

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

On the fourteenth day of May 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, Diedre Peters

Board Members Absent: Cal Crader

Also Present: Joe Blanton, BMU Legal Counsel; Greg Turnbow, Mayor; 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 Diedre Peters and a roll call vote was held, all yes.

Action on Monthly Agenda Items

A motion was made by Diedre Peters to approve the minutes of the Regular Meeting on April 9th, the Special Meeting on April 3rd, and the NERC Meeting on April 18th. The motion was seconded by Tim Merideth. A roll call vote was held, all yes.

Financial Reports

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

The Electric Retail division had a net income of \$425,623 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. Distribution costs were higher due to a new tree trimming contractor which has been more productive than previous contractors.

The Electric Wholesale division had a net loss of \$366,674 for the month. Revenues and coal costs were higher than the prior year as the plant was on outage last March. This also resulted in lower maintenance costs in the current year.

The Water division had a net loss of \$48,926 for the month. Revenues were higher this month due to increased gallons sold.

The Sewer division had a net income of \$101,436 for the month. Revenues were higher than last year due to a rate increase although gallons treated decreased. Year-to-date miscellaneous net income decreased due to reduced surcharge billings.

The NWWTP division had a net income of \$50,028. Miscellaneous Revenue increased from the collection of the additional lease payment for the NWWTP upgrades.

A motion to approve the Financial Report was made by Tim Merideth and was seconded by Diedre Peters. A roll call vote was held, all yes.

Retail Operations

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

In April some wind damage caused a short power outage, and crews replaced two poles that were struck by lightning. The Salcedo Road lift station has been rebuilt. BMU Staff and Contractors are working with the manufacturer on an issue with the blowers at the North Wastewater Treatment Plant. The Consumer Confidence Report (annual water quality report) link was published on the April customer statements.

There has been a slight change in the Northeast Substation Rebuild plans and the plans will be completed soon. The 69kV Reconductoring plans are being reviewed. At the South Wastewater Treatment plant, blower installation has been delayed awaiting electrical panels to arrive. The Headworks design for that plant has been submitted to the Missouri Department of Natural Resources and Staff is waiting on DNR's comments. While the NWWTP blower issue is being reviewed, the reactor basin issues appear to be resolved.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Diedre 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 74% with two unplanned derates and two outages in the month of March. There were 250,000 tons of coal on the stockpile as of May 6th. The spring maintenance outage is underway with a targeted completion date of May 15th. Many of the planned projects have been successfully completed. During the bypass duct repair project, more damage was found than anticipated but crews amended plans to account for this and complete repairs that should be reliable for years to come. Mr. McGill shared photos of some of the repairs made during the outage.

Staff is reviewing four recent regulations that affect fossil-fuel-fired power plants: The Greenhouse Gas Emissions rule, the Mercury and Air Toxics Standards Residual Risk and Technology Review, the Effluent Limitation Guidelines rule, and the Coal Combustion Residuals rule. BMU Staff and Consultants are assessing how each of these will impact Sikeston.

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

2025 Retail Budgets

Ms. Witt presented the FYE 2025 Electric Retail, Water, Sewer, and NWWTP Department budgets. All operations, maintenance, and G&A costs were budgeted with a 2% increase. Labor was budgeted per the current union contract, and insurance and other certain accounts reflect a specific amount of cost per management estimates. Revenues are projected with usage to stay flat. Capital items include substation projects, line reconductoring, tank painting and maintenance, a generator, structural improvements, distribution improvements, WWTP headworks and lift station improvements.

After some discussion, Diedre Peters made a motion to approve the 2025 budgets. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

General Manager's Report

Mr. Landers provided an update on the Comstock Substation and discussions with SPP about a Balancing Authority. He reported that Leidos will rerun the Integrated Resource Plan model to include some updated information about EPA rules, gas availability, and SPP dispatching procedures. He expects an updated model to be available in July. Legal Counsel from Stinson, LLP has been engaged to work on the Well #8 project, while Waters Engineering is working on identifying potential sites for new wells. Utility Financial Solutions has been engaged to provide an updated electric rate review.

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

Adjournment

Tim Merideth made a motion to adjourn to Executive Session. The motion was seconded by Diedre Peters. A roll call vote was held, all yes. Chairman Gilmore declared the regular meeting adjourned.

Secretary