



City of Columbia, Missouri

Meeting Minutes

Water and Light Advisory Board

Wednesday, April 17, 2024
8:00 AM

Regular

701 E Broadway
Conference Room
1A/1B

I. CALL TO ORDER

Mr. Coffin called the meeting to order at 8:02 a.m.

Staff: Sarah Talbert, Assistant Director Utilities-Rates and Fiscal Planning; David Sorrell, Utilities Director; Erin Keys, Acting Assistant Director-Electric; Todd McVicker, Acting Utility Services Manager; Steve Hunt, Assistant Director-Water; Jim McDonald, Assistant Director of Finance; Matt Nestor, Public Information Specialist; Eric Hempel, Sustainability Manager; Ron Wyble, Power Production Superintendent; Ben Edes, Energy Services Manager; Chris Kisch, Administrative Technician II; Kim Wolfmeier, Administrative Technician II.

MPUA Members: Connie Ford, John Twitty, Steve Stodden

Public: Jim Windsor, Mike Murphy, Mark Haim, Carolyn Amparan, Dick Parker

Present: 4 - Thomas Jensen, David Switzer, Gregg Coffin and Philip Fracica

Absent: 1 - Amanda Jacobs

II. INTRODUCTIONS

A round robin was done for introductions.

III. APPROVAL OF AGENDA

Mr. Tom Jensen made a motion to approve the agenda as submitted with a second by Mr. Phillip Fracica. Motion passed unanimously.

IV. APPROVAL OF MINUTES

The March 13, 2024 meeting minutes were approved as submitted with a motion by Mr. Gregg Coffin and a second by Mr. Tom Jensen. Motion passed unanimously.

Attachments: [Meeting Minutes Draft 03 13 24](#)

V. GRAINBELT UPDATE (MPUA)

Mr. Twitty, with Missouri Public Utility Alliance (MPUA), stated that things were not moving along as well as they had hoped. He then introduced Mr. Stodden, Chief Energy Officer, MPUA. He said the hope was to have power from Kansas by 2025,

but that had been moved to a later date of 2029. Missouri originally had been allotted 500 megawatts (MW) of power, but an upgrade to 2,500 MW had been proposed. Currently there was 35 MW of allotted power to Columbia. Service rights transferred from Kansas to Missouri. This had to be in place by 2026, or costs may be re-negotiated. The 500 MW would be brought in first, the 2000 MW will follow.

Mr. Coffin asked when MPUA would negotiate service, to be competitive enough to get at a reasonable price. Mr. Stodden said that the plan was to get in early for negotiating with the hope to go directly to the grid. Mr. Jensen stated that the transmission charges would not be a cheap impact.

VI. FINANCIAL REPORTS as available

a) Review Annual Comprehensive Financial Report (ACFR)

Mr. McDonald briefed us on what was in the report. Responsibility of the auditor was to ensure statements were correct, and implement internal control to prevent fraud. The report covered how the City did fiscally the prior year, with different funds listed, and covered how much City debt there was. There was a breakdown of major account funds, a balance sheet, with the report going through assets and liabilities, listing the fund's balance. Mr. Coffin stated that interest earned, and all money owned was in one pot. A calculation was done monthly, and transfers were made, and investment returned on basis of cash flow. Ms. Talbert stated that bond cash was separate. Mr. Coffin asked if the City had the capacity to take on more debt. Ms. Talbert answered that the city as a whole had the capacity to take on more debt, Water and Light may not. She also stated that Standard and Poor's (S & P) had dinged us on amount of debt ratio to net coverage. Mr. Coffin asked if auditors had any plans to perform a performance base audit for utilities. Mr. McDonald replied that was a specialized audit and currently there were only plans for a normal audit.

Attachments: [FY 2023 ACFR](#)

b) Monthly Financial Reports

Ms. Talbert informed the Water and Light Advisory Board (WLAB) that electric had a cash increase, so overall revenue was up, due to electric rate increases that took effect July 1, 2023. Water had a cash decrease. She stated that Utility operations tended to be low. Salaries and wages were higher due to wage increases that the City Manager proposed mid-year 2023, and with the FY 2024 budget. Materials, supplies and power purchase were higher due to additional transmission expenses to Sikeston, and a large payment of \$2.8 million, to MISO for the week of the cold snap.

Attachments: [Monthly financial statement comments - February 2024](#)

[Electric Statements-February 2024](#)

[Water Statements-February 2024](#)

[Summary Change in Billed usage for Water and Electric](#)

VII. DIRECTOR'S REPORTS**a) FY 2025 Water & Electric CIP Water and Light Advisory Board (WLAB Feedback)**

Mr. Sorrell communicated to the WLAB about the meeting he was a part of two weeks prior about revenue projects for the entire state. It was noted adjustments would be needed as expenses were more than the revenue. Mr. Coffin commented on the need to implement more incremental rate increases. Mr. Switzer stated that it was a bad decision to do increases every few months for the next four years. He said there was a need for an affirmative plan to be constructed to be financially solvent, and not just squeak by. Mr. Coffin said there needed to be a plan to adjust rates for Mr. Sorrell declared that it was the same problem as before. Capacity was back, but still paying a higher cost until July 1, 2025. Mr. Wyble said we paid another year from the Sikeston plant, with the added cost as before. Mr. Sorrell mentioned the large weekly payment of \$2.8 million dollars to the Midcontinent Independent System Operator (MISO) for the week of the cold front. Mr. Coffin stated that he believed if the WLAB could work on if they could figure it out for more discussion at the May meeting. Mr. Switzer said that the last rate increase was in 2018. Mr. Switzer asserted that he wanted a commitment from Council to make a plan and follow through. Mr. Coffin said they needed recommendations to get a handle on the current situation. Ms. Talbert announced that once there was a recommendation, there would be a special meeting held to discuss the recommendations.

Attachments: [Electric - Proposed FY 2025 CIP](#)

[Electric - FY 2025 CIP Projects with changes between FY 2024 budget and FY 2025 budget](#)
[Water - Proposed FY 2025 CIP](#)

[Water - FY 2025 CIP Projects with changes between FY 2024 budget and FY 2025 budget](#)
[Water and Electric CIP balances 12-31-23](#)

b) Annual DSM Report

Mr. McVicker submitted the Demand Side Management report, noting the program offered incentives to customers to modify their energy consumption patterns. This report included the demands for both commercial and residential customers. Renewable Purchase (RP) projections were based on savings for 2018 and 2019, which were the highest savings to date. Mr. Coffin stated that government resources were also coming available and the State would have a rebate plan. Mr. McVicker explained those funds would not become available until 2026. Mr. Coffin expressed that he was a firm believer in efficiency; and the city could inform customers about the rebates from government sources, as well as any other programs available. He did question whether the building permits had enough energy standards, though the city did decide to adopt the international codes.. Mr. McVicker replied that the codes were “pretty good; but the decision was made to hold off implementing them until 2024. He also stated that they were offering endorsements with the program. Mr.

Edes said the rebate was for kilowatt (kW) hours used. Mr. McVicker reported the biggest participation was with the lighting program. Mr. McVicker voiced that revamping the program and the Federal assistance would bring in more customers to the solar program. Mr. Jensen said he would happily endorse this program. Mr. McVicker said there was a map available that would provide homeowners with the homes that had been through the program, and been scored, as long as the property owners agree.

Attachments: [2023 USD Report](#)

c) Proposed Energy Efficiency Program Revisions (WLAB Feedback)

Staff provided a summary of the Fiscal Year (FY) 2024 Efficiency programs to being revised and added. New programs consist of:

- Efficient Electrification incentive
- Heat Pump Water Heater-Residential/Commercial
- Smart thermostat rebate
- Daylight Harvesting
- Commercial Kitchen Equipment

Revamped Programs:

- Home Performance with Energy Star program
- Attic Plus
- Central AC/Heat Pump replacement rebates-Residential/Commercial (5 tons)
- Commercial Lighting
- Drive (Variable Frequency Drives portion only)
- Customer rebate
- Commercial AC Heat Pump (6 tons)
- Solar (distributed generation) rebate

Existing Programs continuing the same:

- Residential Electric Vehicle (EV) Charger rebate
- Income eligible programs
- Efficient Flush
- Efficient Irrigation

Programs discontinued:

- Geothermal Heat Pump rebate-Residential/Commercial
- Solar Water Heaters
- Motors (Motors Portion only)

Attachments: [2024 USD Program Revamp WLAB Summary](#)

d) Council Item Update

Ms. Talbert explained the Council Items from the March 1st, March 18th, April 1st,

and April 15th Council meetings. From the March 1st Council meeting two council bills were approved and two resolutions approved. The March 18th Council meeting had one resolution approved. The April 1st Council meeting, there was one special public comment by Ms. Carolyn Amparan, and five Council bills were introduced. At the April 15th Council meeting, there was one special comment by Mr. Peter Schneeberger, and four Council bills presented for a second read.

Attachments: [Council Item Updates - March & April 2024](#)

e) Bluegrass

Ms. Keys updated the WLAB on the repower of the Bluegrass Ridge Wind Farm. The agreement between Constellation who operates the wind farm, included both capacity and energy allocation from the wind farm that has 27 generators onsite that each produce 2.1 MW. The City was allocated 11.1 percent of the total energy produced. The city paid a fixed price of \$55.00 per megawatt-hour (MWh) for the term of the agreement, which was set to expire on June 1, 2027. Constellation was repowering the wind farm, upgrading the equipment, and additional MW produced each year. An option to continue to receive 11.1 percent of the production or a reduced percentage, equivalent to the historical average of MWh. If the City chose the reduced percentage, an amendment would need to be included to the existing contract. Ms. Keys stated the results would not be available for two years. Mr. Coffin noted if we continue to receive the 11.1%, without having to renegotiate now, there would be a hope that the company selling the power would need to be more competitive and reduce prices.

Mr. Gregg Coffin moved to receive power with Bluegrass Ridge Wind Farm, and proceed as proposed. Mr. Thomas Jensen seconded the motion. Motion passed unanimously.

Attachments: [WLAB Bluegrass Repower Memo April 2024](#)

f) Water Plant Tour (May 9th @ 9 am)

Ms. Talbert stated that she would get more information. Mr. Coffin said appropriate clothing should be worn for the tour.

VIII. CHAIRMAN'S REPORTS

a) Review Renewable Ordinance

i) Presentation (Carolyn Amparan)

Renewable Energy Modification input: Defined as to include facilities generating electricity from naturally replenishing sources like wind, solar, geothermal, and waves of tides. This excluded fossil fuels, nuclear technology, incineration of municipal and medical waste, or combustion of biomass. Renewable energy credits also disapproved.

Mr. Coffin asked about methane from manure. Ms. Amparan replied that was not approved to produce for utility use, but individual farms could use their own methane. Mr. Coffin then asked about methane from landfill gases on a small scale. Ms. Amparan said existing landfill gas would be okay but not a plan to practice for future

use. Ms. Amparan stated the Sierra Club and the 100 percent Coalition support moving the reporting timeline to the fiscal year. She reported the Sierra Club supported extending the target for 100 percent renewable energy beyond 2030 to 2035.

ii) Boone Solar Energy Overlay District (SEOD) Update

Mr. Fracica reported on the status of the SEOD. He said there were 1000 acres to be used and that they were going to look at it again in eight months to evaluate and see about enlargement; which would be helpful.

Attachments: [WLAB - Renewable Ordinance Review](#)
[City Renewable Energy Ordinance](#)
[WLAB Renewable Ordinance Recommendations](#)
[Staff Challenges & Recommendation with Renewable Ordinance](#)
[2023 Renewable Energy Plan FINAL](#)

b) Rolling Calendar

The Renewable Energy Ordinance and Jim Windsor's customer input was included on the May agenda. The FY 2024 WLAB goals moved to the June agenda. After a brief discussion, the WLAB made the decision that the Annual Renewable Energy Plan would be a review only in May and for discussion in June.

Attachments: [WL Rolling Agenda April](#)

IX. PUBLIC EMAIL COMMENTS

None.

X. GENERAL COMMENTS BY PUBLIC, MEMBERS AND STAFF

Mr. Windsor discussed the unfortunate decision not to discuss arbitrage on the bond funds. He said there was roughly \$11,000,000 that needed be moved so there would be no question of arbitrage. Mr. Windsor encouraged the WLAB to get in touch with Mr. Darrell Dunlap, the Utilities Superintendent in Fulton, MO, adding he had experience on the Smart Leaders process. He said he was discouraged with not seeing any progress from the board related to that.

XII. NEXT MEETING DATE

March 8, 2024

XIII. ADJOURNMENT

The meeting adjourned at 11:20 a.m. with a motion by Mr. Tom Jensen and a second by Mr. Mr. Phillip Fracica. Motion passed unanimously.

To submit questions or comments to the Water & Light Advisory Board, please email wlabpublic@como.gov.

All media inquiries should be submitted to Matt Nestor at Matthew.Nestor@como.gov.

Members of the public may attend any open meeting. For requests for accommodations related to disability, please call 573-874-CITY (573-874-2489) or email CITY@CoMo.gov. In order to assist staff in making the appropriate arrangements for your accommodation, please make your request as far in advance of the posted meeting date as possible.

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