Dear San Mateo County Resident:

The Reason Foundation is a public policy think tank promoting choice, competition, and a dynamic market economy as the foundation for human dignity and progress. We are non-profit and non-partisan.

Among issues we are studying is the consequence of government ownership of previously private utility services. Montara and Moss Beach are unique cases, because your community has issued $17.5 million in taxpayer financed bonds to acquire a water system previously owned by a corporation.

Your water system has now been operated by the Montara Water & Sanitary District for more than one year and property taxes have increased to pay for the bonds.

We would very much appreciate your return of the attached questionnaire, including your permission to share the information with others.

Thank you for your interest.

Sincerely,

Dr. Adrian T. Moore  
Vice President
Montara Water & Sanitary District  
Resident Questionnaire

Since August 2003, how would you rate water service compared to prior periods?  
(Please check boxes that apply; leave blank if you do not know or have no rating.)

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<thead>
<tr>
<th></th>
<th>Better</th>
<th>Worse</th>
<th>No Change</th>
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<tbody>
<tr>
<td>Water quality (taste, color, odor, etc.)</td>
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<td>Service/supply reliability</td>
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<td>Cost of water bills</td>
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<td>Cost of property taxes</td>
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Do you pay the property taxes at the address to which this questionnaire was mailed?  
☐ No  
☐ Yes

If yes, have you noticed a significant increase in your property taxes since Montara and Moss Beach issued General Obligation Bonds for the water system?  
☐ No  
☐ Yes

Are you aware that Montara and Moss Beach homeowners are paying an additional $169 a year in property taxes per $100,000 of the assessed value of their home for the same water service they had before? (That means a $500,000 home pays an extra $845 per year in taxes PLUS their regular water bill.)  
☐ No  
☐ Yes

Would you vote for this measure again knowing what you know now?  
☐ No  
☐ Yes

Please comment on the amount of the tax increase and any thoughts or feelings you may have about this matter:

________________________________________________________________________

________________________________________________________________________

(Continue comments on reverse side if desired.)

THANK YOU FOR YOUR COOPERATION!

Note: Return of this questionnaire is voluntary. Information provided to the Reason Foundation may be shared with others.