

This is notice from the Center Sanitation Board regarding a recently adopted rate increase that goes into effect in January 2023.

Please accept our apologies it is a very short notice. However, the board promoted and held three public engagement sessions in the fall of 2022 to discuss the reasons for this rate increase and receive feedback. Not a single resident attended any of these meetings.

Several years ago, the State of Colorado realized the district was permitted to recharge wastewater through a surface body (such as a river, stream, or lake). However, since its inception, the Center Sanitation District has been recharging its effluent into the ground. Because the nearest surface water body, the Rio Grande River, is nearly 15 miles from Center, this necessitated designing and building a new wastewater processing plant designed to recharge to ground water. The total cost of this was approximately \$11 million, most of which the District secured through grants and no interest loans.

With the opening of our new plant, which is designed to serve Center residents for the foreseeable future, including offering opportunities for expansion of services to new residents, it became clear new plant operations costs and those related to paying back loans required an adjustment of our rates. The District invited Chris Brandewie from the Rural Community Assistance Corporation (RCAC) to conduct this study. Upon completion it was presented to the board at a meeting in which the public was invited to attend.

As a result of the study, it was determined the District would need to increase residential rates from \$24.75 a month to \$58.00 per month to remain solvent. Commercial will also increase as well, based on use and BOD production.

We understand this is a monumental increase. However, for many years our rates have been well below the average in the San Luis Valley. At \$58 per month for residents, Center's service rate falls right within the average in the SLV.

Please know we have done all we could to mitigate this increase. However, with the need to build an entirely new plant, there was no way to avoid this decision.

If you have any questions or if you would like further information, you are welcome to visit with us at our next meeting February 13, 2023. Center School Administration Building at 5:30 p.m.