

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE NINTH DAY OF APRIL 2024**

On the ninth day of April 2024 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:

Board Members Present: Jon Gilmore, Tim Merideth, Deidre Peters, and Cal Crader

Board Members Absent:

Also Present: Joe Blanton, BMU Legal Counsel; Greg Turnbow, Mayor; Tom Robison, City Council Liaison; Jonathan Douglass, City Manager; Rick Landers, Utility General Manager; Marcia Witt, Jeff Winders, Mark McGill, Laura Ramsey, Erin Miller, and Tre Holley of the Utility Staff.

There being a quorum present, Chairman Gilmore called the meeting to order and 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 Deidre Peters 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 March 12th and the NERC Meeting on March 14th. The motion was seconded by Cal Crader. A roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the February 2024 Financial Reports.

The Electric Retail division had a net income of \$1,206,131 for the month. Revenues increased from the prior year due to higher kwh sales. Purchased power costs decreased due to decreased capacity charges from the plant and credit for power sold in the SPP market. Adjustments were made to reclassify some expenses from Operational accounts back into G&A and Depreciation.

The Electric Wholesale division had a net loss of \$437,216 for the month. Revenues were down with decreased Mwh sales and the revision of the contract capacity charge. Adjustments were made to reclassify some expenses from Operational accounts back into G&A and Depreciation.

The Water division had a net income of \$52,152 for the month. Revenues were higher this month due to a rate increase and increased gallons sold. Adjustments were made to reclassify some

expenses from Operational accounts back into G&A and Depreciation.

The Sewer division had a net income of \$138,810 for the month. Revenues were higher than last year due to a rate increase although gallons treated were the same. Miscellaneous net income decreased due to lower surcharges billed. Adjustments were made to reclassify some expenses from Operational accounts back into G&A and Depreciation.

The NWWTP division had a net income of \$13,222. Miscellaneous Revenue increased from the collection of the additional lease payment for the NWWTP upgrades.

Mrs. Witt noted that staff will be requesting proposals for banking services soon, a process that is done every five years. Staff is also preparing for an updated rate study as the last adjustment on electric rates was made in 2021.

A motion to approve the Financial Report was made by Deidre Peters and was seconded by Cal Crader. A roll call vote was held, all yes.

Retail Operations

Jeff Winders, Operations Manager, presented the Retail Operations Report.

High winds on April 2nd caused issues on the Helen Street circuit, and the circuit was taken offline while the issue was resolved. Staff received the 2023 Water Quality Report (Consumer Confidence Report) and will be providing a link to the report to BMU customers.

The Northeast Substation Rebuild and 69kV Reconductoring projects are in the planning phases. The South Wastewater Treatment plant piping work is in progress, and the Headworks design for that plant has been submitted to the Missouri Department of Natural Resources. The contractor for the North Wastewater Treatment Plant project is troubleshooting the new blowers.

A motion was made by Cal Crader to approve the Retail Operations Report. The motion was seconded by Deidre Peters and a roll call vote was held, all yes.

Sikeston Power Station

Mark McGill, Power Plant Manager, presented the Sikeston Power Station Report. The net capacity factor was 78%. There were 295,000 tons of coal on the stockpile as of April 3rd. In March, a turbine pressure transmitter problem caused a derate which led to a unit trip. The unit is now derated by 10 MW to keep drum pressure below 2,000 psi. A drum safety will have to be repaired during the spring outage.

The original outage schedule of April 26th through May 20th remains intact with the potential for an earlier startup.

A motion was made by Tim Merideth to approve the Sikeston Power Station Report. The motion was seconded by Deidre Peters and a roll call vote was held, all yes.

AT&T Pole Attachment Agreement

Rick Landers, General Manager, presented a license agreement between the BMU and AT&T for equipment attached to BMU's poles. Tim Merideth made a motion to approve the proposed agreement. The motion was seconded by Deidre Peters. A roll call vote was held, all yes.

2024 DECARB Budget

Mr. Landers presented a Scope of Work Proposal from DECARB which estimated the costs to cover DECARB activities from March 1 through December 31, 2024. After some discussion, Deidre Peters made a motion to approve the proposal. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

2025-2026 Coal Purchase

Mr. Landers presented price quotes and requested approval to purchase coal from Arch Coal for 2025 and 2026. Tim Merideth made a motion to approve the Arch Coal bid for 2025 and 2026. Deidre Peter seconded the motion and a roll call vote was held, all yes.

2025 Sikeston Power Station Budget Revision

Ms. Witt presented a revision to the FYE 2025 Sikeston Power Station budget which was approved at the March 12, 2024 Board meeting. The budget was revised to include appropriation for the Comstock Substation interest payments.

A motion was made by Cal Crader to approve the revised budget. The motion was seconded by Deidre Peters and a roll call vote was held, all yes.

Solar Development

Mr. Landers presented proposals for the engineering evaluation of eight City-owned sites which will result in a preliminary site layout for a potential solar generation facility. He asked the Board for approval to award the bid to 1898 & Co. and execute their proposed agreement.

A motion was made by Cal Crader to accept the 1898 & Co. proposal and allow the General Manager to execute the agreement with them. The motion was seconded by Deidre Peters and a roll call vote was held, all yes.

WTP #3

Mr. Winders updated the Board on the mitigation of a historical pollutant spill near Water Treatment Plant #3. BMU Staff, Engineering Consultants, and Legal Counsel have met with the responsible party. Current mitigation efforts have not worked as well as hoped, and a feasibility study will be performed to find new well locations to replace the potentially affected well.

General Manager's Report

Mr. Landers reported that the Comstock Substation agreement closed this week but the 69kv portion of the substation is on hold due to the lack of a Balancing Authority. The Southwestern Power Administration facilities agreement was extended for one year.

The new Meter Data Management system has been catching unbilled water usage on the system. Several irrigation meters have been flagged and customers will be charged for all usage that is found. Staff will make an effort to notify customers before charging for the previously unbilled usage.

Deidre Peters made a motion to approve the General Manager's report. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

Adjournment

Deidre Peters made a motion to adjourn. The motion was seconded by Cal Crader. A roll call vote was held, all yes. Mr. Gilmore declared the regular meeting adjourned.

Deidre Peters
Secretary