

Pursuant to due call and notice thereof, a regular meeting of the Kenyon Municipal Utility Commission was duly held in the City Hall conference room at 7:34 p.m. on the 20th day of January 2011. The following members were present: Commissioners Michael Engel, Richard Nielsen and Scott Swenhaugen. Also present were Operations Superintendent Randy Eggert and Bookkeeper Sue Dodds.

### **AGENDA**

Add: New Business: A/Resolution 2011-1 and 2011-2; B/Employee reviews. Motion by Engel, second by Nielsen to adopt agenda as amended. Approved 3-0-0.

### **CONSENT AGENDA**

Motion by Engel, second by Nielsen to adopt consent agenda with the approval of checks #35911-35962 noting that gaps in check sequence were for payroll or voided checks. Also, ACH checks #4148-4162. Approved 3-0-0.

### **OLD BUSINESS**

#### **Generating report**

No generation.

#### **Safety Report**

Schedules did not allow for classes this month due to snowfalls.

#### **CMMPA update**

ISEP – Board approved an additional \$25,000 on future studies. Eggert asked the commissioners' opinions on this project. Engel stated that he feels there are so many questions concerning this project. His research makes him question whether hydrogen storage could be an alternate solution.

National Emissions Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines (RICE) – CMMPA has been working with Iowa Municipal Utilities Association to clarify classification on the RICE rules. Board previously approved \$5000 for attorney fees, but with estimated expenses reaching \$8775 board approved an increase to \$10,000. Eggert stated that everything he has heard or read leads him to believe that KMU's generators will require the conversion. He and Engel agreed that waiting to convert the generators could be more costly and may be better to have this completed as soon as it is feasible. Eggert estimated the material cost to be \$78,000 for three generators. He will research the cost of installation.

Wage increase for CEO Steve Thompson – Many board members felt that since many utility employees' wages have been frozen it would not be wise at this time to make this increase. The board tabled this to do more investigation on the matter.

#### **Personnel Issues**

Council approved incorporating the license compensation received by public works employees into their wages.

Eggert explained that the City Administrator had recently approved increasing the maximum accumulated comp time hours for some City employees due to the demand of overtime work. Commission and Eggert agreed to keep KMU's maximum comp time at 40 hours.

#### **Water and Electric Policy**

Tabled until February.

#### **2011 budget**

Dodds presented a preliminary 2011 budget. Commission agreed to table approval until February to allow for the addition of some possible expenses that staff has recently become aware of.

#### **Investment issues**

Dodds explained the status of KMU's current investments. Swenhaugen suggested that staff research the possibility of using some funds to pay off current debt due to the extremely low interest rates for investments.

**NEW BUSINESS**

**Resolution 2011-1 and 2011-2**

Motion by Nielsen, second by Engel to approve Resolution 2011-1 Authorizing or Reauthorizing Membership in the 4M Fund and Resolution 2011-2 Authorizing Bank of Zumbrota as a Designated Depository of Funds.

Approved 3-0-0.

**Employee Reviews**

Commission would like to have Administrator Heineman complete Dodds' performance review and Swenhaugen will meet with Eggert prior to the February meeting to complete his review.

There being no further business, Swenhaugen adjourned the meeting at 8:30 p.m.

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Sue Dodds, Bookkeeper

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Scott Swenhaugen, Chairman

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Randy Eggert, Operations Superintendent