

September 8, 2022

David Sorrell
City of Columbia
Columbia, MO by e-mail only

RE: Sanitary Sewer Utility Rate Study – Final Report – December 13, 2021

Dear Mr. Sorrell:

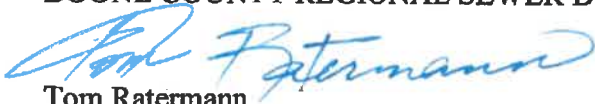
I am in receipt of your June 30, 2022 letter regarding a proposed increase by the City of Columbia to the BCRSD service fee. As you are aware, there are various agreements between the City and the BCRSD, some of which contain provisions contemplating an adjustment of the service fee chargeable to the BCRSD. The agreements that do include such provisions appear to require that notification of intent to increase the service fee be accompanied by “documentation substantiating such change”.

From your June 30 letter, it appears that the City is relying on the above-referenced Sanitary Sewer Utility Rate Study (hereinafter “Report”) to substantiate an increase in the service fee to be charged to BCRSD to 0.92 the City rate. However, based on our initial review, the Report does not provide documentation to substantiate the proposed increase referenced in your letter. Accordingly, your June 30, 2022 letter is not effective notice of the City’s intent to change the service fee charged to BCRSD under the applicable agreements.

As you are aware, the agreements allowing for an adjustment to service fee charged to BCRSD require that “[a]ny increase in the percentage of service fee must be based on an increase in the percentage of the City’s sewer service charge attributable to the City’s calculated actual cost of providing wastewater treatment and pumping and major trunk and interceptor line maintenance.” Was the consultant preparing the Report provided this language from the agreement to inform its analysis? In addition, we are unable to determine from the Report what factors the consultant and/or the City considered in arriving at the proposed increase from 0.80 to 0.92. Your responses to these initial questions will help to inform any further response we may have to your June 30, 2022 letter.

Please call me at 573-443-2765 or e-mail me at tratermann@bcrsd.com if you have questions. Thank you for your cooperation in this matter.

Sincerely,
BOONE COUNTY REGIONAL SEWER DISTRICT



Tom Ratermann
General Manager

C: File Erin Keys by e-mail only