MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF MUNICIPAL UTILITIES
OF THE
CITY OF SIKESTON, MISSOURI
HELD ON THE NINTH DAY OF JUNE 2026

On the ninth day of June 2026, 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: Cal Crader, Tim Merideth, and Jon Gilmore

Board Members Absent: Diedre Peters

Also Present: Joe Blanton, BMU Legal Counsel; Rick Landers, Utility General Manager; Marcia Witt, Tre Holley, Mark McGill, Laura Ramsey, Erin Miller, and Amanda Dennis of the Utility Staff; Greg Turnbow, Mayor, JD Douglass the City Manager, Barry Blevins a City of Sikeston staff member, Brian Smith of the Sierra Club, Henry Robinson and Will Watson, two citizens of Sikeston.

There being a quorum present, Chairman Crader called the meeting to order, and the following business was transacted:

Action on Agenda

A motion was made by Jon Gilmore to approve the agenda. The motion was seconded by Tim Merideth, and a roll call vote was held, all yes.

Action on Monthly Agenda Items

A motion was made by Jon Gilmore to approve the minutes of the Special & Regular meetings on May 12th, and the Special meeting on June 2nd. The motion was seconded by Tim Merideth, and a roll call vote was held, all yes.

Financial Reports

Marcia Witt, Finance Manager, presented the financial reports for April 2026.

The Electric Retail Division reported a net income of $103,243. Revenues were higher due to a 3.1% increase in kWh sales compared to prior year. An adjustment was also made to commercial revenue to reclass the prior year portion of the customer refund to miscellaneous revenue. Purchased power was higher with differences in SPP settlements.

The Electric Wholesale Division reported a net loss of $1,860,868. Revenues decreased due to lower sales volumes while the plant was on annual outage March 15th – April 18th, which also reduced coal usage and increased maintenance costs. Purchased power increased due to market settlements.

The Water Division reported a net income of $46,901. Revenues increased this month due to the rate increase and an increase in gallons sold by 5.1% from the previous year. There were no significant expenses for the month.

The Sewer Division reported a net income of $113,252. Revenues increased this month due to rate increase and increased gallons billed by 3.9%. Customer accounts included expenses associated with a sewer project completed during the month.

The North Wastewater Treatment Plant reported a net income of $13,705. There were no significant expenses for the month.

A motion was made by Jon Gilmore to approve the Financial Report. The motion was seconded by Tim Merideth, and a roll call vote was held, all yes.

Retail Operations

Tre Holley, Retail Operations Superintendent, presented the Retail Operations Report. The new Coleman Substation continues to progress with transformer bids and water line rerouting. The 69kv reconductoring project is currently at the south end of Dona Street and moving towards Malone Ave.

Crews started the conversion project of streetlights to LED in a few parts of town, which is the dusk to dawn light phase.

Three employees in the water department passed the Distribution System Level 3 tests, and are now certified. Contractors have completed the raw water line to Wilson Street well and are currently moving to the YMCA and Vernon for a well relocation project. The school Street Tank Painting is scheduled to begin fall of 2026.

The contractor continues to be on schedule with the headworks project. BMU has worked with the City of Sikeston and contractors to get utility services to the new farmer's market bathroom and pavilion.

A motion was made by Tim Merideth to approve the Retail Operations Report. The motion was seconded by Jon Gilmore, and a roll call vote was held, all yes.

Sikeston Power Station

Mark McGill, Power Plant Manager, presented the Sikeston Power Station Report. Two unplanned derates and outages occurred in April resulting in a plant net capacity factor of 34% for the month. The planned maintenance outage was the primary driver of reduced capacity. The coal inventory totaled approx. 223,000 tons, representing a 68-day supply at a burn rate of 3,300 tons. Following spring outage, there were two derates totaling about six hours that were taken to complete post-maintenance testing of the boiler drum safety valves. The spare boiler feed pump is scheduled to return to site by the end of June. Plant staff are currently pursuing warranty improvements. The bottom Ash Pond dewatering continues, and engineering meetings are scheduled to advance the design. Staff and consultants are evaluating options to ensure progress continues with the closure planning.

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

Audit Engagement Letter

Ms. Witt presented the annual audit engagement letter. The cost of this audit is estimated to be $127,750 plus travel and admin fees compared to last year's actual total of $135,598. It is anticipated that the board will need a single audit this year as required by the obligation of FEMA funds for the May 2024 storm. These costs will be included in a separate engagement letter.

No motion was made.

City Transformer Bids

Mr. Landers presented the City Transformer #2 bids to the board seeking approval to award the bid to the recommended bidder, Virginia Transformer. From the 2020 Retail Load study on the electric distribution system, several areas were identified for replacements and upgrades to increase the electrical capacity for our system and prepare for future growth. We have purchased one of the two transformers needed and are now looking to purchase the second.

A motion was made by Jon Gilmore to approve and award the bid. The motion was seconded by Tim Merideth, and a roll call vote was held, all yes.

Power Supply Plan Update

Mr. Landers presented the Power Supply Plan Update and requests board approval to engage Leidos for a $30,000 update to BMU's Power Supply Plan. The study will evaluate the economic impact of extending Sikeston Power Station operations through 2035, which may be the most cost-effective option for customers given rising gas generation costs, and will provide updated market forecasts, resource strategy rankings, risk analysis, and cost sensitivity modeling within four weeks of authorization.

A motion was made by Jon Gilmore to approve the plan. The motion was seconded by Tim Merideth, and a roll call vote was held, all yes.

General Manager's Report

Mr. Landers updated the board on the projects: Brushy Creek property status, WTP #4 well repairs, an upcoming request to vacate the Sikes Street Right of Way adjacent to WTP #2, and the implementation of a Fraud Hotline.

Will Watson addressed his concerns with multiple power glitches at his residence and BMU staff has offered to conduct an on-site assessment and review data to identify the cause and to implement measures to resolve the issues.

A motion was made by Jon Gilmore to approve the General Manager's Report. The motion was seconded by Tim Merideth, and a roll call vote was held, all yes.

Adjournment

A motion was made by Jon Gilmore to adjourn. The motion was seconded by Tim Merideth, and a roll call vote was held, all yes.

Deidre Peters

Secretary