LITTLE BLUE VALLEY SEWER DISTRICT



Administration & Employee Services Bldg. Atherton Wastewater Treatment Plant 21208 East Old Atherton Road Independence, MO 64058 Phone: (816) 796-7660 or (816) 796-9191 Fax: (816) 656-2543

August 21, 2020

Your current service agreement outlines the methodology by which your rates for service are calculated using a linear projection of sewer flow data for the last 20 Quarters (5 years) to project your flow contribution for the coming year. It has long been a concern of several customers that this projected flow is extremely subject to flow variations due to wet weather and that the projected value is unpredictable and potentially inaccurate. As a result of these concerns the District hired a rate consultant to evaluate this methodology along with others and make a recommendation based upon accuracy. A recommendation was received that indicated that the District should change its methodology from a 20 quarter linear projection to a 5 year rolling average. This recommendation was considered and subsequently recommended by both the Technical Advisory Committee and the Mayors Advisory Board to the Board of Trustees. The Board of Trustees approved the recommendations and directed that amendments to each customer's service agreement be prepared and executed.

Please find the attached amendment to your service agreement with the Little Blue Valley Sewer District for your execution. This amendment has been prepared by the District's legal counsel at the direction of the District's Mayors Advisory Board and Board of Trustees with the assistance of the District's Technical Advisory Committee. It is requested that you expedite execution of this amendment and return it along with the minutes, resolution or ordinance authorizing its execution to Kim Best, Administrative/ HR Manager at <u>best@lbvsd.org</u>. It is necessary that all customers agree to this amendment by December of this year in order to implement the new methodology next fiscal year. If you have any questions or need any assistance from District staff in this effort please contact Jeff Shook, Executive Director at <u>shook@lbvsd.org</u> or by phone at 816-935-2696; Lisa O'Dell, Assistant Director, at <u>odell@lbvsd.org</u> or by phone at 816-854-0257 or Kim Best at <u>best@lbvsd.org</u> or by phone 816-299-4625.

We appreciate your attention to this matter.

Cordially,

Jeff Shook, Executive Director Little Blue Valley Sewer District