

**MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE ELEVENTH DAY OF JUNE 2024**

On the eleventh day of June 2024 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, BMU Legal Counsel; Greg Turnbow, Mayor; Jonathan Douglass, City Manager; Rick Landers, Utility General Manager; Marcia Witt, Jeff Winders, Mark McGill, Laura Ramsey, and Erin Miller of the Utility Staff; and 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 Diedre Peters to accept the agenda as presented. 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 Cal Crader to approve the minutes of the Regular Meeting on May 14th, the Special Meeting on May 7th, the Special Meeting on May 9th, and the Special Meeting on May 21st. The motion was seconded by Diedre Peters. A roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the April 2024 Financial Reports.

The Electric Retail division had a net income of \$419,539 for the month. Revenues decreased from the prior year due to customers changing rate classes. Expenses included truck repairs and annual software renewals.

The Electric Wholesale division had a net loss of \$406,543 for the month. Revenues and coal costs were higher than the prior year as the plant was on outage the entire month last year. This also resulted in lower maintenance costs in the current year.

The Water division had a net loss of \$5,352 for the month. Revenues were higher this month due to increased gallons sold.

The Sewer division had a net income of \$120,138 for the month. Revenues were higher than

last year due to a rate increase although gallons treated decreased slightly. Year-to-date miscellaneous net income decreased due to reduced surcharge billings.

The NWWTP division had a net loss of \$16,306 in April. Production costs increased due to power usage and equipment maintenance. Miscellaneous Revenue increased from the collection of the additional lease payment for the NWWTP 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.

In May, BMU crews and contractors worked on replacing some 69kv line and 161kv line structures, breaker and relay changeouts, and updated drawings. The North Wastewater Treatment Plant project is substantially complete. Mr. Winders provided a summary of the May 26th tornado damage and outage response, noting that all power was restored by May 31st.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Cal Crader 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 66% with the planned maintenance outage and two derates in the month of April. There were 254,000 tons of coal on the stockpile as of June 3rd. The spring maintenance outage ended May 16th but a steam leak caused the unit to be taken offline the next day. The unit was back online May 27th, restricted to 90 MW to replace a failed mechanical seal. After this repair, the unit remained restricted to 90 MW for one week due to demand and storm-related grid issues.

Staff is still reviewing recently finalized EPA regulations.

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.

Bank Bids

Bids for the BMU depository and investment services were taken this year in compliance with state statutes that require the bidding of banking services every five years. Ms. Witt presented a summary of the six proposals received from local banks and an opinion rendered by Piper & Sandler Co. financial advisors. Chairman Gilmore recused himself due to a personal interest in one of the responding banks. Ms. Witt requested the Board's approval to award the bid to Montgomery Bank who bid zero fees and an interest rate on all accounts equal to the 3-month Constant Maturity Treasury rate.

After some discussion, Tim Merideth made a motion to award the bid to Montgomery Bank. Cal Crader seconded the motion. The roll call vote was as follows: Mr. Merideth: Yes; Ms. Peters: Present; Mr. Crader: Yes.

Economic Development Incentive Rate

The previous Economic Development Incentive Rate expired on December 31st, 2023. Mr. Landers presented a proposal for a new rate structure which includes two years of rate incentives for businesses meeting the requirements. With Board approval, Mr. Landers will present the rate proposal to the City Council.

Diedre Peters made a motion to approve the proposed Economic Development Incentive Rate. The motion was seconded by Tim Merideth and a roll call vote was held, all yes


General Manager's Report

Mr. Landers provided an update on the Comstock Substation. BMU has agreed with the Southwestern Power Administration (SWPA) to keep the retail load in SWPA's substation which eliminates the need to build the planned 69kv portion of Comstock substation. This makes it possible to work toward completing a generator-only BA agreement with SPP. Mr. Landers also reported that an updated Integrated Resource Plan model is expected from Leidos in late July. Waters Engineering has a relocation plan for the Water Treatment Plant #3 well #8 along with cost estimates for the relocation.

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 to Executive Session. The motion was seconded by Diedre Peters. A roll call vote was held, all yes. Chairman Gilmore declared the regular meeting adjourned.


Secretary