

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

On the eighth day of July 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; Jonathan Douglass, City Manager; Rick Landers, Utility General Manager; Marcia Witt, Jeff Winders, Mark McGill, Laura Ramsey, Annette Williams, Craig Templeton, Trey Tigart, and Erin Miller of the Utility Staff; Barry Blevins and Jay Lancaster of the City 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 Cal Crader 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 June 10<sup>th</sup> and the NERC meeting on June 13<sup>th</sup>. The motion was seconded by Tim Merideth. A roll call vote was held, all yes.

**Financial Reports**

Marcia Witt, Finance Manager, presented the preliminary year-end financial statements.

The Retail System had annual net income of \$8,624,975 driven by increased residential and industrial usage. KWh sales rose by 6.0% from the previous year, exceeding budget by 8.1%. Retail purchased power costs decreased due to SPP market credits and lower capacity charges. This net income included year-end adjustments for unbilled revenue and pension liabilities, which reduced net income by \$119,000, with the largest being \$137,000 for GASB 68. The purchased power true-up added \$779,000 to net income.

The Wholesale System had an annual net loss of \$1,496,668 due to lower revenues from reduced capacity costs, but spot sales were higher due to increased availability. Coal costs increased with usage but purchased power costs decreased due to lower SWPA charges. This net income

included year-end adjustments resulting in a net income reduction of \$722,000.

The Water Department had annual net income of \$208,742, with a 1.0% decrease in gallons sold compared to the previous year. This net income included year-end adjustments which reduced income by \$84,000, primarily from a GASB 68 adjustment.

The Sewer Department had annual net income of \$1,428,580 because of the rate increase despite a 1.3% drop in gallons treated. This net income included year-end adjustments resulting in a net income decrease of \$1,300.

The Sewer NWWTP had annual net income of \$45,128, with revenues based on cost recovery and increased depreciation due to plant upgrades.

A motion to approve the Financial Report was made by Tim Merideth 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. Line crews worked on maintenance at the Industrial Park and preparing for updates to the West End circuit. Substation crews were awaiting engineering drawings for the Coleman relays to be replaced as part of the planned breaker and relay replacement project. Mr. Winders met with the industrial customer affected by the June 5<sup>th</sup> outage and planned to schedule a site visit with Fisher Arnold for system evaluation.

Waters Engineering is finalizing plans to rehabilitate WTP #2 and had found replacement well sites for WTP #3. At WTP #4, well 4-4 was unusable due to sand and well 4-2 was beginning to exhibit the same signs. Staff were trying to contact Layne Christensen Co. regarding this problem which seems to be a construction issue. NPDES permit applications were pending. After the MDNR inspection, Staff learned about a non-compliance issue concerning categorical standards waivers. In June, air quality sampling at WTP #3 looked for harmful gases, but Staff has yet to be contacted about the test results. Distribution crews were repairing leaks, replacing fire hydrants, and reinforcing sewer mains for the storm sewer project.

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. The net capacity factor was 21% for May as the annual maintenance outage began on May 8<sup>th</sup> and continued into June. There were 250,000 tons of coal on the stockpile as of July 8<sup>th</sup>. After bringing the unit online June 20<sup>th</sup>, a tube leak caused a trip on the 21<sup>st</sup>. The unit returned to service on the 22<sup>nd</sup>. Currently, a small tube leak exists but it was not getting worse. Bids for the ash pond project were due on July 29<sup>th</sup>. There were notable regulatory developments in the past month which Staff will share with the Board in a later meeting.

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

### **Semi-Annual Charge Offs**

Trey Tigart, BMU Collections Clerk, presented the proposed semi-annual charge-offs for the Board's approval. The total amount to be charged off was \$112,105.98. This is higher than previous charge-offs because the process was not done in January 2025 due to staffing changes. BMU attempts to collect closed accounts for six months, then send the accounts to a collection agency who attempts to collect for six months before the bills are charged off.

Cal Crader made a motion to approve the charge offs. Diedre Peters seconded the motion and a roll call vote was held, all yes.

### **Power Outage Update**

Mr. Winders provided information on the City-wide electric outage that occurred on June 5<sup>th</sup>, 2025. The Board asked several questions about the substation equipment that caused or were involved in the outage and asked that Staff follow up on several items.

### **Customer Notification Update**

Craig Templeton, IT Analyst/Customer Service Support Supervisor, provided information to the Board regarding the current capabilities for customer outage notifications as well as what was in process for upgrading those notifications. The BMU currently can send a text, email, or phone message to all customers who have provided contact information but cannot limit the message to specific customers. The implementation of an Outage Management System, which is in progress, will allow more specific and timely notifications. Currently, Facebook posts are created when an outage occurs on more than one circuit and the BMU website has been updated to state outage information more prominently.

### **Authorization to proceed – Power Supply Plan Update**

Rick Landers, General Manager, requested Board approval to authorize the Power Supply Plan Update. The current Integrated Resource Plan needs updates to the base market forecast, installation costs, solar PPA prices, turbine costs, and other alternatives. After some discussion, Cal Crader made a motion to authorize the plan update. The motion was seconded by Diedre Peters and a roll call vote was held, all yes.

### **Downtown Lighting Project**

Mr. Landers requested the Board's approval to provide matching funds for the replacement of downtown street lighting. As the lights are in need of repairs and upgrades, the BMU would spend approximately \$35,000 on materials and labor in the normal course of maintenance. Mr. Landers proposed that the BMU provide these funds toward the project instead.

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

### **General Manager's Report**

Mr. Landers provided an update on ongoing projects. MEC has prepared a simplified MOU and it was under review by legal consultants. Staff planned meet with MEC in Columbia next week to address their power contract renewal for June 2026. A Term Agreement for the Comstock 69kv substation will be presented in the August Board meeting.

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.

Jay Lancaster, Public Works Director, updated the Board on some City projects, including the TAP grant for the downtown lighting project. The Compress Road Bridge construction will begin in the next few months. Pipe work was substantially complete for the City's stormwater upgrades, and an eight-acre basin will be constructed starting in July. The City would like to explore a joint project submission for EPA disaster mitigation funding for stormwater inflow and infiltration items with the Board.

### **Adjournment**

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

  
Secretary