BY SERVICES</b>		<b>\$ 100,107</b>	<b>\$</b>	<b>39,269</b>

## PROPOSED STANDBY CHARGE ASSESSMENT

## COUNTY SERVICE AREA No. 1

## ESTIMATED EXPENDITURES

<b>FISCAL YEAR 2024-2025</b>			
<b>Estimated Expenditures</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>
7101 Insurance	\$ 1,126	\$ 669	\$ 457
7205 Maintenance - Equipment	\$ 17,868	\$ 15,315	\$ 2,553
7220 Maintenance - Buildings/Grounds	\$ 7,658	\$ 7,211	\$ 447
7250 Memberships	\$ 191	\$ 96	\$ 96
7268 Postage	\$ 73	\$ 73	-
7287 PeopleSoft	\$ 3,829	\$ 3,829	-
7295 Professional and Specialized Services	\$ 109,396	\$ 71,715	\$ 37,681
7430 Utilities	\$ 6,204	\$ 6,204	-
<b>ESTIMATED TOTAL EXPENDITURES</b>	<b>\$ 146,344</b>		
<b>TOTAL EXPENDITURES BY SERVICES</b>		<b>\$ 105,112</b>	<b>\$ 41,232</b>

**EXHIBIT B.2**  
**PROPOSED STANDBY CHARGE ASSESSMENT**  
**COUNTY SERVICE AREA No. 1**

**MAXIMUM ASSESSMENT REVENUE EXPENDITURE WORKSHEET - WATER SERVICE**

Line	Fiscal Year				
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
<b>COSTS</b>					
<b>Projected Operation, Maintenance, and Administrative Costs</b>					
7101 - Insurance	\$ 550	\$ 578	\$ 607	\$ 637	\$ 669
7205 - Maintenance - Equipment	\$ 12,600	\$ 13,230	\$ 13,892	\$ 14,586	\$ 15,315
7220 - Maintenance - Buildings/Grounds	\$ 5,933	\$ 6,229	\$ 6,541	\$ 6,868	\$ 7,211
7250 - Memberships	\$ 79	\$ 83	\$ 87	\$ 91	\$ 96
7268 - Postage	\$ 60	\$ 63	\$ 66	\$ 69	\$ 73
7287 - PeopleSoft	\$ 3,150	\$ 3,308	\$ 3,473	\$ 3,647	\$ 3,829
7295 - Professional and Specialized Services	\$ 59,000	\$ 61,950	\$ 65,048	\$ 68,300	\$ 71,715
7430 - Utilities	\$ 5,104	\$ 5,359	\$ 5,627	\$ 5,909	\$ 6,204
<b>Total</b>	<b>\$ 86,476</b>	<b>\$ 90,800</b>	<b>\$ 95,340</b>	<b>\$ 100,107</b>	<b>\$ 105,112</b>
<b>Reserve Contribution</b>	\$25,251.48	\$23,862.29	\$22,340.83	\$20,677.27	\$18,864.59
<b>TOTAL COSTS</b>	<b>\$111,727</b>	<b>\$114,662</b>	<b>\$117,680</b>	<b>\$120,784</b>	<b>\$123,977</b>
<b>OFFSETS</b>					
Ad Valorem Property Tax Revenue	\$21,958.92	\$22,200.47	\$22,444.67	\$22,691.56	\$22,941.17
<b>TOTAL OFFSETS</b>	<b>\$21,958.92</b>	<b>\$22,200.47</b>	<b>\$22,444.67</b>	<b>\$22,691.56</b>	<b>\$22,941.17</b>
<b>Total Amount to be Assessed (Difference Between Total Cost and Total Offsets)</b>	<b>\$ 89,768.40</b>	<b>\$ 92,461.45</b>	<b>\$ 95,235.76</b>	<b>\$ 98,092.29</b>	<b>#####</b>
Number of EDU's	47.8	47.8	47.8	47.8	47.8
Assessment Per EDU	\$ 1,878.00	\$ 1,934.34	\$ 1,992.38	\$ 2,052.14	\$ 2,113.71
Cumulative Reserve Balance (contribution from Sewer)	-\$33,951.47	-\$10,089.17	\$12,251.65	\$32,928.92	\$51,793.51
Reserve Target Amount in year 5 of Assessment					\$50,093.02



EXHIBIT B.2

PROPOSED STANDBY CHARGE ASSESSMENT

COUNTY SERVICE AREA No. 1

MAXIMUM ASSESSMENT REVENUE EXPENDITURE WORKSHEET - WASTEWATER SERVICE

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
<b>COSTS</b>					
<b>Projected Operation, Maintenance, and Administrative Costs</b>					
7101 - Insurance	\$ 376	\$ 394	\$ 414	\$ 435	\$ 457
7205 - Maintenance - Equipment	\$ 2,100	\$ 2,205	\$ 2,315	\$ 2,431	\$ 2,553
7220 - Maintenance - Buildings/Grounds	\$ 368	\$ 386	\$ 405	\$ 425	\$ 447
7250 - Memberships	\$ 79	\$ 83	\$ 87	\$ 91	\$ 96
7268 - Postage	-	-	-	-	-
7287 - PeopleSoft	-	-	-	-	-
7295 - Professional and Specialized Services	\$ 31,000	\$ 32,550	\$ 34,178	\$ 35,886	\$ 37,681
7430 - Utilities	-	-	-	-	-
<b>Total</b>	<b>\$ 33,922</b>	<b>\$ 35,618</b>	<b>\$ 37,399</b>	<b>\$ 39,269</b>	<b>\$ 41,232</b>
<b>Reserve Contribution</b>	<b>\$ 5,782.16</b>	<b>\$ 5,133.12</b>	<b>\$ 4,428.87</b>	<b>\$ 3,667.10</b>	<b>\$ 2,842.40</b>
<b>TOTAL COSTS</b>	<b>\$39,704</b>	<b>\$40,751</b>	<b>\$41,828</b>	<b>\$42,936</b>	<b>\$44,075</b>
<b>OFFSETS</b>					
Ad Valorem Property Tax Revenue	\$7,582.50	\$7,665.91	\$7,750.23	\$7,835.49	\$7,921.68
<b>TOTAL OFFSETS</b>	<b>\$7,582.50</b>	<b>\$7,665.91</b>	<b>\$7,750.23</b>	<b>\$7,835.49</b>	<b>\$7,921.68</b>
<b>Total Amount to be Assessed (Difference Between Total Cost and Total Offsets)</b>	<b>\$ 32,121.60</b>	<b>\$ 33,085.25</b>	<b>\$ 34,077.58</b>	<b>\$ 35,100.50</b>	<b>\$ 36,153.05</b>
Number of EDU's Assessment Per EDU	47.8	47.8	47.8	47.8	47.8
<b>Cumulative Reserve Balance (contribution from Sewer)</b>	<b>\$ 672.00</b>	<b>\$ 692.16</b>	<b>\$ 712.92</b>	<b>\$ 734.32</b>	<b>\$ 756.34</b>
<b>Reserve Target Amount in year 5 of Assessment</b>	<b>\$3,782.49</b>	<b>\$8,915.61</b>	<b>\$13,344.48</b>	<b>\$17,011.57</b>	<b>\$19,853.97</b>
					<b>\$19,650.03</b>

**EXHIBIT B.3**  
**PROPOSED STANDBY CHARGE ASSESSMENT**  
**COUNTY SERVICE AREA No. 1**  
**MAXIMUM ASSESSMENT SUMMARY WORKSHEET**

	Fiscal Year				
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
<b>COSTS</b>					
<b>Projected Operation, Maintenance, and Administrative Costs</b>					
7101 - Insurance	\$ 926	\$ 972	\$ 1,021	\$ 1,072	\$ 1,126
7205 - Maintenance - Equipment	\$ 14,700	\$ 15,435	\$ 16,207	\$ 17,017	\$ 17,868
7220 - Maintenance - Buildings/Grounds	\$ 6,300	\$ 6,615	\$ 6,946	\$ 7,293	\$ 7,658
7250 - Memberships	\$ 158	\$ 165	\$ 174	\$ 182	\$ 191
7268 - Postage	\$ 60	\$ 63	\$ 66	\$ 69	\$ 73
7287 - PeopleSoft	\$ 3,150	\$ 3,308	\$ 3,473	\$ 3,647	\$ 3,829
7295 - Professional and Specialized Services	\$ 90,000	\$ 94,500	\$ 99,225	\$ 104,186	\$ 109,396
7430 - Utilities	\$ 5,104	\$ 5,359	\$ 5,627	\$ 5,909	\$ 6,204
<b>Total</b>	<b>\$ 120,398</b>	<b>\$ 126,418</b>	<b>\$ 132,739</b>	<b>\$ 139,375</b>	<b>\$ 146,344</b>
<b>Reserve Contribution</b>	\$31,033.64	\$28,995.41	\$26,769.70	\$24,344.36	\$21,706.99
<b>TOTAL COSTS</b>	<b>\$151,431</b>	<b>\$155,413</b>	<b>\$159,508</b>	<b>\$163,720</b>	<b>\$168,051</b>
<b>OFFSETS</b>					
Ad Valorem Property Tax Revenue	\$29,541.42	\$29,866.38	\$30,194.91	\$30,527.05	\$30,862.85
<b>TOTAL OFFSETS</b>	<b>\$29,541.42</b>	<b>\$29,866.38</b>	<b>\$30,194.91</b>	<b>\$30,527.05</b>	<b>\$30,862.85</b>
<b>Total Amount to be Assessed (Difference Between Total Cost and Total Offsets)</b>	<b>\$ 121,890.00</b>	<b>\$ 125,546.70</b>	<b>\$ 129,313.34</b>	<b>\$ 133,192.79</b>	<b>\$ 137,188.39</b>
Number of EDU's	47.8	47.8	47.8	47.8	47.8
Assessment Per EDU	\$ 2,550.00	\$ 2,626.50	\$ 2,705.30	\$ 2,786.46	\$ 2,870.05

**EXHIBIT B.4**  
**PROPOSED STANDBY CHARGE ASSESSMENT**  
**COUNTY SERVICE AREA No. 1**  
**ASSESSMENT CALCULATION WORKSHEET**

Line	Fiscal Year				
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
1	\$121,890.00	\$125,546.70	\$129,313.34	\$133,192.79	\$137,188.39
2	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
3	\$2,550.00	\$2,626.50	\$2,705.30	\$2,786.46	\$2,870.05
4	\$9,690.00	\$9,980.70	\$10,280.14	\$10,588.55	\$10,906.19

## PROPOSED STANDBY CHARGE ASSESSMENT

## COUNTY SERVICE AREA No. 1

## NOTICING LIST

Residential Properties				
Assessment No.	APN	Property Owner Name	Street Address	City, Zip
1	11321106	APPLE MARY W TRUSTEE	948 E LOCUST	FRESNO CA 93720
2	11321206	DAVIES DONALD ALBERT	100 SURF	PISMO BEACH CA 93449
3	11321207	HEERS ALAN R & CANDICE E TRUSTEES	1229 S SUNNYSIDE	FRESNO CA 93727
4	11321113	BUTLER MICHAEL & DEBORAH	6002 RUNNING SPRINGS RD	SAN JOSE CA 95135
5	11321205	ONEIL-TENNANT DANIEL ANDREW LEWIS	49548 ROAD 200	ONEALS CA 93645
6	11321114	WAINWRIGHT RICHARD JAMES	2270 N BRIGADIER DR	FLORENCE AZ 85132
7	11321204	BIANCO PHILIP S & MAUREEN A	1801 MANOR	VISALIA CA 93291
8	11321208	DA SILVA ANNA TRUSTEE	P O BOX 509	MADERA CA 93639
9	11321115	STOKER NOEL G & CAROL R TRUSTEES	416 W INDIO	CLOVIS CA 93619
10	11321203	ENIX DANNY E	1037 W VASSAR	FRESNO CA 93705
11	11321209	HIGGINBOTHAM ROBERT W & MICHELLE A	991 TULARE ST	PISMO BEACH CA 93449
12	11321116	KENDALL JAMES D & MARILYN J	1054 E LA QUINTA	FRESNO CA 93720
13	11321202	KELLEY WILLIAM T & CAROLE A TRUSTEES	22850 BRAVO PL	SALINAS CA 93908
14	11321210	SCOTT MARSHALL P TRUSTEE	12173 N VIA PIEMONTE	CLOVIS CA 93619
15	11321102	STETSON ANTHONY & TRICIA	2140 SUNSET DR	VISALIA CA 93291
16	11321117	ROBINSON GLENN & BETTY TRUSTEES	432 SMITH ST	SEATTLE WA 98109
17	11321201	BARGES RYAN C & SANDRA M	55509 FLINTRIDGE DR	LAKESHORE CA 93634
18	11321211	TILLEY JAMES W & DENISE K TRUSTEES	P O BOX 6548	VISALIA CA 93291
19	11320301	MADSEN JOSHUA & TIFFANY STOKER TRS	2562 E BIRCH	CLOVIS CA 93611
20	11320207	ENGLAND MARK	5295 E ORLEANS	FRESNO CA 93727
21	11320201	TICHENOR ALFRED H & MELINDA S TRUSTEES	P O BOX 156	O NEALS CA 93645
22	11320302	TURNER RICHARD S & HEATHER C TRUSTEES	301 N BOWLING GREEN WY	LOS ANGELES CA 90049
23	11320206	WILSON BARRETT E & VALERIE A TRUSTEES	8158 E MCKINLEY	FRESNO CA 93727
24	11320202	TURPIN WILLIAM R & SHIRLEY ANN	8520 N SIERRA VISTA	FRESNO CA 93720
25	11320303	MARKUS LENA TRUSTEE	3873 E LYELL	FRESNO CA 93702
26	11320205	SANDERS GARRETT & NELDA	1760 E AIRLINE HWY #215	HOLLISTER CA 95023
27	11320203	HERROLD ELAINE R TRUSTEE	2756 KITTYHAWK RD	COLORADO SPRGS CO 80920
28	11320304	LAMBERT BARBARA E TRUSTEE	1100 PILARCITOS AVE	HALF MOON BAY CA 94019
29	11320106	AUSTIN ROBERT & DARLA	7663 E ESCALON	CLOVIS CA 93619
30	11320204	FIELD LUKE	29264 SEMINOLE RD	TOLLHOUSE CA 93667
31	11320305	MC GUIRE JOHN KINGSLEY JR/MARGARET A TR	7051 SNAPDRAGON DR	CARLSBAD CA 92011
32	11320306	WENDT DAVID JR & DEBBIE L	P O BOX 2034	PORTERVILLE CA 93258
33	11320307	PARKER LEE A JR	5268 W MESA	FRESNO CA 93722
34	11320308	PINHEIRO STEVEN J & DIANNE	1595 E AVILA AVE	TULARE CA 93274
35	11321107	STEINER HANS L & CAROL A	31354 GRAY DR	EXETER CA 93221
36	11321108	STEINER HANS L & CAROL A	31354 GRAY DR	EXETER CA 93221
37	11321109	NOLEN MICHAEL K & SHERRY R K	P O BOX 119	SHAVER LAKE CA 93664
38	11321110	GUZMAN TONY RAYMOND & JENNIFER COCKRELL	3242 SUSSEX	CLOVIS CA 93619
39	11321111	ROMANACCE ROBERT L TRUSTEE	343 E AUDUBON DR	FRESNO CA 93720
40	11321112	PINE FLAT LAKE MARINA INC	P O BOX 326	PIEDRA CA 93649
41	11321105	AHLES SCOTT R & LEAH PRESS TRUSTEES	2146 W ALLUVIAL	FRESNO CA 93711
42	11321104	AHLES SCOTT R & LEAH PRESS TRUSTEES	2146 W ALLUVIAL	FRESNO CA 93711
43	11321103	TALLEY MARTIN W & ERIN A	17812 EL CAMINO RD	MADERA CA 93636
44	11320101	TATRO TODD R & SANDRA KAY	7110 N FRESNO #340	FRESNO CA 93720
Motel Property				
Assessment No.	APN	Property Owner Name	Street Address	City, Zip
45	11320108	ANDERSON CHAD JASON & HOPE	9497 FORT WASHINGTON #106	FRESNO CA 93730

# Exhibit D

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760-0001

## EXHIBIT "A"

Being that portion of the N.E.  $\frac{1}{4}$  of the N.E.  $\frac{1}{4}$  of Section 35, Twp. 8S., Rge. 25E., N.D.S. & M., described as follows:

Commencing at the N.E. corner of said Section 35; thence S.  $89^{\circ}20'30''$  W., along the north line of said Section 35, 576.95 feet; thence S.  $10^{\circ}16'43''$  E. 195.83 feet; thence along a curve to the right whose radian bears S.  $10^{\circ}16'43''$  E., having a radius of 910.33 feet; through a central angle of  $1^{\circ}22'$  an arc distance of 21.71 feet; thence S.  $0^{\circ}08'20''$  W. 505.89 feet; thence S.  $89^{\circ}15'25''$  W. 9.95 feet; thence S.  $0^{\circ}08'20''$  W. 165.00 feet; thence N.  $89^{\circ}15'25''$  E., 110.00 feet; thence S.  $0^{\circ}08'20''$  W. 324.53 feet; thence on a curve to the right with a radius of 76.69 feet through a central angle of  $89^{\circ}07'05''$  an arc length of 134.74 feet; thence S.  $89^{\circ}15'25''$  W. 045.35 feet to a point on the west line of the N.E.  $\frac{1}{4}$  of the N.E.  $\frac{1}{4}$  of said Section 35; thence S.  $0^{\circ}30'132''$  W. along said west line 60 feet to the S.W. corner of the N.E.  $\frac{1}{4}$  of the N.E.  $\frac{1}{4}$  of said Section 35; thence N.  $89^{\circ}15'25''$  E., along the south line of said N.E.  $\frac{1}{4}$  of the N.E.  $\frac{1}{4}$  of Section 35, 1341.10 feet to the S.E. corner thereof; thence N.  $0^{\circ}08'20''$  E., along the east line of said Section 35, 1319.02 feet to the point of commencement.