

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

On the thirteenth day of May 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; Matt Drake, City Council Liaison; Jonathan Douglass, City Manager; Rick Landers, Utility General Manager; Marcia Witt, Jeff Winders, Mark McGill, Laura Ramsey, Tre Holley, and Erin Miller of the Utility Staff; Brian Smith of the Sierra Club

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 Tim Merideth to accept 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 Cal Crader to approve the minutes of the Regular Meeting on April 8th and the NERC Meeting on April 17th. The motion was seconded by Diedre Peters. A roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the March 2025 preliminary Financial Reports.

The Electric Retail division had a net income of \$804,009 for the month. Total revenue was higher than the prior year as overall sales increased. Monthly expenses included truck repairs and technology annual support agreements.

The Electric Wholesale division had a net income of \$145,300 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 both higher compared to the prior year. Other income was higher due to increased interest income and crop rent.

The Water division had a net loss of \$29,138 for the month. Revenues were slightly higher this month although gallons sold decreased. Monthly expenses include chemical purchases, truck repairs, and technology annual support agreements.

The Sewer division had a net income of \$100,592 for the month. Revenues were higher this month as gallons treated increased. Monthly expenses include equipment warranties and technology annual support agreements.

The NWWTP division had a net income of \$2,847 for the month. There were no major or extraordinary expenses for the month.

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.

JF Electric contractors were preparing to begin the 69kV reconductoring. Substation crews were working on breaker and relay replacements and preparing to assist with the annual plant outage.

The search for replacement water wells for Water Treatment Plant #3 is ongoing. The NPDES permit renewal application has been submitted for the Wastewater Treatment Plant.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Diedre Peters 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 80% for March and there was one forced outage caused by a servo issue. There were 290,000 tons of coal on the stockpile as of May 13th.

The 2025 spring outage began on May 8th and was scheduled through June 15th. Dewatering at both the Fly Ash and Bottom Ash Ponds continues. Staff were reviewing bid specifications for the pond closure.

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

Cash Reserve Policy

Ms. Witt presented the proposed Cash Reserve Policy for the Board's approval. The proposed update did not change the previously implemented policy for the Electric Division but added the Water and Wastewater divisions to the policy. Ms. Witt presented the proposed policy at the April Board meeting and asked for the Board's comments and questions.

Diedre Peters made a motion to approve the Cash Reserve Policy as presented. Cal Crader seconded the motion and a roll call vote was held, all yes.

Retail Budgets

Ms. Witt presented the FYE 2026 budgets for the Electric Retail, Water, Wastewater, and North Wastewater Treatment Plant divisions. The budgets reflected a 2% increase in operations, maintenance, and general and administrative costs. Electric retail revenues were projected to stay flat. Capital items totaled \$8,784,397 including 69kV line reconductoring and substation improvements. Water revenues were projected with the unapproved rate increase and flat usage. Capital items totaled \$3,497,000 including tank painting and preliminary Water Treatment plant rehab costs. The budget included appropriations for the payments on the Water Plant COPS lease. Wastewater revenues were projected with the unapproved rate increase and flat usage. Capital items totaled \$16,921,640 including the Headworks and lift stations. The NWWTP budget was submitted for informational purposes to show revenues collected per contract and estimated expenses for the upcoming year. This budget included appropriations for the payments on the NWWTP upgrades lease.

A motion was made by Diedre Peters to approve the proposed budgets. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

Headworks Bank Bid

Staff sent a Request for Terms to nine local banks for a lease-purchase agreement for approximately \$15,930,000 to construct the Headworks for the South Wastewater Treatment Plant. Responses were due on May 20th. To award the construction bid and allow the contractor to start working as soon as possible, Staff asked the Board to schedule a special meeting to review and approve the financing bids. Chairman Gilmore asked the Staff to send the Board members an email to determine their scheduling availability for a special meeting.

Western Fuels Agreement – 7th Amendment

Rick Landers, General Manager, presented a draft amendment to the Western Fuels Association contract. The amendment extends the agreement to December 31, 2028.

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

General Manager's Report

Mr. Landers provided an update on the Comstock substation. The closing was scheduled for May 29th and there were several documents that the Board would need to execute for this closing. Staff participated in a call with MEC to discuss a memo of understanding draft, changes in gas turbine pricing, gas supply, and prerequisite studies needed. Stinson LLP was working on agreements for reimbursement of well relocation costs with Vestis. Staff have participated in discussions on downtown street lighting with DAEOC, Economic Development, and City Staff regarding grant funding for lighting improvements.

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

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


Secretary