



Corbett Water District

Rate Hearing Message 11-30-2022

Corbett Water District is proposing an increase to rates starting with the first billing cycle of 2023. This will include an increase to both the base rate and the water rate. Several rate structures have been prepared for tonight's hearing and our discussion. The proposals were created with our most vulnerable customers in mind. We have structured most of the options in such a way that 3 units of water are included with the base rate fee. We hope that by including this feature, we have been able to lessen the negative impact for these customers.

The proposed rate increase will help the District provide clean safe drinking water. We are responsible for doing repairs and maintenance on 62 miles of pipeline, 100 fire hydrants, 5 storage reservoirs, 2 intakes on Gordon Creek, 3 filter ponds, a water treatment plant, and an office building and storage facility. Most of our infrastructure is well over 20 years old.

Our current budget, approved in June of 2022, was based on information gathered in 2020 and 2021. As we have moved forward with the operation and maintenance of our water system, we're finding that the money set aside in the budget won't cover the costs of certain expenses. Usually water utilities are able to raise money by adding customers when new homes are built, but the Corbett community has had minimal growth since the 1960s, and will not grow in the future due to zoning restrictions. Our budget is based solely on tax revenue and water sales. Therefore we are uniquely vulnerable to changing economic conditions.

The primary unexpected cost has been to maintain the sand filter ponds that remove microorganisms from our water. When the current sand was put in the ponds we were able to purchase the sand from a local vendor. New requirements dictate that we can only source our sand from one vendor, and the cost is significantly over what we had planned in our budget. The budget allotted \$100,000 towards replacing the sand in one pond. However, purchasing sand from the approved vendor will cost \$250,000, leading to a budget shortfall of \$150,000. Extraordinary levels of inflation have added to these budgetary issues, increasing the price of gasoline, labor, parts, and equipment repair and maintenance.

Our board and staff are dedicated to providing clean and safe drinking water to our customers. We understand that from the origins of our watershed on Larch Mountain to the water that flows into your homes, we have inherited our water system from those people who came before us. It is our responsibility to preserve, build, and maintain our system for future generations to come.

Thank you for taking time to read this message.

Respectfully,

Ana Linden