

ROCHESTER PUBLIC UTILITIES  
BOARD MEETING MINUTES  
March 29, 2011

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

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

1. Mr. Stahl moved to approve the minutes of the February 22, 2011 meeting, seconded by Mr. Reichert.

All voting "AYE"

2. Mr. Williams opened the meeting for comments from the public. No one wished to be heard.

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

- 3a. The bids for North Park High Level Tower #97 were discussed. Mr. Johnson, Manager of Maintenance and Construction – Water Operations, explained that the utility received a discounted rate for taking the tank out of service this summer. He also explained the process for tower inspection and repainting. Mr. Reichert moved to approve a contract with Utility Service Company, Inc., seconded by Mr. Hanson.

All voting "AYE"

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

WATER STORAGE TANK REPAIR-REPAINTING  
(500,000 gallon North Park High Level Tower #97)

The amount of the contract agreement to be TWO HUNDRED FIFTEEN THOUSAND, THREE HUNDRED EIGHTY AND 00/100 DOLLARS (\$215,380.00) and Utility Service Company, Inc. being the lowest responsible bidder.

- 3.b. Mr. Hanson moved to approve a purchase order agreement with Keys Well Drilling for the Well #40 pumping unit, seconded by Mr. Reichert.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the low quotation from Keys Well Drilling for furnishing and installing the Well #40 pumping unit, and to enter into a purchase order agreement with Keys Well Drilling, of

St. Paul, Minnesota, for

Furnishing and Installing Municipal Well #40 Pumping Unit  
to include Added Ceramic Bearing and Grounding Ring

The amount of the purchase order contract to be SIXTY-ONE-THOUSAND-ONE-HUNDRED-NINETEEN and NO/100 DOLLARS (\$61,119.00).

4. Mr. Schlink, Director of Power Resources, discussed the Memorandum of Understanding between the City of Rochester and the IBEW 949 Outside Bargaining Unit regarding the elimination of the Plant Attendant classification. He explained that this affects pay equity. He also stated that employees who were in this position were transferred to a comparable position. Mr. Hanson moved to approve the Memorandum of Understanding, seconded by Mr. Browning.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve a Memorandum of Understanding between the City of Rochester and the International Union of Electrical Workers (IBEW) 949 regarding the Plant Attendant classification elimination, and that the Common Council authorize the Mayor and the City Clerk to execute the Memorandum.

5. The amendment to the Enviro-Logic Ash Disposal Agreement was discussed. The amendment will result in an overall reduction of annual expenses for the disposal of ash. Mr. Hanson moved to approve the amendment, seconded by Mr. Browning.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota to approve an Amendment to the Ash Removal and Disposal Agreement with Enviro-Logic, and that the Board request the Mayor and the City Clerk to execute the Agreement.

6. A Power Purchase Agreement with the Southern Minnesota Municipal Power Agency (SMMPA) to modify metering requirements for facilities less than 40 kilowatts was discussed. Mr. Schlink, Director of Power Resources, said this resulted from the renewable energy installations that RPU installed at the Cascade Meadow facility. Mr. Hanson moved to approve the agreement, seconded by Mr. Stahl.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota to approve a Purchase Power Agreement relating to Uniform Statewide Contracts for Cogeneration and Small Power Production Facilities between the City of Rochester and the Southern Minnesota Municipal Power Agency, and that the Board request the Mayor and the City Clerk to execute the Agreement.

7. Mr. Osweiler, Environmental Analyst, discussed RPU's updated Water Supply Plan with the Board. The original plan was adopted in 1995. The Water Supply Plan is a ten year plan that addresses existing and future water sources (i.e. the aquifers that supply water for the RPU system), projected demands, adequacy of the water supply system, planned improvements, etc. Mr. Browning asked if the water supply system would meet the City's needs through 2019. Mr. Osweiler said it would depend on where the growth occurred in Rochester. Mr. Williams asked about the status of the aquifer level. Mr. Osweiler said RPU has continuous aquifer monitoring on all wells. He also stated that the Minnesota Department of Natural Resources has requested monthly data. Mr. Rovang, Senior Civil Engineer, and Mr. Osweiler will present more detailed information on RPU's water system at the May meeting when the Water Engineering & Operations Report becomes available. Evaluation of RPU's water conservation efforts will also be presented at that time. Mr. Hanson moved to adopt the updated Water Supply Plan, seconded by Mr. Reichert.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota to a Water Supply Plan approved by the Minnesota Department of Natural Resources in compliance with Minnesota Statutes 103G.291, and that the Board request the Mayor and the City Clerk to execute the Agreement.

8. The 2011 air emissions fee for Silver Lake Plant was discussed. Overall, emissions have gone down. The annual fee is used by the Minnesota Pollution Control Agency to fund air quality programs. Mr. Hanson moved to approve payment of the fee, seconded by Mr. Browning.

All voting "AYE"

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to authorize payment of the 2011 Silver Lake Plant air emission fee in the amount of \$58,059.29 to the Minnesota Pollution Control Agency.

9. The General Manager provided the following report to the Board:
  - a. Several proposed environmental regulations are pending at the state level.
  - b. RPU received a plaque for its sponsorship of the Regional Science Fair. RPU will be the main sponsor next year because the theme is water.
  - c. Mr. Koshire noted that there was an article in the American Public Power Association (APPA) magazine about the Minnesota Student Energy Project, founded by a group of students interested in cutting carbon and educating their fellow students to do the same. RPU assisted the students in obtaining \$75,000 in funding from APPA for their project. More than 20 kilowatts of solar photovoltaic energy now helps to power the high schools in Rochester.
  - d. Mr. Kotschevar, Director of Core Services, showed the Board an LED street light fixture which will be used in Rochester.

- e. Mr. Reichert and Mr. Stahl attended an audit committee meeting prior to the Board meeting. There were no major issues. A formal presentation on the audit will be made at the April 26 Board meeting.
  - f. Mr. Williams asked to see a summary of the Smart Grid focus group results that RPU is currently conducting.
10. The management reports were discussed. Mr. Hanson moved to approve the accounts payable, seconded by Mr. Stahl.

All voting "AYE"

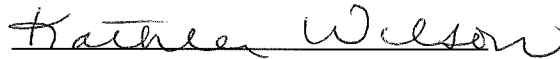
11. Mr. Reichert moved to adjourn the meeting, seconded by Mr. Browning.

All voting "AYE"


The meeting adjourned at 5:10 p.m.

Following the meeting, an informal planning session was held in the RPU Community Room. No action was taken by the Board during the planning session.

Submitted by:

  
Secretary

Approved by the Board:

  
Board/President

4/26/11  
Date