

**MINUTES OF THE MEETING**  
**OF THE**  
**BOARD OF MUNICIPAL UTILITIES**  
**OF THE**  
**CITY OF SIKESTON, MISSOURI**  
**HELD ON THE THIRTEENTH DAY OF APRIL 2021**

On the thirteenth day of April, 2021 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:** Brian Menz, Jon Gilmore, Tim Merideth, Alan Keenan

**Absent:** none

**Also Present:** Steven Burch, Mayor; Gerald Settles, Councilman; Jonathan Douglass, City Manager; Joe Blanton, Attorney; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Lora Foust, Ron Priday, and Erin Miller of the Utility Staff.

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

**Action on Agenda**

Landers requested the addition of the Economic Development Federal Assistance Program application to the agenda after Item Six.

A motion was made by Tim Merideth to accept the revised agenda. The motion was seconded by Jon Gilmore and a roll call vote was held, all yes. The revised agenda was approved.

**Action on Monthly Agenda Items**

The Chairman asked for a motion to approve the minutes of the March 9th, 2021 Regular Board Meeting. A motion was made by Jon Gilmore and seconded by Alan Keenan and a roll call vote was held, all yes. The minutes were approved as presented.

**Financial**

Finance Manager Marcia Witt reviewed the financial reports for February 2021. The Electric Retail system had a net income of \$1,067,681 with kWh sales up 5.7% year to date. The Electric Wholesale system had a net income of \$3,552,634. Contract revenues were lower but spot revenues were higher this month compared to the same month last year due to the cold

weather event.

Witt also reported that Water Department had net income of \$28,039. Revenues were up due to a rate increase along with increased usage from the same month last year. Year to date gallons sold were up 4.5%.

The Sewer Department had net income of \$35,835 for the month of February. Increased revenue from a rate increase was offset by decreased usage compared to the same month last year. Year to date gallons sold were up 2.3%.

The Sewer Lagoon showed a net income of \$436 for February.

A motion was made to approve the financial report by Alan Keenan and was seconded by Jon Gilmore and a roll call vote was held, all yes. The report of the Financial Department was approved.

### **Retail Operations**

Operations Manager Jeff Winders presented the February 2021 retail operations report.

Winders reported that the line and substation crews were starting several projects including preparation for a new breaker and new transformers. Bids were being accepted for a Scada system and a transformer.

Winders reported maximum water usage for the month of March at 3.762 MGD. The Water Treatment Plant #4 project is on schedule for completion in December 2021 or January 2022. BMU Crews and contractor extended the sewer service on South Illinois Avenue for a new development and are working on new services in the area near Brunt Avenue.

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

### **Sikeston Power Station**

Mark McGill presented the February 2021 Sikeston Power Station report. There was one unplanned derate in February during the extreme winter weather event when a coal supply line became plugged. Net capacity factor remained high at 98% for the month.

McGill reported that there were 86,000 tons of coal on the stockpile as of April 7th which is 26 days of supply. The annual maintenance outage began on April 9<sup>th</sup> and personnel planned to address a boiler tube leak, a main condenser tube leak, and a failing conveyor belt gearbox as well as scheduled maintenance and repairs. BMU is engaged in discussions with MDNR on permit renewals.

A motion was made by Tim Merideth to approve the Sikeston Power Station Report. The motion was seconded by Jon Gilmore and a roll call vote was held, all yes. The Report for the Sikeston Power Station was approved.

### **FYE 2022 Retail Budgets**

Marcia Witt, Finance Manager, presented the FYE 2022 budgets for the Electric Retail, Water, and Sewer departments. Witt discussed the budgeting process, reviewed the assumptions used, and answered the Board's questions about specific items in the budget.

A motion was made by Jon Gilmore to approve the FYE 2022 Retail Budgets. The motion was seconded by Tim Merideth and a roll call vote was held, all yes. The budgets were approved.

### **2023 – 2024 Coal Price**

Rick Landers, General Manager, presented coal price estimates for the years 2023 and 2024. The current agreement with Arch Coal expires at the end of 2022. Western Fuels Association periodically solicits future pricing, and the most recent bid is reasonable compared to the current contract. Landers requested permission to authorize Western Fuels Association to prepare documents to extend the Arch Coal purchase agreement through 2024.

A motion was made by Tim Merideth to approve authorizing Western Fuels to work on the contract extension documents. The motion was seconded by Jon Gilmore and a roll call vote was held, all yes.

### **Pole Attachment Fees**

Jeff Winders, Operations Manager, presented proposed Pole Attachment Rates which are charged to third parties requesting to attach cable or telecom equipment to BMU power poles. The current rates and agreements were set in or around 1998 and the Missouri law regarding these charges has since changed. The proposed rates were calculated using the MPUA workbook based on the current State law. After approval of the new rates, Staff will prepare new pole attachment agreements which will be sent to BMU Counsel for review. Winders requested the Board's approval of the proposed rates, which would then be sent to City Council for approval.

A motion was made by Alan Keenan to approve sending the proposed rates to City Council. The motion was seconded by Jon Gilmore and a roll call vote was held, all yes.

### **Economic Development Federal Assistance Program application**

The City is apply for a U.S. Economic Development Administration grant for the I-55 project. The BMU was asked to co-sign the application because the project includes water and sewer infrastructure which will be maintained by BMU. Landers asked for the Board's approval to co-sign the application after it is reviewed by Counsel.

A motion was made by Jon Gilmore to approve co-signing the EDA grant application. The motion was seconded by Alan Keenan and a roll call vote was held, all yes.

## **General Manager's Report**

### **Current Topics**

Project America – BMU Staff is planning to meet with the Southwestern Power Administration, Associated Electric, and Ameren regarding the substation.

Landers expressed his and the BMU's appreciation to Mayor Burch and Councilman Settles for their service, support, and advice over the years.

Spot Sales – The March average spot sales price was \$23.15 and the year-to-date average was \$34.73.

### **Executive Session**

A motion was made by Jon Gilmore to enter Executive Session. The motion was seconded by Tim Merideth and a roll call vote was held, all yes. The Board members then entered an Executive Session.

### **Adjournment**

There being no further business Tim Merideth moved to adjourn the meeting. The motion was seconded by Jon Gilmore and a roll call vote was held, all yes. The Chairman declared the meeting adjourned.

  
Secretary