

Exhibit No.: _____
Issues: Rate Design/Class Cost of Service
Witness: Michael Methvin
Type of Exhibit: Direct Testimony
Sponsoring Party: The City of Bolivar
File Nos.: WR-2024-0104 and SR-2024-0105

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI
FILE NOS. WR-2024-0104 and SR-2024-0105

DIRECT TESTIMONY

OF

MICHAEL METHVIN

ON BEHALF OF

THE CITY OF BOLIVAR

SEPTEMBER 10, 2024

I. INTRODUCTION OF WITNESS AND TESTIMONY

Q. Please state your name, title, and business address.

A. My name is Michael Methvin. I am the Superintendent for Bolivar R-1 Schools. My business address is 524 West Jackson Street, Bolivar, Missouri.

Q. Please describe your professional background.

A. I began serving as Superintendent for Bolivar Schools in July 2024 after serving as an Executive Director of Schools for Springfield Public Schools.

Q. On whose behalf are you testifying?

A. I am testifying on behalf of the City of Bolivar, an intervenor in this proceeding.

Q. Have you previously testified before the Missouri Public Service Commission?

A. No.

Q. What is the purpose of your testimony?

A. In these two cases, Liberty proposed to more than double its rates to Bolivar water customers, and to either reduce its rates to Bolivar sewer customers or pass along excess Bolivar sewer revenues to Liberty's sewer customers in other service areas. Bolivar R-1 Schools is now a Liberty water and sewer customer in Bolivar. Because Liberty's statements in these two cases are significantly different from its representations and commitments to Bolivar R-1 Schools during the 2019-2022 time period that Liberty sought Bolivar R-1 Schools' approval to buy Bolivar's water and sewer systems, I offer my testimony so that this Commission will have a full and fair record of factual evidence upon which to ground the final order it enters in these cases.

Q. Please summarize your testimony.

A. In 2020, Bolivar R-1 Schools were told by Liberty through its website and in public

meetings – that sewer rates would increase by 38% if the City continued to operate the systems, but that Liberty wouldn't seek to raise its sewer rates until 2024, and then by no more than 19%. All information and discussion was at that time focused on sewer rates. Bolivar R-1 Schools then supported the sale of Bolivar's water and sewer systems to Liberty. Now, Liberty proposes to decrease our sewer rates, or share our excess sewer revenue with Liberty's other customers, while more than doubling our water rates. Such an increase in our water rates would be an unfair, unexpected and extraordinary expense which would force Bolivar R-1 Schools to curtail or eliminate some facilities and/or services. And, Bolivar R-1 Schools are concerned that Liberty intends to follow these two cases with another rate case seeking extraordinary increases in our sewer rates.

II. Liberty's Prior Representations to Bolivar R-1 Schools

Q. Did Liberty make any statements or promises to Bolivar R-1 Schools that persuaded the school system to support the sale of Bolivar's water and sewer systems to Liberty?

A. Liberty set up a website, and I understand that it is still operable, and the address is: <https://betterwaterbolivar.com> I have attached the print-out of that website's content as Schedule MM-1, and I understand that Liberty produced this print-out in response to Data Request 0005 of the Office of Public Counsel.

Q. Did Liberty in its website make any statements about the water and sewer rates that the school system might expect if Bolivar's systems were kept by the City or instead sold to Liberty?

A. I recall that we were told that the sewer system needed repairs, and that the City would have to increase sewer rates by 38%. The print-out of the website matches my

recollection of that statement, and also the statement that Liberty's sewer rates would be less than what the City would have to charge because Liberty would spread the costs of repairing the sewer system across more customers.

Q. Was the school system given any other information about the sale of Bolivar's water and sewer systems to Liberty?

A. Yes. There were public meetings held in early 2020 before the election. At those public meetings, Liberty gave a slideshow presentation. I have attached a print-out of that Liberty slideshow presentation as Schedule MM-2, and I understand this was produced by Liberty in response to Bolivar's Data Requests BOL-11 and BOL-12.

Q. Did Liberty in its slideshow presentation make any statements about the water and sewer rates that the school system might expect if Bolivar's water and sewer systems were kept by the City or instead sold to Liberty?

A. Yes, Liberty presented a table of the city engineers' estimated costs for repairs to the City's sewer systems which were predicted to raise Bolivar's volumetric sewer rates so that monthly bills would increase anywhere from \$48 to \$376. In the alternative, Liberty promised to hold off on any rate increase until 2024 and said that it would then request a monthly increase in the range of \$8.22 to \$9.52, or 19%.

Q. Did Bolivar R-1 Schools then support Bolivar's sale of its water and sewer systems to Liberty?

A. Yes.

III. Liberty's Requests Regarding Water and Sewer Rates Will Harm

Bolivar R-1 Schools

Q. Was the Bolivar R-1 School System surprised to learn that Liberty is in these two

cases proposing to more than double its water rates?

A. Yes, very surprised. Just a little over a month ago, Liberty sent its “Notice of Public Hearings in Liberty’s Water and Wastewater Rate Cases” along with that month’s bill. That Notice included a chart (which I’ve attached to my testimony as Schedule MM-3) that shows Bolivar’s water rates will more than double if Liberty gets what it is asking for in these two cases.

Q. If Liberty succeeds in more than doubling its Bolivar water rates, what will be the effect on the school system’s facilities and services?

A. The increase of rates would more than double the budget allocations for water usage, impacting the district’s ability to provide resources and staffing necessary for the operational capacity of the district.

Q. Does this conclude your pre-filed direct testimony in this case?


A. Yes. However, I wish to preserve the right to provide additional pre-filed testimony or at the hearing to rebut the testimony of any other party.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

STATE OF MISSOURI)
) SS
COUNTY OF POLK)


AFFIDAVIT OF BOLIVAR R-I SCHOOL DISTRICT

Michael Methvin, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying direct testimony and schedules; that said testimony was prepared by him or under his direction and supervision; that if inquiries were made as to the facts in said testimony and schedules, he would respond as therein set forth; and that the aforesaid testimony and schedules are true and correct to the best of his knowledge, information, and belief.



Superintendent, Bolivar Schools

Subscribed and sworn to before me this 5th day of September, 2024.



Notary Public

My commission expires: 08-20-2026



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[Faint handwritten signature]

AMBER D DAVENPORT
Notary Public, Notary Seal
State of Missouri
Polk County
Commission # 18788221
My Commission Expires 08/20/2026