

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE THIRTHEENTH DAY OF SEPTEMBER 2022**

On the thirteenth day of September 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, and Brian Menz

Absent: Steven Burch

Also Present: Joe Blanton, BMU Legal Counsel; Greg Turnbow, Mayor; James McMillen, Chief of Police; 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

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

Action on Monthly Agenda Items

A motion was made by Brian Menz to approve the minutes of the Regular Meeting on August 9th. The motion was seconded by Tim Merideth. A roll call vote was held, all yes.

Financial

Marcia Witt, Finance Manager, presented the July 2022 financial reports.

The Electric Retail division had net income of \$699,737. Revenues increased over the prior year as a result of increased kwh usage. The Retail division also purchased more energy from the Sikeston Power Station than in the prior year resulting in higher purchased power costs.

The Electric Wholesale system had net income of \$872,146. Revenues were higher this year due to increased sales to the Retail division and to the spot market. Transportation cost increases resulted in higher coal costs in the current year. Other expenses included boiler maintenance and consulting fees.

The Water division had net income of \$81,845. Revenues were higher due to a rate increase and an increase in gallons used.

The Sewer division had net income of \$45,071. Revenues were lower than the prior year due to a decrease in usage. The Sewer NWWTP division had a net loss of \$793.

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

Retail Operations

Jeff Winders, Operations Manager, presented the retail operations report. During the month of August line crews continued construction of distribution lines to the Carlisle facility. They also replaced and moved poles for the new outer road. Substation crews have been working on maintenance and monitoring the construction of the South Substation.

Maximum daily water usage for the month of August was 5.786 MGD and average usage was 4.828 MGD. Water Treatment Plant #4 is expected to be online in January 2023. The wastewater treatment plant is still in a critical situation. The project schedule includes replacement of airlines in October and cleanout, diffuser replacement, and blower replacement occurring in the first half of 2023.

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.

Sikeston Power Station

Mark McGill, Plant Manager, presented the Sikeston Power Station report for July 2022. There was one unplanned derate and one forced outage, and the net capacity factor was 75%.

As of September 7th there were 161,000 tons of coal on the stockpile, or 49 days of supply. BMU will be restricted to one train in operation until further notice by BNSF and is still operating in coal conservation mode.

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

Fiber Easement

Rick Landers, General Manager, presented a Fiber Optic Utility Easement granting GoSEMO an easement on BB Highway where GoSEMO will locate a fiber cabinet. The location is on City of Sikeston owned property. Landers recommended the Board approve the Easement to be forwarded to City Council for their approval.

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

Comstock 69kv Construction Agreement

Landers presented a draft Construction Agreement for the construction of the 69kv substation in conjunction with the Comstock substation. The 69kv substation will cost approximately \$5M and will be financed. The final draft of the Construction Agreement will be provided in September. Landers requested Board approval to execute the construction agreement once the final draft is received and reviewed.

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

Surcharges Discussion

Landers and Winders presented information regarding the sewer surcharges that have been billed to Refresco and updated the Board on ongoing conversations between the Staff and the customer.

DNR Compliance Schedule

Winders provided information to the Board regarding the Missouri DNR notice of violation and recommendation for a compliance monitoring schedule for the south wastewater treatment plant.

Insurance Renewal


Ron Priday, Personnel Manager, presented the Power Plant Boiler and Machinery insurance policy renewal that was effective on September 1st. The premium increased due to higher property value and a rate increase.

General Manager's Report

Landers updated the Board on several ongoing projects. The AMI water node replacements are in process and BMU has received over 8,000 new nodes from Eaton. The spot sales price for August was \$81.02 and the average year to date price was \$79.72.

Adjournment

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


Secretary