

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

On the thirteenth day of August 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, and Cal Crader

Board Members Absent:

Also Present: Joe Blanton, Legal Counsel; 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

A motion was made by Diedre Peters 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 Cal Crader to approve the minutes of the Regular Meeting on July 9th and the NERC Meeting on July 11th. The motion was seconded by Diedre Peters. A roll call vote was held, all yes.

Financial Reports

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

The Electric Retail division had a net income of \$507,986 for the month. Revenues were slightly lower than the prior year although kwh sales were slightly higher. Purchased power was lower than in the prior year due to lower budgeted capacity and energy costs from the plant. Distribution costs included lower labor and benefit expenses due to the increased use of work orders to capitalize these costs. General and Administrative costs were higher due to a change in accounting for employee benefits year over year.

The Electric Wholesale division had a net income of \$534,843 for the month. Revenues were lower than the prior year due to lower budgeted capacity and energy charges. Spot sales were lower as a result of being dispatched by Southwest Power Pool (SPP) this year. This change also resulted in less coal usage and operations expense. Purchased power costs were also lower as the unit was offline more for repairs in the prior year. General and Administrative costs were higher due to a change in

accounting for employee benefits year over year. The maturity of prior debt service reserve investments resulted in increased interest income, and miscellaneous income increased with the addition of SPP auction revenue.

The Water division had a net income of \$71,191 for the month. Revenues were lower than the prior year due to a decrease in gallons sold. Production costs were lower due to less power usage at Water Plants #1 and #2. Distribution costs included lower labor and benefit expenses due to the increased use of work orders to capitalize these costs. General and Administrative costs were higher due to a change in accounting for employee benefits year over year.

The Sewer division had a net income of \$114,230 for the month. Revenues were lower than the prior year due to a decrease in gallons treated. Distribution costs included lower labor and benefit expenses due to the increased use of work orders to capitalize these costs. General and Administrative costs were higher due to a change in accounting for employee benefits year over year.

The NWWTP division had a net income of \$4,494 for the month. Production costs were higher in the current year due to increased power usage and equipment maintenance since the plant was not at full capacity in the prior year while upgrades were in process. Production costs also include a warranty for the new blowers.

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.

There were no major outages or events to report in the month of July. Equipment has been selected for the headworks project and Staff is waiting for DNR to approve the project. Staff has taken test samples for VOCs at Water Treatment Plant #3 and results are within normal parameters since taking well #8 out of service. Water and Sewer distribution crews installed six new valves. The North Wastewater Treatment Plant upgrade is substantially complete but the contractor is working on an issue with the blowers.

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 70% for June with two forced outages and two derates. The unit is currently running well. There were 180,000 tons of coal on the stockpile as of August 13th. RATA testing will begin the week of August 19th and LEE Hg testing (MATS) will begin on August 25th. The Fly Ash Pond dewatering project began on August 5th. Staff began working to dewater the Bottom Ash Pond. The DNR has renewed their efforts to initiate a state-level CCR permit program, which would benefit SPS. Staff has had initial discussions regarding this and will participate in a second call in September.

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.

Resolution No. 2024-02 – WF Delegate

Rick Landers, General Manager, presented Resolution 2024-02 to the Board naming himself as the Board’s Delegate to the Western Fuels Association 2024 Annual Meeting and Erin Miller as the Alternate Delegate.

A motion was made by Cal Crader to adopt Resolution 2024-02. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

Resolution No. 2024-03 – Letter of Credit

Mr. Landers presented Resolution 2024-03 to the Board allowing the General Manager to execute documents from Montgomery Bank to provide a letter of credit to the BMU. The Letter of Credit is required by the Southwest Power Pool for participation in their Annual Revenue Rights auction.

Diedre Peters made a motion to adopt Resolution 2024-03. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

Award Bid – Well Relocation Test Holes WTP #3

Mr. Winders presented a proposal from Brotcke Well and Pump for the construction of two test wells for supplying water to Water Treatment Plant #3, and a recommendation letter from Waters Engineering. Brotcke was the only vendor to submit a proposal.

Diedre Peters made a motion to award the bid to Brotcke Well and Pump. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Award Bid – NMPWSD Interconnection Project

Mr. Winders presented two bids for the construction of a water interconnection with New Madrid County PWSD #6 and a recommendation letter from Waters Engineering. Staff and Waters recommended awarding the bid to C R Contracting of Poplar Bluff.

Cal Crader made a motion to award the bid to C R Contracting, and Diedre Peters seconded the motion. A roll call vote was held, all yes.

Award Bid – Truck No. 35

Mr. Winders presented a bid comparison for a pickup truck to replace Truck 35. He recommended awarding the bid to Morlan Sikeston for a GMC 1500.

A motion was made by Tim Merideth to award the bid to Morlan Sikeston. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

General Manager's Report

Mr. Landers provided updates on several ongoing projects. Mr. Landers continues to work with consultants on securing a registered and approved Balancing Authority. This will require a contract with Ameren for certain services. Leidos is updating the Integrated Resource Plan to include additional information on gas supply options and the effects of the EPA's Clean Air Rule. The IRP is expected to be completed and presented in October.

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. Chairman Gilmore declared the regular meeting adjourned.



Secretary