

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

On the fourteenth day of January 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:** Jon Gilmore, Tim Merideth, Diedre Peters, and Cal Crader

**Board Members Absent:**

**Also Present:** Joe Blanton, 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, and Erin Miller 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**

Rick Landers, General Manager, noted that Item #7 regarding the FYE 2025 SPS Budget Revision was added to the agenda late. He also requested to amend the agenda to include Purchase Power Amendments after Item #7. A motion was made by Cal Crader to amend the agenda as requested. The motion was seconded by Tim Merideth and a roll call vote was held: Gilmore Yes, Merideth Yes, Peters Not Present, Crader Yes. The amended agenda was approved.

**Action on Monthly Agenda Items**

A motion was made by Cal Crader to approve the minutes of the Regular Meeting on December 10<sup>th</sup>, the Special Meeting on January 7<sup>th</sup>, and the NERC Meeting on December 19<sup>th</sup>. The motion was seconded by Tim Merideth. A roll call vote was held: Gilmore Yes, Merideth Yes, Peters Not Present, Crader Yes. The Minutes were approved as presented.

**Financial Reports**

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

The Electric Retail division had a net income of \$104,304 for the month. Revenues were lower than the prior year as overall sales were down 3.8%. Expenses included line truck repairs and annual APPA dues.

The Electric Wholesale division had net income of \$1,113,877 for the month. Revenues were lower than the prior year with lower capacity charges caused by lower budgeted renewals and replacements. In the current year, coal prices were higher but usage was lower. Expenses for the month included chemical purchases, startup transformer repairs, and annual APPA dues.

The Water division had a net income of \$58,569 for the month. Revenues were higher this month over last year with a 5.9% increase in gallons sold. No major or extraordinary expenses were recorded during the month.

The Sewer division had a net income of \$183,508 for the month. Revenues were higher this month over last year with a rate increase and 2.7% higher gallons billed. No major or extraordinary expenses were recorded during the month.

The NWWTP division had a net income of \$35,509 for the month. Production costs were higher in the current year due to increased power usage since the plant was not at full capacity in the prior year while upgrades were in process. 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 Tim Merideth and was seconded by Cal Crader. A roll call vote was held: Gilmore Yes, Merideth Yes, Peters Not Present, Crader Yes.

### **Retail Operations**

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

The new city transformer purchased for Comstock substation has passed all inspections and will be stored by the vendor for the time being. Substation personnel have been working with consultants to commission new breakers and relays at the Southeast Substation. A switch gear was replaced at Unilever during their annual plant outage.

Staff continue to work with the Department of Natural Resources and Stinson Law on the Administrative Order of Consent. Staff are waiting to hear back from Delta Regional Authority on the requested waiver from the Build America Buy America Act for the headworks project. Documentation is substantially ready to submit to FEMA for reimbursement of costs related to the May 2024 tornado damage.

Planning work is starting again on the Northeast Substation rebuild. Materials have been ordered for the 69kV line reconductoring. The South Wastewater Treatment Plant air piping project was completed and signed off on January 14<sup>th</sup>.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Cal Crader and a roll call vote was held: Gilmore Yes, Merideth Yes, Peters Not Present, Crader yes.

### **Sikeston Power Station**

Mark McGill, Power Plant Manager, presented the Sikeston Power Station Report. The net capacity factor was 81% for November with one planned derate for a mill overhaul. Staff are monitoring a suspected internal steam short circuit and have ordered parts to facilitate repairs during the planned spring outage. There were 263,000 tons of coal on the stockpile as of January 9<sup>th</sup>. Planning for the 2025 spring outage was ongoing.

A motion was made by Cal Crader to approve the Sikeston Power Station Report. The motion was seconded by Tim Merideth and a roll call vote was held: Gilmore Yes, Merideth Yes, Peters Not Present, Crader Yes.

### **Tree Trimming Bids**

Mr. Winders presented bids for vegetative control services and proposed awarding the bid to W A Kendall and Company, LLC. Kendall was the apparent high bidder; however, they are the current service provider and included all of the equipment and personnel needed to meet BMU's needs in their bid. The other bidders did not necessarily include all of the preferred equipment or guarantee that the equipment would be available when needed.

Tim Merideth moved that the tree trimming contract be awarded to W A Kendall and the motion was seconded by Cal Crader. A roll call vote was held: Gilmore Yes, Merideth Yes, Peters Not Present, Crader Yes.

### **DED Agripark Request**

Mr. Landers presented a letter from the Sikeston Area Economic Development Corp. requesting the Board's consideration to suspend crop rent payments for the Sikeston AgriPark for 2025-2027 to allow the AgriPark to use those savings to host field trials by AgLaunch.

Tim Merideth made a motion to waive the AgriPark crop rent payments for 2025-2027. Deidre Peters seconded the motion and a roll call vote was held, all Yes.

### **Nixon Peabody Engagement Letter**

Mr. Landers sought Board approval to execute 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. Due to concerns over independence, Tim Merideth made a motion to table this item until further notice. Cal Crader seconded the motion and a roll call vote was held, all Yes.

### **FYE 2025 Budget Revision**

Ms. Witt presented a revision to the FYE 2025 Sikeston Power Station budget. The original budget included \$10,000,000 for ash pond remediation. While work has begun on the remediation, the planning process has taken longer than anticipated and as a result, the budgeted amount will not be expended in the current fiscal year. The bid documents on the project are expected this month.

A motion was made by Deidre Peters to retroactively adjust the 2025 budget and bill the participating cities based on the revised budget for December 2024 – May 2025. Cal Crader seconded the motion and a roll call vote was held, all Yes.

### **Amendment to Power Sales Contracts**

Mr. Landers proposed an amendment to the existing Power Sales Contracts to change the point of delivery to allow for a new Balancing Authority. Mr. Landers requested the Board's approval of the amendments pending legal counsel's review.

A motion was made by Deidre Peters to approve the amendments pending legal counsel's review. Cal Crader seconded the motion and a roll call vote was held, all Yes.

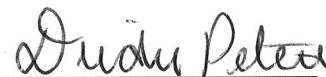
**General Manager's Report**

Mr. Landers provided an update that he is waiting on approval from the SERC Reliability Corporation on a Balancing Authority change for Ameren and Transmission Service Provider registration for Sikeston, and is working to pseudo-tie Columbia and Fulton's share of the plant in MISO's integrated market. The BMU Open House to present the IRP study findings is scheduled for January 21<sup>st</sup> at 5:30 PM at the Clinton Building. Mr. Landers and Mr. Winders reported positive results from one of the test water well drilling locations and there are several other potential locations for new wells. Mr. Landers also informed the Board that Staff is reviewing a rate classification change that would determine customers' electric rates by their load instead of their industry. The potential change would cause virtually no revenue change for BMU and would positively impact several customers. Staff recommended phasing in the change for any customers who would be negatively impacted. Staff review is ongoing and the change will be presented for approval at a later date.

Tim Merideth 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 Tim Merideth. A roll call vote was held, all Yes. Chairman Gilmore declared the regular meeting adjourned.

  
Secretary