

September 28, 2016

John Glascock  
Deputy City Manager  
City of Columbia  
P. O. Box 6015  
Columbia, MO 65205-6015

RE: The General Cooperative Agreement dated March 8<sup>th</sup>, 2011, Henderson Branch Sanitary Sewer

Dear Mr. Glascock:

The Sewer District has received and reviewed your letter regarding the Henderson Branch Sanitary Sewer Extension. Amendment 3 obligated the Sewer District to participation in this project at a not to exceed level of \$628,047. In your letter the City of Columbia requests that the Sewer District pay 27% of the project with a not to exceed of \$1,161,000. In response the Sewer District offers the following comments.

1. The City's request is far outside the extended reach of what the Sewer District can afford. Connecting the Sewer District's Midway Arms Recirculating Sand Filter (Permit Number MO-0108421) to the City can be accomplished for less money while preserving the jobs at Midway USA, if the sole focus of this project is connecting Midway Arms.
2. The Sewer District needs more time while it considers the ramifications of the City's proposal, specifically regarding customer growth. Under the existing agreement, large tracts of undeveloped land are not plentiful in the Sewer District's service area. Development of the service area helps to offset the capital costs of any project, this one included. The Sewer District must consider whether, and under what conditions, customer growth will occur in the Sewer District's service area.
3. The Sewer District continues to have concerns regarding the City's 1997 Policy Resolution of requiring annexation in exchange for wastewater treatment. We have met with City management regarding this issue. This policy affects revenues for other County instrumentalities and impacts the property rights of property owners regarding annexation. A review of this policy by the City and the Sewer District is important for the Sewer District's future financial obligations on City projects.

If you have any questions or require additional information, please call me at 573-443-2765 or e-mail me at [tratermann@bcrsd.com](mailto:tratermann@bcrsd.com). Thank you for your cooperation in this matter.

Sincerely,  
BOONE COUNTY REGIONAL SEWER DISTRICT



Tom Ratermann  
General Manager

C: File