

**MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE TENTH DAY OF FEBRUARY 2026**

On the tenth day of February 2026, 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: Cal Crader, Tim Merideth, and Diedre Peters

Board Members Absent: Jon Gilmore

Also Present: Joe Blanton, BMU Legal Counsel; Rick Landers, Utility General Manager; Marcia Witt, Tre Holley, Mark McGill, Laura Ramsey, and Amanda Dennis of the Utility Staff; Brian Smith of the Sierra Club

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

Action on Agenda

A motion was made by Tim Merideth 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 Tim Merideth to approve the minutes of the January 13, 2026 Regular Meeting. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the financial reports for December 2025.

The Electric Retail Division reported a net income of \$71,777. Revenues increased due to higher sales. Purchased power costs were higher than the prior year due to market power purchases and an SWPA rate increase. Health insurance claims increased, and depreciation was up with the capitalization of the 69kv line reconductoring and Comstock substation.

The Electric Wholesale Division reported a net loss of \$257,076. Revenues decreased as a result of a unit derate for half of the month, which also reduced coal usage. Purchased power increases were caused by market settlements and power purchased for station service. Health insurance claims increased, and depreciation was up with the capitalization of Comstock substation.

The Water Division reported a net loss of \$17,900. Revenues increased from the prior year due to the September rate increase and higher sales. Production costs were higher due to pump repairs. Health insurance claims increased.

The Sewer Division reported a net income of \$74,448. Revenues increased due to the September rate increase and higher sales. Production costs increased due to equipment repairs and labor. Health insurance claims increased.

The North Wastewater Treatment Plant reported a net income of \$8,868. No major expenses were recorded for the month.

A motion was made by Diedre Peters to approve the Financial Report. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Retail Operations

Tre Holley, Retail Operations Superintendent, presented the Retail Operations Report. Phase 2 of the 69 kV reconductoring project began in the area between the South Industrial substation and Southeast Substation. The cold weather caused three water main breaks, which were all repaired. Mr. Holley showed the Board pictures of the Headworks project, which was in progress.

A motion was made by Diedre Peters to approve the Retail Operations Report. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Sikeston Power Station

Mark McGill, Power Plant Manager, presented the Sikeston Power Station Report. A boiler tube failure in December required an outage and repairs to both boiler tubes and a boiler feed pump volute. The plant net capacity factor for the month was 44%. The unit returned to service at reduced load, and coal deliveries were suspended. The 2025 coal tonnage nomination had already been met. A backup volute was already undergoing repairs in Chicago and was expected to ship back to the Plant on February 13. Once on site, installation was expected to take three days. Planning continued for the 2026 spring outage, 2027 budgets were in progress, and design was underway for the Bottom Ash Pond closure project.

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

Electric Division COPS Resolution 2026-01

Ms. Witt presented a resolution authorizing the Board to enter into a lease purchase transaction, the proceeds of which will be used to refinance outstanding obligations and finance the costs of acquiring, constructing, equipping, and improving the Electric System, and also authorizing Staff to approve documents in connection with the lease purchase transaction.

A motion was made by Diedre Peters to adopt Resolution 2026-01. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Caterpillar D8 Lease

Mr. McGill presented a new dozer lease to the Board for approval. The current lease expires in September 2026. Staff recommended entering another three-year lease for a new Caterpillar D8 dozer, which takes several months to build. The new lease would include a three-year warranty and preventative maintenance and cost slightly less than the current lease payment.

A motion was made by Tim Merideth to approve leasing a new dozer. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

Authorization to Execute Lease Documents

Ms. Witt requested that the Board authorize Mark McGill to execute lease agreement documents on the Board's behalf for the approved dozer lease.

A motion was made by Tim Merideth to authorize Mark McGill to execute the dozer lease agreement documents. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

Employee Handbook Revisions

Rick Landers, General Manager, presented proposed revisions to the BMU Employee Handbook intended to align Company employee wages and benefits with those established in the approved Collective Bargaining Agreement. The updates included modifications to sick leave, vacation leave, and an observed holiday.

A motion was made by Diedre Peters to approve the Employee Handbook revisions. The motion was seconded by Tim Merideth and a roll call vote was held, all yes.

Benefits Update Proposal

Laura Ramsey, Personnel and Risk Manager, presented a proposed enhancement to the employee benefits program effective March 1st, 2026. The enhancement was designed to reduce costs, increase engagement among younger employees, and improve participation in biometric screenings, which has historically contributed to reduced claims expenses. The Rezilient program would provide health plan members with access to Rezilient Cloud Clinics at no additional cost to employees. Ms. Ramsey also recommended increasing the incentives for biometric screenings and participation in the Health 180 programs.

A motion was made by Tim Merideth to approve the Employee Benefit update. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

General Manager's Report

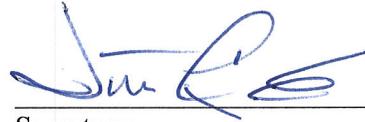
Mr. Landers shared with the Board a non-billing meter issue that Staff found and corrected, resulting in a refund to a large customer. He reported that a final engineering report on the MEC project was expected at the end of February. The water well relocation project was underway, with the well expected to be in production at the end of June.

A motion was made by Diedre Peters to approve the General Manager's Report. The motion

was seconded by Tim Merideth and a roll call vote was held, all yes.

Adjournment

A motion was made by Tim Merideth to adjourn the meeting. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.



Secretary