



City of Columbia, Missouri

Meeting Minutes

Water and Light Advisory Board

Wednesday, August 14, 2024
8:00 AM

Regular

701 E Broadway
Conference Room
1A/1B

I. CALL TO ORDER

Mr. Coffin called the meeting to order at 8:01 a.m.

Staff: Sarah Talbert, Assistant Director Utilities-Rates and Fiscal Planning, ;David Sorrell, Utilities Director; Erin Keys, Acting Assistant Director-Electric; Todd McVicker, Utility Services Manager; Steve Hunt, Assistant Director-Water; Matt Nestor, Public Information Specialist; Eric Hempel, Sustainability Manager; Earl Krauss, Assistant City Counselor; Ron Wyble, Electric Production Superintendent; Deepayan Debnath, Economist Supervisor; Chris Kisch, Administrative Technician II; Christina Weaver, Administrative Technician II

Public: Jim Windsor, Mike Murphy, Emily Gustafson

Present: 5 - Thomas Jensen, David Switzer, Gregg Coffin, Philip Fracica and Jennifer Coleman

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. Philip Fracica. Motion passed unanimously.

IV. APPROVAL OF MINUTES

The July 10, 2024 meeting minutes were approved as submitted with a motion by Mr. Tom Jensen and a second by Ms. Jennifer Coleman. Motion passed unanimously.

Attachments: [Meeting Minutes Draft 07 10 24](#)

V. ELECTION OF OFFICERS

Mr. Coffin advised he was not planning to renew his appointment at the end of his term, therefore he was not interested in holding a position. He then explained how the Water and Light Advisory Board (WLAB) had been rotating the positions among the members and would continue to do that unless there were objections. There were no objections to continuing this process. Mr. Jensen nominated Mr. Philip Fracica for the Chair position. Mr. Coffin verified all were in agreeance. Mr. Fracica accepted

the nomination. Next was the Vice-Chair position. Mr. Jensen nominated Ms. Jennifer Coleman. Mr. Coffin again, verified all were in agreeance. Ms. Coleman asked for clarification of the duties of the Vice-Chair prior to accepting the nomination of Vice-Chair.

The Water and Light Advisory Board voted on the motion of nominations for Chair and Vice-Chair. Motion passed unanimously.

VI. FINANCIAL REPORTS as available

a) Monthly Financial Reports

Ms. Talbert advised the reports were preliminary and unaudited for June, 2024 and reflected 75 percent of the budget year. The Cash and Cash Equivalents was up for water and down for electric. Overall the Cash and Cash Equivalents were down. The Monthly Billed Usage was higher than March, 2024 but lower than this same time last year while electric was up from both March, 2024 and this same time last year. Operating Revenues were down for water but up for electric. Operating Expenses were down for water and up for electric as well. There were no significant changes in the operating revenues, operating expenses had well maintenance and an increase in lime sludge hauling for water. On the electric side, there were considerable changes due to an electric rate increase in July, 2023 as well as steam expenses, salary increases, and other modifications to Unit #4 at the Columbia Energy Center (CEC). Purchased Power was up due to higher weekly payments to MISO. Contract costs had increased 3.5 percent for overhead line work and tree trimming. Ms. Talbert noted the emergency storm crews had not been deployed much to assist in storm clean ups.

Attachments: [June Financial Statements comments](#)
[09-June 2024 Statement Memo](#)
[June 2024 Financial Statements](#)
[Summary Change in Billed usage for Water and Electric](#)

b) Review FY 2025 Operations & Maintenance Budget

Ms. Talbert noted there was a lot of information here. This would also be the first and only review of the Operations and Maintenance (O&M) budget and it was already close to being final. She explained the reports included two for expenses and one for revenue for each; electric and water. The Detail Summary for both Electric and Water explained the overall expenses and what they included.

- Personnel Services - The Fiscal Year (FY) 2025 budget would begin budgeting all positions at their actual rate of pay, plus the City Manager was proposing a 3.65 percent across the board (ATB) for unrepresented employees and implemented Phase 2 (compression pay) of the Compensation and Classification Study in June, 2024. Employee who were represented by a bargaining unit were still in labor negotiations.
- Intragovernmental Charges - this was charges from Internal Service Funds and the General Fund for services provided to the Utilities Department for

support, this included, Building Maintenance, Custodial Services, Information Technology (IT), Human Resources (HR), Finance, Law, City Manager's office, etc.

- Categories - This was where increases/decreases within categories staff reallocated funds to different divisions where the funds were currently being spent or were needed.

The Electric Revenue Summary included:

- Fees and Services Charges - locator fees, PILOT, Residential and Commercial sales, and Residential and Commercial Power Cost Adjustment (PCA)
- Interest - Interest Income
- Other Local Revenue - items adjusted based on previous year revenues received

Ms. Talbert noted there was a budget report ran monthly to review and monitor these.

Attachments: [Electric Detail](#)
[Electric Expense Category Summary without CIP](#)
[Electric Revenues](#)
[Intragovernmental Fee Methodology](#)
[Water Detail](#)
[Water Expense Category Summary without CIP](#)
[Water Revenues](#)

c) Review FY 2025 Capital Improvement Plan

Ms. Talbert explained this information had previously been introduced to the WLAB back in March or April and was intended to be information only. She noted not much had changed, especially on the water side. There had been some project balances updated and some funds reallocated on the electric side. Ms. Talbert went through each report noting each projects change; if any.

Attachments: [FY 2025 Electric CIP](#)
[FY 2025 Water CIP](#)

d) Cash Reserve Policy Evaluation

Ms. Talbert advised this was information only. There was a report for the electric side as well as a report for the water side that included information. The water side included reports with and without the water rate increase. Ms. Talbert explained the "Cash Reserve Target (20% of total current year expense)" was comparable to the "Cash on Hand" in the financial reports.

Attachments: [Electric Projected Cash Reserve Target](#)
[PR256-13 Cash reserve policy](#)
[Water Projected Cash Reserve Target with rate increase](#)
[Water Projected Cash Reserve Target without rate increase](#)

VII. DIRECTOR'S REPORTS

a) Monthly Power Cost Adjustment (PCA) Report

Ms. Talbert noted this was a summary of the Power Cost Adjustment (PCA) determination for July, 2024. She noted staff was forecasting an increase of \$7,485,293 power cost over the forecasted FY 2024 level. This was mainly due to additional transmission costs that had occurred for Sikeston and would through the remainder of the FY and until May, 2025. The Projected Power Cost Recovery as of May, 2024 energy sales in FY 2024 was forecasted to be 37,593,239 Kilowatt hours (kWh) less than the October, 2023 forecast. Mild temperatures in October through May resulted in less energy sold for the first half of the FY. As for the PCA Customer Impact, Ms. Talbert provided a summary of the PCA's impact on each customer type through the current month. The impacts were based on class average monthly usage for the residential, small general service, large general service, and industrial customer classes. The calculated PCA for June, 2024 was \$0.013335, which was the cap and would result in a \$10.08 charge for the average residential customer. Ms. Talbert noted this information would be updated monthly and brought back for review.

Attachments: [PCA Board Report -July 2024](#)

b) Quarterly Utility Disconnection Update

Ms. Talbert noted this was an update only. There had not been many disconnections due to hot weather. She noted there was 514 *Delinquent* disconnections on the commercial side with 4,438 on the residential side as of August 5, 2024. She explained these were customers that were *late* and accounted for 7.34 percent of active utility accounts. There were 43 commercial and 632 residential customers that were *Pending* disconnections. She explained these were customers *due to be disconnected*. Mr. Coffin noted the 7.34 percent seemed high, asking if staff knew how this compared to other utilities. Staff noted that information was not known. Mr. Coffin suggested again the option of picking a billing date. He said he was given this option through Co-Mo Connect at the Lake of the Ozarks and felt it would be beneficial for customers of all income levels. Ms. Talbert noted the CASH and HELP programs were being dissolved and staff was working to notify those who donate to these programs to try to divert donations to the City's new Utility Assistance Program.

Attachments: [Pending disconnects for WLAB](#)

c) Quarterly CIP Progress Report

Ms. Talbert noted this was an update only and there would be more information at a

later date. She asked if there were any questions, there were none.

Attachments: [3rd Quater Electric CIP Report](#)
[Water CIP Report](#)

d) Quarterly Renewable Energy Report

Ms. Talbert noted the renewable percentage was at 25.74 and currently was above the required 25 percent. She noted the percentage as of June, 2023 was at 24.86 and the utility was above that for FY 2024. Bluegrass Ridge was repowering and had started and the Columbia Landfill generators had been down at the beginning of the year.

Attachments: [2nd Quarter Renewable Report](#)

e) Quarterly 2018 Water Ballot Project Update

Mr. Hunt explained the Water Treatment Plant had issued a notice to proceed to Bowen Engineering for construction and Bowen had mobilized, and electric work had also started. The Southeast Pump Station had bids received and rejected with funding appropriated to the West Ash Pump Station and the Southwest Water Tower projects. A notice to proceed was issued to Tarlton Corporation for construction on the West Ash Pump Station. Staff was actively working to acquire property for the Southwest Water Tower, design could proceed once property was acquired. Project timing was being evaluated based on prioritization of projects for the Well Platforms. There had already been some internal work done. Mr. Coffin noted the vandalism last year, asking if that had ended. Mr. Hunt explained the well sites had since been fenced and large concrete blocks had been placed to prevent parking on the property. He added the students have been returning and staff would see what happened in the coming months.

Attachments: [WaterBondProjStatus 20240805](#)

f) Utility Customer Survey Questions

Ms. Talbert explained this was more for discussion. She noted the citizen survey would be going out to the public soon and felt the utility survey would happen closer to the beginning of next year. She advised the WLAB should expect four to five pages of questions. She noted they already had a number of questions and if they had more, they could email them to Ms. Kisch. Mr. Coffin stated he had shared a draft document with questions, adding the WLAB could take those and re-write them for a more correct response and he could bring those back to the next meeting for review since it had been a while since they had reviewed them. All agreed.

g) Council Item Update

Ms. Talbert noted at the July 1 Council meeting, Council Bill 145-24 was approved, two Resolutions were set for a Public Hearings, and three Council Bills, B159-24, B159-24, and B160-24 were introduced. At the July 15 Council meeting, there was one Public Hearing, 24-24 that required no action, three Council Bills, B15-24, B160-24, and B165-24 were approved, one Resolution, and one Council Bill,

B168-24 was introduced. At the August 5 Council meeting, there was one Public Hearing, 27-24 approved, one Public Hearing, 28-24 continued to August 15, one Council Bill, B168-24 continued to August 15, and one Council Bill, 179-24 introduced. The Renewable Ordinance Revisions was the only outstanding item for Council consideration.

Attachments: [Council Item Updates - July 2024](#)

VIII. CHAIRMAN'S REPORTS

a) Review Renewable Recommendations

i) CEC Comments/Questions

The WLAB began with the Climate and Energy Commission's (CEC's) memo of questions and comments in reference to the Renewable Energy recommendation by the WLAB dated July 26, 2024. Mr. Coffin went through each question and comment to provide a group response. Moving to the recommendations for the Renewable Energy Ordinance, Mr. Coffin was hoping to finalize their recommendations to provide to staff for Council. The WLAB discussed in detail each recommendation and made minor changes for some.

Mr. Gregg Coffin made a motion to approve the Renewable Energy Ordinance recommendations as edited at the August 14, 2024 Water and Light Advisory Board meeting with a second by Mr. Tom Jensen. Motion passed unanimously.

Attachments: [WLAB Renewable Ordinance Recommendations 7-24-24 - Copy](#)
[CEC comments on WLAB RE ord doc 7.23.24 - Copy](#)

b) Rolling Calendar

Ms. Talbert noted she had added the Utility Survey to the September agenda. Rate Affordability Follow Up and Financial Impact 100% Renewable were moved to October.

Attachments: [WL Rolling Agenda August](#)

IX. PUBLIC EMAIL COMMENTS

Mr. Switzer noted he felt Mr. Windsor was saying this should be on PILOT, asking if there was any clarification. Mr. Coffin noted he felt the WLAB should definitely be aware of this, asking if Finance could provide a report for them. He said this could definitely change the water rate structure. He asked if this information applied to electric as well. Mr. Windsor replied it did. Mr. Switzer asked again if it would be possible to receive a report. Mr. Sorrell advised this should be on the next Council agenda. The WLAB noted they would look into that. The WLAB thanked Mr. Windsor for the information.

Attachments: [WLABPublic Water and Light Advisory Board - J. Windsor](#)

X. GENERAL COMMENTS BY PUBLIC, MEMBERS AND STAFF

Mr. Windsor noted he felt the goals for the City should be removed from the

Renewable Energy Report, saying they were unrealistic for the City. He added there were other places that could reduce the impact. Mr. Coffin stated those were not meant to be listed as goals but rather a plan. Mr. Windsor went on saying there was a distinction in the Grain Belt and coal and the quarterly report should show a line item for that. He stated there should be a realistic conversation on a plan to move forward, adding the market contract was set to expire in 2027. He ended saying Natural Gas at the Power Plant should be a discussion as well.

XI. NEXT MEETING DATE

September 11, 2024

XII. ADJOURNMENT

The meeting adjourned at 11:05 a.m. on a motion by Mr. Gregg Coffin and a second by Mr. Tom Jensen. Motion passed unanimously.

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