

**MINUTES OF THE MEETING  
OF THE  
BOARD OF MUNICIPAL UTILITIES  
OF THE  
CITY OF SIKESTON, MISSOURI**

**HELD ON THE SEVENTEENTH DAY OF OCTOBER, 2017**

On the seventeenth day of October, 2017 the Board of Municipal Utilities met in Special 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:** Gerald Settles, City Council Member; Rick Landers, Utility Manager; Marcia Witt, Jeff Winders, Don Miller, Ron Priday, Erin Miller of the Utility Staff

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, Smith, Menz, Merideth, Keenan "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 September 12, 2017. A motion was made by Tim Merideth and seconded by Bob Smith. A roll call vote was held as follows. Menz, Smith, Keenan, Merideth "Yes". The minutes were approved as presented. The Chairman asked for a motion to approve the minutes of the Closed Meeting of September 25, 2017. A motion was made by Tim Merideth and seconded by Bob Smith. A roll call vote was held as follows. Keenan, Menz, Smith, Merideth "Yes". The minutes were approved as presented. The Chairman asked for a motion to approve the minutes of the Special Meeting of September 28, 2017. A motion was made by Tim Merideth and seconded by Bob Smith. A roll call vote was held as follows. Keenan, Menz, Smith, Merideth "Yes". The minutes were approved as presented.

**Financial**

Finance Manager Marcia Witt presented the Financial Report for August, 2017. Witt

reviewed and discussed the Electric System Wholesale and Retail Pro Forma reports. Witt reported that August spot electric sales were good.

The Electric Retail System had a net income of \$500,312. Electric Wholesale showed a net income of \$477,481. Water Department had a net income of \$55,632. The Sewer Department had a net loss of \$10,835. The Sewer Lagoon had a net income of \$9,366.

Witt reported cash balances were up, allowing transfers to the Contingency Fund and to O&M Reserve.

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

### **Retail Operations**

Operations Manager Jeff Winders presented the retail operations report.

Winders gave an update on water usage for the month and the exterior painting project at Water Plant 3. He also updated on the Cott Beverage draft industrial discharge permit.

Winders reported we have engaged the law firm of Stinson Leonard Street, LLP along with the Blanton Law Firm to assist Waters Engineering and Geosyntec in our response to the Missouri DNR discharge permit. We are scheduling a meeting with DNR in late October or early November. There was discussion of enlisting the help of our state representatives in the talks with DNR.

Winders reported on the water test drilling. Layne Arkansas completed drilling at the Illinois Avenue site. Results were not as good as we had hoped they would be. Alternate test drilling sites are currently being considered.

Winders reported on the current status of the pole inspection project and the GIS mapping project. He also briefed the Board on effects from two earthquakes on 10/11/17 and 10/15/17. Several leaks in our water system resulted from the earthquakes. Winders reported on the 10/08/17 power outage and the 10/14/17 water main break near the VFW ballpark. A Boil Water order was issued for the affected area.

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

### **Sikeston Power Station**

Don Miller presented the report from the Sikeston Power Station for August, 2017. There were no outages or derates for the month.

Miller reported that work has been completed on the cooling tower rebuilding project. He reported the fall mill outages are scheduled for October 15, 2017 through November 3, 2017.

Miller reviewed the coal stockpile estimates and daily coal usage. Both trains are still running. We plan to run both trains to build up the stockpile to around 180,000 tons.

Miller reported on the current power pricing.

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

### **Bank Authorization Resolution**

The Board was presented a Resolution stating who will be the authorized signers on our accounts at Montgomery Bank. This is done when a new Board Chairman is elected.

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

### **Budget Billing**

Staff presented proposed changes to the Budget Billing policies. The Proposal included eligibility requirements, enrollment procedure, removal from Budget Billing and Budget Billing plan options.

A motion was made by Bob Smith to approve the Budget Billing Proposal. The motion was seconded by Tim Merideth and the following roll call vote was held, Smith, Keenan, Merideth, Menz "Yes". The Budget Billing Proposal was approved.

### **Rate Discussion**

Mark Beauchamp of Utility Financial Services is available to meet with Staff and Board regarding rate studies UFS is currently working on. There was discussion of rate increase strategies and netmetering/solar policies. It was agreed that a meeting with Mr. Beauchamp is needed and should be scheduled.

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

Burlington Northern Renewal Status – The contract is being finalized. The final amendment is ready. Landers reviewed final terms of the contract.

Steel Mill – Ameren is still working on the proposal.

Magnitude 7 – Has reached an agreement with AECI and will begin operation in ninety days.

Ameren – BMU has an agreement with Ameren to serve a small group of Ameren electric customers along the east side of Highway 61 north of Sikeston. The agreement needs updating and the rate revised. Staff will begin discussion with Ameren.

Retirement – Landers reported the retirement of Lisa Inman from the Engineering Department of the Sikeston Power Station. She has been employed by BMU for 22 ½ years.

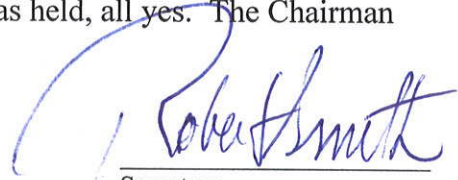
A motion was made by Alan Keenan to approve the BNSF contract. The motion was seconded by Tim Merideth and the following roll call vote was held, Smith, Keenan, Merideth, Menz "Yes". The Contract was approved.

**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, Menz, Keenan "Yes". The Board entered Executive Session. A motion was made and seconded to allow staff to negotiate with a vendor on Broadband Agreement. Roll call vote was all "yes". Tim Merideth made a motion to adjourn Executive Session. Bob Smith seconded. Roll call vote, all yes.

**Adjournment**

There being no further business Tim Merideth 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