



1. Review of Accounts Payable
2. Preliminary 2021 Water and Electric Budgets
- 8. Board Liaison Reports**
  1. RPU Index of Board Policies
- 9. General Managers Report**
- 10. Division Reports & Metrics**
- 11. Other Business**
- 12. 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.igmp2.com/Citizens/Default.aspx>*



## MEETING MINUTES – JULY 28, 2020

COMMUNITY ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

Due to the current ongoing pandemic, in-person access is closed. This meeting will be conducted pursuant to Minnesota Statutes section 13D.021 and board members may appear electronically. The meeting will be live-streamed on the following web address: <rtmp://a.rtmp.youtube.com/live2>. In addition, a recording will be available after the meeting on the City's website.

### Call to Order

Attendee Name	Title	Status	Arrived
Brett Gorden	Board Member	Present	
Tim Haskin	Board Member	Present	
Melissa Graner Johnson	Board Vice President	Present	
Brian Morgan	Board President	Present	
Michael Wojcik	Board Member	Present	

### 1. Approval of Agenda

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

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Melissa Graner Johnson, Board Vice President
<b>AYES:</b>	Gorden, Haskin, Johnson, Morgan, Wojcik

### 2. Safety Moment

General Manager Mark Kotschevar spoke regarding cell tower antennas on top of RPU water towers that give off non-ionizing radiation which can be hazardous with close contact. RPU crews carry special meters on their climbing harnesses to measure the radiation when climbing the towers to perform maintenance. If the radiation exceeds the OSHA threshold, an alarm goes off to alert the worker to back down. Crews are trained annually on this type of radiation and use of the meters.

### 3. Approval of Minutes

1. Public Utility Board - Regular Meeting - Jun 23, 2020 4:00 PM
2. **Motion to:** approve the minutes of June 23, 2020 as presented

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Member
<b>AYES:</b>	Gorden, Haskin, Johnson, Morgan, Wojcik

### NEW BUSINESS

### Open Comment Period

Minutes Acceptance: Minutes of Jul 28, 2020 4:00 PM (Tabled Item - Approval of Minutes)

*(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.)*

**No in-person open comments will be heard. Comments may be submitted in writing or via email at [rpuboard@rpu.org](mailto:rpuboard@rpu.org).**

RPU did not receive any public comments.

#### 4. Consideration Of Bids

##### 1. Watermain Reconstruction (17th Ave NW, North of 4th St)

*Materials Manager Andrew Bianco presented a request to the Board to approve a water main reconstruction project at 17th Ave NW, north of 4th Street. SL Contracting was the lowest of two bidders and has performed well for RPU on past projects. This is a shared project with Public Works who will contribute \$10,000; RPU's portion of the funds will come from reallocation of funds from a project that did not go forward in 2020, North Broadway and 12th Ave-Center Street to 2nd Street. There have been a total of 11 water main breaks on this line. Work is expected to be completed no later than October 31, 2020.*

*Board Member Michael Wojcik asked if there will be timeline interruptions. Project Engineer Wade Neubauer said there should be few disruptions, other than traffic disruption at the entrance to the Fairfield Inn & Suites, on the east half of Frontage Road. There will be very minimal disruption to water services. Mr. Wojcik expressed concern about protecting bike routes through that area for cyclists. The impact to the bike path at the west side of 17th Avenue will be very minimal, said Mr. Neubauer.*

Resolution: Watermain Reconstruction (17th Ave NW, N of 4th St)

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve an agreement with SL Contracting Inc. and authorize the Mayor and the City Clerk to execute the agreement for*

*Watermain Reconstruction Project (17th Ave NW, N of 4th St)*

*The amount of the agreement to be ONE HUNDRED NINE THOUSAND NINE HUNDRED EIGHTY-FIVE AND 00/100 DOLLARS (\$109,985.00).*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28th day of July, 2020.*

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

##### 2. Watermain & Sanitary Sewer Reconstruction (N Frontage Rd 37 St)

*RPU Materials Manager Andrew Bianco stated that sealed bids for this project were opened on July 27, 2020. Elcor Construction was the low bidder with a bid of \$462,563.00, \$446,713.00 for the project and \$15,850.00 in alternates. This is a shared project with Public Works contributing \$240,000, and RPU contributing the remainder using funds reallocated from the North Broadway and 12th Ave-Center Street to 2nd Street projects that didn't go forward in 2020. There have*

been a total of 10 water main breaks on this line. Work is expected to be completed no later than October 31, 2020.

Board Member Michael Wojcik asked if there is an engineer's estimate. Project Engineer Wade Neubauer said the engineer's estimate for this project was projected to be \$644,000.

A clerical error on the Board resolution resulted in an incorrect dollar amount. Mr. Wojcik made a motion to amend the language of the resolution to correct the numeric value (\$462,563.00) of the contract to match the text value. This was seconded by Tim Haskin. Motion passed.

Resolution: Watermain & Sanitary Sewer Reconstruction (N Frontage Rd 37 St)

*BE IT RESOLVED* by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Elcor Construction and authorize the Mayor and the City Clerk to execute the agreement for

Watermain & Sanitary Sewer Reconstruction (N Frontage Rd 37 St)

The amount of the contract agreement to be FOUR HUNDRED SIXTY-TWO THOUSAND FIVE HUNDRED SIXTY-THREE AND 00/100 DOLLARS (\$462,563.00).

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28th day of July, 2020.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Member
<b>AYES:</b>	Gorden, Haskin, Johnson, Morgan, Wojcik

## 5. Regular Agenda

### 1. Mayo Steam Contract Extension

RPU Materials Manager Andrew Bianco said a contract between Mayo Clinic and the City of Rochester allowing Mayo to purchase steam from the Silver Lake Plant, owned and operated by the City of Rochester through RPU, executed on February 2, 2014, has been requested to be extended. The term of the contract end date will be extended from December 31, 2025 to December 31, 2030.

Board Member Michael Wojcik asked if the proposed downtown district energy solutions that will be reviewed by the Rochester City Council may be affected by this agreement between Mayo Clinic and City of Rochester. Director of Power Resources Jeremy Sutton stated that the two systems would not be compatible with each other. This is a Mayo-owned steam line not available to the public that was built for the purpose of running turbines at the Mayo campus. The downtown district energy scenarios will use hot water that will be CO2 efficient. Board Member Brett Gorden, Mayo Clinic Facilities Management Section Head, said he would abstain from the vote due to his employment, but supports the contract extension.

President Morgan asked if supplying steam to Mayo will extend the life of operations at the Silver Lake Plant. General Manager Mark Kotschevar said if this amendment is passed, the plant would be scheduled for decommissioning at the end of 2030. President Morgan asked if any capital expenditure is needed to service the contract through the end of 2030. There could be, said Mr. Sutton. He

*said a parallel study conducted by Mayo and RPU to determine the best use of the Silver Lake Plant facility found the best use would be to extend the life.*

Resolution: Mayo Steam Contract Extension

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve an amendment to agreement 14-07-E between the City of Rochester and The Franklin Heating Station, a Minnesota General Partnership by Mayo Clinic, to extend the term of the contract to December 31, 2030, and authorize the Mayor and the City Clerk to execute the agreement.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28th day of July, 2020.*

<b>RESULT:</b>	<b>ADOPTED [4 TO 0]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Tim Haskin, Melissa Graner Johnson, Brian Morgan, Michael Wojcik
<b>ABSTAIN:</b>	Brett Gorden

## 6. Informational

1. Review of Accounts Payable

*The Board accepted the Account Payable Board listing.*

## 7. Board Liaison Reports

The Board's new Undergrounding Policy is still being drafted, and a proposed draft will be presented at the August meeting.

A meeting of the Board's Rates Committee will be scheduled in the near future to review the results of the electric cost of service study with Burns and McDonnell.

## 8. General Managers Report

General Manager Mark Kotschevar reviewed the budget review schedule, consisting of the August 20 meeting of the Board's Finance Committee, and initial budget review to the full Board at the August 25 meeting.

RPU is working in conjunction with the City of Rochester on allocation of CARES Act funding, amounting to slightly over \$5 million. Director of Corporate Services Peter Hogan said assistance will be available to RPU residential and commercial customers directly impacted by COVID-19 for billing for water, sewer, storm water and electric services, for expenses incurred from March 1, 2020 to December 31, 2020. Director of Customer Relations Krista Boston said that Manager of Marketing and Energy Services Patty Hanson and her team have coordinated a Coronavirus Relief Funds application for qualifying RPU small business customers. Available funding to assist commercial customers will be disbursed at equal to 50% of their average annual billing capped at \$5,000, she said. Information about the program, including application criteria and a link to the application, is available on the RPU website and will be shared via social media. Additionally, residential customers who qualify for CARES Act funding would be reimbursed at 50% of their average annual billing with a cap of \$600. President Morgan asked what would happen if demand exceeds supply. Right now, the program is set up on a first-come, first-served basis, said General Manager Mark Kotschevar, and when the limit of the allocated funds is reached, the program will cease unless additional funds become available. Mr. Hogan explained that half of the funds will be paid when the customer's application is approved, then the remaining half will be distributed when the October 16 application deadline is



closed, or the remaining available funds will be divided equally among the applicants, depending on the amount available.

Ms. Boston updated the Board on RPU's outreach to customers regarding the energy assistance program through Three Rivers Community Action. According to Three Rivers, compared to last year, this year an additional 260 households in Rochester received crisis payments, applications increased by 81 households and the number of crisis payments were more than doubled.

RPU is introducing its Smart Energy Water app phase 2 which will provide additional conveniences for customers. The app went live on July 28, said Manager of Geographic Information Systems and project lead Ryan Moore. Two new modules for outage and efficiency are available on the RPU Connect app as well as the RPU website, enabling customers to easily report outages, sign up for notifications including when power is restored, access a public outage map, view RPU programs such as the rebates program, view savings tips, and apply for rebates.

RPU has been assisting the City of Rochester in a study for a district energy system to serve downtown Rochester. The council will receive an informational presentation on the study by RPU Director of Power Resources Jeremy Sutton and Energy and Sustainability Director for the Destination Medical Center Kevin Bright at its August 10 study session.

Ms. Boston, Ms. Hanson and Residential Account Representative Stephanie Humphrey have been researching the benefits of on-bill financing for energy efficiency projects for the residential customer class, raised through public comment at the June Board meeting, and found that Minnesota has a number of programs already available, through City of Rochester, Olmsted County, Minnesota Housing Finance Agency (MHFA), Center for Energy and Environment (CEE), or the customer taking out a personal loan. Some concerns with moving in the direction of on-bill financing are putting additional stress on low-income customers who are already struggling and would not be able to use energy assistance to pay their bill, she said. Financing would also require additional collections activity if the loans are not paid off. For these reasons, staff recommends providing outreach to connect customers with these existing programs. Board Member Michael Wojcik stated that some of these organizations don't have a lot of funds available and asked if RPU staff could track those customers who are unable to receive funding through these outside resources. RPU can take steps to be more knowledgeable about these programs and become better equipped to make referrals, said Ms. Boston. President Morgan asked if any progress has been made on developing a new round-up style program at RPU. Ms. Boston stated that RPU is currently looking into how the program can be integrated into its customer care and billing system.

RPU Board members are invited to attend the Minnesota Municipal Utility Association (MMUA) Virtual Summer Conference scheduled for August 25-26, 2020.

## **9. Division Reports & Metrics**

President Morgan commended the utility on its June 2020 safety stats, including a 98.5% safety training completion rate, a 96.0% attendance rate for RPU safety team meetings, and zero OSHA incidents.

## **10. Other Business**

General Manager Mark Kotschevar stated that going forward, the Board may wish to open the RPU Board meetings to public access, limited to the room occupancy utilizing social distancing. President Morgan said he only had one request from a member of the public to open the

meetings, and he was supportive of making the meetings accessible. Vice President Johnson stated that in light of COVID-19 health concerns, virtual meetings should be continued. Mr. Kotschevar said language will be added to the next Board meeting packet to allow for public access, restricted to comply with state health guidance, based on current room layout, with the number of individuals allowed clearly stated.

## 11. 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.igmp2.com/Citizens/Default.aspx>*

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board

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

\_\_\_\_\_  
Date





## MEETING MINUTES – AUGUST 25, 2020

COMMUNITY ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

This meeting will be conducted pursuant to Minnesota Statutes Section 13D.021 and members may appear electronically. Public Access will be restricted to comply with state health guidance during the pandemic. Current room layout allows for approximately 10 individuals to attend. The meeting will be live-streamed on the following web address: <https://youtu.be/DD1h89VmL-E>. In addition, a recording will be available after the meeting on the City's website.

### Call to Order

Attendee Name	Title	Status	Arrived
Brett Gorden	Board Member	Present	
Tim Haskin	Board Member	Present	
Melissa Graner Johnson	Board Vice President	Present	
Brian Morgan	Board President	Present	
Michael Wojcik	Board Member	Present	

### 1. Approval of Agenda

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

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Brett Gorden, Board Member
<b>SECONDER:</b>	Michael Wojcik, Board Member
<b>AYES:</b>	Gorden, Haskin, Johnson, Morgan, Wojcik

### 2. Safety Moment

President Morgan spoke regarding the importance of taking care of one's mental health during the time of the pandemic.

### 3. Approval of Minutes

1. **Motion to:** table approval of the Minutes of July 28, 2020, until the next meeting due to omission from the board packet

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Melissa Graner Johnson, Board Vice President
<b>AYES:</b>	Gorden, Haskin, Johnson, Morgan, 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 Morgan opened the meeting for public comment. No one came forward to speak.

2. Public Comments received via email

*Discussion on the July 28, 2020 email from Ray Schmitz regarding the efficiency of steam generation produced for Mayo Clinic:*

*Director of Power Resources Jeremy Sutton stated there are no planned projects to improve efficiency at the plant. Any type of improvement would require replacement of the natural gas boilers. This will be revisited in 2030.*

*Discussion on the August 10, 2020 email from Micah Johnson regarding on-bill energy efficiency financing options available in Minneapolis:*

*General Manager Mark Kotschevar said that Customer Relations Director Krista Boston has reached out to CenterPoint Energy, an investor-owned gas utility, and to EEtility, Inc, a third-party vendor, both mentioned in the article referenced in Mr. Johnson's letter. Mr. Kotschevar explained that as an investor-owned utility, CenterPoint proposes to take the program's administrative costs and roll it into their rate base, earning a return on equity for costs to administer this program. For them it makes sense, but as a municipal, RPU does not have the ability to make a rate of return from its rate payers on programs. Also, the workload required to administer this program would be extensive and would require a business plan to operate. Additionally, Mr. Kotschevar noted that CenterPoint uses funds from an external source (investors), as opposed to rate payers.*

*President Morgan asked if there is a need in the Rochester community for this type of program. Ms. Boston stated that it would require more research. As this program is in Minneapolis, more than 57 percent of this utility's customers are renters, said Ms. Boston, which is a different demographic than that of Rochester. Ms. Boston learned the program is working with an investor group called Inclusive Prosperity that invests in certain homes from an equity perspective to give them access to supports, however it's not known if Rochester would have similar types of housing or the numbers to generate investor interest. Right now, she said, the RPU customer relations group is very busy distributing CARES funding to commercial and residential customers, so it would be awhile before such a program could be developed. Board Member Tim Haskin clarified that Mr. Johnson's letter is concerning financing of residential energy efficiency upgrades. This could be anything from appliance upgrades to HVAC upgrades, said Ms. Boston.*

*President Morgan suggested that next time a customer survey is conducted, RPU could ask customers if they would support on-bill energy efficiency financing.*

#### 4. Consideration Of Bids

1. LED Residential Luminaries

*As the City's LED Streetlight Replacement Project moves forward, sealed bids for residential luminaries were opened on August 11, 2020 at RPU. Nine bids were received, with one bid rejected as unresponsive. An estimated 4,400 residential luminaries are needed to support the project, and staff chose the two lowest bidders representing different manufacturers to reduce the risk of supply chain or quality risks. Buyer Mona Hoeft asked Board members to approve contracts with Excellence Opto Inc c/o Evans, Lipka & Associates, for a total of \$248,270, and*

with Stuart C. Irby, for a total of \$281,600. The project is being funded by Rochester Public Works.

President Morgan asked how the number of luminaries were determined and how they line up with the number of photo cells and mast arms. Senior Electrical Engineer Steven Cook stated the quantities were based on data from RPU's geographical information system (GIS). Historically, there have been three sizes of roadway luminaries, a 100-watt HPS (residential), a 250-watt and 400-watt HPS, both used on commercially-oriented streets with higher traffic speeds. Now, said Mr. Cook, there will be two luminary sizes, a replacement for the 100-watt HPS (residential) and a replacement for the 250-400 watt HPS (commercial). Board Member Michael Wojcik asked if this will be the bulk of the capital for the project. This infrastructure represents 60-70 percent of the capital cost for the project, said Mr. Cook. Over the last several years, more than 15 percent of the luminaries have been replaced.

Resolution: LED Residential Luminaries

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept bids from Excellence Opto, Inc. in an amount not to exceed \$248,270 and Stuart C. Irby in an amount not to exceed \$281,600, plus applicable taxes, to purchase residential luminaries for LED Streetlight Replacement Project, and reject Wesco's bid for model number CREE 3L as unresponsive.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.*

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

2. LED Commercial Luminaries

*Sealed bids for the commercial luminaries portion of the LED Streetlight Project were opened on August 11, 2020, at RPU with nine bids. One bid was rejected as unresponsive for failing to submit required documentation. An estimated 426 commercial luminaries will be needed for the project. Staff chose the two lowest bidders representing different manufacturers to reduce the risk of supply chain or quality risks. Buyer Mona Hoeft presented a request to the Board to approve contracts with Stuart C. Irby in the amount of \$33,121.50, and with Excellence Opto Inc c/o Evans, Lipka & Associates in the amount of \$32,535.75. The project is being funded by Rochester Public Works.*

Resolution: LED Commercial Luminaries

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the bid from Stuart C. Irby in an amount not to exceed \$33,121.50 and Excellence Opto Inc. in an amount not to exceed \$32,535.75, plus applicable taxes, to purchase commercial luminaries for the LED Streetlight Replacement Project, and reject the bid from Elk River Winlectric as unresponsive.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.*

Minutes Acceptance: Minutes of Aug 25, 2020 4:00 PM (Approval of Minutes)

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Member
<b>AYES:</b>	Gorden, Haskin, Johnson, Morgan, Wojcik

## 3. Photo Cells

*Sealed bids for the photo cells portion of the LED Streetlight Replacement Project, which are used to turn the luminaries on and off based on ambient light levels, were opened on August 11, 2020 at RPU. Five bids were received. An estimated 6,000 photo cells will be needed for the project. Buyer Mona Hoeft requested the Board to approve a contract with low bidder Wesco in the amount of \$66,300. The project is being funded by Rochester Public Works.*

Resolution: Photo Cells

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the bid from Wesco in an amount not to exceed \$66,300, plus applicable taxes, to purchase photo cells for LED Streetlight Replacement Project.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Michael Wojcik, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Member
<b>AYES:</b>	Gorden, Haskin, Johnson, Morgan, Wojcik

## 4. Mast Arms

*Sealed bids for the mast arms portion of the LED Streetlight Replacement Project, used to install luminaries onto the streetlight structures, were opened on August 11, 2020 at RPU. Three bids were submitted. An estimated 2,731 mast arms will be needed for the project. Buyer Mona Hoeft requested the Board's approval to enter into a contract with low bidder Wesco in the amount of \$95,885.41. The project is being funded by Rochester Public Works.*

Resolution: Mast Arms

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept bids from Wesco in an amount not to exceed \$95,885.41 to purchase mast arms for LED Streetlight Replacement Project.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.*

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

## 5. Regular Agenda

## 1. SMMPA Power Purchase Agreement Relating to Qualifying Facilities

*Board members were asked to approve an amendment to the Southern Minnesota Municipal Power Agency (SMMPA) Power Sales Contract with regard to cogeneration and small power production facilities to bring it in line with present State Distributed Energy Resources rules and to define how the agency*

and members will account for excess energy generated from distributed customer owned resources.

Board Member Michael Wojcik asked City Attorney Jason Loos if he approves of the language in the agreement. Mr. Loos said he reviewed the agreement and has no concerns.

Resolution: SMMPA Power Purchase Agreement Amendment Relating to Qualifying Facilities

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Southern Minnesota Municipal Power Agency and authorize the Mayor and the City Clerk to execute the agreement for:*

**AMENDED AND RESTATED POWER PURCHASE AGREEMENT  
RELATING TO CONTRACTS FOR COGENERATION AND SMALL POWER  
PRODUCTION FACILITIES**

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.*

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

## 6. Informational

### 1. Review of Accounts Payable

*Board Member Tim Haskin asked if payments on line items 112 and 149 for residential and commercial landscape expenses are to repair damage done through work projects. Controller Julie Ackerman did not immediately know the details of the payments but promised to respond following the meeting.*

### 2. Preliminary 2021 Water and Electric Utility Budgets

*The Board took its first look at RPU's preliminary 2021 water and electric utility budgets presented by Corporate Services Director Peter Hogan. For the water utility, a zero percent overall rate increase is planned for 2021. Mr. Hogan said the main drivers behind the water rate budget include a 0.8 percent growth in customers, no appreciable growth in total consumption for 2021 based on assumption of average weather and rainfall, an estimated lower amount of average cooling degree days (525 cooling degree days projected in 2021, compared to 690 cooling degree days in 2020), water main replacements due to aging infrastructure, City planned street reconstruction, DMC development affecting water infrastructure, distribution system expansion and water conservation programs and education.*

*For the electric utility, a zero percent rate increase is planned for 2021. Additionally, the cost allocations between customer classes will be reassessed in 2021 as part of the utility's cost of service study and will include the cost of the new customer care and billing system, potential advanced metering infrastructure (AMI) implementation and line extension policy revenue. The main drivers contributing to the electric utility budget, said Mr. Hogan, include load loss and uncertain timing of recovery of revenue loss due to the pandemic, cuts to internally funded capital project requests, major maintenance requests and cost center budget cuts in order to enable a zero percent rate increase without*



depleting cash reserves, a delay or hold in the advancement of AMI due to revenue loss, and distribution system expansion including the new Marion Road substation, tree trimming, new services and replacement of aging infrastructure.

President Morgan asked if bonding costs will be part of the agreements RPU will enter into once it exits its SMMPA contract in 2030. Mr. Hogan said bonding is very likely in the 2025 time frame, and RPU is now working on building equity and reserves to prepare for that. Board Member Michael Wojcik asked if the electric utility may be digging itself into a hole in the out years by implementing a zero percent rate increase in 2021. Mr. Hogan stated given the pandemic and the unknown of the next three years, RPU has a placeholder of 3.5% adjustment for now in the out years but that will depend on the utility's gross margin as well as many variables. In making budget cuts to the electric utility capital budget, Mr. Hogan said decisions were made so as not to affect any critical long-term strategic items. Mr. Wojcik asked if the delay in advancement of AMI will affect the whole project. General Manager Mark Kotschevar said only a small portion of the project will be cut, with a million dollars still allocated in next year's budget.

President Morgan asked how negative cash reserves for the water utility can be reversed and if RPU will end up creating an unfunded liability. Mr. Hogan stated capital expenditures, water main replacements and AMI are the three big drivers in the water utility budget, and these numbers will be dependent on the City's future DMC-related projects and capital improvement projects. Regarding the unfunded liability, RPU still has financial options, given the 3.5 percent rate increases estimated in the next few years, said Mr. Hogan. Establishing the zero percent increase was an effort to be sympathetic to the plight of RPU customers hit by Covid financial difficulties, he said.

The electric utility cost of service study will be brought to the Board in September. Final approval of the 2021 water and electric utility budgets will appear on the October RPU Board meeting agenda. A summary of the budget proposal will be presented at the City Council study session on September 14, 2020, followed by final approval by the City Council in December.

3. Electric Utility Undergrounding Policy

RPU staff has worked with the Board's Operations and Administration Committee to draft a new Undergrounding Policy, which was presented to the Board for review and comment. The policy sets guidelines for growing underground electric infrastructure within RPU's distribution system and associated vegetation management, and has an objective of moving towards 100 percent underground infrastructure for the electric utility. Vice President Johnson said the policy intentionally does not get too specific to allow RPU staff the ability to work within its existing rules and regulations with regard to undergrounding. Board Member Tim Haskin stated the policy will change as the technology and community changes in the future. Board Member Michael Wojcik, who originally requested the policy, thanked those who worked on the draft for their time and effort. Director of Core Services Sidney Jackson stated that following Board review, the policy will be brought back to the Board for final approval.

## 7. Board Liaison Reports

General Manager Mark Kotschevar said there has been discussion with City administration regarding the Board's Contribution in Lieu of Taxes policy, which may be updated soon due to a potential change in the formula for calculating payment in lieu of taxes.

## 8. General Managers Report

General Manager Mark Kotschevar thanked Manager of Marketing and Energy Services Patty Hanson, Energy and Environmental Advisor Anna Basimamovic, and the marketing group for their work in managing applications for the Coronavirus Relief Funds to help Rochester's small business community. The program is at or over its limit for applications. Help for residential customers is coming, he said, with RPU collaborating with Olmsted County's residential program to distribute the City's CARES funding.

Large increases in utility bills seen by customers in recent months were determined to be the result of higher than normal usage due to hot temperatures, said Mr. Kotschevar, not an error in billing. RPU has done some outreach to customers regarding the higher bills to encourage them to use budget billing, through social media and Tips from Tony. Additionally, he said, water bills have also been higher due to increased usage by people working from home during the pandemic.

RPU's enhancements to the RPU Connect App were successfully rolled out at the end of July and are available to the public. The new features allow customers to fill out rebate forms, report outages, sign up for notifications, view an outage map and view savings tips.

Community Development's presentation to the City Council on August 10, 2020 regarding a proposed downtown district energy system to heat and cool City buildings, supported by RPU, generated discussion and questions from the Council. Funds are available in the City's current capital improvement budget to fund the project and final approval will be determined with the passage of the Council's budget at the end of the year, said Mr. Kotschevar. RPU has made the commitment to serve as a resource to the City for the district energy system and would be interested in being the designated operator.

RPU has the funding this year to conduct a study on AMI technologies, associated costs and compatibility with RPU's existing system, and has hired a national consultant in the AMI field. That data will be brought to the Board at a later date, along with a proposed AMI plan for RPU, said Mr. Kotschevar.

The results of RPU's electric cost of service study conducted by Burns and McDonnell will be presented to the Board in September, which will tie into October's budget discussions.

## 9. Division Reports & Metrics

President Morgan noted the July 2020 safety statistics and commented that RPU's commitment to safety continues to show a trend in the right direction. Mr. Kotschevar stated that Safety Manager Bob Cooke and Safety Technician Todd Kylo have maintained a continued focus on safety during the pandemic, reformatting ways to ensure training is completed and that safety team meetings are held and attended.

Board Member Michael Wojcik asked whether a new all-time peak has been set for electric usage. No new record has been set in 2020, said Mr. Kotschevar.

President Morgan said he received a request for Board members to author a column in RPU's newsletter *Plugged In* to further discuss issues before the Board, but he didn't know if this would be of interest to ratepayers. He asked Board members to contact him if there is an interest. Vice President Johnson noted that it may not be appropriate for one Board member to speak on behalf of all five.

## 10. Other Business



**11. 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.igmp2.com/Citizens/Default.aspx>*

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board

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

\_\_\_\_\_  
Date

Minutes Acceptance: Minutes of Aug 25, 2020 4:00 PM (Approval of Minutes)

## FOR BOARD ACTION

Agenda Item # (ID # 12422)

Meeting Date: 9/29/2020

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**SUBJECT: Public Comments Received via Email**

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**PREPARED BY: Christina Bailey**

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ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

**Bailey, Christina**

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**From:** Ray <rschmitz22@charter.net>  
**Sent:** Thursday, September 3, 2020 11:08 AM  
**To:** Ivan Idso; Rick Morris; Henry Homburger; tomwilliamson75@gmail.com;  
anna@conservationminnesota.org; RPU Board Mailbox  
**Subject:** Its Electric Grid Under Strain, California Turns to Batteries - The New York Times

EXTERNAL SENDER: Do not open links/attachments if uncertain about the sender

<https://www.nytimes.com/2020/09/03/business/energy-environment/california-electricity-blackout-battery.html>

Ray Schmitz

Sent from my iPad

Attachment: Ray Schmitz 09032020 - Its Electric Grid Under Strain California Turns to Batteries - The New York Times (12422 : Public

**Bailey, Christina**

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**From:** Ray <rschmitz22@charter.net>  
**Sent:** Wednesday, September 9, 2020 2:41 PM  
**To:** RPU Board Mailbox  
**Cc:** Rick Morris; tomwilliamson75@gmail.com; Ivan Idso; edward cohen; Dave Reichert  
**Subject:** Public comment

EXTERNAL SENDER: Do not open links/attachments if uncertain about the sender

Members of the board again attended annual conferences of APPA, the owners of RPU never get a report of the matters discussed, except for some that may be available on their web site! During the discussion of rates last year there were board comments that could not be rebutted since the context was not available! The current information presented at these meetings is funded by our ratepayers and held by board members, it should be available to those members interestd!

Ray Schmitz

Sent from my iPad

Attachment: Ray Schmitz 09092020 - Public comment (12422 : Public Comments Received via Email)

**From:** [Ray](#)  
**To:** [RPU Board Mailbox](#)  
**Cc:** [Phil Wheeler](#)  
**Subject:** 67% of low-income households face high energy burden: ACEEE  
**Date:** Monday, September 14, 2020 2:21:42 PM

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EXTERNAL SENDER: Do not open links/attachments if uncertain about the sender

[https://www.utilitydive.com/news/67-of-low-income-households-face-high-energy-burden-aceee/585003/?utm\\_source=Energy+News+Network+daily+email+digests&utm\\_campaign=3860886eb5-EMAIL\\_CAMPAIGN\\_2020\\_05\\_11\\_11\\_36\\_COPY\\_01&utm\\_medium=email&utm\\_term=0\\_724b1f01f5-3860886eb5-89236403&fbclid=IwAR1a8\\_XDTnGQDt1kP5cC6OGN50VzK8TXQFZ3FsQiVMK4lFQ2Wpj7GRvdOR4](https://www.utilitydive.com/news/67-of-low-income-households-face-high-energy-burden-aceee/585003/?utm_source=Energy+News+Network+daily+email+digests&utm_campaign=3860886eb5-EMAIL_CAMPAIGN_2020_05_11_11_36_COPY_01&utm_medium=email&utm_term=0_724b1f01f5-3860886eb5-89236403&fbclid=IwAR1a8_XDTnGQDt1kP5cC6OGN50VzK8TXQFZ3FsQiVMK4lFQ2Wpj7GRvdOR4)

The board received info on the income related impact of rates and usage, is that available!  
Ray Schmitz

Sent from my iPad

## FOR BOARD ACTION

Agenda Item # (ID # 12394)

Meeting Date: 9/29/2020

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**SUBJECT: Electric Utility Cost of Service Study**

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**PREPARED BY: Peter Hogan**

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ITEM DESCRIPTION:

Rochester Home Rule Charter Chapter 15.05, Subd. 3 states, "*The public utility board may adopt, amend, and rescind such rules and regulations as it may deem necessary for the control, management, and operation of the public utilities under its jurisdiction. The board shall, with the concurrence of the common council, fix the rates to be charged for the availability and use of the public utility commodities and services under its jurisdiction. Rates shall be **reasonable and compensatory** so as to cover all of the costs of the respective public utility and shall be **uniform for all consumers within the same class**, but different rates may be established for different classifications by the board. Rates within the city corporate limits may be less but shall be no greater than rates for the same classification outside the city limits.*"

Based on the Charter, the RPU Board has further developed a policy for determining rates. The main objective of the policy is, "*to recover, through the application of rates and charges for utility services, revenues which are sufficient to meet the financial obligations of each independent utility enterprise. Further, the Board intends to apply rates and charges which are equitable and financially sustainable among customers or classes of customers based on the Utility Basis of rate-making principles.*" To accomplish this the policy further states "A cost of service study will be conducted at least every three years."

Based on this guidance, RPU management conducted a request for proposal process, and selected 1898 & Co, a Burns and McDonnell company, to conduct an Electric Cost of Service Study following the Utility Basis principles. 1898 & Co will be presenting the final cost of service study results and identify high level observations for the Board's future consideration.

With the exception of the annual true up of the Clean Air Rider, a redline copy is attached, a new pilot voluntary residential time-of-use rate and a new LED street light rate that reflects the City's contribution toward the installing of LED street lights, management is not recommending any general rate adjustment or changes in rate structures for 2021. During 2021, management will evaluate the cost of service results, observations and recommendations from 1898 & Co and will make recommendations to the Board for rate adjustments or changes in existing rate structures for your consideration during the 2022 and 2023 budget process.

The Board will be asked to accept and place on file the Electric Cost of Service Study and direct staff to give public notice of the proposed new rates in accordance with the Board's Rates policy.

Public comment on the proposed new rates will be taken at the October 27, 2020 meeting prior to the Board voting on the proposed new rates and, if approved, recommending approval by the City Council.

## FOR BOARD ACTION

Agenda Item # (ID # 12394)

Meeting Date: 9/29/2020

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UTILITY BOARD ACTION REQUESTED:

1. Accept and place on file the Electric Cost of Service Study;
2. Authorize staff to give preliminary notice to the public of the proposed residential time-of-use rate, changes to the LED street light rates and adjustment to the Clean Air Rider.



**ROCHESTER PUBLIC UTILITIES  
CAR  
(RPU)**

**RATE      SCHEDULE**  
**SHEET 1 OF 1**

**CLEAN AIR RIDER**

**APPLICATION:**

The Clean Air Rider (CAR) will be used to recover costs related to renewable and environmental improvement programs and projects approved by the Utility Board. Applicable to all rate classes billed in kWh.

**CONDITIONS OF DELIVERY:**

1. Emission Reduction Project at Silver Lake Plant:
  - a. The CAR for the Emission Reduction Project (ERP) at the Silver Lake Plant is to recover the annual debt service of the project.
  - b. The CAR for the ERP will be calculated by dividing the ERP debt service requirements by the KWH forecast for all rate classes. This monthly charge under the CAR Schedule for 20~~2021~~ is ~~\$0.00180~~ **\$0.00191**/kwh.
  - c. The CAR will terminate for the ERP with payment of all debt service requirements.
  - d. An annual true-up will be done comparing the actual amount collected to the actual debt service requirement. The amount over or under collected will adjust future years debt service requirements used in the calculation.

Approved by Rochester Public Utility Board:  
Effective Date:

~~November 12, 2019~~ TBD  
January 1, 20~~2021~~

Attachment: 2021 Clean Air Rider 2020 09 29 (12394 : Electric Utility Cost of Service Study)



**ROCHESTER PUBLIC UTILITIES  
(RPU)**

**RATE SCHEDULE RESTOU  
SHEET 1 OF 2**

**RESIDENTIAL - TIME - OF - USE SERVICE PILOT PROGRAM**

**AVAILABILITY:**

At all locations where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. Where service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished. RPU reserves the right to limit both the number of customers and the amount of load taken under this rate schedule.

**APPLICATION:**

To electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one point of delivery and measured through one meter.

**CHARACTER OF SERVICE:**

Single phase, 60 Hertz, 120/240 volts alternating current.

**RATE:**

Customer Charge: \$18.30

Energy Charge:

Non-Summer Energy

Super-peak Energy / Kwh: 13.91¢

On-peak Energy / Kwh: 13.91¢

Off-peak Energy /Kwh 7.06¢

Summer Energy:

Super-peak Energy / Kwh: 28.80¢

On-peak Energy / Kwh: 17.13¢

Off-peak Energy /Kwh: 7.05¢

Definition of Season: Summer months are June through September. Non-summer months are January through May and October through December.

Definition of Super-Peak Energy: All energy used by the customer between the hours of 4:00 p.m. and 8:00 p.m. (4 Hours) Monday through Friday.

Definition of On-Peak Energy: All energy used by the customer between the hours of 8:00 a.m. and 4:00 p.m. (8 hours) and between the hours of 8:00 p.m. and 10:00 p.m. (2 hours) Monday through Friday.

Definition of Off-Peak Energy: All energy used by the customer for all others hours, including weekends and holidays.

Approved by Rochester Public Utility Board:  
Effective Date:

TBD  
January 1, 2021

**ROCHESTER PUBLIC UTILITIES  
(RPU)**

**RATE SCHEDULE RESTOU  
SHEET 2 OF 2**

**POWER COST ADJUSTMENT:**

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

**MINIMUM BILL per month:** \$18.30

**PAYMENT:** Payments are due on or before the due date.

**DISTRIBUTED ENERGY RESOURCES:**

Customers who have installed Distributed Energy Resources and have elected to receive average retail utility rate are eligible to participate in the Residential Time of Use Pilot Program. All energy supplied by the customer's qualifying facility will be purchased by RPU at the Residential Average Retail Rate as listed in Schedule 1 of the Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities. Schedule 1 is updated annually and can be found on RPU's website.

**CONDITIONS OF DELIVERY:**

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
3. Energy furnished under this rate shall not be resold.
4. Service under this rate will be made available at the option of the residential service customer, subject to the availability of the necessary time-of-use metering equipment.
5. A customer may switch the RESIDENTIAL SERVICE rate providing the customer gives RPU at least 45 days notice.
6. A customer may only switch from RESIDENTIAL SERVICE to RESIDENTIAL TIME OF USE SERVICE PILOT PROGRAM one time.

**ROCHESTER PUBLIC UTILITIES  
(RPU)**

**RATE SCHEDULE CSL  
SHEET 1 OF 1**

**CITY STREET LIGHTING**

**AVAILABILITY:**

To the City of Rochester for the illumination of public thoroughfares by means of RPU owned overhead street lighting facilities.

**RATE:**

Per kWh for all kWh Billed

Mercury Vapor (all Sizes)	23.249¢	
Metal Halide (All Sizes)	24.657¢	
LED RPU Owned (All Sizes)	<del>39.942¢</del>	55.720¢
<b>LED City Owned (All Sizes)</b>	<b>41.650¢</b>	
High Pressure Sodium (All Sizes)	23.249¢	

**POWER COST ADJUSTMENT:**

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

**CONDITIONS OF DELIVERY:**

1. This rate is based on lamps being lighted every night from approximately 30 minutes after sunset to 30 minutes before sunrise, providing dusk to dawn operation.
2. RPU will replace inoperative lamps and otherwise maintain luminaires during regular daytime hours. No credit will be allowed for periods during which the lamps are out of service. Routine lamp replacement will be made on a group replacement schedule.
3. RPU will determine the amount of energy used during any month by multiplying the rated kilowatt capacity of all lamps and accessory equipment by 350 hours for the month.
4. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.

Approved by Rochester Public Utility Board:  
Effective Date:

TBD  
January 1, 202021



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept and place on file the Electric Cost of Service Study and authorize staff to give preliminary notice to the public for the addition of a Pilot Residential Time-Of-Use rate, adjustments to the City Street Light rate and true-up adjustments to the clean air rider.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of September, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 12414)

Meeting Date: 9/29/2020

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**SUBJECT: Residential Time-of-Use Pilot Program**

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**PREPARED BY: Dirk Bierbaum**

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ITEM DESCRIPTION:

A Residential-Time-of-Use Service rate has been developed based on the cost of service study presented earlier. This rate will be rolled out to residential customers through a pilot program. The Residential-Time-of-Use Service pilot program defines the parameters and controls for the implementation of the rate.

**Residential-Time-of-Use Pilot Program Parameters**

The program will begin January 2021 with implementation occurring over several months. The pilot program is open to 200 Residential Service customers on an opt-in, first-come first-serve basis. Residential customers participating in the SOLARCHOICE program or with DER are eligible to participate. Customers on the dual fuel or high efficiency HVAC rates are not eligible. Budget billing is not be available to program participants.

Program participants will be charged according to the Residential-Time-of-Use rate. No refunds will be given if the Residential-Time-of-Use Service rate results in a higher bill than would have occurred under the Residential Service rate.

Program participants may leave the program without penalty by giving a 45 calendar day notice. Program participants who leave the program are not eligible for future program participation.

Upon approval of the pilot program, marketing may begin along with the signup of program participants. Final implementation is dependent upon approval of the Residential-Time-of-Use Service rate

UTILITY BOARD ACTION REQUESTED:

Approve the Residential-Time-of-Use pilot program.





## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the Residential Time of Use Pilot Program.

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Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of September, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 12411)

Meeting Date: 9/29/2020

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**SUBJECT: Electric Utility Undergrounding Policy**

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**PREPARED BY: Sidney Jackson**

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ITEM DESCRIPTION:

Attached is a final draft of the Board's new Electric Utility Undergrounding Policy. The policy was crafted with input from the Board Operations and Administration Committee, RPU staff and Board members. The Electric Utility Undergrounding Policy sets guidelines for the continued growth of underground electric infrastructure within RPU's distribution system. The policy was introduced to the Board last month for review and comment. The policy is now ready for full Board review and approval, if in agreement.

UTILITY BOARD ACTION REQUESTED:

Approve the attached Electric Utility Undergrounding Policy

## Rochester Public Utilities Board Policy Statement

**Policy Subject:** Electric Utility Undergrounding Policy

**Policy Objective:**

The decision to underground existing or newly constructed electrical facilities within the RPU service territory can be impacted by numerous key inputs such as cost allocation, rate base, public policy, etc. This policy will provide guidance considerations and is intended to be utilized in conjunction with existing RPU Electric Service Rules and Procedures.

Advantages of undergrounding include increased reliability during high winds and storms, lower storm damage and restoration costs, fewer structures impacting sidewalks and roadways, fewer motor vehicle accidents, reduced live-wire contact, improved aesthetics, lower tree-trimming costs, and increased tree coverage. Mature boulevard street trees have a positive effect in reducing heating & cooling energy costs, promoting outdoor activity and active transportation (i.e. biking, walking), improving air quality, reducing stormwater runoff, and mitigating climate change.

The majority of the existing RPU electric distribution system is currently underground. Those electrical facilities under the 100 Kv voltage classification constitute the distribution system. The Board's policy objective is to continue and enhance the movement of the Electric Utility toward 100% underground infrastructure. This shall be done over time in a technically prudent, practical, measured, and sustainable manner that respects, considers, and mitigates impacts to retail rates, while addressing cost allocation and other public policy considerations.

**Policy Statement:**

1. Technical policies are routinely accepted by the RPU Board as a regular course of normal business, and they provide detailed guidance as to Electric Utility construction and interconnection.

The RPU Electric Service Rules and Procedures document details requirements related to undergrounding, and provides guidance to external parties such as contractors, developers, and other interconnecting parties. These detailed procedures include the following sections:

- a) Special Services
- b) Overhead and Secondary Services
- c) Underground Services – New Residential Developments
- d) Underground Services – Residential Undergrounding in Overhead Areas

2. RPU will coordinate with other public entities, especially where public roadways and associated rights-of-way are being realigned, repurposed, or reconstructed. These projects often provide a viable opportunity to underground existing infrastructure in the most cost-effective manner.

RPU recognizes that a change from overhead to underground electric service may require additional modifications to an affected customer's private service. Where a customer chooses to retain their overhead service, RPU will convert as much associated electrical infrastructure to underground while accommodating the customer's request. This may require retaining one or more existing utility poles in an area that has otherwise been converted to underground service.

3. RPU shall consider public policy undergrounding initiatives and requests. Under most scenarios, the requesting third party is responsible for 100% of direct and indirect undergrounding cost. When undergrounding is requested via public policy initiatives, RPU will analyze the situation to consider a fiscal contribution based upon deferred or avoided costs, or other opportunity benefits associated with the undergrounding, as compared to long-term continuation of overhead infrastructure.
4. RPU will routinely examine opportunities to leverage undergrounding as a catalyst to improve occupational safety, and/or improve reliability, when other options are generally ineffective or are not cost-effective in comparison. This examination will be held in concurrence with routine tree trimming evaluations. RPU will give priority to undergrounding existing infrastructure where pole replacement and associated tree trimming is not a long-term economic advantage. RPU will prioritize undergrounding for overhead lines along any street or corridor designated as "Transit Oriented" or "Primary Transit" by the City of Rochester, as defined in Chapter 62 ordinance, Transit-Oriented Development.
5. To the extent possible, RPU will conduct undergrounding activities in a manner that preserves existing tree cover.
6. RPU will proactively work with joint-pole-attachers, such as communication companies, to vacate abandoned or converted-to-underground lines, in efforts to encourage undergrounding by those attachers. RPU will eliminate utility poles upon the completion of any undergrounding activity except when contractually prohibited. RPU will not enter new agreements to allow private utilities to purchase poles in the case of utility vacation. RPU will remove the option of private utility purchase from future pole attachment agreements. RPU will not maintain tree-trimming activities in an area where it has buried its utilities. The planting of trees and tree-trimming in areas where RPU has buried utilities will be governed by City of Rochester policy (which may allow planting of full-size street trees and prohibit vegetative pruning to occur in public right of ways).

7. When a decision is made to underground facilities, notice to impacted residents and property owners will be made as soon as practicable.
8. RPU will communicate with the Rochester Community Development Department to request that approval for redevelopment in a location served by overhead distribution lines is made contingent on either the undergrounding of lines at the time of redevelopment or entering a public facilities agreement whereby the property owner is obligated to pay the proportional cost of burying the lines at a future time as designated by RPU.



## RESOLUTION

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

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 29th day of  
September, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 12416)

Meeting Date: 9/29/2020

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**SUBJECT: Review of Accounts Payable**

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**PREPARED BY: Christina Bailey**

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ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:



**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 08/12/2020 To 09/11/2020  
**Consolidated & Summarized Below 1,000**

**Greater than 50,000 :**

SOUTHERN MN MUNICIPAL POWER A	August SMMPA Bill	8,312,805.91
MN DEPT OF REVENUE	July Sales and Use Tax	988,932.43
MASTEC NORTH AMERICA INC	Manhole Rebuild 2020	359,016.52
BENIKE CONSTRUCTION (P)	Mechanical Systems Upgrade	239,581.07
CONSTELLATION NEWENERGY-GAS D	July Gas-WES	203,071.41
MN DEPT OF REVENUE	June Remainder/Actual Sales & Use Tax	191,460.79
CONSTELLATION NEWENERGY-GAS D	July Gas-SLP	190,462.28
THE ENERGY AUTHORITY INC	August MISO Transmission	175,957.72
M.K. PAINTING INC	Northern Heights Standpipe Re-Paint	165,000.00
BORDER STATES ELECTRIC SUPPLY	960EA-Meter, 12S CL200 120V 2-WAY W/Disc	148,770.00
CONSTELLATION NEWENERGY-GAS D	July Gas-Cascade Creek	138,811.44
MN DEPT OF HEALTH	Community Water Supply Fee - July-Sept 2020	96,828.00
WRIGHT TREE SERVICE INC	Hourly Tree Removal 2019-2020~	61,840.23

**Price Range Total:** 11,272,537.80

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

MIDWEST LIFT WORKS LLC	Milestone Pmt#1 - Vertical Rise Lift for SC	47,648.08
MASTEC NORTH AMERICA INC	2020 Joint Trench Directional Boring	47,612.45
PAYMENTUS CORPORATION	July Electronic Bill Payment Services	45,016.62
TRIPWIRE INC	Enterprise License & Support for SCADA Upgrade	44,383.11
WINLECTRIC	225EA-Luminaire, Resid, LED, PC, 1, Street Lights	40,495.50
CENTRAL MINNESOTA MUNICIPAL P	August Capacity for CMMPA	37,400.00
TARGET CORPORATION	CIP-Lighting (C&I)-Incentives/Rebates	36,120.92
ELEMENTAL AIR LLC	West Side Air Emission Testing	34,336.00
PEOPLES ENERGY COOPERATIVE (P	August Compensable	33,900.66
MINNESOTA ENERGY RESOURCES CO	July Gas-WES	28,423.04
MIDCONTINENT ISO INC	August MISO Fees	27,298.70
BURNS & MCDONNELL INC (P)	Cost of Survey and Rate Design	27,216.64
EPLUS TECHNOLOGY INC	Firewalls 2020	27,160.91
UTTEGRATION LLC	SAP Support-100 Prepaid Hours	24,500.00
THE ENERGY AUTHORITY INC	August Resource Management Fee	23,193.87
BLUESPIRE STRATEGIC MARKETING	2020-23 RPU Plugged In Contract	22,722.00
ULTEIG ENGINEERS INC	Transmission Relay Coordination Study	21,204.25
S L CONTRACTING INC	South Parking Lot Improvements	18,335.30
MN MUNICIPAL UTILITIES ASSN C	MMUA Legal & Legislative Services	15,000.00
RESIDENCE AT DISCOVERY SQUARE	CIP-Lighting (C&I)-Incentives/Rebates	14,424.00
S L CONTRACTING INC	Watermain Reconstruction	14,014.57
GRAYBAR ELECTRIC COMPANY INC	1EA-Enclosure W/Built In Breakers	13,900.00
SOLID WASTE OLMSTED COUNTY	July 20 Electricity Purchased by RPU	13,412.41
TRIPWIRE INC	SCADA Upgrade Project	13,359.38
RESCO	1EA-Switch, PM, Air, 3PH, 2-600SW/2-200F	13,139.00
NORTH SUMMIT INC	Deposit Refund-North Summit Subdivision	13,000.00
MENARD INC	CIP-Lighting (C&I)-Incentives/Rebates	12,843.85
VERIZON WIRELESS	2020 Cell & iPad Monthly Service	11,762.00
SMART ENERGY SYSTEMS LLC	Smart Customer Mobile Implementation	11,250.00
ROCHESTER PUBLIC SCHOOLS	CIP-Lighting (C&I)-Incentives/Rebates	10,862.33
XCEL ENERGY CORP	CapX2020-O & M Expenditures Jan-June2020	10,795.40
WELLS FARGO BANK ACCT ANALYSI	August 2020 Banking Services	10,288.58

Attachment: AP Board CrMo (12416 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 08/12/2020 To 09/11/2020  
**Consolidated & Summarized Below 1,000**

53	ROCHESTER SWEEPING SERVICE LL	South Parking Lot Seal Coat & Stripping	10,250.00
54	EPLUS TECHNOLOGY INC	Firewall support	9,827.28
55	BADGER METER INC (P)	60EA-Meter, Bare E-Series 3/4"(07) Ultra	9,600.00
56	PW POWER SYSTEMS INC	2EA-Bypass Retrofit Doors for GT2 Units	8,937.28
57	MINNESOTA ENERGY RESOURCES CO	July Gas-SLP	8,096.36
58	FERGUSON ENTERPRISES INC #165	2EA-Hydrant buddy, 18V	7,900.00
59	STUART C IRBY CO INC	6EA-Trans, PM, 1ph, 37.5kVA, 13.8/8,240	7,776.00
60	KANTOLA CONSULTING	Phase I Post Cayenta Go-Live Review	7,425.00
61	EXPRESS SERVICES INC	2020 Seasonal staff facilities	6,876.81
62	GRAYBAR ELECTRIC COMPANY INC	15EA-Mast Arm, 6' for 2690	6,840.05
63	TWIN CITY SECURITY INC	2020 Security Services	6,752.36
64	MINNESOTA ENERGY RESOURCES CO	July Gas-Cascade Creek	6,513.91
65	CITY OF ROCHESTER	Q3 Attorney Services	6,250.00
66	ADVANTAGE DIST LLC (P)	5018GAL-Urea 32, WES	6,071.78
67	NATIONAL SWITCHGEAR SYSTEMS I	2EA-Programmable Position Monitor for Substation	5,900.00
68	SANS INSTITUTE dba	Advanced Cybersecurity Learning Platform	5,878.13
69	CULVER COMPANY INC	Renewal of License eSmartworker	5,500.00
70	ASSEMBLY OF GOD CHURCH	CIP-Lighting (C&I)-Incentives/Rebates	5,079.00
71	ENGHOLM ROGER WILLIAM	Cascade Creek Asphalt Work	5,000.00
72			
73		<b>Price Range Total:</b>	901,493.53

**1,000 to 5,000 :**

77	GRAYBAR ELECTRIC COMPANY INC	48EA-Anchor Bolt, 1.00" x 40.00", Street	4,770.90
78	QUADIENT INC	Postage Equip Maint 8/4-8/3/21	4,668.30
79	FERGUSON ENTERPRISES INC #165	1EA-Utility locator, VLOC3-9800	4,374.00
80	ADAMSON MOTORS	CIP-Custom (C&I)-Incentives/Rebates	4,316.49
81	SOLARWINDS INC	1EA-2021 Network Performance Renewal	4,297.44
82	OLMSTED MEDICAL CENTER	CIP-Lighting (C&I)-Incentives/Rebates	4,278.00
83	RESIDENCE AT DISCOVERY SQUARE	CIP-LED Light Fixtures-Incnetivs/Rebts	4,147.20
84	TOTAL RESTAURANT SUPPLY	Ice Machine for SLP	4,115.30
85	TELEDYNE MONITOR LABS INC	2020-2023 RegPerfect Maintenance	4,039.88
86	PARSONS ELECTRIC	S2 Controller Update	3,988.00
87	WARTSILA NORTH AMERICA	1EA-Motor, Pre-lubricating Oil Pump – 18	3,946.01
88	GOPHER STATE ONE CALL	August completed tickets: Electric & Water	3,881.25
89	HARRIS ROCHESTER INC (HIMEC)	SLP BP-Rain Pipe Replacement	3,816.51
90	BARR ENGINEERING COMPANY (P)	Cost Due to Postpone Zumbro Inspec-High Water	3,730.47
91	MASTEC NORTH AMERICA INC	Joint Trench Direct Boring - 440 17th Street SW	3,690.00
92	WSB & ASSOCIATES	48th Street SW Bedrock Depth Evaluation	3,628.25
93	ELEVATE MARKETING SOLUTIONS L	August Advertising	3,610.00
94	NEW LINE MECHANICAL INC	Relocate Backflow Preventor at Douglas Sub	3,600.00
95	CONSOLIDATED COMMUNICATIONS d	2018-20 Network and Co-location Services	3,520.96
96	ZIEGLER INC	WES - Replace ECM on blackstart generato	3,488.60
97	MAINE HEIGHTS LLC	CIP-LED Bulbs-Incentives/Rebates	3,462.23
98	CRESCENT ELECTRIC SUPPLY CO	10000FT-Wire, Copper, 600V, 12-2 Solid w/	3,456.33
99	CONDUX INTERNATIONAL INC	1EA-Guide, Cable	3,382.36
100	SEEME PRODUCTIONS LLC	Creation of Resource Plan Info Whiteboard Video	3,324.00
101	JOHN HENRY FOSTER MN INC (P)	GT1 Air Compressor Replacement	3,319.54
102	S L CONTRACTING INC	Water Main Repair - 1914 Viola Heights Lane NE	3,260.00
103	CENTURY FENCE CO INC	Install Gate Cascade Creek	3,155.00
104	HAWK & SON'S INC	Diesel Generator 2 Radiator Removal	3,069.00

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105	DAKOTA SUPPLY GROUP	7500FT-Conduit, HDPE, 1.50, Orange W/Blu	3,030.00
106	BORENE LAW FIRM P.A.	Legal Services File 3743 Mingo TN	2,838.20
107	MALLOY ELECTRIC dba	1EA-VFD, 40/30HP N1 460V	2,673.54
108	KNXR - FM	August Radio Ads	2,600.00
109	MAINE HEIGHTS LLC	CIP-Dishwashers-Incentives/Rebates	2,575.00
110	PARSONS ELECTRIC	Camera Replace - SC South Parking Lot	2,500.00
111	ONLINE INFORMATION SERVICES I	August Utility Exchange Report	2,466.02
112	HY VEE NORTH	July Fuel - Hyvee	2,444.12
113	RESIDENCE AT DISCOVERY SQUARE	CIP-LED Bulbs-Incentives/Rebates	2,442.56
114	CONNEY SAFETY PRODUCTS LLC	4EA-Gas detector	2,280.00
115	BORDER STATES ELECTRIC SUPPLY	500FT-Conduit, Corrugated PVC, 3.00	2,271.75
116	HARRIS ROCHESTER INC (HIMEC)	A/C Repair @ SC	2,257.45
117	MERIT CONTRACTING INC (P)	1YR-Well House Roof Asset Program 20-22	2,251.00
118	MERIT CONTRACTING INC (P)	1YR-SLP Roof Asset Program 20-22	2,248.00
119	VIKING ELECTRIC SUPPLY INC	500ROL-Tape, Vinyl, .750" x 66' 3M Super	2,239.03
120	GAS N' GO	CIP-Lighting (C&I)-Incentives/Rebates	2,224.00
121	CONDUX INTERNATIONAL INC	1EA-Block, 8", 60 deg	2,185.91
122	CONNEY SAFETY PRODUCTS LLC	3.571EA-Gas detector	2,175.42
123	MEP ASSOCIATES LLC	Service Center HVAC Upgrade	2,168.82
124	WARTSILA NORTH AMERICA	2EA-Prechamber Control Valve	2,165.86
125	HARRIS ROCHESTER INC (HIMEC)	GT2-Control House AC Service-Motor Replacement	2,154.24
126	ELITE CARD PAYMENT CENTER	Oil Pump,A/M Front Cover	2,070.17
127	SOMA CONSTRUCTION INC	Dispose of Break Fill; Purchase of Rock	2,017.34
128	OPEN ACCESS TECHNOLOGY	September webCompliance Service	2,008.50
129	ADVANCED DISPOSAL SVC SOLID W	2020 Waste removal SC	1,975.91
130	MERIT CONTRACTING INC (P)	1YR-SLP Off Site Roof Asset Program 20-22	1,947.00
131	UNITED RENTALS INC	Boom Rental	1,910.03
132	BARR ENGINEERING COMPANY (P)	Gen Groundwater-Well 16 Variance Application	1,908.50
133	STUART C IRBY CO INC	2EA-Metal Sec. Encl, 3ph, 30"x67"x22" 20	1,870.00
134	K & M GLASS INC	SLP Office Window Replacement	1,815.00
135	ELITE CARD PAYMENT CENTER	100-WES Spark Plugs for the Wartsilla Engines	1,757.24
136	POWERMATION DIVISON	SLP WTB - VFD integration	1,746.44
137	WARNING LITES OF MN INC (P)	Warning Lites - Northern Heights Drive NE	1,745.20
138	BORDER STATES ELECTRIC SUPPLY	500FT-Wire, Meter Rapid Pull cable 500'	1,686.43
139	EVOQUA WATER TECHNOLOGIES LLC	10EA-DI Vessels, Anion CC	1,656.56
140	MIDWEST FABRICATION & SUPPLY	6EA-Terminal adapter	1,629.84
141	VERIZON CONNECT NWF INC	July GPS Fleet Tracking	1,586.62
142	CONDUX INTERNATIONAL INC	3EA-Guide, Mini-corner cable	1,582.59
143	GRAYBAR ELECTRIC COMPANY INC	3000FT-Wire, Copper, 600V, #6 Str, XLP	1,532.59
144	MERIT CONTRACTING INC (P)	1YR-Substation Roof Asset Program 20-22	1,483.00
145	CITY OF ROCHESTER	SANS PCI Compliance Training	1,470.00
146	BADGER METER INC (P)	24EA-Badger M25HRE CFReg Wired Itron	1,464.00
147	ROCH AREA BUILDERS INC	2021 Home Show Booth Rental	1,460.00
148	SAFE-N-SECURE STORAGE LLC	CIP-Lighting (C&I)-Incentives/Rebates	1,455.40
149	LEAGUE OF MN CITIES INS TRUST	Claim settlement	1,443.82
150	US DEPARTMENT OF HOMELAND SEC	Premium Processing Fee-Details upon Request	1,440.00
151	JOHN HENRY FOSTER MN INC (P)	GT1 Replacement Air Compressor	1,439.99
152	CITY OF ROCHESTER	Ops & Maint Gauge -S Fork-Zumbro/US Interior	1,430.50
153	ELLINGSON COMPANIES	Survey-Tile Line at WES	1,399.62
154	WARTSILA NORTH AMERICA	Freight Cost-Motor for Oil Pump/45-58484	1,391.99
155	WESCO DISTRIBUTION INC	2EA-Vault, Fiber Optic, w/Cover 24"x36"x	1,390.76
156	MAINE HEIGHTS LLC	CIP-Central AC-Incentives/Rebates	1,375.00

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157	GRAYBAR ELECTRIC COMPANY INC	880FT-Conduit, PVC Sch 40, 3.00	1,354.32
158	RESCO	500FT-Wire, 6 ga, 600V 3/C Control CB F	1,335.94
159	K A A L TV LLC	August Radio Ads	1,330.00
160	ALLIED VALVE INC	1EA-Transmitter, Pressure	1,305.00
161	SOUTHWIRE SAG10	2020 SAG10 software	1,282.50
162	CITY OF ROCHESTER	July W/C Admin Fees	1,282.00
163	BORDER STATES ELECTRIC SUPPLY	6EA-Grd Sleeve, 3ph Sect. Encl, 18 x 67	1,274.10
164	EPLUS TECHNOLOGY INC	2020 Network Maintenance Services	1,272.00
165	SUNBELT RENTALS	WES Lift Rental	1,264.70
166	ELITE CARD PAYMENT CENTER	WES Roof Access Ladder	1,264.09
167	RESCO	400EA-Lock, Trans. Security	1,256.85
168	CONDUX INTERNATIONAL INC	3EA-Swivel, Pull-Eye	1,247.91
169	VIKING ELECTRIC SUPPLY INC	Flex for IBM Circuit Switch Replacement Project	1,232.35
170	ROCHESTER ARMORED CAR CO INC	2020 Pick Up Services	1,187.25
171	U S A SAFETY SUPPLY	24PR-Glove, Leather Work, Lite Duty, X-L	1,186.31
172	NOVASPECT INC	Guardian Support and Guardian Device Mgr	1,154.65
173	RONALD BEITEL	Customer Refund-Solar Ronald Beitel	1,153.24
174	U S A SAFETY SUPPLY	10EA-Shirt, FR, Hi-Vis	1,135.23
175	TMS JOHNSON INC	1EA-Fan, Exhaust	1,130.00
176	CITY OF ROCHESTER	Customer refunds 3188	1,129.08
177	BRADEN FILTRATION LLC	120EA-Filter insert, Pre-filter	1,122.19
178	CORPORATE WEB SERVICES INC	2019 -20 Website Services	1,121.84
179	CENTURYLINK (P)	2018-20 Monthly Telecommunications	1,107.22
180	CLARK CONCRETE INC	Replace 8x8x7" Panel-W Center & 5th Ave SW	1,100.00
181	TEMP PRO INC	3EA-Gas Turbine Assembly	1,094.64
182	BORDER STATES ELECTRIC SUPPLY	12EA-Cutout, 27kV, 100A, NLB, Poly	1,089.48
183	CRESCENT ELECTRIC SUPPLY CO	20EA-Cable Support Bracket, 36"	1,078.00
184	WINKELS ELECTRIC INC	Replace Meter Socket-2452 Northern Hills Court NE	1,068.04
185	BOLTON AND MENK (P)	Antenna Review TMOB St. Mary's #82	1,050.00
186	BOLTON AND MENK (P)	Weld/Coat Inspection Arnolds Tower	1,050.00
187	OPEN ACCESS TECHNOLOGY	September OATI Tagging Services	1,047.16
188	STUART C IRBY CO INC	16EA-Pedestal Dome Cover, Box Style	1,040.00
189	IHEART MEDIA dba	July Radio Advertising	1,007.00
190			
191		<b>Price Range Total:</b>	246,370.07
192			
193	<b><u>0 to 1,000 :</u></b>		
194			
195	REBATES	Summarized transactions: 80	16,939.30
196	CENTURYLINK (P)	Summarized transactions: 56	13,111.84
197	EXPRESS SERVICES INC	Summarized transactions: 10	9,294.27
198	Customer Refunds (CIS)	Summarized transactions: 84	7,542.56
199	ELITE CARD PAYMENT CENTER	Summarized transactions: 34	5,675.11
200	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 26	5,065.85
201	CITY LAUNDERING COMPANY	Summarized transactions: 30	5,000.85
202	STUART C IRBY CO INC	Summarized transactions: 17	4,146.35
203	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 27	3,149.17
204	RESCO	Summarized transactions: 21	2,765.66
205	U S A SAFETY SUPPLY	Summarized transactions: 30	2,686.37
206	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 10	2,683.93
207	COMMISSIONER OF PUBLIC SAFETY	Summarized transactions: 5	2,500.00
208	PARSONS ELECTRIC	Summarized transactions: 10	2,456.87

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209	ROCHESTER CHEVROLET CADILLAC	Summarized transactions: 12	2,380.30
210	AMARIL UNIFORM COMPANY	Summarized transactions: 14	2,361.78
211	WERNER ELECTRIC SUPPLY	Summarized transactions: 19	2,358.60
212	LAWSON PRODUCTS INC (P)	Summarized transactions: 8	2,080.00
213	GRAINGER INC	Summarized transactions: 20	1,915.80
214	ADVANCE AUTO PARTS	Summarized transactions: 26	1,903.07
215	METRO SALES INC	Summarized transactions: 4	1,799.86
216	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 37	1,795.33
217	NETWORK SERVICES COMPANY	Summarized transactions: 12	1,648.84
218	BOLTON AND MENK (P)	Summarized transactions: 3	1,615.00
219	WINKELS ELECTRIC INC	Summarized transactions: 4	1,545.41
220	TREATMENT RESOURCES INC	Summarized transactions: 6	1,530.42
221	FASTENAL COMPANY	Summarized transactions: 16	1,494.79
222	EPLUS TECHNOLOGY INC	Summarized transactions: 4	1,481.83
223	SCHMIDT GOODMAN OFFICE PRODUC	Summarized transactions: 2	1,475.53
224	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 13	1,474.12
225	WESCO DISTRIBUTION INC	Summarized transactions: 6	1,443.76
226	CORE & MAIN LP (P)	Summarized transactions: 3	1,439.88
227	BOB THE BUG MAN LLC	Summarized transactions: 2	1,423.56
228	FORBROOK LANDSCAPING SERVICES	Summarized transactions: 3	1,401.25
229	POMPS TIRE SERVICE INC	Summarized transactions: 7	1,310.83
230	WSB & ASSOCIATES	Summarized transactions: 4	1,294.00
231	ADVANCED DISPOSAL SVC SOLID W	Summarized transactions: 2	1,154.78
232	US DEPARTMENT OF HOMELAND SEC	Summarized transactions: 5	1,085.00
233	DAKOTA SUPPLY GROUP	Summarized transactions: 9	1,073.51
234	MERIT CONTRACTING INC (P)	Summarized transactions: 3	1,056.57
235	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 11	1,056.46
236	AMAZON.COM	Summarized transactions: 15	1,046.25
237	USA BLUE BOOK DBA	Summarized transactions: 4	1,013.00
238	WARTSILA NORTH AMERICA	Summarized transactions: 7	998.40
239	L & L PROCESS SOLUTIONS	Summarized transactions: 2	990.42
240	WSB & ASSOCIATES	Summarized transactions: 1	990.00
241	GARCIA GRAPHICS INC	Summarized transactions: 7	987.50
242	MEP ASSOCIATES LLC	Summarized transactions: 1	949.03
243	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 2	939.80
244	GDS ASSOCIATES INC	Summarized transactions: 1	907.50
245	WENCK ASSOCIATES, INC	Summarized transactions: 1	900.90
246	HATHAWAY TREE SERVICE INC	Summarized transactions: 1	900.00
247	A T & T	Summarized transactions: 1	892.46
248	CONNEY SAFETY PRODUCTS LLC	Summarized transactions: 2	891.53
249	SHERWIN WILLIAMS CO	Summarized transactions: 5	866.67
250	CITY LAUNDERING COMPANY	Summarized transactions: 6	863.18
251	WIESER PRECAST STEPS INC (P)	Summarized transactions: 1	850.00
252	ON SITE SANITATION INC	Summarized transactions: 2	849.21
253	FIRST SUPPLY (P)	Summarized transactions: 9	833.86
254	POLLARDWATER dba	Summarized transactions: 3	806.39
255	INGERSOLL RAND COMPANY	Summarized transactions: 8	806.03
256	TOKAY SOFTWARE dba	Summarized transactions: 2	802.00
257	KENNEDY & GRAVEN CHARTERED	Summarized transactions: 2	798.00
258	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 15	795.42
259	SCR Southern dba	Summarized transactions: 2	787.75
260	GOODIN COMPANY	Summarized transactions: 5	784.25

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261	LEAGUE OF MN CITIES INS TRUST	Summarized transactions: 1	756.40
262	LANGUAGE LINE SERVICES INC	Summarized transactions: 1	737.18
263	THE ENERGY AUTHORITY INC	Summarized transactions: 1	735.42
264	UNITED RENTALS INC	Summarized transactions: 1	731.16
265	KANTOLA CONSULTING	Summarized transactions: 2	720.00
266	MAILE ENTERPRISES INC	Summarized transactions: 2	701.58
267	MENARDS ROCHESTER NORTH	Summarized transactions: 7	662.73
268	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 1	655.64
269	JENNINGS, STROUSS & SALMON PL	Summarized transactions: 1	650.00
270	BLUESPIRE STRATEGIC MARKETING	Summarized transactions: 1	623.13
271	FORBROOK LANDSCAPING SERVICES	Summarized transactions: 1	620.02
272	EVOQUA WATER TECHNOLOGIES LLC	Summarized transactions: 4	617.15
273	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 6	610.92
274	RICHARD A. BEENS	Summarized transactions: 1	600.00
275	DATA CONNECT ENTERPRISE	Summarized transactions: 2	594.40
276	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 5	593.46
277	HARRIS ROCHESTER INC (HIMEC)	Summarized transactions: 1	593.16
278	MEG CORP	Summarized transactions: 1	585.00
279	R & K AUTOBODY	Summarized transactions: 3	583.15
280	DAVIES PRINTING COMPANY INC	Summarized transactions: 4	579.27
281	NUVERA	Summarized transactions: 1	546.00
282	G A ERNST & ASSOCIATES INC	Summarized transactions: 1	525.02
283	S and S Supplies & Solutions	Summarized transactions: 2	524.50
284	ALLIED VALVE INC	Summarized transactions: 5	501.80
285	WARNING LITES OF MN INC (P)	Summarized transactions: 1	501.00
286	COLLINS FEED & SEED CENTER	Summarized transactions: 2	500.08
287	ALTEC INDUSTRIES INC	Summarized transactions: 7	497.74
288	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	491.81
289	L & M BOILER SYSTEMS INC	Summarized transactions: 1	476.60
290	POMPS TIRE SERVICE INC	Summarized transactions: 2	463.09
291	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 9	446.77
292	CITY OF ROCHESTER	Summarized transactions: 6	443.55
293	CORE & MAIN LP (P)	Summarized transactions: 2	422.40
294	A & A ELECT & UNDERGROUND CON	Summarized transactions: 1	420.00
295	EDINALARM INC	Summarized transactions: 1	414.89
296	WARNING LITES OF MN INC (P)	Summarized transactions: 1	410.00
297	GLOBAL INDUSTRIAL (P)	Summarized transactions: 6	400.08
298	US BANK - VOYAGER	Summarized transactions: 1	400.05
299	PW POWER SYSTEMS INC	Summarized transactions: 1	390.90
300	ELECTRICAL TRAINING ALLIANCE	Summarized transactions: 1	376.98
301	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	361.35
302	SOLID WASTE OLMSTED COUNTY	Summarized transactions: 1	351.06
303	THE FENCE PROS LLC (P)	Summarized transactions: 1	350.00
304	CENTURYLINK	Summarized transactions: 1	344.05
305	CHOSEN VALLEY TESTING	Summarized transactions: 2	338.00
306	NORTHWESTERN POWER EQUIP CO I	Summarized transactions: 3	331.35
307	BOLTON AND MENK (P)	Summarized transactions: 1	330.00
308	JOHN HENRY FOSTER MN INC (P)	Summarized transactions: 2	323.84
309	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 1	317.81
310	FIRST SUPPLY (P)	Summarized transactions: 3	311.04
311	ROCH WELDING INC	Summarized transactions: 1	310.00
312	VANCO SERVICES LLC	Summarized transactions: 1	288.58

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313	UNITED RENTALS INC	Summarized transactions: 2	273.39
314	ROCH PLUMBING & HEATING CO IN	Summarized transactions: 1	267.56
315	FEDEX SHIPPING	Summarized transactions: 13	243.69
316	RONCO ENGINEERING SALES INC	Summarized transactions: 4	233.93
317	REBATES	Summarized transactions: 6	225.00
318	ALDEN POOL & MUNICIPAL SUPPLY	Summarized transactions: 1	216.00
319	MENARDS ROCHESTER NORTH	Summarized transactions: 3	208.41
320	VERIZON WIRELESS	Summarized transactions: 1	206.79
321	RIESS DANIEL	Summarized transactions: 2	206.00
322	AIRGAS SAFETY INC	Summarized transactions: 5	202.06
323	BATTERIES PLUS	Summarized transactions: 2	197.24
324	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 6	193.53
325	T E C INDUSTRIAL INC	Summarized transactions: 5	188.72
326	ADVANTAGE DIST LLC (P)	Summarized transactions: 1	181.63
327	IMAGEBRIDGE DESIGN	Summarized transactions: 1	180.00
328	WATER SYSTEMS COMPANY	Summarized transactions: 4	175.50
329	DATA SMART COMPUTER INC	Summarized transactions: 2	171.45
330	FLOW CONTROL AUTOMATION INC	Summarized transactions: 3	163.45
331	ZEE MEDICAL SERVICE INC (P)	Summarized transactions: 2	162.44
332	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 3	161.00
333	NALCO COMPANY LLC	Summarized transactions: 2	158.25
334	ELECTROMARK INC	Summarized transactions: 4	149.39
335	CORPORATE WEB SERVICES INC	Summarized transactions: 1	148.50
336	FRONTIER	Summarized transactions: 1	146.98
337	CANADIAN HONKER EVENTS AT APA	Summarized transactions: 1	145.86
338	SOUND AND MEDIA SOLUTIONS	Summarized transactions: 1	144.28
339	THOMAS TOOL & SUPPLY INC	Summarized transactions: 2	143.38
340	ALS LABORATORY GROUP TRIBOLOG	Summarized transactions: 1	125.05
341	CHARTER COMMUNICATIONS	Summarized transactions: 1	122.82
342	WYATT VAGT	Summarized transactions: 1	120.00
343	MENARDS ROCHESTER SOUTH	Summarized transactions: 8	116.55
344	U S PLASTIC CORP	Summarized transactions: 4	109.80
345	CONDUX INTERNATIONAL INC	Summarized transactions: 9	108.80
346	BOWMANS SAFE & LOCK SHOP LTD	Summarized transactions: 3	106.62
347	CDW GOVERNMENT INC	Summarized transactions: 2	105.54
348	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 3	105.53
349	BOSTON KRISTA	Summarized transactions: 2	99.52
350	HERCULES INDUSTRIES INC	Summarized transactions: 2	98.75
351	T E C INDUSTRIAL INC	Summarized transactions: 1	96.79
352	QUALITY OVERHEAD DOOR INC	Summarized transactions: 1	90.00
353	REINDERS INC	Summarized transactions: 1	88.51
354	FERGUSON ENTERPRISES INC #165	Summarized transactions: 1	88.20
355	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
356	TEMP PRO INC	Summarized transactions: 1	81.26
357	BADGER METER INC (P)	Summarized transactions: 2	80.41
358	NATIONAL SWITCHGEAR SYSTEMS I	Summarized transactions: 1	70.64
359	AUTOMATIONDIRECT.COM	Summarized transactions: 2	56.64
360	TOTAL RESTAURANT SUPPLY	Summarized transactions: 1	53.44
361	SOLARWINDS INC	Summarized transactions: 1	50.27
362	ALTERNATIVE TECHNOLOGIES INC	Summarized transactions: 1	50.00
363	MALLOY ELECTRIC dba	Summarized transactions: 1	48.87
364	FASTENAL COMPANY	Summarized transactions: 1	45.43

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365	DAVE SYVERSON TRUCK CENTER IN	Summarized transactions: 1	45.42
366	NORTH AMERICAN ELECTRIC RELIA	Summarized transactions: 1	42.16
367	RONCO ENGINEERING SALES INC	Summarized transactions: 1	40.21
368	ARROW ACE HARDWARE (P)	Summarized transactions: 1	38.46
369	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 2	37.13
370	KEACH TODD	Summarized transactions: 1	35.82
371	FRANZ REPROGRAPHICS INC	Summarized transactions: 1	35.27
372	FERGUSON ENTERPRISES INC #165	Summarized transactions: 1	34.99
373	CENTRAL FINANCE OLMSTED COUNT	Summarized transactions: 1	33.74
374	SHONES JACOB	Summarized transactions: 1	30.00
375	VERIFIED CREDENTIALS INC	Summarized transactions: 1	30.00
376	THRONDSOIN OIL & LP GAS CO	Summarized transactions: 1	29.67
377	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	24.48
378	DAKOTA SUPPLY GROUP ROCHESTER	Summarized transactions: 2	23.41
379	A T & T MOBILITY	Summarized transactions: 1	21.12
380	PROLINE DISTRIBUTORS	Summarized transactions: 1	21.02
381	MIDWEST FABRICATION & SUPPLY	Summarized transactions: 1	19.07
382	CONNEY SAFETY PRODUCTS LLC	Summarized transactions: 1	18.35
383	FEDEX SHIPPING	Summarized transactions: 1	16.44
384	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 1	15.52
385	FASTENAL COMPANY (P)	Summarized transactions: 1	8.28
386	MISTER CARWASH	Summarized transactions: 1	6.66
387			
388		<b>Price Range Total:</b>	181,833.92
389			
390			
391		<b>Grand Total:</b>	12,602,235.32

Attachment: AP Board CrMo (12416 : Review of Accounts Payable)



## FOR BOARD ACTION

Agenda Item # (ID # 12413)

Meeting Date: 9/29/2020

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**SUBJECT: Preliminary 2021 Water and Electric Budgets**

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**PREPARED BY: Mark Kotschevar**

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ITEM DESCRIPTION:

Staff presented an overview of the proposed 2021 water and electric budgets included in the board packet at last month's meeting. Those preliminary budgets were also included in the City Council's September 14th study session packet with a high level review conducted as part of the overall City budget review process. Final board approval of the budgets is scheduled for the October 27th board meeting, with staff available at this meeting to answer any questions or prepare any follow up information requested for the October meeting.

UTILITY BOARD ACTION REQUESTED:

No action requested. Continued discussion on the water and electric budgets.

## FOR BOARD ACTION

Agenda Item # (ID # 12417)

Meeting Date: 9/29/2020

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**SUBJECT: RPU Index of Board Policies**

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**PREPARED BY: Christina Bailey**

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ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

ROCHESTER PUBLIC UTILITIES		
INDEX OF BOARD POLICIES		
	REVISION DATE	RESPONSIBLE BOARD COMMITTEE
<b>BOARD</b>		
1. Mission Statement	6/26/2012	Policy
2. Responsibilities and Functions	3/27/2012	Policy
3. Relationship with the Common Council	2/28/2012	Policy
4. Board Organization	3/27/2018	Policy
5. Board Procedures	3/27/2012	Policy
6. Delegation of Authority/Relationship with Management	7/24/2018	Policy
7. Member Attendance at Conferences and Meetings	12/18/2018	Policy
8. Board Member Expenses	12/18/2018	Policy
9. Conflict of Interest	11/26/1985	Delete
10. Alcohol and Illegal Drugs	7/28/1988	Delete
11. Worker Safety	3/27/2012	Policy
<b>CUSTOMER</b>		
12. Customer Relations	4/30/2019	Ops & Admin
13. Public Information and Outreach	4/30/2019	Communications
14. Application for Service	7/1/2016	Ops & Admin
15. Electric Utility Line Extension Policy	3/28/2017	Finance
16. Billing, Credit and Collections Policy	12/17/2019	Finance
17. Electric Service Availability	10/29/2019	Ops & Admin
18. Water and Electric Metering	6/26/2018	Ops & Admin
19. Electric & Water Bill Adjustment	3/10/1994	Finance
20. Rates	7/25/2017	Finance
21. Involuntary Disconnection	4/24/2018	Communications
<b>ADMINISTRATIVE</b>		
22. Acquisition and Disposal of Interest in Real Property	12/19/2017	Ops & Admin
23. Electric Utility Cash Reserve Policy	1/28/2020	Finance
24. Water Utility Cash Reserve Policy	1/28/2020	Finance
25. Charitable Contributions	6/25/2019	Communications
26. Utility Compliance	10/24/2017	Communications
27. Contribution in Lieu of Taxes	6/29/1999	Finance
28. Debt Issuance (PENDING)	PENDING	Finance
29. Joint-Use of Fixed Facilities and Land Rights	10/8/1996	Ops & Admin
30. Customer Data Policy	10/9/2014	Communications
31. Life Support	9/24/2019	Communications
32. Undergrounding Policy (PENDING)	PENDING	Ops & Admin
Red - Currently being worked on		
Yellow - Will be scheduled for revision		