

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

On the eleventh day of March 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, and Cal Crader

**Board Members Absent:** Diedre Peters

**Also Present:** Joe Blanton, Legal Counsel; Greg Turnbow, Mayor; Tom Robison, City Council Liaison; Jonathan Douglass, City Manager; Barry Blevins, Community Development Director; Brian Smith of the Sierra Club; Alan Keenan and Steven Burch of the Missouri Partnership Board; Rick Landers, Utility General Manager; Marcia Witt, Jeff Winders, Mark McGill, Laura Ramsey, Tre Holley, 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**

A motion was made by Cal Crader to accept the agenda as presented. The motion was seconded by Tim Merideth 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 February 11<sup>th</sup>, the Special Meeting February 24<sup>th</sup>, and the NERC Meeting on February 13<sup>th</sup>. The motion was seconded by Cal Crader. A roll call vote was held, all yes.

**Financial Reports**

Marcia Witt, Finance Manager, presented the January 2025 preliminary Financial Report.

The Electric Retail division had a net income of \$725,519 for the month. Total revenue was higher than the prior year as overall sales were up 12.3%. Purchased power was higher due to a large credit earned in the prior year. General and Administrative costs were higher due to an increase in paid health insurance claims.

The Electric Wholesale division had a net loss of \$403,194 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 costs were higher than the prior year. Expenses included well repairs. General and Administrative costs were higher due to an increase in paid health insurance claims.

The Water division had a net loss of \$39,067 for the month. Revenues were higher this month than last year as gallons sold increased 8.9%. No major or extraordinary expenses were recorded during the month. General and Administrative costs were higher due to an increase in paid health insurance claims.

The Sewer division had a net income of \$131,839 for the month. Revenues were higher this month over last year due to a rate increase and an 8% increase in gallons treated. Production costs were lower due to decreased electric power usage and fewer equipment repairs. General and Administrative costs were higher due to an increase in paid health insurance claims.

The NWWTP division had a net income of \$17,398 for the month. No major or extraordinary expenses were recorded during the month.

A motion to approve the Financial Report was made by Tim Merideth 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.

The downtown alley project was complete and being cleaned up. Substation crews were working on breaker and relay replacements.

BMU received an official notice of violation for non-compliance resulting from an August 2023 inspection of water plants. Since Staff knew about the non-compliance at the time of the inspection, most of the items have already been addressed. Staff will continue to work with consultants on the Administrative Order of Consent. The search for replacement water wells for Water Treatment Plant #3 is ongoing.

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, all yes.

### **Sikeston Power Station**

Mark McGill, Power Plant Manager, presented the Sikeston Power Station Report. The net capacity factor was 95% for January, and there were two derates reported. There were 293,000 tons of coal on the stockpile as of March 4<sup>th</sup>.

An issue with a main steam control valve created an opportunity to bring the unit offline on March 4<sup>th</sup>. Several issues were repaired during this short outage.

Planning for the 2025 spring outage and Comstock substation changeover was ongoing. The spring outage was rescheduled to begin on May 9<sup>th</sup> to match the Comstock energization date. Dewatering at both the Fly Ash and Bottom Ash Ponds continued.

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

## **Missouri DED Presentation**

Steven Burch and Alan Keenan, Missouri Partnership Board Members, shared with the Board some economic development updates that are relevant to Sikeston and the surrounding area.

## **Power Plant Budget FYE 2026**

Ms. Witt presented the FYE 2026 Sikeston Power Station proposed budget. For the budget, revenues were based on net generation of 1,600,000 mWh and the spot sales average price was estimated at \$28.00 per mWh. Certain expenses were budgeted based on estimates made by plant staff, while all other operation and maintenance expenses were projected at a 1% increase and general and administrative expenses were projected at a 2% increase over the prior year. Labor was based on the bargaining unit contract. The average cost of coal was estimated at \$42.24 per ton including transportation and train leases. Property insurance was budgeted at a 10% increase and health insurance costs were budgeted to remain flat. The budgeted all-in power cost was \$48.84 per mWh. The 2026 outage costs are projected to be higher than normal due to the timing of several routine maintenance projects.

A motion was made by Tim Merideth to approve the budget as proposed. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

## **Updated Sewer / Headworks Rate Recommendation**

Mr. Winders presented a bid tabulation for the Sewer Headworks project. The project was bid with several options in case the bids were higher than expected, and they were higher. Therefore, Staff and consulting engineers recommended deleting the County Line Lift Station part of the project and redesigning the lift station as a standalone rehabilitation at a lower cost in the future. For the remaining parts of the project which are all necessary, the low bidder was Zoellner Construction. Bids are valid for 90 days and the project will take about 18 months to complete.

Mr. Landers pointed out that because the bids for this project came in higher than planned, sewer rates will need to be increased. In addition, there are new estimates on necessary water plant upgrades which will cause a need for increased water rates. Ms. Witt presented rate recommendations prepared for BMU by Utility Financial Solutions (UFS).

After some discussion, the Board asked that Staff prepare additional information on the needed rates for the April Board meeting.

## **Employee Handbook**

Laura Ramsey, Human Resources Manager, presented the final draft of the BMU Employee Handbook. The Board asked a few questions and requested one wording change.

A motion was made by Tim Merideth to approve the Employee Handbook with the suggested revision. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

**Comstock Financing Amendment – Resolution 2025-01**

Erin Miller, Assistant Finance Manager, presented a resolution for the Board’s authorization to extend the maturity date of the Board’s Special Obligation Bonds Series 2024 for one year.

A motion was made by Tim Merideth to adopt Resolution 2025-01. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

**Water Financing Resolution 2025-02**

Ms. Witt presented a resolution for the Board’s authorization to receive reimbursement in future tax-exempt financing for amounts previously spent on preparing for any Water Department capital spending projects.

A motion was made by Cal Crader to adopt Resolution 2025-02. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

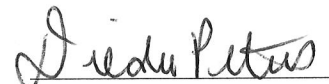
**General Manager’s Report**

Mr. Landers provided an update on the list of items to be completed for the June 1<sup>st</sup> energization of Comstock Substation. Mr. Landers and other Staff are working with legal, engineering, and communications consultants to finish these items in the next few weeks. Staff will participate in a meeting with the Missouri Electric Commission on March 14<sup>th</sup> regarding future generation options. In the April Board Meeting Staff are planning to present the electric rate reclassification that was discussed in prior meetings.

Cal Crader 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**

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