

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE NINTH DAY OF JANUARY 2024**

On the ninth day of January 2024 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, Steven Burch, and Chad Crow

Absent:

Also Present: Joe Blanton, BMU Legal Counsel; Greg Turnbow, Mayor; Tom Robison, City Council Liaison; Jonathan Douglass, City Manager; James McMillan, Department of Public Safety Director; Rick Landers, Utility General Manager; Marcia Witt, Jeff Winders, Lora Daugherty, Laura Ramsey, Erin Miller, and LaRae Long of the Utility Staff.

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

Action on Agenda

A motion was made by Tim Merideth to accept the agenda as presented. The motion was seconded by Steven Burch and a roll call vote was held, all yes.

Action on Monthly Agenda Items

A motion was made by Chad Crow to approve the minutes of the Regular Meeting on December 12th and the Special Meeting on December 20th. The motion was seconded by Tim Merideth. A roll call vote was held, all yes.

Financial Reports

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

The Electric Retail division had a net loss of \$3,563 for the month. Revenues increased from the prior year due to higher kwh sales. Purchased power costs increased due to increased capacity charges from the plant. Distribution costs included more tree trimming and truck repairs than in the prior year.

The Electric Wholesale division had a net income of \$844,665 for the month. Revenues were down with decreased Mwh sales. Depreciation expense increased due to the capitalization of the new bottom ash handling system.

The Water division had a net income of \$15,406 for the month. Revenues were higher this month due to a rate increase although gallons sold decreased. Depreciation increased due to the capitalization of Water Treatment Plant #4.

The Sewer division had a net income of \$105,339 for the month. Revenues were higher than last year due to a rate increase although gallons treated decreased.

The NWWTP division had a net loss of \$21,336. Production costs increased due to equipment maintenance. Depreciation and Amortization increased with the implementation of GASB 87 to record amortization on leased assets. Interest expense increased due to the plant upgrades lease agreement.

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

Retail Operations

Jeff Winders, Operations Manager, presented the retail operations report for November 2023.

Staff received a formal report from the EPA inspection of the wastewater plant as well as a letter from Missouri DNR on RTCR testing and are responding accordingly. The South Wastewater Treatment Plant blowers are being installed and designs for the future headworks at this plant are in process. Phase two of the North Wastewater Treatment Plant upgrade is progressing. Design work is in progress for the Northeast Substation rebuild, and consultants are preparing specifications for the next phase of 69kV line reconductoring. All Utility departments are prepared for the forecasted winter weather.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Steven Burch and a roll call vote was held, all yes.

Sikeston Power Station

Rick Landers, General Manager, presented the Sikeston Power Station report for November 2023. The net capacity factor was 82% with a short outage to repair a boiler tube leak. As of January 4th there were 355,000 tons of coal on the stockpile with one train in service. A new diesel fire water pump was delivered, and the Maintenance department is working with a vendor to schedule installation.

A motion was made by Steven Burch to approve the Sikeston Power Station Report. The motion was seconded by Chad Crow and a roll call vote was held, all yes.

Semi-annual charge offs

Lora Daugherty, Customer Service Manager, and LaRae Long, Collection Clerk, presented the proposed semi-annual charge offs to the Board. The total amount to be charged off was \$94,691.83.

After some discussion, a motion was made by Chad Crow to approve the proposed charge offs. The motion was seconded by Steven Burch and a roll call vote was held, all yes.

Policy Updates

Lora Daugherty presented two customer policies for consideration:

- 1) A policy limiting the number of payment arrangements to three per customer per year.

Tim Merideth made a motion to approve the Payment Arrangement Policy. The motion was seconded by Steven Burch and a roll call vote was held, all yes.

- 2) A revision to the Landlord Utility Leave On Agreement to require that landlords keep their utility accounts current or forfeit their leave on agreement. The revision also states that any water usage incurred will still be the responsibility of the property owner/landlord regardless of selecting Electric Only.

Tim Merideth made a motion to approve the Landlord Utility Leave On Agreement revision. Chad Crow seconded the motion and a roll call vote was held, all yes.

Fire Water Policy

Rick Landers presented a revision to Part III, Section 8 of the BMU Policy Manual regarding private fire connections. The proposed revision would allow the BMU to charge the user for the use of BMU potable water for reasons other than extinguishment of fires.

The Board agreed that legal counsel should advise Staff on the exact language to be used in the policy. Steven Burch made a motion to approve the policy change including legal counsel's revisions. Tim Merideth seconded the motion, and a roll call vote was held, all yes.

Joint Use Agreement

Rick Landers presented a Joint Use Agreement between BMU and Ameren. The agreement would allow BMU to attach overhead lines to Ameren poles to serve an electric vehicle charger in a new downtown parking lot.

Steven Burch made a motion to approve Rick Landers to execute the Joint Use Agreement. The motion was seconded by Chad Crow and a roll call vote was held, all yes.

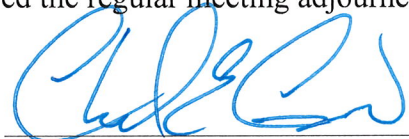
General Manager's Report

Mr. Landers reported on the status of several items, including the Comstock Substation work, joining the MISO Integrated Market, and customer sewer limits. The City has started the planning process for the Compress Road bridge improvements. November spot sales averaged \$29.85 and the year-to-date average price was \$34.17.

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

Adjournment

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



Secretary