

MINUTES OF THE MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE TENTH DAY OF APRIL, 2018

On the tenth day of April, 2018 the Board of Municipal Utilities met in Regular Session at 4:00 P.M. in the Board Room at the Utility office. The following members of the body were present:

Messrs: Brian Menz, Tim Merideth, Bob Smith, Alan Keenan

Absent:

Also Present: J.D. Douglass, City Manager; Gerald Settles, City Council; Joe Blanton, Board Attorney; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Don Miller, Doug Shaw, Ron Priday, Erin Miller, Greg Miller of the Utility Staff; Cassie Daughette, Bold Marketing; Colen Kelley

There being a quorum present, the following business was transacted:

Action on Agenda

There was no action on the agenda

A motion was made by Tim Merideth to accept the agenda. The motion was seconded by Bob Smith. A roll call vote was held as follows, Merideth, Keenan, Menz, Smith “Yes” The Agenda was approved.

Action on Monthly Agenda Items

The Chairman asked for a motion to approve the minutes of the Regular Meeting of March 13, 2018. A motion was made by Bob Smith and seconded by Alan Keenan. A roll call vote was held as follows. Menz, Keenan, Smith, Merideth “Yes”. The minutes were approved as presented.

Colen Kelley

Before proceeding with the scheduled agenda Chairman Menz recognized Colen Kelley and invited him to address the Board. Kelley reported that an area along the east side of Highway 61 north of Sikeston had recently been annexed into the city. He reviewed his plan to build houses on this property. Kelley reported that he has spoken with Jeff Winders of BMU on several occasions about getting BMU water and sewer services extended to the area he plans to develop. He said he was at the meeting today to see what the BMU status is on his request for

services. BMU staff and Board members discussed the various aspects of time needed, pipe size, distances from existing services, routing, boring and cost to accomplish the request of Mr. Kelley. The Board and Staff agreed to continue to pursue the project but also agreed that a final decision could not be made until all the specifics of the project were set. Mr. Kelley stated he will stay in touch with Jeff Winders.

Financial

Finance Manager Marcia Witt presented the Financial Report for February, 2018. Witt reviewed and discussed the Electric System Wholesale and Retail Pro Forma reports. The Electric Retail System had a net income of \$648,796. Total kWh sales were up 18.2% over last year. Electric Wholesale showed a net income of \$257,060. Water Department had a net income of \$33,918. The Sewer Department had a net income of \$17,694. The Sewer Lagoon had a net income of \$23,273 for a department net income of \$40,967.

A motion to approve the report was made by Tim Merideth and was seconded by Alan Keenan. The following roll call vote was held. Smith, Merideth, Keenan, Menz "Yes". The report of the Financial Department was approved.

Retail Operations

Operations Manager Jeff Winders presented the retail operations report.

Winders reported on an outage on March 4. This outage was caused by a termination at the Northeast Substation. He also reported on an outage in the southwest part of the city on March 31.

Winders reported max water usage for the month. He reported on the city-wide flush of the water distribution system on March 21 and 22. Winders commented the water quality looks good since the flush. Discussed the repairs being done to the vac truck.

Winders reported on the water test drilling.

Winders reported on the current status of the pole inspection project and the GIS mapping project.

A motion was made by Bob Smith to approve the Retail Operations Report. The motion was seconded by Tim Merideth and the following roll call vote was held, Merideth, Keenan, Menz, Smith "Yes". The Retail Operations Department Report was approved.

Sikeston Power Station

Don Miller presented the report from the Sikeston Power Station for February, 2018. There was one unplanned outage for the month. The unit was down February 24-25 due to a tube leak. The unit was down for 26.77 hours.

Miller reviewed problems in February with feed water flow. SPS staff believes the problem is related to performance of the "A" boiler feed pump. Repairs will be made during the spring outage.

Miller reported the outage started April 09, 2018.

Miller reviewed the coal stockpile estimates and daily coal usage. One train is running at this time.

A motion was made by Tim Merideth to approve the SPS Report. The motion was seconded by Alan Keenan and the following roll call vote was held, Smith, Menz, Merideth, Keenan "Yes". The Report for the Sikeston Power Station was approved.

Insurance Bids

Ron Priday presented bids for coverage of the BMU retail property and company-wide liability. Bids were submitted by Anderson and Green, Wortham Power, Newton Company and Chap Arnold. After discussion of the bids Priday recommended the approval of the bid of Anderson and Green.

A motion was made by Alan Keenan to approve the bid of Anderson and Green. The motion was seconded by Tim Merideth and the following roll call vote was held, Keenan, Menz, Smith, Merideth "Yes". The bid of Anderson and Green was approved.

Water Supply Study Bids

Jeff Winders reported bid requests were sent to four engineering firms requesting bids to provide BMU with a study of BMU's water supply options. Bids were submitted by Burns & McDonnell, Allgeier Martin and Associates, Smith & Co and Crawford Murphy & Tilly declined to bid. After discussion of the study and the bids submitted Winders asked the Board which proposal fit their request. The Board decided Burns & McDonnell best fit what they had requested.

A motion was made by Alan Keenan to approve the Burns & McDonnell bid. The motion was seconded by Bob Smith and the following roll call vote was held, Merideth, Keenan, Menz, Smith "Yes". The bid of Burns & McDonnell was approved.

Landers also reviewed the need for an updated mutual aid agreement between BMU and the City of Miner. The agreement has been in place to allow BMU to supply Miner with water in a shortage situation. In peak times BMU is sometimes very near our daily water production capacity. Miner has water production capacity well above their daily usage. BMU staff felt an updated Mutual Aid Agreement with Miner would give us another water source if needed. No vote was necessary. The Board agreed the BMU staff and legal counsel should discuss the updated agreement with the City of Miner.

Industrial Park Lagoon Study Results

Jeff Winders reviewed proposals from Waters & Associates and Burns & McDonnell regarding the operation of the North Wastewater Treatment Plant. BMU Staff recommended to the Board the plan to continue with the addition of air and replace the current blowers as outlined in the Waters & Associates proposal. The Board agreed that this proposal should be discussed further with Unilever.

General Manager's Report

Rick Landers gave a broad overview of cybersecurity at BMU. Information Systems Administrator Greg Miller added comments on our security monitoring capabilities.

Rick Landers presented more thoughts on the Colen Kelley annexation project and other North 61 Highway issues. Board Attorney Joe Blanton offered his opinion on the project.

Landers reported a meeting is scheduled in late April to discuss the Wastewater Discharge Permit. He also reported Mark Beauchamp of Utility Financial Solutions will be here April 30 to discuss the recently completed Rate Study.

Executive Session

The Chairman cited a need to enter Executive Session. Tim Merideth made a motion to enter Executive Session. The motion was seconded by Alan Keenan and the following roll call vote was held, Merideth, Smith, Keenan, Menz "Yes". The Board entered Executive Session. No business was transacted. Bob Smith made a motion to adjourn Executive Session. Alan Keenan seconded. Roll call vote, all yes.

Adjournment

There being no further business Alan Keenan moved to adjourn the meeting. The motion was seconded by Bob Smith and a roll call vote was held, all yes. The Chairman declared the meeting adjourned.



Secretary