

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

On the eleventh day of July 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; Jonathan Douglass, City Manager; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Mark McGill, Lora Foust, Ron Priday, Laura Ramsey, Tre Holley, LaRae Long, 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 Tim Merideth to accept the agenda as presented. The motion was seconded by Brian Menz 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 June 13th, the Special Meetings on June 13th, June 14th, June 22nd, and June 28th, and the NERC meeting on June 8th. The motion was seconded by Tim Merideth. A roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the preliminary fiscal year ended May 31, 2023 financial reports.

The Electric Retail division had net income of \$6,609,573 for the year. Revenues and kwh sales decreased slightly from the prior year. Purchased power costs were higher this year due to a higher all-in cost from the plant. Overall expenses were close to the budget. Net fiscal year-end adjustments, including the GASB 68 actuarial evaluation, did not affect cash but increased net income by \$846,000.

The Electric Wholesale division had net income of \$15,529,629 for the year. Compared to the prior year, less power was sold but the market price was higher. Net fiscal year-end adjustments, including the GASB 68 actuarial evaluation, did not affect cash but increased net income by \$2,300,000.

The Water division had net income of \$1,023,532 for the year. Revenues and gallons sold were higher than the prior year. Net fiscal year-end adjustments, including the GASB 68 actuarial

evaluation, did not affect cash but increased net income by \$524,000.

The Sewer division had net income of \$2,248,366 for the year. Although sales were down, revenues were higher than the prior year due to a rate increase. Miscellaneous net income included customer sewer surcharges. Net fiscal year-end adjustments, including the GASB 68 actuarial evaluation, did not affect cash but increased net income by \$141,000. The Sewer NWWTP division had net income of \$330,244 for the year.

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. Power blinks during June were attributed to birds and the installation of lightning arrestors. The arrestors were reworked and the problem has not appeared again.

During startup of Water Treatment Plant #4 a problem was found with the filters and it is being corrected by the manufacturer. Repairs are estimated to be completed in mid-July.

The North Wastewater Treatment Plant liner installation will be completed in about two weeks. Staff were evaluating headworks equipment for the South Wastewater Treatment Plant.

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 May 2023. The unit remained offline until the last day of the month for the annual maintenance outage.

As of July 11th, there were 260,000 tons of coal on the stockpile with both trains 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.

Semi-Annual Charge Offs

Lora Foust, Customer Service Manager, and LaRae Long, Collection Clerk, presented the proposed semi-annual charge offs to the Board. The total amount to be charged off was \$93,239.90.

After some discussion, a motion was made by Brian Menz to approve the proposed charge offs. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Truck Bids

BMU Staff solicited proposals for two replacement vehicles for the water and sewer departments. Staff recommended awarding the bid to Autry Morlan, Inc. at a price of \$68,688 each.

Brian Menz made a motion to award the bid to Autry Morlan, Inc. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

General Manager's Report

Mr. Landers reported that dirt work began for the Comstock Substation and Staff were waiting on a construction agreement with SWPA. BMU will join the SPP market on August 1st and the MISO market in December. Staff will receive help from consultants at Evergy with this change. The Evergy Energy Management Agreement will be renewed and adjusted to accommodate this. Staff and Consultants were working on a draft letter of intent to apply for the USDA PACE grant program. Montgomery Bank has been experiencing some power quality issues and Staff were working with the customer to identify and correct the issues. The June and YTD average spot price was \$28.96 per Mwhr.

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

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


Secretary