

**MINUTES OF THE MEETING**  
**OF THE**  
**BOARD OF MUNICIPAL UTILITIES**  
**OF THE**  
**CITY OF SIKESTON, MISSOURI**

**HELD ON THE FOURTEENTH DAY OF DECEMBER 2021**

On the fourteenth day of December 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:** Jon Gilmore, Tim Merideth, Steven Burch, Brian Menz (via telephone)

**Absent:**

**Also Present:** Brian Self, City Council Liaison; James McMillen, Chief of Police; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Lora Foust, Ron Priday, Erin Miller, and Tre Holley 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 Brian Menz and a roll call vote was held, all yes. The agenda was approved.

**Action on Monthly Agenda Items**

The Chairman asked for a motion to approve the minutes of the Regular Meeting on November 9<sup>th</sup>, the Special Meeting on November 23<sup>rd</sup>, the NERC Meeting on November 22<sup>nd</sup>, and the NERC Meeting on December 6<sup>th</sup>. A motion was made by Tim Merideth and seconded by Brian Menz. A roll call vote was held, all yes. The minutes were approved as presented.

**Financial**

Marcia Witt, Finance Manager, presented the October 2021 financial reports.

Five months into the fiscal year, coal costs were over budget due to higher coal usage than anticipated and fuel surcharges. Purchased power was over budget due to unplanned outages early in the year. The Electric Wholesale department had net income of \$326,810 for the month, with higher revenues than the prior year due to increased contract and spot sales. Other expenses

in the current month included chemicals, boiler and equipment repairs, a coal belt replacement and the five-year study.

The Electric Retail department had net income of \$329,170 for the month. Revenues were higher than the same month last year and 5% over budget due to a rate increase and increased kwh sales. Expenses included truck repairs, overtime during outages and annual substation equipment service and testing.

The Water Department had a net loss of \$7,923. Revenues included a rate increase but were offset by lower usage in the current month. Expenses included inspection and cleaning of the VFW storage tank and consulting fees for development of an emergency response plan.

The Sewer Department had net income of \$14,409. Revenues were higher than the same month last year due to a rate increase but were offset by a decrease in gallons billed. Expenses included equipment repairs and lab supplies. Miscellaneous income is high due to BOD surcharges.

The Sewer Lagoon had net income of \$13,156 in October.

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

### **Retail Operations**

Jeff Winders, Operations Manager, presented the retail operations report. During the month of November, line crews were working on lights and other maintenance while substation crews completed installation of SCADA equipment which will be commissioned in January. The substation supervisor has been working with the engineering consultants on route planning and preparation for the 69kV sub-transmission extension to the new South Industrial Park and grading plans for the new substation.

Max daily water usage for November was 3.976 MGD. WTP #4 is progressing but slightly delayed due to material delivery delays. The plant is expected to be in operation in March 2022.

The water and sewer distribution department has been replacing hydrants, installing valves, and performing normal maintenance.

The water and sewer production maintenance department cleaned the second aerator at plant #2 and ordered a second set of tubes so future cleaning downtime will be shorter. Currently, the maintenance crew is performing a scheduled cleaning to prepare for the rehab of wells #1 and #2. The acid used to clean the wells produces an odor which residents have been complaining about.

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

### **Sikeston Power Station**

Mark McGill, Plant Manager, presented the report from the Sikeston Power Station for October 2021. There was one derate for mill inspections in October, and the net capacity factor was 97%.

As of December 9<sup>th</sup>, there were 137,000 tons of coal on the stockpile, or 42 days of supply. McGill reported that the unit is running well after a short maintenance outage at the end of November when heater tube leaks, boiler tube leaks, and an attemperation control valve were repaired.

Staff met with MDNR and gained more information on the Regional Haze Rule State Implementation Plan. The bottom ash conversion project continues to advance. Staff is planning for the spring 2022 outage, when Heater #6 will be changed out and high energy piping will be tested.

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

### **Fiber Lease Agreement**

Mr. Landers presented a fiber lease agreement for the Board's approval. After discussion with Ronin Technology Advisors, the Staff seeks to proceed with a fiber leasing plan of a smaller scale than previously pursued. The draft agreement initially provides for the lease of five fibers, with additional fibers to be added in the future.

A motion was made by Tim Merideth to approve execution of the lease agreement. The motion was seconded by Steven Burch and a roll call vote was held, all yes.

### **Fiber Maintenance Agreement**

Mr. Landers presented a draft agreement between the BMU and AH Communications of Sikeston for AH Communications' fiber maintenance services. This will support the leasing of BMU fiber by preparing existing fiber for future use and providing a resource for fiber maintenance and repairs as needed. The agreement includes a call out provision to ensure contractor response to emergency repairs.

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



## **Trencher Bid**

Mr. Winders presented bids for a new trencher to replace one of three aging trenchers, which was budgeted at \$125,000. Two bids were received, and the low bid was \$87,360 by Vermeer. Mr. Winders requested approval to purchase the Vermeer trencher.

A motion was made by Brian Menz to award the bid to Vermeer. The motion was seconded by Steven Burch and a roll call vote was held, all yes.

## **General Manager's Report**

Mr. Landers reported that the documents for Comstock substation are close to the final version which will be presented to the Board soon for review and approval.

In their December meeting, the MPUA Board approved the MEUC contract extension to purchase power from Sikeston for an additional three years. Contract language is still being drafted.

Refresco continues to accrue surcharges for excessive BOD discharge. They should have a sampler installed soon to verify the BOD levels, which will help them determine the course of action they will take on pretreatment. Staff continues to communicate with them on the matter.

Staff drafted an amendment to the Unilever wastewater treatment agreement to incorporate planned upgrades and this amendment is being reviewed by Unilever's corporate office.

Landers provided an update on electric vehicle charging station options and the Board discussed the need for these charging stations and potential paths forward. Staff will continue their research and communication with other stakeholders in the community.

The North 61 electric territorial service agreement has been approved by the Public Service Commission and BMU is waiting to hear from Ameren about transitioning the customers to BMU's electric service.

Spot prices averaged \$46.24 for the month of November and \$38.76 year to date.

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

**Adjournment**

Tim Merideth moved to adjourn to Executive Session. The motion was seconded by Steven Burch and a roll call vote was held, all yes. The Chairman declared the regular session adjourned.

  
Secretary