

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

On the eleventh day of May, 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, Tim Merideth, Alan Keenan

**Absent:** John Gilmore

**Also Present:** Brian Self, 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 a tractor upgrade discussion after Item 7.

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

Mr. Menz welcomed Mr. Self as the City Council liaison to the Board.

**Action on Monthly Agenda Items**

The Chairman asked for a motion to approve the minutes of the April 13th, 2021 Regular Board Meeting. A motion was made by Alan Keenan and seconded by Tim Merideth 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 March 2021. The Electric Retail system had net income of \$677,846 with kWh sales up 5.7% year to date. The Electric Wholesale system had a net loss of \$199,096. Contract and spot revenues were both higher than the previous year because the planned plant outage began in March last year but did not begin until April this year.

Witt also reported that the Water Department had net income of \$91,228. 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 6.3%.

The Sewer Department had net income of \$46,543 for the month of March. Increased revenue from a rate increase along with increased usage compared to the same month last year contributed to this increase. Year to date gallons treated were up 4.2%.

The Sewer Lagoon showed a net income of \$7,905 for March.

A motion was made to approve the financial report by Tim Merideth and was seconded by Alan Keenan 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 March 2021 retail operations report.

Winders reported that the electric line crew added or replaced several services in the city. The substation crew installed the 61kv Breaker 92 at Southwest Substation and began the prework for replacing other breakers. Scada bids were evaluated and a transformer bid opening was scheduled for May 6<sup>th</sup>.

Winders reported maximum water usage for the month of April at 3.437 MGD. The Water Treatment Plant #4 project is on schedule for completion in January 2022 despite some weather delays.

On April 26-27<sup>th</sup> there was a chlorine leak that went un-noticed overnight causing water plants 1 and 2 to produce water without chlorine disinfection. BMU will be receiving a DNR violation for this which will require notifying all water customers. Corrective measures have been taken to prevent this from happening again. Also, plants 1 and 2 were shut down on May 4<sup>th</sup> for a few hours after storms took out an I/O module.

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

### **Sikeston Power Station**

Plant Manager Mark McGill presented the March 2021 Sikeston Power Station report. There was one unplanned derate in March caused by a tripped coal feeder. Net capacity factor was 93%.

McGill reported that there were 116,000 tons of coal on the stockpile as of May 11th which is 35 days of supply. The annual maintenance outage ended on May 9<sup>th</sup>. All planned projects were completed on time. The unit was back up to full load and running well. Crews will watch for any tube leaks or other issues. Staff is awaiting a response from the EPA regarding the CCR extension request and working with MDNR on permit renewals. Bids for a bottom ash conversion project were being evaluated.

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

### **Ameren Service Territory Transfer**

Rick Landers, General Manager, provided information to the Board regarding Ameren's intention to transfer a portion of their service territory to BMU. The territory includes 6-7 businesses and residences on North Highway 61 that have never annexed into the City of Sikeston. Landers requested the Board's guidance, and the Board discussed the electric rates that would be charged to these customers.

A motion was made by Alan Keenan to authorize BMU Staff to execute the agreement with Ameren and determine the rate that will be submitted to City Council for approval. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

### **2023 – 2024 Coal Purchase**

Rick Landers presented a draft amendment to the Arch Coal #5195 agreement. This 4<sup>th</sup> Amendment extends the term of the agreement from December 31, 2022 to December 31, 2024 and fixes the contract prices for 2023 and 2024. Landers explained that purchasing the 2023 and 2024 coal now eliminates the uncertainty surrounding coal prices and availability.

A motion was made by Alan Keenan to execute Amendment #4 and seconded by Tim Merideth. A roll call vote was held, all yes.

### **SCADA Bids**

Jeff Winders presented bids for a SCADA system. Staff concurs with the recommendation from engineering consulting firm Fisher Arnold to award the bid to Survalent Technology Inc. of Buffalo, NY for \$228,014. Winders discussed the evaluation process and Survalent's qualifications.

A motion was made by Alan Keenan to award the bid to Survalent Technology. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

## **Transformer Bids**

Jeff Winders presented bids for two transformers which will be used at the Northeast Substation and the new South Industrial Park substation. Fisher Arnold is still reviewing to determine if the apparent low bidder, Virginia Transformer, met the bid specifications. The South Industrial Park project is time sensitive, so Winders requested the Board's approval to award the bid to Virginia Transformer pending Fisher Arnold's evaluation or to award the bid to WEG if Virginia Transformer's bid does not meet specifications.

A motion was made by Tim Merideth to award the bid to Virginia Transformer pending Fisher Arnold's evaluation or to award the bid to WEG if Virginia Transformer's bid does not meet specifications. The motion was seconded by Alan Keenan and a roll call vote was held, all yes.

## **Tractor Upgrade**

Rick Landers requested the Board's permission to purchase a tractor for mowing. The current tractor is not large enough to handle the mower well. A larger tractor is available for \$35,000 and the funds would be reallocated from the unused vehicle budget.

A motion was made by Alan Keenan to allow Management's discretion for the procurement of a larger tractor. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

## **General Manager's Report**

### **Current Topics**

Project America – Draft agreements are in process and Staff expects an agreement to be executed within a few weeks.

Meter Readers – Staff executed an agreement with the union to eliminate four Meter Reader positions and create a new Meter Technician position. The Utilityman duties were revised and the former Meter Readers have moved to the Water/Sewer Distribution department while one former Meter Reader is now the Meter Technician. The agreement also provided for the elimination of the Collector position in the future.

Solar Energy – Two residential customers in Sikeston had solar panels installed on their homes. The developer has not yet finished the inspections and paperwork.

Water Treatment Plant #4 Property – BMU and City Staff are working to annex the property into the City. They are also working with the Highway Department regarding the Right of Way.

Pole Attachment agreement – Staff and Counsel are working on a Pole Attachment Agreement and it will be presented to the Board at a later date.

Spot Sales – The April average spot sales price was \$21.03 and the year-to-date average was \$34.35.

**Executive Session**

A motion was made by Alan Keenan 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 Alan Keenan and a roll call vote was held, all yes. The Chairman declared the meeting adjourned.

  
Secretary