

ROCHESTER PUBLIC UTILITIES  
BOARD MEETING MINUTES  
June 26, 2012

Members Present: Mr. Williams, Mr. Reichert, \*Mr. Stahl and Mr. Browning  
Absent: Mr. Hanson  
Also Present: Mr. Adkins, City Attorney

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

1. Mr. Jim Himango was recognized for 43 years of service to RPU and the citizens of Rochester by the Utility Board and RPU staff.

\* Mr. Stahl entered the meeting at this time.

2. The minutes from the previous meeting were discussed by the Board, and staff answered their questions. Mr. Stahl moved to approve the minutes of the May 29, 2012 meeting, seconded by Mr. Browning.

All voting "AYE"

3. Mr. Stahl moved to approve the payables report, seconded by Mr. Reichert.

All voting "AYE"

4. Mr. Williams opened the meeting for comments from the public.

- a. Wishing to be heard was Jane Belau. She spoke briefly about Saint Marys Park and her hope that any large structure in the area would avoid being close to the park or destroying any of the old trees. She reminded the Board that this site had been used as a park for over 100 years.
- b. Wishing to be heard was Josephine Camilleri. She asked what the assessments would be if the tower was built in the park. Mr. Koshire said there would be no assessments to the citizens because the capital to build the structure comes from RPU's water cash reserves.

Mr. Williams thanked the individuals for their comments.

5. Mr. Browning moved to approve an agreement with Superior Mechanical for the Service Center VAV Box Replacement, seconded by Mr. Stahl.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Superior Mechanical, Inc., and request the Mayor and the City Clerk to execute the agreement for

RPU Service Center VAV Box Replacement, Project No. 7005048

The amount of the contract agreement to be TWO HUNDRED NINETEEN THOUSAND FIVE HUNDRED DOLLARS AND NO/100 (\$219,500.00) and Superior Mechanical, Inc. being lowest responsible bidder.

6. The 2011 Water Engineering and Operations Report was discussed with the Board.

Mr. Rovang, Senior Civil Engineer, presented information on water capital projects, maintenance projects and projected water use. He described the water storage tank maintenance process and schedule. A watermain break summary was also included. The 50<sup>th</sup> Avenue NW Hydropillar was placed in service in June, 2011. A new Well #40 SW was placed in service in July, 2011. In addition, the Lenwood Heights Suburban Water System was purchased in December, 2011.

Mr. Todd Osweiler, Environmental & Regulatory Affairs Coordinator, discussed the topics of water conservation, water quality and wellhead protection. RPU's water conservation program includes water rebates, educational activities, leak detection evaluation and water conservation rates. In 2011, total rebates paid was \$65,831 which resulted in 10.2 million gallons of water saved. A new newsletter, "RPU Plugged In" replaces the bill insert program. New water exhibits have been added to the Cascade Meadow Wetlands & Environmental Science Center.

7. The report on RPU's renewable energy objective for 2011 stated:

- Retired Certificates 457-MN-06-2008-2164-134 to 693
- Total of 560 Renewable Energy Certificates
- 7% of 7,990 MWhr's (RPU load over CROD, per MISO)

8. RPU was recognized by the State of Minnesota for its ground water protection efforts. Lt. Governor Yvonne Prettner Solon presented the award at the state capital.

9. Mr. Reichert moved to approve the revised Utility Board Mission Statement policy, seconded by Mr. Stahl.

All voting "AYE"

10. Mr. Koshire provided the following report to the Board:

- a. Mr. Koshire and two Board members attended the American Public Power Association's annual conference in June.
- b. The warm weather has had a positive effect on RPU's sales.

- 11. The management reports were discussed.
- 12. Mr. Stahl moved to adjourn the meeting, seconded by Mr. Browning.

All voting "AYE"

The meeting adjourned at 5:10 p.m.

Mr. Williams announced that a closed meeting of the Rochester Public Utility Board would take place to have a discussion with the City Attorney regarding the status of and to discuss potential litigation strategies for the threatened or anticipated litigation involving the City and the U.S. Environmental Protection Agency. This case involves the EPA's request for information from the City regarding the four units at the Silver Lake Power Plant, and the EPA's allegation of Clean Air Act violations. The closed meeting will occur pursuant to Minnesota Statutes, Section 13D.05, subd 3(b).

Submitted by:

Kathleen Wilson  
Secretary

Approved by the Board:

Jay Williams  
Board President

7/31/12  
Date