MINUTES OF THE SPECIAL MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE SEVENTEENTH DAY OF SEPTEMBER 2025

On the seventeenth day of September 2025, the Board of Municipal Utilities met in a Special 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: Matt Drake, City Council Liaison; Rick Landers, Utility General Manager; Jeff Winders, Mark McGill, 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

Rick Landers, General Manager, requested the addition of Item 10 – MEP Consultant to the agenda. A motion was made by Deidre Peters to accept the revised agenda. The motion was seconded by Cal Crader 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 Special Meeting on August 19th. The motion was seconded by Diedre Peters. A roll call vote was held, all yes.

Financial Reports

Erin Miller, Assistant Finance Manager, presented the July 2025 financial statements.

The Retail Division had a net income of $766,191, with a 2.4% increase in kWh sales. Expenses included SCADA annual support, truck repairs, and higher health insurance costs.

The Wholesale Division had a net loss of $117,552. Contract sales increased from the prior year, while market sales decreased due to fewer MWh sold, resulting in an overall revenue decline. Coal costs decreased with reduced usage. Maintenance costs included remaining outage payments. Health insurance costs were higher than the prior year.

The Water Division had a net income of $17,087. Revenues increased despite a 1.9% decrease in usage due to changes in water district and SPS rates and higher usage by SPS. Expenses included seals, valve inserts, and higher health insurance costs.

The Sewer Division had a net income of $120,924. Revenues were higher with a rate increase despite a decrease of 1.5% in gallons treated. Health insurance costs were higher than the prior year.

The Sewer NWWTP Division had a net loss of $12,333. Expenses included blower warranties and an increase in depreciation following capitalization of plant upgrades.

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.

Mr. Winders reported that while the 69kv line was out, Breaker 80 relays were replaced. Plans are in place to replace the final three PTs during the Coleman Substation outage for the 69-line tie-in. JF Electric continued working on the 69kV line reconductoring between Coleman and Southwest Substations.

WTP #2 rehabilitation plans are in progress with Waters Engineering. The WTP #3 well and raw water main project bids were opened on September 16th. Construction has started on the Headworks project. Staff is awaiting a response on NPDES permit applications. Missouri DNR accepted BMU's pretreatment program compliance response. EPA Region 7 requested a status update on changes made in response to their notice of violation, and a response is being prepared. Sewer main lining was completed in the Crow and Pam area, leaving about 3,500 feet left in the identified lines to be addressed

A motion was made by Cal Crader 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 85% for July. There was one derate to address a forced draft fan issue. There were 219,000 tons of coal on the stockpile as of September 17th. RATA testing was successfully completed, and LEE Hg testing has been scheduled. The Fly Ash Pond closure project was awarded to Dumey Contracting.

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.

Force Main Bids

With the sale of property to Alan Wire and their planned construction near the existing force main, BMU plans to relocate the line from the north and east sides of the property to the west and south sides. The project was budgeted, and the low bid of $95,626 from CR Contracting of Poplar Bluff, MO, came in within budget. CR is known by BMU for quality work. Waters Engineering explained that bids were much lower than the engineer's estimate due to improved pricing and increased contractor competitiveness. Mr. Winders recommended awarding the bid to CR Contracting.

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

Well Relocation Bids

Two bids were received for the WTP #3 well relocation and were well above the engineer's estimate. Waters Engineering believes that the bids were higher than anticipated due to the expedited timeline. Staff is awaiting Vestis' approval of a contractor.

Because of the short timeline, the well controls were removed from the construction package to be purchased separately as an owner-provided item. For consistency and SCADA compatibility, Staff recommended purchasing the controls from Vandevanter Engineering for $278,320.

Diedre Peters made a motion to approve the purchase of equipment from Vandevanter pending Vestis' approval of the contractor. The motion was seconded by Cal Crader and a roll call vote was held, all yes.

MEC Contract Extension

Mr. Landers presented an extension to the MEC power purchase agreements. BMU and MEC have agreed to extend their current agreements through May 31, 2029. The revised agreements update the Point of Delivery language, adjust the capacity split from 20 MW/20 MW to 32 MW/8 MW, remove the capacity-only product, and include new pricing. MEC planned to seek Board approval on October 3, and Mr. Landers requested Board authorization to execute the contract renewals.

Cal Crader made a motion to approve execution of the contracts by the General Manager. Tim Merideth seconded the motion and a roll call vote was held, all yes.

IRP Update

Mr. Landers presented an updated IRP study, which was rerun to incorporate changes to renewable tax credits, solar PPA prices, new generation installation costs, and increased capacity requirements. The updated analysis indicates that although costs have increased across all strategies, the combined cycle option remains the lowest-cost and most favorable choice for BMU. Additionally, the projected cost of solar generation has risen, making it less economically beneficial for Sikeston customers. Mr. Landers expects to receive the final report this month.

SPA Agreement Renewal

SPA executed Construction Agreements with both BMU and Ameren to cover costs related to the construction and interconnection of the Comstock Substation. BMU's agreement, previously extended by two months, now requires an additional one-year extension to allow completion of pending upgrades. The current agreement expires on September 30, 2025. Mr. Landers requested Board authorization to execute the extension.

Diedre Peters made a motion to approve the extension. Tim Merideth seconded the motion, and a roll call vote was held, all yes.

BMU Facility Rooftops

Mr. Winders requested bids on the replacement of the roof on the Wastewater Treatment Plant and on the downtown BMU office building. The WWTP roof replacement was budgeted and the bids came in under budget. Mr. Winders recommended awarding this bid to Five Star at $25,125. The office building roof was not budgeted, and the bids were higher than anticipated. Mr. Winders recommended trying to patch the roof and budget for replacement in the future.

Cal Crader made a motion to award the bid for the WWTP to Five Star. Tim Merideth seconded the motion, and a roll call vote was held, all yes.

MEP Consultant

Mr. Landers requested Board approval to engage Mechanical Electrical Plumbing, True Engineering out of Springfield, Missouri, to inspect and provide recommendations on 1) the office building HVAC system and 2) the North Wastewater Treatment plant Atlas Copco blowers, which have been overheating.

Tim Merideth made a motion to approve the General Manager to engage MEP. Diedre Peters seconded the motion, and a roll call vote was held, all yes.

General Manager's Report

Mr. Landers provided an update on ongoing projects. BMU executed an MOU with MEC for a future generation plant, and MEC's engineer is working on a due diligence review. In the coming months, the Staff will be bringing insurance renewals, a rail contract, and a Comstock 69kv termination agreement for approval.

Cal Crader made a motion to approve the General Manager's report. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

Adjournment

Tim Merideth made a motion to adjourn. The motion was seconded by Cal Crader. A roll call vote was held, all yes, and Vice Chairman Merideth declared the meeting adjourned.

Cal Crader

Secretary