



City of Columbia, Missouri

Meeting Minutes

City Council

Monday, March 6, 2023
5:00 PM

Pre-Council

Conference Room
1A/1B
Columbia City Hall
701 E. Broadway

I. CALL TO ORDER

Mayor Buffaloe called the meeting to order at 5:00 p.m.

This item is open to the public: Cost of Service and Rates Discussion

Assistant Utilities Director Erin Keys presented Council Members with a presentation regarding Electric Utility Cost of Service. Goals include:

- Ensure financial health to support long term reliable infrastructure
- Maintain positive bond rating for Water & Electric bonds
 - Water and Electric Utilities are ONE for bonding
 - Bond sale for the Water Treatment Plant needed
 - Electric ~\$29 million bond authority remaining
 - Better bond rating = lower rates = lower costs
- Rate adjustments are needed to improve Debt Coverage Ratio
 - 0.79 Debt Coverage Ratio for FY22 (1.1 Bond covenants requirement)
- Account for significant volatility in Power Purchase costs
 - Updated Power Cost Adjustment method

Keys went on to discuss the history which started with Integrated Electric Resource Master Plan (IERMP). They explained that a rate study is a series of connected investigations by which they review revenue sufficiency, defensible allocation methods and simple & sustainable rates. The Rate study process includes:

- Perform a Cost-of-Service Study
- Determine the utility's revenue requirement
- Design rates that produce the revenue requirement while balancing the bill impacts to different rate classes

Council Members and Staff had further discussions.

This item is open to the public: Transmission and Substation Upgrades

This item was tabled to the April 3, 2023 meeting.

This item is open to the public: Motion for City Council to go into closed session to discuss:

- Existing or proposed security systems and structural plans of real property owned or leased by a public governmental body, and information that is voluntarily submitted by a nonpublic entity owning or operating an infrastructure to any public governmental body for use by that body to devise plans for protection of that infrastructure, the public disclosure of which would threaten public safety. The disclosure of such information would impair the city's ability to protect the security or safety of persons or

real property and the public interest in nondisclosure outweighs the public interest in disclosure of the information to be discussed pursuant to Section 610.021(19) RSMo.

The closed portion of the meeting was not needed.

This item is closed to the public: Closed Meeting in Conference Room 1A/1B

The closed portion of the meeting was not needed.

II. ANY OTHER ITEMS COUNCIL MAY WISH TO DISCUSS

None.

III. ADJOURNMENT

Meeting adjourned at approximately 6:54 p.m.