

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 6:10 p.m. on the 20th day of October 2010. The following members were present: Chairman Scott Swenhaugen and Commissioner Michael Engel. Absent: Richard Nielsen. Also present were Operations Superintendent Randy Eggert and Bookkeeper Sue Dodds.

AGENDA

Add: New Business: C/First Lutheran Church electrical service. Motion by Engel, second by Swenhaugen to adopt agenda as amended. Approved 2-0-0.

CONSENT AGENDA

Motion by Engel, second by Swenhaugen to adopt consent agenda with the approval of checks #35761-35801 noting that gaps in check sequence were for payroll or voided checks. Also, ACH checks #4103-4121. ACH checks 4101-4102 were not used. Approved 2-0-0.

OLD BUSINESS

Generating report

Generators were exercised only in October.

Safety Report

Fire safety review

CMMPA update

Eggert reported that he attended the CMMPA meeting in Mankato the previous evening with Commissioner Engel and Administrator Heineman. Engel noted that the EPA Reciprocating Internal Combustion Engines (RICE) standards were discussed. Previously the original estimate to test each unit to see where they stand on exhaust back pressure, CO output level and exhaust temperatures was \$3000 to \$5000 per generator. Ziegler's updated estimate is \$2500 for the first two generators and \$500 for the third. Their estimate on the retrofit is broad at \$5,000 - \$125,000 per generator.

Iowa Stored Energy Park (ISEP), which is still in the development stage, now represents 95 municipal utilities. These participants only have a need for approximately 25% of the 270 MW net output. \$10.5 million has been invested to date, with \$7.5 million received in grants. CMMPA does not recommend increasing our subscription amount at this time.

Eggert reported the Brookings portion of the CAPX 2020 contracts should be coming soon for the City council and utility commission to review.

NEW BUSINESS

Water policy

Dodds presented the first draft of the combined water and electric policy. Eggert recommended having the final version completed by the first of the year.

Personnel issues

Eggert asked the commission if they would consider following the City's policy on additional pay for employees who have acquired licenses for their position. Currently City staff is paid for waste water and pool operator licenses. Eggert suggested that KMU employees be paid for the water licenses they hold. The commission expressed mixed feelings concerning this issue. They felt that licenses are required for the job so it should be considered part of the pay they are already receiving, but in fairness KMU and City employees should be treated the same. Heineman and Eggert will discuss this and try to solve this issue in a fair manner.

Heineman reported that the council has approved a flat cost of living payment of \$500 to full-time employees in the beginning of 2011. He noted that City Attorney Riggs approved this as long as it did not affect pay equity. Motion by Swenhaugen, second by Engel to follow the City's recommendation of a \$500 cost of living payment to all full-time KMU employees. Approved 2-0-0.

First Lutheran Church electrical service

Eggert reported that the church will be purchasing seven air source heat pump units and will require a new electrical service. He asked if the commission would consider a reduced rate for this service when not used at on peak times. The commission did not feel they should receive a lower rate, although they may apply for rebates on these units.

There being no further business, Swenhaugen adjourned the meeting at 7:40 p.m.

Sue Dodds, Bookkeeper

Scott Swenhaugen, Chairman

Randy Eggert, Operations Superintendent