



MEETING AGENDA – MARCH 29, 2016

BOARD ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

**Call to Order**

1. **Approval of Agenda**
2. **Approval of Minutes**

Public Utility Board - Regular Meeting - Feb 23, 2016 4:00 PM

3. **Approval of Accounts Payable**

AP Board listing

**NEW BUSINESS**

**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.)*

4. **Consideration Of Bids**

1. Digger Derrick (V577) Chassis  
Resolution: Digger Derrick (V577) Chassis
2. John Adams Water Storage Tank Repair/Repainting  
Resolution: John Adams Water Storage Repair/Repainting
3. Douglas Trail Substation Site Improvement  
Resolution: Douglas Trail Site Improvement
4. Douglas Trail Substation Construction  
Resolution: Douglas Trail Substation Construction
5. Q6 Transmission Line Relocation  
Resolution: Q6 Transmission Line Relocation

5. **Regular Agenda**

1. Approving and Consenting to the Issuance of Electric Utility Revenue Bonds, of the City of Rochester  
Resolution: Approving and Consenting to the Issuance of Electric Utility Revenue Bonds, of the City of Rochester
2. Approval of Settlement Agreements  
Resolution: Approval of Settlement Agreements
3. IBM Generator Maintenance Agreement  
Resolution: IBM Generator Maintenance Agreement
4. Correction to Westside Energy Station Project Resolution Approval of Engineer, Procure, Construction (EPC) Open Book Agreement  
Resolution: Correction to Westside Energy Station Project Resolution Approval of Engineer, Procure, Construction (EPC) Open Book Agreement
5. Board Organization Policy  
Resolution: Board Organization Policy
6. Annual Update of Cost and Rate Schedules for Cogeneration & Small Power Production Rate (SPP) Tariff  
Resolution: Small Power Producer Rate
- 6. General Managers Report**
- 7. Division Reports & Metrics**
- 8. Other Business**
- 9. Adjourn**

*The agenda and board packet for Utility Board meetings are available on-line at [www.rpu.org](http://www.rpu.org) and <http://rochestercitymn.ig2.com/Citizens/Default.aspx>*



MEETING MINUTES – FEBRUARY 23, 2016

BOARD ROOM  
 4000 EAST RIVER ROAD NE  
 ROCHESTER, MN 55906

4:00 PM

**Call to Order**

Attendee Name	Title	Status	Arrived
Michael Wojcik	Board Member	Late	4:15 PM
Dave Reichert	Board President	Present	
Mark Browning	Board Member	Present	
Melissa Graner Johnson	Board Member	Present	
Tim Haskin	Board Member	Present	
Dave Goslee	Deputy City Attorney	Present	

**1. Approval of Agenda**

- Motion to:** approve the agenda as presented.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Melissa Graner Johnson, Board Member
<b>SECONDER:</b>	Mark Browning, Board Member
<b>AYES:</b>	Dave Reichert, Mark Browning, Melissa Graner Johnson, Tim Haskin
<b>ABSENT:</b>	Michael Wojcik

**2. Approval of Minutes**

Public Utility Board - Regular Meeting - Jan 26, 2016 4:00 PM

<b>RESULT:</b>	<b>ACCEPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mark Browning, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Dave Reichert, Mark Browning, Melissa Graner Johnson, Tim Haskin
<b>ABSENT:</b>	Michael Wojcik

**3. Approval of Accounts Payable**

A/P board listing

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Mark Browning, Board Member
<b>SECONDER:</b>	Melissa Graner Johnson, Board Member
<b>AYES:</b>	Dave Reichert, Mark Browning, Melissa Graner Johnson, Tim Haskin
<b>ABSENT:</b>	Michael Wojcik

NEW BUSINESS

**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.)*

President Reichert opened the meeting for comments from the public, no one came forward to speak.

#### 4. Consideration Of Bids

##### 1. Circuit Breakers

*Mark Kotschevar, General Manager, said this is a straight forward, low bid contract and came in below budget.*

Resolution: Circuit Breakers

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the non-responsive bid from ABB Inc. and enter into a contract with Alstom Grid LLC for:*

##### *Circuit Breakers*

*The amount of the purchase order to be TWO HUNDRED EIGHTY-THREE THOUSAND, THREE HUNDRED NINETY FIVE AND 00/100 DOLLARS (\$283,395.00).*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of February, 2016.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mark Browning, Board Member
<b>SECONDER:</b>	Melissa Graner Johnson, Board Member
<b>AYES:</b>	Dave Reichert, Mark Browning, Melissa Graner Johnson, Tim Haskin
<b>ABSENT:</b>	Michael Wojcik

##### 2. Vertical Break Disconnect Switches

*Mark Kotschevar, General Manager, said this was a straight forward contract and the low bidder came in under budget.*

Resolution: Vertical Break Disconnect Switches

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the non-responsive bids from Pascor Atlantic and Royal Switchgear Mfg. Co. and enter into a contract with Alstom Grid LLC for:*

##### *Vertical Break Disconnect Switches*

*The amount of the purchase order to be ONE HUNDRED TWENTY-FOUR THOUSAND, FOUR HUNDRED TWENTY AND 00/100 DOLLARS (\$124,420)*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of February, 2016.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Mark Browning, Board Member
<b>AYES:</b>	Wojcik, Reichert, Browning, Johnson, Haskin

3. Douglas Trail Substation Site Improvement

*Neil Stiller, Senior Electrical Engineer, stated that the due to an error in the pricing schedule, and with City Attorney advice, staff asked the board to reject all bids and the project will be re-bid and brought back to the board in March.*

Resolution: Douglas Trail Substation Site Improvement

*The Board rejected all bids and directed staff to re-bid and bring back to the March meeting.*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bids received for the:*

*Douglas Trail Substation Site Improvement*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of February, 2016.*

<b>RESULT:</b>	<b>REJECTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Wojcik, Reichert, Browning, Johnson, Haskin

4. Structural Steel Supports Douglas Trail Substation

*Mark Kotschevar, General Manager, said this is a straight forward bid that came in under budget.*

Resolution: Structural Steel Supports

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to enter into a contract with Galvanizers Inc. for:*

*Structural Steel*

*The amount of the purchase order to be ONE HUNDRED EIGHTY-SIX THOUSAND, SIX HUNDRED FIFTY-FIVE AND 59/100 DOLLARS (\$186,655.59)*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of February, 2016.*

Minutes Acceptance: Minutes of Feb 23, 2016 4:00 PM (Approval of Minutes)

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Mark Browning, Board Member
<b>AYES:</b>	Wojcik, Reichert, Browning, Johnson, Haskin

5. Apache Water Storage Tank Repair/Repainting

*Cary Johnson, Manager of Water Maintenance and Construction, said this contract is for painting the interior which came in under budget.*

*The Board was asked to approve this with the sealed bid process because of the original estimate of \$105,000 for the project.*

Resolution: Apache Water Storage Repair/Repainting

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract with Champion Coatings, Inc. and authorize the Mayor and City Clerk to execute the contract for*

*Apache Tower Repair/Repainting*

*and allow for change orders to be managed by existing approval structure and authorization levels.*

*The amount of the contract not to exceed EIGHTY TWO THOUSAND, SEVEN HUNDRED FIFTY AND 00/100 DOLLARS (\$82,750) plus applicable tax.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of February, 2016.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mark Browning, Board Member
<b>SECONDER:</b>	Melissa Graner Johnson, Board Member
<b>AYES:</b>	Wojcik, Reichert, Browning, Johnson, Haskin

5. Regular Agenda

1. Review of Board Organization Policy and Assignments

*Board President Dave Reichert made the following board assignments:*

- *Finance, Accounting and Audit: Melissa Graner Johnson and Dave Reichert*
- *Communications: Melissa Graner Johnson and Dave Reichert*
- *IT & Strategic Planning: Mark Browning and Tim Haskin*
- *Policy: Mark Browning and Tim Haskin*
- *Operations and Administration: Dave Reichert*

*The Board also wished to revise the Board Organization Policy:*

- *Section # 2: board election and appointment; change the language to "a quorum" instead of the current language "of at least four (4) members" to match the rest of the policy language.*
- *Section # 3: Absence of Board President: change the language to state that the*

*most senior member takes on the role of the President in the absence of the president*

*The revision will be brought back to the board at the March meeting.*

2. Verizon Site Lease Agreement

*Mona Hoeft, Buyer, said that Verizon currently has a total of 7 sites on one master lease. Each site will transition to a new individual lease with new terms and modifications by the end of 2016.*

Resolution: Verizon Site Lease Agreement

*The Board approved the resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the Site Lease Agreement between the City of Rochester, acting by and through its Public Utility Board and Verizon Wireless (VAW) LLC and authorize the Mayor and City Clerk to execute the agreement for:*

*Verizon Site Lease Agreement*

*and approval of any other attendant or subsequent agreements consistent with the lease agreement as determined by the General Manager and City Attorney.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of February, 2016.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Wojcik, Reichert, Browning, Johnson, Haskin

3. Westside Energy Station Project Approval of Engineer, Procure, Construction (EPC) Open Book Agreement The Boldt Company

*Wally Schlink, Director of Power Resources gave the board an overview of the Westside Energy Station Project.*

*The board was asked to approve staff to negotiate and execute an EPC Open book contract with the Boldt Company for the engineering, procurement and construction of the Westside Energy Station contingent on final approval by the General Manager and the City Attorney and grant authorization for the RPU project manager to perform the acts to execute the project.*

- *Mr. Wojcik appreciated the added language regarding the renewable design features.*
- *Would like a recommendation in hitting a certain target by 2031.*
- *From a budgetary standpoint, what are things that could affect this? Mr. Schlink replied that the project cost could fluctuate due to costs of the generator, modifications to the building plan and design features, a possible larger administrative building due to the decommission of SLP, and any structure costs.*
- *The design was asked to be shared with The Energy Commission once it is*



*finalized.*

Resolution: Westside Energy Station Project Approval of Engineer, Procure, Construction (EPC) Open Book Agreement The Boldt Company

*The Board approved the modified resolution reading as follows:*

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to proceed with the negotiations and execution of an EPC Open Book Contract with The Boldt Company for the*

*Engineering, Procurement and Construction of the Westside Energy Station*

*Contingent on the approval of the RPU General Manager and the Rochester City Attorney for a total amount not to exceed \$38,683,453.00 and authorize the Mayor and the City Clerk to execute the contract and allow for change orders to be managed by internal authorization procedures.*

*The estimated amount of the agreement and approved contingencies are broken down as follows; THREE MILLION, SEVEN HUNDRED AND NINETY EIGHT THOUSAND TWO HUNDRED AND EIGHTY NINE 00/100 DOLLARS (\$3,789,289.00) for a firm price for engineering, construction management and startup management, TWENTY EIGHT MILLION FOUR HUNDRED AND THIRTY SEVEN THOUSAND, NINE HUNDRED AND TWENTY TWO 00/100 DOLLARS (\$28,437,922.00) for procurement, subcontractor and markup for the balance of plant infrastructure and SIX MILLION FOUR HUNDRED AND FORTY SEVEN THOUSAND TWO HUNDRED AND FORTY TWO 00/100 DOLLARS (\$6,447,242) for contingency including granting authorization for the RPU Project Manager to perform the acts to execute the project.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of February, 2016.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mark Browning, Board Member
<b>SECONDER:</b>	Michael Wojcik, Board Member
<b>AYES:</b>	Dave Reichert, Mark Browning, Melissa Graner Johnson, Tim Haskin
<b>ABSENT:</b>	Michael Wojcik

**6. Informational**

SAP Enterprise Resource Update

*Patty Hanson, Marketing Manager gave an informational update to the Board on the SAP Enterprise Resource Update.*

- *Question if resources will be limited?*
- *Mr. Haskin requested business details about the Cayenta Company and what other companies are using the suite we are looking at by the next board meeting.*

Minutes Acceptance: Minutes of Feb 23, 2016 4:00 PM (Approval of Minutes)



**7. General Managers Report**

Mark Kotschevar gave his General Manager's report:

- The IT Steering Committee is looking at IT integration City wide and the City is in the process of hiring an IT Security Manager.
- Board Email addresses: set up RPU address for each board member.
  - A couple of options are to use Webmail or GOOD for Ipad.
- Met with Mayo Emergency group for the Saint Mary's Reservoir Drill.
- Update on the cross connection program to meet new State Plumbing Code
  - backflow prevention must be put it in and/ or allow us to inspect it.
  - Letters going out and businesses/customers have 60 days to reply.
  - The City Attorney asked if there was any criminal actions related to the compliance.
- Employee recognition breakfast March 3, 7:30AM.
- RAEDI Annual Meeting March 9th
- Bill Cook will be retiring the end of March. We are working with City HR to refill his position as Director of Compliance and Public Affairs, which will be responsible for compliance.

**8. Division Reports & Metrics**

**9. Other Business**

**10. Adjourn**

Motion to: adjourn at 6:10 PM

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Mark Browning, Board Member
<b>AYES:</b>	Wojcik, Reichert, Browning, Johnson, Haskin

*The agenda and board packet for Utility Board meetings are available on-line at [www.rpu.org](http://www.rpu.org) and <http://rochestercitymn.ig2.com/Citizens/Default.aspx>*

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board

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

\_\_\_\_\_  
Date

Minutes Acceptance: Minutes of Feb 23, 2016 4:00 PM (Approval of Minutes)

# ACCOUNTS PAYABLE

Meeting Date: 3/29/2016

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**SUBJECT: AP Board listing**

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**PREPARED BY: Terri Engle**

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Please Approve

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2016 To 03/14/2016  
**Consolidated & Summarized Below 1,000**

1                   **Greater than 50,000 :**

2			
3	SOUTHERN MN MUNICIPAL POWER A	February 2016 billing	7,121,835.45
4	MN DEPT OF REVENUE	January Sales and Use Tax	478,995.27
5	XCEL ENERGY CORP	CapX LaCrosse CMA	422,900.03
6	CB & I INC.	St. Bridget's Water Tower	294,423.00
7	CONSTELLATION NEWENERGY-GAS D	January Gas at SLP	170,921.54
8	ULTEIG ENGINEERS INC	Douglas Trail Substation Design EPIC	82,845.00
9	SOUTHERN STATES LLC	Circuit switcher	62,596.68
10	MN DEPT OF HEALTH	Community Water Supply Fee Jan-March 2016	60,499.00
11	ENVIRONMENTAL SYSTEMS RESEARC	2016 Esri Enterprise Lic. Agrmt Renewal	54,607.89
12	MN DEPT OF REVENUE	City&County Sales Tx	54,057.28
13	JENNINGS, STROUSS & SALMON PL	2016 Legal Fees	50,737.59
14	MAYO CLINIC	CIP Conserve & Save Rebates	50,200.00

15

16

**Price Range Total:**

8,904,618.73

17

18                   **5,000 to 50,000 :**

19

20	CONSTRUCTION COLLABORATIVE DB	System Ops Remodeling	47,310.23
21	BILLTRUST dba	Billing Services	41,385.28
22	CITY OF ROCHESTER	WC	35,885.39
23	TELVENT USA LLC	2016 ArcFM GIS Software Maint & Support	34,684.62
24	PEOPLES ENERGY COOPERATIVE (P	Services compensable to PCPA 2/1-2/29/2016	31,925.00
25	CONSTELLATION NEWENERGY-GAS D	January Gas at Cascade Creek	31,487.24
26	SPARTA CONSULTING INC	2016 SAP Application Support	29,120.00
27	SHI INTERNATIONAL CORP (P)	Windows Server Data License True Up	27,907.20
28	ROCHESTER PUBLIC SCHOOLS	CIP Conserve & Save Rebates	27,708.00
29	OPOWER INC	Bi-Monthly Customer Energy Reports	24,000.00
30	MN DEPT OF COMMERCE	Q4 FY 2016 Indirect Assessment	23,669.28
31	THE ENERGY AUTHORITY INC	February resource Fee	21,678.75
32	BADGER METER INC (P)	HRE Badger M-25 100W Itron ERT Integral	19,776.00
33	BAKER TILLY VIRCHOW KRAUSE LL	2015 Audit Fees	19,657.00
34	NGK-LOCKE INC	Insul, H Post, Poly, 65", AGS,161kV,W-GB	18,637.16
35	MAYO FOUNDATION	CIP Conserve & Save Rebates	18,440.57
36	DAKOTA SUPPLY GROUP	Luminaire, 108W LED, PC 120-277V, Gray	18,339.75
37	CITY OF ROCHESTER	CIP Conserve & Save Rebates	16,656.00
38	STEVE BENNING ELECTRIC	Well house #41 electrical services	16,277.74
39	U S ALLIANCE GROUP	February Credit Card Processing Fees	15,223.91
40	PFM SWAP ADVISORS LLC	Prof fees-Westside Energy Station	15,000.00
41	CENTURYLINK	2016 Monthly Telecommunications	14,021.80
42	VISION COMPANIES LLC (P)	Org Strategy	13,950.00
43	CONSOLIDATED COMM ENTERPRISE	Professional Services	13,540.00
44	MINNESOTA ENERGY RESOURCES CO	January gas-SLP	13,339.14
45	WENCK ASSOCIATES, INC	Westside Permitting Activities	13,113.56
46	RESCO	Switch, PM, Air, 3PH, 2-600SW/2-200F PME	12,540.00
47	BLUESPIRE STRATEGIC MARKETING	2016 RPU Plugged In Contract	12,518.77
48	BAKER TILLY VIRCHOW KRAUSE LL	2015 FERC Review	12,000.00
49	DAKOTA SUPPLY GROUP	Meter, FM2S CL200 240V AMR	11,824.65
50	STUART C IRBY CO INC	Trans, PM, 3ph, 500kVA, 13.8/8, 208/120	11,539.00
51	XYLO TECHNOLOGIES INC	2016 Dominic Avila - Corp Svcs/IS	10,944.00
52	PLC INC	CIP Conserve & Save Rebates	10,631.25
53	SHI INTERNATIONAL CORP (P)	Symantec Protect Ste Licen & Support Renewal	8,882.91

Attachment: AP Board CRMO (5326 : AP Board listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2016 To 03/14/2016  
**Consolidated & Summarized Below 1,000**

54	IRET PROPERTIES	CIP Conserve & Save Rebates	8,704.00
55	WRIGHT TREE SERVICE INC	911H Hourly Tree Removal-	8,561.17
56	BARR ENGINEERING COMPANY (P)	Water Sustainability Study Phase 3A	8,148.00
57	VERIZON WIRELESS	2016 Cell & iPad Monthly Service	7,899.91
58	WELLS FARGO BANK ACCT ANALYSI	2016 Banking Services	7,602.37
59	STUART C IRBY CO INC	Trans, PM, 3ph, 300kVA, 13.8/8, 208/120	7,502.00
60	MN DEPT OF REVENUE	January Sales and Use Tax	7,388.08
61	MN DEPT OF REVENUE	CCS ST Sales Tax Pay	7,097.91
62	EVERBRIDGE INC	2016-2018 Community Engagement	6,500.00
63	SHI INTERNATIONAL CORP (P)	Virtual Desktop License True Up	6,258.60
64	ULTEIG ENGINEERS INC	Q6 Relocation for 55 St Ext @ Broadway	5,909.00
65	ARNOLDS SUPPLY & KLEENIT CO (	2016 SC Monthly Cleaning Services	5,887.74
66	TDK PARTNERSHIP	CIP Conserve & Save Rebates	5,820.00
67	CLAREY'S SAFETY EQUIPMENT dba	Sealed bloc 3-way SRL w/30' SS cable	5,800.00
68	D P C INDUSTRIES INC	2016 Chlorine, 150 lb Cyl	5,685.50
69	POWER SYSTEMS ENGINEERING INC	2015 Core Downtown Electric Study Scope	5,440.00
70	SHI INTERNATIONAL CORP (P)	Windows Desktop License True Up	5,301.00
71	GRAYBAR ELECTRIC COMPANY INC	Wall mount enclosure, 30" x 24" x 8"	5,157.30
72	PITNEY BOWES PURCHASE POWER	Postage meter refill	5,045.00
73			
74		<b>Price Range Total:</b>	819,321.78
75			
76	<b><u>1,000 to 5,000 :</u></b>		
77			
78	PAYMENT REMITTANCE CENTER	Travel, Regis-SANS Sec Lead Essen for Mg	4,865.00
79	IBM	CIP Conserve & Save Rebates	4,750.00
80	CORPORATE RISK SOLUTIONS INC	NERC Compliance Training Program	4,563.00
81	VARIDESK LLC	Pro Plus 48	4,455.00
82	IDEXX DISTRIBUTION CORP	Colilert, 100ml	4,345.88
83	AFFILIATED CREDIT SERVICES IN	2016 Third Party Collections	4,280.09
84	ADVANCED DISPOSAL SVC SOLID W	2016 Waste Removal Services - SC	4,069.56
85	NALCO COMPANY	Nalco, 7293, Resin-Rinse (DEMIN)	3,991.68
86	BADGER METER INC (P)	HRE Badger M-35 100W Itron ERT Integral	3,955.20
87	CHS ROCHESTER	Monthly Fuel Billing	3,900.95
88	CRW ARCHITECTURE + DESIGN GRO	A/E Services- Zumbro Hydro Roof Repairs	3,860.00
89	ROCH GOLF & COUNTRY CLUB	Environmental Achievement Awards Banquet	3,638.77
90	SHI INTERNATIONAL CORP (P)	Symantec Protect Ste Licen & Support Renewal	3,633.75
91	BAIER GERALD	2015-16 Snow Removal (Oct 2015 - Feb 2016)	3,483.33
92	DADE MOELLER & ASSOCIATES INC	2016 Lab Assessment	3,372.00
93	CLARION INN	Damage Prevention Mtg	3,323.07
94	NALCO COMPANY	LIMS Analytical	3,300.00
95	RESCO	Cutout Door, 50A ELF, 15KV	3,218.16
96	MINNESOTA ENERGY RESOURCES CO	Monthly billing Natural Gas - SC	3,170.40
97	WESCO DISTRIBUTION INC	Insul, DE Susp, 10kv Bell 30,000lb Glass	3,158.40
98	METRO SALES INC	High security shredder	3,150.00
99	TWIN CITY SECURITY INC	Security Services Apr-Oct 2016	3,138.92
100	SCHMIDT GOODMAN OFFICE PRODUC	Movable file cabinets for Meter Shop	3,114.42
101	CITY OF ROCHESTER	WC Reinsurance Ins#1	2,875.65
102	MADSEN BRIAN	2016-2017 Printer Maintenance contract	2,838.60
103	SUPERIOR SCREENERS INC	APPA Lineworkers Rodeo T-shirts	2,726.30
104	THE MEADOWS	CIP Conserve & Save Rebates	2,725.00
105	SPECTRUM REACH	RPU Serv assured - addtl amt owed	2,700.00
106	SOUTHERN STATES LLC	Postage And Shipping	2,641.95

Attachment: AP Board CRMO (5326 : AP Board listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2016 To 03/14/2016  
**Consolidated & Summarized Below 1,000**

107	BARR ENGINEERING COMPANY (P)	Construction Management-Silver Lake Dam	2,617.50
108	MCMASTER CARR SUPPLY COMPANY	Heavy duty dunnage rack	2,607.75
109	LEGACY POWER CONVERSION	Componet Board	2,562.86
110	SHI INTERNATIONAL CORP (P)	Safeword Enterprise Solution Pk	2,554.31
111	D P C INDUSTRIES INC	2016 Carus 8500 Aqua Mag F35	2,525.80
112	PAYMENT REMITTANCE CENTER	Secure Site Pro- 3 years SSL	2,480.00
113	STUART C IRBY CO INC	Wire, Copper, #6 SD Solid, Bare	2,437.50
114	ROCH PLUMBING & HEATING CO IN	Repair sewer line @ the gates	2,388.53
115	WIRE CLOTH MANUFACTURERS INC	Pole Wrap, Wire Fence Fabric, .50" Hole	2,304.00
116	MINNESOTA ENERGY RESOURCES CO	January gas-CC	2,290.35
117	NALCO COMPANY	Nalco, PC-191T.12 Antiscale (DEMIN)	2,246.40
118	BADGER METER INC (P)	Meter, Bare 1-1/2" Badger Disc	2,245.66
119	SHI INTERNATIONAL CORP (P)	Symantec Protect Ste Licen & Suppor New	2,244.38
120	WASH ME CAR WASH	CIP Conserve & Save Rebates	2,176.95
121	ULTEIG ENGINEERS INC	Relay Coordination Chester to N. Roches	2,162.30
122	MIDCONTINENT ISO INC	February 2016 billing	2,131.94
123	SOUND AND MEDIA SOLUTIONS	Install of microphones for recording	2,124.11
124	CLIFTONLARSONALLEN LLP	IT Security Compliance training	2,110.00
125	VISION COMPANIES LLC (P)	Consulting Services	2,100.00
126	GREAT RIVER ENERGY	CapX Vision Team O&M	2,077.68
127	CHS ROCHESTER	Monthly Fuel Billing	2,065.80
128	ADVANTAGE DIST LLC (P)	Oil, DTE Heavy Med. (55 Gal Drum)	2,026.78
129	K A A L TV LLC	Service Assured tv ads	2,000.00
130	SPECTRUM REACH	Service Assured - Advertising spots	2,000.00
131	SPARTA CONSULTING INC	Services 8/31 through 9/11 2015	2,000.00
132	SPARTA CONSULTING INC	Basis Support - SAP Technical Upgrade	2,000.00
133	WESCO DISTRIBUTION INC	CT, Bar Type, 600/5 600V High Accuracy	1,979.40
134	NETWORKFLEET INC	2016 Monthly Charge - GPS Fleet Tracking	1,972.20
135	NGK-LOCKE INC	Insul, H Post, Poly, 65", AGS,161kV, FB	1,934.14
136	BORDER STATES ELECTRIC SUPPLY	Meter, FM9S 2-Way 5-Register TOU W/KYZ	1,898.74
137	BORDER STATES ELECTRIC SUPPLY	Meter, FM9S 2-Way 3-Register W/KYZ	1,898.74
138	BORDER STATES ELECTRIC SUPPLY	Meter, FM45S 2-Way 3-Register W/KYZ	1,898.74
139	TOM BROGAN HEATING & AIR COND	CIP Conserve & Save Rebates	1,820.00
140	KREBSBACH TAMMIE	CIP Conserve & Save Rebates	1,796.32
141	IHEART MEDIA dba	Service Assured - Advertising spots	1,768.00
142	ARNOLDS SUPPLY & KLEENIT CO (	2016 SC Alternates	1,763.44
143	SHORT ELLIOTT HENDRICKSON INC	AT&T St. Mary's Rochester II Ant Review~	1,710.93
144	SAFEGUARD BY QBF	Form, Billing Statements	1,708.42
145	SHORT ELLIOTT HENDRICKSON INC	AT&T SE Tower Antenna Site Review~	1,676.34
146	WERNER ELECTRIC SUPPLY	Breaker, 300A	1,669.14
147	HUDSON WORKWEAR CO INC	Face Mask, FR	1,656.00
148	BORDER STATES ELECTRIC SUPPLY	Meter, FM9S 2-Way 3-Register	1,642.24
149	DELL COMPUTER CORPORATION (P)	7020-P45 RAM PCOIP	1,613.10
150	VERIFIED CREDENTIALS INC	NERC compliance verifications	1,608.00
151	HALO BRANDED SOLUTIONS	Employee recognition	1,591.79
152	HIMEC INC (P)	Repairs to 20-ton Data Aire unit at SC	1,550.00
153	CONSOLIDATED COMM ENTERPRISE	2016 Network Maintenance Services	1,520.97
154	CITY OF ROCHESTER - PARK & RE	CIP Conserve & Save Rebates	1,512.00
155	K A A L TV LLC	Serviced Assured TV Spot	1,500.00
156	STUART C IRBY CO INC	Glove, Leather Work, Hvy Duty, Large	1,415.88
157	PROSTAPLER LLC	Stock-Ade 315i Impulse	1,399.00
158	PAYMENT REMITTANCE CENTER	Transceiver/Modem	1,394.77
159	SOUTHEAST MN EDUCATION COOP S	CIP Conserve & Save Rebates	1,390.00
160	TEREX UTILITIES INC	5 horn kits and hand kits for Diggers	1,380.45

Attachment: AP Board CRMO (5326 : AP Board listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2016 To 03/14/2016  
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161	RESCO	Junction, NLB, 600A, 4 Position, w/Brkt	1,376.10
162	CONSOLIDATED COMM ENTERPRISE	ASA 5512-X through 5555-X 120 GB MLC SED	1,356.00
163	DELL COMPUTER CORPORATION (P)	Latitude 15 5000 series, i5-5300U, 8GB	1,347.91
164	G A ERNST & ASSOCIATES INC	NEC Audits	1,291.50
165	SPARTA CONSULTING INC	2016 SAP Application Support Travel	1,276.63
166	CITY OF ROCHESTER	US Dept Interior-US Geological RPU Q1	1,273.50
167	TRAVIS SCOTT	CIP Conserve & Save Rebates	1,230.00
168	U S A SAFETY SUPPLY	Vest, FR, Lime, XL	1,226.40
169	CONSOLIDATED COMMUNICATIONS d	2014-2017 Monthly Data Services	1,222.75
170	JOHNSON PRINTING CO INC	Print 2016 Residential Lighting Rebate	1,216.33
171	JOHNSON PRINTING CO INC	Print 2016 Electric Rebate Applications	1,216.33
172	OTTER TAIL POWER OFFICES INC	Reg-T Keller-2016 Pow Sys Pro Conf	1,200.00
173	CONSOLIDATED COMMUNICATIONS d	2014-2017 Collocation Agreement	1,169.07
174	LEGACY POWER CONVERSION	Install 2 component boards	1,150.00
175	CONSOLIDATED COMM ENTERPRISE	2014-2017 Total Care Support	1,135.00
176	GROTEBOER STEVEN	CIP Conserve & Save Rebates	1,103.88
177	WORKS COMPUTING INC	SQL implementation assistance	1,080.00
178	VIKING ELECTRIC SUPPLY INC	Cable Support Bracket, 36"	1,080.00
179	BAIER GERALD	2015-2016 Sweeping Services Jan-December	1,068.75
180	PAYMENT REMITTANCE CENTER	Roger Stahl/Jerry Williams retirement dinner	1,059.57
181	SHORT ELLIOTT HENDRICKSON INC	Baihly Reconditioning Telecom Coordinate	1,058.40
182	ROCHESTER ARMORED CAR CO INC	2015/16 Pick Up Services May-April	1,041.89
183	WESCO DISTRIBUTION INC	Pole Repair UPR	1,040.36
184	GLOBAL EQUIPMENT COMPANY	Ground thaw blanket	1,034.55
185	PEOPLES ENERGY COOPERATIVE (P	Service Territory Annual True-Up	1,019.79
186	MISSISSIPPI WELDERS SUPPLY CO	Calib. Gases & Associated Svcs-CCGT	1,013.50
187	LINOMA SOFTWARE	2016 GoAnywhere Software Maintanance	1,008.00
188	MIDCONTINENT ISO INC	2016 Annual Fee	1,000.00
189			
190		<b>Price Range Total:</b>	240,690.64
191			
192	<b><u>0 to 1,000 :</u></b>		
193			
194	REBATES	Summarized transactions: 173	27,898.68
195	PAYMENT REMITTANCE CENTER	Summarized transactions: 74	14,801.81
196	EXPRESS SERVICES INC	Summarized transactions: 16	11,092.50
197	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 44	4,821.68
198	STUART C IRBY CO INC	Summarized transactions: 28	4,730.34
199	CINTAS CORP	Summarized transactions: 72	3,534.37
200	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 9	3,077.71
201	Customer Refunds (CIS)	Summarized transactions: 34	2,892.49
202	METRO SALES INC	Summarized transactions: 6	2,821.14
203	DAVIES PRINTING COMPANY INC	Summarized transactions: 10	2,773.82
204	OPEN ACCESS TECHNOLOGY	Summarized transactions: 3	2,718.15
205	GARCIA GRAPHICS INC	Summarized transactions: 22	2,530.56
206	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 4	1,909.00
207	CDW GOVERNMENT INC	Summarized transactions: 14	1,886.42
208	DELL MARKETING LP	Summarized transactions: 6	1,884.67
209	WESCO DISTRIBUTION INC	Summarized transactions: 10	1,879.36
210	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 4	1,827.42
211	VARIDESK LLC	Summarized transactions: 9	1,786.50
212	REBATES	Summarized transactions: 25	1,775.00
213	COOK STEVEN J	Summarized transactions: 4	1,757.50
214	CONSOLIDATED COMM ENTERPRISE	Summarized transactions: 7	1,702.02

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**ROCHESTER PUBLIC UTILITIES**  
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215	CENTURYLINK	Summarized transactions: 7	1,698.26
216	HIMEC INC (P)	Summarized transactions: 5	1,693.47
217	POMPS TIRE SERVICE INC	Summarized transactions: 4	1,663.37
218	ONLINE INFORMATION SERVICES I	Summarized transactions: 2	1,570.50
219	NAPA AUTO PARTS (P)	Summarized transactions: 34	1,567.16
220	HI LINE UTILITY SUPPLY CO (P)	Summarized transactions: 14	1,539.44
221	CITY OF ROCHESTER	Summarized transactions: 3	1,519.66
222	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 7	1,495.10
223	HACH COMPANY	Summarized transactions: 7	1,490.03
224	SCHLINK WALTER	Summarized transactions: 7	1,456.48
225	HALO BRANDED SOLUTIONS	Summarized transactions: 7	1,455.98
226	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 3	1,448.90
227	JOHNSON PRINTING CO INC	Summarized transactions: 9	1,314.00
228	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 25	1,294.11
229	SPECTRUM REACH	Summarized transactions: 3	1,284.00
230	EATON CORP (AEROSPACE OPERATI	Summarized transactions: 6	1,179.39
231	SMS SYSTEMS MAINTENANCE SERVI	Summarized transactions: 2	1,081.36
232	HUDSON WORKWEAR CO INC	Summarized transactions: 12	1,038.33
233	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 6	1,026.46
234	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 13	999.66
235	PRAIRIE EQUIPMENT CO LLC	Summarized transactions: 2	991.73
236	RENTAL DEPOT INC	Summarized transactions: 2	985.92
237	SHI INTERNATIONAL CORP (P)	Summarized transactions: 1	961.88
238	GRAINGER INC	Summarized transactions: 12	961.67
239	KELLER TOM A JR	Summarized transactions: 3	951.54
240	BANKS JOSHUA C	Summarized transactions: 1	950.00
241	CUSTOM COMMUNICATIONS INC	Summarized transactions: 3	928.00
242	MN DEPT OF REVENUE	Summarized transactions: 1	927.29
243	U S A SAFETY SUPPLY	Summarized transactions: 12	919.32
244	SOMA CONSTRUCTION INC	Summarized transactions: 1	915.18
245	MN PIPE & EQUIPMENT	Summarized transactions: 6	895.49
246	MN DEPT OF REVENUE	Summarized transactions: 3	871.53
247	ELECTRIC SCIENTIFIC CO INC	Summarized transactions: 1	855.00
248	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 5	846.37
249	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 1	846.00
250	HEWLETT PACKARD ENTERPRISE CO	Summarized transactions: 1	810.63
251	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	794.26
252	BEST BUY BUSINESS ADVANTAGE d	Summarized transactions: 14	782.94
253	ERC WIPING PRODUCTS INC	Summarized transactions: 2	769.29
254	MN MUNICIPAL UTILITIES ASSN C	Summarized transactions: 1	750.00
255	LAWSON PRODUCTS INC (P)	Summarized transactions: 3	737.74
256	PEOPLES ENERGY COOPERATIVE (P	Summarized transactions: 1	729.82
257	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 5	706.62
258	FEDEX FREIGHT INC	Summarized transactions: 1	703.70
259	AUTHORIZE.NET	Summarized transactions: 1	701.30
260	GREAT RIVER ENERGY	Summarized transactions: 1	679.21
261	BENSON ANTHONY	Summarized transactions: 3	675.94
262	G A ERNST & ASSOCIATES INC	Summarized transactions: 3	655.50
263	SOUTH ST PAUL STEEL SUPPLY CO	Summarized transactions: 3	650.66
264	CINTAS CORP	Summarized transactions: 4	641.96
265	SPARTA CONSULTING INC	Summarized transactions: 6	640.00
266	YE OLDE BUTCHER SHOPPE CATERI	Summarized transactions: 1	638.58
267	SPECTRUM PRO-AUDIO dba	Summarized transactions: 1	635.00
268	ADVANCED DISPOSAL SVC SOLID W	Summarized transactions: 2	628.05

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**ROCHESTER PUBLIC UTILITIES**  
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269	THOMAS TOOL & SUPPLY INC	Summarized transactions: 2	620.47
270	GOPHER SEPTIC SERVICE INC	Summarized transactions: 2	620.00
271	STEVE BENNING ELECTRIC	Summarized transactions: 2	607.00
272	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 23	586.61
273	MN GROUND WATER ASSOC	Summarized transactions: 1	555.00
274	AFFILIATED CREDIT SERVICES IN	Summarized transactions: 2	518.88
275	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 9	505.12
276	WIRE CLOTH MANUFACTURERS INC	Summarized transactions: 1	502.84
277	STURM DANNY K	Summarized transactions: 2	494.34
278	SCHEEL LAWRENCE	Summarized transactions: 2	494.34
279	EDINALARM INC	Summarized transactions: 8	493.00
280	IRON MOUNTAIN DBA	Summarized transactions: 2	491.63
281	INTERSTATE MOTOR TRUCKS INC	Summarized transactions: 2	487.95
282	JOHNSON PRINTING CO INC	Summarized transactions: 2	485.35
283	EMEDCO INC	Summarized transactions: 5	458.15
284	NALCO COMPANY	Summarized transactions: 8	446.64
285	RESCO	Summarized transactions: 4	446.25
286	COOKE ROBERT	Summarized transactions: 2	435.72
287	HOWARD FINLEY	Summarized transactions: 1	432.50
288	ZIEGLER INC	Summarized transactions: 1	420.20
289	NETWORK SERVICES COMPANY	Summarized transactions: 1	418.42
290	S L CONTRACTING INC	Summarized transactions: 1	414.00
291	FLOETER CHARLES	Summarized transactions: 3	410.88
292	AVO TRAINING INSTITUTE (P)	Summarized transactions: 1	400.00
293	TEREX UTILITIES INC	Summarized transactions: 7	399.32
294	ROCH SAND & GRAVEL INC	Summarized transactions: 1	398.75
295	ALTEC INDUSTRIES INC	Summarized transactions: 4	395.58
296	A T & T	Summarized transactions: 1	392.75
297	CLEMENTS CHEVROLET CADILLAC S	Summarized transactions: 2	391.82
298	GARCIA GRAPHICS INC	Summarized transactions: 4	391.03
299	FRONTIER	Summarized transactions: 1	388.08
300	DAKOTA SUPPLY GROUP	Summarized transactions: 4	384.47
301	MENARDS ROCHESTER NORTH	Summarized transactions: 5	378.20
302	JOHNSON CARY	Summarized transactions: 2	354.54
303	WPS ANTENNAS.COM DBA	Summarized transactions: 2	336.49
304	CENTURYLINK	Summarized transactions: 1	325.95
305	HOGAN PETER	Summarized transactions: 1	310.00
306	PAAPE ENERGY SERVICE INC	Summarized transactions: 1	310.00
307	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 3	306.65
308	DAKOTA SUPPLY GROUP	Summarized transactions: 7	289.98
309	CORPORATE WEB SERVICES INC	Summarized transactions: 2	285.00
310	SNAP ON INDUSTRIAL	Summarized transactions: 1	280.71
311	ACTION PLUMBING AND HEATING C	Summarized transactions: 1	275.00
312	MSC INDUSTRIAL SUPPLY CO INC	Summarized transactions: 5	272.63
313	LINOMA SOFTWARE	Summarized transactions: 1	269.33
314	WRIGHTS SMALL ENGINE SERVICE	Summarized transactions: 3	260.35
315	AFFILIATED GROUP INC	Summarized transactions: 1	246.00
316	T E C INDUSTRIAL INC	Summarized transactions: 2	243.56
317	THE DEPOSITORY TRUST COMPANY	Summarized transactions: 1	242.00
318	TARCO INDUSTRIES INC	Summarized transactions: 2	217.97
319	BILLTRUST dba	Summarized transactions: 1	214.85
320	GARTNER LORI	Summarized transactions: 1	211.68
321	NU-TELECOM dba	Summarized transactions: 1	208.96
322	POST BULLETIN CO	Summarized transactions: 3	207.36

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**ROCHESTER PUBLIC UTILITIES**  
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323	DELL COMPUTER CORPORATION (P)	Summarized transactions: 2	203.57
324	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 2	201.90
325	SOLAR CONNECTION INC	Summarized transactions: 1	200.00
326	EVERBRIDGE INC	Summarized transactions: 1	188.00
327	ROWLES DONALD PATRICK	Summarized transactions: 1	187.50
328	R D O - POWERPLAN OIB	Summarized transactions: 1	184.31
329	OSWEILER TODD	Summarized transactions: 2	183.30
330	ON SITE SANITATION INC	Summarized transactions: 1	177.41
331	FEDEX	Summarized transactions: 8	171.55
332	MN DEPT OF LABOR & INDUSTRY	Summarized transactions: 1	168.00
333	FASTENAL COMPANY	Summarized transactions: 5	158.61
334	SEEME PRODUCTIONS LLC	Summarized transactions: 1	150.00
335	VANCO SERVICES LLC	Summarized transactions: 2	148.20
336	BLUESPIRE STRATEGIC MARKETING	Summarized transactions: 1	141.61
337	WERNER ELECTRIC SUPPLY	Summarized transactions: 1	132.77
338	ROCHESTER COVENANT CHURCH	Summarized transactions: 1	125.00
339	MENARDS ROCHESTER SOUTH	Summarized transactions: 1	114.35
340	SCHMIDT GOODMAN OFFICE PRODUC	Summarized transactions: 2	112.74
341	SHORT ELLIOTT HENDRICKSON INC	Summarized transactions: 1	111.01
342	TOKAY SOFTWARE	Summarized transactions: 3	108.00
343	ARROW ACE HARDWARE-ST PETER	Summarized transactions: 3	106.54
344	TOTAL TOOL SUPPLY INC (P)	Summarized transactions: 3	101.93
345	COMMUNITY EDUCATION	Summarized transactions: 1	100.00
346	MN DEPT OF HEALTH - WELL MGMT	Summarized transactions: 1	100.00
347	MENARDS ROCHESTER SOUTH	Summarized transactions: 1	99.01
348	PROSTAPLER LLC	Summarized transactions: 1	96.18
349	HATHAWAY TREE SERVICE INC	Summarized transactions: 1	90.00
350	LANGUAGE LINE SERVICES INC	Summarized transactions: 1	86.40
351	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
352	BROCK WHITE COMPANY LLC	Summarized transactions: 2	84.45
353	BREKKE MATTHEW	Summarized transactions: 1	81.00
354	VERIZON WIRELESS	Summarized transactions: 1	79.20
355	C & N UPHOLSTERY	Summarized transactions: 1	75.00
356	T E C INDUSTRIAL INC	Summarized transactions: 1	75.00
357	BATTERIES PLUS	Summarized transactions: 6	74.71
358	POST BULLETIN CO	Summarized transactions: 1	71.28
359	GLOBAL EQUIPMENT COMPANY	Summarized transactions: 1	71.13
360	HUDSON WORKWEAR CO INC	Summarized transactions: 1	70.00
361	ANDERTON RANDY	Summarized transactions: 1	66.07
362	ROCH AREA BUILDERS INC	Summarized transactions: 3	62.00
363	OLM COUNTY HAZARDOUS WASTE	Summarized transactions: 2	60.60
364	MENARDS ROCHESTER NORTH	Summarized transactions: 2	50.95
365	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 1	50.00
366	MASON TED	Summarized transactions: 1	48.00
367	ALLIED PRODUCTS CORPORATION	Summarized transactions: 1	47.03
368	TOTAL RESTAURANT SUPPLY	Summarized transactions: 2	45.51
369	ULINE	Summarized transactions: 2	43.09
370	FASTENAL COMPANY	Summarized transactions: 3	41.90
371	ASSOC OF ENERGY SERV PROFESSI	Summarized transactions: 1	40.00
372	ADVANTAGE DIST LLC (P)	Summarized transactions: 1	40.00
373	BOWMANS SAFE & LOCK SHOP LTD	Summarized transactions: 1	31.26
374	OLM COUNTY CENTRAL FINANCE	Summarized transactions: 1	28.80
375	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	26.26
376	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 1	24.56

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**ROCHESTER PUBLIC UTILITIES**  
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377	PAYMENT REMITTANCE CENTER	Summarized transactions: 1	21.58
378	BOLDT JILL	Summarized transactions: 1	21.46
379	NORTH AMERICAN ELECTRIC RELIA	Summarized transactions: 1	20.09
380	DOUBLETREE HOTEL - BGDS HOTEL	Summarized transactions: 1	20.00
381	D P C INDUSTRIES INC	Summarized transactions: 1	18.45
382	LUHMANN ABE	Summarized transactions: 1	15.00
383	BIERBAUM DIRK	Summarized transactions: 1	15.00
384	LARSON DRU	Summarized transactions: 1	15.00
385	BLEVINS JAN	Summarized transactions: 1	15.00
386	HANSON PATRICIA S	Summarized transactions: 1	15.00
387	SHONES JACOB	Summarized transactions: 1	11.00
388	FEDEX	Summarized transactions: 1	3.75
389			
390		<b>Price Range Total:</b>	181,601.00
391			
392		<b>Grand Total:</b>	10,146,232.15

Attachment: AP Board CRMO (5326 : AP Board listing)

## FOR BOARD ACTION

**Agenda Item # (ID # 5162)**

**Meeting Date: 3/29/2016**

**SUBJECT: Digger Derrick (V577) Chassis**

**PREPARED BY: Steve Monson**

**ITEM DESCRIPTION:**

The Fleet Services Vehicle Replacement Plan for 2016 includes a new digger derrick truck (V577) for Electric Maintenance and Construction crews. The 2016 Capital Improvement Budget includes \$108,548 for the International 7400 chassis. The Utility Board previously approved the purchase of the digger derrick, utility body and installation on January 26, 2016.

This purchase of the chassis will utilize the State of MN Cooperative Purchasing Venture (CPV) program authorized by Minn. Stat. §471.345, subd. 15(a). This eliminates the sealed bidding requirement. However, there are two vendors on the State Contract that offer the specified chassis, so quotes were obtained from both vendors.

Based on our evaluation of the quotes which included price, delivery, previous experience with manufacturer, availability of service and repair facilities, and compliance with specifications, Maney International Inc. was determined to be the lowest responsive vendor with a price of \$108,277.00.

A breakdown of the quotes is as follows:

Vendor	Quote
Maney	\$108,277
Boyer	\$108,882

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to enter into a purchase order with Maney International Inc. in the amount of \$108,277.00 plus applicable tax.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order with Maney International Inc for:

One 2017 International Truck Chassis

The amount of the purchase order to be ONE HUNDRED EIGHT THOUSAND TWO HUNDRED SEVENTY SEVEN AND 00/100 DOLLARS (\$108,277.00) plus applicable taxes.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5160)

Meeting Date: 3/29/2016

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**SUBJECT: John Adams Water Storage Tank Repair/Repainting**

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**PREPARED BY: Cary Johnson**

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ITEM DESCRIPTION:

Sealed bids were opened on March 15, 2016 for repair and repainting the 500,000 gallon John Adams High Level Tower water storage tank to be completed by June 17, 2016.

Initially this tank was budgeted for interior wet coating and exterior re-coating. Upon further inspection during the bidding process it was determined the tank exterior could not be re-coated requiring the existing coating to be removed to the bare steel prior to repainting. This resulted in a change of scope and extension to the bid into March.

It is apparent that the extension of this project resulted in just one bid being received as interested bidders secured other projects and would not have time to complete another project during the warmer months.

The bid received from TMI Coatings Inc., albeit acceptable, exceeded the estimated cost and staff prefers to move this project into 2017 resulting in better competitive pricing.

The solicitation documents allow for the rejection of any and all bids received.

UTILITY BOARD ACTION REQUESTED:

Approve a resolution rejecting the bid received from TMI Coatings, Inc.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bid received from TMI Coatings Inc. for:

John Adams High Level Tower Repair/Repainting

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary



## FOR BOARD ACTION

**Agenda Item # (ID # 5350)**

**Meeting Date: 3/29/2016**

**SUBJECT: Douglas Trail Site Improvement**

**PREPARED BY: Neil Stiller**

**ITEM DESCRIPTION:**

Sealed bids for site improvement work were opened on March 15, 2016 for the new Douglas Trail Substation being built on West Circle Drive NW to serve the EPIC data center. The scope of work includes equipment, labor and materials for grading, sub-soil improvements, retaining wall and landscaping necessary to prepare the site for the building portion of the substation.

The bids received and evaluated are as follows:

<b>Contractor</b>	<b>Bid Amount</b>
Elcor Construction Inc.	\$ 668,652
Fraser Construction Co.	\$ 877,948
Bob Braaten Construction Inc.	\$1,019,091

Elcor Construction Inc. submitted a responsive and responsible bid and they have performed well on past projects.

This task was included in the 2016 Core Services budget for this project but did come in \$468,000 above original estimate due to poorer than anticipated soil conditions, addition of a retaining wall required by the DNR, and landscaping improvements requested by EPIC. The additional costs will be cost shared with EPIC under our MOU and as such we will attempt to manage the total project cost to stay within the approved budget.

**UTILITY BOARD ACTION REQUESTED:**

Staff recommends approval of a resolution to enter into a contract with Elcor Construction Inc. in the amount of \$668,652. Management further recommends the Board authorize staff to manage project change orders using the existing approval structure and authorization levels.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to enter into a contract with Elcor Construction Inc. for:

Douglas Trail Site Improvement

and allow for change orders to be managed by existing approval structure and authorization levels.

The amount of the purchase order to be SIX HUNDRED SIXTY-EIGHT THOUSAND, SIX HUNDRED FIFTY-TWO AND 00/100 DOLLARS (\$668,652.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5352)

Meeting Date: 3/29/2016

**SUBJECT: Douglas Trail Substation Construction**

**PREPARED BY: Neil Stiller**

**ITEM DESCRIPTION:**

Sealed bids were opened on March 15, 2016 for the new Douglas Trail Substation being built on West Circle Drive NW to serve the EPIC data center. The work consists of excavation, conduit, concrete foundations, pre-cast concrete control building, screening wall and other construction for the substation.

The bids received and evaluated are as follows:

<b>Contractor</b>	<b>Bid Amount</b>
Weis Builders, Inc.	\$1,573,000.00
Alvin E. Benike, Inc.	\$1,576,036.18
ECCO Construction, LLC	\$1,772,927.00

Alvin E. Benike, Inc. Submitted a responsive and responsible bid and they have performed well on past projects. Weis Builders submitted a non-responsive bid for failure to submit some of the required technical data and staff is asking that their bid be rejected.

This portion of the Douglas Trail project was included in the 2016 Core Services budget for this project but did come in \$240,000 above estimate. This was due to the screening wall needing to be placed on piers rather than a running footing and the rising costs of construction due to the amount of available work. The additional costs will be cost shared with EPIC under our MOU and as such we will attempt to manage the total project cost to stay within the approved budget. Work is expected to begin May 30th with completion expected by November 30th.

**UTILITY BOARD ACTION REQUESTED:**

Staff recommends the board reject the bid received by Weis Builders, Inc. as non-responsive and approve a resolution to enter into a contract with Alvin E. Benike, Inc. in the amount of \$1,576,036.18 and authorize the Mayor and City Clerk to execute the agreement.

Management further recommends the Board authorize staff to manage project change orders using the existing approval structure and authorization levels.



## CONTRACT

### Douglas Trail Substation Construction

THIS CONTRACT made this \_\_\_\_\_ day of March, 2016, by and between the City of Rochester, Minnesota, a Minnesota municipal corporation, acting through its Public Utility Board, hereinafter called "City", and Alvin E. Benike, Inc., a MN corporation, hereinafter called "Contractor".

WHEREAS, the City has solicited a proposal from the Contractor for construction described in the specifications and contract documents indicated by solicitation #2016-16.

WHEREAS, the City desires to engage the services of the Contractor according to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above premises and of the terms and conditions contained herein, the parties hereto agree as follows.

Article I. Scope of Services. The Contractor shall furnish all labor, materials, equipment and supervision for the performance of the work described in the specifications and contract documents.

Article II. Payment. The City agrees to pay the Contractor the sum of \$1,576,036.18 for the services described herein, subject to the terms and conditions of payment described in the Contract Documents.

Article III. Term. The term of this agreement shall commence on the date of this Contract and shall continue until completion and acceptance of the work by the City.

Article IV. Disposition of Documents. It is agreed that any reports, drawings, specifications, and other data compilations developed or created as a result of the services performed pursuant to this Contract shall be and remain the sole property of City.

Article IV. Termination. City reserves the right to terminate this Contract at any time it deems to be in the best interest of City to do so upon the giving of seven business days written notice to Contractor. Notice shall be effective upon depositing such notice in the U.S. Mail addressed to Contractor and cancellation shall take effect seven business days thereafter. If this Contract is so terminated, City shall compensate and reimburse Contractor according to the terms hereof to the date of such termination.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed in their respective names the day and year first above written.

ALVIN E. BENIKE INC.

CITY OF ROCHESTER

By

By

\_\_\_\_\_  
Aaron Benike, President

\_\_\_\_\_  
Ardell Brede, Mayor

Attest

\_\_\_\_\_  
Aaron Reeves, City Clerk

Approved as to Form

\_\_\_\_\_  
Terry Adkins, City Attorney

ROCHESTER PUBLIC UTILITIES

\_\_\_\_\_  
Mark Kotschevar, General Manager

STATE OF MN  
COUNTY OF OLMSTED

This instrument was acknowledged before me on March \_\_\_\_\_, 2016, by Aaron Benike, President, of Alvin E. Benike, a MN corporation, who stated that he is authorized to execute this instrument on behalf of said corporation.

\_\_\_\_\_  
Notary Signature

OFFICIAL NOTIFICATION METHOD

Levi Kaiser  
Alvin E. Benike, Inc.  
2960 Highway 14 West  
Rochester MN 55901  
levik@benike.com

Neil Stiller, P.E.  
Rochester Public Utilities  
4000 East River Road NE  
Rochester MN 55906  
nstillier@rpu.org

Attachment: 03 Contract (5352 : Douglas Trail Substation Construction)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bid received from Weis Builders, Inc. and enter into a contract with Alvin E. Benike, Inc. and authorize the Mayor and the City Clerk to execute the agreement for

Douglas Trail Substation Construction

and allow for change orders to be managed by existing approval structure and authorization levels.

The amount of the contract to be ONE MILLION, FIVE HUNDRED SEVENTY-SIX THOUSAND, THIRTY-SIX AND 18/100 DOLLARS (\$1,576,036.18).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5357)

Meeting Date: 3/29/2016

**SUBJECT: Q6 Transmission Line Relocation**

**PREPARED BY: Steve Cook**

**ITEM DESCRIPTION:**

Sealed bids were opened on March 16, 2016 for relocating the Q6 transmission line as a result of the 55th Street NW extension. The work consists of labor and equipment to relocate approximately 6,100 ft of 161 kV transmission line with new structures.

The bids received and evaluated are as follows:

<b>Contractor</b>	<b>Bid Amount</b>
Hooper Corporation	\$259,514.29
M.J. Electric	\$332,680.15
The L.E. Myers Co.	\$409,507.40
Michels Corporation	\$572,269.60

Hooper submitted a responsive and responsible bid and they have performed well on past projects. The L.E. Myers Co. submitted a non-responsive bid for failure to use the correct bid form and staff is asking that their bid be rejected.

The engineering estimate was \$263,649 and this project was included in the 2016 Core Services budget.

This project is expected to begin May 2nd and be completed around July 22nd.

**UTILITY BOARD ACTION REQUESTED:**

Staff recommends the board reject the bid received by The L.E. Myers Co. as non-responsive and approve a resolution to enter into a contract with Hooper Corporation in the amount of \$259,514.29 and authorize the Mayor and City Clerk to execute the agreement. Management further recommends the Board authorize staff to manage project change orders using the existing approval structure and authorization levels.





## CONTRACT

### Q6 Transmission Line Relocate

THIS CONTRACT made this [REDACTED] day of March, 2016, by and between the City of Rochester, Minnesota, a Minnesota municipal corporation, acting through its Public Utility Board, hereinafter called "City", and Hooper Corporation, a WI corporation, hereinafter called "Contractor".

WHEREAS, the City has solicited a proposal from the Contractor for Q6 transmission line relocation as described in the specifications and contract documents indicated by solicitation #2016-18 .

WHEREAS, the City desires to engage the services of the Contractor according to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above premises and of the terms and conditions contained herein, the parties hereto agree as follows.

Article I. Scope of Services. The Contractor shall furnish all labor, materials, equipment and supervision for the performance of the work described in the specifications and contract documents.

Article II. Payment. The City agrees to pay the Contractor the sum of \$259,514.29 for the services described herein, subject to the terms and conditions of payment described in the Contract Documents. Change orders subject to written approval.

Article III. Term. The term of this agreement shall commence on the date of this Contract and shall continue until completion and acceptance of the work by the City.

Article IV. Disposition of Documents. It is agreed that any reports, drawings, specifications, and other data compilations developed or created as a result of the services performed pursuant to this Contract shall be and remain the sole property of City.

Article IV. Termination. City reserves the right to terminate this Contract at any time it deems to be in the best interest of City to do so upon the giving of seven business days written notice to Contractor. Notice shall be effective upon depositing such notice in the U.S. Mail addressed to Contractor and cancellation shall take effect seven business days thereafter. If this Contract is so terminated, City shall compensate and reimburse Contractor according to the terms hereof to the date of such termination.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed in their respective names the day and year first above written.

HOOPER CORPORATION

CITY OF ROCHESTER

By

By

\_\_\_\_\_  
Type Name, Title

\_\_\_\_\_  
Ardell Brede, Mayor  
Attest

\_\_\_\_\_  
Aaron Reeves, City Clerk

Approved as to Form

\_\_\_\_\_  
Terry Adkins, City Attorney

ROCHESTER PUBLIC UTILITIES

\_\_\_\_\_  
Mark Kotschevar, General Manager

STATE OF WI  
COUNTY OF \_\_\_\_\_

This instrument was acknowledged before me on March \_\_\_\_\_, 2016, by **NAME**, **POSITION**, of Hooper Corporation, a WI corporation who stated that he is authorized to execute this instrument on behalf of said corporation.

\_\_\_\_\_  
Notary Signature

OFFICIAL NOTIFICATION METHOD

Brad St. Germain  
Hooper Corporation  
PO Box 7455  
Madison WI 53707-7455  
bstgermain@hoopercorp.com

Steven Cook, P.E.  
Rochester Public Utilities  
4000 East River Road NE  
Rochester MN 55906  
scook@rpu.org

Attachment: 03 Contract (5357 : Q6 Transmission Line Relocation)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bid received from The L.E. Myers Company and enter into a contract with Hooper Corporation and authorize the Mayor and the City Clerk to execute the agreement for

### Q6 Transmission Line Relocation

and allow for change orders to be managed by existing approval structure and authorization levels.

The amount of the contract to be TWO HUNDRED FIFTY-NINE THOUSAND, FIVE HUNDRED FOURTEEN AND 29/100 DOLLARS (\$259,514.29).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5287)

Meeting Date: 3/29/2016

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**SUBJECT: Approving and Consenting to the Issuance of Electric Utility Revenue Bonds, of the City of Rochester**

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**PREPARED BY: Peter Hogan**

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ITEM DESCRIPTION:

The Board has approved the construction of the Westside Energy Station as part of the 2016 Electric Utility budget. The 2016 budget anticipated using short term borrowing until the air permit and generation interconnection agreements related to the construction of the Westside Energy Station are obtained. These funds will be used for planning and construction related to the Westside Energy Station needed to complete the balance of the CapX2020 project as anticipated during the original 2013 bond issuance related to the CapX2020 project.

The Board and Council approve a parameters resolution on December 15, 2015 and December 21, 2015 respectively, authorizing a pricing committee of Springsted Inc., the City's Director of Finance, RPU's General Manager and RPU's Director of Corporate Services, to select the underwriter and approve the sale of either fixed or variable rate debt up to \$25,000,000 with a maturity of not more than 24 months, within the parameters established by the RPU Board and authorized by the Rochester City Council.

The parameters resolution included a requirement that the rate not exceed 4.5%. The terms of the variable rate Bond being negotiated with US Bank do not include a rate cap as provided in the parameter resolution. While it is unlikely that the rate would exceed 4.5% within the two year term, it is technically possible.

Management is requesting that RPU Board and City Council approve the terms as negotiated in addition to the original parameters resolution in order to authorize this deviation from the original parameters.

These short term bonds will be refunded with the issuance of long term Electric Utility Revenue Bonds once the necessary permits and agreements have been obtained.

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Utility Board approve the terms as negotiated in addition to the original parameters resolution in order to authorize this deviation from the original parameters and authorization of a pricing committee within the original parameters resolution and request the Common Council approve a resolution authorizing the terms of the sale of debt instruments to be used to fund RPU's short term financing needs. We will not close the Bond issuance until we have obtained the approval of both the RPU Board and City Council. Closing is currently scheduled for the first week in April provided we obtain all needed

## FOR BOARD ACTION

Agenda Item # (ID # 5287)

Meeting Date: 3/29/2016

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approvals.



**U.S. BANK NATIONAL ASSOCIATION  
TERM SHEET FOR REVOLVING CREDIT FACILITY**

**SUMMARY OF PRELIMINARY TERMS AND CONDITIONS**

Date: January 20, 2016

**ISSUER/OBLIGOR:** Rochester Public Utilities (“RPU” or “Obligor”)

**FACILITY:** Tax-exempt Draw Down Loan (“” or “Facility”) to RPU to support ongoing capital expenditures.

**SECURITY:** Payable from and secured by a pledge of and Lien on Net Revenues of the Electric System, subordinate only to the Lien on Net Revenues securing Senior Lien Bonds of the Obligor, as well as the proceeds from the issuance of any subsequent long term bonds, whether senior lien or subordinate lien bonds.

**BANK:** U.S. Bank National Association (“U.S. Bank” or the “Bank”) or any subsidiary or affiliate of the Bank.

BANK RATINGS	Year	Moody’s	Outlook	S&P	Outlook	Fitch	Outlook
		(long/short)		(long/short)		(long/short)	
	Dec 2015	A1/P-1	Stable	AA-/A-1+	Stable	AA/F1+	Stable

**PAR AMOUNT:** Up to \$25,000,000.

**FACILITY FEE AND TERMS:**

**FACILITY FEE AND INTEREST ON ADVANCES:** The following terms and fees would apply to the Facility. All fees shall be paid quarterly in arrears calculated on the basis of a 360 day year and actual days elapsed.

<u>Facility</u>	<u>Unused Facility Fee per annum</u>	<u>Interest Rate on Advances (Tax-exempt)</u>	<u>Term</u>
Draw Down Loan.	28.0 basis points	70% of One Month LIBOR + 38.0 basis points (Applicable Spread)	2 years

**DOWNGRADE PRICING:** The above pricing is subject to the maintenance of the current ratings assigned to the unenhanced long-term Senior Lien Bonds of the Obligor (“Bonds”). The



Facility Fee and Applicable Spread will be increased for each rating downgrade of Bonds below the current ratings of “AA-” by Fitch or “Aa3” by Moody’s as applicable:

<u>Level</u>	<u>Moody's Rating</u>	<u>Fitch Rating</u>	<u>Facility Fee</u>	<u>Applicable Spread</u>
Level 1	Aa3	AA-	28.0 bppa	38.0 bppa
Level 2	A1	A+	38.0 bppa	48.0 bppa
Level 3	A2	A	58.0 bppa	68.0 bppa
Level 4	A3	A-	98.0 bppa	108.0 bppa

If one or more of the ratings on the Bonds is withdrawn or suspended for credit related reasons, or any such ratings shall fall below A3/A- (or its equivalent), or there shall occur any other Event of Default, the Facility Fee shall increase by an additional 300 basis points per annum from the fee otherwise in effect and outstanding amounts under the Facility shall bear interest at the Default Rate.

In the event of a split rating the Facility Fee shall be based upon the lowest rating. References above are to rating categories as presently determined by the rating agencies, and in the event of the adoption of any new or changed rating system or “global” rating scale by any such rating agency, the ratings categories shall be adjusted accordingly to the new rating which most closely approximates the ratings currently in effect.

**TERM:** The Scheduled Expiration Date of the Facility will be two (2) years from the date of closing. All amounts outstanding under the Facility are due on the Scheduled Expiration Date. Any amount outstanding beyond the Scheduled Expiration Date shall bear interest at the Default Rate. The Scheduled Expiration Date of the Facility will not be subject to extension without the express written request of the Issuer and subsequent express written consent of the Bank. See Renewal below.

**DRAW FEE:** None.

**AMENDMENT FEE:** \$2,500 per Amendment plus reasonable legal fees.

**OPTIONAL PREPAYMENT & TERMINATION FEE:** The Obligor has the right to prepay amounts outstanding under the Facility and Terminate the Facility at any time subject to the following. In the event the Facility is terminated or reduced by the Issuer prior to the Nine month anniversary of the date of closing, the Issuer shall pay to the Bank a termination fee equal to the product of (i) the Applicable Spread in effect on the date of such termination or reduction, (ii) the reduction in the par amount (iii) a fraction, the numerator of which is the number of days from and including the date of termination to and including the nine month anniversary of the date of closing and the denominator of which is 360, provided that no such



Termination Fee is payable if the reason for such termination or reduction is a refinancing of the outstanding amount under the Facility with Senior Lien Bonds not requiring or involving credit enhancement, liquidity facility or direct purchase from a bank, financial institution or third party.

**RENEWAL:** At least 180 days prior to the expiration date of the Facility, the Issuer may request an extension. The Bank will notify the Issuer if they will renew the Facility, and on what terms and conditions, not less than 90 days before expiration of the Facility. Such terms and conditions for any renewal would be subject to mutual agreement between the Issuer and the Bank and any renewal by the Bank will be at its sole and absolute discretion.

**OTHER FEES AND EXPENSES:**

**BANK COUNSEL:** Legal fees of Bank Counsel are estimated at \$40,000 plus disbursements and capped at \$50,000 plus disbursements.

**BANK'S OUT-OF-POCKET EXPENSES:** None.

**ADMINISTRATIVE FEES:** None

**PAYMENT OF FEES AND EXPENSES:**

**(A) TIMING / COMPUTATION OF PAYMENTS:** All fees are non-refundable. Bank Counsel's fees and expenses and Bank's Out-of-Pocket Expenses are payable at closing in immediately available funds. Additionally, Bank Counsel's fees and expenses and Bank's Out-of-Pocket Expenses shall be paid by the Obligor regardless of whether the transaction is closed. Any termination or reduction fee is payable on the date of such termination or reduction, as applicable.

**(B) FEES AND EXPENSES VALID FOR 90 DAYS:** All fees and expenses, including those of Bank Counsel, are subject to increase if the transaction is not closed within 90 days from the date the Bank receives the mandate from the Obligor. In addition, the fees and expenses payable to Bank Counsel may be increased if the security and/or structure of the transaction changes materially once documentation has commenced.

**INTEREST RATES:**

**DEFAULT RATE:** Base Rate plus 3.0%

where Base Rate is the greatest of





- (i) Prime Rate plus 1.0%;
- (ii) Federal Funds Rate plus 2.0%; and
- (iii) 7.5%.

**(C) CLAWBACK AMOUNTS:** The Credit Agreement will include customary interest rate recapture (“*clawback*”) language allowing the Bank to recover interest in excess of any maximum interest rate imposed by law.

**(D) INTEREST RATE CALCULATION PROVISIONS:** Interest on amounts drawn under the Facility shall be calculated on the basis of a 360 day year and the actual number of days elapsed and shall be payable semi-annually on the first business day of March and September of each year provided that Interest at the Default Rate shall be payable on a monthly basis on the first business day of each month.

**INCREASED COSTS AND CAPITAL ADEQUACY; TAXES:**

Standard increased costs, capital adequacy and tax provisions will be provided for in final documentation, including Dodd-Frank and Basel III provisions.

**DOCUMENTATION:**

Documentation will include the Credit Agreement prepared by Bank Counsel. The Credit Agreement will include, but not be limited to, the terms and conditions outlined herein as well as provisions that are customary and standard with respect to conditions precedent, representations and warranties, covenants, events of default and remedies (including acceleration of the Obligor’s obligations).

**CONDITIONS PRECEDENT TO CLOSING:**

Usual and customary for transactions of this nature, including, without limitation, the following: all requisite approvals and incumbency certificates; delivery of all required legal opinions including opinions of Bond Counsel in form and substance satisfactory to the Bank; delivery of all applicable financing documents; delivery of a certificate evidencing that no Default or Event of Default shall have occurred and that all representations, warranties, and covenants shall be true and correct; and payment of all closing fees and expenses.



### CONDITIONS TO EACH ADVANCE:

The Bank's obligation to fund advances under the Facility is subject to satisfaction of conditions precedent, including the following:

1. The Bank's receipt of a Request for Advance not later than three (3) Business Days prior to the related Advance Date;
2. The Bank's receipt of a certificate of the Obligor dated the related Advance Date certifying that (i) no Default or Event of Default shall have occurred or be continuing on such Advance Date and (ii) the representations and warranties of the Obligor are true and correct in all material respects on such Advance Date; and
3. Tax-exemption related conditions.

### REPRESENTATIONS AND WARRANTIES:

Standard for facilities of this type, due authorization and organization; validity and enforceability of transaction documents; accuracy of financial statements; security; compliance with laws; accuracy of disclosure; no litigation; no default; no usury restrictions; no margin stock; no proposed legal changes; environmental matters; trustee; no immunity; and incorporation of representations and warranties from Transaction Documents.

### COVENANTS:

Standard covenants for facilities of this type, including but not limited to, the following: performance of obligations under the transaction documents; maintenance of status; further assurances; books and records; reporting requirements; compliance with laws; restrictions on additional debt; subordination of swap termination fees; restrictions on amendments to transaction documents; incorporation of covenants from transaction documents; maintenance of at least two unenhanced long-term ratings on Senior Lien Bonds; notice requirements.

**Rate Covenant:** The Issuer shall be obligated under the Facility to establish rates for service and collect charges in an amount which shall be sufficient, to generate Net Revenues equal to at least 1.0 times maximum annual debt service on all Bonds, other indebtedness and all obligations under this Facility. For the purpose of this section annual debt service on the outstanding obligations under this Facility shall be calculated assuming that the amount thereof shall be repaid over a 30-year term having level debt service payment and bearing interest at



the rate of 5.00% per annum.

**Additional Bonds Test:** The Issuer shall be obligated under the Facility to certify that rates and charges for service are sufficient to generate Net Revenues equal to at least 1.15 times pro forma annual debt service on all Bonds, other indebtedness represented by outstanding amounts plus maximum annual debt service on Senior Bonds to be issued.

**Other Credit Facilities:** In the event that Obligor shall, directly or indirectly, enter into or otherwise consent to any credit agreement, liquidity agreement or other agreement or instrument (or any amendment, supplement or modification thereto) under which, directly or indirectly, any Person or Persons undertakes to make or provide funds for working capital purposes or to purchase Outstanding Bonds or Parity and Junior Debt, which such agreement (or amendment thereto) provides such Person with more restrictive or different covenants, more restrictive or different events of default and/or greater rights and remedies than are provided to the Bank under the Credit Agreement, Obligor shall provide the Bank with a copy of each such agreement (or amendment thereto) and such more restrictive or different covenants, more restrictive or different events of default and/or greater rights and remedies shall automatically be deemed to be incorporated into the Credit Agreement and the Bank shall have the benefits of such more restrictive or different covenants, more restrictive or different events of default and/or such greater rights and remedies as if specifically set forth herein. Obligor shall promptly enter into an amendment to the Credit Agreement to include such more restrictive or different covenants, more restrictive or different events of default and/or greater rights or remedies (*provided* that the Agent and the Lenders shall have and maintain the benefit of such more restrictive or different covenants, more restrictive or different events of default and/or greater rights and remedies even if Obligor fails to provide such amendment).

**EVENTS OF  
DEFAULT:**

Usual and customary for transactions of this nature, including, without limitation, the following: failure to pay any amount due under the Credit Agreement, or on any debt that is secured on a senior basis to or on parity with the obligations under the Facility; cross default with Senior Lien Bonds or Parity Bonds other bank facilities; bankruptcy or insolvency (voluntary or involuntary) of the Obligor; declaration of a moratorium with respect to any indebtedness of the Obligor; material inaccuracy of any representation and warranty; failure to comply with covenants following applicable grace periods, if any; invalidity or contest of the Obligor's obligations under the Credit Agreement; failure to pay final, non-appealable judgments in an amount, singularly or collectively, of \$10 million or greater; rating downgrade of unenhanced long-term Senior Lien Bonds by any rating agency below the level of "A3/A-", and suspension or withdrawal of any such rating by any rating agency for credit related reasons.



- REMEDIES** Usual and customary for transactions of this nature including but not limited to immediate termination of the commitment of the Bank under the Credit Agreement; declare any and all amounts outstanding under the Facility immediately due and payable; exercise any other rights and remedies available at law or in equity. Interest shall accrue daily at the Default Rate.
- CHOICE OF LAW / JURY TRIAL / VENUE:**
- (A) GOVERNING LAW:** The Credit Agreement and any other documents to which the Bank shall become a party will be governed by the laws of the State of New York; *provided* that the power and authority of the Obligor to execute, deliver and perform its obligations under the Agreement will be governed by the laws of the State of Minnesota.
- (B) JURY TRIAL:** The Obligor agrees, to the extent permitted under applicable law, to waive any right to a trial by jury in any action or proceeding with respect to any dispute or controversy under the Credit Agreement or Related Documents.
- INDEMNIFICATION:** Customary indemnification in all cases except where the Bank is proven to have been guilty of gross negligence or willful misconduct.
- ADDITIONAL TERMS:** The terms and conditions contained in this proposal are not intended to be comprehensive. The definitive transaction documents may include additional terms and conditions required by the Bank, subject to mutual agreement of the parties, which are not included herein.
- CREDIT APPROVAL:** Any commitment to enter into a Facility (including the terms and conditions proposed herein) is subject to all of the Bank's internal approvals and due diligence procedures. In obtaining credit approval, the Bank reserves the right to modify and/or supplement any of the terms and conditions stated herein.
- NO ADVISORY OR FIDUCIARY ROLE:** The Obligor acknowledges and agrees that: (i) the Bank has not assumed any advisory or fiduciary responsibility to the Obligor with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank or any of its affiliates has provided other services or is currently providing other services to the Obligor on other matters); (ii) the only obligations the Bank has to the Obligor with respect to the transaction contemplated hereby are expressly set forth in this term sheet; and (iii) the Obligor has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.
- PROPOSAL EXPIRATION:** Unless otherwise extended by the Bank, this proposal shall expire 90 days from January 20, 2016.



**CONFIDENTIALITY:** This Summary of Preliminary Terms and Conditions contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the proposed transaction or as may be required by law, the contents of this Summary of Preliminary Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent.

**ADDRESS OF BANK:** U.S. Bank National Association  
461 Fifth Ave  
15<sup>th</sup> floor  
New York, NY 10017

<b>BANK:</b>	Chris Jumper	Bhala Mehendale
	Tel: (917) 326-3925	Tel: (917) 326-3970
	Fax: (917) 256-2830	Fax: (917) 256-2830
	Email: <a href="mailto:christopher.jumper@usbank.com">christopher.jumper@usbank.com</a>	Email: <a href="mailto:bhala.mehendale@usbank.com">bhala.mehendale@usbank.com</a>

**BANK COUNSEL:** Rick Cosgrove  
Chapman and Cutler LLP  
111 West Monroe Street  
Chicago, Illinois 60603  
Tel: 312.845.3738  
Fax: 312.516.1938  
[cosgrove@chapman.com](mailto:cosgrove@chapman.com)

**NOTE:** *This proposal constitutes indicative terms for the described transaction for discussion only. The attached proposal is subject to final credit approval and does not constitute an offer or commitment. As we obtain more information, additional substantive conditions may be required and terms may be changed or be supplemented. In addition, upon completion of our analysis and due diligence and if we obtain final credit approval of this proposal, loan documentation must be created which will include terms and conditions customary to the Bank, as well as warranties and covenants specific to this transaction. To that end, this term sheet is an expression of interest only, and it is not a contract, commitment nor intent to be bound. The Bank does not intend that this term sheet or discussions relative to the terms of this term sheet create any legal rights or obligations, implicit or explicit, in favor of or against the other party. Also, no oral discussions and/or written agreements shall be in place of or supersede written loan agreements executed by your business and accepted by the Bank. Upon your acceptance of the terms and conditions contained within this letter of interest, we will seek final credit approval to provide a Credit Facility for this transaction.*



**AGREEMENT BY THE ISSUER / OBLIGOR:**

The Obligor hereby agrees to engage the Bank to pursuant to the terms and conditions stated herein.

Please evidence your acceptance of the foregoing by signing and returning a copy of the document to the Bank.

ACCEPTED AND AGREED TO:

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

Date: \_\_\_\_\_



## RESOLUTION

Resolution Approving and Consenting to the Terms of the  
Issuance of Temporary Subordinate Electric Utility Revenue Bond, Series 2016A  
by the City of Rochester, Minnesota

BE IT RESOLVED By the Public Utility Board (the "Board") of Rochester Public Utilities ("RPU") as follows:

1. Recitals.

On December 15, 2015, the Board adopted a resolution (the "Concurring Resolution") concurring in the issuance of Temporary Subordinate Electric Utility Revenue Bond, Series 2016A, in an aggregate principal amount not to exceed \$25,000,000 (the "Bond") by the City of Rochester, Minnesota (the "City") pursuant to Resolution No. 620-15 of the Common Council (the "Council") of the City (the "Initial Resolution"); and

2. Request, Consent and Approval.

- (a) The Board hereby further consents to and concurs in the resolution adopted by the Council on March 21, 2016, approving the terms of the Bond as set forth in Exhibit A thereto (the "Terms") and amending the Initial Resolution to incorporate and conform to the Terms (the "Final Resolution") and Section 2(b) of the Concurring Resolution is hereby amended and restated to authorize issuance of the Bond in accordance with the Terms;
- (b) The Final Resolution is hereby incorporated into this Resolution to the same extent as though set forth in full herein, and each capitalized term which is used in this Resolution but not otherwise defined herein shall have the meaning given to that term in the Final Resolution.
- (c) The approval hereby given to the Final Resolution includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate.
- (d) The Board hereby covenants and pledges to cooperate with the Council (and to take such actions, or refrain from acting, as the case may be, as may be necessary) in order to fully effectuate the intent, purposes and obligations of the City under the Resolution.



- (e) Except as specifically amended herein, the Concurring Resolution remains in full force and effect.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29<sup>th</sup> day of March, 2016.

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President

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Secretary

STATE OF MINNESOTA  
 CITY OF ROCHESTER  
 PUBLIC UTILITY BOARD

I, the undersigned, being the duly qualified and acting Secretary of the Public Utility Board of Rochester Public Utilities, DO HEREBY CERTIFY that I have carefully compared the attached and foregoing extract of minutes with the original minutes of a meeting of the Board duly called and held on the date therein indicated, which are on file and of record in my office, and the same is a full, true and complete transcript therefrom approving the terms and the issuance and sale by the City of Rochester, Minnesota of its Temporary Subordinate Electric Utility Revenue Bond, Series 2016A.

WITNESS my hand as such Secretary this 29<sup>th</sup> day of March, 2016.

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Secretary  
 Rochester Public Utility Board



## FOR BOARD ACTION

Agenda Item # (ID # 5339)

Meeting Date: 3/29/2016

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**SUBJECT: Approval of Settlement Agreements**

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**PREPARED BY: Mark Kotschevar**

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ITEM DESCRIPTION:

In 2014 the RPU Board approved joining the Midcontinent Independent System Operator (MISO) as a transmission owner. By joining MISO, RPU agreed to turn over functional control of our transmission system to MISO in exchange for allowing us to recover revenue for the use of our system by others. In late 2014, RPU and MISO made the requisite Federal Energy Regulatory Commission (FERC) filings to:

Become a transmission owning member in MISO.

Include RPU's transmission investments in the SMMPA zone (Zone 20) and receive revenue from SMMPA.

Include one segment of the CAPX line (Hampton - North Rochester 345 KV segment) in the Xcel zone (Zone 16) and receive revenue from Xcel.

Both SMMPA and Xcel filed objections to this filing with FERC. As is customary when there are objections to filings, FERC granted RPU's request, subject to refunds, and assigned the case to a settlement judge for settlement discussions. Those discussions took place over the course of time and culminated with SMMPA and RPU reaching an agreement. The settlement agreements have been sent to you under separate cover for your review and will be available at the Board meeting if needed. The agreements are based on direction received from the Board during our last closed meeting, reflects the Board's desired outcome, and have been reviewed by the City Attorney. The benefits to RPU of the settlement are:

A guaranteed revenue stream from SMMPA.

Additional third party revenues passed on to RPU from SMMPA.

Avoids a protracted legal process at FERC.

Provides for certainty in the collection of RPU's transmission revenue requirement going forward.

## FOR BOARD ACTION

Agenda Item # (ID # 5339)

Meeting Date: 3/29/2016

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These settlement agreements have also been provided to other parties, MISO, MISO TO"s, and other intervening utilities as required, for review and comment. The SMMPA Board approved these agreements at their March 16th Board meeting and I am seeking RPU Board and City Council approval to allow filing for FERC approval. There may be some minor non-material language changes based on comments from others and as such I would recommend delegation for approval of those minor changes to the City Attorney and myself.

### UTILITY BOARD ACTION REQUESTED:

Staff recommends the Board approve and recommend City Council approval of the Settlement Agreement and Joint Pricing Zone Agreement in substantially the form provided, with minor non-material changes to be approved by the City Attorney and General Manager.



## RESOLUTION

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

Settlement Agreement and Joint Pricing Zone Agreement

with minor non-material changes to be approved the City Attorney and General Manger and that the Common Council authorize the Mayor and the City Clerk to execute the agreements.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5186)

Meeting Date: 3/29/2016

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**SUBJECT: IBM Generator Maintenance Agreement**

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**PREPARED BY: Tony Dzubay**

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ITEM DESCRIPTION:

It's renewal time for the IBM generator maintenance agreement. This five year agreement with Ziegler Power Systems is effective March 1, 2016 and includes annual fixed pricing of \$27,253.80. This agreement covers parts, labor, travel and disposal of all fluids with services being performed by trained and certified engine/generator technicians with the work taking place in April and October of each year.

In 2004, RPU entered into an Agreement for Standby Electric Service with IBM for the installation of two generators in order to provide standby electric service for system load-serving purposes. This Agreement, renegotiated in 2014, continues RPU's responsibility for maintenance and operational costs that are reimbursed by IBM on the basis of a monthly fixed charge.

UTILITY BOARD ACTION REQUESTED:

Approve a five year maintenance agreement with Zeigler Power Systems in the amount of \$136,269 and approve any other attendant or subsequent agreement as determined by the General Manager and City Attorney, subject to Board and City Council approval of the annual budget.

CUSTOMER SUPPORT AGREEMENT

Date: 2/29/2016



Proposal No. 1313

8050 County Road 101 East
Shakopee, MN 55379
952-445-4292 / 888-320-4292

To:
Tony Dzuby
ROCHESTER PUBLIC UTILITIES
4000 E RIVER RD NE
ROCHESTER, MN 55906-3414

Re:
5 year Customer Support Agreement (CSA) for
MODEL: 3516 PKGL | 3516 PKGL |
SERIAL: 0GZS00144 | 0GZS00145 |

WE PROPOSE TO FURNISH IN ACCORDANCE WITH THE FOLLOWING SPECIFICATIONS, TERMS AND CONDITIONS

Enclosed is a 5 year Customer Support Agreement (CSA) for the following Engines :
Model(s): 3516 PKGL | 3516 PKGL |
Serial Number(s): 0GZS00144 | 0GZS00145 |

AGREEMENT START DATE: 3/1/2016
AGREEMENT END DATE: 2/28/2021

INVOICE FREQUENCY: [ ] Annually
INVOICE AMOUNT: \$27,253.80

- \*Annual payment reflects 4% discount\*
\*\*Service is to be performed on Saturdays\*\*
\*\*\* Fire Suppression System Service performed yearly in April and October \*\*\*
\*\*\*\* Travel reimbursement subject to Customer policy \*\*\*\*

IMPORTANT NOTES

- CUSTOMER SUPPORT AGREEMENT PRICING WILL NOT INCREASE DURING THE TERM OF THIS AGREEMENT.
PRICE INCLUDES PARTS, LABOR, TRAVEL AND DISPOSAL OF ALL FLUIDS PER E.P.A. STANDARDS.
TRAINED AND CERTIFIED ENGINE/GENERATOR TECHNICIANS WILL PERFORM ALL SERVICES.

TERMS AND CONDITIONS

- Invoices will be sent on the first day of each invoicing period (i.e. monthly, quarterly, semi-annually or annually).
Agreement pricing is based upon generator run time between 0 and 250 hours per year (standby applications).
Either party may cancel this agreement with a (60) sixty day written notice.
Prices assume all services to be performed during normal business hours (7:30am - 4:00pm, M-F) unless otherwise specified.
Pricing does not include local and/or state taxes. Taxes will be applied to invoices where applicable.

CITY OF ROCHESTER

By: \_\_\_\_\_
Ardell Brede, Mayor

By: \_\_\_\_\_
Aaron Reeve, City Clerk

Approved Form: \_\_\_\_\_
Terry Adkins, City Attorney

ACCEPTED BY: Rochester Public Utilities

Please Sign Name: \_\_\_\_\_
Please Print Name: Mark Kotschevar, General Manager
Date: \_\_\_\_\_

Respectfully submitted,
Ziegler Power Systems
By: Kyle From 02/26/16
Customer Support Representative

Attachment: Ziegler Agreement (5186 : IBM Generator Maintenance Agreement)

## Level Definitions

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### Watchguard Level 1 (64 Point Inspection)

Includes inspection of the following systems:

- Cooling
- Lube Oil
- Air Intake
- Fuel
- Exhaust (inside building only)
- Starting
- Engine
- Generator
- Transfer Switch
- Coolant and Oil Analysis
- Provide written report

**MODEL: 3516 PKGL | SERIAL: 0GZS00144**

Level 1

Apr/2016 , Apr/2017 , Apr/2018 , Apr/2019 , Apr/2020

**MODEL: 3516 PKGL | SERIAL: 0GZS00145**

Level 1

Apr/2016 , Apr/2017 , Apr/2018 , Apr/2019 , Apr/2020

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### WatchGuard Level 2 (67-Point Inspection with Oil and Filter Change)

Includes the following:

- Level 1 Inspection
- Change engine oil
- Change engine oil filter(s)
- Change engine fuel filter(s)
- Inspect air filter(s)
- Disposal of old fluids per EPA standards
- Provide written report

**MODEL: 3516 PKGL | SERIAL: 0GZS00144**

Level 2

Oct/2016 , Oct/2017 , Oct/2018 , Oct/2019 , Oct/2020

**MODEL: 3516 PKGL | SERIAL: 0GZS00145**

Level 2

Oct/2016 , Oct/2017 , Oct/2018 , Oct/2019 , Oct/2020

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### WatchGuard Level 3 (Cooling System Service)

Includes the following:

- Drain and refill cooling system, add coolant additives
- Replace cooling systems hoses
- Replace engine thermostats (where applicable)
- Disposal of old fluids per EPA standards
- Provide written report

**MODEL: 3516 PKGL | SERIAL: 0GZS00144**

Level 3

Apr/2017 , Apr/2020

**MODEL: 3516 PKGL | SERIAL: 0GZS00145**

Level 3

Apr/2017 , Apr/2020

**Watchguard Level 6 (Engine/Generator Inspection and Adjustment)**

Includes the following:

- Inspection of slip ring and brushes
- Grease rear generator bearing
- Inspection of generator wiring
- Inspection of stator and rotor
- Inspection of generator space heater
- Inspection of coupling and guards
- Inspection of meters and voltage regulator
- Adjust engine intake and exhaust valves
- Calibrate injectors (where applicable)

**MODEL: 3516 PKGL | SERIAL: 0GZS00144**

Level 6

Oct/2018

**MODEL: 3516 PKGL | SERIAL: 0GZS00145**

Level 6

Oct/2018

**Watchguard Level 9 (Battery Replacement Program)**

Includes the following services

- Complete electrical system check
- Battery charger adjustment
- Test engine starter amperage
- Removal and disposal of old lead acid batteries per EPA standards
- Installation of new, low antimony batteries specifically designed for standby applications
- Provide written report

**MODEL: 3516 PKGL | SERIAL: 0GZS00144**

Level 9

Oct/2016 , Oct/2019

**MODEL: 3516 PKGL | SERIAL: 0GZS00145**

Level 9

Oct/2016 , Oct/2019

**MODEL: 3516 PKGL | SERIAL: 0GZS00144**

**Auxiliary Equipment**

- Fire Suppression System Service

**MODEL: 3516 PKGL | SERIAL: 0GZS00145**

**Auxiliary Equipment**

- Fire Suppression System Service

**Customer Requirements**

It is the customer's responsibility to...

- Perform weekly and monthly inspections of the engine/generator
- Maintain written or computerized records of the weekly and monthly inspections.
- Contact Ziegler Power Systems with any problems or concerns noted during the weekly and monthly inspections.

**Ziegler Power Systems Exclusion of Responsibility:**

Ziegler Inc. is not responsible for...

- Providing a portable generator during repairs
- Fuel consumed by generator set during operation
- Building wiring
- System modifications
- Acts of nature, terrorism or war
- Uses of generator beyond rated capacity
- Main fuel tank or piping problems
- Emissions permitting
- Regulation changes
- State and local taxes
- Customer abuse/neglect





## RPU Consultant Travel Reimbursement Policy

Rochester Public Utilities (RPU) will reimburse Consultants for travel related "Reimbursable Expenses" which are reasonably and necessarily incurred by Consultant in performing the Services prescribed in the Agreement. The term "Consultant" as used in this policy shall apply to all contractors, consultants, and other service providers who are a party to an agreement with RPU to which this policy is attached. Subject to the provisions of the Agreement, the following policy shall govern accrual of travel related expenses:

A receipt or other similar and appropriate written evidence must substantiate all expenses as indicated below. RPU reserves the right to deny reimbursement of any expense it reasonably determines to be inappropriate or excessive.

### Meals and incidentals – No receipts required

Rates for meals and incidentals will be determined by the most recent GSA rate as published (<http://www.gsa.gov/portal/content/101518>). Current rate (1/2016) shall not exceed the following:

Daily Total	Breakfast	Lunch	Dinner	Incidentals	First/Last Day of Travel
\$64	\$15	\$16	\$28	\$5	\$48

### Lodging – Receipt Required

Rates for lodging reimbursement will be determined by the most recent GSA rate, excluding tax, as published (<http://www.gsa.gov/portal/category/100120>). Current rate (1/2016) shall not exceed \$115 per night plus tax. You MUST ask for this rate when making reservations.

### Transportation – Receipts Required

**Privately-Owned Vehicles and Aircraft:** Reimbursement for the use of privately-owned vehicles and aircraft will be reimbursed at the current Federal IRS Standard Mileage Rate. In all cases, mileage must be on the most direct route.

**Rental Vehicle:** If there is only one individual traveling then rental fees for a compact to mid-size vehicle are allowable. Two or more individuals shall use a single rental vehicle, whenever feasible. In such instances, rental fees for a full size rental vehicle are allowable. Note: If Consultant refuels the vehicle before returning it to the rental agency, the cost of gasoline is reimbursable with a receipt. If not, then only the car rental fees will be reimbursed. Only business related mileage is reimbursed.

**Commercial Airfare:** RPU will reimburse for standard coach airfare in addition to baggage fees. First-class airfare will not be reimbursed. Should you wish to travel in a higher class of service than RPU allows, reimbursement will be limited to the coach airfare. Travel arrangements should be made seven or more days in advance.

**Other:** Expenses for local transportation, such as a shuttle service, trolley, taxi, or bus incurred in the performance of the Consultant's travel for RPU are reimbursable.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a five year maintenance agreement with Zeigler Power systems and authorize the Mayor and the City Clerk to execute the agreement for

### IBM Generator Maintenance Agreement

The amount of the agreement to be ONE HUNDRED THIRTY SIX THOUSAND, TWO HUNDRED SIXTY NINE AND 00/100 DOLLARS (\$136,269.00) and approve any other attendant or subsequent agreement as determined by the General Manager and City Attorney, subject to Board and City Council of the annual budget.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5344)

Meeting Date: 3/29/2016

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**SUBJECT: Correction to Westside Energy Station Project Resolution**

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**PREPARED BY: Wally Schlink**

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### BACKGROUND

At the February 23, 2016 RPU Utility Board meeting the Utility Board approved a resolution that read as follows;

**BE IT RESOLVED** by the Public Utility Board of the City of Rochester, Minnesota, to proceed with the negotiations and execution of an EPC Open Book Contract with *The Boldt Company* for the Engineering, Procurement and Construction of the Westside Energy Station.

The resolution should have said *the Westside Energy Partners, a general partnership between The Boldt Company and Sargent & Lundy, L.L.C.*

There are no other changes, revisions or modifications to any other aspect of the proposal, presentation, For Board Action, contract or resolution.

### ITEM DESCRIPTION:

Modify the February 23, 2016 resolution to reflect the change above.

BUDGET - N/A

### UTILITY BOARD ACTION REQUESTED:

Modify the resolution previously approved by the RPU Utility Board to reflect the Contract will be between the City of Rochester, Minnesota and the Westside Energy Partners.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to proceed with the negotiations and execution of an EPC Open Book Contract with the Westside Energy Partners, a general partnership between The Boldt Company and Sargent & Lundy, L.L.C. for the

Engineering, Procurement and Construction of the Westside Energy Station

Contingent on the approval of the RPU General Manager and the Rochester City Attorney for a total amount, not to exceed \$38,683,453.00 and authorize the Mayor and the City Clerk to execute the contract and allow for change orders to be managed by internal authorization procedures.

The estimated amount of the agreement and approved contingencies are broken down as follows; THREE MILLION, SEVEN HUNDRED AND NINETY EIGHT THOUSAND TWO HUNDRED AND EIGHTY NINE 00/100 DOLLARS (\$3,789,289.00) for a firm price for engineering, construction management and startup management, TWENTY EIGHT MILLION FOUR HUNDRED AND THIRTY SEVEN THOUSAND, NINE HUNDRED AND TWENTY TWO 00/100 DOLLARS (\$28,437,922.00) for procurement, subcontractor and markup for the balance of plant infrastructure and SIX MILLION FOUR HUNDRED AND FORTY SEVEN THOUSAND TWO HUNDRED AND FORTY TWO 00/100 DOLLARS (\$6,447,242) for contingency including granting authorization for the RPU Project Manager to perform the acts to execute the project.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 5325)

Meeting Date: 3/29/2016

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**SUBJECT: Board Organization Policy**

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**PREPARED BY: Mark Kotschevar**

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**ITEM DESCRIPTION:**

Attached is the red lined, revised Board Organization policy with the requested changes to sections 2 and 3.

**UTILITY BOARD ACTION REQUESTED:**

Approval of the revised Board Organization policy.

ROCHESTER PUBLIC UTILITIES  
BOARD POLICY STATEMENT

POLICY SUBJECT: BOARD ORGANIZATION

POLICY OBJECTIVE:

The Board's objective is to organize itself and to carry out its duties and responsibilities in an efficient and business-like manner in accordance with applicable provisions of the Rochester Home Rule Charter and other pertinent laws.

POLICY STATEMENT:

1. The Public Utility Board shall be organized in accordance with Sections 15.00 through 15.03 of the Rochester Home Rule Charter.
2. The Board shall, each year, at the first regular meeting, elect a President from its membership and appoint a Secretary, as prescribed by the Rochester Home Rule Charter. The Board's election and appointment may be deferred to a subsequent regular or special meeting in the event of circumstances which prevent the attendance of at quorum, at least ~~four-three~~ (43) members. The Board's President and Secretary shall take office immediately following their election/appointment and shall serve for the next ensuing year or until replaced by an election held or an appointment made when ~~not less than four (4) members~~ a quorum are present at a regularly scheduled meeting.
3. The Board President is responsible for calling special meetings of the Board, for establishing the meeting agendas, and for conducting the meetings. The President is also authorized to appoint Board members to ad hoc committees or to make other assignments as may be required.

At any time when the Board President is unavailable or otherwise unable to carry out his/her responsibilities, the most senior member will cover the absence until the Board President returns or a President pro tem ~~shall be~~ appointed by a quorum of the Board at its next regular meeting. ~~The President pro tem shall serve until the following regular meeting of the Board.~~

4. The Board President shall, each year at the first regular meeting after election, appoint each Board member to serve as Board-management liaison for the following functions:

Finance, Accounting, and Audit

Communications

Strategic Planning

Operations and Administration

Policy

The appointments shall be effective for the next ensuing year, unless changed earlier by the President.

| RELEVANT LEGAL AUTHORITY: Rochester Home Rule Charter Sections 15.00, 15.01, 15.02, 15.03.

| EFFECTIVE DATE OF POLICY: ~~September 24, 1985~~ May 23, 1995

| DATE OF POLICY REVISION: ~~May 23, 1995~~ March 29, 2016

POLICY APPROVAL:

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

\_\_\_\_\_  
Date

Attachment: Board Organization Policy 2016 redlined (5325 : Board Organization Policy)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a resolution accepting the revised

Board Organization Policy

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary



## FOR BOARD ACTION

Agenda Item # (ID # 5342)

Meeting Date: 3/29/2016

**SUBJECT: Small Power Producer Rate**

**PREPARED BY: Mike Heppelmann**

**ITEM DESCRIPTION:**

Minnesota Statute 216B.164 requires that each utility must file a new Power Production Tariff annually with the commission, or for municipal utilities, with their governing board. If there are no changes to the tariff other than Schedule C, this statute allows for the filing of a new Schedule C, with notification to the Utility Board that there are no other changes. Schedule C calculates the Average Retail Rate per Kwh for each customer class. The Average Retail Rate calculated is the rate used to credit Small Power Producers (SPP) customers for energy produced in the subsequent year. (The Average Retail Rate for 2015 will be used to credit the net metered customers when their Kwh production exceeds their use for the month during the 12 months starting in April 2016.) The Average Retail Rate excludes customer charges.

There are no other changes to the tariff, and the update for Schedule C is attached.

Small Power Producers (SPP)							
(Photovoltaic/Wind)							
	Customer Class	SPP Count		# Net Metered		2016 Rate	2015 Rate
	RES	51		51		0.1041	0.1015
	SGS	6		5		0.1056	0.1020
	MGS	5		0		0.1002	0.0987
	LGS	0		0		0.0936	0.0907
	LIS	1		0		0.0888	0.0861

**UTILITY BOARD ACTION REQUESTED:**

It is recommended that the Utility Board approve the updated Schedule C, to be attached to the previously approved Rules Covering Cogeneration and Small Power Production Facilities.

ROCHESTER PUBLIC UTILITIES  
RULES COVERING COGENERATION  
AND SMALL POWER PRODUCTION

SCHEDULE C

	2015	2014	
<b>RESIDENTIAL</b>			
Total revenues	\$ 44,025,806.82	\$ 42,818,864.61	
Less fixed revenues (customer charge)	\$ 9,061,877.82	\$ 8,166,545.64	
Net revenues	<u>\$34,963,929.00</u>	<u>\$ 34,652,318.97</u>	
kWh	<u>335,708,119</u>	<u>341,452,009</u>	
<b>Average retail energy rate</b>	<b>\$ 0.1041</b>	<b>\$ 0.1015</b>	2.63%
<b>COMMERCIAL</b>			
<b>SGS</b>			
Total revenues	\$ 16,596,453.36	\$ 16,166,798.18	
Less fixed revenues (customer charge)	\$ 1,716,004.41	\$ 1,549,694.81	
Net revenues	<u>\$ 14,880,448.95</u>	<u>\$ 14,617,103.37</u>	
kWh	<u>140,850,068</u>	<u>143,282,061</u>	
<b>Average retail energy rate</b>	<b>\$ 0.1056</b>	<b>\$ 0.1020</b>	3.56%
<b>MGS</b>			
Total revenues	\$ 35,738,567.04	\$ 34,023,648.95	
Less fixed revenues (customer charge)	-	-	
Net revenues	<u>\$ 35,738,567.04</u>	<u>\$ 34,023,648.95</u>	
kWh	<u>356,671,179</u>	<u>344,689,730</u>	
<b>Average retail energy rate</b>	<b>\$ 0.1002</b>	<b>\$ 0.0987</b>	1.51%
<b>LGS</b>			
Total revenues	\$ 13,716,001.42	\$ 13,544,071.09	
Less fixed revenues (customer charge)	-	-	
Net revenues	<u>\$ 13,716,001.42</u>	<u>\$ 13,544,071.09</u>	
kWh	<u>146,545,725</u>	<u>149,388,453</u>	
<b>Average retail energy rate</b>	<b>\$ 0.0936</b>	<b>\$ 0.0907</b>	3.23%
<b>INDUSTRIAL</b>			
Total revenues	\$ 18,277,248.61	\$ 18,277,320.74	
Less fixed revenues (customer charge)	-	-	
Net revenues	<u>\$ 18,277,248.61</u>	<u>\$ 18,277,320.74</u>	
kWh	<u>205,163,635</u>	<u>212,296,539</u>	
<b>Average retail energy rate</b>	<b>\$ 0.0888</b>	<b>\$ 0.0861</b>	3.19%

Attachment: Small Power Producer - Schedule C (5342 : Small Power Producer Rate)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the updated Schedule C, to be attached to the previously approved Rules Covering Co-generation and Small Power Production Facilities.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of March, 2016.

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President

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Secretary