

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE ELEVENTH DAY OF FEBRUARY 2025**

On the eleventh day of February 2025 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: Tim Merideth, Diedre Peters, and Cal Crader

Board Members Absent: Jon Gilmore

Also Present: Joe Blanton, Legal Counsel; Rick Landers, Utility General Manager; Marcia Witt, Jeff Winders, Mark McGill, Laura Ramsey, Tre Holley, Craig Templeton, and Erin Miller of the Utility Staff; Barry Blevins, Community Development Director; Brian Smith of the Sierra Club

There being a quorum present, Vice Chairman Merideth called the meeting to order and the following business was transacted:

Action on Agenda

A motion was made by Cal Crader to approve 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 January 14th, the Special Meeting Open House on January 21st, and the NERC Meeting on January 9th. The motion was seconded by Cal Crader. A roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the December 2024 preliminary Financial Reports.

The Electric Retail division had a net income of \$565,391 for the month. Total revenue was higher than the prior year as overall sales were up 5.3%. Expenses included annual software support agreements while tree trimming costs decreased.

The Electric Wholesale division had a net income of \$129,912 for the month. Revenues were higher than the prior year due to increased customer purchases of energy at a higher contract price. Coal usage and cost were higher than the prior year. Expenses included annual software support agreements.

The Water division had a net loss of \$8,484 for the month. Revenues were slightly higher this month over last year although gallons sold decreased 3.9%. No major or extraordinary expenses were

recorded during the month.

The Sewer division had a net income of \$157,162 for the month. Revenues were higher this month over last year due to a rate increase which was offset by a 5.5% decrease in gallons treated. Production costs were lower due to decreased electric power usage with the installation of the new, more efficient equipment at the South Wastewater Treatment Plant.

The NWWTP division had a net income of \$30,198 for the month. Production costs were higher in the current year due to increased power usage and chemical purchases. Miscellaneous Revenue increased with the collection of the additional lease payment for the NWWTP upgrades.

A motion to approve the Financial Report was made by Cal Crader 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.

Staff members continue to work with the Department of Natural Resources (DNR) and Stinson Law on the Administrative Order of Consent for the water system. The search for replacement water wells for Water Treatment Plant #3 is ongoing. Staff are tracking issues with check valves at Water Treatment Plant #4.

Plans are being finalized for the Northeast Substation rebuild, including grading and preparations to request bids. Materials have been ordered for a self-supporting pole at the Linn/Ingram intersection as part of the 69kV Reconductor project.

The South Wastewater Treatment plant upgrade has been completed, and a DNR construction permit was received for the Headworks project. A waiver of the Build America Buy America Act was approved for this grant, therefore the request for bids was reissued.

A motion was made by Cal Crader 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 89% for December. There were no outages or derates. There were 275,000 tons of coal on the stockpile as of February 6th. Planning for the 2025 spring outage, Comstock substation changeover, and 2026 budgets was ongoing.

Dewatering at the Fly Ash Pond was in progress and plant staff also began dewatering the Bottom Ash Pond simultaneously. The Fly Ash Pond closure is planned for late 2025 and the Bottom Ash Pond closure is planned for late 2026.

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

AMI Water Leak Monitoring

Craig Templeton showed the Board the technology currently used by BMU to detect water leaks. The systems in place enable BMU Staff to notify customers when water leaks are detected. Staff is also able to detect unauthorized water usage, which is water used by meters connected to inactive accounts.

Geo Technical Bid

Mr. Winders presented a bid summary and recommendation letter for the Engineering Services Geotechnical Investigation for Self-Supporting Tower Foundation Design. A 69 kV line paralleling Linn Street will need to be relocated, and it was determined that a self-supporting tower would be better than a guy-supported pole at the intersection of Linn and Ingram. Three engineering firms submitted bids for the engineering work. Staff recommended that the bid be awarded to the low bidder, Holcom Foundation Engineering.

Cal Crader made a motion to award the bid to Holcom Foundation Engineering. Diedre Peters seconded the motion and a roll call vote was held, all Yes.

Employee Handbook

Laura Ramsey, Human Resources Manager, presented revisions to the BMU Employee Handbook. Various staff participated in the document review, and the mark-up format was presented so the Board could see items that were changed or added. Ms. Ramsey sought Board input and intended to address any changes or concerns and prepare the document for approval in an upcoming Board meeting.

Nixon Peabody Engagement Letter

Mr. Landers presented an engagement letter for legal assistance from Nixon Peabody LLP. The law firm recently helped draft agreements related to the Comstock Substation and Staff recommended engaging them to assist in drafting future agreements for the new generating plant. In the January Board meeting, BMU legal counsel was directed to approach Nixon Peabody and get a clarification on any potential conflicts. The engagement letter was revised after that conversation, and Staff requested the Board to review and determine if the revised engagement letter addressed their concerns.

A motion was made by Cal Crader to authorize the General Manager to execute the Nixon Peabody engagement letter. Diedre Peters seconded the motion, and a roll call vote was held, all Yes.

General Manager's Report

Mr. Landers provided an update that he is waiting for approval from the SERC Reliability Corporation on a Transmission Service Provider and is working to register the plant in MISO's reliability coordinator area. Contractors reported positive results from two test well drilling locations but are waiting for geology results. There are several other potential locations for new wells.

Diedre 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

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

Cal Crader

Secretary