

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

HELD ON THE EIGHTH DAY OF FEBRUARY 2022

On the eighth day of February 2022 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

Absent:

Also Present: Brian Self, City Council Liaison; Jonathon Douglass, City Manager; Greg Turnbow, Mayor; Joe Blanton, Legal Counsel; 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 Brian Menz to accept the agenda as presented. The motion was seconded by Steven Burch and a roll call vote was held, all yes. The agenda was approved.

Action on Monthly Agenda Items

A motion was made by Tim Merideth to approve the minutes of the Regular Meeting on January 11th, the minutes of the Special Workshop on February 4th, and the minutes of the NERC meeting on January 13th. The motion was 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 December 2021 financial reports.

Higher than average medical insurance claims created an increase in health insurance expense on all departments, as is common at the end of a calendar year. A stop loss refund is

expected early in 2022 which will partially offset the extra expense.

The Electric Retail department had net income of \$347,810 for the month. Revenues were down due to 3.6% lower energy sales than the prior year. Expenses for the month included annual dues.

The Electric Wholesale system had a net loss of \$152,162 in December. Revenues were higher than the prior year due to increased contract and spot sales. Coal costs increased with higher generation as well as an increase in transportation costs. The higher year to date coal expenses will level out some during the spring outage. Other expenses included annual dues and consulting fees.

The Water Department had a net loss of \$34,456. Revenues included a rate increase but were offset by an 8% decrease in water usage.

The Sewer Department had net income of \$228,116. Revenues were higher than the same month last year due to a rate increase but were offset some by a decrease in usage. Miscellaneous income was higher this year due to BOD surcharges.

The Sewer Lagoon had net income of \$16,526 in December.

A motion to approve the report was made by Brian Menz and was seconded by Steven Burch. 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 January, line crews continued relocating a power line, began installing power for Unilever's expansion, and installed power to a new strip mall. They also responded to storm damage and a pole that was struck by a vehicle causing Walmart, Love's, Refresco, and other customers to lose power for 1.5 hours.

Substation crews worked on SCADA training and installation and the vendor was scheduled to be on site for commissioning the week of February 7th. 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 site plans for the new substation there.

Maximum daily water usage for January was 4.076 MGD. Water Treatment Plant #4 is progressing but experiencing supply chain issues, delaying the expected completion date. Staff is correcting and responding to an unsatisfactory audit finding on the wastewater pretreatment program.

The water and sewer distribution department has rehabbed three manholes with the help of a contractor. In January these crews also installed a new sewer tap for the Stallcup building, replaced a fire hydrant at North Main and Hunter, and made a temporary water tap for Carlisle

Construction.

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. The Retail Operations report was approved.

Sikeston Power Station

Mark McGill, Plant Manager, presented the report from the Sikeston Power Station for December 2021. The unit was offline at the beginning of December to repair a heater tube leak. It was also derated briefly on December 26th when a mill tripped. Net capacity factor was 97%.

As of February 4th there were 158,000 tons of coal on the stockpile, or 48 days of supply. The B train set is scheduled to go in for repairs in early February. The unit is running well. There were two brief outages in January.

Staff is planning for the spring 2022 outage which will last about five weeks. Heater #6 will not be delivered in time for the outage so it will have to be put in the following year. Staff is waiting on the next round of CCR extension request determinations. The bottom ash conversion project continues to move forward.

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

Annual Net Metering Report

Lora Foust, Customer Service Manager, presented the annual net metering report listing customer-generator facilities, the total estimated generating capacity of net-metered customer-generators, and the total net kilowatt-hours received from customer-generators. BMU has four active solar generator customers and received 6,417.551 kWh from those customers in 2021. Two additional customers are planning to build solar facilities at their service locations.

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

BMU Policy Update

Staff presented a proposed update to the BMU's Fees and Equipment Charges. Staff reviewed and updated these fees based on current costs and Foust requested Board approval to update the fees now and annually in the future after the presentation of the audit.

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

General Manager's Report


Mr. Landers updated the Board on several ongoing projects. The Comstock Substation agreement is in the final review stage. BMU's portion of the I-57 overpass project is due to be completed by June 2023. Staff is working with Ameren to receive complete data on the customers involved in the North 61 annex. Staff is also reviewing electric vehicle charging station options.

Spot prices averaged \$40.83 for the month of January and \$38.10 year to date.

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

Adjournment

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



Secretary