

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

On the thirteenth day of June 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, Steven Burch, and Brian Menz

Absent:

Also Present: Greg Turnbow, Mayor; Jonathan Douglass, City Manager; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Lora Foust, Ron Friday, Laura Ramsey, 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 May 9th, the Special Meetings on May 25th, June 1st, June 2nd, and June 8th, and the NERC meeting on May 11th. The motion was seconded by Brian Menz. A roll call vote was held, all yes.

Financial Reports

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

The Electric Retail division had net income of \$599,674. Revenues and kwh sales were comparable to the prior year. Less power was purchased from the plant in the current year resulting in lower purchased power cost.

The Electric Wholesale division had a net loss of \$1,165,709. Revenues and operational costs were lower this year while maintenance costs were higher due to the Spring maintenance outage, which lasted through May. The original plant assets were fully depreciated in May 2022 resulting in less depreciation expense in the current year.

The Water division had net income of \$37,381. Revenues were higher than the prior year due to a rate increase along with increased usage. Expenses for the month included closing a well and truck repairs.

The Sewer division had net income of \$96,555. Revenues were higher due to a rate increase along with increased usage. Miscellaneous net income included customer sewer surcharges. The Sewer NWWTP division had net income of \$28,957.

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 May line crews added lights to Armor Drive. A May 8th storm caused some power outages. The Substation crew continued working on plans for the breaker replacement project.

Maximum daily water usage for the month was 5.520 MGD and average usage was 4.220 MGD. Water Treatment Plant #4 is being tested and commissioned.

Water and Sewer distribution crews installed the tap for the new hotel and summer help is painting fire hydrants.

Winders also provided status updates on several ongoing projects. The South Industrial Park substation is operational and crews are working on punch list items. Phase 2 of the 69kV Reconductoring is underway and much of Phase 3 has been done. The critical portion of the South Wastewater Treatment Plant upgrade is complete and the plant is in compliance. Work continues on the remaining repairs. Design work has begun for the new headworks. At the North Wastewater Treatment Plant, crews are installing the new liner on the north side.

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

Sikeston Power Station

Mark McGill, Plant Manager, presented the Sikeston Power Station report for April 2023. The unit remained offline the entire month for the annual maintenance outage.

As of June 7th, there were 280,000 tons of coal on the stockpile with one train in service. The outage was completed and the unit was back in service on May 31st. All projects were completed successfully. McGill presented a Power Point presentation featuring pictures of repairs and replacements made during the outage.

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.

Comstock Substation Transformer Bids

Mr. Winders presented a bid tabulation for the purchase of a 120 MVA base transformer which will be the new City transformer located at Comstock Substation. Staff and Consultants recommended purchasing the transformer from Virginia Transformer who quoted \$5,019,616. The previous estimate for this transformer was \$2,000,000. Transformer costs have gone up significantly and are expected to continue to increase, so staff believes delaying the purchase would result in even higher pricing.

After review and discussion, a motion was made by Steven Burch to award the transformer bid to Virginia Transformer. The motion was seconded by Brian Menz and a roll call vote was held, all yes.

Resolution 2023-06 – DRA Participation Agreement

Ms. Witt presented a Resolution authorizing General Manager Rick Landers to execute a Participation Agreement with the Delta Regional Authority. The agreement is necessary to receive grant funds for the upgrades to the North Wastewater Treatment Plant.

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

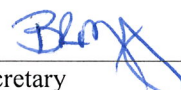
General Manager’s Report

Mr. Landers reported that Staff is working on several items regarding the Comstock Substation, including a letter agreement with Ameren, a construction agreement, and SPP and MISO market registrations. He is also working with a law firm on potential amendments to the Utility’s Distributed Generation Policy. There were no spot sales for the month of May as the unit was offline, and the YTD average price was \$53.65 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 by Tim Merideth and seconded by Brian Menz. A roll call vote was held, all yes. The Chairman declared the regular meeting adjourned.


Secretary