



# **Rochester Public Utilities**

## **Board Meeting Packet**

**October 29, 2013**

ROCHESTER PUBLIC UTILITIES BOARD

MEETING AGENDA –October 29, 2013

RPU SERVICE CENTER  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

1. Service Recognitions
2. Appointment of Board Secretary
3. Approval of Minutes of September 24, 2013 Meeting
4. Approval of Accounts Payable

**NEW BUSINESS**

5. Open Comment Period  
*(This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 4 minutes, total comment period limited to 15 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.)*
6. Consideration of Bids/Proposals: Baker Tilly- Audit Services
7. Resolution: Charter Replacement Site Agreements (Well #18 & Southeast Water Tower Sites)
8. Preliminary 2014 Electric and Water Budget Review
9. 2014 Utility Board Meeting Calendar
10. General Manager's Report
11. Management Reports
12. Other Business
13. Adjourn

*The agenda and board packet for Utility Board meetings are available on-line at [www.rpu.org](http://www.rpu.org)*

ROCHESTER PUBLIC UTILITIES  
BOARD MEETING MINUTES  
September 24, 2013

Members Present: Mr. Williams, Mr. Stahl, Mr. Wojcik, Mr. Reichert, and Mr. Browning  
Absent: None  
Also Present: Mr. Adkins, City Attorney

Board President Williams called the meeting to order at 4:00 PM.

Mr. Koshire introduced Lisa Stellmaker. She will be appointed Board secretary at the October meeting.

1. Mr. Reichert moved to approve the minutes of the August 27, 2013 meeting, seconded by Mr. Wojcik.

All voting "AYE"

2. Mr. Wojcik moved to approve the accounts payable, seconded by Mr. Reichert.

All voting "AYE"

3. Mr. Williams opened the meeting for comments from the public. No one wished to be heard.
4. Mr. Schlink, Director of Power Resources, gave the SLP decommissioning status update.
5. The General Manager provided the following report to the Board:
  - a. Mr. Kotschevar, Director of Core Services, noted the CAPX 161 lines into Northern Hills are completed with the plan to have them in-service in March.
  - b. Mr. Cook, Acting Director of Field Services, commented on the Lake Zumbro meeting held in September. He is looking into any potential grants RPU can apply for involving dredging.
  - c. Mr. Rovang, RPU Senior Civil Engineer, gave an update on the St. Mary's reservoir. The plan is to have it in-service this year with finishing work to be completed next spring. Mr. Rovang also attended the CUDE meeting and is receiving public input on the color, landscaping, etc. related to the reservoir.
7. The management reports and financials were discussed.
8. Other Business
  - a. Mr. Browning asked about the RFP for the water sustainability project and what the goal of the project is.
  - b. Mr. Koshire mentioned that the utility financials are still being monitored.

- c. Mr. Koshire shared that 12 co-ops are negotiating with Alliant Energy to start servicing their customers. People's will take over the local Alliant customers.
- 9. Mr. Stahl moved to adjourn the meeting, seconded by Mr. Reichert.

All voting "AYE"

The meeting adjourned at 5:01 p.m.

Submitted by:

Lana Anderson  
Secretary

Approved by the Board:

\_\_\_\_\_  
Board President

\_\_\_\_\_  
Date

# ROCHESTER PUBLIC UTILITIES

## A/P Board Listing By Dollar Range

For 09/15/2013 To 10/15/2013

Consolidated & Summarized Below 1,000

### Greater than 50,000 :

SOUTHERN MN MUNICIPAL POWER A	Monthly Billing	7,790,693.73
XCEL ENERGY CORP	CapX - LaCrosse Project CMA	1,992,754.40
DN TANKS INC	3.3 Mil Gal Reservoir Project - Phase 2	884,190.14
KNUTSON CONSTRUCTION SERVICES	Constr. Grading, Foundations, Fence	194,813.68
THE ENERGY AUTHORITY INC	MISO and Resource Mgmt Fee-Sept	132,725.62
CONSTELLATION NEWENERGY-GAS D	SLP Pilot and Boiler Gas	114,508.32
ENVIRO-LOGIC INC	Ash Disposal Services 2011-2012	83,674.64
CONSTELLATION NEWENERGY-GAS D	Gas at Cascade Creek	80,782.86
FRANKLIN ENERGY SERVICES LLC	DSM / CIP Services 2013	59,796.50
PEOPLES ENERGY COOPERATIVE	Services Compensable 9/1/13-9/30/13	50,323.36
	<b>Price Range Total:</b>	<b>11,384,263.25</b>

### 5,000 to 50,000 :

MASTEC INC	2013 Directional Boring/Misc Excavation	46,096.22
M A P P C O R	4th Quarter Mapp Fees	45,522.26
INTERSTATE COMPANIES INC	Generator - MTU Onsite	41,574.38
BILLTRUST dba	Credit Card/Billing/Mailing/IVR Services	40,980.11
OPOWER INC	2013 Home Energy Reports	38,000.00
THE ENERGY AUTHORITY INC	MISO Activity	34,534.75
MN MUNICIPAL UTILITIES ASSN C	10/1/2013 through 9/30/2014	33,500.00
WRIGHT TREE SERVICE INC	2013 Hourly Tree Contract	31,459.82
WESCO DISTRIBUTION INC	Switch, PM, Air, 3ph, 4-600SW, PSE	28,334.70
E H RENNER & SONS INC	Drilling of Well #41	27,881.07
GRAYMONT CAPITAL INC	Pebble Lime for SOA	24,903.05
ROCK SOLID RETAINING WALLS IN	Remove & Replace Retaining Wall Per Qte	22,697.38
VIKING ELECTRIC SUPPLY INC	Luminaire, Residential, LED, PC, 120V	20,947.50
BLUESPIRE STRATEGIC MARKETING	2013 RPU Plugged In Contract	19,024.00
W W GOETSCH ASSOCIATES	Aurora Model 340 Single Stage,	19,023.75
TELVENT USA LLC	2013/2014 SCADA Software Maintenance	16,100.00
WESCO DISTRIBUTION INC	Photo Cell, 120V-305V, 20 yr	15,229.69
STUART C IRBY CO INC	Vault, Fiber Optic, w/Cover 36"x60"x36"	14,748.75
VISION COMPANIES LLC	Organizational Strategy	13,650.00
T K D A	Prof Engr Design & Construction Insp Svc	13,309.09
NALCO COMPANY	Nalco, 3DT187 (SLP)	12,806.64
McGRANN SHEA CARNIVAL STRAUGH	3rd Quarter 2013 Misc legal	12,500.00
U S ALLIANCE GROUP	Credit Card Processing Fees, Sept	12,316.51
ARNOLDS SUPPLY & KLEENIT CO (	2013-2014 Monthly Cleaning Services	11,497.61
USIC LOCATING SERVICES INC	Locating Services	11,356.00
UNITED VAN LINES LLC	Moving Expenses, Robert Cooke	10,996.22

# ROCHESTER PUBLIC UTILITIES

## A/P Board Listing By Dollar Range

For 09/15/2013 To 10/15/2013

Consolidated & Summarized Below 1,000

44	ULTEIG ENGINEERS INC	Eng Serv CO #7 to PO 10844	10,398.50
45	MAYO CLINIC	* Customer Refund - CCS 300000500647	10,366.85
46	MINNESOTA ENERGY RESOURCES CO	Monthly SLP Pilot and Boiler Gas	9,932.12
47	CITY OF ROCHESTER	W/C, St Marie	9,189.44
48	VIKING ELECTRIC SUPPLY INC	Cable Pulling Lube	8,680.92
49	OLM COUNTY AUDITOR/TREASURER	OWEF Purchase	8,501.05
50	360 TRAINING.COM INC (P)	Luckadoo, Blackburn, Frantz, Heimer	7,700.00
51	WRIGHT TREE SERVICE INC	Lump Sum Tree Trimming 801C/905B	7,560.25
52	WELLS FARGO BANK ACCT ANALYSI	Banking Services	7,520.43
53	EXPRESS SERVICES INC	2013 Fred Rahn - Field Svcs	7,311.98
54	CRESCENT ELECTRIC SUPPLY CO	Conduit, PVC Sch 40, 5.00, 10' length	7,232.10
55	D P C INDUSTRIES INC	2013 Hydrofluorosilicic Acid - Delivered	7,078.07
56	SHI INTERNATIONAL CORP	Good Enterprise Extended User Support	6,690.75
57	MINNESOTA ENERGY RESOURCES CO	SLP Pilot and Boiler Gas	6,690.21
58	ROCHESTER PUBLIC SCHOOLS	*CIP - Cooling Equipment	6,604.50
59	NALCO COMPANY	DI Vessels & Rel. Expenses (Frt,Rent,etc	6,420.00
60	MOORHEAD MACHINERY & BOILER I	#3 tube repairs	5,702.95
61	SCHWEITZER ENGINEERING LAB IN	RTAC Communications Device	5,610.94
62	KORTERRA INC	one call set up fees	5,504.63
63	XYLO TECHNOLOGIES INC	Dominic Avila - Corp Svcs/IS	5,332.00
64	XYLO TECHNOLOGIES INC	2013 Mark Johnson-Corp Svcs/IS	5,310.90
65	ROWLAND WELL CO INC	Seal second well found in the devper MN	5,236.88
66	PERCEPTIVE SOFTWARE USA INC	2013 ImageNow Prof Svcs	5,000.00

**Price Range Total:** 784,564.97

### 1,000 to 5,000 :

72	DAKOTA SUPPLY GROUP	Meter, 5/8x1/2" Badger Disk Bottom	4,873.50
73	ZUMBRO VALLEY FORESTRY LLC	Westside Station -Willow Treatment	4,865.48
74	D P C INDUSTRIES INC	2013 Carus 8500 Aqua Mag Kjell F35	4,657.40
75	STUART C IRBY CO INC	Vault, Fiber Optic, w/Cover 24"x36"x30"	4,649.06
76	DAKOTA SUPPLY GROUP	Meter, 5/8x3/4" Badger Disc Bottom	4,568.91
77	CRESCENT ELECTRIC SUPPLY CO	Wire, Copper, 4/0 Str, Bare, 19 Str.	4,477.54
78	STEVE BENNING ELECTRIC	Install new 480 service & vfd dr / well	4,455.00
79	ZIEGLER INC	Caterpillar repair	4,409.62
80	MINNESOTA ENERGY RESOURCES CO	Gas at Cascade Creek	4,403.48
81	TSP INC	Service Center Parking Lot Repair	4,200.00
82	BOB THE BUG MAN LLC	sprayed in & out of 49 well houses, towe	4,189.50
83	MOTOROLA INC	Radio, Handheld, XTS 1500 W/Battery	4,142.35
84	ENVENTIS TELECOM INC	Labor (32 hrs)	4,055.91
85	WESCO DISTRIBUTION INC	Junction, LB, 200A, 4 Pos, w/Strap	4,047.90
86	ADVANCED DISPOSAL SVC SOLID W	2013 Waste Removal Services - SLP	3,761.03

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87	KIDZIBITS LLC	RPU LED Display	3,753.98
88	COURTESY CORP OF ROCHESTER LL	*CIP - Cooling Equipment	3,700.00
89	AFFILIATED CREDIT SERVICES IN	2013 Third Party Collections	3,680.01
90	MASTEC INC	Billboard service 380 17 Ave NW	3,569.22
91	FRIEDRICH CONSTRUCTION INC	WA/ service repair / 808 4ST SE	3,565.88
92	HALO BRANDED SOLUTIONS	Mini Vinyl Football	3,550.00
93	STEVE BENNING ELECTRIC	Metering on Traffic Signals - Mtl & Lbr	3,549.74
94	WIESER PRECAST STEPS INC (P)	Electrical Vault Structure A	3,532.22
95	D P C INDUSTRIES INC	2013 Chlorine, 150 lb Cyl	3,525.00
96	EAGLE DRUG	* Customer Refund - CCS 300000500024	3,372.33
97	GREENWAY COOP SERVICE CO INC	Diesel Fuel	3,289.76
98	EXPRESS SERVICES INC	2013 Diane Bengtson - Prof Services	3,273.69
99	STEVE BENNING ELECTRIC	Electrical installation T&D muster room	3,249.00
100	ARTISTIC FRAMERS INC	Ten sets of Word Maps and Vision/Mission	3,206.25
101	FRIEDRICH CONSTRUCTION INC	WA/ service repair / 2301 Hampton Rhodes	3,166.56
102	MINNESOTA ENERGY RESOURCES CO	Monthly Gas at Cascade Creek	3,075.08
103	VISION COMPANIES LLC	Process analysis	3,075.00
104	STUART C IRBY CO INC	Rubber Goods Testing & Replacement	3,037.38
105	BORDER STATES ELECTRIC SUPPLY	Elbow, 15kV, 200A, LB, 1/0 Sol, 175-220Mil	2,698.86
106	VERIZON WIRELESS	Monthly billings	2,616.69
107	SCHWEITZER ENGINEERING LAB IN	Relay, SEL 351-6, 48V DC, Rack	2,597.06
108	STEVE BENNING ELECTRIC	Install power to Main sign	2,579.00
109	DAVIES PRINTING COMPANY INC	Cold weather brochures	2,526.53
110	PITNEY BOWES GLOBAL FINANCIAL	Insertor and Mailing System Lease	2,490.00
111	REINDERS INC	SP575X Spreader	2,427.18
112	HAWKINS INC (P)	Sulphuric Acid, Seasonal (Apr/Oct) (SLP)	2,402.40
113	ENVENTIS TELECOM INC	UCCX & Nuance HA High Availability f/IVR	2,380.64
114	BORDER STATES ELECTRIC SUPPLY	Capacitor, 100 kVar, 7970V, Two Bush	2,292.47
115	WHITEWATER WIRELESS INC	Voice recording	2,244.38
116	DIAMOND POWER INTERNATIONAL	Lens & Gskt Kit, DP Wtr GL	2,182.69
117	BAIER GERALD	2013 Garage Sweep Feb-December	2,137.50
118	CRESCENT ELECTRIC SUPPLY CO	Conduit, PVC Sch 40, 4.00	2,105.15
119	ALTO CONSULTING & TRAINING IN	IS SharePoint Site	2,100.00
120	WESCO DISTRIBUTION INC	Arrester, 10kV, Dist, Elbow MOV	2,068.03
121	GOPHER STATE ONE CALL	Monthly billing - September	2,038.70
121	KOMLINE SANDERSON INC	Brg, Model 900 Rotary Atomizer	2,030.63
122	FRIEDRICH CONSTRUCTION INC	WA/service repair / 228 7 Ave SE	2,009.00
123	ENVIRONMENTAL INITIATIVE	Sponsorship for the groundwater policy f	2,000.00
124	MADSEN BRIAN	2013 Printer Maintenance contract	1,997.49
125	ENVENTIS	Internet	1,985.74
126	GRAYBAR ELECTRIC COMPANY INC	Mid-span grounding/bonding enclosure	1,927.20
127	BORDER STATES ELECTRIC SUPPLY	Marker, Locate, Fiber Orange 66in	1,905.05
128	ENVENTIS TELECOM INC	Engineering Services	1,873.65
129	STUART C IRBY CO INC	12" Base Spacer for S&C PMH9 gear	1,850.00

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130	SCHINDLER ELEVATOR CORP	Elevator Maintenance, 5 Yr	1,837.65
131	MED CITY COLLISION INC	Body work truck 502	1,755.47
132	FAIRWAY OUTDOOR FUNDING LLC	2013 Digital Billboard Contract Ext	1,733.00
133	GRAYBAR ELECTRIC COMPANY INC	Cable Support Bracket, 36"	1,732.98
134	BORDER STATES ELECTRIC SUPPLY	Grnd Clamp, 1 Cond to 2-2.5 OD Pipe	1,732.66
135	NATL JOINT APP & TRAINING COM	1 st & 2nd yr linemen slime line + Tex	1,716.60
136	ULTEIG ENGINEERS INC	Engr Costs for NH CAPX Terminal Project	1,700.00
137	ENVENTIS TELECOM INC	CER Upgrade	1,683.28
138	BORDER STATES ELECTRIC SUPPLY	Marker Posts, Fiber Route, Orange, 66in	1,670.46
139	MASTEC INC	Conduit to new RPU sign	1,665.00
140	NETWORKFLEET INC	Monthly Charge - GPS Fleet tracking	1,608.90
141	TELVENT USA LLC	Working w/Designer Course-Ft Collins CO	1,600.00
142	UNITED RENTALS INC	Equip Rental Mini Excavator	1,588.16
143	HI LINE UTILITY SUPPLY CO	Pull Tape, Printed, .750" x 3000'	1,553.04
144	BORDER STATES ELECTRIC SUPPLY	Grd Sleeve, 3ph Sect. Encl, 18 x 67 x 23	1,551.83
145	STUART C IRBY CO INC	Metal Sec. Encl, 3ph, 30" x 67" x 22"	1,541.67
146	TSP INC	A&E Design Disaster Recovery Site	1,535.00
147	SCHMITZ WILLIAM	Travel Advance	1,520.00
148	ROCH SERVICE COMPANY INC	Well #41 - Installation of Wetland Prote	1,518.00
149	ROCH SERVICE COMPANY INC	6149 Jonathan Ln NW	1,512.00
150	OTTER TAIL POWER OFFICES INC	Travel, NERC Standards Seminar, M Larson	1,500.00
151	AMERICAS SAP USERS GROUP INC	SAP User Group Dues 2014	1,500.00
152	OTTER TAIL POWER OFFICES INC	Travel, NERC Standards Seminar, T Keller	1,500.00
153	A B B INC	Pressure Relay 50 kPa	1,494.11
154	MASON TED	Travel, Doble User Group Mtg, hotel	1,484.82
155	KRANZ JEFFREY A	Travel, Doble User Group Mtg, hotel	1,484.82
156	CENTURYLINK	Monthly billings	1,481.29
157	ARNOLDS SUPPLY & KLEENIT CO (	2013 Alternates	1,469.53
158	STUART C IRBY CO INC	16 kv phasing tester kit TRK439	1,448.16
159	BORDER STATES ELECTRIC SUPPLY	Heat Shrink Insul. Tube 2-4/0, 3/pk	1,378.69
160	PROGRESSIVE CONSLTNG ENGRS IN	Design Svcs Over Contract Amount	1,353.00
161	HAMILTON SARA	CIP Conserve & Save Rebates	1,309.37
162	WORLD WIDE ENTERPRISES	80 ' Bubbler Hose	1,282.50
163	INTERPOLL LABORATORIES INC	Ash Testing at SLP	1,260.00
164	ARNOLDS SUPPLY & KLEENIT CO (	2013-2014 Alternates	1,246.76
165	GALAXY COMPUTERS INC	2013 Server Maintenance	1,244.41
166	AMER ENGINEERING TESTING INC	Const Testing Northern Hill Sub	1,240.10
167	HAWKINS CHEMICAL INC	Sulphuric Acid, Seasonal (Apr/Oct) (SLP)	1,201.20
168	VISION COMPANIES LLC	SCADA Project	1,200.00
169	ENVENTIS TELECOM INC	Labor - Stuxnet, IPS, VPN Work (70 Hrs)	1,198.34
170	PRAIRIE EQUIPMENT CO LLC	Inverter	1,191.65
171	MED CITY COLLISION INC	labor	1,174.50
172	OLSON MANUFACTURING & DISTRIB	Spacer Bracket, Mid Span, 3-Wire	1,174.29
173	BORDER STATES ELECTRIC SUPPLY	Fuselink, 40A, K-MATE	1,167.49



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174	MINOGUE PETER	Travel Advance	1,163.00
175	CUSTOM COMMUNICATIONS INC	Annual Fire Alarm Testing	1,140.00
176	ENVENTIS TELECOM INC	Phone System Support 3 Yrs (Monthly Bill	1,135.00
177	OSI RESTAURANT PARTNERS LLC #	*CIP - Cooling Equipment	1,125.00
178	PAYMENT REMITTANCE CENTER	RAB, 2014 Home Show booth space	1,120.00
179	ONLINE INFORMATION SERVICES I	2013 Utility Exchange Report	1,118.70
180	VIKING ELECTRIC SUPPLY INC	Bus bar to repair 1&2.	1,116.84
181	OSMOSE UTILITIES SERVICES INC	Pole Testing	1,114.76
182	BORDER STATES ELECTRIC SUPPLY	Deadend Recept, 15kV, 600A, NLB	1,110.77
183	RESCO	Cutout Door, 50A ELF, 15KV	1,091.84
184	FUREY FILTER & PUMP INC	Plunger SS, MR1-42-59SM, Milroy	1,086.92
185	LEAGUE OF MN CITIES INS TRUST	Claim, Brenda Lipkie	1,084.76
167	NEAL LONI	CIP Conserve & Save Rebates	1,060.00
168	WESCO DISTRIBUTION INC	Arrester, 10kV, Dist, Parking Stand	1,058.60
169	RESCO	Cutout Door, 6A ELF, 15KV	1,051.01
170	ROCHESTER ARMORED CAR CO INC	2013/14 Pick Up Services May-April	1,041.89
171	HI LINE UTILITY SUPPLY CO	Pull Tape, Printed, .750" x 3000'	1,035.36
172	WESCO DISTRIBUTION INC	Conn, Trans, 1/0-1000, 12-Tap, Bare	1,034.55
173	BORDER STATES ELECTRIC SUPPLY	Conn, CRP SL, #4-2/0 CU only	1,032.41
174	HAUSER BOB	Well Sealing Cost Share Program	1,000.00

175			
176		<b>Price Range Total:</b>	270,855.96

177

### **0 to 1,000 :**

179

180	REBATES	Summarized transactions: 301	40,056.45
181	EXPRESS SERVICES INC	Summarized transactions: 33	17,461.64
182	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 56	14,613.13
183	PAYMENT REMITTANCE CENTER	Summarized transactions: 67	11,482.91
184	WESCO DISTRIBUTION INC	Summarized transactions: 33	7,193.36
185	Customer Refunds (CIS)	Summarized transactions: 45	6,312.15
186	CITY OF ROCHESTER	Summarized transactions: 34	5,546.68
187	STUART C IRBY CO INC	Summarized transactions: 27	5,093.58
188	ROCH LANDSCAPING SERVICES INC	Summarized transactions: 10	3,813.68
189	STEVE BENNING ELECTRIC	Summarized transactions: 10	3,618.11
190	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 27	3,357.43
191	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 50	2,984.24
192	FASTENAL COMPANY	Summarized transactions: 52	2,745.93
193	REBATES	Summarized transactions: 39	2,548.00
194	G & K SERVICES	Summarized transactions: 47	2,485.75
195	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 21	2,462.43
196	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 43	2,215.54
197	CDW GOVERNMENT INC	Summarized transactions: 7	2,118.52

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198	LAWSON PRODUCTS INC (P)	Summarized transactions: 6	1,976.60
199	SHI INTERNATIONAL CORP	Summarized transactions: 4	1,851.21
200	VISION COMPANIES LLC	Summarized transactions: 2	1,800.00
201	GRAINGER INC	Summarized transactions: 11	1,678.92
202	RESCO	Summarized transactions: 3	1,678.58
203	JOHNSON PRINTING CO INC	Summarized transactions: 4	1,615.55
204	MASTEC INC	Summarized transactions: 2	1,580.00
205	KELLER TOM A JR	Summarized transactions: 4	1,561.89
206	RONCO ENGINEERING SALES INC	Summarized transactions: 9	1,553.90
207	ENVENTIS TELECOM INC	Summarized transactions: 5	1,472.08
208	LARSON MARK	Summarized transactions: 5	1,470.41
209	NAPA AUTO PARTS (P)	Summarized transactions: 29	1,463.39
210	PRATT & WHITNEY POWER SYSTEMS	Summarized transactions: 11	1,393.16
211	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 10	1,305.54
212	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 29	1,300.05
213	NALCO COMPANY	Summarized transactions: 12	1,258.90
214	ZEE MEDICAL SERVICE INC (P)	Summarized transactions: 6	1,243.90
215	ROCH LANDSCAPING SERVICES INC	Summarized transactions: 2	1,206.37
216	McGRANN SHEA CARNIVAL STRAUGH	Summarized transactions: 2	1,162.50
217	ALL SYSTEMS INSTALLATION INC	Summarized transactions: 2	1,129.30
218	TUPPER MATTHEW	Summarized transactions: 3	1,100.28
219	ROCH SIGN SERVICE INC	Summarized transactions: 8	1,095.47
220	MASON TED	Summarized transactions: 4	1,089.85
221	KRANZ JEFFREY A	Summarized transactions: 4	1,083.41
222	T E C INDUSTRIAL INC	Summarized transactions: 3	1,071.06
223	HI LINE UTILITY SUPPLY CO	Summarized transactions: 3	989.12
224	SEEME PRODUCTIONS LLC	Summarized transactions: 2	970.00
225	FREDRICKSON & BYRON PA	Summarized transactions: 1	963.33
226	MILLERBERND MANUFACTURING CO	Summarized transactions: 2	936.23
227	GENERAL REPAIR SERVICE	Summarized transactions: 2	910.61
228	HAWKEYE SERVICES	Summarized transactions: 4	890.27
229	HALO BRANDED SOLUTIONS	Summarized transactions: 3	882.11
230	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 7	871.34
231	JOHNSON CARY	Summarized transactions: 4	799.67
232	POWER SYSTEMS ENGINEERING INC	Summarized transactions: 1	780.00
233	BLOM BRYAN	Summarized transactions: 1	770.19
234	OPEN ACCESS TECHNOLOGY	Summarized transactions: 1	765.11
235	CENTURYLINK	Summarized transactions: 3	761.05
236	GALAXY COMPUTERS INC	Summarized transactions: 5	757.74
237	PAYMENT REMITTANCE CENTER	Summarized transactions: 3	735.00
238	DAKOTA SUPPLY GROUP	Summarized transactions: 6	725.09
239	VERTICAL LIMIT CONSTRUCTION L	Summarized transactions: 1	720.00
240	ROCH SERVICE COMPANY INC	Summarized transactions: 1	700.00
241	METRO SALES INC	Summarized transactions: 3	688.19

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242	PARKER SUE	Summarized transactions: 2	685.60
243	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 3	680.79
244	CORPORATE WEB SERVICES INC	Summarized transactions: 3	665.25
245	WHITEWATER WIRELESS INC	Summarized transactions: 3	656.72
246	MOTOROLA INC	Summarized transactions: 2	654.07
247	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 1	650.00
248	HAWK & SON'S INC	Summarized transactions: 1	646.50
249	C & H DISTRIBUTORS INC	Summarized transactions: 3	636.98
250	BOB GANDER PLUMBING & HEATING	Summarized transactions: 2	632.20
251	GEMINI DIGITAL PRODUCTS (P)	Summarized transactions: 2	630.56
252	ROCH PLUMBING & HEATING CO IN	Summarized transactions: 3	627.79
253	AFFILIATED CREDIT SERVICES IN	Summarized transactions: 1	619.21
254	MED CITY COLLISION INC	Summarized transactions: 2	601.90
255	REINDERS INC	Summarized transactions: 4	600.09
256	BILLTRUST dba	Summarized transactions: 1	600.00
257	RONCO ENGINEERING SALES INC	Summarized transactions: 2	595.92
258	TRUCKIN' AMERICA	Summarized transactions: 1	595.83
259	BERRY PLASTICS CORPORATION	Summarized transactions: 2	584.82
260	JOHN HENRY FOSTER MN INC	Summarized transactions: 3	559.30
261	G & K SERVICES	Summarized transactions: 4	551.75
262	OPACITY CERTIFICATION SERVICE	Summarized transactions: 4	548.51
263	POSSABILITIES OF SOUTHERN MN	Summarized transactions: 1	530.00
264	ZIEGLER INC	Summarized transactions: 5	525.33
265	AUTHORIZE.NET	Summarized transactions: 1	524.05
266	SOMA CONSTRUCTION INC	Summarized transactions: 2	523.88
267	HEIMER MICHAEL	Summarized transactions: 2	517.25
268	INSTY PRINTS ROCHESTER (P)	Summarized transactions: 2	506.21
269	MECHANICAL SYSTEMS INC (P)	Summarized transactions: 4	484.25
270	WRIGHTS SMALL ENGINE SERVICE	Summarized transactions: 6	484.18
271	TSP INC	Summarized transactions: 5	480.55
272	UNITED CONVEYOR SUPPLY COMPAN	Summarized transactions: 2	473.47
273	SUK DONNA	Summarized transactions: 1	465.75
274	FEDEX	Summarized transactions: 13	455.35
275	T P C WIRE & CABLE	Summarized transactions: 2	453.42
276	MN PIPE & EQUIPMENT	Summarized transactions: 5	442.39
277	PAAPE ENERGY SERVICE INC	Summarized transactions: 2	441.40
278	TENG PHIL	Summarized transactions: 3	433.80
279	SKYWATCH SERVICES dba	Summarized transactions: 1	427.50
280	DIAMOND VOGEL PAINT CENTER	Summarized transactions: 2	422.52
281	CARD QUEST INC	Summarized transactions: 1	420.18
282	UNITED RENTALS INC	Summarized transactions: 4	419.03
283	MONSON STEVE	Summarized transactions: 2	417.75
284	FLEISCHMANN'S VINEGAR CO INC	Summarized transactions: 2	416.48
285	CANADIAN HONKER RESTAURANT &	Summarized transactions: 2	416.36

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 09/15/2013 To 10/15/2013

Consolidated & Summarized Below 1,000

286	OLSEN CHAIN & CABLE CO INC	Summarized transactions: 6	412.65
287	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 5	410.52
288	CLEMENTS GM PARTS	Summarized transactions: 2	402.38
289	DUECO, INC	Summarized transactions: 6	398.19
290	ROVANG DOUGLAS C	Summarized transactions: 2	397.91
291	ACOPIAN TECHNICAL COMPANY (P)	Summarized transactions: 3	397.73
292	GARCIA GRAPHICS INC	Summarized transactions: 2	391.37
293	AFFILIATED GROUP INC	Summarized transactions: 1	390.00
294	U S A SAFETY SUPPLY	Summarized transactions: 2	381.47
295	DZUBAY TONY	Summarized transactions: 3	378.66
296	CAT-PERSONAL SAFETY TRAINING	Summarized transactions: 4	377.12
297	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 1	373.00
298	BLUESPIRE STRATEGIC MARKETING	Summarized transactions: 1	368.92
299	WRIGHTS SMALL ENGINE SERVICE	Summarized transactions: 5	368.54
300	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	346.12
301	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 1	345.54
302	MN VALLEY TESTING LABS INC	Summarized transactions: 2	340.00
303	AMER PAYMENT CENTERS	Summarized transactions: 1	336.00
304	A T & T	Summarized transactions: 1	334.78
305	CENTURYLINK	Summarized transactions: 1	325.95
306	STEVE BENNING ELECTRIC	Summarized transactions: 1	311.82
307	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 6	310.37
308	ALTO CONSULTING & TRAINING IN	Summarized transactions: 1	300.00
309	CUSTOM COMMUNICATIONS INC	Summarized transactions: 2	292.88
310	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 2	291.06
311	POWER PROCESS EQUIPMENT INC (	Summarized transactions: 5	290.23
312	KNUTSON CONSTRUCTION SERVICES	Summarized transactions: 1	286.32
313	G A ERNST & ASSOCIATES INC	Summarized transactions: 1	283.00
314	H2O INNOVATION USA INC (P)	Summarized transactions: 3	275.20
315	FRANZ REPROGRAPHICS INC	Summarized transactions: 2	275.10
316	WIESER PRECAST STEPS INC (P)	Summarized transactions: 2	267.19
317	MENARDS ROCHESTER NORTH	Summarized transactions: 8	263.98
318	ROCH AREA BUILDERS INC	Summarized transactions: 3	261.60
319	FRONTIER	Summarized transactions: 1	258.12
320	EDEL OIL SERVICE INC	Summarized transactions: 1	255.00
321	FUREY FILTER & PUMP INC	Summarized transactions: 3	253.47
322	MN DEPT OF HEALTH - WELL MGMT	Summarized transactions: 1	250.00
323	SCHWEITZER ENGINEERING LAB IN	Summarized transactions: 6	247.66
324	ROCH WELDING INC	Summarized transactions: 4	243.90
325	VANCO SERVICES LLC	Summarized transactions: 1	243.50
326	CARQUEST AUTO PARTS	Summarized transactions: 4	243.30
327	JOHNSON MARK T	Summarized transactions: 1	234.00
328	STATE CHEMICAL MFG CO	Summarized transactions: 3	233.82
329	ARROW ACE HARDWARE-ST PETER	Summarized transactions: 6	231.21

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 09/15/2013 To 10/15/2013

Consolidated & Summarized Below 1,000

330	KEACH TODD	Summarized transactions: 3	227.56
331	IRON MOUNTAIN DBA	Summarized transactions: 1	221.46
332	ALTEC INDUSTRIES INC	Summarized transactions: 4	215.50
333	CONNEY SAFETY PRODUCTS LLC	Summarized transactions: 2	215.39
334	KAUTZ TRAILER SALES dba	Summarized transactions: 1	213.75
335	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 2	213.72
336	SCHMIDT GOODMAN OFFICE PRODUC	Summarized transactions: 4	212.82
337	ALS LABORATORY GROUP TRIBOLOG	Summarized transactions: 2	208.30
338	VIRTEVA LLC	Summarized transactions: 1	202.50
339	SHELLUM CURT	Summarized transactions: 1	200.00
340	GREAT RIVER ENERGY	Summarized transactions: 1	190.83
341	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 1	188.72
342	POMPS TIRE SERVICE INC	Summarized transactions: 2	183.80
343	SLEEPY EYE TELEPHONE CO	Summarized transactions: 2	181.18
344	STRUVES PAINT & DECORATING (P	Summarized transactions: 4	179.42
345	STEFFL TIM	Summarized transactions: 2	170.06
346	MENARDS ROCHESTER NORTH	Summarized transactions: 5	169.08
347	R D O - POWERPLAN OIB	Summarized transactions: 1	168.76
348	KOSHIRE LARRY J	Summarized transactions: 2	168.40
349	LELAND LEDFORD TAXIDERMY	Summarized transactions: 1	160.31
350	BOWMANS SAFE & LOCK SHOP LTD	Summarized transactions: 4	160.30
351	T S E INTERNATIONAL INC	Summarized transactions: 2	159.95
352	XYLO TECHNOLOGIES INC	Summarized transactions: 1	158.00
353	MOORE RYAN	Summarized transactions: 2	156.02
354	FIRST SUPPLY	Summarized transactions: 3	155.70
355	RELIABLE BRONZE & MFG INC	Summarized transactions: 2	152.15
356	CISCO WEBEX LLC	Summarized transactions: 1	150.00
357	KANO LABORATORIES INC (P)	Summarized transactions: 1	142.62
358	CULLIGAN OF ROCHESTER INC	Summarized transactions: 2	136.89
359	DALCO CORPORATION	Summarized transactions: 2	136.49
360	TEXTILE CARE SERVICES	Summarized transactions: 1	133.59
361	WORLD WIDE ENTERPRISES	Summarized transactions: 3	131.52
362	ON SITE SANITATION INC	Summarized transactions: 1	127.46
363	KINZER DANIEL	Summarized transactions: 1	118.65
364	GEXPRO	Summarized transactions: 3	118.59
365	SEMA	Summarized transactions: 1	117.79
366	ADAMSON MOTORS INC	Summarized transactions: 2	116.42
367	TWIN CITY SECURITY INC	Summarized transactions: 1	115.43
368	MN SUPPLY COMPANY INC	Summarized transactions: 2	112.10
369	ALTERNATIVE TECHNOLOGIES INC	Summarized transactions: 1	110.00
370	HERCULES INDUSTRIES INC	Summarized transactions: 2	109.89
371	INCOM DIRECT	Summarized transactions: 1	106.94
372	CROM CINDY	Summarized transactions: 1	104.89
373	NUSS TRUCKS OF ROCHESTER INC	Summarized transactions: 2	104.32

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 09/15/2013 To 10/15/2013

Consolidated & Summarized Below 1,000

374	ADVANTAGE DIST LLC (P)	Summarized transactions: 1	96.39
375	LACEY JAMES V	Summarized transactions: 1	88.00
376	KOMLINE SANDERSON INC	Summarized transactions: 2	87.76
377	TAUZELL JOHN	Summarized transactions: 3	82.00
378	ARROW ACE HARDWARE-ST PETER	Summarized transactions: 1	79.07
379	ARBOR DAY FOUNDATION	Summarized transactions: 1	75.00
380	FLEETPRIDE INC	Summarized transactions: 2	71.92
381	UNITED RENTALS INC	Summarized transactions: 1	70.48
382	C & N UPHOLSTERY	Summarized transactions: 2	69.47
383	GLOBAL EQUIPMENT COMPANY	Summarized transactions: 2	68.82
384	SNAP ON INDUSTRIAL	Summarized transactions: 1	65.47
385	REEF INDUSTRIES INC	Summarized transactions: 3	64.74
386	SWAGELOK MN INC (P)	Summarized transactions: 1	64.66
387	BAUER BUILT INC (P)	Summarized transactions: 1	63.18
388	THE ENERGY AUTHORITY INC	Summarized transactions: 2	62.73
389	EIS INC	Summarized transactions: 2	62.59
390	HEROLD FLAGS	Summarized transactions: 1	52.36
391	APX INC	Summarized transactions: 1	51.96
392	OLM COUNTY PROPERTY RECORDS	Summarized transactions: 1	46.00
393	KRUSE LUMBER	Summarized transactions: 2	45.55
394	MN PIPE & EQUIPMENT	Summarized transactions: 1	42.00
395	TLD AMERICA	Summarized transactions: 11	40.93
396	ABILITY BUILDING CENTER INC	Summarized transactions: 2	40.62
397	FASTENAL COMPANY	Summarized transactions: 1	32.79
398	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	28.99
399	OLM COUNTY CENTRAL FINANCE	Summarized transactions: 1	28.80
400	AUTOMATED ENERGY INC	Summarized transactions: 1	28.00
401	LANGUAGE LINE SERVICES INC	Summarized transactions: 1	26.17
402	PACE INTERNATIONAL dba	Summarized transactions: 1	24.58
403	KRUGER RONALD	Summarized transactions: 1	23.00
404	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	22.01
405	GREENWAY COOP SERVICE CO INC	Summarized transactions: 1	20.49
406	SOUTHERN MN MUNICIPAL POWER A	Summarized transactions: 1	20.00
407	ASSOC OF ENERGY SERV PROFESSI	Summarized transactions: 1	20.00
408	SHERWIN WILLIAMS CO	Summarized transactions: 1	19.44
409	THOMAS TOOL & SUPPLY INC	Summarized transactions: 4	17.65
410	LARSON DRU	Summarized transactions: 1	17.00
411	LEITZ VICTORIA	Summarized transactions: 1	15.00
412	BLEVINS JAN	Summarized transactions: 1	15.00
413	HUMPHREY STEPHANIE	Summarized transactions: 1	15.00
414	FEDEX	Summarized transactions: 2	15.00
415	WOODRUFF COMPANY	Summarized transactions: 2	14.52
416	HOME DEPOT CREDIT SERVICES	Summarized transactions: 2	14.23
417	PRAIRIE EQUIPMENT CO LLC	Summarized transactions: 1	10.69

## ROCHESTER PUBLIC UTILITIES

### A/P Board Listing By Dollar Range

For 09/15/2013 To 10/15/2013

Consolidated & Summarized Below 1,000

418	DOUBLETREE HOTEL - BGDS HOTEL	Summarized transactions: 1	10.00
419	DIAMOND POWER INTERNATIONAL	Summarized transactions: 1	8.82
420	WOODRUFF COMPANY	Summarized transactions: 2	1.54
421			
422		<b>Price Range Total:</b>	233,419.06
423			
424		<b>Grand Total:</b>	12,673,103.24

## FOR BOARD ACTION

Agenda Item #

Meeting Date:

10/29/2013

**SUBJECT:**

Audit proposal for Fiscal Years 2013-2017

**PREPARED BY:**

Bryan Blom, Manager of Finance & Accounting

ITEM DESCRIPTION:

Periodically the City Finance Director solicits proposals for the annual audit of the City's financial statements which include RPU's financial statements, done most recently eight years ago. Proposals were recently solicited from thirteen audit firms with firms invited to submit separate proposals on the City's and RPU's audits for the fiscal years 2013 through 2017. Six firms either declined to propose or did not respond. Of the seven remaining firms, one declined to propose on RPU's audit so six proposals were received on RPU's audit.

Proposals were evaluated based on several criteria; utility expertise, pledge of some consistency in audit staff from year to year, use of advanced audit techniques such as data mining and paperless documentation practices, availability for consultation during the year, completeness of the proposal with items such as whether RPU's audit was described individually; the transition from the prior auditor was addressed; and projected hours, and price.

Utility expertise is the major factor with RPU's plans to join the Midcontinent Independent System Operators (MISO) organization as a transmission owner which will require audit procedures to be performed on RPU's regulatory-format financial statements and the related Attachment O filing.

Based on the above criteria the proposal from Baker Tilly Virchow Krause, LLP of Madison, WI, is recommended at the following cost estimates for the fiscal years shown:

2013 - \$35,000, 2014 - \$36,050, 2015 - \$37,140, 2016 - \$38,255, and 2017 - \$39,000


Proposals for annual audit were reviewed by the Audit Committee on October 24, 2013 and they agreed with staff recommendations.

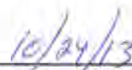
FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Audit fees have been included in the annual budget. Approval is requested subject to future budget authorization.

UTILITY BOARD ACTION REQUESTED:

It is recommended that the Utility Board approve the proposal for audit services for the fiscal years 2013 through 2017 received from Baker Tilly Virchow Krause, LLP, subject to future budget approvals.

  
General Manager

  
Date

ROCHESTER PUBLIC UTILITIES





## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the proposal for

Audit Services for fiscal years 2013-2017 from Baker Tilly Virchow Krause, LLP

The cost estimate for fiscal years are 2013- \$35,000, 2014- \$36,050, 2015- \$37,140, 2016- \$38,255, and 2017- \$39,000. The Audit fees have been included in the annual budget. Approval is requested subject to future budget authorization.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of October, 2013.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item #

Meeting Date: 10/29/2013

**SUBJECT:** Charter Replacement Site Agreements (Well #18 and Southeast Water Tower Sites)

**PREPARED BY:** Doug Rovang, Sr. Civil Engineer

### ITEM DESCRIPTION:

In 2005, (then) Charter Communications entered into a Site Agreement with the City which allowed for the installation of a communications building at the Well #18 site at 1919 1<sup>st</sup> St SW and at the Southeast Water Tower site at 501 20<sup>th</sup> St SE.

CC VIII Operating, LLC, d/b/a Charter Communications is proposing an upgrade to the Well #18 site to increase its operating reliability by installing a security fence around the building (approximately doubling the communications site area) and installing a backup generator.

Through conversations with "Charter" attorneys and the City Attorney, it was determined the appropriate method of addressing the proposed Well #18 site upgrade was to replace the previous combined Site Agreement with a separate Site Agreement for each site.

The two proposed Site Agreements (copy of each attached) would accomplish the following:

1. Well #18 Site Restate the conditions of the original Site Agreement related to the communications building at the Well #18 site, with the exception of:
  - a. A change from annual terms to a new five-year initial term, and two additional five-year terms subject to 180-day notice of non-renewal by either party;
  - b. An update to current City insurance requirements;
  - c. A change in the annual rent amount at to reflect the increased fenced-in ground space (from 350 to 778 square feet), and the outdoor generator to be installed at the site. Current and proposed rate information for this site is shown below (annual rent changes thereafter based on CPI-U change).

Current 2013 Annual Site Rent  
\$9,723.07

Proposed 2014 Annual Site Rent\*  
\$19,264.00 + CPI-U Adjustment

2. Southeast Water Tower Site Restate the conditions of the original Site Agreement related to the communications building at the Southeast Water Tower site with the exception of:
  - a. An update to current City insurance requirements;
  - b. A strengthening of the current City Agreement termination right.

  
General Manager

10/24/13  
Date

## FOR BOARD ACTION

Agenda Item #

Meeting Date: 10/29/2013

3. Termination of the June 14, 2005, related Site Agreement.

The City Attorney has reviewed the two proposed Site Agreements.

### **FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:**

Not Applicable.

### **UTILITY BOARD ACTION REQUIRED:**

Staff recommends the Utility Board approve the two (2) proposed Site Agreements with CC VIII Operating, LLC, d/b/a Charter Communications, and request the Mayor and City Clerk to execute the Site Agreements.

\_\_\_\_\_  
General Manager

\_\_\_\_\_  
Date

**ROCHESTER PUBLIC UTILITIES**



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the attached two (2) Site Agreements with CC VIII Operating, LLC, d/b/a Charter Communications, for the two (2) sites listed below, and to request the Mayor and the City Clerk to execute those Site Agreements.

- 1) Southeast Water Tower Site
- 2) Well #18 Site

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of October, 2013.

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President

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Secretary

#### SITE AGREEMENT

THIS SITE AGREEMENT ("AGREEMENT") is made by and between City of Rochester, a Minnesota municipal corporation, ("CITY"), acting through its Rochester Public Utilities, whose address is 4000 East River Road NE, Rochester, Minnesota 55906 and CC VIII Operating, LLC, d/b/a Charter Communications, (hereinafter, "LESSEE") this \_\_\_\_ day of \_\_\_\_\_, 2013, for the leasing of certain property interests described as follows:

1. PROPERTY. The property interests hereby leased (collectively, the "Leased Premises") and granted by CITY include the following:

Municipal Well #18 Site (Charter Site MN0105): Located at 1910 First Street SW, Rochester, Minnesota. Real property comprised of approximately seven-hundred-eighty-eight (788) square feet of land to be enclosed within a perimeter fence complying with all related City zoning ordinances and containing an approximately 325 square foot single story equipment building complying with City zoning ordinances, a backup generator unit complying with City residential neighborhood noise standards, space for underground cable runs to connect equipment and utility lines/cables, non-exclusive easements required to run utility lines/cables, and a non-exclusive easement across CITY property for access. CITY's property is legally described and Leased Premises are shown in relationship to CITY's property in Exhibit "A-1" attached hereto.

2. TERM. The initial term of the Agreement shall commence on November 1, 2013 and terminate on December 31, 2018. Following the expiration of the initial term, LESSEE may extend the term of the Agreement for two (2) additional five (5) year option periods for each site. Unless (a) CITY delivers to LESSEE written notice of non-renewal to LESSEE not later than one-hundred-eighty (180) days prior to the expiration of the new Initial Term or applicable Option Period, or (b) LESSEE gives CITY written notice of its intention not to extend at least one-hundred-eighty (180) days prior to the expiration of the new initial term or applicable option period, the applicable option period shall be deemed effective.

3. **RENT.** The LESSEE shall pay City an adjusted 2013 annual rent in the amount of nineteen-thousand-two-hundred-sixty-four dollars (\$19,264.00) for this Site prorated from November 1, 2013 and reflecting the nine-thousand-seven-hundred-twenty-three dollars-and-seven-cents (\$9,723.07) 2013 rent previously paid for this site. The rental year shall continue to run from January 1 to December 31 of each year, and each succeeding year's rent shall be due on or before January 1 of that year. The annual rental amount for each year will be adjusted annually based on the previous year's change in the Consumer Price Index for All Urban Consumers (CPI-U). The City will issue a final invoice on or about March 1 of each year (after the final CPI-U data is available for the previous year) reflecting the additional rent due or refund to be made reflecting the previous year's change in the CPI-U.
4. **USE.** LESSEE may use the Leased Premises for the purpose of installing, removing, replacing, maintaining, modifying, altering and operating a communications facility. The manner in which the Communications Facility and exterior equipment may be attached to the Leased Premises shall be documented in Exhibit A-1 and is subject to the prior approval by CITY. Any proposed modifications or alterations to the LESSEE's structure or exterior equipment is subject to prior approval of the CITY. CITY will provide LESSEE with twenty-four (24) hour, seven (7) day a week year round access to the Leased Premises. LESSEE shall pay all personal property taxes (if any) assessed against the Communications Facility. LESSEE shall not allow any mechanics' or materialmens' liens to be placed on the Leased Premises as a result of its work on the Leased Premises.
5. **DUE DILIGENCE.** LESSEE, its agents and contractors, are hereby granted the right, at its sole cost and expense, to enter upon the CITY's Property and conduct such studies as LESSEE deems necessary to determine the Leased Premises' suitability for the Communications Facility. These studies may include surveys, soil tests, environmental evaluations, radio wave propagation measurements, field strength tests and such other analyses and studies as LESSEE deems necessary or desirable.
6. **UTILITIES.** The LESSEE shall operate its equipment on a separately metered electrical circuit. LESSEE shall establish accounts for electrical, telephone, or other utility services as needed and shall pay all costs associated with installation and service.
7. **REMOVAL OF COMMUNICATIONS FACILITY.** All personal property, trade fixtures, and improvements installed by LESSEE shall be removed, at no cost to CITY, by LESSEE upon the termination of this Agreement.
8. **INSURANCE.** LESSEE shall obtain and maintain during the term of this Agreement the types and limits of insurance coverage described in Exhibit "B-1" attached hereto. LESSEE shall assume all risk for LESSEE's trade fixtures, equipment and other personal property. LESSEE shall name CITY as an additional insured on the commercial general liability policy to the extent allowed under paragraph 11, INDEMNITY of this Agreement. LESSEE will be allowed to self-insure for the amounts and types of insurance required herein. LESSEE shall provide current certificates of insurance or self-insurance ongoing.
9. **CONDITION OF PROPERTY.** CITY represents that CITY's Property is in as-is condition. If, in the CITY's judgment, the CITY's Property or Structure becomes unusable for its intended purpose of potable water storage due to condition or other factors, the CITY retains the right to cancel the contract with One Hundred Twenty (120) Days written notice to the LESSEE, notwithstanding any provisions herein to the contrary.

10. **TERMINATION.** This Agreement may be terminated by LESSEE at any time in its sole discretion by giving written notice thereof to CITY, which termination shall not constitute a waiver of LESSEE's rights under the Default paragraph of this Agreement. In the event this Agreement is terminated by LESSEE under this Termination paragraph, LESSEE agrees to pay to CITY six (6) months additional rent as liquidated damages for early termination.
11. **INDEMNITY.** CITY and LESSEE each indemnify the other against, and hold the other harmless from any and all costs (including reasonable attorneys' fees and expenses) and claims, actions, damages, obligations, liabilities and liens which arise out of (a) the breach of this Agreement by the indemnifying party; and (b) the use and/or occupancy of the Leased Premises or CITY's Property by such indemnifying party. This indemnity shall not apply to any claims, actions, damages, obligations, liabilities and liens arising from any gross negligence or intentional misconduct of the indemnified party and shall survive the termination of this Agreement.
12. **HAZARDOUS SUBSTANCES.** CITY represents that CITY does store and use water treatment chemicals on CITY's Property that are identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. CITY will hold LESSEE harmless from and indemnify LESSEE against any damage, loss, expense, response costs, or liability, including consultant fees and attorneys' fees resulting from the presence of hazardous substances on, under or around CITY's Property or resulting from hazardous substances being generated, stored, disposed of, or transported to, on, under, or around CITY's Property as long as the hazardous substances were not generated, stored, disposed of, or transported by LESSEE or its employees, agents or contractors.
- LESSEE shall hold CITY harmless from and indemnify CITY against any damage, loss, expense, response costs, or liability, including consultant fees and attorneys' fees resulting from the presence of hazardous substances on, under or around CITY's Property or resulting from hazardous substances being generated, stored, disposed of, or transported to, on, under, or around CITY's Property as long as the hazardous substances were generated, stored, disposed of, or transported by LESSEE or its employees, agents or contractors.
13. **CASUALTY.** If any portion of CITY's Property or the Communications Facility is damaged by any casualty and such damage adversely affects LESSEE's use of the Leased Premises, this Agreement shall terminate as of the date of the casualty if LESSEE gives written notice of the same within thirty (30) days after LESSEE receives notice of such casualty.
14. **QUIET ENJOYMENT.** LESSEE, upon performance of its obligations hereunder, shall peaceably and quietly have, hold and enjoy the Leased Premises. CITY shall not cause or permit any use of CITY's property that interferes with or impairs (a) the integrity of the Communications Facility and/or the Structure to which it is attached, or (b) the quality of the communication services being rendered by LESSEE from the Leased Premises. LESSEE shall not cause or permit any use of CITY's Property that interferes with or impairs (a) the integrity of the CITY's Property and/or the Structure to which it is attached, or (b) the use of the Structure for its intended purpose of potable water storage.
15. **DEFAULT.** Except as expressly limited hereby, CITY and LESSEE shall each have such remedies for the default of the other party hereto as may be provided at law or equity following written notice of such default and failure to cure the same within thirty (30) days.
16. **INTERFERENCE.** LESSEE's equipment shall be installed and operated in a manner, which does not cause interference to existing equipment. Should any such interference occur, LESSEE shall diligently

pursue a cure to remove or satisfactorily attenuate such interference. If such interference to the existing equipment cannot be cured or satisfactorily attenuated, LESSEE agrees to immediately stop using its equipment if so demanded in writing by CITY. CITY hereby covenants to use reasonable effort to afford LESSEE similar protection from interference which may be caused by the operations of subsequent additional users of CITY's Property.

17. MISCELLANEOUS.

- A. LESSEE agrees to provide a signed and notarized Acknowledgment of Corporation Authorized Signature as a part of this Agreement, indicating that the person signing the Agreement is an officer of the corporation and is authorized by the corporation's board of directors to bind the corporation to the contract.
- B. This Agreement supersedes all prior discussions and negotiations and contains all agreements and understandings between CITY and LESSEE. This Agreement may only be amended in writing signed by all parties. Exhibits referenced herein are incorporated into this Agreement by reference.
- C. This Agreement may be signed in counterparts by the parties hereto.
- D. The LESSEE shall comply with all federal, state, and local laws, ordinances, rules, and regulations otherwise governing the placement, operation, or maintenance of its equipment.
- E. The terms and conditions of this Agreement shall run with the land and shall extend to and bind the heirs, personal representatives, successors and assigns of LESSEE; provided, however, that LESSEE may assign this Agreement at any time with prior written approval by CITY. Provided that the same shall not release LESSEE from any of the obligations arising under this Agreement, LESSEE may assign this Agreement to its affiliates without the prior written approval of CITY. As used herein, the term "affiliates" shall mean an entity that controls, is controlled by or is under common control with LESSEE.
- F. Notices shall be in writing and sent by United States Mail, postage prepaid, certified or registered with return receipt requested or by courier service.
- G. This Agreement shall be construed in accordance with the laws of the State of Minnesota.
- H. If any term of this Agreement is found to be void or invalid, such invalidity shall not affect the remaining terms of this Agreement, which shall continue in full force and effect.
- I. LESSEE represents that they have not been represented by a real estate broker or other listing agent in connection with this Agreement in this transaction for purposes of commission, fee or other payment to such broker or any other leasing agent claiming to have represented LESSEE. If CITY is represented by any broker or listing agent, CITY is responsible for all commission, fee or other payment to such agent.

18. MAINTENANCE, IMPROVEMENT EXPENSES. After initial installation, LESSEE shall obtain written approval prior to undertaking any modification of its communications facility. All modifications to the Leased Premises and all improvements made for LESSEE's benefit shall be at LESSEE's expense and such improvements, including the Communications Facility and equipment, shall be maintained in a good state of repair at least equal to the standard of maintenance of the surrounding CITY's Property on or adjacent to the Leased Premises and shall be secured by LESSEE. In the event CITY's reasonable maintenance of CITY's Property affects areas involving the Leased



Premises, LESSEE agrees to protect it's equipment from such repairs at LESSEE's sole cost and expense.

19. LESSEE'S NOTICE OF ADDRESS.

c/o Charter Communications  
6399 S. Fiddlers Green Circle  
Suite 600  
Greenwood Village, Colorado 80111  
Attn: UGL Equis/Charter Lease Administration  
Property ID#: MN 0105

With a copy to:

c/o Charter Communications  
6399 S. Fiddlers Green Circle  
Suite 600  
Greenwood Village, Colorado 80111  
Attn: Kathy Carrington  
SVP  
Property ID#: MN 0105

20. SITE AGREEMENT TERMINATION. The June 14, 2005, Site Agreement is hereby terminated and no longer in effect.

Signature page to Site Agreement between City of Rochester, a Minnesota municipal corporation and CC VIII Operating, LLC, d/b/a Charter Communications (Well #18 Site Agreement)

CITY

City of Rochester, a Minnesota municipal corporation

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: Mayor

[MUNICIPAL SEAL]

Attest: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: City Clerk

Approved as to Form: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: City Attorney

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: General Manager, Rochester Public Utilities

Address: City of Rochester  
c/o Rochester Public Utilities  
4000 East River Road NE  
Rochester, MN 55906  
Phone: (507) 280-1540

Federal Tax ID No.: 41-6005494

STATE OF MINNESOTA )  
 )SS  
COUNTY OF OLMSTED )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2013, by \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ the Mayor, City Clerk, and City Attorney and Rochester Public Utilities General Manager, respectively, of the City of Rochester, a Minnesota municipal corporation, on behalf of the corporation.

[seal]

\_\_\_\_\_  
Notary Public  
My commission expires \_\_\_\_\_

Signature page to Site Agreement between City of Rochester, a Minnesota municipal corporation and CC VIII Operating, LLC, d/b/a Charter Communications (Well #18 Site Agreement)

LESSEE

CC VIII Operating, LLC,  
a Delaware limited liability company

By: Charter Communications, Inc., its Manager

By: 

Name: Kathy Carrington

Title: Senior Vice President

Corporate Acknowledgement page to Site Agreement between City of Rochester, a Minnesota municipal corporation and CC VIII Operating, LLC, d/b/a Charter Communications (Well #18 Site Agreement)

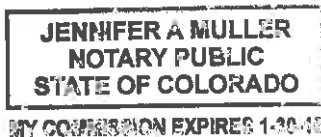
ACKNOWLEDGEMENT OF CORPORATION  
AUTHORIZED SIGNATURE

STATE OF Colorado )  
 )SS  
COUNTY OF Arapahoe )

On this 17th day of, October 2013, before me appeared Kathy Carrington, Senior Vice President, to me personally known, who, being by me duly sworn, did say that she is the Senior Vice President of Charter Communications, Inc., the Manager of CC VIII Operating, LLC, and that said instrument was executed in behalf of said Kathy Carrington, and acknowledged said instrument to be the free act and deed of said corporation.

Notary Public Jennifer A. Muller  
County Arapahoe  
My Commission Expires 01-30-16

[Seal]



**EXHIBIT A-1 - Charter Site Agreement (Well #18 Site Exhibit Dated 10/16/2013)**

**SITE NAME: Well #18 NW Site**

**LEGAL DESCRIPTION OF CITY'S PROPERTY:**

Real property located in Olmsted County, Minnesota and more particularly described as follows:

Lots 6, 7 and 8, Block 12, West Zumbro Addition

**RANGEPIN:**     743434024735

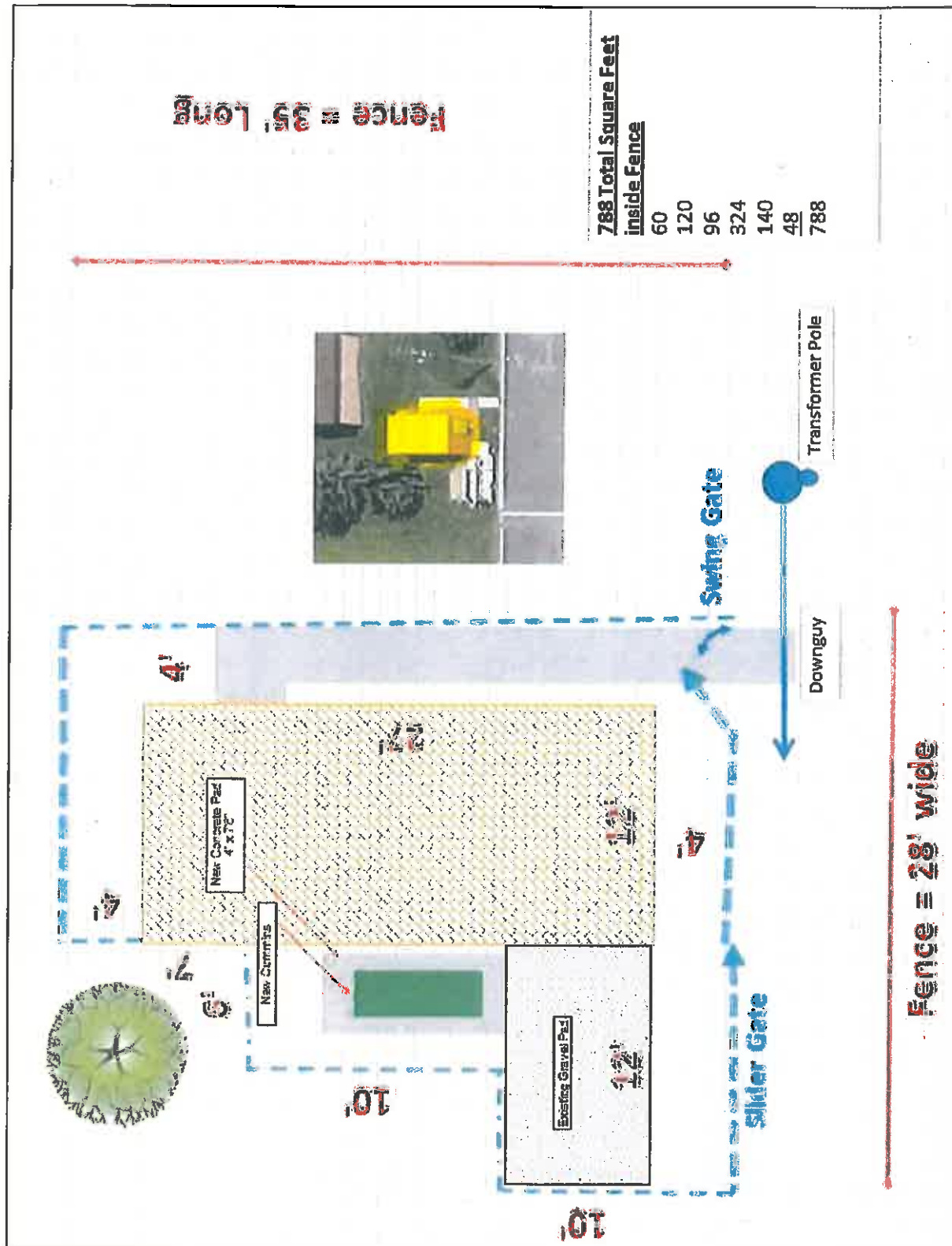
Description of the City's Well #18 Site located at 1910 First St NW, Rochester, Minnesota.

**EXHIBIT A-1 (Cntd) – Charter Site Agreement (Well #18 Site Exhibit Dated 10/16/2013)**

**SITE NAME: Well #18 NW Site**

**SKETCH AND DESCRIPTION OF LEASED PREMISES SHOWN IN RELATION TO CITY'S  
PROPERTY:**

**SEE ATTACHED**



Fence = 35' Long

788 Total Square Feet inside Fence
60
120
96
324
140
48
788

Fence = 28' wide

**EXHIBIT B-1 – Charter Site Agreement (Well #18 Site Exhibit Dated 10/16/2013)**

INSURANCE. LESSEE shall obtain and maintain during the term of this Agreement the types and limits of insurance coverage described below. LESSEE will assume all risk for LESSEE's trade fixtures, equipment and other personal property. LESSEE shall name CITY as an additional insured on the commercial general liability policy to the extent allowed under paragraph 12, Indemnity of this Agreement. LESSEE will be allowed to self-insure for the amounts and types of insurance required herein. LESSEE shall provide current certificates of insurance or self-insurance ongoing

**REQUIRED INSURANCE COVERAGE:**

1. INSURANCE. All policies called for herein shall become effective before LESSEE undertakes any work under this Agreement and shall remain in full force and effect during the life of this Agreement. Further, upon request, LESSEE shall furnish City with a current insurance certificate or certificates ongoing throughout the life of this Agreement evidencing such insurance coverage. Said certificates shall provide the following:
  - a. Commercial General Liability insurance with an occurrence limit of not less than \$1,000,000 and an aggregate of \$2,000,000.
  - b. Employer's Liability with a limit of \$500,000 and Statutory Worker's Compensation pursuant to the Worker's Compensation laws of the state where the Site is located.
  - c. The liability insurance policies shall name the City of Rochester as an additional insured for claims from work conducted pursuant to this agreement. LESSEE's liability insurance shall be primary to any insurance held by the City of Rochester.
  - d. Certificate holder shall be listed as:

City of Rochester  
Acting Through Its Public Utility Board  
4000 East River Road NE  
Rochester MN 55906-2813



## SITE AGREEMENT

THIS SITE AGREEMENT ("AGREEMENT") is made by and between City of Rochester, a Minnesota municipal corporation, ("CITY"), acting through its Rochester Public Utilities, whose address is 4000 East River Road NE, Rochester, Minnesota 55906 and CC VIII Operating, LLC, d/b/a Charter Communications, (hereinafter, "LESSEE") this \_\_\_\_ day of \_\_\_\_\_, 2013, for the leasing of certain property interests described as follows:

1. **PROPERTY.** The property interests hereby leased (collectively, the "Leased Premises") and granted by CITY include the following:

Southeast Water Tower Site (Charter Site MN0106): Located at 501 20<sup>th</sup> Street SE, Rochester, Minnesota. Real property comprised of approximately three-hundred-fifty (350) square feet of land, space required for cable runs to connect equipment, non-exclusive easements required to run utility lines/cables, and a non-exclusive easement across CITY property for access. CITY's property is legally described and Leased Premises are shown in relationship to CITY's property in Exhibit "A-1" attached hereto.

2. **TERM.** The initial term of the Agreement shall commence on the date of signing by both parties and terminate on December 31, 2013. The Agreement shall continue on a yearly calendar basis unless either party terminates as provided in the Agreement.
3. **RENT.** The LESSEE has previously paid the full year 2013 rent in the amount of nine-thousand-seven-hundred-twenty-three dollars-and-seven-cents (\$9,723.07) for this site. The rental year shall continue to run from January 1 to December 31 of each year, and each succeeding year's rent shall be due on or before January 1 of that year. The annual rental amount for each year will be adjusted annually based on the previous year's change in the Consumer Price Index for All Urban Consumers (CPI-U). The City will issue a final invoice on or about March 1 of each year (after the final CPI-U data is available for the previous year) reflecting the additional rent due or refund to be made reflecting the previous year's change in the CPI-U.

4. **USE.** LESSEE may use the Leased Premises for the purpose of installing, removing, replacing, maintaining, modifying, altering and operating a communications facility. The manner in which the Communications Facility may be attached to the Leased Premises shall be documented in Exhibit A-1 and is subject to the prior approval by CITY. Any proposed modifications or alterations to the CITY's structure(s) is subject to prior approval of the CITY. CITY will provide LESSEE with twenty-four (24) hour, seven (7) day a week year round access to the Leased Premises. LESSEE shall pay all personal property taxes (if any) assessed against the Communications Facility. LESSEE shall not allow any mechanics' or materialmens' liens to be placed on the Leased Premises as a result of its work on the Leased Premises.
5. **DUE DILIGENCE.** LESSEE, its agents and contractors, are hereby granted the right, at its sole cost and expense, to enter upon the CITY's Property and conduct such studies as LESSEE deems necessary to determine the Leased Premises' suitability for the Communications Facility. These studies may include surveys, soil tests, environmental evaluations, radio wave propagation measurements, field strength tests and such other analyses and studies as LESSEE deems necessary or desirable.
6. **UTILITIES.** The LESSEE shall operate its equipment on a separately metered electrical circuit. LESSEE shall establish accounts for electrical, telephone, or other utility services as needed and shall pay all costs associated with installation and service.
7. **REMOVAL OF COMMUNICATIONS FACILITY.** All personal property, trade fixtures, and improvements installed by LESSEE shall be removed, at no cost to CITY, by LESSEE upon the termination of this Agreement.
8. **INSURANCE.** LESSEE shall obtain and maintain during the term of this Agreement the types and limits of insurance coverage described in Exhibit "B-1" attached hereto. LESSEE shall assume all risk for LESSEE's trade fixtures, equipment and other personal property. LESSEE shall name CITY as an additional insured on the commercial general liability policy to the extent allowed under paragraph 11, INDEMNITY of this Agreement. LESSEE will be allowed to self-insure for the amounts and types of insurance required herein. LESSEE shall provide current certificates of insurance or self-insurance ongoing.
9. **CONDITION OF PROPERTY.** CITY represents that CITY's Property is in as-is condition. If, in the CITY's judgment, the CITY's Property or Structure becomes unusable for its intended purpose of potable water storage due to condition or other factors, the CITY retains the right to cancel the contract with One Hundred Twenty (120) Days written notice to the LESSEE, notwithstanding any provisions herein to the contrary.
10. **TERMINATION.** This Agreement may be terminated by LESSEE at any time in its sole discretion by giving written notice thereof to CITY, which termination shall not constitute a waiver of LESSEE's rights under the Default paragraph of this Agreement. In the event this Agreement is terminated by LESSEE under this Termination paragraph, LESSEE agrees to pay to CITY six (6) months additional rent as liquidated damages for early termination. CITY may terminate this Agreement at any time in its sole discretion after giving three-hundred-sixty-five (365) day written notice to LESSEE.

11. **INDEMNITY.** CITY and LESSEE each indemnify the other against, and hold the other harmless from any and all costs (including reasonable attorneys' fees and expenses) and claims, actions, damages, obligations, liabilities and liens which arise out of (a) the breach of this Agreement by the indemnifying party; and (b) the use and/or occupancy of the Leased Premises or CITY's Property by such indemnifying party. This indemnity shall not apply to any claims, actions, damages, obligations, liabilities and liens arising from any gross negligence or intentional misconduct of the indemnified party and shall survive the termination of this Agreement.
12. **HAZARDOUS SUBSTANCES.** CITY represents that CITY has no knowledge of any substance, chemical, or waste on CITY's Property that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. CITY shall hold LESSEE harmless from and indemnify LESSEE against any damage, loss, expense, response costs, or liability, including consultant fees and attorneys' fees resulting from the presence of hazardous substances on, under or around CITY's Property or resulting from hazardous substances being generated, stored, disposed of, or transported to, on, under, or around CITY's Property as long as the hazardous substances were not generated, stored, disposed of, or transported by LESSEE or its employees, agents or contractors.
- LESSEE shall hold CITY harmless from and indemnify CITY against any damage, loss, expense, response costs, or liability, including consultant fees and attorneys' fees resulting from the presence of hazardous substances on, under or around CITY's Property or resulting from hazardous substances being generated, stored, disposed of, or transported to, on, under, or around CITY's Property as long as the hazardous substances were generated, stored, disposed of, or transported by LESSEE or its employees, agents or contractors.
13. **CASUALTY.** If any portion of CITY's Property or the Communications Facility is damaged by any casualty and such damage adversely affects LESSEE's use of the Leased Premises, this Agreement shall terminate as of the date of the casualty if LESSEE gives written notice of the same within thirty (30) days after LESSEE receives notice of such casualty.
14. **QUIET ENJOYMENT.** LESSEE, upon performance of its obligations hereunder, shall peaceably and quietly have, hold and enjoy the Leased Premises. CITY shall not cause or permit any use of CITY's property that interferes with or impairs (a) the integrity of the Communications Facility and/or the Structure to which it is attached, or (b) the quality of the communication services being rendered by LESSEE from the Leased Premises. LESSEE shall not cause or permit any use of CITY's Property that interferes with or impairs (a) the integrity of the CITY's Property and/or the Structure to which it is attached, or (b) the use of the Structure for its intended purpose of potable water storage.
15. **DEFAULT.** Except as expressly limited hereby, CITY and LESSEE shall each have such remedies for the default of the other party hereto as may be provided at law or equity following written notice of such default and failure to cure the same within thirty (30) days.
16. **INTERFERENCE.** LESSEE's equipment shall be installed and operated in a manner, which does not cause interference to existing equipment. Should any such interference occur, LESSEE shall diligently pursue a cure to remove or satisfactorily attenuate such interference. If such interference to the existing equipment cannot be cured or satisfactorily attenuated, LESSEE agrees to immediately stop using its equipment if so demanded in writing by CITY. CITY hereby covenants to use reasonable effort to afford LESSEE similar protection from interference which may be caused by the operations of subsequent additional users of CITY's Property.

17. MISCELLANEOUS.

- A. LESSEE agrees to provide a signed and notarized Acknowledgment of Corporation Authorized Signature as a part of this Agreement, indicating that the person signing the Agreement is an officer of the corporation and is authorized by the corporation's board of directors to bind the corporation to the contract.
- B. This Agreement supersedes all prior discussions and negotiations and contains all agreements and understandings between CITY and LESSEE. This Agreement may only be amended in writing signed by all parties. Exhibits referenced herein are incorporated into this Agreement by reference.
- C. This Agreement may be signed in counterparts by the parties hereto.
- D. The LESSEE shall comply with all federal, state, and local laws, ordinances, rules, and regulations otherwise governing the placement, operation, or maintenance of its equipment.
- E. The terms and conditions of this Agreement shall run with the land and shall extend to and bind the heirs, personal representatives, successors and assigns of LESSEE; provided, however, that LESSEE may assign this Agreement at any time with prior written approval by CITY. Provided that the same shall not release LESSEE from any of the obligations arising under this Agreement, LESSEE may assign this Agreement to its affiliates without the prior written approval of CITY. As used herein, the term "affiliates" shall mean an entity that controls, is controlled by or is under common control with LESSEE.
- F. Notices shall be in writing and sent by United States Mail, postage prepaid, certified or registered with return receipt requested or by courier service.
- G. This Agreement shall be construed in accordance with the laws of the State of Minnesota.
- H. If any term of this Agreement is found to be void or invalid, such invalidity shall not affect the remaining terms of this Agreement, which shall continue in full force and effect.
- I. LESSEE represents that they have not been represented by a real estate broker or other listing agent in connection with this Agreement in this transaction for purposes of commission, fee or other payment to such broker or any other leasing agent claiming to have represented LESSEE. If CITY is represented by any broker or listing agent, CITY is responsible for all commission, fee or other payment to such agent.

18. MAINTENANCE, IMPROVEMENT EXPENSES. After initial installation, LESSEE shall obtain written approval prior to undertaking any modification of its communications facility. All modifications to the Leased Premises and all improvements made for LESSEE's benefit shall be at LESSEE's expense and such improvements, including the Communications Facility and equipment, shall be maintained in a good state of repair at least equal to the standard of maintenance of the surrounding CITY's Property on or adjacent to the Leased Premises and shall be secured by LESSEE. In the event CITY's reasonable maintenance of CITY's Property affects areas involving the Leased Premises, LESSEE agrees to protect its equipment from such repairs at LESSEE's sole cost and expense.

**19. LESSEE'S NOTICE OF ADDRESS.**

c/o Charter Communications  
6399 S. Fiddlers Green Circle  
Suite 600  
Greenwood Village, Colorado 80111  
Attn: UGL Equis/Charter Lease Administration  
Property ID#: MN 0106

With a copy to:

c/o Charter Communications  
6399 S. Fiddlers Green Circle  
Suite 600  
Greenwood Village, Colorado 80111  
Attn: Kathy Carrington  
SVP  
Property ID#: MN 0106

- 20. SITE AGREEMENT TERMINATION.** The June 14, 2005, Site Agreement is hereby terminated and no longer in effect.



Signature page to Site Agreement between City of Rochester, a Minnesota municipal corporation and CC VIII Operating, LLC, d/b/a Charter Communications (Southeast Water Tower Site Agreement)

LESSEE

CC VIII Operating, LLC,  
a Delaware limited liability company

By: Charter Communications, Inc., its Manager

By: 

Name: Kathy Carrington

Title: Senior Vice President

Corporate Acknowledgement page to Site Agreement between City of Rochester, a Minnesota municipal corporation and CC VIII Operating, LLC, d/b/a Charter Communications (Southeast Water Tower Site Agreement)

ACKNOWLEDGEMENT OF CORPORATION  
AUTHORIZED SIGNATURE

STATE OF Colorado )  
 )SS  
COUNTY OF Arapahoe )

On this 17th day of October 2013, before me appeared Kathy Carrington, Senior Vice President, to me personally known, who, being by me duly sworn, did say that she is the Senior Vice President of Charter Communications, Inc., the Manager of CC VIII Operating, LLC, and that said instrument was executed in behalf of said Kathy Carrington, and acknowledged said instrument to be the free act and deed of said corporation.

Notary Public Jennifer Muller  
County Arapahoe  
My Commission Expires 01-30-16

[Seal]





**EXHIBIT A-1 - Charter Site Agreement (Southeast Water Tower Site Exhibit Dated 10/16/2013)**

**SITE NAME: Southeast Water Tower Site**

**LEGAL DESCRIPTION OF CITY'S PROPERTY:**

Real property located in Olmsted County, Minnesota and more particularly described as follows:

A part of the Southwest quarter of Section 12, Township 106 North, Range 14 West, described by metes and bounds as follows:

Beginning at the point on the South line of said quarter section which is 685.6 feet East of the Southeast corner thereof, thence North along the East right-of-way line of the Chicago great Western Railway Company a distance of 213.0 feet, thence East parallel with the South line of said quarter section a distance of 120.0 feet, thence South parallel with said right-of-way line a distance of 213.0 feet, to a point on the South line of said quarter section, then West along said South line a distance of 120.0 feet to the place of beginning.

**RANGEPIN:**     641233025944

**Description of the City's Southeast Water Tower Site located at 501 20<sup>th</sup> St SE, Rochester, Minnesota.**

**SITE NAME:** Southeast Water Tower Site

**EXHIBIT A-1 (Cntd) – Charter Site Agreement (Southeast Water Tower Site Exhibit Dated 10/16/2013)**

**SITE NAME: Southeast Water Tower Site**

**SKETCH AND DESCRIPTION OF LEASED PREMISES SHOWN IN RELATION TO CITY'S  
PROPERTY:**

**SEE ATTACHED**



**EXHIBIT B-1 – Charter Site Agreement (Southeast Water Tower Site Exhibit Dated 10/16/2013)**

INSURANCE. LESSEE shall obtain and maintain during the term of this Agreement the types and limits of insurance coverage described below. LESSEE will assume all risk for LESSEE's trade fixtures, equipment and other personal property. LESSEE shall name CITY as an additional insured on the commercial general liability policy to the extent allowed under paragraph 12, Indemnity of this Agreement. LESSEE will be allowed to self-insure for the amounts and types of insurance required herein. LESSEE shall provide current certificates of insurance or self-insurance ongoing

**REQUIRED INSURANCE COVERAGE:**

1. INSURANCE. All policies called for herein shall become effective before LESSEE undertakes any work under this Agreement and shall remain in full force and effect during the life of this Agreement. Further, upon request, LESSEE shall furnish City with a current insurance certificate or certificates ongoing throughout the life of this Agreement evidencing such insurance coverage. Said certificates shall provide the following:
  - a. Commercial General Liability insurance with an occurrence limit of not less than \$1,000,000 and an aggregate of \$2,000,000.
  - b. Employer's Liability with a limit of \$500,000 and Statutory Worker's Compensation pursuant to the Worker's Compensation laws of the state where the Site is located.
  - c. The liability insurance policies shall name the City of Rochester as an additional insured for claims from work conducted pursuant to this agreement. LESSEE's liability insurance shall be primary to any insurance held by the City of Rochester.
  - d. Certificate holder shall be listed as:

City of Rochester  
Acting Through Its Public Utility Board  
4000 East River Road NE  
Rochester MN 55906-2813

## FOR BOARD ACTION

Agenda Item # .

Meeting Date:

10/29/2013

**SUBJECT:** Preliminary 2014 Electric and Water Budgets

**PREPARED BY:** Susan Parker, Director of Corporate Services

### ITEM DESCRIPTION:

Provided under separate cover is a copy of the preliminary report of the 2014 electric and water capital and operating budgets. A separate presentation of these budgets was given to the Board's finance committee on October 24<sup>th</sup>. Management will be reviewing the budgets with the full Board today. Approval of the budget by the Board will occur on November 12<sup>th</sup> and forwarded to the City Council on November 18<sup>th</sup> for approval.

In the electric utility, management will be presenting three alternatives with a recommendation. The significant current year business drivers are:

- Loss of margin in the wholesale and retail market;
- Impact of State mandated energy efficiency programs;
- Impact of increasing operational costs since last rate increase in 2009;
- Continuation of investments into our system for reliability;
- Increased debt service payments for the CAPX 2020 project;
- Decommissioning of SLP;
- Need to meet financial targets:
  - Retail gross margin 32% - 34%
  - Debt Service Coverage Ratio 2.5 times or greater
  - Minimum cash reserves per Board policy; and
- Complete cost of service study and convert to rate of return on investment method from cash basis.

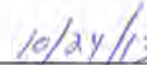
In the water utility management is recommending no rate increase for the seventh year. The main drivers for the water budget are:

- Continued water conservation programs and education;
- Completion of the new reservoir to be constructed in 2014;
- Completion of Well 41 in 2014; and
- Planning for cost of service study in 2015.

### UTILITY BOARD ACTION REQUESTED:

1. No action is required on the budget or rates at this time. Approval will be required at the November 12, 2013 meeting.

  
General Manager

  
Date

**ROCHESTER PUBLIC UTILITIES**

## FOR BOARD ACTION

Agenda Item #

Meeting Date: 10/29/2013

**SUBJECT:**

2014 Utility Board Meeting Dates

**PREPARED BY:**

Larry Koshire, General Manager

ITEM DESCRIPTION:

Attached for your information and review is the proposed Utility Board Meeting Schedule for 2014. It accommodates budget review beginning in October as well as the holiday season

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Board approve the meeting schedule and direct staff to post on RPU's Web site and the City Calendar for the public.

  
General Manager

  
Date

**ROCHESTER PUBLIC UTILITIES**



## UTILITY BOARD MEETING DATES FOR 2014

January 28

February 25

March 25

April 29

May 27

June 24

July 29

August 26

September 23

October 28

November 12 (Wednesday)

November 25

December 16

Utility Board meetings are regularly scheduled on the last Tuesday of the month at 4:00 p.m. at the RPU Service Center (see address below). Special meetings are scheduled as needed. Call 280-1540 to confirm.