

FOR BOARD ACTION

Agenda Item # 5

Meeting Date:

2/26/08

SUBJECT:

SLP Plant Operator Training Program Development

PREPARED BY:

Rob Dunnette
Manager of Power Resources

ITEM DESCRIPTION:

This item will provide for a comprehensive update to the SLP and training plan operating procedures. The updated plan will encompass all Unit 4 systems, balance of plant systems, modifications put in place since the plan was originally developed in 1994, and all Unit 4 emission reduction systems currently under construction. (See attached proposal for a detailed listing of modules.) The training plan will contain instructions for administering the training program, as well as a modular outline that specifies the training requirements. The modular outline will group similar knowledge, skills and abilities together and sequence them in accordance with the plant operator's job training needs. Included in the module outline will be the requirements for Self Study, use of Job Performance Measures (JPMs), Facilitator's Guides/Lesson Plans, and detailed operating procedures. All procedures and training materials will be site-specific to the SLP.

Self Study as well as on-the-job training in system operation and procedures is required to complete each module. Successful demonstration of each module will be validated by the employee's training supervisor. Job Performance Measures will be established for each position, and shall become prerequisites for regular status in that position.

Staff have investigated the range of consultants employed in this specialty and have selected Industrial Resources, Inc for this effort based upon demonstrated accomplishment in other facilities, customer references and project cost.

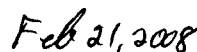
Funding for this project is provided by a combination of budgeted 2008 SLP operating funds (\$48,500) and a contingency fund request (\$55,500) approved by the Directors on January 7, 2008.

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Utility Board approve a consulting agreement with Industrial Resources, Inc. for professional services in the amount of \$101,000 for updating of the SLP operating procedures and development of the SLP training program, execution of such Agreement to be contingent upon the approval of the RPU General Manager and the City Attorney, and that the Board request the Mayor and City Clerk to execute the agreement.



General Manager



Date

**Proposal to Develop
a
Plant Operator Training Program
for
Rochester Public Utilities Power Plants
Units 4 and Common Systems**

January 10, 2008

Proprietary Information Notice

The data contained in this proposal is proprietary information and is provided for evaluation purposes only. This data may not be otherwise used or disclosed to a third party without written authorization from Industrial Resources, Inc. (IRI). This restriction does not limit the right to use or disclose information already in the public domain, legally acquired from a third party, or which becomes known to the public other than by act or omission of the customer.

Submitted to:
Rochester Public Utilities
Rob Dunnette
RDunnette@RPU.ORG

Submitted by:
Industrial Resources, Inc.
P. O. Box 6386
Biloxi, MS 39532

1.0 Introduction

Industrial Resources, Inc. (IRI) proposes to assist Rochester Public Utilities Power Plant in implementing a comprehensive module based Plant Operator Training Program by developing an Operator Training Plan that will be supported by the Phase I (Unit 4 and Common) plant specific System Training Modules.

Although this proposal lists all the system training modules needed to completely implement the program for Rochester Public Utilities Power Plant, IRI understands that due to budget constraints at the plant development of the program will take place in phases (I, II, and III) over a period of three years. The prices quoted and development process described in this proposal take into account Unit 4 and Common Systems (Phase I only).

A Training Plan for Plant Operator Training Program will be provided. The Training Plan will be designed to establish the training process. This process will ensure that all operators have the knowledge and skills to successfully perform their jobs and that the process is uniform for all. The plan will provide for administration of the program and detail the process for implementing and performing the training.

Each plant specific System Training Module package will consist of the following:

- System Description
- System Operating Procedure
- Review Questions
- Job Performance Measure
- Facilitator's Guide/Lesson Plan

Some of the System Training Modules that are developed for the Plant Operator Training Program will include training materials on more than one plant system (e.g. SDA and Lime Handling). These multiple System Training Modules will be prepared the same as a single system module. The individual systems are covered as sub-systems at the same level of detail as

system components in single system modules.

Section 2.0 of this proposal describes the process IRI will use to develop the Operator Training Plan and the System Training Modules. IRI has proven through past experience that using this process results in training documentation of the highest quality at the best value to the customer.

Section 3.0 details the method of conduct and responsibilities of the IRI project team and the support requirements from the customer. Development of the plant System Training Modules and the Operator Training Plan will be accomplished by experienced IRI personnel working both on-site at the Rochester Public Utilities Power Plant and at IRI corporate offices in Mississippi.

Section 4.0 contains the schedule for development of the system training modules.

Section 5.0 states the price terms and conditions under which IRI will perform the work described in this proposal.

2.0 Technical Approach

This section details the scope of the work and the approach IRI will take to perform the proposed work.

2.1 Training Plan

An Operator Training Plan will be provided that specifies the training process and training requirements for Rochester Public Utilities Power Plant Operators. The training plan in addition to containing instructions for administering the training will contain a modular training outline that specifies the training requirements. The modular outline will group similar knowledge, skills and abilities together and sequence them in accordance with the plant operator's job training needs. Included in the module outline will be the requirements for Self Study, use of Job Performance Measures (JPMs) and Facilitator's Guides/Lesson Plans.

In developing the modular outline, good learning practice requires that the training be sequenced to progress from basic information for new employees to more plant specific training for more experienced employees. Technical Training that is very specific to the plant will be provided. It includes systems and operation training for common systems and individual Unit 4 systems. Self Study as well as on-the-job training in system operation and procedures is required.

Each module in the outline has a list of training objectives, training materials needed, and reference materials associated with it.

As IRI prepares the specific Modular Training Outline for Rochester Public Utilities Power Plant it will be submitted to plant management for review and approval. This ensures that management goals and objectives are included in the program.

2.2 Plant Specific Training Materials

Development of plant specific System Training Modules for use in the Rochester Public Utilities Power Plant Operator Training Program is essential to training operators to provide safe and efficient operation of the plant. The System Training Modules that will be developed for the Operator Training Program are as follows:

Unit 4 and Common Systems

1. City and Well Water System
2. Fire Protection System
3. Instrument and Service Air System
4. Circulating Water System
5. Closed Cooling Water System
6. Condensate Makeup Water System (includes ROs, Demin, etc.)
7. Condensate System
8. Mayo Steam and Condensate
9. Feedwater System
10. Steam Generator System
11. Combustion Air and Flue Gas System
12. Baghouse/Dust Collection System
13. SDA/Scrubber and Lime Handling System
14. NOx Control and Urea System
15. Natural Gas Fuel System

16. Solid/Pulverized Coal Fuel System
17. Soot Blowing System
18. Main and LP Steam System
19. Auxiliary Steam (600 PSI) and Heating Steam (15 PSI system)
20. Turbine System
21. Turbine Auxiliaries System
22. Generator and Excitation System
23. Generator Auxiliaries System
24. Electrical Distribution System
25. Switchyard System
26. Distributive Control Systems (Emerson and Delta V)
27. Alarm Response Manual
28. Air Permit Compliance

System Descriptions and Operating Procedures will be prepared for the selected major systems of Unit 4 and the common SLP systems.

The Alarm Response Manual is a compilation of the control room alarms or conditions that need immediate action in that they may affect plant operation. The purpose of this manual is to give the operator a quick reference as to the immediate response required to an alarm or condition and to specify the follow up action that is needed. It is not designed to be a complete reference of all limits and set-points, alarms, etc. in the plant.

Review Questions (approximately 20) will be provided for each System Training Module.

Job Performance Measures (JPMs) will be provided for each System Training Module. The Job Performance Measures require the operator to locate plant system equipment, perform a walk-through of operation of the system and/or equipment, use the system operating procedures to line up and start up plant systems and to properly respond to unit alarms (Alarm Response).

Facilitator's Guides/Lesson Plans will be provided for each module. The Facilitator's Guides/Lesson Plans provide a standard for providing the on-the-job training. Included are instructions for using the Job Performance Measures as part of a structured OJT training program.

2.2 Plant System Training Module Development Process

Each document included in the System Training Modules is developed as a single document. They will be prepared using Microsoft Word 2000 in the track changes mode, computer word processing program. The final files will be provided on a CD-ROM to Rochester Public Utilities Power Plant at the completion of the project so the documents can be updated as necessary.

Normally, two (2) drawings will be provided with each System Description, a single-line flow diagram and a block functional diagram. These drawings will be prepared based on the plant Piping and Instrumentation Drawings, and other site reference materials as they are available.

Tracing of plant systems and examination of installed equipment will be performed to determine accuracy of reference materials and in cases where reference documentation is not available.

Color photographs in .jpg format of site equipment, systems, etc. will be included in each document. Other graphics such as control screen printouts may be included as applicable.

IRI will provide all documentation and technical development services needed to develop the documents. The IRI Training Specialist will research and determine the content of the documents. This will require the IRI representative to visit your plant to review plant technical documentation and walk-down the plant systems. Coordination will be needed to ensure that plant documentation such as P&ID Drawings, technical manuals, logic diagrams and instrument lists are available for use during the plant visits.

After the IRI Training Specialist has determined what the technical content of the document should be, a draft copy of the complete module training documents will be prepared. To ensure

the accuracy of these documents they will be reviewed and evaluated independently by IRI technical reviewers working both on-site and at IRI corporate offices.

System Descriptions will contain the following sections:

- System Function
- System Flow Path
- Basic System Descriptions and Parameters
- Major Component Details and Specifications
- System Operation
- References

System Operating Procedures will contain the following sections:

- Purpose of Procedure
- Precautions, Limitations and Set-points
- Procedure
 - System Startup
 - Normal Operation
 - System Shutdown
- References
- Valve Listing for Normal Operation or Breaker Positioning if applicable

Generally, plant specific training materials for plant systems are prepared for review as a “Module Package”. This package includes:

- System Description
- System Operating Procedure
- Summary Questions
- Job Performance Measure
- Facilitator’s Guide/Lesson Plan

3.0 Method of Conduct

Following authorization to proceed, a project initiation meeting will be scheduled at the Rochester Public Utilities Power Plant offices as soon as practical. The purpose of the project initiation meeting will be for the IRI development team to receive information from customer representatives as to specific procedures, points of contact, and to develop a working relationship with designated plant representatives.

During the course of the project, the list of documents to be developed may be changed or modified to more accurately reflect the needs of the customer. The IRI Project Manager is authorized to make these changes or modifications when requested by an authorized customer representative, as long as the overall level of work effort for the project is not increased. Changes that would increase the overall level of work effort required by IRI must be approved by the IRI Project Manager, and may require an equitable adjustment in price.

3.1 Review of Documents

IRI uses a formal review procedure for tracking and controlling the revision and updating of documents. It is a five (5) step process as follows:

- Step 1 IRI develops the document.
- Step 2 The document is submitted to your technical representative for review and correction.
- Step 3 IRI incorporates your comments and prepares the semi-final document.
- Step 4 The document is submitted to your technical representative to confirm the completeness and accuracy of the edits. Note: If additional edits, over and above those submitted in Step 2, are requested in the course of this review additional costs may result which will be reconciled in accordance with section 3.0 of this proposal.
- Step 5 IRI incorporates your comments and issues the final document.

Control sheets are used to certify the review process. This sheet, in addition to identifying the document, states what the review time requirements are and contains signature blocks for IRI and your technical representative. A proposed In-Process Control Sheet is illustrated on the following page:

IN-PROCESS CONTROL SHEET

Document Title: _____

Step 1	_____	_____
	Signature (IRI)	Date
Step 2	_____	_____
	Signature (Tech. Rep.)	Date
Step 3	_____	_____
	Signature (IRI)	Date
Step 4	_____	_____
	Signature (Tech. Rep.)	Date
Step 5	_____	_____
	Signature (IRI)	Date

The review of documents is normally accomplished via Internet e-mail. The documents will be e-mailed to the designated plant contact and comments returned in the same manner. The IRI Project Manager will monitor the review process and will notify the responsible plant representative of any anticipated problems as well as recommendations for solutions/alternatives to the problem.

A summary of the status of each "Document Control Sheet" will be provided as a monthly report at the end of each calendar month.

3.2 Customer Support Requirements

To successfully develop the System Training Modules will require Rochester Public Utilities Power Plant employees to provide to IRI plant reference documentation as requested. Normally IRI representatives will assist in this requirement by providing specific lists of needs.

Provide plant reference documentation as requested

Normally IRI representatives will assist in this requirement by providing specific lists of needs. Documentation includes P&ID drawings, logic diagrams, breaker lists, current procedures or training documents, etc. Photocopies are acceptable, or in cases of large or

special documents, IRI will sign for custody and return at the completion of the project.

The requirement for documentation is an ongoing requirement as the program is developed.

Review and comment on plant specific documents produced by IRI

All plant specific documents developed by IRI should be reviewed by a Rochester Public Utilities technical reviewer. Reviews can usually be accomplished in approximately two (2) hours per document. This requirement can be spread out over several reviewers with the Training Manager coordinating the effort.

4.0 Project Schedule

IRI has personnel available to start work on this project immediately following authorization to proceed. After the authorization, a detailed project schedule will be developed. This schedule will be mutually agreed upon to meet the needs of Rochester Public Utilities Power Plant for implementing the training program. IRI will submit four (4) Step 1 modules and the Training Plan during the first month of the project since during the first month the technical specialists working on the project will be traveling to RPU to gather initial materials, take pictures, and collect operational data. During the ensuing four months, IRI will submit six (6) step 1 modules per month.

All System Training Module development is of course dependent upon IRI receiving accurate technical documentation on the plant in a timely manner.

A monthly report will be submitted at the end of each calendar month.

5.0 Price, Terms, and Conditions

Industrial Resources, Inc. will provide the services and develop the documentation as described in this proposal for the fixed prices as listed below. Prices quoted use an average price of \$3,500 per System Training Module. This price is based on our previous experience that although some modules are more difficult and lengthy than others the overall work effort will be approximately the same per module. The Operator Training Plan development is included in Year One.

Phase I –	<u>Price</u>
Training Plan	\$3,000
Unit 4 and Common Systems	
1. City and Well Water System	\$3,500
2. Fire Protection System	\$3,500
3. Instrument and Service Air System	\$3,500
4. Circulating Water System	\$3,500
5. Closed Cooling Water System	\$3,500
6. Condensate Makeup Water System (includes ROs, Demin, etc.)	\$3,500
7. Condensate System	\$3,500
8. Mayo Steam and Condensate	\$3,500
9. Feedwater System	\$3,500
10. Steam Generator System	\$3,500
11. Combustion Air and Flue Gas System	\$3,500
12. Baghouse/Dust Collection System	\$3,500
13. SDA/Scrubber and Lime Handling System	\$3,500
14. NOx Control and Urea System	\$3,500
15. Natural Gas Fuel System	\$3,500
16. Solid/Pulverized Coal Fuel System	\$3,500
17. Soot Blowing System	\$3,500
18. Main and LP Steam System	\$3,500
19. Auxiliary Steam (600 PSI) and Heating Steam (15 PSI system)	\$3,500
20. Turbine System	\$3,500
21. Turbine Auxiliaries System	\$3,500
22. Generator and Excitation System	\$3,500
23. Generator Auxiliaries System	\$3,500
24. Electrical Distribution System	\$3,500
25. Switchyard System	\$3,500
26. Distributive Control Systems (Emerson and Delta V)	\$3,500
27. Alarm Response Manual	\$3,500
28. Air Permit Compliance	\$3,500
Total	\$ 101,000

5.1 Terms and Conditions

Prices quoted are fixed prices assuming the work scope is as defined in this proposal.

These prices may be reduced or increased by mutual agreement on an equitable basis throughout the project as work scope is changed or modified. All changes must be made in writing and agreed to by both IRI management and a designated representative of Rochester Public Utilities Power Plant.

All prices include all travel and living expenses, which may be incurred by IRI personnel for projects performed within the continental United States.

5.2 Invoicing

IRI will issue an initial invoice for \$19,190 (this equates to 20 percent of the Phase I project total less 5 percent) upon on-site mobilization and issue four (4) additional invoices for \$19,190 each on the first day of each subsequent calendar month. A monthly report will be provided on the first day of each calendar month, reflecting module development/completion status.

The remaining 5 percent (\$5,050) will be invoiced upon submission of the FINAL step 5 project module(s) in Phase I. The Phase I total is \$101,000.00. Terms are Net 20.

5.3 Expiration and Warranty

The content and cost quotations listed above are effective until February 28, 2008.

WARRANTY: Industrial Resources, Inc. warrants that work will be performed in accordance with sound engineering practices and professional standards, but makes no other warranty, expressed or implied. Liability for injury or damage to persons or property arising out of this work, other than professional errors or omissions, shall be limited to the amount covered by the general comprehensive liability insurance carried by Industrial Resources. In no event shall Industrial Resources, Inc. be liable for any incidental or consequential damages.

TERMS & CONDITIONS FOR TECHNICAL CONSULTING SERVICES
For
PLANT OPERATOR TRAINING PROGRAM DEVELOPMENT
By
INDUSTRIAL RESOURCES, INC.

1. **Compliance with Appropriate Regulations.** Consultant shall comply with all federal, state, county, and municipal laws, ordinances, regulations and codes relating or applicable to the services to be performed under this agreement.
2. **Compensation.** City agrees to pay Consultant for services in accordance with Consultant's proposal.
3. **Independent Contractor.** Consultant is deemed an independent contractor for purposes of this agreement and any and all persons employed by Consultant in the performance of any work or services required or provided for in this agreement shall not be considered employees of City for any purpose whatsoever, including, but not limited to, worker's compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit, and any and all such claims shall be the sole obligation and responsibility of Consultant.
4. **Liability.** Consultant shall indemnify, hold harmless and defend the City, its officers, agents, and employees from any and all claims, damages, and liability of any kind arising out of any negligent or wrongful acts, errors, or omissions of the Consultant in furnishing work or performing service pursuant to this agreement. City shall indemnify, hold harmless, and defend the Consultant, its officers, agents, and employees from any and all claims, damages, and liability of any kind arising out of any negligent or wrongful acts, errors, or omissions of the City or its employees pursuant to this Agreement.
5. **Insurance.** Consultant shall maintain, as a minimum, the insurance limits and coverage described in the State Farm insurance certificate dated 02/20/08 (attached). Consultant shall provide notice at least 30 days in advance of cancellation and/or non-renewal
6. **Errors or Omissions.** Consultant shall be responsible for the accuracy of the work and must promptly make necessary revisions or corrections resulting from Consultant's errors, omissions or negligent acts without additional compensation. Acceptance of the work by City will not relieve Consultant of the responsibility for subsequent correction of errors or omissions, or for clarification of ambiguities.
7. **Quality of Work.** Consultant will perform services under this Agreement with the degree of skill and diligence normally practiced by professional engineers or consultants performing the same or similar services. No other warranty or guarantee, expressed or implied, is made with respect to the services furnished under this Agreement and all implied warranties are disclaimed.
8. **Assignability.** Consultant shall not assign this Agreement, or any part thereof, to a subcontractor or third party without the prior written consent of City.
9. **Cancellation.** City reserves the right to terminate this Agreement at any time it deems to be in the best interest of City to do so upon the giving of 7 days written notice to Consultant. Notice shall be effective upon depositing such notice in the U.S. Mail by registered mail addressed to Consultant and cancellation shall take effect 7 days thereafter. If this Agreement is so terminated, City shall compensate and reimburse Consultant according to the terms hereof to the date of such termination.

10. **Disposition of Documents.** It is agreed that any reports, plans, drawings, specifications, electronic files and other data compilations developed or created as a result of the services performed by Consultant pursuant to this Agreement shall be and will remain the sole property of City. Upon completion of the services to be performed hereunder, Consultant shall deliver to City the original of all reports, drawings, specifications, data compilations and electronic files, in a format acceptable to City.

11. **Dispute Resolution.** Consultant and City shall attempt to resolve conflicts or disputes under this Agreement in a fair and reasonable manner and agree that if resolution cannot be made to attempt to mediate the conflict by a professional mediator. If mediation does not settle any dispute or action which arises under this Agreement or which relates in any way to this Agreement or the subject matter of this Agreement, it shall be subject to legal proceedings that either party is free to institute in the Olmsted County District Court in Rochester, Minnesota.

12. **Governing Law.** This agreement shall be governed by the laws of the State of Minnesota.

13. **Merger.** This agreement constitutes the final expression of the parties' agreement, and the complete and exclusive statement of the terms agreed upon. This agreement supersedes all prior negotiations, understandings, agreements and representations. There are no oral or written understandings, agreements or representations not specified herein.

14. **Concurrence.** By executing this Agreement, the parties acknowledge that they: (a) enter into and execute this Agreement knowingly, voluntarily and willingly of their own volition with such consultation with legal counsel as they deem appropriate; (b) have had a sufficient amount of time to consider this Agreement's terms and conditions, and to consult an attorney before signing this Agreement; (c) have read this Agreement, understand all of its terms, appreciate the significance of those terms and have made the decision to accept them as stated herein; and (d) have not relied upon any representation or statement not set forth herein. Both parties wish to avoid any delays associated with a legal challenge to any of the terms of this Agreement. As such, both parties agree that they will not challenge the legality of any term or condition found within this Agreement and specifically waives any and all legal objections they may have to any such term or condition. Notwithstanding any provision in this Agreement to the contrary, this clause will survive the termination or expiration of this Agreement.

15. **Amendment.** The terms of this agreement shall not be altered, waived, modified or amended in any manner whatsoever except by written instrument signed by the parties.

Dated: _____

INDUSTRIAL RESOURCES, INC.

ROCHESTER PUBLIC UTILITIES

Title

General Manager

CITY OF ROCHESTER

Mayor

Attest:

City Clerk

Reviewed By:

City Attorney

From: David Stanovich [david.stanovich.b9ve@statefarm.com]

Sent: Thursday, February 21, 2008 11:53 AM

To: Rob Dunnette

Cc: Shawn Miller

Subject: Industrial Resources, Inc. Policy #99-C0-3722-7 F

Mr. Dunnette:

Per our conversation, the above referenced policy will extend coverage for employees of Industrial Resources, Inc. while engaging in out of state work related duties of this employer. We will send copy of declaration page and policy by tomorrow.

As I discussed with you, Industrial Resources, Inc. current work comp policy covers their employees under our basic policy. Please refer to Part 3 of the policy declaration page.

Please call me if you need any further information.

Sincerely,

David Stanovich

CERTIFICATE OF INSURANCE



This certifies that

- STATE FARM FIRE AND CASUALTY COMPANY, Bloomington, Illinois
- STATE FARM GENERAL INSURANCE COMPANY, Bloomington, Illinois
- STATE FARM FIRE AND CASUALTY COMPANY, Aurora, Ontario
- STATE FARM FLORIDA INSURANCE COMPANY, Winter Haven, Florida
- STATE FARM LLOYDS, Dallas, Texas

insures the following policyholder for the coverages indicated below:

Policyholder Industrial Resources, Inc.
 Address of policyholder P.O. Box 6886, Biloxi, MS 39540
 Location of operations 4501 Popps Ferry Road, Biloxi, MS 39532
 Description of operations Contractor

The policies listed below have been issued to the policyholder for the policy periods shown. The insurance described in these policies is subject to all the terms, exclusions, and conditions of those policies. The limits of liability shown may have been reduced by any paid claims.

POLICY NUMBER	TYPE OF INSURANCE	POLICY PERIOD		LIMITS OF LIABILITY (at beginning of policy period)
		Effective Date	Expiration Date	
99-CP-5595-4-F	Comprehensive Business Liability	10/21/07	10/21/08	BODILY INJURY AND PROPERTY DAMAGE
This insurance includes:				
<input type="checkbox"/> Products - Completed Operations <input checked="" type="checkbox"/> Contractual Liability <input type="checkbox"/> Personal Injury <input type="checkbox"/> Advertising Injury <input checked="" type="checkbox"/> FE-6311 Hired Auto Endorsement <input type="checkbox"/> <input type="checkbox"/>				Each Occurrence \$ 1,000,000 General Aggregate \$ 2,000,000 Products - Completed Operations Aggregate \$
	EXCESS LIABILITY	POLICY PERIOD		BODILY INJURY AND PROPERTY DAMAGE
	<input type="checkbox"/> Umbrella <input type="checkbox"/> Other	Effective Date	Expiration Date	(Combined Single Limit)
				Each Occurrence \$ Aggregate \$
99-C0-3722-7	Workers' Compensation and Employers Liability	POLICY PERIOD		Part I - Workers Compensation - Statutory
		Effective Date	Expiration Date	Part II - Employers Liability
		11-05-07	11-05-08	Each Accident \$ 1,000,000 Disease - Each Employee \$ 1,000,000 Disease - Policy Limit \$ 1,000,000
POLICY NUMBER	TYPE OF INSURANCE	POLICY PERIOD		LIMITS OF LIABILITY
		Effective Date	Expiration Date	(at beginning of policy period)

THE CERTIFICATE OF INSURANCE IS NOT A CONTRACT OF INSURANCE AND NEITHER AFFIRMATIVELY NOR NEGATIVELY AMENDS, EXTENDS OR ALTERS THE COVERAGE APPROVED BY ANY POLICY DESCRIBED HEREIN.

Name and Address of Certificate Holder

Rob Dunnette
RPU
4000 East River Road NE
Rochester, MN 55906-2813

Additional Insured:
RPU
4000 East River Road NE
Rochester, MN 55906-2813

If any of the described policies are canceled before their expiration date, State Farm will try to mail a written notice to the certificate holder 20 days before cancellation. If however, we fail to mail such notice, no obligation or liability will be imposed on State Farm or its agents or representatives.

Signature of Authorized Representative
 Agent: D Stanovich 02/20/08
 Title Date
 Agent
 Agent Name
 Telephone Number 228-374-7400

Agent's Code Stamp
Agent Code 1316
AFC Code F292



RESOLUTION

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

Professional Services for Training Program Development
for
the Silver Lake Plant

The amount of the agreement to be ONE HUNDRED ONE THOUSAND AND 00/100 DOLLARS (\$101,000.00) contingent upon the approval of the RPU General Manager and the City Attorney.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of February, 2008.

President _____

Secretary _____