

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE NINTH DAY OF MAY 2023**

On the ninth day of May 2023 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: Tom Robison, City Council Liaison; Greg Turnbow, Mayor; Joe Blanton, BMU Counsel; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Lora Foust, Ron Priday, Tre Holley, 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 Tim Merideth to approve the minutes of the Regular Meeting on April 11th, the Special Meeting on April 12th, and the Special Meeting on April 19th. The motion was seconded by Brian Menz. A roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the March 2023 financial reports.

The Electric Retail division had net income of \$603,135. Revenues decreased from the prior year due to decreased kwh usage. Miscellaneous income included farm rent. Cash flows included payment of 69kv line relocation costs.

The Electric Wholesale division had a net loss of \$1,399,207. Revenues and operational costs were lower this year while maintenance costs were higher due to the Spring maintenance outage, which was scheduled through May 20th. 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 \$193,003. Revenues were slightly higher than the prior year due to a rate increase although gallons used decreased. March expenses included well treatment, citywide hydrant flushing, and employee benefit payouts. The Water division was building cash balances in anticipation of future COPs debt payments.

The Sewer division had net income of \$64,139. Revenues were higher due to a rate increase despite decreased usage. Miscellaneous net income included customer sewer surcharges. The Sewer NWWTP division had net income of \$41,949.

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 April, line crews installed new services for two commercial customers and street lights on Armor Drive. Winders discussed a project to install lights at Veteran's Park for which the City has been awarded grant funding.

Maximum daily water usage for the month was 4.855 MGD and average usage was 3.558 MGD. Plans were being made to abandon a well and a new submersible pump was installed in another well.

Water and Sewer distribution crews replaced a fire hydrant and added a new one. They also started planning for the required Lead and Copper Rule Revised Inventory.

Winders also provided status updates on several ongoing projects. Water Treatment Plant #4 should be in the testing and training phase by early June. The South Industrial Park substation is operational. Phase 2 of the 69kV Reconductoring has begun. The critical portion of the South Wastewater Treatment Plant upgrade is complete and work will continue on the remaining repairs. Design work has begun for the new headworks. The North Wastewater Treatment Plant liner and aeration equipment were being installed.

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.

Sikeston Power Station

Mark McGill, Plant Manager, presented the Sikeston Power Station report for March 2023. There was one derate and one unit trip, and the unit was taken offline for the annual maintenance outage on March 10th. Net capacity factor was 20%.

As of May 4th, there were 240,000 tons of coal on the stockpile with one train in service. McGill provided updates on the outage projects. All projects were still expected to be completed by May 20th.

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.

Wastewater Tractor and Applicator Tank Lease

Ms. Witt presented a resolution authorizing the Board of Municipal Utilities of the City of Sikeston, Missouri, to enter into an equipment lease purchase agreement with First State Community Bank, the proceeds of which will be used to pay the costs of acquiring and installing certain equipment

for the benefit of the sewer system; and to approve certain documents and actions in connection therewith. The resolution authorizes the General Manager to execute and deliver the lease documentation on behalf of the Board.

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

Annual Audit Engagement Letter

Ms. Witt presented for the Board's information an Audit Engagement Letter from Forvis, LLP for the FYE 2023 audit.

Unilever Switchgear Replacement

Mr. Winders presented a quote for replacing a switchgear with over 25 years of service time and recommended that the Board approve the purchase of S&C switchgear from Eaton Corporation.

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

Truck Bids

Mr. Winders presented a bid tabulation for two supervisor trucks. He recommended the purchase of two Chevrolets from Martindale Chevrolet.

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

Warehouse UTV Bids

Mr. Winders presented a bid tabulation for a UTV to be used by the retail storeroom, replacing an ATV that is currently in use. He recommended the purchase of a Can Am from Midwest Sports.

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

General Manager's Report

Mr. Landers reported that Staff is working with SPP and SWPA on a transition plan and work will begin on the Comstock substation in June. Bids are due May 17th for the new city transformer which will go in the Comstock substation. Property insurance for the retail system was renewed with slightly higher premiums than the previous renewal. There were no spot sales for the month of April as the unit was offline, and the YTD average price was \$53.75 per Mwhr. The price was budgeted at \$28.00 for the fiscal year.

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

Adjournment

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



Secretary