

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 6:05 p.m. on the 16th day of February 2011. The following members were present: Commissioners Michael Engel and Scott Swenhaugen. Absent: Richard Nielsen. Also present were Operations Superintendent Randy Eggert, Bookkeeper Sue Dodds and City Administrator Chris Heineman.

AGENDA

Motion by Engel, second by Swenhaugen to adopt agenda as presented. Approved 2-0-0.

CONSENT AGENDA

Motion by Engel, second by Swenhaugen to adopt consent agenda without report on January financials, with the approval of checks #35963-36001 noting that gaps in check sequence were for payroll or voided checks. Also, ACH checks #4163-4173. Approved 2-0-0.

OLD BUSINESS

Generating report

Generation report reviewed.

Safety Report

First aid review and snow plow safety.

Commissioner Nielsen arrived at 6:18

CMMPA update

A public hearing was held on January 13 to discuss the definition of emergency status for National Emissions Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines (RICE). Public comments on this issue were due February 15.

NCII will be off-line for maintenance March 4-20.

CAPX2020

Council has requested more precise figures on incentives for CAPX from CMMPA. Attorneys are working together to finish up the final agreements.

Nielsen would like the commission to make a recommendation to council as to the subscription amount but will wait until FERC has made their final decisions on some issues.

The commission feels positive about the project, but Swenhaugen feels it will be necessary to meet with CMMPA representatives again prior to signing any agreements.

Water and Electric Policy

Motion by Engel, second by Nielsen to adopt Water and Electric Rules and Regulations revised February 2011 as presented. Approved 3-0-0.

2011 budget

Dodds presented an updated 2011 budget. Motion by Nielsen, second by Engel to adopt agenda as presented. Approved 3-0-0.

Dodds noted that she and Heineman met with representatives from Wells Fargo concerning checking accounts and investments. Current quoted charges would negate most interest revenue KMU would receive, but they have agreed to make some changes and contact Heineman this week.

NEW BUSINESS

Reducing debt vs. investments

At the January meeting, Commission Swenhaugen asked staff to see if any bonds could be paid early since investment interest rates are so low. Dodds reported that KMU does not have the option to prepay the electric revenue bond.

There being no further business, Swenhaugen adjourned the meeting at 7:10 p.m.

Sue Dodds, Bookkeeper

Scott Swenhaugen, Chairman

Randy Eggert, Operations Superintendent