

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

On the eighth day of November 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 (via telephone), and Brian Menz

Absent:

Also Present: Greg Turnbow, Mayor; Jonathan Douglass, City Manager; 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 Tim Merideth and a roll call vote was held, all yes.

Action on Monthly Agenda Items

A motion was made by Tim Merideth to approve the minutes of the Regular Meeting on October 11th and the NERC minutes. The motion was seconded by Brian Menz. A roll call vote was held, all yes.

Financial Reports

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

The Electric Retail division had net income of \$632,450. Revenues decreased from the prior year as a result of decreased 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 division had net income of \$1,042,614. Revenues were lower this year due to decreased sales to the contract cities, while operations costs were lower due to decreased coal use. The original plant assets were fully depreciated in May 2022 resulting in less depreciation expense in the current year.

The Water division had a net loss of \$43,015. Revenues were higher due to a rate increase and slightly higher usage.

The Sewer division had a net loss of \$410,720. Revenues were higher due to a rate increase

although gallons treated were down 10%. Net income was affected by an adjustment to previously billed sewer surcharges. The Sewer NWWTP division had net income of \$25,625.

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

Retail Operations

Jeff Winders, Operations Manager, presented the retail operations report. During the month of October line crews replaced a transformer at the hospital, extended white way lights on Rose Parkway, changed out poles and performed other preventative maintenance. Substation crews have been changing substations lights to LED and taking oil samples as well as monitoring the construction of the South Substation.

Maximum daily water usage for the month of October was 5.262 MGD and average usage was 4.363 MGD. WTP#4 is approximately 90% complete. The South WWTP air project is progressing, and the air lines are connected. The NWWTP project is also progressing and the phase 1 cleanout should be completed this week.

The water and sewer distribution crews have been repairing leaks and working on maintenance issues. They have added three new valves and one new fire hydrant, and have worked on new water service to the Stallcup Building.

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 September 2022. There was one unplanned derate and one forced outage. The net capacity factor was 75%.

As of November 1st 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. Pulverizer inspections and MATS testing were completed successfully in October. A boiler tune-up and PM test are scheduled for this quarter. The unit is running well.

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

Rail Contract

Rick Landers, General Manager, presented a Rail Transportation Agreement between BMU and BNSF Railway. The current contract expires at the end of 2022. The new contract includes phasing out volume discounts but maximizes the discounts available to BMU.

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

Fuel Pumps

Tre Holley presented a quote for new fuel pumps for the BMU Warehouse. The current fuel pumps are old and outdated and are used to fuel all BMU vehicles and equipment. The new, updated pumps will be electronic and will include software for tracking fuel use, allowing better management of fuel inventory and costs. The total cost for the diesel and unleaded fuel pumps, installation, and optional fuel tank gauge is \$41,786.00 with a \$900.00 annual software fee.

A motion was made by Tim Merideth to purchase the new fuel pumps. The motion was seconded by Brian Menz and a roll call vote was held, all yes.

Bottom Ash Conversion

Mark McGill presented a bid summary for the Bottom Ash Conversion General Construction project. This bottom ash handling system will enable compliance with the EPA's Coal Combustion Residuals and Effluent Limitation Guidelines regulations. The general construction project will upgrade the plant's existing bottom ash handling system with a wet to dry conversion. Staff recommended awarding the contract to Mechanical Construction Services (MCS), who provided the lowest, best evaluated price.

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

South WWTP Cleanout Bid

Jeff Winders presented bids for cleanout of the 002 and 003 plants at the South Wastewater Treatment Plant. Cleaning out the sludge and other debris is necessary as part of the WWTP repair work. Waters and Associates requested proposals as a per day price and Hill Services presented the lowest daily price with a lower estimated time for completion. Staff recommended awarding the bid to Hill Services.

A motion was made by Tim Merideth to award the bid to Hill Services and the motion was seconded by Brian Menz. A roll call vote was held, all yes.

General Manager's Report

Landers updated the Board on several ongoing items. Staff continues to work with SWPA on a facilities agreement. All replacement water AMI nodes have been received and installation is progressing. About 50% of the water nodes are now communicating. Management has been meeting with the Bargaining Unit regarding the renewal of the Bargaining Unit contract which expires on 12/31/22.

The average spot sales price for October was \$48.12 per mWh and the YTD average price is \$70.63. The price was budgeted at \$28.00 for the fiscal year.

Brian Menz made a motion 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 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