

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE FOURTEENTH DAY OF MARCH 2023**

On the fourteenth day of March 2023 the Board of Municipal Utilities met in Regular Session at 4:00 P.M. in the board room. The following members of the body were present:

Messrs: Jon Gilmore, Tim Merideth, and Brian Menz

Absent: Steven Burch

Also Present: Brian Self, City Council Liaison; Jonathan Douglass, City Manager; James McMillan, Chief of Police; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Ron Priday, and Erin Miller of the Utility Staff

There being a quorum present, the following business was transacted:

Action on Agenda

Rick Landers, General Manager, requested to add Resolution 2023-03 to the agenda as item #5. A motion was made by Brian Menz to accept the agenda as amended. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Action on Monthly Agenda Items

A motion was made by Tim Merideth to approve the minutes of the Regular Meeting on February 14th, the Special Meeting on February 20th, the Special Meeting on February 27th, and the NERC meeting on February 24th. The motion was seconded by Brian Menz. A roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the January 2023 financial reports.

The Electric Retail division had net income of \$739,512. Revenues increased slightly from the prior year due to increased kwh usage. There were no major or extraordinary expenses during the month. Cash balances are increasing in anticipation of some large expenditures.

The Electric Wholesale division had net income of \$527,682. Revenues were lower this year due to decreased sales, while operations costs were higher due to increased coal transportation costs. The original plant assets were fully depreciated in May 2022 resulting in less depreciation expense in the current year.

The Water division had net income of \$81,152. Revenues were higher due to a rate increase and higher usage. There were no major or extraordinary expenses during the month. Cash balances are

increasing in anticipation of the water plant debt payments.

The Sewer division had net income of \$355,173. Revenues were higher due to a rate increase and increased usage. Miscellaneous net income included customer sewer surcharges. The Sewer NWWTP division had net income of \$10,394.

A motion to approve the report was made by Tim Merideth and was seconded by Brian Menz. A roll call vote was held, all yes.

Retail Operations

Jeff Winders, Operations Manager, presented the retail operations report. During the month of February, line crews added street lights to McCullah Drive and energized two transformers for the Carlisle plant. A March 3rd storm caused some short outages and one longer outage on a residential block where three poles had to be replaced.

Maximum daily water usage for the month was 4.994 MGD, average usage was 3.381 MGD. WTP#4 should be complete within two months. The South WWTP continues to improve; the North WWTP is receiving new equipment and site grading.

Water and Sewer distribution crews have installed a new valve for a commercial customer and replaced a fire hydrant in addition to normal taps and maintenance. They also cleaned and videoed sewer lines on Baker Lane in preparation for a new subdivision. City-wide hydrant flushing will begin on March 20th.

Winders also provided status updates on several ongoing projects. A motion was made by Brian Menz to approve the Retail Operations Report. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Sikeston Power Station

Mark McGill, Plant Manager, presented the Sikeston Power Station report for January 2023. There were two tube leak outages and net capacity factor was 88%.

As of March 14th there were 200,000 tons of coal on the stockpile with one train in service and the other train in the shop for repairs. The spring maintenance outage began on March 10th. The bottom ash conversion project was moving ahead on schedule and foundation work was progressing at the loading site.

A motion was made by Brian Menz to approve the SPS Report. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Dozer Replacement

McGill presented quotes for the replacement of the coal handling dozer. Staff believes the ideal path forward is to keep the current dozer as a backup and lease a new dozer on a 3-year term. Staff recommended proceeding with a 36-month lease option for a Caterpillar D8-21 for \$26,696.94 per month which includes the hours, service, parts, labor, and mileage.

A motion was made by Tim Merideth to approve the Caterpillar lease. The motion was seconded by Brian Menz. A roll call vote was held, all yes.

Resolution 2023-03

Marcia Witt presented Resolution 2023-03, a resolution of the Board of Municipal Utilities of the City of Sikeston, Missouri to agree to receive the transfer of the administration from the City of Sikeston for the \$1,000,000 Delta Regional Authority State Economic Development Assistance Program (SEDAP) grant proceeds. The Board has committed \$8,400,000 as matching funds for this headworks project to handle current and future flows generated by Sikeston's Business, Education, and Technology Park to allow for industrial growth and expansion. The Board designated Jeff Winders, Retail Operations Manager, to perform all duties and administration of the award.

A motion was made by Tim Merideth to approve the resolution. The motion was seconded by Brian Menz and a roll call vote was held, all yes.

General Manager's Report

Rick Landers updated the Board on several ongoing items. Staff is still waiting on approval from SWPA to make a new interconnection to their facilities. Over 90% of AMI water nodes are now installed and communicating.

The average spot sales price for February was \$24.75 per Mwhr and the YTD average price is \$54.89 per Mwhr. The price was budgeted at \$28.00 for the fiscal year.

Tim Merideth made a motion to approve the General Manager's report. The motion was seconded by Brian Menz and a roll call vote was held, all yes.

Adjournment

A motion to adjourn to Executive Session was made by Tim Merideth and seconded by Brian Menz. A roll call vote was held, all yes. The Chairman declared the regular meeting adjourned.



Secretary