

**MINUTES OF THE MEETING**  
**OF THE**  
**BOARD OF MUNICIPAL UTILITIES**  
**OF THE**  
**CITY OF SIKESTON, MISSOURI**

**HELD ON THE ELEVENTH DAY OF SEPTEMBER, 2018**

On the eleventh day of September, 2018 the Board of Municipal Utilities met in Regular Session at 4:00 P.M. in the Board Room at the Utility office. The following members of the body were present:

**Messrs:** Brian Menz, Tim Merideth, Bob Smith

**Absent:** Alan Keenan

**Also Present:** JD Douglass, City Manager; Gerald Settles, City Council; Joe Blanton, Board Attorney; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Don Miller, Doug Shaw, Ron Priday, Erin Miller of the Utility Staff; Kristen Bright, BKD

There being a quorum present, the following business was transacted:

**Action on Agenda**

Item 4, BKD Audit Presentation, was moved to Item 3.

A motion was made by Bob Smith to accept the revised agenda. The motion was seconded by Tim Merideth. A roll call vote was held as follows, Merideth, Smith, Menz "Yes" The Revised Agenda was approved.

**BKD Audit Presentation**

Kristen Bright of BKD CPAs and Advisors presented the Board of Municipal Utilities Auditor's Report and Financial Statements for the year ended May 31, 2018. Bright reviewed the Audit Scope and Results document. She reviewed the main areas of the Auditor's Report. Bright then answered and discussed several questions from the Board.

A motion was made by Tim Merideth to accept the Auditor's Report. The motion was seconded by Bob Smith. A roll call vote was held as follows, Merideth, Smith, Menz "Yes" The Auditor's Report was approved.

## **Action on Monthly Agenda Items**

The Chairman asked for a motion to approve the minutes of the Regular Meeting of August 14, 2018. A motion was made by Bob Smith and seconded by Tim Merideth. A roll call vote was held as follows. Menz, Merideth, Smith "Yes". The minutes were approved as presented.

## **Financial**

Finance Manager Marcia Witt presented the Financial Report for July 2018. The electric retail department had net income of \$492,481. Electric Wholesale had net income of \$695,792. Witt noted a number of factors affecting both the retail and wholesale electric departments this month. The Water Department had a net income of \$79,894. The Sewer Department had a net income of \$5,248. The sewer lagoon had a net income of \$7,448.

A motion to approve the report was made by Tim Merideth and was seconded by Bob Smith. The following roll call vote was held. Smith, Merideth, Menz "Yes". The report of the Financial Department was approved.

## **Retail Operations**

Operations Manager Jeff Winders presented the retail operations report.

Electrical crews have been working outage calls and performing maintenance. We have hired a contractor to replace some of our 69kV poles.

Winders reported we have begun the process to replace the two transformers at the Northeast Substation. He reported the 161kV breaker at the Southwest Substation also needs to be replaced.

Winders reported on the water test well. An issue has arisen regarding the water produced from the well testing and possible effect on crops still in the fields. Testing has stopped for now. We will resume when the crops are out of the fields.

Winders reported on the Water and Sewer Departments' work on the highway 61 north extension. The contractor, G&C Construction, is awaiting materials delivery to begin the project. A Request for Bids will go out soon to remove sludge in the Industrial Park Lagoon.

CR Contracting has been hired to replace the water main on a section of Daniel Street. It was recently found that the main was damaged from the repairing project on Daniel Street. Given the age and depth of the main, was a good time to replace it.

Winders updated the Board on the Pole Inspection and GIS Mapping projects

A motion was made by Bob Smith to approve the Retail Operations Report. The motion was seconded by Tim Merideth and the following roll call vote was held, Merideth, Menz, Smith "Yes". The Retail Operations Department Report was approved.

## **Sikeston Power Station**

Don Miller presented the report from the Sikeston Power Station for July, 2018.

Miller reported no outages or derates for the month. The Net Capacity Factor for the month was 95.02%. We averaged 221.39 MW daily for the month.

Miller reviewed the coal stockpile estimates and daily coal usage. Both trains are running at this time.

Miller reviewed current projects. Mark McGill reviewed current environmental tests being done at the plant. Fall mill inspections will be done between October 15 and November 2.

A motion was made by Tim Merideth to approve the SPS Report. The motion was seconded by Bob Smith and the following roll call vote was held, Smith, Menz, Merideth "Yes". The Report for the Sikeston Power Station was approved.

## **Highway 61 North Ameren Contract**

Rick Landers reviewed the history of the delivery of electric service to a small area along Highway 61 north of Sikeston. This area has been serviced for many years through an agreement between BMU and Ameren. Ameren has proposed transferring those customers to BMU. The discussion centered on the rate to be charged to this group of customers. No vote was necessary as no decision was reached.

## **Truck 44 Bids**

Don Miller presented the bids received for replacement of Truck 44. This is a half-ton pickup and is included in the 2019 Budget. The low bid was submitted by Morlan Dodge in the amount of \$26,664.00.

A motion was made by Bob Smith to approve the bid. The motion was seconded by Tim Merideth and the following roll call vote was held, Merideth, Menz, Smith "Yes". The bid of Morlan Dodge was approved.

## **General Manager's Report**

Rick Landers thanked the City of Sikeston officials present at the meeting for their assistance and support in the recent request to City Council for electric, water and sewer rate increases.

Ron Priday reported on a recent test bid for renewal of insurance coverage of the plant equipment at the Sikeston Power Station.

Highway 61 North Sewer Project – Landers provided a brief update.

WiFi Project – Update on recent and upcoming installations.

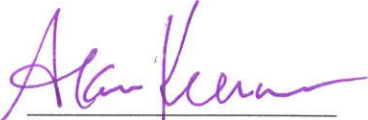
Fiber Audit – Most of the field work has been completed.

Spot Electric Sales – Update on August and sales for the year.

Chairman Menz included his comments regarding the rate increases and the need to continue our cost-saving efforts. He added that the City Council has requested a yearly update from BMU.

**Adjournment**

No Executive Session was needed. There being no further business Tim Merideth moved to adjourn the meeting. The motion was seconded by Bob Smith and a roll call vote was held, all yes. The Chairman declared the meeting adjourned.

  
Secretary