

MCWD LETTERHEAD

Dear Commercial Property Owner:

We have received your inquiry regarding the District’s Fire Service Fees. As you are aware, many of our commercial property owners are required by the Fire Department to maintain a fire service connection that ensures a minimum water flow (gallons per minute or gpm) for fire protection. It is based upon this requirement that builders determine the size of the fire service connection to the District’s water system. The District requires a tattletale meter on that fire service connection simply to indicate whether *any* water has passed through the connection – not *how much* water has passed through. The District typically requires a 5/8”, 3/4” or 1” meter, depending on the fire lateral backflow, which does not affect the Fire Service Fee. Therefore, it is the fire service connection size that determines the cost of providing that service to our customers. It is not the size of the “tattletale” meter.

As the Charts in the Proposition 218 Notice provide, the Fire Service Fees vary depending on the size of the fire service connection, which range from 1” to 8”:

CENTRAL MARINA MONTHLY FIRE SERVICE FEES

EXISTING FEE	METER SIZE	PROPOSED FEE (Effective July 1, 2014)	PROPOSED FEE (Effective January 1, 2015)	PROPOSED FEE (Effective July 1, 2016)	PROPOSED FEE (Effective July 1, 2017)	PROPOSED FEE (Effective July 1, 2018)
\$20.00	1”	\$1.49	\$1.53	\$1.58	\$1.63	\$1.68
\$20.00	1-1/2”	\$4.32	\$4.45	\$4.59	\$4.72	\$4.87
\$20.00	2”	\$9.21	\$9.49	\$9.78	\$10.07	\$10.37
\$20.00	2-1/2”	\$16.57	\$17.07	\$17.58	\$18.11	\$18.65
\$20.00	3”	\$26.77	\$27.57	\$28.40	\$29.25	\$30.13
\$20.00	4”	\$57.04	\$58.75	\$60.51	\$62.33	\$64.20
\$20.00	6”	\$165.69	\$170.66	\$175.78	\$181.05	\$186.49
\$20.00	8”	\$353.09	\$363.68	\$374.59	\$385.83	\$397.40

ORD SERVICE AREA MONTHLY FIRE SERVICE FEES

EXISTING FEE	METER SIZE	PROPOSED FEE (Effective July 1, 2014)	PROPOSED FEE (Effective January 1, 2015)	PROPOSED FEE (Effective July 1, 2016)	PROPOSED FEE (Effective July 1, 2017)	PROPOSED FEE (Effective July 1, 2018)
\$20.00	1”	\$1.69	\$1.83	\$2.00	\$2.19	\$2.26
\$20.00	1-1/2”	\$4.90	\$5.33	\$5.82	\$6.35	\$6.56
\$20.00	2”	\$10.44	\$11.35	\$12.40	\$13.54	\$13.99
\$20.00	2-1/2”	\$18.78	\$20.41	\$22.29	\$24.35	\$25.15
\$20.00	3”	\$30.34	\$32.97	\$36.01	\$39.33	\$40.63
\$20.00	4”	\$64.65	\$70.26	\$76.73	\$83.81	\$86.58
\$20.00	6”	\$187.79	\$204.11	\$222.88	\$243.46	\$251.49
\$20.00	8”	\$400.18	\$434.96	\$474.97	\$518.81	\$535.94

As the Proposition 218 Notice also stated, the District retained an independent rate consultant to evaluate the District’s existing rates and rate structure. The results are found in the

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Carollo Study, available at www.mcwd.org, the District Office. The Carollo Study explained that the District's Fire Service Fee must reflect the costs to the District of ensuring minimum flow for the specific fire service connection sizes and the excess capacity required from the system to provide that minimum flow. (See Section 4.1.1 and 5.4.) The costs are "[c]apacity related costs that are incurred based on the excess capacity that must be designed into the system in order to provide fire service." (Carollo Study at p. 22.) Therefore, the Study proposes a change to the rates and explains, "[t]he recommended charge is based on the diameter of the line that connects their fire protection system to the District's water system," which is generally known to the property owner. (*Id.* at p. 35, § 5.4.)

Please refer to the Charts included herein to determine your Fire Service Fee. You'll note the size options in the Charts correspond to the diameter of the lines that connect to the District's system and not to the 5/8", 3/4" or 1" "tattletale" meters. The 5/8" and 3/4" size does not appear on the Charts. Therefore, although you indicated potential "confusion" associated with the reference to a "meter size" in one of the headings of the Charts, the detailed rate structure therein clarifies the applicable Fee for your property. If for any reason, you or anyone in your business, is unaware of the size of your property's Fire Service Connections, please contact the District.

Please note that we understand the new rate structure impacts commercial property owners with buildings requiring a 3" fire service connection or larger. The new rate structure, however, more accurately reflects the costs the District incurs to provide the service and the demands the larger fire service connections place on the District's system.

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