

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

On the tenth day of June 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; 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; Barry Blevins and Jay Lancaster of the City Staff; Will Watson, and Tiffany Vaughn

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 Diedre Peters to approve the minutes of the Regular Meeting on May 13th and the Special Meeting on May 29th. The motion was seconded by Cal Crader. A roll call vote was held, all yes.

Financial Reports

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

The Electric Retail division had a net income of \$384,599 for the month. Total revenue was higher than the prior year as overall sales increased. Monthly expenses included training and increased health insurance claims.

The Electric Wholesale division had a net income of \$43,920 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. Expenses included increased health insurance claims. The annual outage started in April in the prior year compared to May of the current year. 40% of the budgeted outage costs had been expended through April.

The Water division had a net loss of \$86,784 for the month. Revenues were lower this month as gallons sold decreased, partially caused by increased rainfall. Monthly expenses included increased health insurance claims.

The Sewer division had a net income of \$70,351 for the month. Revenues were higher this month due to a rate increase offset with fewer gallons treated. Monthly expenses included increased health insurance claims.

The NWWTP division had a net loss of \$26,543 for the month. Expenses included increases in chemicals, electric power, and labor costs over the prior year.

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 and addressed several recent events affecting the City. On the morning of June 5th, a stormwater event occurred, followed by a City-wide power outage that same evening. Heavy rainfall caused stormwater to enter the wastewater distribution system, which should not occur. Additionally, the lift station alarms failed to function properly, delaying staff notification of problems. To investigate these issues, Mr. Winders engaged a third-party engineering firm to analyze the wastewater distribution system. In the meantime, staff will conduct extra manual checks of the lift stations during rain events. The Board asked to hear more about Staff's monitoring plans at a future meeting.

Later that evening, a bird caused an arc flash and a significant fault on a 13.8kV distribution line when it got into the line, tripping the City feed. In response, staff consulted the electrical engineering firm Fisher and Arnold, which provided recommendations to prevent this issue in the future. A project will begin soon to upgrade the equipment at the affected substation.

The Board inquired about capabilities for City-wide outage notifications. Staff is working on a plan to implement an Outage Management System but can currently send blanket notifications.

Work continues with Waters Engineering on rehabilitating Water Treatment Plant #2, and the search for replacement water wells for Water Treatment Plant #3 is ongoing, with three test well sites yielding favorable results. Additionally, the Headworks construction project was awarded to Zoellner Construction.

A motion was made by Cal Crader 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 86% for April and there was one forced outage. There were 283,000 tons of coal on the stockpile as of June 10th. The unit remained offline throughout May for the annual maintenance outage. Staff were reviewing bid documents for the pond cap and closure.

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.

Consultant Services for SPP Credit Requirements

Rick Landers, General Manager, requested Board approval to execute a Statement of Work agreement with CFGI to develop credit and risk policies for the BMU that are required to meet the Southwest Power Pool's credit requirements and participate in the TCR markets. The consulting services were estimated to cost between \$67,500-\$80,000. The revenue received from participation in the TCR market will be around \$525,000 per year.

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

Downtown Lighting Project

Mr. Landers discussed the City's proposed resolution to seek funding for the development of a downtown Sikeston lighting and sidewalk improvement project through the Transportation Alternatives Program. If awarded, the BMU would contribute labor and materials toward the project.

Audit Engagement Letter

Ms. Witt presented the FYE 2025 Audit Engagement Letter from Forvis Mazars for the Board's information.

Net Metering Annual Report

Erin Miller, Assistant Finance Manager, presented the 2024 calendar year Annual Net Metering Report. At the end of 2024, BMU had 35 customer-generator facilities, including 32 residential customers and three industrial customers. The total generating capacity of net-metered customer-generators was 613.72 KW, and the net energy received from customer-generators in 2024 was 207,213.60 kWh.

69kv Comstock Termination Agreement

Mr. Landers presented an agreement to terminate the 69kv Comstock substation project. Per the agreement, costs incurred by Ameren for the project are to be reimbursed by BMU. BMU will retain the equipment that was going to be used in the substation and will use it at other substations. The termination agreement will be presented for Board approval at the July Board meeting.

General Manager's Report

Mr. Landers provided an update on ongoing projects. He was working on amending an interconnection agreement with AECI and a continuing service agreement with Ameren related to the Comstock substation, and waiting for a revised memo of understanding draft with the Missouri Electric Commission. Waters Engineering was working on final plans for well 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

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


Secretary