

ROCHESTER PUBLIC UTILITIES
BOARD MEETING MINUTES
September 27, 2005

Members Present: Mr. Landwehr, Ms. Parker, Mr. Utz, Mr. Jibben, Mr. Hanson
Absent: None
Also Present: Mr. Goslee, Assistant City Attorney

Board President Landwehr called the meeting to order at 4:00 p m.

1. Mr. Utz moved to approve the minutes of the August 30, 2005 meeting, seconded by Ms. Parker.

All voting "AYE"

2. Mr. Utz moved to approve the accounts payable report, seconded by Mr. Jibben.

All voting "AYE"

3. Mr. Landwehr opened the meeting for comments from the public.

Wishing to be heard was Mr. David Bozikowski, 1142 1st Street SW. He requested that the Board grant him a \$104.54 credit on his electric bill for the phone call he made concerning the two street lights that were out in his neighborhood six months ago. The credit represents his previous month electric bill plus this month's bill. Mr. Koshire informed him that the City pays RPU to maintain the street lights, and that RPU relies on the public to notify RPU about any lights that are out of service. Mr. Bozikowski stated that he did not feel this was the public's responsibility and suggested that the police do this on their nightly rounds. He also stated that after he reported the lights to RPU they were fixed in one or two days. Mr. Jibben suggested that reporting such incidents to RPU was not asking too much of our citizens. Mr. Utz stated that the Board cannot give credit on bills due to Good Samaritan acts, and that there was really no policy for this. Mr. Jibben said that RPU's responsibility is to respond quickly which it did. Mr. Utz moved to deny Mr. Bozikowski's credit request, seconded by Mr. Jibben. Mr. Hanson told Mr. Bozikowski that he could come to the City Council meeting to ask for a credit after he paid his bill, and stated that he would abstain from the vote.

4 "Ayes"

1 "Abstain" (Mr. Hanson)

Motion Carried

4. The bids received for the construction of Municipal Well 39 were discussed. Mr. Hanson moved to approve a contract agreement with Thein Well Co., seconded by Mr. Utz.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Thein Well Co., and authorize the Mayor and the City Clerk to execute the agreement for

Construction of Municipal Well 39

The amount of the contract agreement to be TWO HUNDRED THIRTY-NINE THOUSAND NINE HUNDRED FORTY-FIVE AND 00/100 (\$239,945.00) and Thein Well Company being lowest responsible bidder.

5. The terms of agreement with Cingular Wireless for antennas on the Airport Water Tower were discussed briefly. Mr. Utz commented that it was good policy to use existing structures to generate revenue streams. Mr. Rovang, RPU Senior Civil Engineer, stated that the contract contained the standard provisions RPU has been using with other companies. Mr. Hanson moved to approve the agreement, seconded by Mr. Jibben.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the attached Site Agreement with New Cingular Wireless PCS, LLC with 2005 rent of Fourteen Thousand Nine Hundred Forty-Three and No/100 Dollars (\$14,943.00) prorated based on equipment installation date, and to request that the Mayor and the City Clerk execute the Site Agreement for

Maintaining Antennas and Appurtenant Equipment for a Wireless Communications Facility at the Airport Water Tower Site

6. Mr. Schlink, Director of Power Resources, informed the Board that the Minnesota Municipal Power Agency (MMPA) Participation Sales Agreement provides RPU with a last option to recall existing capacity by providing MMPA with a five-year notice prior to November 1, 2005. Analyses performed by staff and RPU's consultants have shown that the maximum recall of capacity is in RPU's best interest. Mr. Utz moved that the Board authorize the Mayor to provide written notice to MMPA of the City's intent to reduce the capacity supplied under the terms of the agreement, seconded by Mr. Hanson.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Mayor of the said City is directed to provide five-year written notice before November 1, 2005 to Minnesota Municipal Power Agency of the City's intent to exercise the Capacity Change provision of Paragraph 4.02 of the "Participation Sales Agreement Between the City of Rochester and Minnesota Municipal Power Agency," informing Minnesota Municipal Power Agency that

The capacity supplied by the City of Rochester to Minnesota Municipal Power Agency for the contract term November 1, 2010 through October 31, 2015 shall be reduced to twenty-five (25) megawatts.

7. Mr. Dzubay, RPU Power Production Engineer, described the work required to enhance the Cascade Creek Unit 2's winter operation. Mr. Goslee asked why staff was using a purchase order agreement and not a bid for this purchase. Staff explained that the purchase is for professional services and that the hardware is inconsequential. Mr. Utz moved to approve a purchase order agreement with Pratt & Whitney, seconded by Ms. Parker.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with Pratt & Whitney Power Systems, Inc. for

Cascade Creek Unit 2 Winter Operation
One FT8 Twin Pac

The amount of the agreement to be SEVENTY-THREE THOUSAND AND 00/100 DOLLARS (\$73,000.00).

8. The General Manager provided the following report to the Board:
 - a. The finance committee will meet at the end of October to review RPU's 2006 preliminary budget and reserves.
 - b. RPU received an award for its annual report from the American Public Power Association thanks to the efforts of Ms. Julie Moenck, Communications Coordinator.
 - c. RPU staff met with staffs from Dairyland, Xcel, and the Southern Minnesota Municipal Power Agency (SMMPA) to discuss transmission in Minnesota. All parties are in favor of a high voltage line through Rochester and LaCrosse. The project is known as CAPX 2020. This will be a public matter with meetings scheduled as needed in the future. Mr. Landwehr said this fits into RPU's overall infrastructure planning.
9. The management/financial reports were discussed.
10. Mr. Utz moved to adjourn the meeting, seconded by Mr. Hanson.

All voting "AYE"

The meeting was adjourned at 5:10 p.m.

Submitted by:

Kathleen Wilson
Secretary

Approved by the Board:

R. K. Anderson
Board President

10/25/05
Date