

CWEP BOARD MEETING MINUTES

The Carthage Water & Electric Plant Board met in regular session November 20, 2025, 3:00 p.m. at the CWEP Office, 627 W. Centennial, Carthage, MO.

Board:

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| <input checked="" type="checkbox"/> Brian Schmidt -Vice President | <input checked="" type="checkbox"/> Sid Teel - Secretary |
| <input checked="" type="checkbox"/> Ron Ross- Member | <input checked="" type="checkbox"/> Tom Garrison – Member |
| <input checked="" type="checkbox"/> Darren Collier - President | <input checked="" type="checkbox"/> Mark Gier – Member |
| <input type="checkbox"/> Jack Perkins - Liaison | |

Staff:

- | | |
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| <input checked="" type="checkbox"/> Chuck Bryant-General Manager | <input checked="" type="checkbox"/> Jason Choate-Director of Water Services |
| <input checked="" type="checkbox"/> Cassandra Ludwig-General Counsel | <input checked="" type="checkbox"/> Kelli Nugent/CFO |
| <input checked="" type="checkbox"/> Jason Peterson-Director of IT & Broadband | <input checked="" type="checkbox"/> Kevin Emery-Director of Power Services |
| <input checked="" type="checkbox"/> Megan Kirby- Executive Assistant | <input checked="" type="checkbox"/> Stephanie Howard-Economic Development Manager |

Others present: Mayor Bren Flanigan; City Councilmember Jana Schramm; Accountant Mandy Bates; Accountant Ben Schwarting; Accountant Jamie Jadwin, Missouri Senator Jill Carter; KPM Auditor Rebecca Baker

President Collier called the meeting to order at 3:00 p.m.

ADDITIONS/CHANGES TO THE AGENDA:

General Manager Bryant recommended adding a new agenda item as the first item under new business: Presentation by Senator Jill Carter. With no objection, the agenda item was added to the agenda as item number 1 under new business and the rest of the agenda items to follow remain in the same order.

CITIZENS PARTICIPATION PERIOD: None.

APPROVAL OF MINUTES:

A motion by Gier and seconded by Schmidt to approve the minutes as presented of the regular meeting of October 23rd, 2025, and of the Strategic Planning Work Session meeting of November 12-13, 2025, passed unanimously.

APPROVAL OF DISBURSEMENTS:

A motion by Gier and seconded by Teel to approve disbursements for October in the amount of \$5,676,623.25, passed unanimously.

REPORT OF OPERATIONS:

Director of Power Services Emery reported operating revenues were better than expected and operating expenses were less than expected. He noted sales and purchase power adjustment revenue were up due to purchase power energy expenses being higher than expected over the last few months. Emery announced \$280,000 was received of the SPP true up for Evergy's mistake with scheduling Sikeston generation, which helped offset some higher costs in other areas. He reported that the Feeder 20 project is complete and available for operation, with only communication line transfers and clean up remaining. He announced B&L began work on the recloser replacement at Sub 3 this week and 2 of the 4 reclosers have been replaced so far. Emery reported CWEP staff has a meeting scheduled with Allgeier Martin and Schreiber's to discuss getting an easement across some of their property for the Sub 4 69kV line.

Director of IT & Broadband Services Peterson reported they continue to focus on customer growth. He noted operating revenues exceeded budget for the month and expenses were under budget for the month.

Director of Water Services Choate reported on a positive change in net position for the month with operating revenues exceeding budget and operating expenses being under budget for the month. He informed the board of a water supply main break at the power plant and reported there was a grease problem at Lakeview Lift Station. He announced a purchase request is close to being submitted for a satellite leak detection project.

FINANCIAL STATEMENT:

General Manager Bryant first welcomed CFO Nugent, a critical person to the CWEP team, back after a bit of a medical hiatus. He noted how happy and thankful he was to see her back in the halls of CWEP.

CFO Nugent presented the October financials to the Board. She reported overall all departments had a good month with combined operating revenues exceeding budget and combined operating expenses being under budget for the month and year to date.

A motion by Ross and seconded by Gier to approve the October 2025 financials passed unanimously.

COMMITTEE REPORTS: None.

OLD BUSINESS: None.

NEW BUSINESS:

1. Presentation by Senator Jill Carter

General Manager Bryant welcomed Senator Jill Carter to the Board, noting how plugged into utility issues she has been. He reported how very in tune she is with the needs of CWEP. He noted how fortunate CWEP is to have her and expressed his appreciation for all her efforts in helping make Carthage a better place.

Senator Carter introduced herself as the Missouri State Senator for Jasper and Newton County. She talked about her love for the culture of this area and her determination to preserve it. She reported on the committees she serves on and her passion for education. Senator Carter noted she could not do her job without her stakeholders and members of the community and expressed her appreciation. She finished her presentation with some questions and answers from members of the Board including subjects such as deregulation and nuclear impacts.

GM Bryant thanked Senator Carter for taking time to meet with the Board and for being a true advocate for the community and hopes CWEP can continue to be a good resource for her in the future.

2. Presentation of the Fiscal Year 2025 Audit

Rebecca Baker, CPA with KPM CPAS & Advisors of Springfield, MO, presented the FY 2024-2025 audit report stating this was an unmodified clean opinion. It was also reported that KPM found no material weaknesses, no non-compliance issues, and no significant control deficiencies. She commended CWEP staff for their great internal controls and segregation of duties as well as their cooperation through the audit process. GM Bryant expressed appreciation for KPM's professionalism and efficiency in the audit process as well as their guidance when needed throughout the year.

CWEP staff stepped out for a few minutes to allow time for the Board to talk and ask questions to Rebecca directly.

Staff returned and a motion by Garrison and seconded by Ross to accept the audit for FY 2024-2025 as presented passed unanimously.

3. Consideration of bids for Substation 4 69kV SF6 Circuit Switcher

General Manager Bryant reported a formal request was issued seeking qualified contractors to construct the Substation No. 4 69kV SF6 Circuit Switcher project. He noted proposals were received from S&C c/o Oberlender Company in the amount of \$108,700.00 and GE Electric c/o Graybar Electric in the amount of \$126,531.58. After a thorough assessment, S&C c/o Oberlender Company, contingent on negotiation of mutually agreeable terms and conditions,

met all specifications and requirements of Allgeier, Martin and Associates, Inc.'s request on behalf of CWEP and offered the lowest project cost.

A motion by Schmidt and seconded by Ross to award the Substation 4 69kV SF6 Circuit Switcher project to S&C c/o Overlender Company, contingent on negotiation of mutually agreeable terms and conditions, in the amount of \$108,700.00, passed unanimously.

4. Consideration of bid for Cyber Security Software Services

General Manager Bryant reported CWEP's IT Department requested pricing for the purchase of two cyber security software services, Red Canary and SentinelOne to replace our current Managed Detection and Response (Arctic Wolf) and Endpoint Protection Planform (Sophos). These services are part of a best-practice approach to securing workstations and servers from hackers and ransomware. They continuously monitor systems, provide automated threat detection, and rapidly respond to malicious activity to reduce the likelihood and impact of cybersecurity incidents.

Pricing for both software services was received from SevnX LLC, totaling \$127,414.20, for a three-year contract term, which offers availability to purchase through the Omnia Software Solutions and Services Cooperative Contract. CWEP's current services through Arctic Wolf and Sophos would cost \$148,776.00 over a three-year period. This transition to Red Canary and Sentinel One reduces our annual expenses by about \$7,120.00 for a total savings of \$21,362.00 over the three-year period.

A motion by Teel and seconded by Garrison to award the purchase to SevnX LLC, for a total of \$127,414.20, passed unanimously.

5. Consideration of the Interconnection Policy

General Manager Bryant and General Counsel Ludwig presented the Interconnection Policy to the Board noting this policy is intended to implement, to the extent practical, the requirements of the Public Utilities Regulatory Policies Act of 1978 (PURPA). Ludwig noted this policy applies to all entities willing and able to enter into an agreement with CWEP, who have the status of "Qualified Facility" and who have a system capacity greater than 100kW. She noted systems with a capacity less than 100kW may be net metered pursuant to CWEP's Net Metering Policy.

A motion by Ross and seconded by Schmidt to accept the Interconnection Policy, passed unanimously.

6. Consideration of Resolution 2025.06: 457 Plan Amendment

General Manager Bryant presented Resolution 2025.06: A Resolution to authorize the amendment of CWEP's 457(b) retirement plan. He noted the Internal Revenue Service regulations (IRS) are changing in 2026 regarding employee catch-up provisions, requiring an

amendment to be made to the Plan to account for those changes. He noted the adoption of this resolution will allow CWEP to adopt a Roth contribution provision to allow Roth contributions, permit in-plan Roth conversions and allow Roth accounts to be an available source for loans. It will also allow an addition of a “super catch-up” election to the plan to allow participants age 60-63 to make additional contributions, subject to IRS regulations.

A motion by Schmidt and seconded by Ross to pass Resolution 2025.06: 457 Plan Amendment, passed unanimously.

7. Consideration of Resolution 2025.07: SRF Grant Application

General Manager Bryant presented Resolution 2025.07: A Resolution to authorize the filing of an application with the Missouri Department of Natural Resources, Clean Water State Revolving Fund Program. He noted the adoption of this resolution will allow CWEP to execute and file an application for a loan and/or grant to aid in efforts to sample and identify the sources of perfluoroalkyl and polyfluoroalkyl (PFAS) within CWEP’s collection system and to develop a strategy for PFAS treatment and pretreatment.

A motion by Schmidt and seconded by Ross to pass Resolution 2025.07: SRF Grant Application, passed unanimously.

STAFF REPORTS:

CFO Nugent reported an RFP has been issued for the inventory barcode/QR code-system project and a bid has been awarded. She noted Accountant Jamie is heading up that project which should begin the 1st week of December and should be implemented by the end of January.

General Counsel and Director of Customer Relations Ludwig reported on how the government shutdown has affected customers with paying their bills. She noted she will be sending a letter to Congressman Burlison’s office opposing newly proposed legislation regarding pole attachments.

Director of IT and Broadband services Peterson reported GridEx exercises went well with solid hands-on participation. He noted this will be the last month of Arctic Wolf scoring.

Director of Economic Development Howard gave an Economic Development Park update.

General Manager Bryant reported the Strategic Planning Work Session went really well and thanked the Board members for taking the time out of their busy schedules to attend it. He announced Sparkle in the Park Lighting Ceremony is Monday night. Bryant wished everyone a Happy Thanksgiving.

BOARD MEMBER COMMENTS:

Board Member Tom Garrison thanked CWEP for the volunteers for the Special Olympics Bowling event at G3.

President Collier noted Rebecca with KPM CPAS & Advisors of Springfield, MO was very complimentary of the staff at CWEP for the 2024-2025 audit. Collier expressed his appreciation to the accounting department and all other departments for all their hard work with the audit.

At 5:06 p.m. a motion by Schmidt and seconded by Teel to adjourn the meeting passed unanimously.

President – Darren Collier

Secretary – Sid Teel